

**CORPORATION OF THE CITY OF COURTENAY
COMMITTEE OF THE WHOLE MEETING AGENDA**

Date: June 28, 2021
Time: 4:00 p.m.
Location: City Hall Council Chambers

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

Due to the COVID-19 pandemic, and in accordance with Ministerial Order No. M192/2020 and the Class Order (mass gatherings), Council meetings will be conducted virtually and live-streamed on the City of Courtenay's YouTube channel.

K'OMOKS FIRST NATION ACKNOWLEDGEMENT

	Pages
1. STAFF REPORTS/PRESENTATIONS	
1.1. CAO and Legislative Services	
1.1.1. Consideration of the 2020 Annual Municipal Report pursuant to Section 99 of the Community Charter	3
1.2. Financial Services	
1.2.1. 2022/2023 RCMP Policing Expenditure Approval in Principal	63
1.2.2. 2020 Annual Development Cost Charges (DCC) Report	89
2. EXTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION	
2.1. Letter from K'omoks First Nation (KFN) RE: Adoption and Implementation of K'omoks First Nation Cultural and Heritage Policy	95
Suggested motion:	
<i>"THAT Council direct staff to work with local municipalities and K'omoks First Nation (KFN) to discuss the process and steps required to implement the KFN Cultural and Heritage Policy."</i>	
3. INTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION	

4. RESOLUTIONS OF COUNCIL

- 4.1. Mayor Wells - Resolution of Council - Full Service Hospital for Central and North Island at Nanaimo Regional General Hospital

"WHEREAS the Council of the City of Courtenay supports the March 9th, 2021 Regional District of Nanaimo resolution "Full Service Hospital for Central and North Island at Nanaimo Regional General Hospital";

THEREFORE BE IT RESOLVED THAT Council direct staff to write a letter to the Honourable John Horgan, Premier; the Honourable Adrian Dix, Minister of Health; and the Honourable Selina Robinson, Minister of Finance; requesting the Province of British Columbia commit to a plan and timeline of five to eight years for a new patient tower and diagnostic treatment centre, including cardiac services and cardiac cath lab, and a new full-service cancer centre at Nanaimo Regional General Hospital; and,

THAT a meeting be requested with the Honourable Adrian Dix, Minister of Health; and the Honourable Josie Osborne, Minister of Municipal Affairs to speak to the necessity of a full service hospital at the Nanaimo Regional General Hospital to better serve the medical needs of Central and North Island community members; and,

THAT the letter be copied to the Comox Strathcona Regional Hospital District (CSRHD) Board."

5. UNFINISHED BUSINESS

- 5.1. Comox Valley Transit Infrastructure Study

(At the June 21st, 2021 Regular Council meeting, the presentation regarding the Comox Valley Transit Infrastructure Study identified potential transit exchange locations for Council's consideration. A Letter of Support in Principle was requested.)

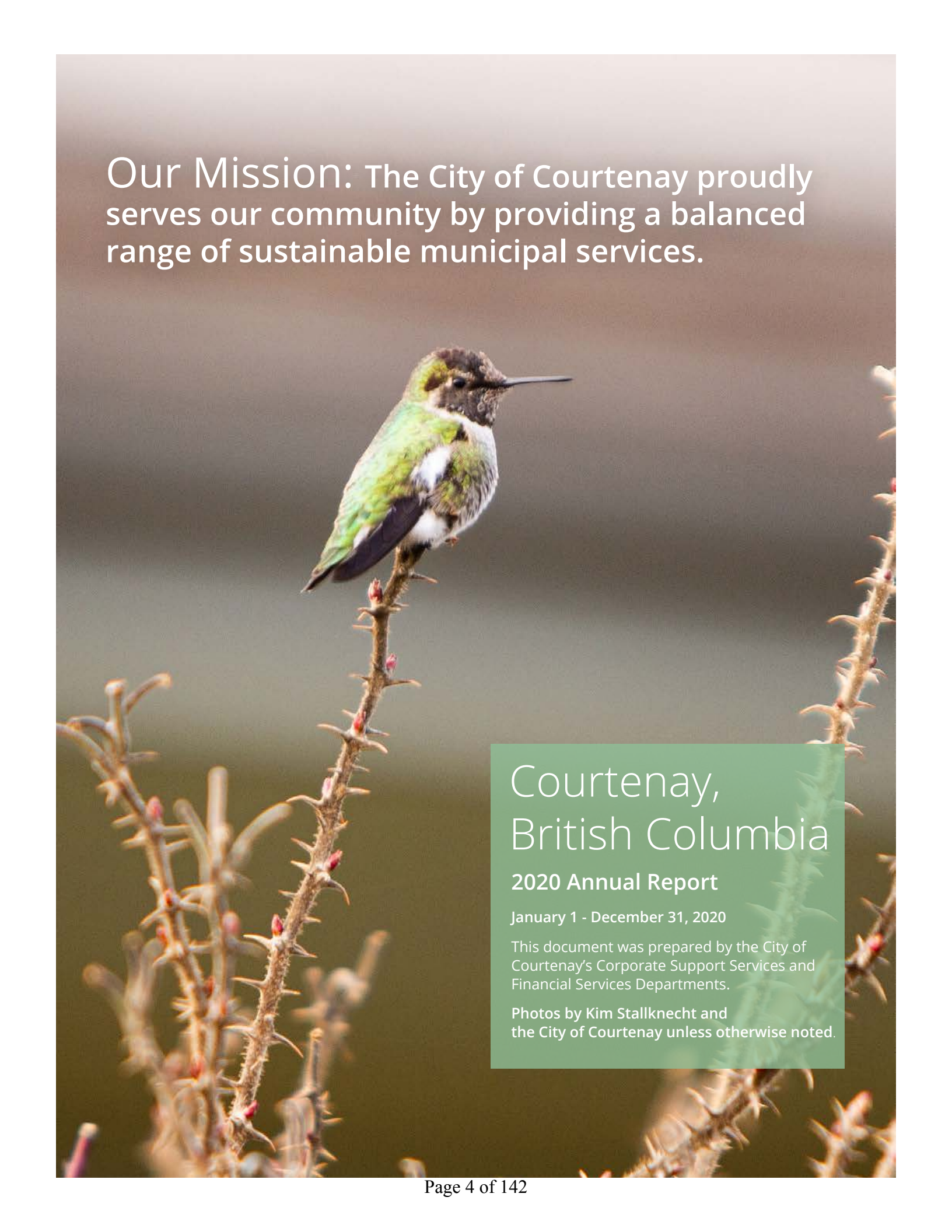
Suggested motion:

"THAT Council REFER the materials presented regarding the Comox Valley Transit Infrastructure Study to staff for report back to Council at a future meeting date."

6. ADJOURNMENT

2020 ANNUAL REPORT



A photograph of a hummingbird perched on a thorny branch. The bird has iridescent green feathers on its back and wings, a white breast, and a dark head with a long, thin beak. The background is a soft, out-of-focus natural setting.

Our Mission: The City of Courtenay proudly serves our community by providing a balanced range of sustainable municipal services.

Courtenay, British Columbia

2020 Annual Report

January 1 - December 31, 2020

This document was prepared by the City of Courtenay's Corporate Support Services and Financial Services Departments.

Photos by Kim Stallknecht and the City of Courtenay unless otherwise noted.

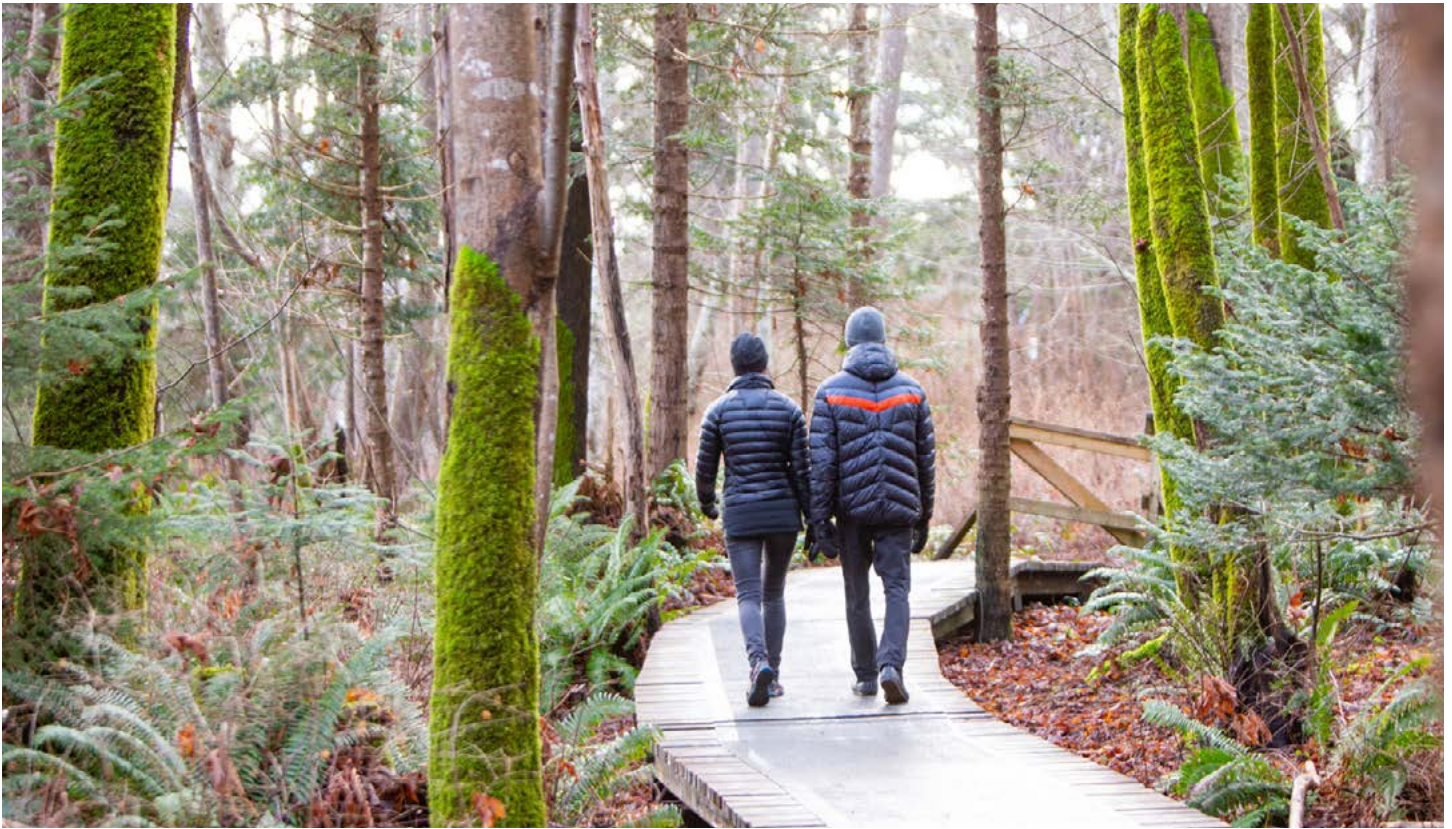


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Message from the Mayor

2020 represented a seismic shift as we rapidly and unexpectedly adapted to life in a pandemic, including unprecedented restrictions on our daily lives. Only now, nearly one and a half years later, are we cautiously emerging from this challenging time thanks to the scientists and medical professionals who have developed highly effective vaccines and are leading us out of this public health crisis.

Our thoughts go out to all those whose lives have been affected by COVID.

We have been relatively fortunate on Vancouver Island compared to others across the country and internationally. For that we can credit the collective efforts of our island residents, businesses, and communities who followed public health guidelines and restrictions, and of course our tremendous health care workers and emergency responders who have been dealing with this crisis head-on since last year to keep us safe.

As someone who has worked with technology my entire adult life, it was gratifying and inspiring to see how virtual options helped people stay connected with their family, friends, loved ones, and colleagues, even while we were being advised to stay apart.

I'm proud of how the City of Courtenay rose to the challenge of implementing these new tools for various purposes including Council meetings, public hearings, and community consultation, and excited that expanded communication options will remain available in the future to support openness, transparency, accessibility, and accountability in local government.

Other priorities in Courtenay in 2020 included coordinating with local agencies and community groups on the immediate needs of those who are unhoused. Numerous initiatives with the Comox Valley Coalition to End Homelessness in 2020 included emergency funding to support the continued operations of several local agencies while they waited for provincial and federal support.

Another area of concern is housing affordability. Courtenay Council has declared our support for housing diversity through our Strategic Priorities and is actively working on finding solutions. Through the consultation process for our Official Community Plan (OCP) update, housing choice emerged as a priority for our community, including support for rentals, suites, townhomes and small apartments.

Our updated OCP is also setting ambitious targets to address climate change, including a commitment to reach net-zero emissions by 2050. At the same time, we are preparing for a range of impacts that are predicted to include rising temperatures, sea level rise, more frequent flooding, decreased snow packs, and increased wildfire risks.

We're very mindful of building on good relations with K'ómoks First Nation, on whose traditional territory we live, work, and play. Courtenay has adopted the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), formally enshrining the City of Courtenay's commitment to reconciliation. Courtenay is one of the first local governments in BC to adopt UNDRIP principles.



Further, our Council has committed to a focus on equity and inclusion in our strategic planning for 2021.

I am profoundly grateful to my Council colleagues and our City staff for their deep dedication to addressing these myriad challenges and opportunities. I know that we will do everything in our power to ensure we are positioned to tackle these priorities head-on, for the benefit of this community we all know and love and the people within it.

Mayor Bob Wells



Mayor and Council

Top row (left to right:) Manno Theos, David Frisch, Doug Hillian, Will Cole-Hamilton

Bottom row (left to right:) Wendy Morin, Bob Wells, Melanie McCollum

Courtenay Council was elected to a four year term in October 2018.

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 encouraged to view and participate in the Council meeting process. COVID-19 has resulted in temporary changes to in-person participation in Council meetings. Please visit www.courtenay.ca/councilmeetings for the latest information.

Council Meetings are generally held on the first and third Mondays of each month, and Strategic Planning/Committee of the Whole meetings occur on the last Monday of the month. For more information on City Council, including meeting agendas, minutes, and video, and appearing as a Council delegation, go to www.courtenay.ca/council

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Message from the Chief Administrative Officer

On behalf of the staff of the City of Courtenay, thank you for reviewing this annual report and learning more about the City's operations and projects during what proved to be a historically challenging year.

I am new in the role of CAO for the City of Courtenay as of April 2021, but I'm very familiar with the organization and the community, having previously worked at the City of Courtenay from 2003 to 2006, and as a Comox Valley resident for over 20 years. I am a community planner by training with a focus on growth management, climate adaptation and resiliency, community engagement and Indigenous relations.

I've seen first-hand how dramatically COVID-19 has impacted the lives of our residents, as well as our community's many businesses and organizations.

Now, thanks to an incredible vaccine roll-out, there is renewed hope for a return to normalcy, and tremendous gratitude for all of the health care workers, first responders, and all essential workers who have helped get us through this pandemic.

Every aspect of City operations was impacted by COVID-19, with particular focus on adapting to provincial public health orders and Worksafe BC guidelines as they evolved throughout the year, at all times focused on keeping the public and our staff safe.

COVID-19 affected the City financially as well. With significant drops in many of our usual revenue sources, such as gaming funds, recreation programs, and interest, as well as increased costs for sanitation and various other health

and safety requirements, the current and future budget planning process was put under serious strain. The City was therefore tremendously grateful to receive a \$4.149 million Safe Restart Grant for Local Government from the Province of BC in November 2020. Eligible expenses for these funds include addressing revenue shortfalls, facility operating costs, emergency planning and response, protective services, and supports for vulnerable persons.

Despite the pandemic, the City made progress on numerous important initiatives, including the update to our community's Official Community Plan (OCP). Following a well-attended community Ideas Fair in February, consultation plans were completely overhauled to focus on virtual engagement, progressing to small-in person neighbourhood meetings in the fall. The draft OCP will be available this summer.

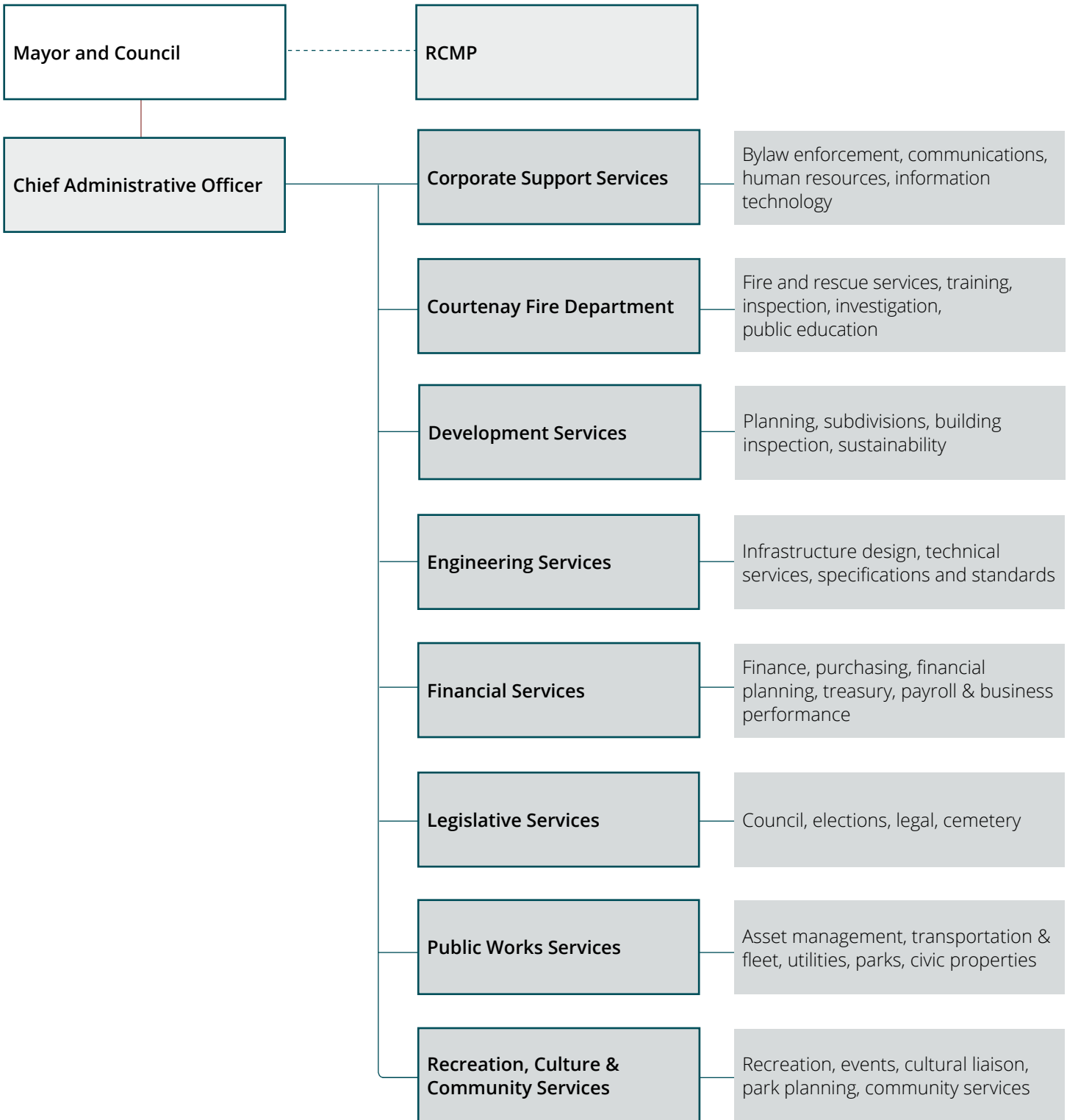
I'm excited to work with Council and staff as we make progress on Courtenay's Strategic Priorities over the mid and longer term, and look forward to engaging with the community. Above all, I'm extremely grateful to be rejoining this fantastic team and providing support in whatever way I possibly can as our organization and our community continue down the road to recovery from the COVID-19 pandemic.

Geoff Garbutt
Chief Administrative Officer



Organizational Chart

As of December 31, 2020



About Courtenay

The City of Courtenay is the largest community in the Comox Valley on the east coast of Vancouver Island in the province of British Columbia, Canada. The Comox Valley communities of Courtenay, Comox and Cumberland are on the traditional territory of the K'ómoks First Nation. Courtenay was incorporated in 1915.

Courtenay's lively downtown core features an assortment of shops, galleries, and restaurants — many with locally produced ingredients from a thriving agricultural community.

The stunning Courtenay Riverway connects downtown Courtenay with the City's southern boundary. This walkway borders the Courtenay Estuary, offering visitors an opportunity to view a variety of birds, fish, and native plants.

World-class recreational opportunities await in Courtenay and its neighbouring communities, including golf, mountain biking, skiing, and hiking.





Strategic Priorities 2019 to 2022



Area of Control

The policy, works and programming matters that fall within Council's jurisdictional authority to act



Area of Influence

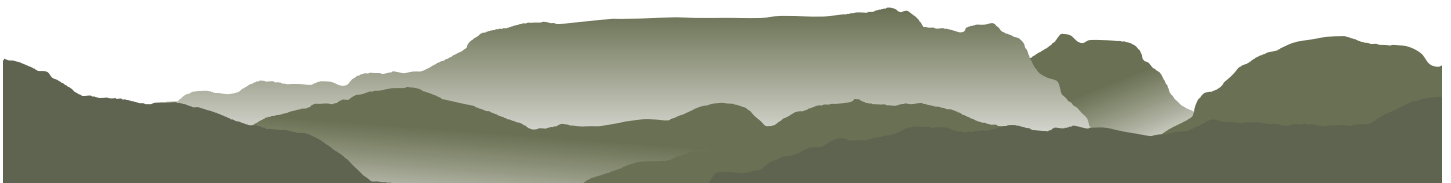
Matters that fall within shared or agreed jurisdiction between Council and another government or party



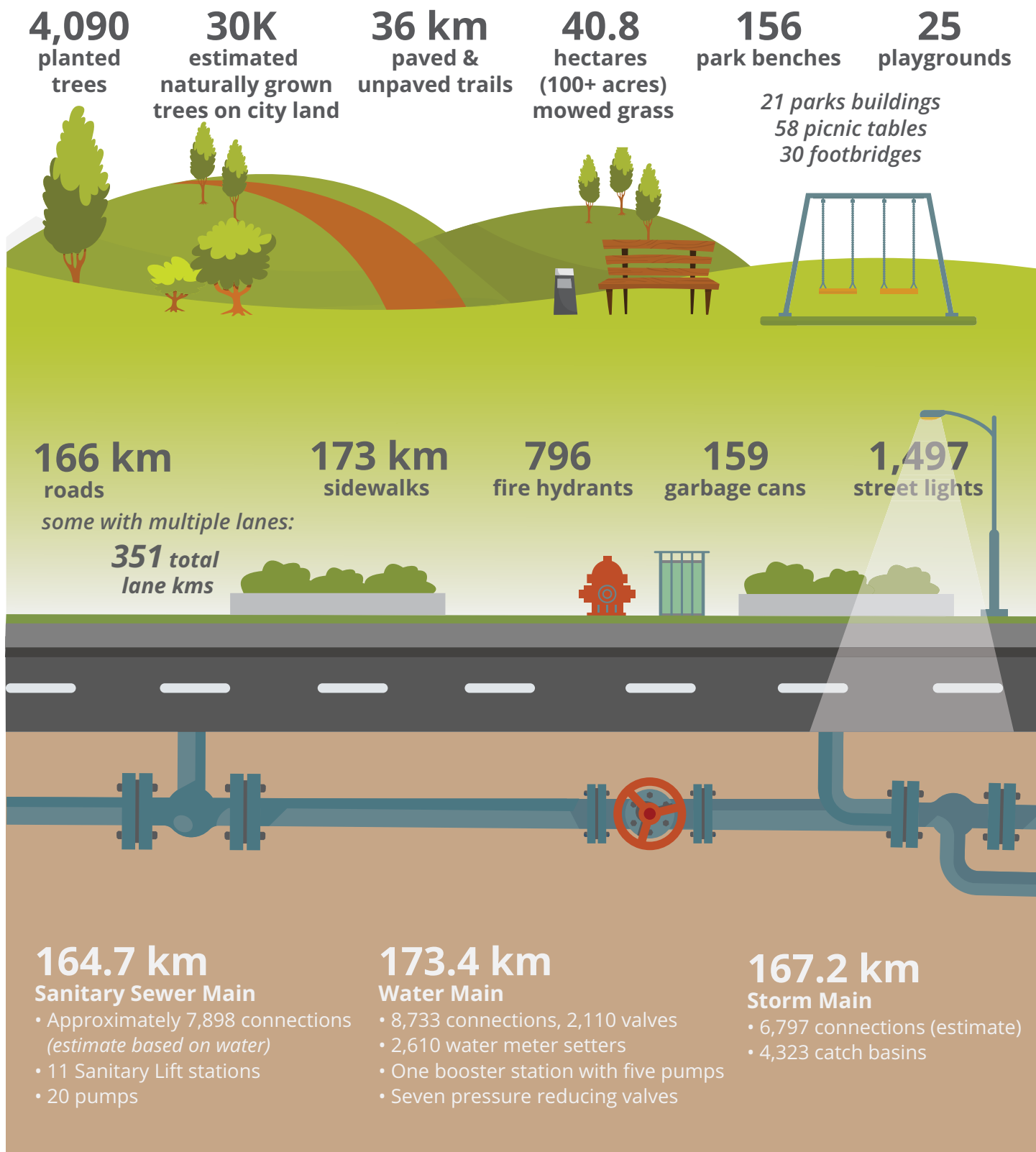
Area of Concern

Matters of interest outside Council's jurisdictional authority to act

We focus on organizational & governance excellence	We proactively plan & invest in our natural & built environment	We actively pursue vibrant economic development	We plan & invest in methods of multi-modal transportation	We support diversity in housing & reasoned land use planning	We continually invest in our key relationships
<ul style="list-style-type: none"> ● Support and encourage initiatives to improve efficiencies ● Recognize staff capacity is a finite resource and support staff training and development ● Communicate appropriately with our community in all decisions we make ● Responsibly provide services at levels which the people we serve are willing to pay ● Value community safety and support our protective services 	<ul style="list-style-type: none"> ● Focus on asset management for sustainable service delivery ▲ Look for regional infrastructure solutions for shared services ▲ Support actions to address Climate Change mitigation & adaptation ● Make progress on the objectives of the BC Climate Action Charter ● Advocate, collaborate and act to reduce air quality contaminants ▲ Support social, economic & environmental sustainability solutions 	<ul style="list-style-type: none"> ● Engage with businesses and the public to continue revitalizing our downtown ▲ Continue to support Arts and Culture ● Work with the business and development sectors to mutually improve efficiencies ▲ Continue to explore innovative and effective economic development opportunities 	<ul style="list-style-type: none"> ● Move forward with implementing the City's Transportation Master Plan ▲ Collaborate with regional and senior government partners to provide cost-effective transportation solutions ● Explore opportunities for Electric Vehicle Charging Stations 	<ul style="list-style-type: none"> ● Complete an update of the City's OCP and Zoning Bylaws ● Assess how city-owned lands can support our strategic land purchases and sales ▲ Identify and support opportunities for lower cost housing and advocate for senior government support ● Encourage and support housing diversity ● Continue to develop and revisit all infrastructure master plans 	<ul style="list-style-type: none"> ● Build on our good relations with K'ómoks First Nation and practice Reconciliation ● Value and recognize the importance of our volunteers ● Consider effective ways to engage with and partner for the health and safety of the community ▲ Advocate and cooperate with local and senior governments on regional issues affecting our community ● Support improving accessibility to all City services



Managing our Assets



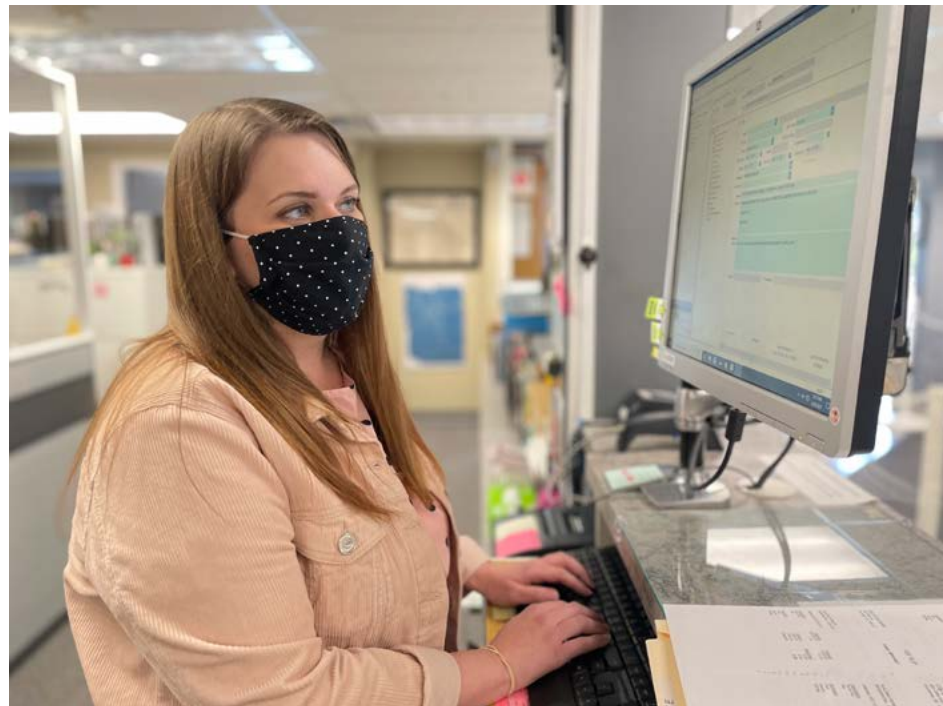
Adapting to COVID-19

Maintaining Courtenay's Essential Services

What do the following things have in common? The water coming out of the tap, sewage flushing away, the sidewalks underneath our feet, curbside waste collection, the roads we drive on, and the parks, trails and open spaces we enjoy – all of these are services provided by or through local government.

And even during a pandemic, these essential services must be maintained for public health and safety and to keep our community moving.

So, while City of Courtenay facilities closed to the public in mid-March 2020, staff continued as many operations as possible under the circumstances. City staff provided support by phone and email as needed. A limited number of in-person appointments were available at City Hall, with controls in place to ensure Worksafe BC guidelines on maximum building capacity during COVID-19 were not exceeded.



Courtenay Council Goes Virtual

Courtenay Council began live streaming meetings in late March to replace public in-person attendance at council meetings.

Starting in late April, Council meetings went to a full digital format with all meeting participants using the Zoom platform.

Virtual Public Hearings

Online Public Hearings for development applications began in December, allowing the public to safely have a say on proposed bylaws such as zoning changes and amendments to the Official Community Plan.

Options to participate included online through Zoom or by telephone conferencing.

Digital Building Permits

Development Services implemented a new system for submitting building permits electronically as an interim measure during the pandemic.

- Applications for new single family homes, new multi-family sites and commercial projects are submitted electronically with all components on the City of Courtenay website
- Paper applications are accepted for smaller-scale projects such as accessory buildings or interior house alterations
- Building inspections are still conducted on site with appropriate safety measures in place



Courtenay Recreation Adapts to COVID-19

Courtenay Recreation staff and instructors are accustomed to being quick on their feet, but 2020 took it to a whole new level.

The City of Courtenay's busy recreation department needed to continually adapt throughout the year as provincial health orders and guidelines evolved. Industry-specific guidance was developed by the British Columbia Recreation and Parks Association (BCRPA) and other authorities.

Recreation safety plans and industry guidelines are updated regularly: www.courtenay.ca/safetyplans

Virtual Recreation

At the end of March with facilities closed, instructors began producing free videos for the public thanks to funding from the Comox Valley Community Foundation.

Videos for all ages include:

- Fitness, yoga, strength training and art for adults
- Skateboarding and crafting for teens
- Dance, crafts, games and science experiments for children

By the end of 2020, the Virtual Recreation series featured 75 videos created in-house by City staff and local instructors. Browse the collection at www.courtenay.ca/virtualrec

Summer Programs

Courtenay Recreation offered summer camps for children and teens as well as outdoor fitness classes for adults throughout the summer.

Fall and Winter Programs

Facilities reopened on a limited basis in the fall for registered program participants, Wellness Centre and fitness class participants only.

Courtenay Recreation also developed new reservation processes. This allowed workout times and classes to be booked through online registration and helped control maximum capacity and appropriate physical distancing. The reservation system also gathered necessary information should contact tracing be required.

In mid-November, adult programs paused while provincial health authorities developed new fitness guidelines. As a result, adult classes were limited to low-intensity fitness and Wellness Centre workouts.

All children's programs continued on an individual skill development basis.

We focus on organizational and governance excellence

Curbside Collection Schedule Rollout

Changes to regional landfill operations along with overall community growth resulted in the need to plan curbside collection schedule changes in Courtenay. Preparations for the change were underway between Public Works Services and Communications staff in collaboration with the collection contractor Emterra throughout much of 2020.

The schedule changes were needed following a decision by Comox Strathcona Waste Management that landfill facilities in the region would be closing on statutory holidays starting in 2021. These closures would impact curbside collection as waste could not be disposed at the landfill on those days.

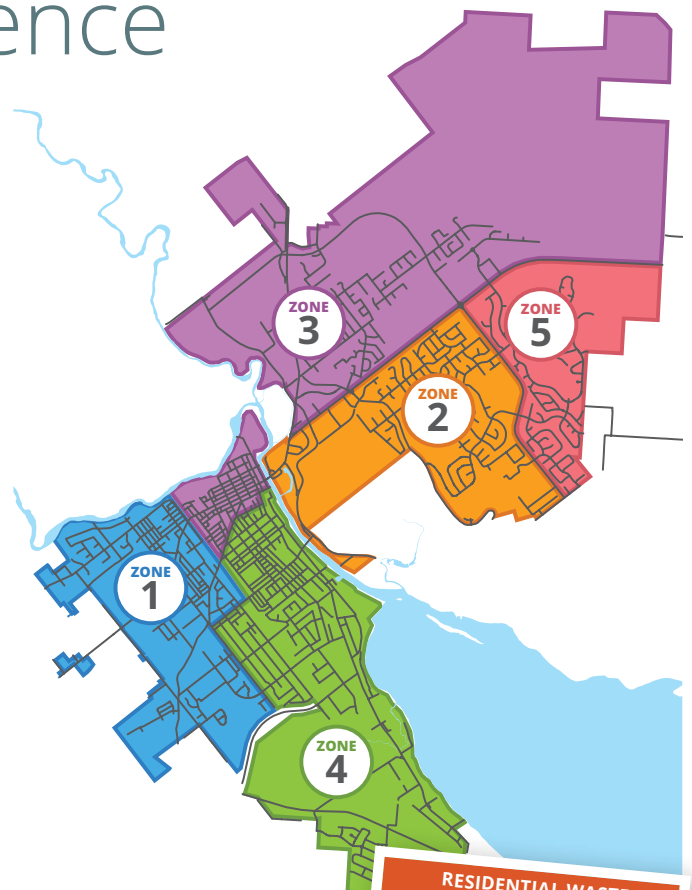
In conjunction with accommodating the regional landfill closures, the City also planned a redistribution of collection zone boundaries to create an additional collection zone, bringing the total number of zones to five. Courtenay has experienced significant residential growth in a number of neighbourhoods, in particular East Courtenay's Crown Isle and West Courtenay's The Ridge developments. Excessive waste volumes on some days were resulting in logistical and operational challenges.

To address both of these changes, in the spring of 2020 the City began coordinating a change to an "Add-A-Day" collection calendar, with curbside pickup shifting by one day after every statutory holiday. With the Add-a-Day collection calendar, "day" of pickup became "zone number" as collection shifts through the days of the week throughout the year. This type of calendar eliminates the need to reschedule collection for each statutory holiday.

2021 Residential Waste Collection Guides were distributed to households in December 2020, in conjunction with a public education campaign in local newspapers, radio, and online.

To ease the transition to the new schedule, residents were encouraged to sign up for reminders by text, email, or phone with **Courtenay Collects**. 2,011 households created reminders in 2020.

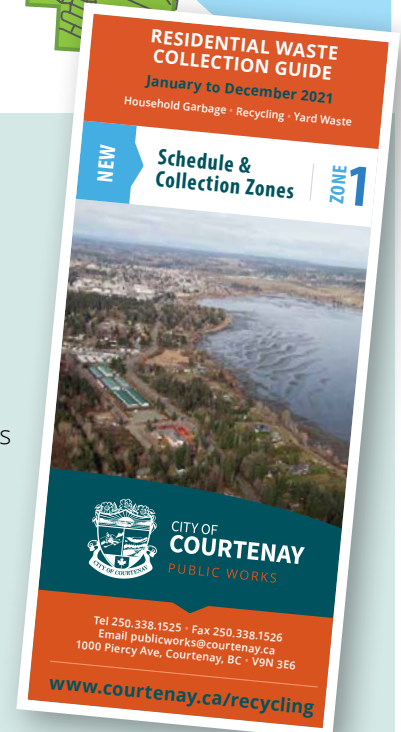
Learn more: www.courtenay.ca/recycling



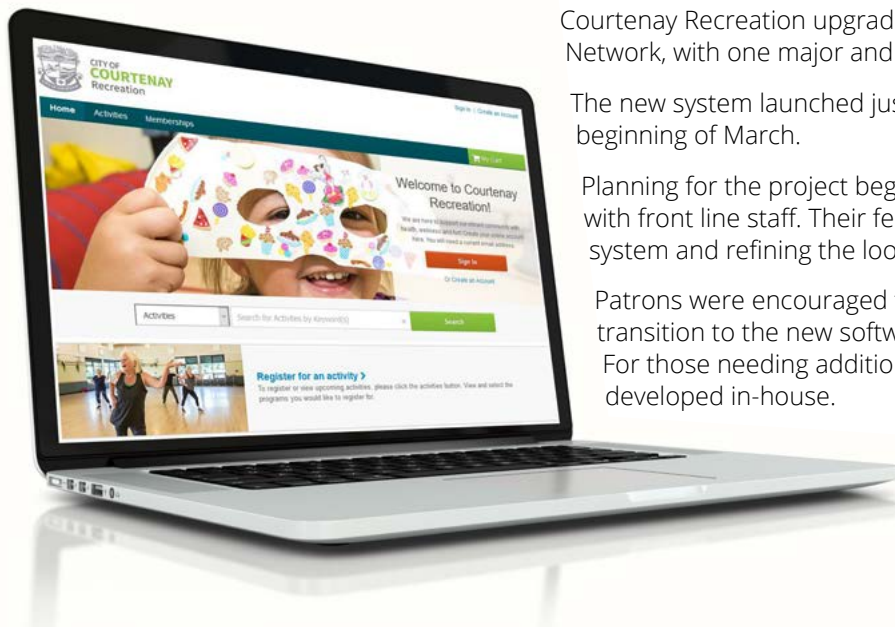
Separate Brochures for Each Zone

To ease the transition to the new schedule, households in each of Courtenay's five new zones received calendars specific to their area.

Over 9,000 households were categorized and cross-checked by zone using the City's GIS mapping tools and parcel data.



New Software for Courtenay Recreation



Courtenay Recreation upgraded to new software in 2020 powered by Active Network, with one major and long-awaited new feature: online registration.

The new system launched just in time for spring registration at the beginning of March.

Planning for the project began in 2019 in consultation and collaboration with front line staff. Their feedback was essential in developing the new system and refining the look and feel for staff and patrons alike.

Patrons were encouraged to create accounts in advance to ease the transition to the new software, with staff standing by to assist as needed. For those needing additional guidance, three how-to videos were developed in-house.

5,119 new accounts were created from October 2019 to December 2020.

New Engineering Services Agreement

Courtenay's Engineering Services Department works with consultants in various engineering fields, including highly specialized technical services.

With the previous agreement for consulting services expiring in 2020, known as an Engineering Services Agreement (ESA), Engineering staff took the opportunity to improve the process for the following types of services:

1. Strategic / Asset Planning Services
2. Infrastructure Design & Construction Administration Services
3. Environmental Assessments and Permitting
4. Archaeological Consulting Services

Applicants could provide services in a single category or multiple categories.

The new agreements will allow the City to benefit from consultants within their established scope of expertise, while also improving access to environmental and archaeological services.

Staff also updated procurement documents, their submittal format, and evaluation processes.

All documentation was streamlined and allowed proponents to highlight environmental and social sustainability initiatives, innovations, and practices. These documents now serve as a baseline for future procurements.

The City awarded contracts to eight consulting firms across the four service categories in September. This ESA has a three year term, with an option to extend for up to two additional one year terms.

Audit and Certifications

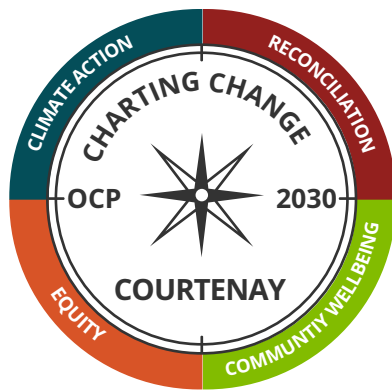
The Engineering Services Department passed an audit in 2020 under the Engineers and Geo-scientists BC's (EGBC) Organizational Quality Management (OQM) Program.

The audit process aligns with current best practices. Assessment included continuing education, quality management, code of ethics and declared practice areas.

In addition to the audit, three Engineering group members achieved their Project Management Professional certification and one member achieved his Certified Associate in Project Management from the Project Management Institute.

Official Community Plan Update

Official Community Plans (OCPs) are documents that identify a community vision in the face of change. The last significant update for Courtenay's OCP was in 2005. A broad effort is underway to update the OCP and is expected to carry the community forward over the next 10 years.



The OCP Update began in 2019 with background review and the establishment of an OCP Technical Advisory Committee.

2020 was a busy year for the OCP Update team with numerous public feedback sessions and extensive consultation with the community. In the midst of the pandemic, staff shifted some planned consultation online.

Community Comes Together at Ideas Fair

An Ideas Fair event in February at the Florence Filberg Centre invited the community to learn more about the OCP Update and provide feedback on how Courtenay should grow in the next 10 years – the last major in-person event for the City of Courtenay before COVID-19 impacted public participation.

This interactive event featured listening and watching booths, an artist facilitator, “Mayor for a Day” priority setting, neighbourhood mapping, and plenty of information panels.

Thank you to the 350 people who attended, contributed creative ideas, asked questions, and participated in creative exercises.



Story Map and Citizen's Workbook

Two online consultation tools launched in June to inspire discussion on community issues such as housing, land use, urban design, parks and public spaces, transportation and mobility, the natural environment and climate change, economic development, and public services and infrastructure.



Community members of all ages were encouraged to contribute photos to the Online Story Map and complete the Exploration Workbook.

Online Interactive Survey

An interactive visual survey in August invited respondents to weigh in with their opinion on where we grow, through proposed future growth hotspots; as well as how we grow, featuring ideas for the downtown core, urban centre, neighbourhood hubs, infill, and streets. 782 people filled out the survey and offered 1,830 comments.



Neighbourhood Walkshops

In October and November, the City hosted eleven in-person neighbourhood walkshops with community members across Courtenay.

Through the conversations that emerged, 134 residents offered geographically-specific input on and directions for the areas of the City in which they live, work, study, or play.

These in-person walkshops were supplemented by a series of nine virtual workshops that offered complementary opportunities to provide input.

Stakeholder Meetings

The OCP team consulted with community stakeholders and local government partners for Virtual Brainstorming Sessions to hear their views on climate change, priorities, and ideas for climate action and preparedness, linked to pandemic recovery. These eight sessions broadly matched the emerging goals of the OCP.

The findings from these discussions resulted in greater understanding of various issues and confirmed strong stakeholder support for the draft goals, vision and land use concept.

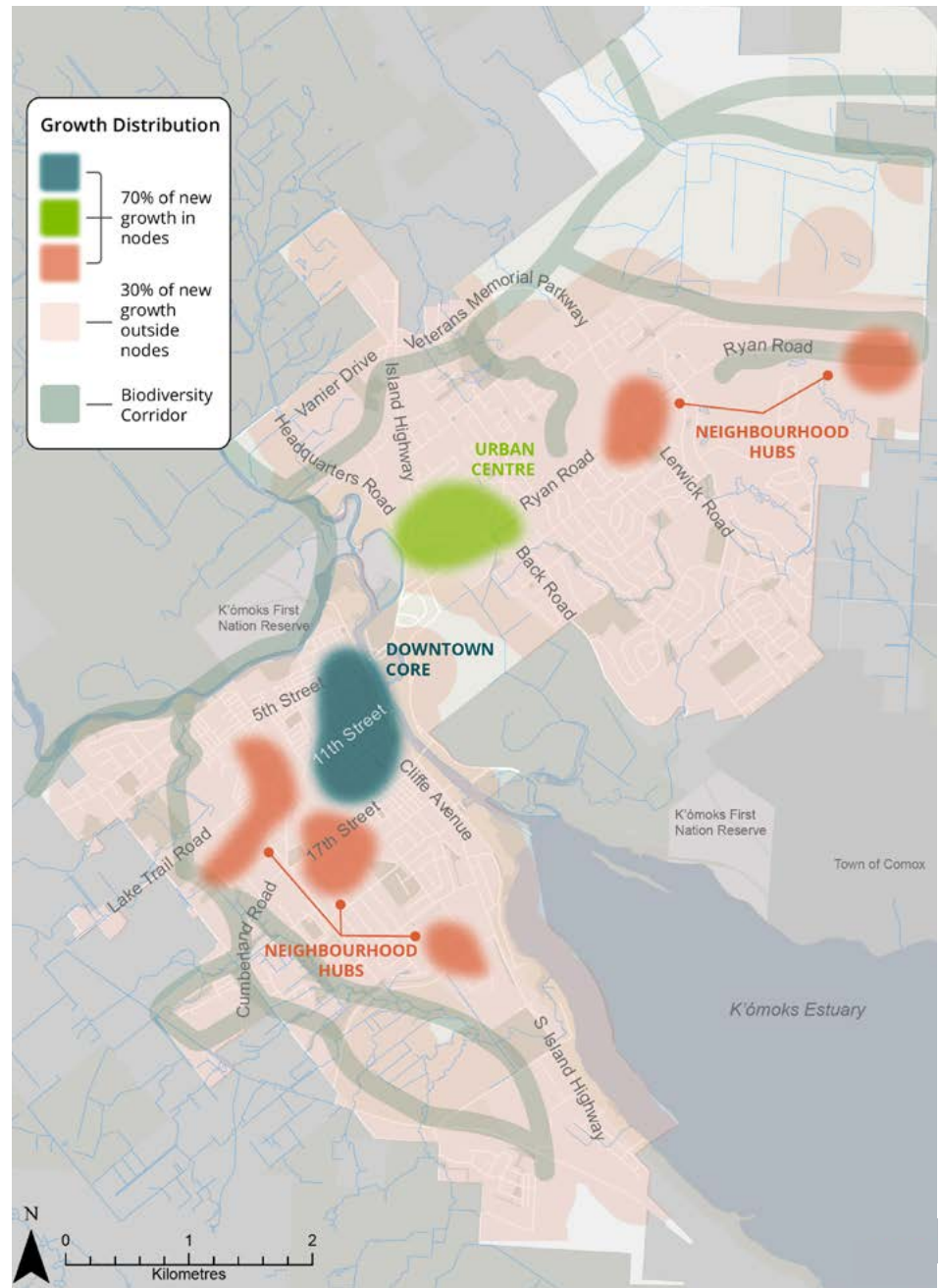
OCP Vision and Goals

The following priorities emerged from community consultation:

- Net-zero greenhouse gas emissions by 2050
- Inclusivity, equity and reconciliation
- Developing within existing urban centres and neighbourhoods for walkability and to maximize existing services
- More housing choices such as rentals, suites, townhomes and small apartments
- Transportation investments that support walking, cycling and transit
- Strong neighbourhoods with unique character and identity
- More space for and time in nature as part of all neighbourhoods
- Productive community relationships with the City
- Economic recovery and success that is ecologically and socially responsible and emerges from our community's values and sense of place

Growth Map

This map shows both growth and the biodiversity corridor within Courtenay. It is estimated that 70 per cent of new growth in Courtenay will take place in these highlighted areas.



Draft Plan Coming Soon

The draft OCP will be available for public comment in summer 2021.

Learn more: www.courtenay.ca/OCPupdate

Courtenay Fire Department

Training and COVID-19

The Courtenay Volunteer Fire Department's training division provides paid-for-call volunteers with opportunities to learn new skills and enhance existing skills.

The COVID-19 pandemic meant the department had to rapidly modify traditional training activities to comply with provincial health orders, Worksafe BC and industry guidelines.

In the spring, the department developed in-house training videos so volunteer firefighters could safely continue their professional development at home.

By summer, there was a return to modified hands-on training in smaller groups.

Training was delivered to smaller groups three nights a week instead of the usual weekly practice held prior to the pandemic.

Despite these challenges, new recruits from 2019 completed their various certifications needed to fully join the department, achieving National Fire Protection Association (NFPA) 1001 level 2 certification program, the same standard used by departments in large urban centres.



Modified Fire Prevention and Safety Programs

The Courtenay Volunteer Fire Department modified many of their usual programs in 2020 in response to the pandemic.

Fire inspections continued, but with new protocols to protect the health and safety of the public and inspectors. Low hazard businesses shifted to a self-inspection program, using a fire inspection checklist to ensure their properties were safe. Fire inspectors continued providing in-person inspections to higher hazard buildings, with COVID-19 safety protocols in place.

Education programs were also impacted by the pandemic.

The Fire Safety House which usually visits elementary schools could not run in 2020. Instead, one of the fire inspectors visited grade three classrooms around the Comox Valley in the fall to speak with students about fire safety. This program was well received by both students and teachers.

Fire inspectors provided smoke alarm checks on request with COVID -19 safety protocols in place.

2020 Fire Department By the Numbers



6
full time
6 in 2019

50
paid-for-call
46 in 2019

8
provisional
(waitlist)

553
emergency calls
566 in 2019



281
duty calls
240 in 2019



We proactively invest in our natural and built environment



South Courtenay Riverway Trail Extension

Construction on the South Courtenay Riverway Extension between Millard and Beachwood Roads in south Courtenay was largely completed by November. The 400-metre-long extension was built on the site of an old railway corridor that is owned by the City of Courtenay.

While the new trail is consistent with other existing gravel sections of the Courtenay Riverway, this portion of the corridor has a unique attribute. The majority of this section is bordered by private property on either side, including along the waterfront. Trail users are asked to respect private property and not trespass on these private lands. The corridor boundary is clearly marked by a low rail and signage. The nearest beach access remains at Millard Road.

The Courtenay Riverway is one of the Comox Valley's most popular and scenic attractions. It is an important recreational connection, encouraging physical activity, active transportation, and well-being for residents and visitors alike.

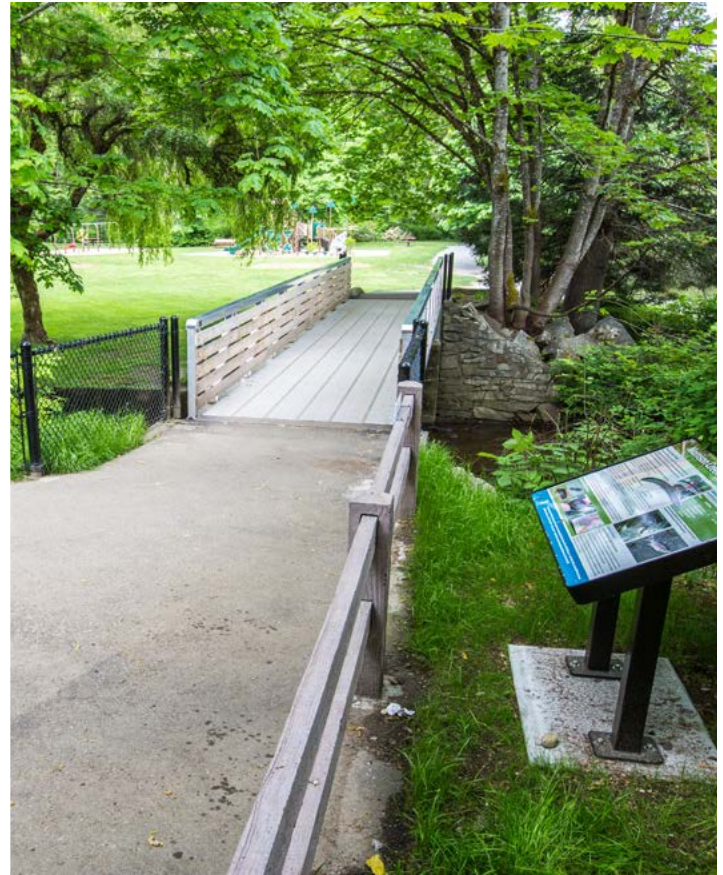
The existing Riverway Trail extends from 6th Street to Millard Road and is approximately 4 km long, depending on the route taken.

The South Courtenay Riverway Extension is the first phase of a project with a goal of eventually connecting the Courtenay Riverway to the Royston Seaside Trail.

Future Phases Two and Three

Phase Two, planned between Beachwood Road and Marriott Road, is approximately 350 meters long, continuing along the historic rail corridor to an undeveloped 1.4 acre waterfront City-owned parkland. Phase Two will not be constructed until an exit is acquired at Marriott Road.

Phase Three would connect Marriott Road to the regional trail at Chinook Road. As the City does not own land in this section, this phase will not proceed until a route is established.



Piercy Creek Outfall Realignment

Modifications to storm water infrastructure at Piercy Creek are reducing impacts on the environment during heavy rains.

A newly realigned storm water outfall was constructed near Piercy Creek Estates at Cumberland Road and 20th Street.

The Millard Piercy Watershed Stewards (MPWS) had recommended changes to the site due to storm water flows causing creek bed scouring and increased turbidity at times of intense rainfall. A Public Works inspection recommended changes to help dissipate the intense energy of storm water flows.

City of Courtenay staff worked collaboratively with MPWS, the Comox Valley Land Trust, Current Environmental, and McElhanney Engineering to develop a design that addressed the creek concerns, while still allowing storm water to rapidly drain and help prevent flooding.

New features include energy dissipation structures, stream riffles, and storm water discharge realignment.

New Bridge for Puntledge Park

Puntledge Park is now more accessible thanks to a new crossing installed in the spring.

A condition assessment of the old arched bridge indicated that it had reached the end of its useful life. After a review of various replacement options, upfront construction costs and asset life expectancy, a more modern bridge structure was chosen.

The new bridge is a level, 40-foot long aluminum and wood structure, in a style similar to other pedestrian and cyclist river crossings in other parks around the City.

The design of the new bridge allows an extra foot (30 cm) of width between the railings, increasing comfort and accessibility for bridge users, including those using strollers and mobility aids. The new bridge also meets current safety standards.

New Use for Old Dingwall Well

As part of the Sandwich Waterworks Conversion Project in north Courtenay completed in 2019, the City of Courtenay acquired a well on Dingwall Road. The well was previously a drinking water source through the former Sandwich Water Works District that has since disbanded.

In 2020, this well was converted to a non-potable fill station for City operations. Water from the well will be used for irrigation, street sweeping, and sewer maintenance.

This re-use of existing infrastructure will increase efficiency for City operations. It eliminates the need for crews to return to the Public Works Yard to refill their trucks, and reduces reliance on potable water for operational needs.

The conversion included the complete replacement of above ground mechanical infrastructure, upgrading the electrical wiring, and updating the well house interior and exterior.



Planting Trees

Tree planting is linked to Courtenay's Urban Forest Strategy, adopted in 2019. The strategy seeks to increase the tree canopy from 33% to 34 - 40% by 2050. Courtenay's canopy has been decreasing over time, with accelerating loss in the past four years as our community has grown.

In 2020, the City of Courtenay planted 61 trees, including:

- **32 residential street trees and three commercial street trees**
Species include Columnar Persian Ironwood, Frans Fontaine Hornbeam, Dawyck and Purple European Beech
- **26 Park Specimen Trees**
Noteworthy for their aesthetic and shade values, species include Garry Oak, Dove Tree and Golden Indian Bean Tree

Tree planting in 2020 was lower than anticipated due to the pandemic.

For more information on how the Urban Forest Strategy will guide how we as a community protect and manage trees on public and private land, visit www.courtenay.ca/urbanforest



New Green Space at The Ridge

There's a new park on Harbourview Boulevard at Fraser Road in South Courtenay.

12 specimen trees were planted in this green space, which is next to an existing forested area and Millard Creek. In addition, eight new street trees line the entrance to Harbourview Boulevard.



5th Street Bridge

Constructed in 1960, the Fifth Street Bridge requires structural improvements, new coating to repair and prevent corrosion, and deck repairs.

Engineers specializing in bridge construction and rehabilitation determined the bridge has not yet reached the end of its useful life, and upgrades are necessary to preserve its integrity and prevent deterioration. Bridge repair was strongly recommended as a cost-effective, faster, less disruptive option compared to full bridge replacement.

Consultation with the community helped inform the project plan and traffic management strategy, in addition to significant stakeholder outreach. Detailed design work evolved through 2019 and 2020.

Total project costs are estimated at \$6.5 million, funded through a combination of \$1.96 million in grant funding, \$0.94 million in reserves, and the remaining \$3.4 million in borrowing.

Active construction started in April 2021 and will continue for six months.



Greenwood Trunk

The Greenwood Trunk is the top priority project identified in the City of Courtenay's Sewer Master Plan. New sanitary sewer mains off Anderton Road and a new sewer pump station will re-route a portion of East Courtenay's sewage flows to an existing portion of the Greenwood Trunk Sewer constructed by the Comox Valley Regional District in 2017.

This project is required to accommodate current and anticipated development in the area.

The project includes:

- 600 metres of gravel roadway
- 1.6 km of gravity main
- 1.7 km of pressure main
- other supporting works

The contractor mobilized on site in June, with construction expected to continue until July 2021. Much of the project will occur on private property, with the main construction access to the site via a farm gate on Anderton Road.

Alternate Approval Processes (AAP)

An Alternate Approval Process (AAP) gives eligible electors (residents or non-resident property owners) the opportunity to express their opposition to borrowing. At least 10 per cent of eligible electors would need to register their opposition to the proposed bylaws.

Council sought elector consent in 2020 for funding two major projects.

Greenwood Trunk AAP

The Greenwood Trunk AAP launched in January. The project will increase capacity in the sewer system for current and future development in East Courtenay. \$3 million in borrowing was required to proceed with construction. One elector response form was received by the deadline, and Council approved the loan authorization bylaw in March.

5th Street Bridge AAP

The 5th Street Bridge AAP launched in September to measure public support for borrowing \$3.4 million to rehabilitate the 5th Street Bridge.

52 elector response forms were received by the deadline. Council approved the borrowing bylaw in December.



Funding for Electric Vehicle Charging Stations

Courtenay took part in a successful joint local and regional government application with 11 other mid-Vancouver Island jurisdictions for grant funding to install electric vehicle charging stations throughout Mid Vancouver Island. The initiative was led by the Regional District of Nanaimo.

As a result, the Province of British Columbia and Government of Canada approved funding for 28 new Level 2 electric vehicle (EV) charging stations in the mid-island region. Of the ten new stations for the Comox Valley, three will be installed in the City of Courtenay.

Approximately \$230,000 from the Province's CleanBC Communities Fund and \$275,000 from the federal government's Green Infrastructure Stream of the Investing in Canada Infrastructure Program (ICIP) will be available for the project, with participating local governments together investing more than \$183,000.

With grant funding in place, participating mid-island governments will collaborate on the final site locations as well as a joint Request for Proposals for the charging station supply and installation. The installations are expected to begin sometime in 2021.

Courtenay's EV charging stations will be installed in the following locations:

- **6th Street & England Avenue**
Downtown Courtenay Business Improvement Association (DCBIA): dual port station
- **Lewis Centre:** dual port station
- **City Hall:** single port station

This expansion of EV charging stations across Vancouver Island will create greater opportunities for clean transportation, helping to make electric cars a viable option for residents while reducing pollution and supporting local green energy solutions.

Elevator Upgrades

Elevators at the Florence Filberg Centre and the Centre for the Arts have undergone renovations and modernization, including new:

- Hydraulic pumps/lines
- Controllers
- Electrical
- LED lighting
- Interior finishes



CV Art Gallery staffer Deanna loading equipment into the upgraded elevator.

Photo by Cassidy Gehmlich

We actively pursue vibrant economic growth

Sidewalk Cafés

Courtenay Council approved changes to the sidewalk café program in May to expand outdoor seating capacity in downtown Courtenay. The change was intended to help downtown restaurants meet physical distancing requirements, while increasing potential income and offsetting challenges posed by the COVID-19 pandemic.

The addition to the existing sidewalk café program allowed restaurants to build a sidewalk patio across the sidewalk and spanning the full width of their business, or potentially even wider if adjacent businesses indicate their support. Previously, sidewalk café options were required to be immediately adjacent to the storefront.

Restaurants are required to maintain a minimum 1.5 metre-wide sidewalk for pedestrians. Translucent plastic shields may be installed on top of patio fencing, and the patio may occupy up to three on-street parking stalls, an increase from the previous two-stall maximum.

Three permits were approved in 2020 including one for a pedestrian walkway in the parking area and two for use of the parking area for a sidewalk café.

The sidewalk café program has been running since 2016. The program was developed through a downtown revitalization process, which included a series of consultation events with the downtown business community and the public. The resulting **Downtown Courtenay Playbook: A Partnership Action Plan** presents a long-term overarching vision and goals, along with a list of actions and broad timelines to help achieve them.



Temporary Patios

Courtenay Council granted flexibility throughout the City for restaurants needing additional space for seating on private land as a result of COVID-19 public health restrictions.

The temporary patio program suspended enforcement of off-street parking requirements to allow patio areas and seating, with the following criteria:

The restaurant's total number of seats should not increase over their usual capacity as a result of this program.

A patio may occupy up to half of a business's required parking. At a typical 100 seat restaurant, for example, up to eight of the required 17 parking stalls may be used.

Structures may include fencing, shields and ramps. The intent is to keep the patios temporary and also avoid requirements for other City processes such as development permits which could be required if more substantial structures were involved.

The patios must not be located over an existing landscaped area or be in a yard beside a residential area to avoid potential impacts such as noise or loss of privacy. Hours of operation must be between 7 a.m. and 10 p.m. Businesses are not required to submit an application for a temporary patio.

This program was originally scheduled to expire in November 2020 but was extended to November 1, 2021.

Other Council measures to support the local business community in response to COVID-19 included extending the deadline for annual flat commercial utility billing, approved by Council in late March 2020.

We value multi-modal transportation in our community



Veterans Memorial Parkway

The City of Courtenay's major road maintenance project of the year was on Veterans Memorial Parkway, an important corridor that connects the north end of the City to the hospital, the college, and other east Courtenay residential and business areas.

The project added the final "lift," or top layer, of asphalt to the existing pavement between the North Island Highway and Mission Road. The project improved conditions for cyclists by smoothing the transition between the curb and gutter, and added new road markings for dedicated bike lanes.

The work also extended the sidewalk from Valley Vista Estates to the existing gravel multi-use pathway, and improved the bus stop at Caledon Crescent. New pedestrian flashing lights were installed at the crosswalk at Caledon Crescent.

A new road marking installation technique was used for the project.

The method involves inlaying thermoplastic paint into a groove in the pavement. The resulting road markings are highly visible and extremely durable, lasting on average 7 to 10 years before requiring any maintenance, or around twice as long as the next most durable road painting method. This low-maintenance roadway will mean lower long-term costs for taxpayers, and fewer future travel delays for all modes of transportation.

A pilot project in the summer and fall tested new flexible delineator posts along the edge of the bike lane to visually separate bikes and motor vehicles. The delineators were recommended in Courtenay's Cycling Network Plan for higher-volume roads where space is available.

The city is assessing the performance and longevity of the delineators in consultation with cycling groups to determine where and how these posts could potentially be redeployed.

Lest We Forget

In the fall, Mayor Bob Wells and representatives from the Courtenay, Comox, and Cumberland Legions and RCMP Inspector Mike Kurvers unveiled new signage at both ends of Veterans Memorial Parkway.

The signs feature poppies and the phrase, "Lest We Forget" – a permanent expression of gratitude for veterans.





6th Street Active Transportation Bridge

A 6th Street Multi-Use Bridge would provide a dedicated cycling and pedestrian connection between downtown and Simms Millennium Park as well as a connection to the future cycling network along 6th Street, Anderton Avenue, the Courtenay Riverway Trail, and the pathway connection to the Lewis Centre.

A detailed analysis of various options was conducted in 2019 and 2020. Four design alternatives were originally considered, then narrowed down to two shortlisted options: a cable-stayed bridge and a network arch bridge.

Following a careful review of numerous factors, including structural and environmental considerations, cost, comfort for bridge users, and aesthetics, Council's preferred design was a symmetrical cable-stayed bridge.

The cable-stayed bridge was determined to have a smaller environmental footprint with fewer trees removed in Simms Park, less construction impacts, a more attractive appearance, and lower overall costs.

Half the cost of the bridge study was covered by a \$29,300 grant from the Federation of Canadian Municipalities.

Several community studies have highlighted the need for improved connectivity across the Courtenay River for multi-modal transportation, including the **Comox Valley Regional Growth Strategy**, the **Downtown Courtenay Playbook** downtown vitalization plan adopted in 2016, and the **Parks and Recreation Master Plan, Connecting Courtenay Transportation Master Plan**, and **Cycling Network Plan** adopted in 2019.

Total project costs are estimated at \$4.988 million, including lighting and a public art installation. The City of Courtenay is actively seeking grant funding opportunities to support the project.

To learn more about the 6th Street Bridge Bridge Project visit www.courtenay.ca/sixthstreetbridge

We support diversity in housing and reasoned land use planning

Multi-residential Developments Experience Growth

In 2020, the City of Courtenay issued 19 permits for a total of 253 units for multi-residential dwellings in Courtenay. This is compared to 15 permits totaling 240 units in 2019. The total construction value for 2020 permits is just over \$40 million dollars.

Multi-residential Development Benefits

Given a lack of housing options, a crisis in affordability, a changing and aging demographic and a 2020 regional housing needs assessment that identifies a need for more forms of housing than the common single family dwelling, Courtenay Council supports diversity in housing as a strategic priority.

Housing need is demonstrated by the vacancy rate in Courtenay. The rate as of October 2020 was 1.1% and this is around where it has remained for the last several years. A healthy rental market is about 5 – 6% vacancy. It is expected that large apartment developments currently under construction in Courtenay will help boost the vacancy rate to a healthier level.

This context and the Official Community Plan (OCP) goal to create more compact and complete neighbourhoods means that multi-residential development makes a lot of sense. Multi-residential housing design is varied and can include anything from small four-plexes designed to look like a traditional single family home to multi-story apartment style buildings and anything in between.

Larger multi-residential buildings are encouraged in neighbourhood centres close to employment, transit and schools. This allows for more travel options like walking, cycling and taking the bus. When near a concentration of local businesses, multi-residential homes can also contribute to a vibrant commercial and social atmosphere.



2020 Courtenay Development Statistics



83 subdivision lots approved compared to 213 in 2019



214 Building Permits issued compared to 283 in 2019



\$158.4 million in total value of Building Permits compared to 95.2 million in 2019



1756 Business Licences issued compared to 2244 in 2019

Updated Building Bylaw

A new building regulation bylaw adopted in 2020 implemented the BC Energy Step Code and updated and aligned our bylaw and processes with industry standard practices.

The City's former building regulation bylaw was adopted just over 16 years ago and was based on the Municipal Insurance Association of British Columbia's (MIABC) 2002 Core building bylaw.

The MIABC core bylaws contain sections that are not intended to be altered as they are designed to allow local governments to regulate construction while mitigating risk. Those sections were left untouched in this bylaw update. However, extensive consideration was put into review and edits of other sections of the bylaw to ensure it reflects the realities and established processes in Courtenay.

One of the drivers behind MIABC's recent update of the core bylaws was the introduction of the Building Act in 2015. The Building Act is British Columbia's first act dedicated solely to building and construction and was developed to modernize BC's regulatory system through establishing consistency in regulation, competencies for those involved with building and construction and providing better opportunities for innovation.

The Building Act has broad reaching powers that limit the authority of local government bylaws to establish technical requirements in excess of those addressed in the building code.

Courtenay's building bylaw does not contain any specific requirements of a technical nature that would be in conflict with the Building Act.

Updates to the new building regulation bylaw include:

- Implementation of BC Energy Step Code to identify energy efficiency targets.
- New building permit fees to offset the cost of administering permit applications and inspections.
- Changes to existing fees for permits, building moves, demo permits etc.
- Restructure and increase to security deposit fees.
- Solid fuel burning appliances are prohibited in new construction and requirements to upgrade to new higher energy appliances when replacement is required.

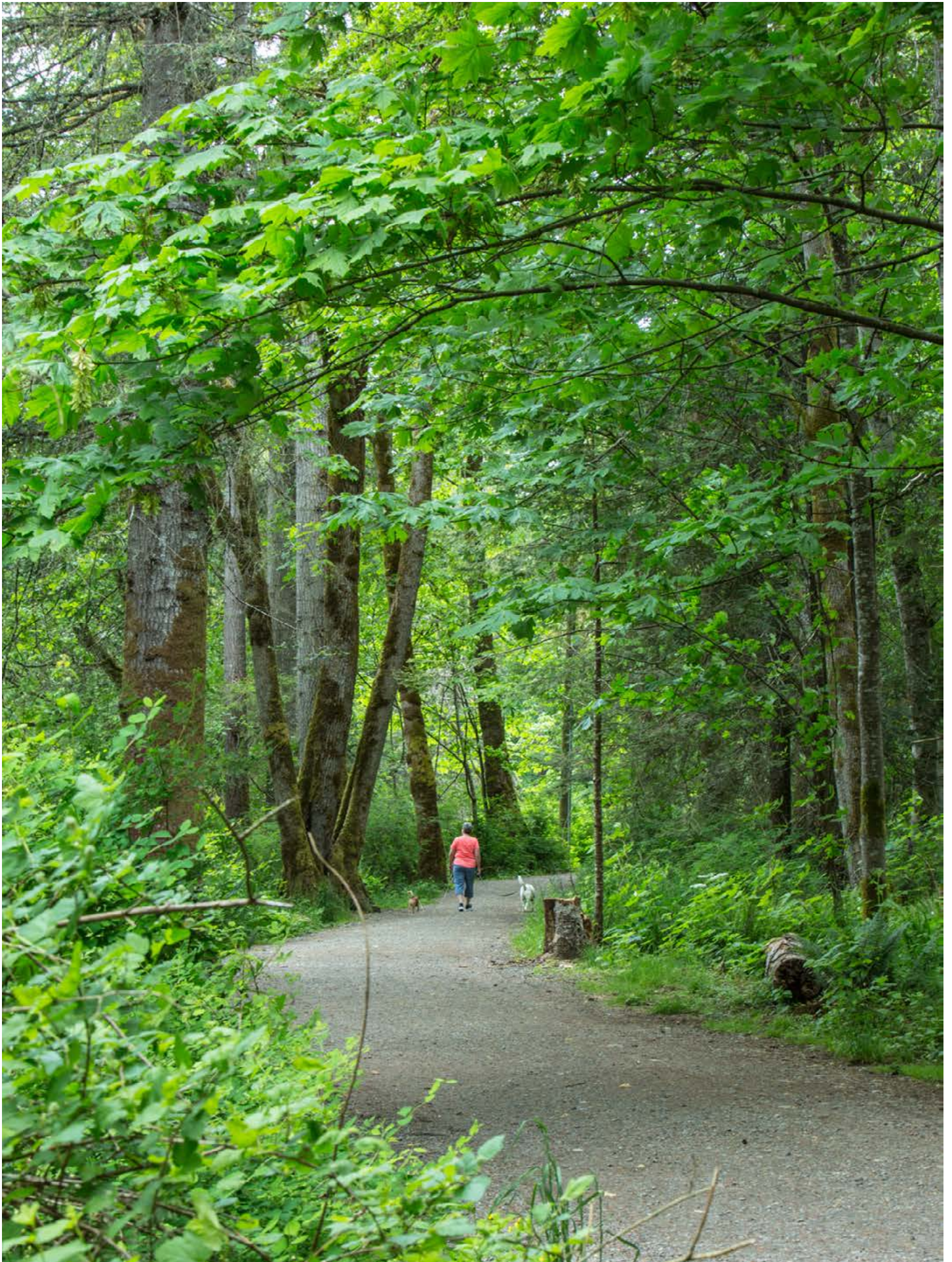


In November 2019 the City began preparing for the Energy Step Code to consider energy efficiency measures in the new building bylaw.

The City collaborated with the Community Energy Association and British Columbia Institute of Technology (BCIT) to provide a day of instruction for local builders interested in learning how to construct to the BC Energy Step Code. The session was presented by a Comox Valley Certified Energy Advisor.

Two weeks later the City hosted a drop in style open house for the building community. Around 45 builders, developers and designers provided feedback and gained knowledge to help move forward with the implementation of the Energy Step Code. Four Certified Energy Advisors, RDH Building Science Inc. (building envelope specialists) and a representative from Fortis BC were also in attendance to provide support and information on best practices for building to the Step Code and to share information about rebate programs.

Staff at the Town of Comox and the City of Courtenay proposed a coordinated approach that would see both municipalities implementing the Energy Step Code with similar schedules.



We invest in our key relationships



Connect Warming Centre Opens

A new warming centre pilot project for people experiencing homelessness opened in January in a City-owned facility at 685 Cliffe Avenue.

The centre is run by Comox Valley Coalition to End Homelessness (CVCEH) with support from the City of Courtenay. The City provides heat, electricity and building maintenance valued at approximately \$3,000 a month.

While Connect was originally expected to operate until the end of March, the City issued several extensions in response to the pandemic and the continued need, culminating in a one-year lease renewal in October.

Along with providing people an escape from inclement weather and a place to go during the day, the centre's outreach workers help people access housing and living supports, and with tasks such as filling out forms.

The centre also alleviates pressure on other community spaces such as the Courtenay Library and other public

facilities that often act as informal warming centre spaces.

The initiative is part of an overall strategy to improve coordination between agencies on homelessness issues.

Representatives from the Comox Valley Coalition to End Homelessness, City of Courtenay Council and staff, and Comox Valley R.C.M.P. are in regular contact to ensure clear lines of communication and discuss challenges and potential solutions.

In March 2020, Courtenay Council approved release of emergency funding of \$17,500 to the Comox Valley Coalition to End Homelessness (CVCEH) to support their response efforts during the COVID-19 pandemic. The request was funded from provincial gaming funds.

Courtenay Adopts United Nations Declaration on Rights of Indigenous Peoples (UNDRIP)

The City of Courtenay adopted the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), pledging to use it as the framework for indigenous reconciliation.

Courtenay will be incorporating UNDRIP principles in the development of the updated Official Community Plan, and working with K'ómoks First Nation to incorporate UNDRIP into planning and decision-making, as well as develop a program to educate City staff about UNDRIP and the history and culture of the K'ómoks First Nation.

Canada's Truth and Reconciliation Commission listed UNDRIP as "the framework for reconciliation at all levels and across all sectors of Canadian Society" in 2015.

The Government of British Columbia passed the Declaration on the Rights of Indigenous Peoples Act based on UNDRIP principles unanimously in November 2019 and passed legislation to align UNDRIP with federal laws in December 2020.

The City of Courtenay identified building on good relations with K'ómoks First Nation and practicing reconciliation as a strategic priority for 2019 to 2022.

Courtenay was one of the first local governments in BC to adopt UNDRIP principles.

Water and Sewer Services Agreement

A long-awaited project to provide water and sanitary sewer utility services to K'ómoks First Nation IR No.2 lands on Condensory Road was completed in 2020.

Construction on the first phase of the project began in May, and continued until late June. The second phase of the project took place in the fall of 2020.

The City of Courtenay and K'ómoks First Nation signed a detailed servicing agreement in March 2016. The non-binding agreement in principle to provide water and sanitary sewer to the Condensory Road property was developed in consultation with the Comox Valley Regional District.

The agreement is based on cost-recovery for municipal services. Neither the City of Courtenay nor the K'ómoks First Nation will subsidize services for the others' benefit. K'ómoks First Nation is reimbursing the City of Courtenay for the capital costs incurred by the City for the service.

The City of Courtenay typically does not provide municipal services beyond the City boundary, and the agreement is not a precedent for providing municipal services to any other rural areas outside the City.

Temporary Space for Hamper Program

The City of Courtenay provided temporary storage and work space in December for the "Sharing the Christmas Spirit" Hamper Program. This non-profit registered charity provides Christmas hampers to approximately 400-600 families in the Comox Valley each year.

The organization used the Conference Hall at the Florence Filberg Centre for the month of December to store and organize hampers, and as a home base for hamper distribution.

The City cannot typically offer space of this nature as facilities are heavily booked throughout the year. With fewer programs and seasonal gatherings due to COVID-19 this offered a unique opportunity for the hamper program to access a large space for their operations.

The Hamper Program provided their own insurance, with work performed by a team of volunteers and materials supplied by donations.

Cultural organizations

From the very start of the pandemic, culture has been a source of resiliency. People continue turning to culture for comfort, connection and well-being.

The Sid Williams Theatre, Comox Valley Centre For the Arts, and the Courtenay & District Museum and Paleontology Centre are located in buildings owned and maintained by the City of Courtenay and managed by the cultural organizations.

In 2020, the City of Courtenay signed an agreement with Comox Valley Arts that identified their role as a centralized resource for the local arts and culture industry.

Even when our doors close, #culturedoesntstop

Courtenay and District Museum Society



The Courtenay Museum closed in March due to the pandemic, and staff used this time to renovate, clean, and reorganize the facility for physical distancing between visitors. These steps were key to the museum reopening in July.

Fossil tours took place in the summer for individual families or small groups.

Staff also pivoted to online learning for educational programs. A new children's video series, **Learning with Finley**, follows a curious fish who wants to learn all about museum exhibits and collections.

In the fall, Zoom class experiences began for students including Environment and Human Settlement, Fossils, Geology, and Interpreter.



Sid Williams Theatre

Although in person audiences were suspended throughout most of 2020, the Sid Williams Theatre (SWT) team was able to pivot facility services, artistic, educational and outreach programming by offering virtual events through video recording and livestreaming.

Fall rentals and presentations included:

- Western Edge Theatre (Nanaimo)
- Ballet Victoria – series
- Comox Valley Community Foundation Gala
- Courtenay Little Theatre series
- Adjudication videos for several local dance schools
- Youth Media Project Film Screening (co-presented with C.V. Art Gallery)

Early 2021 Virtual Events resulting from 2020 facility and service adaptations:

- Vancouver Island Symphony – series,
- Courtenay Little Theatre – pandemic project
- Valley Songwriters

Comox Valley Art Gallery

In a time of pandemic, the Comox Valley Art Gallery found ways to safely present art, meaningfully engage the public, and create a sense of connection between people in time of social isolation.

Highlights of the year:

- Virtual artwork, events, publications and artist talks
- Installed public artwork and expanded the traditional Indigenous garden on the CVAG outdoor plaza
- Conducted artistic programming outdoors, including walking tours where participants listened to audio soundscapes
- Installed screens in the windows and outside speakers so that people could watch videos and listen to soundscapes outdoors
- Installed plexiglass barriers in the shop and provided gloves to visitors wishing to handle works for sale by local artists
- Increased lighting in the CVAG window gallery to combat glare and increase the visibility of artwork
- Presented interactive artwork that responded to touchless sensors



*Foroozan Installation
Comox Valley Art Gallery*



Comox Valley Arts

Comox Valley Arts maintains ongoing engagement with creators, community groups, businesses, cornerstone facilities and organizations, as well as all levels of government.

2020 was a difficult year, with a halt on most revenue-generating projects and greatly reduced volunteer hours.

Despite these challenges, Comox Valley Arts was able to shift many projects to online environments.

Highlights of the year:

- Grab & Go Art & Poetry kits -150+ kits created and provided at no cost to Warming Centre & Transition House
- Family Art Kits – in collaboration with the City of Courtenay, provided 300 kits to local families
- Business Workshops Series – more than 25 workshops over 2020/21 so far
- Arts Guide – online searchable database and galleries of regional artists
- Studio Tour – virtual version – 5 day virtual tour in 2020
- Poet Laureate/Poetry/Literacy – ongoing published poetry and working on local anthology
- Arts Exhibitions and Presentations – Virtual and in-person – virtual exhibit for annual YQQ show
- Community Loan – equipment and supplies – multiple loans of gear through the year for audio/video needs



Financial Reporting

2021 Financial Plan

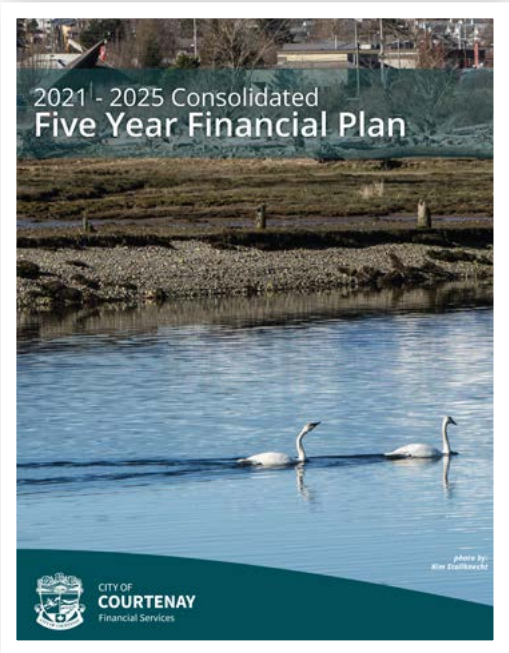
Municipalities are required by the Community Charter to adopt a balanced five year financial plan by May 15 every year.

The City's financial plan includes all revenues and expenses in the general, water, and sewer funds. This includes operating costs to maintain infrastructure and provide services to our citizens, as well as the costs associated with major capital projects.

Property tax rates are set during the Financial Plan process based on how much revenue is required to maintain Council-approved levels of services to our citizens.

Public feedback is sought through open Council budget sessions and the City website, prior to final adoption.

View Courtenay's Financial Plans at www.courtenay.ca/financialplan



Important 2021 Property Tax Dates

courtenay.ca/tax

For payment options, visit:

courtenay.ca/billpayments

Late May 2021

- 2021 Property Tax Notices mailed

July 2, 2021

- Tax payments due
- Provincial Home Owner Grant applications due to the province
- Tax Deferment applications due to the province
- Last day to avoid 10% penalty on unpaid current taxes and unclaimed grants

July 3, 2021

- 10% penalty added to all unpaid current taxes and unclaimed grants

August 1, 2021

- Tax Installment Preauthorized Payment Plan (TIPP) deductions start for the next taxation year

September 27, 2021

- Statutory property tax sale for all properties three years in arrears of taxes.

December 31, 2021

- 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*)

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 2020, the following exemptions were approved by Council.

Registered Owners	Exempt Amount of City Property Taxes
Aaron House Ministries	\$2,491
Alano Club of Courtenay	3,611
Canadian Red Cross Society	1,603
City of Courtenay - Leased Office Space	3,207
Comox Valley Boys and Girls Club	1,564
Comox Valley Child Development Association	14,319
Comox Valley Curling Club	12,266
Comox Valley Family Services Association	6,974
Comox Valley Kiwanis Village Society	11,958
Comox Valley Pregnancy Care Centre	1,784
Comox Valley Recovery Centre Society	3,714
Comox Valley Transition Society	6,056
Courtenay & District Historical Soc. In Trust	2,219
Courtenay Elks Lodge	2,071
Dawn to Dawn Action on Homelessness Society	398
Eureka Support Society	3,456
Glacier View Lodge Society	42,219
Habitat for Humanity V.I. North Society	372
John Howard Society of North Island	4,377
L'Arche Comox Valley	5,357
M'Akola Housing Society	14,842
Nature Trust of B.C. - Sandpiper Park	6,495
Nature Trust of B.C. - Arden Rd	2,896
Old Church Theatre Society	5,936
Royal Cdn. Legion, Courtenay Br. (Pacific) No. 17	7,714
Salvation Army	2,118
Saltwater Education Society	1,936
Stepping Stones Recovery House for Women Soc.	1,702
Upper Island Women of Native Ancestry	786
Wachiay Friendship Centre	4,107
Youth for Christ Comox Valley	672
Total Non-Profit Annual Tax Exemptions	\$179,220

Council adopted a ten year Permissive Tax Bylaw to exempt the following City owned properties, managed/occupied by non-profit societies. The 2020 value of properties exempt is as follows:

Island Corridor Foundation	\$24,320
Total Island Corridor Foundation exemptions	\$24,320

Council adopted a five-year Permissive Tax Bylaw to exempt the following City owned properties, managed/occupied by non-profit societies. The 2020 value of properties exempt is as follows:

Comox Valley Centre of the Arts	\$25,352
Courtenay & District Museum	18,653
Courtenay Airpark	93,222
Courtenay Marina	10,866
Morrison Nature Park	2,133
Sid Williams Theatre	18,420
Total City owned properties	\$168,646

Provincial Legislation (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 2020, Council adopted a bylaw to exempt the following surrounding lands:

Anglican Synod Diocese of BC	\$1,858
Bishop of Victoria-Catholic Church	904
Central Evangelical Free Church	2,179
Courtenay Baptist Church	884
Elim Gospel Hall	1,917
Foursquare Gospel Church of Canada	4,806
Grace Baptist Church	140
Kingdom Hall of Jehovah Witnesses	575
LDS Church	1,555
Lutheran Church	699
River Heights Church Society	945
Salvation Army Canada West	434
Seventh Day Adventist Church	572
St. George's Church	696
Valley United Pentecostal Church	520
Total Permissive Surrounding Statutory Land Tax Exemptions	\$18,684

Total Permissive Exemptions - Overall	\$390,870
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The Corporation of the City of Courtenay


Management's Responsibility for Financial Reporting

The preparation of information in these Consolidated 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.


Jennifer Nelson, CPA, CGA
Director of Financial Services

Auditor's Report

Independent Auditor's Report



To the Mayor and Council of the City of Courtenay:

Opinion

We have audited the consolidated financial statements of the City of Courtenay (the "City"), which comprise the consolidated statement of financial position as at December 31, 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.

Auditor's Report - continued

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

The logo for MNP LLP, featuring the letters 'MNP' in a large, stylized, handwritten font, with 'LLP' in a smaller, simpler font to the right.

Chartered Professional Accountants

The Corporation of the City of Courtenay

Consolidated Statement Of Financial Position - Statement A As at December 31, 2020

	2020	2019
FINANCIAL ASSETS		
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
FINANCIAL LIABILITIES		
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
NET FINANCIAL ASSETS	26,530,679	18,655,628
NON-FINANCIAL ASSETS		
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
ACCUMULATED SURPLUS (Schedule 2)	\$190,112,214	\$178,709,120

Contingent Liabilities and Commitments (Note 2)

Significant event (Note 16)



Jennifer Nelson, CPA, CGA
Director of Financial Services

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, 2020

	2020 Budget	2020	2019
	(Note 14)		
REVENUE			
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
TOTAL REVENUE	54,793,900	62,313,821	67,025,906
EXPENSES			
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
TOTAL EXPENSES	56,045,500	50,910,727	52,267,604
ANNUAL SURPLUS (DEFICIT) (Schedule 1)	(1,251,600)	11,403,094	14,758,302
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	178,709,120	178,709,120	163,950,818
ACCUMULATED SURPLUS AT END OF YEAR	177,457,520	190,112,214	178,709,120

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, 2020

	2020 Budget	2020	2019
	(Note 14)		
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)
	(6,330,600)	(3,569,929)	(13,570,433)
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
	-	41,886	154,699
CHANGE IN NET FINANCIAL ASSETS	(7,582,200)	7,875,051	1,342,568
NET FINANCIAL ASSETS AT BEGINNING OF YEAR	18,655,628	18,655,628	17,313,060
NET FINANCIAL ASSETS AT END OF YEAR	\$11,073,428	\$26,530,679	\$18,655,628

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, 2020

	2020	2019
CASH PROVIDED BY (APPLIED TO) FINANCING TRANSACTIONS		
OPERATING TRANSACTIONS		
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
CAPITAL TRANSACTIONS		
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)
INVESTING TRANSACTIONS		
Purchase of term deposits	(9,793,875)	2,195,617
Cash provided by (applied to) Investing Transactions	(9,793,875)	2,195,617
FINANCING TRANSACTIONS		
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)
INCREASE IN CASH ON HAND AND ON DEPOSIT	3,481,648	3,207,373
CASH ON HAND AND ON DEPOSIT AT BEGINNING OF YEAR	23,580,932	20,373,559
CASH ON HAND AND ON DEPOSIT AT END OF YEAR	\$27,062,580	\$23,580,932

Interest paid on outstanding debt and included in annual surplus above	\$502,306	\$579,943
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The accompanying notes are an integral part of these financial statements

The Corporation of the City of Courtenay

Notes to Consolidated Financial Statements

Year ended December 31, 2020

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.

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.

The Corporation of the City of Courtenay

Notes to Consolidated Financial Statements

Year ended December 31, 2020

(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.

(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.

(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

The Corporation of the City of Courtenay

Notes to Consolidated Financial Statements

Year ended December 31, 2020

(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.

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

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.

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.

The Corporation of the City of Courtenay

Notes to Consolidated Financial Statements

Year ended December 31, 2020

	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

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

7. DEFERRED REVENUE - DEVELOPMENT COST CHARGES

In order to conform to the Public Sector Accounting Standards of CPA Canada, the unspent development cost charges have been recorded as a liability. Following is a breakdown of cash increases and decreases for the General, Water, and Sewer development costs charge reserves for 2020 and 2019.

2020 Development Cost Charge Reserves

	General BL #2840	Water Utility BL #2840	Sewer Utility BL #2840	Sewer Utility BL #1638	2020 Total
Balance Forward	\$5,848,556	\$376,436	\$878,444	\$34,823	\$7,138,260
Increases					
Interest	28,751	1,897	4,509	166	35,323
Other Contributions	1,452,393	159,663	499,746		2,111,802
	1,481,144	161,559	504,255	166	2,147,125
Decreases					
Revenue Recognized to Fund Capital Projects	(138,600)	-	(261,298)	-	(399,898)
Reclassifications, redemptions, refunds	-	-	-	-	-
	(138,600)	-	(261,298)	-	(399,898)
Ending Balance Deferred Revenue - DCC	\$7,191,100	\$537,996	\$1,121,402	\$34,989	\$8,885,487

2019 Development Cost Charge Reserves

	General BL #2840	Water Utility BL #2840	Sewer Utility BL #2840	Sewer Utility BL #1638	2019 Total
Balance Forward	\$5,115,312	\$489,706	\$619,834	\$34,254	\$6,259,106
Increases					
Interest	94,671	8,629	13,943	569	117,813
Other Contributions	1,104,938	118,567	360,427		1,583,932
	1,199,609	127,196	374,370	569	1,701,744
Decreases					
Revenue Recognized to Fund Capital Projects	(281,411)		(112,700)	-	(394,111)
Reclassifications, redemptions, refunds	(184,954)	(240,466)	(3,060)	-	(428,479)
	(466,365)	(240,466)	(115,760)	-	(822,590)
Ending Balance Deferred Revenue - DCC	\$5,848,556	\$376,436	\$878,444	\$34,823	\$7,138,260

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.

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

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:

	2020	2019
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)
Ending Balance Deferred Revenue Other	\$2,709,157	\$2,851,913

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).

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)

The Corporation of the City of Courtenay

Notes to Consolidated Financial Statements

Year ended December 31, 2020

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.

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

The Corporation of the City of Courtenay

Notes to Consolidated Financial Statements

Year ended December 31, 2020

estimating future benefits associated with such property.

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

Budgeted Surplus per Council approved Budget	\$
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
Budgeted Deficit per Consolidated Statement of Operations	\$(1,251,600)

15. CONTRACTUAL RIGHTS

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

Contractual Right with	Description of Contractual Right	2021	2022	2023	2024	2025	Total
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 - Schedule 1 Year ended December 31, 2020

(Note 12)
Page 1 of 3

	General Government Services		Protective Services		Transportation Services		Environmental Health Services	
	2020	2019	2020	2019	2020	2019	2020	2019
REVENUE								
Taxation	26,070,165	24,761,750	-	-	-	-	-	-
Sales of Services	-	-	810,924	845,895	-	-	3,565,976	3,437,934
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	-	-
Transfer from Other Funds	-	-	-	-	-	-	-	-
Other Revenue	126,362	83,439	-	-	142,320	134,623	-	-
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	-	-
Total Revenues	32,326,836	27,497,451	2,473,244	1,896,891	4,798,559	12,398,965	3,565,976	3,437,934
EXPENSES								
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
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
Amortization Expense	331,243	310,475	328,646	340,679	3,317,490	3,063,889	376,526	345,952
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	-
Total Expenses	5,904,766	5,938,079	10,328,314	9,412,733	7,792,469	8,604,498	3,748,053	3,691,353
ANNUAL SURPLUS (DEFICIT)	\$26,422,070	\$21,559,372	\$(7,855,070)	\$(7,515,842)	\$(2,993,910)	\$3,794,467	\$(182,077)	\$(253,419)

The Corporation of the City of Courtenay

Consolidated Schedule of Segment Disclosure by Service - Schedule 1 (continued) Year ended December 31, 2020

(Note 12)
Page 2 of 3

	Public Health & Welfare Services		Environmental Development Services		Recreational and Cultural Services		Water Utility Services	
	2020	2019	2020	2019	2020	2019	2020	2019
REVENUE								
Taxation	-	-	-	-	-	-	1,202,909	1,175,166
Sales of Services	-	-	-	-	-	-	7,079,917	7,043,027
Revenue from Own Sources	-	-	576,244	607,291	659,500	2,003,554	300,417	369,231
Government Transfers	64,511	178,200	69,588	52,797	138,296	124,665	-	10,000
Transfer from Other Funds	-	-	-	-	-	-	-	-
Other Revenue	149,964	162,720	-	-	-	-	-	-
Other Contributions	-	-	114,105	116,608	73,171	112,063	484,667	1,205,524
Interest Earned	-	-	6,242	18,959	5,604	20,503	11,371	49,549
Gain on sale of TCA	-	-	-	-	1,150	1,189	277,702	-
Total Revenues	214,475	340,920	766,179	795,655	877,721	2,261,974	9,356,983	9,852,497
EXPENSES								
Salaries and Benefits	220,078	231,953	1,121,195	1,040,755	4,614,311	5,206,229	900,393	989,438
Goods and Services	139,555	100,244	275,340	237,863	2,527,101	3,236,955	5,280,017	5,490,460
Amortization Expense	38,575	34,811	1,267	2,533	1,021,205	973,555	521,187	478,666
Debt Servicing	-	-	-	-	(4,645)	30,617	(2,711)	(1,399)
Other Expenditures	-	-	102,708	192,787	328,891	314,338	-	-
Loss on Disposal of TCA	-	-	-	-	-	146	-	2,636
Total Expenses	398,208	367,008	1,500,510	1,473,938	8,486,863	9,761,840	6,698,886	6,959,801
ANNUAL SURPLUS (DEFICIT)	\$(183,733)	\$(26,088)	\$(734,331)	\$(678,283)	\$(7,609,142)	\$(7,499,866)	\$2,658,097	\$2,892,696

The Corporation of the City of Courtenay

Consolidated Schedule of Segment Disclosure by Service - Schedule 1 (continued) Year ended December 31, 2020

(Note 12)
Page 3 of 3

	Sewer Utility Services		Consolidated	
	2020	2019	2020	2019
REVENUE				
Taxation	2,066,133	2,031,036	29,339,207	27,967,952
Sales of Services	5,440,322	5,267,571	16,897,139	16,594,427
Revenue from Own Sources	68,133	61,893	3,248,232	4,194,740
Government Transfers	-	-	6,252,979	4,113,503
Transfer from Other Funds	-	-	-	-
Other Revenue	-	-	418,646	380,782
Other Contributions	342,527	1,111,340	4,372,583	11,918,359
Interest Earned	16,733	71,779	912,018	1,485,653
Proceeds on sale of TCA	-	-	873,017	370,490
Total Revenues	7,933,848	8,543,619	62,313,821	67,025,906
EXPENSES				
Salaries and Benefits	462,808	583,588	16,601,322	17,327,540
Goods and Services	785,889	731,676	22,759,893	23,637,481
Amortization Expense	367,054	348,982	6,303,193	5,899,542
Debt Servicing	(2,773)	4,167	(35,673)	99,936
Other Expenditures	4,439,680	4,145,491	5,110,992	4,990,973
Loss on Disposal of TCA	-	244,450	171,000	312,132
Total Expenses	6,052,658	6,058,354	50,910,727	52,267,604
ANNUAL SURPLUS	\$1,881,190	\$2,485,265	\$11,403,094	\$14,758,302

The Corporation of the City of Courtenay

Consolidated Schedule Of Accumulated Surplus & Reserves - Schedule 2 Year ended December 31, 2020

	2020	2019
Surplus		
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
Total Surplus	\$169,362,671	162,032,274
Reserves		
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
Total Reserves	20,749,543	16,676,846
ACCUMULATED SURPLUS (Statement A)	\$190,112,214	\$178,709,120

The Corporation of the City of Courtenay

Consolidated Schedule of Tangible Capital Assets - Schedule 3 For the year ended December 31, 2020

COST	Land		Land Improvements		Equipment/ Furniture/ Vehicles		Engineering Structures				Other Tangible Capital Assets		Total	2019
	Land	Improvements	Buildings	Buildings/ Vehicles	Roads	Water	Sewer	Other	Capital Assets	Total	2019			
Opening Balance	-	100,565	796,066	25,737	727,826	55,291	421,561	305,554	51,448	\$2,484,048	6,197,693			
Construction-in-progress (CIP)	-	-	4,719	2,400	197,379	2,137	3,261,298	19,775	-	3,487,708	1,470,968			
Add: Construction-in-progress	-	(60,581)	(385,864)	(23,237)	(114,869)	-	-	(126,867)	(51,448)	(762,866)	(5,184,613)			
Less: Transfers into Service	-	39,984	414,921	4,900	810,336	57,428	3,682,859	198,462	-	5,208,890	2,484,048			
Closing Balance														
Construction-in-progress														
Opening Balance	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			
Tangible Capital Assets														
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			
ACCUMULATED AMORTIZATION														
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)			
Closing Balance	-	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			
Net Book Value for year ended 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			

The Corporation of the City of Courtenay

Consolidated Schedule of Debenture and Other Long-Term Debt - Schedule 4 Year ended December 31, 2020

Bylaw Number	Maturity Date	Interest Rate	Principal Outstanding Dec 31/19	Current Year Borrowing	Actuarial Adjustment/ Princ. Reduct.	Principal Outstanding Dec 31/20	
General Capital Fund							
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
Water Capital Fund							
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
Sewer Capital Fund							
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
TOTAL SEWER CAPITAL FUND				1,676,391	3,000,000	134,936	4,541,456
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 - Schedule 5 For the year ended December 31, 2020

	2020	2019
GENERAL OPERATING FUND		
Cash on Hand	\$26,041,686	\$22,049,977
GAMING FUND		
Cash on Hand	1,020,894	1,530,955
Total Cash on Hand and on Deposit	\$27,062,580	\$23,580,932
GENERAL OPERATING FUND TERM DEPOSITS		
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
TOTAL CASH AND INVESTMENTS	\$62,869,944	\$49,594,421





CITY OF
COURTENAY

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THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council

File No.: 1660-20

From: Chief Administrative Officer

Date: June 28, 2021

Subject: 2022/2023 RCMP Municipal Policing Contract: Approval in Principle

PURPOSE:

The purpose of this report is to consider and provide “approval in principle” of the RCMP’s Municipal Contract Policing Multi-Year Financial Plan for the 2022/2023 contract year.

POLICY ANALYSIS:

In April 2012, the City of Courtenay renewed its Provincial Municipal Police Unit Agreement for the employment of the Royal Canadian Mounted Police in the provision of policing services within the City. This Agreement has a twenty year term and will provide policing in the City until March 31, 2032. In order to secure the 10% Federal share of the Contract, Council’s “approval in principle” of the contract expenditure cap is required each year.

EXECUTIVE SUMMARY:

For the RCMP 2022/2023 Contract Year, Council has been requested to consider providing “approval in principle” of an RCMP Municipal Policing Expenditure in the amount of \$6,831,280 for a complement of 31.4 members.

During the upcoming 2022 budget deliberations, Council will have the opportunity to revisit this “approval in principle” and provide “final” approval by the end of April 2022 for the 2022/23 policing contract year.

CAO RECOMMENDATIONS:

That based on the June 28, 2021 staff report “2022/2023 RCMP Municipal Policing Contract: Approval in Principle”, Council approve OPTION 1 which provides approval in principle for an expenditure of \$6,831,280 of which Courtenay is responsible for 90% (\$6,193,789).

Respectfully submitted,

Geoff Garbutt, M.Pl., MCIP, RPP
Chief Administrative Officer

BACKGROUND:

The Comox Valley RCMP detachment is a combined Provincial/Municipal detachment which provides police protection services for the entire Comox valley. Of the 64 members currently staffed in the detachment, 21 are funded by the Province, 31.4 are funded by Courtenay, and 11.6 are funded by Comox.

DISCUSSION:

Under the terms of the Municipal Policing Agreement, the letter of “approval in principle” for the 2022/2023 Municipal Policing Expenditure Cap is due by June 15, 2021. The Municipal Contract Policing Multi-Year Financial Plan – (2022/23) was received by the City on June 8, 2021. In order to provide Municipalities enough time to review and report to Council an extension has been granted until June 30, 2021.

The following cost drivers impacting the 2022/23 RCMP contract are:

- Estimated pay increases of 2.5% for RCMP members;
- Estimated pay increases for Public Service Employees (PSE) is set at 1.25%;
- Increased machinery and equipment costs;
- Indirect costs such as Member Pension, CPP, EI and Division Administration;

Table 1 identifies the estimated 2022/2023 budget impact for the City including Accommodation, furniture and PSE staff costs.

TABLE 1 – City of Courtenay, RCMP Contract Expenditure Cap: 2022/23 Projections

	Approved 2021/22 CAP	Approved 2021/22 Budget	Estimated 2022/23 CAP	Estimated 2022/23 Budget
Contract Strength	31.4	31.4	31.4	31.4
Funded Strength	31.4	29.4	31.4	29.4
Expenditure Cap (100%)	\$6,561,243	\$6,215,444	\$6,831,280	\$6,448,520
Courtenay Share (90%) of Contract costs	\$5,950,756	\$5,593,900	\$6,193,789	\$5,803,668
Municipal Costs – 100% (Accommodation, furniture, PSE staff) <i>*note 2 FTE PSE moved to CUPE and reflected in budget figures*</i>	\$1,103,112	\$ 858,300	\$1,090,157	\$ 836,960
Total Municipal Policing Costs	\$7,053,868	\$6,452,200	\$7,283,946	\$6,640,628

FINANCIAL IMPLICATIONS:

The City utilizes Gaming Fund revenues (\$405,000), Provincial Traffic Fine/Police Contingency Reserve (\$270,000) funds, Prior Year’s surplus dollars (\$200,000) and general property tax dollars to pay for RCMP policing costs. To more accurately reflect anticipated actual costs, the City also budgets for a projected “position vacancy pattern” to more accurately project anticipated costs and avoid over taxation for this service. For 2021, the budgeted anticipated vacancy pattern of 2 members has been incorporated into the

budget. Actual experienced vacancy pattern over the past few years has been 4 to 5 members, however is expected to reduce in the near future.

These budgetary estimates are preliminary and necessary for the federal government's annual budgeting processes. Council has the opportunity to make the final decision on the contract and the funded strength for policing during the 2022 budget deliberations set to occur in the latter part of 2021 and early 2022.

ADMINISTRATIVE IMPLICATIONS:

On Council's decision, Staff will provide the RCMP with the "approval in principle" confirmation letter for the 2022/2023 Municipal Policing Contract year. Annual financial management of the 2022/2023 policing contract requires approximately 40 hours of staff time and includes review of the monthly financial statements, payment of quarterly invoicing, and budget approval reports to Council.

ASSET MANAGEMENT IMPLICATIONS:

Not Applicable

STRATEGIC PRIORITIES REFERENCE:

The following 2019-2022 Council strategic priorities relate to the 2022/2023 RCMP Municipal Policing Contract:

We focus on organizational and governance excellence

- Responsibly provide services at levels which the people we serve are willing to pay
- ▲ Value community safety and support our protective services

- **AREA OF CONTROL:** The policy, works and programming matters that fall within Council's jurisdictional authority to act
- ▲ **AREA OF INFLUENCE:** Matters that fall within shared or agreed jurisdiction between Council and another government or party
- **AREA OF CONCERN:** Matters of interest that are outside Council's jurisdictional authority to act

OFFICIAL COMMUNITY PLAN REFERENCE:

4.11.4 Police Protection

Policing services are provided by the RCMP with the detachment located on Ryan Road.

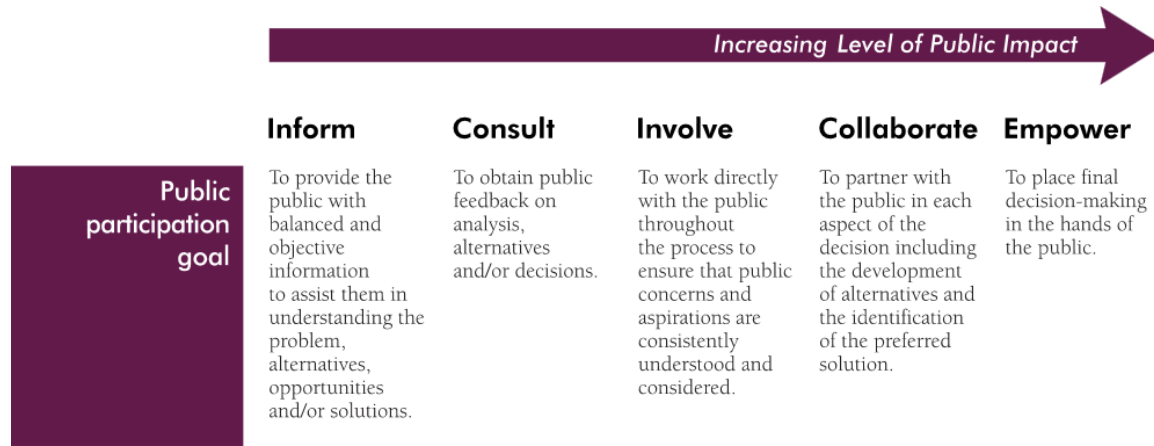
REGIONAL GROWTH STRATEGY REFERENCE:

Not Applicable

CITIZEN/PUBLIC ENGAGEMENT:

While citizen engagement specific to the policing contract and the annual expenditure cap is not required, the public will have an opportunity to provide comments regarding budgeted police protection during the 2022-2026 Financial Plan budget process.

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



OPTIONS:

OPTION 1: That Council provide “approval in principle” for an expenditure cap of \$6,831,280 for the 2022/23 Municipal Policing Contract of which Courtenay is responsible for 90% (\$6,193,789). [Recommended]

OPTION 2: That Council defers “Approval in Principle” of the 2022/23 Municipal Policing Contract for further discussion.

While Option 2 is presented as an alternative, Council must be aware that, under the terms of the Municipal Policing Agreement, Approval in Principle must be provided to the RCMP as soon as possible.

Prepared by:

Jennifer Nelson, CPA, CGA
Director of Financial Services

Concurrence:

Geoff Garbutt, M.PI., MCIP, RPP
Chief Administrative Officer

Attachments: 2022/23 RCMP Municipal Contract Policing Multi-Year Financial Plan



Royal
Canadian
Mounted
Police

Gendarmerie
royale
du
Canada

Security Classification/Designation
Classification/désignation sécuritaire

Unclassified

June 7, 2021

David Allen
Chief Administrative Officer
Corp. of the City of Courtenay
830 Cliffe Ave.
Courtenay, BC V9N 2J7

Your File Votre

Our File Notre
E753-28-1

Dear Mr. Allen:

Re: Municipal Contract Policing Multi-Year Financial Plan – 2022/23

In keeping with the *Municipal Police Service Agreement* of 2012, we are communicating with our Municipal Partners to establish projections of our human and financial resource needs for **2022/23**.

Please confer with your Detachment Commander on the police services needs of the community, and the related human and financial resource requirements.

For this 5-year planning cycle, we have included the cost matrix prepared for local governments per updates from the Contract Management Committee (see Appendix A). It should be noted that this document will be updated annually as changes become known, and is current as of May 14, 2021.

Attached for your information are:

- Our Multi-Year Financial Plan (MYFP) for your RCMP Municipal Policing costs (Schedules 1, 2 and 3). This is a detailed listing of:
 - a. actual costs for fiscal year 2019/20
 - b. pre-final costs for 2020/21
 - c. current year budget for 2021/22, and
 - d. budget estimates for 2022/23 to 2026/27
- Five-year budget estimates for Division Administration Costs (Schedule 4)
- Sample Response Letter (Schedule 5)
- Sample Request Letter to Decrease/Increase Authorized Strength (Schedule 6)

The following items should be considered when reviewing the provided information:

Settlement of Disputed Items: The Provincial and Federal governments have resolved three of the long-standing disputed items, including the funding for Green Timbers and for the liability from Member Severance Liquidation. Related considerations for this MYFP are:

Settlement amount for Green Timbers: The Annual Payment amount as prescribed in the Settlement Agreement for your municipality has been included in our MYFP for the current year budget and onwards as a standalone item. This amount will be billed to you on an annual basis.

Severance Liquidation (Earned Retirement Benefits): Since April 1, 2012, severance no longer accumulates for members who resign or retire, but continues to accrue for lay-offs, deaths, and disabilities. The Annual Payment amount as prescribed in the Settlement Agreement for your municipality has been included in our MYFP for the current year budget and onwards as a standalone item. This amount will be billed to you on an annual basis.

Cost Recoveries: Where applicable, costs for local events and/or prisoner costs that are now invoiced through the contract have been included in the MYFP.

Member Pay: The RCMP's most recent salary agreement expired on December 31, 2016. An estimated pay increase of 2.5% per year has been included in the MYFP for RCMP members, and are reflected from 2017 onwards. Depending on the rates and provisions of the new pay package, the actual per member amount could vary from the included 2.5% estimate. Although a provision for retroactive pay has not been included in the estimates, we encourage you to carry forward any budget savings to future periods in preparation of when a new package will be finalised and retroactive pay is realized.

Based on your municipalities budgeted FTE for 2021/22 of 31.396619999999999 at the pre communicated estimated rate of \$30,500 per FTE, your potential liability for calendar years 2017 to 2020 could be \$957,597.

Pay for Public Service Employees: Public Service Employees (PSEs) supporting Municipal Policing are mostly represented by Public Service Alliance of Canada (PSAC), and the collective agreement will expire on June 20, 2021. An estimated pay increase of 1.25% per year has been included in the MYFP where applicable.

Excess Leave Liability: The RCMP created a 5-year plan to reduce the excess leave balances of NCOs over the time period of 2017/18 to 2021/22. Unfortunately, due to operational pressures, the COVID pandemic and various other circumstances, a significant amount of excess leave still exists today. The RCMP expects approximately half of the remaining balances to be reduced this FY (2021/22) either through the use of annual leave or direct payouts and any remaining amount reduced next FY (2022/23). As per the Police Service Agreement, any costs associated with payout of annual leave will be cost shared. The current excess leave estimate for your jurisdiction is \$51K at 100%.

Integrated Teams: If applicable, these MYFP projections include your municipality's share of costs for the Real Time Intelligence Centre (RTIC), and the Lower Mainland District (LMD) Integrated Teams. These costs represent proposed budgets based on current information.

LMD Integrated Homicide Investigation Team (IHIT): Effective April 1, 2019, the existing LMD IHIT is included as a part of the RCMP Provincial Service. Associated costs and billings will be administered by the Province, and have been excluded from the noted Integrated Teams MYFP projections.

Response Letters: Please provide the requested information as detailed below to facilitate the Federal Treasury Board in securing their share of the Municipal contract policing costs within the federal budget cycle timelines.

Please provide us with a letter of "Approval in Principle" ("AIP") by **June 15, 2021**. The letter should address all requirements for fiscal year 2022/23, including:

- Proposed establishment increase/decrease in regular and/or civilian members;
- Municipal Policing budget in principle (at 100% costs)
- If applicable, the budget in principle for Integrated Teams (excl. IHIT), RTIC, PSEs, Guards & Matrons and Accommodation (at 100% costs)
- If applicable, approval in principle and basis of payments for any equipment costing \$150,000 or more per item.

We would like to emphasize that this AIP is for planning purposes only to facilitate the Federal Government's Annual Reference Level Update (ARLU) process. It is important to include any anticipated changes in establishment at the AIP stage, as this impacts both recruitment and financial planning at the federal government level. The AIP is not your final commitment for the additional personnel or for the increased financial budget indicated. A copy of a sample response is provided for your reference (Schedule 5).

**First Reply Requested:
Approval in Principle Letter for 2022/23 (Schedule 5)**

Due: June 15, 2021

A) Please address the letter to:

Ms. Maricar Bains
Director of Finance, RCMP Pacific Region
Mailstop #908, 14200 Green Timbers Way
Surrey, BC Canada V3T 6P3

B) Please forward a copy to Police Services addressed to:

Mr. Wayne Rideout
Assistant Deputy Minister and Director of Police Services
Policing and Security Branch
Ministry of Public Safety and Solicitor General
P.O. Box 9285 Stn Prov Govt.
Victoria, BC V8W 9J7

**Second Reply Requested:
Final Confirmation Letter for 2022/23**

Due: April 25, 2022

By **April 25, 2022**, please forward a confirmation letter for the 2022/23 budget to:

- A. Director of Finance, RCMP Pacific Region
- B. Assistant Deputy Minister and Director of Police Services

Annex "A" Amendment Letter

Due on: Authorized Strength Change

To enact changes in authorized member strength (establishment), you must request an amendment to the Annex "A" of your Municipal Police Unit Agreement through the provincial minister (sample provided as Schedule 6), in accordance to terms of Article 6.0 of the agreement.

A) Please address the letter to:

The Honourable Mike Farnworth
Minister of Public Safety and Solicitor General
P.O. Box 9010 Stn Prov Gov't.
Victoria, BC V8W 9L5

B) Please forward a copy of the letter to:

- A. Member in Charge, Local RCMP Detachment
- B. Establishment Coordinator, Establishment Unit, RCMP "E" Division Headquarters

C. Contract Management Unit, BC RCMP Operations Strategy Branch

D. Director of Finance, RCMP Pacific Region

If you have any questions regarding your municipal budget or your contractual obligations, please contact Paul Richardson, Financial Manager Municipal Policing at 778-290-2490.

Yours truly,



Max Xiao, MBA, CPA, CMA
Executive Director, Corporate Management & Comptrollership Branch
Royal Canadian Mounted Police, Pacific Region
Mailstop # 906, 14200 Green Timbers Way
Surrey, BC Canada V3T 6P3

Cc: Mayor Bob Wells, Corp. of the City of Courtenay
Supt. Mac Richards, Acting District Commander, Island District
OIC Comox Valley Detachment
Maricar Bains, Director of Finance, RCMP Pacific Region

Canada 

RCMP E Division
Finance Section, Mailstop #908
14200 Green Timbers Way
Surrey, BC Canada V3T 6P3

**List of Potential RCMP Policing Costs/Savings to RCMP "E" Division Municipalities
As at May 7, 2021**

Item	Estimated Incremental Cost/Savings per FTE OR per Item @100%	Notes/Status	Included in Multi-Year Financial Plan (MYFP)?
*Cadet Training/Recruiting	\$2,744/FTE	Status: Ongoing monitoring of costs by CMC's National Programs Standing Committee. 2022/23 projected rates of \$4,901/FTE for Cadet Training and \$1,343/FTE for recruiting are included in the Municipal MYFP. Estimated incremental cost = \$6,244/FTE (\$4,901 + \$1,343) less \$3,500/FTE (rate under the 1992 MPSA & used for the 1st 3 yrs of 2012 MPSA) = \$2,744/FTE.	Yes. Next MYFP will have updated rates.
*Police Dogs Service Training (only applicable to Municipalities with police dogs)	\$32,907/team Member FTE	Status: Ongoing monitoring of costs by CMC's National Programs Standing Committee. Projected rate of \$32,907 per team Member FTE for 2022/23 is included in the Municipal MYFP.	Yes. Next MYFP will have updated rates.
*RCMP Members' Pay Increase		Status: Ongoing. Pay package expired Dec. 31/16; MYFP placeholder of 2.5%/year pay raise for periods after expiry. National Police Federation (NPF) is the labour union for RCMP Non-commissioned Regular Members as well as Reservists hired under the RCMP Reserve Program. If the settlement is higher than the current forecast, there will be additional costs. RCMP "E" Division will provide financial impact estimate as soon as a new pay package becomes available.	Yes. Estimate of 2.5% per year included.
*RCMP PSEs' Pay Increase (impact mainly through Div. Admin.)		Status: Ongoing. On Oct. 23, 2020 Federal TB and Public Service Alliance of Canada (PSAC) settled the Public Service Employees' (PSEs') pay increases at 2.8%, 2.2% and 1.35% per annum for the 3 years from June 21, 2018. A \$2,500/FTE provided for compensation of damages caused by the payroll system, Phoenix, was determined as non-billable (excluded cost) to contract policing partners. The new expiry date is June 20, 2021. Majority of RCMP PSEs are PSAC members. Impact to majority of RCMP municipalities on Div. Admin., with additional impact to municipalities that have PSEs. MYFP placeholder of 1.25%/year pay raise for periods after expiry. RCMP "E" Division will provide cost impact estimate as soon as the new rates are settled.	Yes. Estimate of 1.25% per year included.
Shared Services Canada (SSC)		Status: Ongoing monitoring of costs and service delivery. SSC created a dedicated support team for RCMP, to address backlogs and improve service delivery. To date, FY 2011/12 costs of telephones, computer/communication equipment etc. continue to be used for the per FTE cost calculation, as CMC demands for cost details such as basket of goods and costs allocation methodology. No incremental costs/savings can be identified at this time.	Yes. \$721 per FTE.
*Other Consolidated Services (cost allocated thru Div. Admin.) - internal within RCMP		Status: Ongoing monitoring. Expenses in 3 Consolidated Services (Accounting Ops; Members' Compensation Service; NCO Promotions Unit) showed very minimal financial impact over the years and in some cases Div. Admin. offsets have been achieved. However, due to the Pandemic, the cost of Members' Compensation Service is expected to rise temporarily for a couple of years due to extra workload to digitize pay files to accommodate staff working from home. And, NCO Promotions Unit anticipates extra workload mainly due to promotional grievances which requires an increase of permanent resources.	Yes. Next MYFP will have updated rates.
*Other Consolidated Services (cost allocated thru Div. Admin.) - external		Status: Ongoing monitoring of expenses vs Div. Admin. offset. 1) PSEs' Compensation Service centralized in Miramichi, NB in Sept./13; have been charged within Div. Admin. based on 2011/12 Actuals until 2014/15. Ongoing monitoring req'd to ensure the potential replacement of the payroll system (Phoenix) does not have financial impact on contract partners. 2) Eff. April 1/13 RCMP's in-house program, Employee Assistance Services, was discontinued; all RCMP Members & PSEs are now supported by Health Canada.	Yes. Next MYFP will have updated rates.
*MacNeil Report (Moncton)		Status: Ongoing. 64 recommendations in 5 key areas (Supervision, Training, Technology/Equipment, Communications and Aftercare) were provided through the Jan./15 comprehensive and critical assessment of the tragic events in Moncton NB (June 4, 2014). Update: Majority implemented; remaining recommendations incl. IT solutions require additional time and funding, to be fully implemented. Employees' Health & Safety continues to be RCMP's top priority. See MacNeil Report & RCMP responses on RCMP website for more details.	No
*Android Team Awareness Kit (ATAK)		Status: Ongoing testing of software across RCMP Divisions. ATAK is a situational awareness software that would allow for Members to be tracked/monitored via GPS when they exited their vehicle, by front-line supervisors, Critical Incident Commander, Operational Communications Centres (OCC), Division Emergency Operations Centres (DEOC) and/or the National Operations Centre (NOC). Update: Requires each Member be issued an Android phone. Project proposal currently being advanced for system implementation across the RCMP. Financial impact/timelines are unknown at this time.	No

Item	Estimated Incremental Cost/Savings per FTE OR per Item @100%	Notes/Status	Included in Multi-Year Financial Plan (MYFP)?
*Auxiliary Program		Status: Ongoing. In Dec./16 RCMP Senior Executive Committee (SEC) renamed the program from RCMP Auxiliary Cst. Program to RCMP Auxiliary Program and implemented a 3-tiered model. Update: Evaluation completed and has been published externally. Procurement of new uniform items is expected to be completed in 6 to 24 months. Work on the standardized Auxiliary Program MOU is ongoing.	No
*RCMP Labour Relations Advisors		Status: Ongoing. With unionization, managers/supervisors require additional support to navigate the new labour relations regime. Similar to the previous Public Service Labour Relations Advisors (PSLRAs), Member Labour Relation Advisors (MLRAs) have been appointed to guide and assist managers/supervisors in areas such as: interpret/assist in application of collective agreements/human resources policy, grievance responses, delivery of training courses, establish/coordinate joint committees (Labour Mgmt. Consultation Committees, Occupational Health & Safety Committees, etc.). Financial impact, if any, is unknown at this time.	No
*eMCM Renewal - Major Case Mgmt. Software Update		Status: Planned rollout Jan. 2022 to Sept. 2022. This system replaces the current Evidence and Reporting (E&R) System and interfaces with other RCMP Records Mgmt. Systems; standardizes operations by implementing a centralized solution to better support police operations in managing major cases; facilitates responding to escalating demands for info. sharing with policing and law enforcement partners. This new system may require additional staff for data input, however, the centralized solution will minimize the administrative burden at the frontline and optimize integrity of info. Update: Vendor selected, contract awarded and ready for rollout in 2022.	No
*New Uniform Proposal		Status: Ongoing. Vision 150 is a RCMP initiative to modernize RCMP. The new uniform proposal is part of Vision 150 and one of the recommendations in the MacNeil Report mentioned above, for national consistency. Members selected are to provide feedback on the fit/functionality of new uniform possibilities. Update: Ranger green uniform for all Police Dog Handlers (\$5K per uniform) has been tentatively approved but being revisited; Public Order Unit (POU) Level II uniform - aim to award a contract in 12 months; new uniform for RMs - survey done in winter of 2019; fulsome analysis underway in partnership with University of Regina to examine impacts on organizational stress and workforce well-being. There should be minimal incremental cost, if any, as new proposed uniforms will replace current uniform through an evergreening process, i.e. no initial bulk costs anticipated.	No. Some detachments have requested moderate increases to their Kit & Clothing budgets per the current pilot prgm, but "E" Div. Finance has not been instructed to incl. general estimates for this item within MYFP.
*Greening Government		Status: Met 1st mandatory greenhouse gas emissions reporting requirement in 2019 & ongoing annual reporting req'd. In response to Federal Government's national strategy to combat climate change and to support Canada's sustainability goals already established internationally, RCMP is required to transition to low-carbon and climate-resilient operations, while also reducing environmental impacts beyond carbon. Update: Initial CMC Consultation document shared, ongoing updates will be provided to CMC on future plans. Financial impact, if any, is unknown at this time.	No
*Accumulated Excess Annual Leave		Status: Ongoing monitoring of Non-Commissioned RMs' excess leave/potential \$ liability. Currently, Non-Commissioned Regular Members (RMs) and Civilian Members (CMs) are not permitted to accumulate annual leave above 400 hours. RCMP Senior Executive Committee announced a 5-year plan to draw down the excess annual leave balances for Non-Commissioned RMs eff. Apr. 1/17, while ensuring leave policies are being enforced. And, CMs' excess leave balances are being paid out at each fiscal year-end; the financial impact to municipalities was minimal (less than \$3K in total) as there are only approx. 30 CMs under the RCMP municipal business line. For RMs, financial impact is anticipated due to unforeseen operational requirements including but not limited to large-scale protests, wildfires and the COVID-19 Pandemic which had adverse impact on the 5-year draw-down plan. Financial impact will vary by municipality.	No. "E" Div. Finance has not been instructed to incl. estimates for this item within MYFP.
*Body Worn Video		Status: Pilot Project in "V" Division. In light of recent international and domestic events, RCMP is committed to a National Born Worn Camera Program. 20 Body Worn Cameras and associated computer equipment have been provided to start the pilot project in Iqaluit, Nunavut. It may extend to another location, based on capacity and lessons learned. The result of this project will be used to inform new RCMP policies, training, needs for disclosure and use at trials, etc. CMC will be updated for more details as the Implementation Plan becomes available. Potential incremental costs and timelines will be included in the Implementation Plan and in subsequent MYFPs.	No
Modernization of Intervention Equipment Strategy:		Status: Ongoing. Pricewaterhouse Coopers LLP has been awarded a contract to develop a Strategic Narrative Document (SND) to help support the Modernization Strategy moving forward. The SND will contain recommendations for prioritization for 8 pieces of intervention equipment/modern ballistic protection. In addition to those items mentioned below, Conducted Energy Weapon (CEW) and Soft Body Armour will also be examined.	No
Breaching Equipment	~ \$160/preferred unit option	Status: Pending decision if the equip. will be mandatory. Currently no approved breaching equipment for General Duty Members. It is designed to be stored in a marked police vehicle for dealing with Immediate Action Rapid Development (IARD) type incidents. Research of different types of breaching tools have been conducted/evaluated, ranging from \$160 to \$2K per tool. The preferred tool costs \$160. Moved forward to procurement, and, once the tool is selected, policy and training will be finalized.	No

Item	Estimated Incremental Cost/Savings per FTE OR per Item @100%	Notes/Status	Included in Multi-Year Financial Plan (MYFP)?
*Extended Range Impact Weapon (ERIW) (40mm; less lethal)	\$3,528/weapon incl. ancillaries	Status: Pending approval for full rollout. These weapons are provided to Members with a less lethal option that can be deployed at a greater distance. The low velocity rounds are accurate and effective up to 35 metres. An increase in distance provides Members with additional time to react to the situation. Update: The 1-year General Duty pilot project ended on May 31/19; during the 12 month pilot, there have been a total of 41 general duty deployments of the weapon. Results of deployments have been analyzed and included in a post-pilot report which is under review for recommendations with suggested changes to the program. Work is underway for a new standing offer for munitions and alternative munitions. Once approved for full rollout, a risk-assessment matrix will be sent to divisions to assist in the determination of quantity require.	No. "E" Div. Finance did not receive breakdown by unit to include this.
Portable Ballistic Shields (PBS)	\$8K to \$10K/unit	Status: Pending decision if the equip. will be mandatory for every detachment, and, if there's a minimum # required per detachment. It is an extra ballistic protection that will supplement soft/hard body armours for General Duty Members in some situations. National Use of Force has reviewed the new standard from National Institute of Justice (NIJ) and will forward to senior mgmt. at Contract & Indigenous Policing (C&IP) for approval. Training on the use of a PBS will cover containment and officer/citizen rescues in exigent circumstances to preserve life.	No. "E" Div. Finance has not been instructed to incl. estimates for this item within MYFP.
*Hard Body Armour (HBA II)	\$600/unit	Status: Pending final decision. Ongoing review of the current product description to make amendments in weight and size. Update: A change in ballistic protection is approved in principle by C&IP but still awaiting two other approvals. RCMP NHQ continues to explore the option of issuing HBA to all Members as part of the personal issued kit. With industry advancements, lighter weight HBA plates and plates of different sizes are available, to allow a better fit for different body shapes.	No. "E" Div. Finance did not receive breakdown by unit to include this.
*Pistol Modernization/Long Gun Rifle		Status: Pending final decision. After a review to replace the current General Duty pistols which have been in use since 1994, RCMP made a proposal to adopt a modern pistol to ensure Members have the appropriate equip. to perform their job. Industry advancements have been made resulting in the availability of lighter weight pistols which allow for attachments of lights, improved ergonomics and increased reliability. This proposal also led to a more thorough review of long guns which indicated that efficiencies in training, annual recertification compliance and maintenance can be achieved by eliminating some firearms and upgrading the existing carbine with some additional accoutrements. A longer term proposal would involve the elimination of 1 or 2 long guns and a calibre conversion for the existing carbines. A strategy document has been finalized incorporate all current firearms in one modernization package and is awaiting a final decision.	No. "E" Div. Finance has not been instructed to incl. estimates for this item within MYFP.
Savings:			
*Employer's Contribution to Members' Pension	Total Estimated Savings will be reduced by (\$1M) per year @cost share from the previous (\$9.5M) per year @cost share	Status: Implementation of 0.37% rate increase eff. Apr. 1/21 for 3 Fiscal Years. CMC has endorsed the Pension Panel's recommendation to increase the employer's contribution to Members' pension from 19.07% of pensionable salaries to 19.44% eff. Apr. 1/21 for 3 Fiscal Years (2021/22, 2022/23, 2023/24). Historical rates: Apr. 1/15 to Mar. 31/18: 22.7%; Apr. 1/18 to Mar. 31/21: 19.07% (3.63% reduction).	Yes. Ongoing savings reflected.

Note: * = new items or updates added to the previous Matrix

FINANCIAL BUDGET COMPARATIVE 21/22 TO 22/23						
COURTENAY		21/22	22/23	\$	%	
2021-22 to 2022-23 Fiscal Estimates		Budget	Estimates	Change	Change	Notes
	Contract Strength	31.40	31.40	-	-	
	Funded Strength	31.40	31.40	-	-	
COST ELEMENT GROUP (CEG)						
01 - PERSONNEL						
	REGULAR PAY	3,112,168	3,187,808	75,640	2.4%	2.5% pay increase
	OVERTIME - MEMBERS	350,000	358,750	8,750	2.5%	2.5% pay increase
	PAYROLL ALLOWANCES *	206,305	211,463	5,158	2.5%	
	OTHER PAYROLL ITEMS **	174,732	179,101	4,368	2.5%	
	01 - PERSONNEL: TOTAL	3,843,205	3,937,121	93,916	2.4%	
	02 - TRANSPORT & TELECOM	94,361	95,295	934	1.0%	
	03 - INFORMATION	1,173	1,184	11	0.9%	
	04 - PROFESSIONAL & SPEC SVCS	175,971	163,641	(12,331)	(7.0%)	Slight decrease in Training and Seminars
	05 - RENTALS	17,978	20,105	2,127	11.8%	
	06 - PURCHASE, REPAIR AND MAINT	57,454	58,647	1,193	2.1%	
	07 - UTIL, MATERIAL AND SUPP	200,792	203,612	2,820	1.4%	
	09 - MACHINERY & EQUIPMENT	250,572	357,262	106,690	42.6%	1 additional vehicle purchase and increase in finger print machine and license plate reader
	12 - OTHER SUBSIDIES & PMTS	5,610	5,660	50	0.9%	
	TOTAL DIRECT COST	4,647,117	4,842,526	195,409	4.2%	
	COST OF RM PENSIONS	622,861	650,399	27,538	4.4%	Increase in pension rate 19.07% to 19.44%
	COST OF DIVISIONAL ADMINISTRATION	871,884	931,726	59,842	6.9%	Increase in Div Admin due to rising Special Leave
	COST OF OTHER INDIRECT COSTS ***	419,381	406,628	(12,752)	(3.0%)	reduction of 7% in recruitment training
	TOTAL INDIRECT COST	1,914,126	1,988,753	74,628	3.9%	
	TOTAL COSTS (Direct + Indirect)	6,561,243	6,831,280	270,037	4.1%	
	FEDERAL COST 10 %	656,124	683,128	27,004	4.1%	
	MUNICIPAL POLICING COSTS 90%	5,905,118	6,148,152	243,033	4.1%	
	ANNUAL PAYMENTS per SETTLEMENT AGREEMENT					
	Earned Retirement Benefit Payment (Serverance)	27,070	27,070	0	-	
	Green Timbers	18,568	18,568	0	-	
	TOTAL MUNICIPAL POLICING COSTS 90%	5,950,756	6,193,789	243,033	4.1%	
	ESTIMATED COST PER RM (90%)	188,081	195,822	7,741	4.1%	

PSE & ACCOMMODATION ESTIMATES @ 100%		
PUBLIC SERVICE EMPLOYEES	735,782	771,187
CM Position	78,463	81,822
ACCOMMODATION	288,867	237,148
TOTAL PSE & ACCOMMODATION	1,103,112	1,090,157

* Payroll Allowances include: Service Pay, Senior Constable, Occupational Clothing, and Shift Differential
 ** Other Payroll items include: Acting Pay and Reservists

COURTENAY	19/20 Final	20/21 Pre Final	21/22 Final Budget	22/23 Estimates	23/24 Estimates	24/25 Estimates	25/26 Estimates	26/27 Estimates
2022/23 to 2026/27 Fiscal Estimates								
CONTRACT STRENGTH	31.4	31.4	31.4	31.4	31.4	32.4	33.4	33.4
ACTUAL / FUNDED STRENGTH	24.86	27.4	31.4	31.4	31.4	32.4	33.4	33.4
COST ELEMENT GROUP (CEG)								
STD OBJ. 01 - PERSONNEL								
CEG 10 - PAY - PUBLIC SERVICE EMPLOYEES		347,477						
CEG 30 - PAY - MEMBERS:								
CE 500110 - REGULAR PAY	2,271,691	2,442,997	3,112,168	3,187,808	3,267,503	3,453,456	3,646,665	3,737,832
CE 500112 - RETROACTIVE PAY	2,518	2,722						
CE 500113 - ACTING PAY	14,426	7,807	16,600	17,015	17,440	17,876	18,323	18,781
CE 500114 - SERVICE PAY	73,769	81,428	87,307	89,490	91,727	94,020	96,371	98,780
CE 500117 - SHIFT DIFFERENTIAL	32,249	35,410	38,663	39,630	40,620	41,636	42,677	43,744
CE 500119 - PERFORMANCE AWARD	400	-400						
CE 500164 - SENIOR CST ALLOWANCE	59,834	53,298	66,708	68,375	70,085	71,837	73,633	75,473
CE 501127 - RETRO PAY - PRIOR YEARS	3,413	2,718						
CE 501194 - REGULAR TIME RESERVISTS	101,744	48,984	158,132	162,086	166,138	175,715	185,667	190,309
CE 501198 - BILINGUAL BONUS - Current	804	126						
CE 502103 - OPERATIONAL CLOTHING ALLO	6,179	6,834	13,628	13,968	14,318	15,143	16,001	16,401
MISC. CE's incl. under CEG 30	12,620	14,235						
CEG 30 - PAY - MEMBERS - TOTAL	2,579,645	2,693,440	3,493,205	3,578,371	3,667,830	3,869,683	4,079,336	4,181,320
CEG 31 - OVERTIME - MEMBERS	262,932	245,144	350,000	358,750	367,719	376,912	386,335	395,993
CEG 32 - PAY - MEMBERS (POLICY CENTRE) C	71,252	779						
CEG 33 - RCMP PAY - OTHER								
CEG 40 - ALLOWANCES - INTRA MEMBERS (Cr	7,852	21,527						
CEG 41 - ALLOWANCES - INTER MEMBERS (Cr								
CEG 45 - PERSONNEL - OPERATIONAL CONTIN								
TOTAL STD OBJ. 01 - PERSONNEL	2,921,681	2,960,890	3,843,205	3,937,121	4,035,549	4,246,595	4,465,671	4,577,312
STD OBJ. 02 - TRANSPORTATION & TELECOM								
CEG 50 - TRAVEL	14,673	5,249	34,669	34,981	35,296	36,748	38,223	38,567
CEG 51 - TRAVEL ADVANCES								
CEG 52 - TRAINING TRAVEL (DCCEG)	10,793	1,454	31,984	32,943	33,932	36,063	38,291	39,440
CEG 53 - TRAINING TRAVEL (POST)	7,658	38	15,685	15,826	15,968	16,625	17,293	17,448
CEG 54 - IPA & FSD TRAVEL								
CEG 55 - CENTRALIZED TRAINING TRAVEL								
CEG's 60-66 - TRANSFER COSTS (Credit Item	72,481	174,887						
CEG 70 - FREIGHT, POSTAGE, ETC.	8,201	4,104	11,442	11,545	11,649	11,754	11,860	11,966
CEG 100 - TELEPHONE SERVICES (DCCEG)	1,029	145	582					
CEG 101 - TELEPHONE SERVICES (POST)								
CEG 140 - COMPUTER COMM SERVICES								
TOTAL STD OBJ. 02 - TRANSPORT & TELECOM	114,835	185,876	94,361	95,295	96,844	101,189	105,666	107,421
STD OBJ. 03 - INFORMATION								
CEG 120 - ADVERTISING			673	679	685	714	742	749
CEG 130 - PUBLICATIONS SERVICES	737	7	500	505	509	530	551	556
TOTAL STANDARD OBJ. 03 - INFORMATION	737	7	1,173	1,184	1,194	1,244	1,293	1,305
STD OBJ. 04 - PROFESSIONAL & SPEC. SVCS								
CEG 160 - LEGAL SERVICES (Credit Item)	8,360	6,917						
CEG 170 - CONTRACTED SERVICES (DCCEG)		59,433						
CEG 171 - CONTRACTED SERVICES (Post)								
CEG 190 - TRAINING & SEMINARS (DCCEG)	37,694	10,989	65,923	49,426	52,065	53,873	54,965	57,555
CEG 191 - TRAINING & SEMINARS (POST)	3,261	1,398	4,243	4,281	4,319	4,497	4,677	4,720
CEG 192 - OFFICIAL LANGUAGE TRAINING								
CEG 219 - PROFESSIONAL SERVICES	47,954	46,890	48,339	48,775	49,994	51,244	52,525	53,838
CEG 220 - OTHER SERVICES	1,498	1,914	8,999	9,080	9,307	9,540	9,779	10,023
CEG 221 - OTHER SERVICES IM/IT	38,937	36,583	43,198	44,285	45,914	46,444	48,198	50,046
CEG 223 - RADIO COMMUNICATION SYSTEM	7,990	4,482	5,269	7,794	7,894	8,017	8,172	8,354
CEG 229 - CADIC ALLOCATED	-134	-4,395						
TOTAL STANDARD OBJ. 04 - PROFESSIONAL & SP	145,560	164,212	175,971	163,641	169,493	173,615	178,316	184,535
STD OBJ. 05 - RENTALS								
CEG 240 - RENTAL-LAND,BLDG & WORKS (D		4,629						
CEG 241 - RENTAL-LAND,BLDG & WORKS (P	1,632	409	2,000	2,018	2,036	2,120	2,205	2,225
CEG 250 - RENTAL COMNS EQUIP (DCCEG)	130	112	104	184	184	184	184	184
CEG 258 - RENTAL MOTORIZED VEHICLES								
CEG 265 - LEASED VEHICLES								
CEG 280 - RENTAL COMPUTER EQUIP	3,473	3,747	5,263	7,196	6,977	7,318	7,318	7,318
CEG 290 - RENTAL - OTHERS	910	1,894	10,611	10,707	10,803	10,900	10,998	11,097
TOTAL STANDARD OBJ. 05 - RENTALS	6,144	10,791	17,978	20,105	20,000	20,522	20,705	20,824
STD OBJ. 06 - PURCHASE, REPAIR AND MAINT								
CEG 311 - REPAIR OF BUILDINGS & WORKS		175						
CEG 370 - REPAIR OF VEHICLES	27,459	27,376	50,640	51,096	51,556	53,676	55,831	56,334
CEG 380 - REPAIR OF OFFICE & LAB EQUIP		63						
CEG 390 - REPAIR OF MISC. EQUIP	10,169	5,084	6,814	6,875	6,937	6,999	7,062	7,126
CEG 392 - REPAIR OF AFIS EQUIP								
CEG 393 - REPAIR OF EDP EQUIPMENT	-21			676	676	676	676	676
TOTAL STANDARD OBJ. 06 - PURCHASE, REPAIR A	37,607	34,862	57,454	58,647	59,169	61,352	63,570	64,136
STD OBJ. 07 - UTIL, MATERIAL AND SUPPLIES								
CEG 400 - UTILITIES	-	22,068	-	-	-	-	-	-
CEG 430 - FUEL	68,038	49,786	72,357	74,021	74,687	77,760	80,881	81,609
CEG 470 - PHOTOGRAPHIC GOODS	3,158	2,464	3,344	3,374	3,404	3,435	3,466	3,497
CEG 500 - STATIONERY	12,030	10,446	32,783	33,078	33,376	34,749	36,144	36,469
CEG 510 - CLOTHING & KIT	8,087	20,514	26,741	26,982	27,224	28,344	29,482	29,748
CEG 530 - LAB SUPPLIES								
CEG 540 - POST BUDGET EXPENDITURES	31,108	39,295	65,567	66,157	66,752	69,498	72,288	72,939
TOTAL STD OBJ. 07 - UTIL, MATERIAL AND SU	122,423	144,573	200,792	203,612	205,445	213,787	222,262	224,262

COURTENAY	19/20 Final	20/21 Pre Final	21/22 Final Budget	22/23 Estimates	23/24 Estimates	24/25 Estimates	25/26 Estimates	26/27 Estimates
2022/23 to 2026/27 Fiscal Estimates								
CONTRACT STRENGTH	31.4	31.4	31.4	31.4	31.4	32.4	33.4	33.4
ACTUAL / FUNDED STRENGTH	24.86	27.4	31.4	31.4	31.4	32.4	33.4	33.4
COST ELEMENT GROUP (CEG)								
STD OBJ. 09 - MACHINERY & EQUIP ACQ<\$10,000								
CEG 440 - TRANSPORT SUPPLIES	11,497	8,227	17,480	17,637	17,796	18,528	19,271	19,445
CEG 441 - VEHICLE CHANGEOVERS	14,391	27,458	26,219	26,455	26,693	27,792	28,907	29,167
CEG 450 - COMNS PARTS & CONSUMABLES	1,996	2,265	2,139	2,349	2,396	2,468	2,542	2,644
CEG 480 - FIREARMS & AMMUNITION	5,950	1,197	12,215	1,258	1,289	1,322	1,355	1,389
CEG 770 - COMMS. SYSTEMS (CAPITAL)	18,864	19,239	21,595	18,914	18,925	18,942	18,960	18,978
CEG 771 - COMMS. EQUIPMENT			514					
CEG 810 - LABORATORY EQUIP.	4,350							
CEG 830 - FURNITURE & FIXTURES		481						
CEG 840 - COMPUTER EQUIPMENT (CAPITAL)								
CEG 841 - COMPUTER EQUIP.	27,271	39,968	24,823	42,458	44,480	48,524	48,524	48,524
CEG 842 - COMPUTER S/WARE - INFORMATI	120	30	20,231	4,517	4,517	4,517	4,517	4,517
CEG 845 - SPECIALIZED EQUIPMENT								
CEG 850 - AUDIO VISUAL AIDS								
CEG 860 - INVESTIGATIONAL EQUIP.	3,462	7,500	7,071	7,135	7,199	7,495	7,796	7,866
CEG 890 - VEHICLES (CAPITAL)	63,273	108,188	90,000	135,000	90,000	90,000	90,000	90,000
CEG 891 - MISC. VEHICLES								
CEG 900 - OTHER EQUIP.			6,042	6,097	6,152	6,405	6,662	6,722
CEG 910 - OFFICE MACHINES	8,921	2,886	9,000	9,081	9,163	9,245	9,328	9,412
CEG 920 - SECURITY EQUIP.	556	1,413	13,242	86,361	20,000	20,823	21,659	21,854
TOTAL STD OBJ. 09 - MACHINERY & EQUIPME	166,404	218,852	250,572	357,262	248,610	256,059	259,521	260,518
STD OBJ. 12 - OTHER SUBSIDIES & PAYMENTS								
CEG 570 - PRISONER EXPENSES	1,030							
CEG 580 - SECRET EXPENSES	4,660	5,671	5,610	5,660	5,711	5,763	5,815	5,867
CEG 581 - SPECIAL "I" EXPENDITURES		1,500						
CEG 590 - MISC EXPEND	3,720	9,713						
CEG 591 - DISCOUNT FOR EARLY PAYMENT								
CEG 592 - PAYMENT IN LIEU OF TAXES		18,200						
CEG 620 - CLAIMS and COMP.SETTLEMENTS (C	57,500							
CEG 650 - WRITE-OFF								
TOTAL STD OBJ. 12 - OTHER SUBSIDIES & PM	66,909	35,084	5,610	5,660	5,711	5,763	5,815	5,867
TOTAL DIRECT COSTS (Before Credits & Adjust	3,582,301	4,116,447	4,647,117	4,842,526	4,842,016	5,080,126	5,322,820	5,446,181
LESS - YEAR TO DATE CREDITS								
SO 01 - CEG 32 - Medical Leave / Suspension >	71,252	779						
SO 01 - CEG 40 & 41 -Transfer Allowances	7,852	21,527						
SO 02 - CEG's 60-66 Transfer Cost	72,481	174,887						
TRAVEL ADVANCES - CEG 051 & SALARY OVE		9,713						
SO 04 - CEG 160 - Legal Services	8,360	6,917						
SO 04 - CEG's 200, 201 & 202 - Health Services								
SO12 - CEG 620 - Compensation Claims/Ex-Gr	57,500							
Refund of Credits under CE 1691	130							
TOTAL CREDITS	217,575	213,823						
ADJUSTMENTS TO DIRECT COSTS (See 'A' be	-73,023	3,902,624						
TOTAL DIRECT COSTS AFTER ADJUSTMENTS	3,291,703	3,902,624	4,647,117	4,842,526	4,842,016	5,080,126	5,322,820	5,446,181
INDIRECT COSTS (Summary)								
1) RM Pensions	460,050	492,557	622,861	650,399	666,659	703,594	741,960	760,509
2) RM CPP	72,280	88,049	95,907	106,023	108,673	114,938	121,448	124,484
3) Employer's Contr. to E.I. for R/M's	25,734	27,635	34,146	33,277	34,109	36,075	38,118	39,071
4) Division Administration (per cap x avg.# RM's	613,371	725,584	871,884	931,726	972,699	1,048,419	1,129,540	1,181,138
5) Recruitment & Training	150,676	172,116	215,758	196,040	206,276	212,846	219,416	219,416
6) National Programs	36,065	41,956	47,458	48,253	48,339	49,968	51,604	51,699
7) Police Dog Service Training		8,447	26,113	23,035	22,842	22,842	22,842	22,842
8) Amortization of Equipment > \$150,000 @ 10%								
9) Reservists - CPP & EI	4,927	7,837						
TOTAL INDIRECT COST	1,363,104	1,564,181	1,914,126	1,988,753	2,059,596	2,188,682	2,324,928	2,399,159
TOTAL COSTS (Direct + Indirect) @ 100%	4,654,807	5,466,806	6,561,243	6,831,280	6,901,612	7,268,808	7,647,748	7,845,340
FEDERAL COST 10 %	465,481	546,681	656,124	683,128	690,161	726,881	764,775	784,534
MUNICIPAL COST 90%	4,189,327	4,920,125	5,905,118	6,148,152	6,211,450	6,541,927	6,882,973	7,060,806
MUNICIPAL COSTS - 100 % (Schedule 3,3B &3C	781,939	222,989	1,103,112	1,090,157	1,103,784	1,117,582	1,131,551	1,145,696
TOTAL COSTS PRIOR TO SETTLEMENT	4,971,266	5,143,114	7,008,230	7,238,309	7,315,235	7,659,509	8,014,525	8,206,502
ANNUAL PAYMENTS per SETTLEMENT AGREEMENT								
Earned Retirement Benefit Payment (Serverance)		62,049	27,070	27,070	27,070	27,070	27,070	27,070
Green Timbers		29,546	18,568	18,568	18,568	18,568	18,568	18,568
TOTAL MUNICIPAL POLICING COSTS	4,971,266	5,234,710	7,053,868	7,283,947	7,360,872	7,705,146	8,060,162	8,252,139
FTE - FULL TIME EQUIVALENTS								
RM / CM - ESTABLISHED	24.86	31.4	31.4	31.4	31.4	32.4	33.4	33.4
CM			0.7	0.7	0.7	0.7	0.7	0.7
RESERVISTS	1.19	1.77	1.61	1.61	1.61	1.66	1.72	1.72
PSE's	7.63		9.00	9.00	9.00	9.00	9.00	9.00

COURTENAY		19/20 Final	20/21 Pre Final	21/22 Final Budget	22/23 Estimates	23/24 Estimates	24/25 Estimates	25/26 Estimates	26/27 Estimates
2022/23 to 2026/27 Fiscal Estimates									
CONTRACT STRENGTH		31.4	31.4	31.4	31.4	31.4	32.4	33.4	33.4
ACTUAL / FUNDED STRENGTH		24.86	27.4	31.4	31.4	31.4	32.4	33.4	33.4
COST ELEMENT GROUP (CEG)									
INDIRECT COSTS - REGULAR & CIVILIAN MEMBERS									
1) Pensions (Total Pensionable Earnings)		2,412,428	2,582,889	3,266,182	3,345,673	3,429,314	3,619,313	3,816,668	3,912,085
Pension Rate		19.07%	19.07%	19.07%	19.44%	19.44%	19.44%	19.44%	19.44%
Total Cost of RM/CM Pension		460,050	492,557	622,861	650,399	666,659	703,594	741,960	760,509
2) CPP (Pensionable Earnings) on a Per Capita Cost		2,907	3,214	3,055	3,377	3,461	3,548	3,637	3,727
Total Cost (Per Capita x FTE Utilization)		72,280	88,049	95,907	106,023	108,673	114,938	121,448	124,484
3) Employer's Contr. to E.I. on a Per Capita Cost		1,035	1,009	1,088	1,060	1,086	1,114	1,141	1,170
Total Cost (Per Capita x FTE Utilization)		25,734	27,635	34,146	33,277	34,109	36,075	38,118	39,071
4) Division Administration on a Per Capita Cost		24,673	26,487	27,770	29,676	30,981	32,362	33,822	35,367
Total Cost of Div. Administration		613,371	725,584	871,884	931,726	972,699	1,048,419	1,129,540	1,181,138
5) Recruitment & Training		-	-	-	-	-	-	-	-
Per Capita Cost of Recruitment		4,768	1,333	5,366	4,901	5,061	5,061	5,061	5,061
Per Capita Cost of Training		1,293	4,950	1,506	1,343	1,509	1,509	1,509	1,509
Total Cost of Recruitment & Trng		150,676	172,116	215,758	196,040	206,276	212,846	219,416	219,416
6) Other National Indirects Per Capita (Addendum)		1,451	1,532	1,512	1,537	1,540	1,542	1,545	1,548
Total Cost (Per Capita x FTE Utilization)		36,065	41,956	47,458	48,253	48,339	49,968	51,604	51,699
7) Police Dog Svc. Trng. as a Per Cap. cost		32,540	34,434	37,304	32,907	32,631	32,631	32,631	32,631
Total Cost (Per cap X PD Teams) - COURTENAY		-	8,447	26,113	23,035	22,842	22,842	22,842	22,842
TOTAL INDIRECT COSTS - RM's & CM's		1,358,177	1,556,344	1,914,126	1,988,753	2,059,596	2,188,682	2,324,928	2,399,159
INDIRECT COSTS - RESERVISTS									
	FTE			1.61	1.61	1.61	1.66	1.72	1.72
a) CPP for Reservist on a Per Capita Cost..		2,907	3,214	3,055	3,377	3,461	3,548	3,637	3,727
Total Cost (Per Capita x FTE)		3,460	5,693	-	-	-	-	-	-
b) Employer's Contr. to E.I. on a Per Capita Cost		1,233	1,211	1,295	1,272	1,304	1,336	1,370	1,404
Total Cost (Per Capita x FTE)		1,467	2,144	2,996	2,942	3,015	3,159	3,309	3,391
TOTAL INDIRECT COSTS - RESERVISTS		4,927	7,837	2,996	2,942	3,015	3,159	3,309	3,391
ADDENDUM 'A'									
OTHER INDIRECT COSTS									
Civilian Review & Complaints Committee		520	520	491	520	520	520	520	520
Legal Advisory Services		173	115	182	181	184	187	190	192
Enhanced Reporting & Accountability		115	176	118	115	115	115	115	115
Estimated Annual Severance		-	-	-	-	-	-	-	-
CONSOLIDATED SERVICES									
Shared Services Canada (SSC)		643	721	721	721	721	721	721	721
Accounting Operations		-	-	-	-	-	-	-	-
Pay & Compensation		-	-	-	-	-	-	-	-
TOTAL PER CAPITA COST (Indirects #6)		1,451	1,532	1,512	1,537	1,540	1,542	1,545	1,548
FISCAL YEAR TO CALENDAR YEAR CONVERSION TABLE									
Calendar Year		2019	2020	2021	2022	2023	2024	2025	2026
Fiscal Year Total Current		4,971,266	5,234,710	7,053,868	7,283,947	7,360,872	7,705,146	8,060,162	8,252,139
Fiscal per Qtr Current		1,242,816	1,308,677	1,763,467	1,820,987	1,840,218	1,926,287	2,015,041	2,063,035
Fiscal Year Total Prior Year		5,047,847	4,971,266	5,234,710	7,053,868	7,283,947	7,360,872	7,705,146	8,060,162
Fiscal per Qtr Prior Year		1,261,962	1,242,816	1,308,677	1,763,467	1,820,987	1,840,218	1,926,287	2,015,041
Calendar									
Jan - Mar		1,261,962	1,242,816	1,308,677	1,763,467	1,820,987	1,840,218	1,926,287	2,015,041
Apr - June		1,242,816	1,308,677	1,763,467	1,820,987	1,840,218	1,926,287	2,015,041	2,063,035
Jul - Sept		1,242,816	1,308,677	1,763,467	1,820,987	1,840,218	1,926,287	2,015,041	2,063,035
Oct - Dec		1,242,816	1,308,677	1,763,467	1,820,987	1,840,218	1,926,287	2,015,041	2,063,035
City Calendar Year Total		4,990,411	5,168,849	6,599,078	7,226,427	7,341,641	7,619,078	7,971,408	8,204,145

Colour Legend

Red = Post Budget CEG controlled by OIC

Black = Division Controlled CEG (DCCEG)

Blue lettering = Standard Object (SO)

Blue background = CEG credited to Direct Costs

**NOTES & ASSUMPTIONS for 2022/23
Municipal Police Unit Agreements**

Our terminology for the grouping of General Accounts:

- Cost Element Group (CEG)
- Cost Element (CE)

DIRECT COSTS

CEG 30 - RCMP Members Pay (CE 110 - Regular Pay)

- 2.50% estimated salary increase each year starting from January 1, 2017
- The deeming of the Civilian Member (CM) category of employees has been further delayed with no update as to the conversion date. However, we have included the related pay and pension projections for 2022/23 and onwards at the pertinent PSE rates. Other indirect costs will continue to be charged on a per FTE basis.
- Potential impact of cash outs relating to member excess leave is dependent on policy and management direction and has not been reflected in the MYFPs.

CEG 190 - Training

- For Training, growth is related to the delay in training due to COVID-19, Major Case Management, Fair and Impartial Policing, Initial Critical Incident Response (ICIR), Operational Skills Training (OST), Field Mentorship, and Program Support (e.g. Curriculum Designer, Admin Support). Stability is expected in 2025/26 onwards.

DIRECT COST DEDUCTIONS

The following are cost categories that are deducted from the Total Direct Cost incurred for each municipality:

- A. Non-billable costs are credited from municipal billings, and paid by the Federal Government:
 - CEGs 40 & 41 - Transfer Allowances
 - CEGs 60 to 66 - Relocation Costs
 - CEG 160 - Legal Services
 - CEG 620 - Claims and Compensation Settlements
- B. Costs that are deducted from Direct Costs and included in Division Administration:
 - CEG 32 - Pay Members (Severance for death/medical & other discharges/layoff, Maternity and Parental allowances)
 - CEGs 200 to 202 - Health Services

INDIRECT COSTS

With the exception of Member Pension, all costs below are charged on a per member FTE basis:

- Member Pension - 19.44% of pensionable cost element items. The Pension Panel will reconvene in 2023 to determine the next recommended rate eff. Apr. 1, 2024.
- Member Canada Pension Plan - \$3,376.89
- Member Employment Insurance - \$1,059.88
- Division Administration - \$29,676 (Please refer to attached schedule 4)
- A separate calculation is listed for EI and CPP with respect to Reservists and PSE's (if applicable)
- Other Indirect Costs*:
 - Civilian Review and Complaints Commission (formerly PCC) - \$519.86
 - Legal Advisory Services - \$181.28
 - Enhanced Reporting & Accountability - \$114.76
 - Shared Services Canada (SSC) - \$721: SSC provides telecommunication and email services, networks, data centres, and servers to the RCMP. This rate is based on the historical costs for certain covered services. Units requesting additional services will be billed separately for those services
 - Training & Recruiting: Based on the rolling average of actual costs for the previous 3 fiscal years. For 2022/23, the per FTE rates are estimated at \$4,901 for the Cadet Training Program and \$1,343 for Recruiting.
 - Police Dog Service (PDS) Training: Based on both the rolling average of actual costs for the previous 3 fiscal years and on established PDS teams in each Contract jurisdiction. For 2022/23, the rate is estimated at \$32,907 per PDS team member FTE. For municipalities within the Lower Mainland District, this cost is included in the Integrated Teams budget projections.

COSTS BILLABLE AT 100%

The following are some of the items that are billable at 100%:

- Accommodation costs (including occupancy charge) for municipal units in federally owned buildings
- PSEs Support staff costs (including backfills, overtime, pension, CPP, etc.)
- Furniture and fixtures
- House Furnishings
- Prisoner costs (including guards & matrons, mattresses and blankets for cells)

Clarity to the RCMP Recovery and Invoicing Processes to Align to Police Service Agreements

1. Invoicing – Article 17 Police Service Agreements (PSAs)

The PSAs are signed by the Minister of Justice (or the Minister responsible for police services) of the Province/Territory or Chief Executive Officer (or delegated head of the Municipality) and Article 17 of the agreements provides that Canada will invoice for payment "on a quarterly basis" and that each invoice "will cover 1/4 of the estimated cost of the" Police Service for that Fiscal Year. Accordingly, the RCMP may not invoice other Ministries/Crown Corporations/Agencies of the Province/Territory or Municipality or third parties; and invoices should not be created or issued other than the quarterly, aggregate estimates.

2. Agreements with Third Parties and Cost Recoveries

Under the Section 20 of the RCMP Act, the RCMP can only provide policing services to Provincial/Territorial or Municipal governments where a police service agreement has received an Order-In-Council by the Governor General. Requests for additional policing services must be made through existing PSAs and invoiced accordingly.

Detailed reporting can be provided locally should a Province/Territory/Municipality (PTM) wish to cost recover from another level of government and/or third party (i.e. Independent Police Forces); however, the recoveries must be facilitated by the PTM.

3. Special Events – Financial Process Further to Article 9

When a redeployment for a Special Event has been agreed to between the Commanding Officer and the PTM, the costs associated with redeploying will be paid by the Province/Territory or Municipality at the agreed to cost-share per Article 11. The costs will be included as part of the quarterly billing process.

4. Cost Recoveries for Expenses Related to the Auxiliary Program

As the Auxiliary Program falls outside the PSAs, an MOU is required between the Province and the RCMP in order to provide services under the Auxiliary Program. Provinces/Territories will be responsible for 100% of the costs borne by the RCMP in the delivery of the Auxiliary Program, which are to be recovered as credits to expenditures for incremental costs only, as per the Treasury Board policy on Cost Recovery. No indirect rates are to be charged, as the PSAs and the cost-shares do not apply.

Courtenay - 5 Year Salary Forecast

	2021-22	2022-23		2023-24		2024-25		2025-26		2026-27						
Annual Raise		2.50%		2.50%		2.50%		2.50%		2.50%						
Effective Increment for Fiscal Year		2.50%		2.50%		2.50%		2.50%		2.50%						
<i>(April to March: applying 9 months @ current year raise + 3 months following year raise)</i>																
	FTE	FTE	Avg Sal	Cost	FTE	Avg Sal	Cost	FTE	Avg Sal	Cost	FTE	Avg Sal	Cost			
Regular Members	30.70	30.70		\$ 3,187,808	30.70		\$ 3,267,503	31.70		\$ 3,453,456	32.70		\$ 3,646,665	32.70		\$ 3,737,832
Spl CST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CST	21.70	21.70	99,242	2,153,545	21.70	101,723	2,207,383	22.70	104,266	2,366,834	23.70	106,872	2,532,877	23.70	109,544	2,596,199
CPL	5.00	5.00	109,681	548,404	5.00	112,423	562,114	5.00	115,233	576,167	5.00	118,114	590,571	5.00	121,067	605,336
SGT	3.00	3.00	119,143	357,430	3.00	122,122	366,366	3.00	125,175	375,525	3.00	128,304	384,913	3.00	131,512	394,536
SGT MAJ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
S/SGT	1.00	1.00	128,865	128,429	1.00	132,086	131,640	1.00	135,388	134,931	1.00	138,773	138,304	1.00	142,242	141,762
S/SGT MAJ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
INSP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUPT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C/SUPT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Civilian Members	0.70	0.70		\$ 81,822	0.70		\$ 83,868	0.70		\$ 85,965	0.70		\$ 88,114	0.70		\$ 90,317
ESS	0.70	0.70	116,889	81,822	0.70	119,811	83,868	0.70	122,807	85,965	0.70	125,877	88,114	0.70	129,024	90,317
CMP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GTE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	31.40	31.40		\$ 3,269,630	31.40		\$ 3,351,371	32.40		\$ 3,539,421	33.40		\$ 3,734,779	33.40		\$ 3,828,148
% Variance				2.50%			2.50%			5.61%			5.52%			2.50%
Average \$/FTE				\$ 104,140			\$ 106,743			\$ 109,253			\$ 111,831			\$ 114,627

CITY OF COURTENAY
COST of PUBLIC SERVICE EMPLOYEES

	2020/21 Pre Final	2021/22 Budget	2022/23 Estimate
FTEs	7.01	9.00	9.0
DIRECT COSTS:			
CEG 10 - PAY - PUBLIC SERVICE EMPLOYEES			
CE 500100 REGULAR PAY F/T IND. PSE	236,863	376,600	384,100
CE 500107 EMERGENCY SAL ADV	(10,432)	-	11,000
CE 502204 PHOENIX DAMAGES	11,500		
CE 500136 REG. PAY P/T IND. PSE	31,086	33,700	31,700
CE 500141 PSE CASUALS	27,254	78,000	79,600
CE 500142 PSE TERM > 6 MONTHS	19,473	40,000	40,800
CE 500143 PSE TERM < 6 MONTHS	(353)		
CE 500173 VAC. PAY PT	93		
CE 500180 VACATION PAY TERM/CASUAL	1,568	4,000	4,000
CE 500301 PREMIUM PAY & ALLOWANCES	2,706	5,000	5,000
CE 501154 GOVERNMENT EMPLOYEES COMPENSATION - HRSD	1,935		
CE 500182 LUMP SUM SETTLEMENT (Not Subject to Superannuation)	3,487		3,600
CE 502202 RETROACTIVE PAY - PRIOR YEAR	22,298		22,700
CEG 11 - OVERTIME - PS	11,465	39,700	39,700
CEG 12 - PSE ALLOWANCES	2,358	30,000	30,000
TOTAL DIRECT COSTS	361,301	637,000	682,200
INDIRECT COSTS:			
A) COST OF PS PENSIONS (CE 100, 136,142)	309,720	450,300	456,600
PENSION RATE	9.99%	9.99%	9.99%
TOTAL COST OF PS PENSIONS	30,941	44,985	45,614
B) COST OF PS CPP			
AS A PER CAPITA COST	3,214.17	2,835.10	2,835.10
X PSE UTILIZATION	7.01	9.00	9.0
TOTAL COST OF PS CPP	22,519	25,516	25,516
C) COST OF EMPLOYERS CONTRIB. to E.I.			
AS A PER CAPITA COST	1,210.52	1,263.07	1,263.07
X PSE UTILIZATION	7.01	9.00	9.0
TOTAL COST OF E.I. CONTRIBUTIONS	8,481	11,368	11,368
D) COST OF SHARED SERVICES			
AS A PER CAPITA COST	721	721	721
X PSE UTILIZATION	7.01	9.00	9.0
TOTAL COST OF SSC	5,051	6,489	6,489
TOTAL INDIRECT COSTS	66,993	88,358	88,987
TOTAL COST OF PUBLIC SERVICE EMPLOYEES	428,293	725,358	771,187

Municipal Contract Accommodation

City of Courtenay

Direct Operating Costs:

CEG		2020-21 PRE-FINAL	2021-22 ORG. EST	2022-23 ESTIMATE
700170	Contracted Services - Real Property	59,433	72,184	74,349
700171	Contracted Services - Real Property - Unit Commander Authority		-	-
700218	Contaminated Sites		-	-
700240	Rental of Buildings, Land & Works	4,629		
700310	Repair of Buildings & Works	2,163	10,545	10,861
700311	Repair of Buildings & Works - Unit Commander Authority		-	-
700400	Utilities	22,068	22,730	23,412
700592	Payment in Lieu of Taxes	18,200	18,746	19,308
Total O&M Charge		106,493	124,205	127,931

Occupancy Charge Calculation:

RCMP Municipal Contract EST	40.0	40.0	40.0
Municipal Employee EST	4.0	4.0	4.0
Total Municipal EST (RM plus ME)	44.0	44.0	44.0
Total EST in building (RM plus support)	139.5	140.5	140.5
Municipal percentage of total building EST	31.5%	31.3%	31.3%
Building Gross Interior Space (sq. m)	1,687.7	1,687.7	1,687.7
Prorated space charged to Municipal Contract	528.6	528.6	528.6
x Provincial rate per square meter	206.62	206.62	206.62
Occupancy Charge	109,217	109,217	109,217

Total Property Cost Estimates for Municipal Contract:	215,710	233,422	237,148
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Division Administration							
Core Administration, Payment in Lieu of Leave, Health Services, Special Leave							
2021-22 FORECAST 5-YEAR FORECAST							
	2020/21	YR0 2021/22	YR1 2022/23	YR2 2023/24	YR3 2024/25	YR4 2025/26	YR5 2026/27
	Pre-Final	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cost Category							
Core Administration	8,146	8,933	8,769	8,920	9,075	9,232	9,393
Payment in Lieu of Leave	536	552	569	586	603	622	640
Health Services	4,446	4,669	4,902	5,147	5,405	5,675	5,959
Special Leave	13,778	14,600	15,436	16,328	17,279	18,293	19,374
Total Per Capita Divisional Administration	26,906	28,754	29,676	30,981	32,362	33,822	35,367
Cost Category as a % of Total Divisional Administration							
Core Administration	30%	31%	30%	29%	28%	27%	27%
Payment in Lieu of Leave	2%	2%	2%	2%	2%	2%	2%
Health Services	17%	16%	17%	17%	17%	17%	17%
Special Leave	51%	51%	52%	53%	53%	54%	55%
Total Divisional Administration	100%	100%	100%	100%	100%	100%	100%

Reference Information	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Estimated Annual Severance Liability	6,323,766	6,323,766	6,323,766	6,323,766	6,323,766	6,323,766	6,323,766
Estimated Annual Severance Per Capita Rate - Note 3	992.93	992.93	992.93	992.93	992.93	992.93	992.93
Previous 20/21 5 Year Forecast	26,620	27,770	28,790	30,180	31,400	32,680	NA
Current 21/22 5 Year Forecast	26,906	28,754	29,676	30,981	32,362	33,822	35,367
Change in Forecast (= current minus previous forecast)	286	984	886	801	962	1,142	

Variables (Growth)	2021/22	2022/23	2023/24	2024/25	2025/26	2025/26	2026/27
Personnel	1.02	1.02	1.02	1.02	1.02	1.02	1.02
O&M	1.02	1.02	1.02	1.02	1.02	1.02	1.02
Mat/Pat	1.02	1.01	1.01	1.01	1.01	1.01	1.01
Pay in Lieu of Leave	1.03	1.03	1.03	1.03	1.03	1.03	1.03
Medical Leave, Gradual Return to Work, Other LWP	1.05	1.07	1.07	1.07	1.07	1.07	1.07
Health Services Costs	1.05	1.05	1.05	1.05	1.05	1.05	1.05

Schedule 5

City of XXXXXXX
XXXXX Ave
XXXXXX, BC

Municipality Over 15,000 Sample Response

June 15, 2021

Ms. Maricar Bains
Director of Finance, RCMP Pacific Region
Mailstop #908, 14200 Green Timbers Way
Surrey, BC
V3T 6P3

Dear Ms. Bains:

Re: [Municipality Name] MPUA – Budget Approval in Principle (AIP) Letter – 2022/23

This “approval in principle” letter is being forwarded to confirm to the Federal Treasury Board our anticipated Municipal Policing requirements, enabling the Federal Government to set aside sufficient financial resources for their proportionate share of Municipal RCMP contract costs.

The City of XXXXXXX anticipates that we will require the addition of ### (#) members to our detachment strength of ## to bring the total detachment strength to ## for the 2022/23 fiscal year. The budget estimate that is approved in principle is \$##.# million at 100% (90% of which our municipality is responsible for). It includes \$### of capital equipment costing (>\$150K).

This letter provides an “approval in principle” and is issued for planning purposes only. It should not be taken as approval to add the anticipated ## of members to the detachment. City Council will be meeting on XXX, 2021 to confirm the 2022/23 budget and the number of additional human resources, if any. We will inform you of that decision once it is made.

If you have any questions, please give me a call at ###-###-####.

Sincerely,

John Doe
Treasurer/Deputy Administrator

cc: XXXXXXX RCMP Detachment
Contract Management Unit, BC RCMP Operations Strategy Branch
Mr. Wayne Rideout, Assistant Deputy Minister and Director of Police Services, Policing and Security Branch, Ministry of Public Safety and Solicitor General

Schedule 6

City of XXXXXX
XXXXXX Ave
XXXXXX, BC

Month, Date Year

The Honourable Mike Farnworth
Solicitor General & Minister of Public Safety
P.O. Box 9010 Prov. Govt.
Victoria, British Columbia V8W 9L5

Dear Minister Farnworth:

**RE: Request for Decrease/Increase in Member(s) to [Municipality Name] RCMP
Municipal Police Unit**

The Council of the [Municipality Name] has authorized and is requesting a decrease/increase of ___ (#) regular member(s) assigned to its RCMP Municipal Police Unit for the 20##/20## fiscal year. The current [Municipality Name] RCMP Municipal Police Unit's authorized strength is ___ (#) members. With the increase/decrease of ___ position(s), the authorized establishment to be recorded in Annex "A" of the [Municipality Name] Municipal Police Unit Agreement will be ___ (#). As per the terms of the *Agreement*, the number of members will be increased/decreased as soon as practicable within one year of the federal government's receipt of your letter to the federal minister.

I confirm our incremental financial commitment for the costs of the requested increase.

Since establishment increases/decreases require amendments to Annex "A" of the Federal/Provincial Agreement, please take the necessary steps to amend the Annex "A" by contacting the Solicitor General of Canada.

Thank you for your attention to this matter.

[name/signature]

Cc:

Member in Charge, Local RCMP Detachment
Establishment Coordinator, Establishment Unit, RCMP "E" Division Headquarters
Contract Management Unit, BC RCMP Operations Strategy Branch
Regional Director, Financial Management, RCMP "E" Division Headquarters



THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council
From: Chief Administrative Officer
Subject: 2020 Annual Development Cost Charges (DCC) Report

File No.: 1870-02 [2020]
Date: June 28, 2021

PURPOSE:

To present Council with the 2020 Development Cost Charges (DCC) Reserve Fund Summary for information purposes.

POLICY ANALYSIS:

Section 569(1) of the *Local Government Act* requires municipalities to report on the DCCs collected and spent during the fiscal period. This legislated report must be prepared annually and be made available to the public.

EXECUTIVE SUMMARY:

The City collects DCCs in accordance with Bylaw 2840 (established 2016) and the balance in the reserves at December 31, 2020 is \$8,885,487.

In 2020, there were no DCC reductions and/or waivers.

CAO RECOMMENDATIONS:

That based on the June 28, 2021 staff report "2020 Annual Development Cost Charges (DCC) Report", Council approve OPTION 1, and approve the City of Courtenay 2020 Annual DCC Report.

Respectfully submitted,

Geoff Garbutt, M.P.I., MCIP, RPP
Chief Administrative Officer

BACKGROUND:

In 1994, Council adopted Development Cost Charges Bylaw No. 1741, 1994, to authorize collection of DCC's to help pay for capital costs associated with providing, constructing, altering or expanding sewage, water, drainage and highway facilities, and providing and improving parkland. There have been amendments to the DCC bylaw since 1994 and the current bylaw in effect is Bylaw No. 2840, 2016.

Bylaw 2755, 2015 formally established the following statutory DCC reserve funds:

- a. Highway Facilities Development Cost Charge Reserve
- b. Storm Drainage Facilities Development Cost Charge Reserve
- c. Parkland Acquisition Development Cost Charge Reserve
- d. Water Facilities Development Cost Charge Reserve
- e. Sanitary Sewer Facilities Development Cost Charge Reserve
- f. Sanitary Sewer Facilities North East Zone Development Cost Charge Reserve

All development cost charge funds received to date have been deposited to separate accounts in the general ledger, and correctly accounted for in accordance with Section 188 of the *Community Charter*. Expenditures are approved annually through the financial plan bylaw for the purpose intended.

DISCUSSION:

Under Section 569 of the *Local Government Act*,

“(1) Before June 30 in each year, a local government must prepare and consider a report in accordance with this section respecting the previous year.

(2) the report must include the following, reported for each purpose...for which the local government imposes the development cost charge in the applicable year:

- (a) the amount of the development cost charges received;*
- (b) the expenditures from the development cost charge reserve funds;*
- (c) the balance in the development cost charge reserve funds at the start and the end of the applicable year;*
- (d) any waivers and reductions under section 563(2)*

(3) The local government must make the report available to the public from the time it considers the report until June 30 in the following year.”

Approval of the 2020 Development Cost Charges Reserve Fund Report will ensure statutory compliance with the *Local Government Act*.

FINANCIAL IMPLICATIONS:

Any development cost charges collected are initially recorded as deferred revenue on the City's financial statements until spending is authorized by Council, in accordance with the terms of the City's DCC bylaw and Public Sector Accounting Standards.

ADMINISTRATIVE IMPLICATIONS:

On Council review and approval of the DCC Annual report, it will be made publically available via the City's website.

ASSET MANAGEMENT IMPLICATIONS:

There are no asset management implications.

STRATEGIC PRIORITIES REFERENCE:

Not Applicable

OFFICIAL COMMUNITY PLAN REFERENCE:

Not Applicable

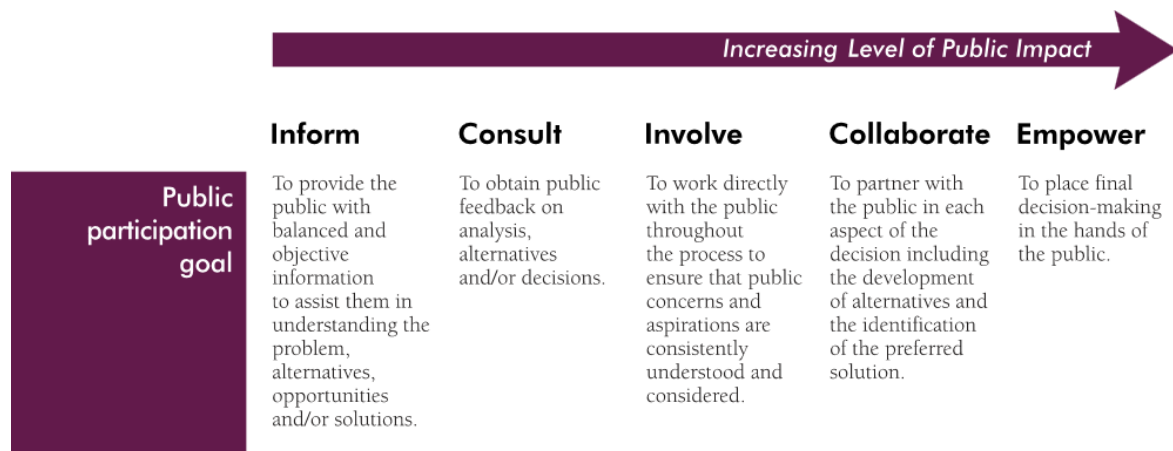
REGIONAL GROWTH STRATEGY REFERENCE:

Goal 5: Infrastructure:

New development will replace and/or upgrade aging infrastructure through DCC's.

CITIZEN/PUBLIC ENGAGEMENT:

The public will be **informed** of the outcome of Council's consideration of the 2020 Annual Development Cost Charges Reserve Fund Report. This is based on level one of the IAP2 Spectrum of Public Participation adopted as an element of Sound Project Design for the Corporate Workplan.



OPTIONS:

- 1: That Council approves the City of Courtenay Annual Development Cost Charges (DCC) Reserve Fund Report for the year ended December 31, 2020.
- 2: That Council defers approval of this report for further discussion.

Prepared by:

Krista McClintock, CPA, CGA
Accountant

Reviewed by:

Renata Wyka, CPA, CGA
Manager of Finance

Concurrence:



Geoff Garbutt, M.PI., MCIP, RPP
Chief Administrative Officer

Concurrence:



Jennifer Nelson, CPA, CGA
Director of Financial Services

Attachments:

- A. 2020 Annual Development Cost Charges Reserve Fund Summary

Attachment A

City of Courtenay

2020 Annual Development Cost Charges Reserve Fund Summary

in accordance with section 569 of the *Local Government Act*

Water DCC Bylaw #2755 Balance, January 1, 2020	\$	376,436
Add: DCCs received during the year	\$	159,663
Add: Interest earned during the year	\$	1,897
Balance, December 31, 2020	\$	537,995
<hr/>		
Sewer DCC Bylaw #1638 Balance, January 1, 2020	\$	34,823
Add: Interest earned during the year	\$	166
Balance, December 31, 2020	\$	34,989
<hr/>		
Sewer DCC Bylaw #2755 Balance, January 1, 2020	\$	878,444
Add: DCCs received during the year	\$	499,746
Add: Interest earned during the year	\$	4,509
Less: Greenwood Trunk Construction	\$	(261,298)
Balance, December 31, 2020	\$	1,121,402
<hr/>		
Highway DCC Balance, January 1, 2020	\$	3,571,033
Add: DCCs received during the year	\$	882,282
Add: Interest earned during the year	\$	17,558
Balance, December 31, 2020	\$	4,470,872
<hr/>		
Storm DCC Balance, January 1, 2020	\$	1,719,021
Add: DCCs received during the year	\$	300,909
Add: Interest earned during the year	\$	8,375
Balance, December 31, 2020	\$	2,028,305
<hr/>		
Parkland DCC Balance, January 1, 2020	\$	558,502
Add: DCCs received during the year	\$	269,203
Add: Interest earned during the year	\$	2,819
Less: Courtenay Riverway South Extension	\$	(138,600)
Balance, December 31, 2020	\$	691,923
<hr/>		
Total DCC Balance December 31, 2020	\$	8,885,487

Waivers and Reductions

For the year ended December 31, 2020, the City of Courtenay issued no waivers or reductions under section 569 (2)(d)



K'ómoks First Nation

3330 Comox Road, Courtenay BC, V9N 3P8 | Ph. (250) 339-4545 Fax (250) 339-7053 | E. info@komoks.ca

June 1st, 2021

Mayor Bob Wells
830 Cliffe Ave
Courtenay, BC
V9N 2J7
bwells@courtenay.ca

Geoff Garbutt, CAO
830 Cliffe Ave
Courtenay, BC
V9N 2J7
ggarbutt@courtenay.ca

Re: Adoption and Implementation of K'ómoks First Nation, Cultural and Heritage Policy

Dear Mayor Wells and Geoff,

As you may or may not be aware, K'ómoks First Nation on October 2nd, 2020, adopted a Cultural and Heritage Policy (CHP), the application of which applies to the unceded traditional territory of the K'ómoks First Nation (KFN). This was first presented at the community-to-community forum in November 2020.

British Columbia's Royal Assent of the Declaration on the Rights of Indigenous Peoples Act (DRIPA), which implements the United Nations Declaration on the Right of Indigenous Peoples (UNDRIP) to the laws of British Columbia, establishes a doctrine of "free, prior and informed consent necessitating early, deep, and meaningful involvement of Indigenous peoples on matters that affect their peoples, communities and territories". Specifically, UNDRIP Article 11 states that "Indigenous peoples have the right to practice and revitalize their cultural traditions and customs. This includes the right to maintain, protect and develop the past, present and future manifestations of their cultures, such as archaeological and historical sites". Further Article 25 of UNDRIP, provides that "Indigenous peoples have the right to maintain and strengthen their distinctive spiritual relationship with their traditionally owned and otherwise occupied lands [and] territories". To that end, the purpose of sharing the K'ómoks First Nation CHP at this time is to further disseminate and operationalize this requirement throughout your organizations as we move toward reconciliation together.

The KFN Cultural Heritage Policy describes KFN's specific standards and procedures for management of archaeological sites in relation to development in KFN territory, and the holder of the KFN Cultural Heritage Investigation Permit agrees to conduct work in adherence to those standards. Until KFN has issued a KFN Cultural Heritage Investigation Permit for projects, it is to be understood that KFN has outstanding concerns about any potential project related impacts on our cultural heritage. It should be noted that property boundaries under the *Land Titles Act* are irrelevant to K'ómoks First Nation and

are irrelevant to the administration of the British Columbia Heritage Conservation Act (*HCA*). Section 6 of the *HCA* provides that the *HCA* prevails with respect to any matter affecting the conservation of a heritage site or heritage object referred to in s.12.1(2).

Moving forward, KFN expects that all levels of municipal governments within KFN traditional territory, many of which who have implemented their own adoption of the UNDRIP framework, directly engage in the reconciliation process by formally acknowledging KFN's CHP. We expect that all relevant staff will plan their projects in accordance with the KFN CHP, in collaboration of our shared goals of protecting and honoring KFN's cultural heritage.

You will find attached the CHP. Should you have any additional questions or require additional support in your implementation please contact Todd Boychuk, K'ómoks Director of Intergovernmental Relations. Todd can be contacted by email: todd.boychuk@komoks.ca or by telephone 778-779-2369.

Respectfully,



Nicole Rempel
Hegus (Chief)
K'ómoks First Nation

**K'ómoks First Nation
Cultural Heritage Policy**

October 2nd, 2020

Approved by Chief and Council on October 2nd, 2020

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1. Vision Statement

We, the K'ómoks First Nation (KFN) are descendants of the K'ómoks and Pentlatch tribes. We inherited our territory (*ʔəms naʔ giʔe*) from our First Ancestors at the beginning of time. Our K'ómoks and Pentlatch First Ancestors – Ciā'tlk·am, Tē'sitla, SE'ntlaē, Aiē'len, Kōā'min and Hē'k·'ten – were gifted these territories by the Creator. Since the time the First Ancestors of our K'ómoks and Pentlatch tribes, our people lived and flourished on the lands and waters of our territory. Our territories are marked by the places used by our *hehew'* (ancestors) – their settlements, harvesting places, spiritual places, and burial places. These cultural heritage sites are an important record of our history, and a link to our ancestors.

As descendants of the K'ómoks and Pentlatch tribes, we have inherited rights and title to all our territory. With our inheritance comes the responsibility to care for the lands and waters of our territory, including our cultural heritage sites and artifacts. The teachings of our ancestors (or *ʔəms taʔaw*) define our responsibilities to past, present, and future generations of K'ómoks and Pentlatch people. The guidance provided by *ʔəms taʔaw* includes protecting the cultural heritage sites created by our ancestors, the burial places of our ancestors, seeking the return of KFN cultural objects or artifacts that have been taken from KFN territory without permission, and learning from our cultural heritage to provide guidance for future generations of our people.

Since the arrival of the newcomers in our territory, our cultural heritage sites have been damaged and destroyed through development, and our ancestral burial places and artifacts have been looted, and sold. It is our goal that in enacting this KFN Cultural Heritage Policy, we can work with the newcomers to our territory, to educate them in the ways of our *ʔəms taʔaw* (teachings of our ancestors), and to respect and learn from our cultural heritage.

In the spirit of reconciliation, we the KFN enact the KFN Cultural Heritage Policy and commit to working with the newcomers in the appropriate management of our cultural heritage. By enacting the KFN Cultural Heritage Policy, we are reconciling our Aboriginal rights and title to our territory, with the newcomers' desire to live in and modify our territory.

2. Authority and Jurisdiction

KFN's authority over KFN's cultural heritage arises from KFN's unique relationship with our territory as inherited from the First People to inhabit these lands, our direct *hehew'* (ancestors). Our K'ómoks and Pentlatch *hehew'* – Ciā'tlk'am, Tē'sitla, SE'ntlaē, Aiē'len, Kōā'min, and Hē'k'ten – were the First People of these territories, and were gifted these lands and waters by the Creator. As the Indigenous people of and traditional title holders of our territory, KFN's authority over KFN cultural heritage and artifacts is derived from multiple levels of legal authority:

- 1) Indigenous law,
- 2) United Nations Declarations of the Rights of Indigenous People (UNDRIP) Article 31 and Article 32,
- 3) Bill 41, British Columbia)
- 4) Section 35 of the Canadian *Constitution Act*, 1982, and,
- 5) K'ómoks First Nation Land Code (2016).

Our Indigenous law, based on K'ómoks and Pentlatch *taḡaw* (teachings), define KFN title over our K'ómoks and Pentlatch territories as a gift from the Creator, and our ancestral birthright from the First People of these lands. Decision making authority over KFN cultural heritage stems from our unextinguished Indigenous title to our territory. The lands, waters and resources of these territories is something that we hold in trust from our *hehew'* (ancestors) and for future generations. Our Indigenous law also specifies our stewardship responsibility to the lands, waters and resources of our environment. Protection of our cultural heritage in respect of our *hehew'* and for the benefit of future generations is required by our Indigenous law.

Second, KFN's authority over KFN cultural heritage is founded in international law. The United Nations Declarations of the Rights of Indigenous People (UNDRIP) specifies that Indigenous people have the right to protect and manage their cultural heritage (Article 31) and need to be consulted with regarding the development of their territories (Article 32). The government of Canada has endorsed the UNDRIP (2016) and has committed to implementing it in accordance with the Canadian Constitution. Further, the government of British Columbia (2019) has committed to legally implementing UNDRIP by enacting Bill 41.

As set out in the UNDRIP, Article 31 unambiguously recognizes the right of Indigenous people to protect and manage their cultural heritage:

1. Indigenous peoples have the right to maintain, control, protect and develop their cultural heritage, traditional knowledge and traditional cultural expressions, as well as the manifestations of their sciences, technologies and cultures, including human and genetic resources, seeds, medicines, knowledge of the properties of fauna and flora, oral traditions, literatures, designs, sports and traditional games, and visual and performing arts. They also have the right to maintain, control, protect and develop their intellectual property over such cultural heritage, traditional knowledge, and traditional cultural expressions.

KFN Cultural Heritage Policy

The KFN Cultural Heritage Policy identifies KFN’s protective measures for all KFN cultural heritage. All impacts to KFN cultural heritage will require KFN consent. As per Article 32.2 of UNDRIP (now part of Bill 41- 2019: Declaration on the Rights of Indigenous Peoples Act), “States shall consult and cooperate in good faith with the indigenous peoples concerned through their own institutions in order to obtain their free and informed consent prior to the approval of any project affecting their lands or territories and other resources, particularly in connection with the development, utilization or exploitation of mineral, water or other resources.”

Application for a KFN Cultural Heritage Investigation Permit is one mechanism of obtaining KFN consent for a project. Initiating consultation with KFN as early as possible is always advisable. To KFN, “free, prior and informed consent” means that the proponent has:

1. provided KFN with all relevant available information regarding the project,
2. provided KFN with the appropriate time and means to review the project information and identify potential concerns,
3. provided KFN opportunity to discuss aspects of the project with the proponent,
4. addressed all and any potential concerns identified by KFN regarding the project,
5. obtained confirmation from KFN in writing, or in the form of the KFN Cultural Heritage Investigation Permit, that any potential KFN concerns with the project have will be mitigated to the satisfaction of KFN.

Third, KFN’s authority over KFN cultural heritage is founded in the Canadian Constitution. The Canadian *Constitution Act* (1982) recognizes Aboriginal rights, including the right to Aboriginal title. The nature of Aboriginal title was further clarified in the Williams (2014) decision, specifying that the consent of the Aboriginal title holders must be obtained for developments affecting their lands and resources. KFN asserts unextinguished Aboriginal rights, including Aboriginal title over the entirety of KFN territory, and stemming from that title, KFN asserts that our consent must be obtained for all projects affecting the lands and resources of our territory, including KFN cultural heritage.

Finally, KFN’s authority over KFN cultural heritage is defined in the *K’ómoks First Nation Land Code* (2016). The *KFN Land Code* enables KFN to develop laws governing activities on KFN lands (reserve lands, treaty settlement lands, and fee-simple lands). The *KFN Land Code* specifies that KFN may develop laws regarding:

“12 (k) setting aside, protection and regulation of heritage sites, cultural sites, traditional sites, spiritual sites and wildlife areas;”

And

“12 (s) archaeological assessment and protection of archaeological and cultural resources;”

The KFN Cultural Heritage Policy has been enacted as law within the *KFN Land Code* and enables KFN the ability to enforce the KFN Cultural Heritage Policy as the KFN Cultural Heritage Law on KFN lands.

The KFN Cultural Heritage Policy applies to all of KFN territory as described by the KFN Statement of Intent (*Figure 1*). This includes all private lands, crown lands, KFN lands, intertidal areas and submerged lands. As described above, KFN has inherited this territory, and the stewardship responsibility to it, from our First Ancestors who were gifted these lands by the Creator. If situations arise wherein multiple First Nations express overlapping interest in KFN cultural heritage, KFN will consult directly with those First Nations to resolve issues of overlapping interest.

3. Purpose

The purpose of the KFN Cultural Heritage Policy is to guide the appropriate protection, management, and study of our cultural heritage in accordance with our ancestral teachings or *ʔams taʔaw* as handed down to us from our ancestors. Our inheritance of our ancestral territory comes with the responsibility to care for the lands and waters of our territory, including our cultural heritage sites and artifacts, and especially the resting places of our ancestors.

Two of the core principles underlying our ancestral teachings or *ʔams taʔaw* regarding cultural heritage include:

- Our ancestors or *ʔams hehew'* have to be cared for, including maintaining the integrity of their burial places, and the remains of their past actions.
- The ancestors will look out for you or *he sam t kʷə ms hehew'kənese*; this includes ensuring the personal health of individuals, and enhancing our knowledge of how our ancestors or *ʔams hehew'* took care of the lands and waters of our territory.

These two core principles – taking care of the ancestors and the ancestors looking out for you – guide KFN's management of cultural heritage. Hundreds of generations of our ancestors have lived and died across our territory. The traces of their past lives are all around us, and their spirits are still among us. The artifacts and other material remains left by our ancestors provide unique teachings (or *ʔams hehew'*) about their past lives, and guide us in our modern cultural journey.

We, as K'ómoks and Pentlatch people, know that we must take care of our ancestors (*ʔams hehew'*) and that in doing so our ancestors will look out for us (*he sam t kʷə ms hehew'kənese*). By applying these teachings (*taʔaw*) to our cultural heritage, we can work with the newcomers to ensure that cultural heritage sites and objects are treated respectfully, that investigation of KFN cultural heritage advances the knowledge of our history, and that advance of knowledge supports revival of KFN culture.

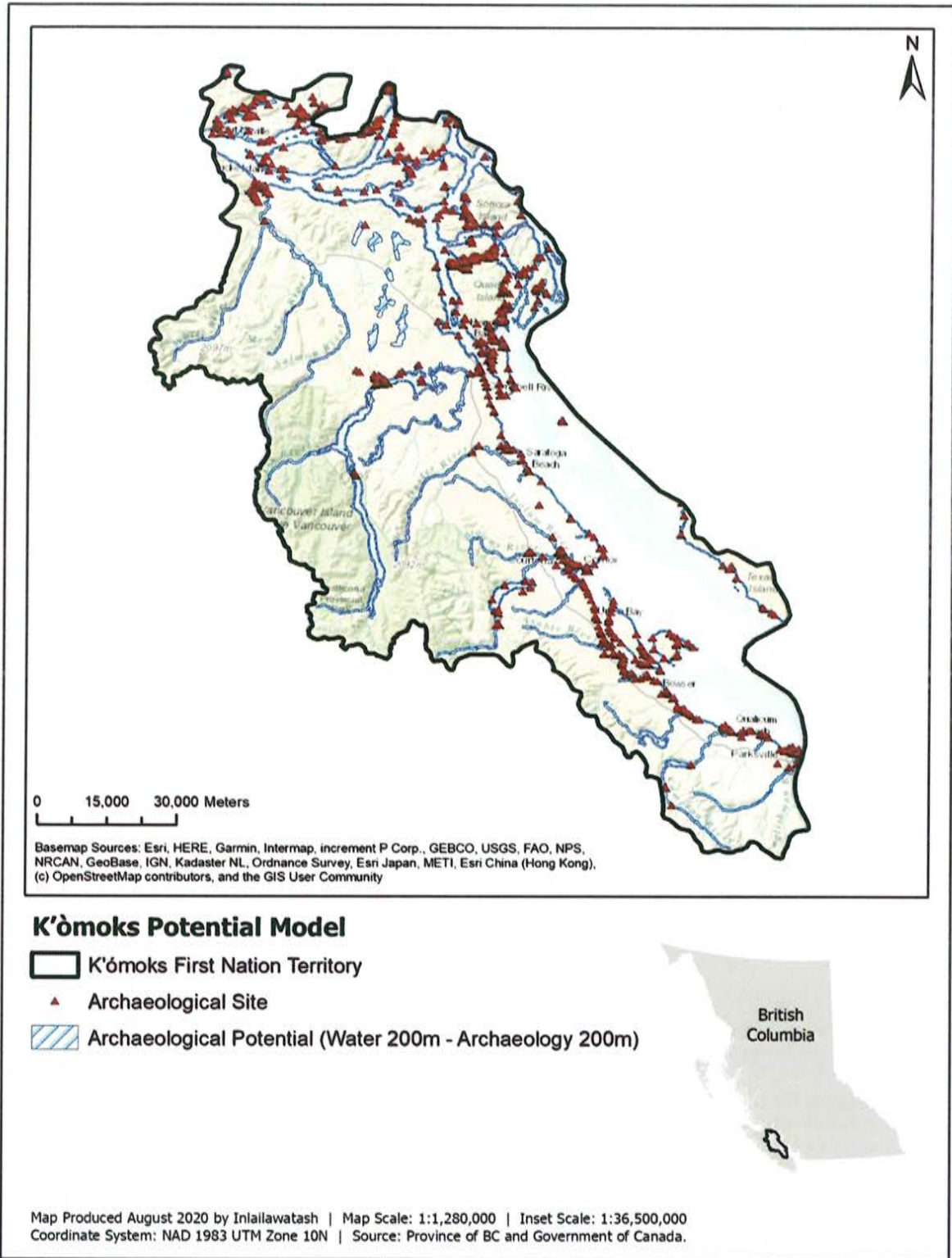


Figure 1. K'ómoks territory and archaeological potential model.

4. Definition of the archaeology / cultural heritage sites and artifacts / cultural heritage objects covered by KFN Cultural Heritage Policy.

The following types of archaeological / cultural heritage sites and artifacts / cultural heritage objects are recognized and automatically protected under the KFN Cultural Heritage Policy. All KFN cultural remains pre-dating AD 1900 are automatically protected. All KFN ancestral remains dating to all periods of time are automatically protected.

Shell Midden

A shell midden is an anthropogenic deposit of the remains of shellfish, fire-cracked rock (FCR), and other remains, including fauna and artifacts. They were slowly built up over time as a result of people repeatedly occupying a given area, and processing shellfish there. Shell middens often contain burials and other features related to domestic activities (e.g., house depressions, post holes, hearths). Small shell middens are the remains of small temporary camps and large shell middens are the remains of large semi-permanent settlements. Because of the alkaline nature of shell middens, bones from food remains, and human remains are often preserved within them. For all these reasons, shell midden sites contain an important record of ancestral KFN lifeways.

House Site

House sites consist of a number of features, almost always in shell middens, that represent the remains of past plank houses that were excavated into the underlying sediments, or built up around the house out of shell midden. A house depression is typically a rectangular area excavated into the soil or shell midden below. House mounds consist of two types: a rectangular mound or platform consisting of shell midden to raise the level of a past house, or a rectangular or U-shaped shell midden berm built up around the margins of a past house. House sites are the manifestation of past KFN extended families or numayma, and contain an important record of ancestral KFN social relations.

Fire-Cracked Rock Midden

A fire-cracked rock midden is an anthropogenic deposit of large quantities of fire-cracked rock (FCR), charcoal stained sediments, and other remains such as artifacts and less commonly, fauna. Fire-cracked rock middens often contain other features associated with domestic or food processing activities such as post holes, hearths, or earth ovens. Fire-cracked rock middens are the remains of intensive food processing areas or semi-permanent settlements where shellfish was not commonly processed. These sites or features provide insight into the history and practice of ancestral KFN plant use.

Burial Sites / Cemeteries

Burial sites are the locations where ancestral remains are recovered including: caves, rock shelters, shell middens, and less often, FCR middens. Ancestral remains are often recovered in mixed or disturbed deposits within shell middens; such remains are also considered burials. Cairns, consisting of one or more piles or mounds of rocks, usually on top of a burial are a special type of petroform. Cemeteries are discrete areas that were used repeatedly in the past as burial locations. Cemeteries are defined as discrete locations wherein three or more burials are identified within 10 m of one another. Cemeteries may also include areas that were historically known as places for interring ancestral remains, such tree burial areas, but presently do not contain material evidence of ancestral remains.

Examples of cemetery sites include but are not limited to:

- the KFN cemetery on Bayside Drive, IR No.1 (within DkSf 19),
- the Comox Bay west site, near 155 Willow Way (DkSf 10),
- the Comox Bay east site, Mack Laing property, (DkSf 4),
- IR No.3 at Goose Spit (no recorded site),
- the Comox Hill Fort site (DkSf 6),
- The stand of spruce trees behind left bank of the Courtenay River near the CVRD pump station (no Borden number),
- Dyke Road site (DkSf 24), near Scott Road
- an area near DkSf 29 at Point Holmes,
- the pump station area in the shell midden at Millard Creek (DkSf 2),
- the Sandwick Midden site (DkSg 12), near Maple Pool campground, Courtenay,
- Chrome Island (DiSe 9),
- Komas Ranch on Denman Island (DjSf 1),
- part of the two sites spanning Hart Creek at Union Bay (DkSf 25 and DkSf 26),
- a part of the shell midden at Buckley Bay (DjSf 13) (southeast of ferry terminal and parking lot),
- a part of the shell midden immediately south of the Tsable River bridge (DjSf 14), located on both sides of Highway 19a,
- Qualicum Golf Course site (DiSc 26) adjacent to the golf course clubhouse,
- DhSb 3, (near 310 Dogwood Street) in Parksville,
- the Craig Bay site (DhSb 8) (the entire site, especially Seawall Drive) in Parksville,
- a part of the shell midden near the government dock at Deep Bay (DiSe 7),
- the Willow Point site (DiSh 8), just west of Highway 19a,
- Cape Mudge (Yuculta IR No.10), near pier (EaSh 3),
- the Orchard Site (EbSh 13) in Kanish Bay,
- the cemetery at Graveyard Point, Kelsey Bay (EcSl 31, EcSl 32),
- Knox Bay, West Thurlow Island,
- EaSh 17 burial caves (just north of Gowlland Harbour),
- Burial islands at entrance to Topaz Harbour, immediately west of EcSk 11,

- EcSI 22 burial cave on Helmken Island,
- EcSg 12 burial cave at Little Gillard Island,
- EcSI 11 burial cave on Helmken Island,
- EcSI 12 burial cave on Helmken Island,
- EaSh 31 burial cave at Gowland Harbour.

New cemeteries areas will continue to be identified when multiple, closely spaced burials are identified in the course of archaeological investigations. Additionally, KFN continues to develop new cemetery sites for reburial of ancient KFN ancestral remains that were excavated from nearby areas. Any projects with the potential to impact a cemetery site will require deep consultation with KFN and extraordinary justification.

Individual burial sites and cemetery sites are exceedingly spiritually important as they link the living KFN community to the spirits of their ancestors.

Lithic Sites

Lithic sites are composed of stone tools (i.e., artifacts), the debris associated with the production of stone tools (i.e., debitage), or the locations where lithic raw material was extracted or collected (i.e., quarries). Lithic sites may represent a wide range of past activities that included many actions beyond stone tool production, but other materials are much less likely to have been preserved than the lithics. Lithic sites are important because they provide information about ancestral KFN land use, trade, cultural traditions, and activities.

Rock Art

Rock art sites are locations where people have decorated or marked rock surfaces and consist of two types: petroglyphs and pictographs. Petroglyph sites are places where images, patterns, symbols etc. have been placed on rock surfaces through pecking or engraving the rock surface. Pictographs sites are places where images have been painted onto rock surfaces, almost always using red ochre as pigment with a lipid-based binding agent. Rock art sites are generally viewed as profoundly spiritual places, places that were selected to commemorate a significant group or individual encounter with the supernatural. Rock art sites are important because they identify the spiritually significant places of KFN ancestors.

Fortifications

Fortifications are a particular type of archaeological site that include constructed features such as trenches, embankments or rock walls that were built to increase the defensibility of a location. Such sites are often called trench embankments, but may have also included wooden palisades. Other fortifications are places lacking obvious remains of constructed features, but are located on

relatively inaccessible landforms surrounded by steep cliffs etc. Such sites are often referred to as refuges. In addition to the attributes described above, fortifications usually also include thin shell midden deposits. Fortification sites are important because they document the historic efforts of KFN ancestors to repel outsiders from their ancestral territories.

Fish Traps

Fish traps are intertidal or riverine features that were constructed to impede or impound fish and consist of two main types: wooden fish traps, and rock walled fish traps. Wooden fish traps consist of upright wooden stakes driven into the substrate of intertidal or riverine areas (i.e., fish weirs) to which panels or other fence-like materials were attached to impede and entrap fish. Rock walled fish traps consist of linear or curvilinear rock berms constructed in intertidal areas to entrap fish. In some cases a fish trap may consist of wooden and rock features. Fish trap sites are important because they document the sustainable fish harvests obtained by KFN ancestors for millennia.

Clam Gardens

Clam gardens are archaeological sites consisting of rock berms located relatively deep in the intertidal area (typically near the 0' tide line) which act to retain upslope sediments and decrease the slope angle of the beach. These attributes function to increase butter clam habitat and clam productivity. Clam garden sites are important because they document KFN ancestors' purposeful resource management and long-term investment and tenure in the landscape.

Earth Ovens

Earth ovens are an archaeological feature consisting of black, charcoal-stained sediments and abundant fire-cracked rock. These features may be relatively discrete semi-circular basins, or larger more amorphous deposits. These sites are interpreted to have been used for the cooking of large quantities of plant foods, such as camas or bracken fern root. The larger more amorphous deposits of charcoal-stained sediments and fire-cracked rock likely represent areas that were intensively used as earth ovens for long periods of time. Earth oven sites are important because they provide a historical record of ancestral KFN plant harvesting and management.

Culturally Modified Trees

Culturally modified trees are living trees, fallen trees, or stumps that display evidence of being impacted by past Aboriginal harvesting activities, such as bark stripping, plank harvesting, or canoe production, or past Aboriginal communication or signalling such as trail markers, boundary markers, or arborglyphs (carved or decorated surfaces on a tree). The vast majority of

culturally modified trees in KFN territory occur on western red cedar trees, but can also occur on other species. CMT sites are important because they document the history and extent of ancestral KFN forestry practices. To ensure protection of CMT sites, KFN insists that a 50 m cutting buffer is used around each CMT site.

Wet Sites

Wet sites are archaeological sites consisting of culturally modified organic materials (mainly wood, bark or fibre) or artifacts constructed of organic materials such as baskets, nets, mats, hats located underwater or in intertidal areas. Such organic materials and artifacts are only preserved because of their deposition in anaerobic conditions under water. Wet sites are usually located at the mouths of rivers or streams. Wooden fish traps can also be considered as a special type of wet site, but here are described separately due to their distinct function. Wet sites are uniquely significant because they provide detailed examples of ancestral KFN technology.

Cultural Depression

A cultural depression is a feature, other than a house, that has been excavated into underlying sediments. Cultural depressions can include storage pits, pit fall traps, cooking features, and features of unknown function.

Canoe Runs

A canoe run is a path or lane in the intertidal area running perpendicular to the shore that has been cleared of boulders so that a canoe could be pulled on shore. Canoe runs are then a particular type of petroform, consisting parallel linear boulder arrangements in the intertidal area. Canoe runs are most often associated with large shell midden sites.

Trails

A trail is linear wherein the ground surface has been worn through the surface vegetation, and perhaps into the soil as the result of past travel. Pre-contact aboriginal trails can be distinguished from game trails through their association with other archaeological site types, such as rock shelters and lithic sites.

Rock Shelters

Rock shelters are locations along cliffs or very large boulders that are somewhat protected from the elements by overhanging rock faces. The areas within these rock shelter locations were used by past people as temporary camp sites, and may contain small hearths and lithics.

Petroforms

Petroform sites consist of arrangements of rocks (usually boulders and cobbles) resulting from intentional past human activity. Petroform types include canoe runs, cairns, and rock walled fish traps. Other petroforms with less obvious functions are simply classified as petroforms.

Artifacts / Cultural Heritage Objects

Artifacts or cultural heritage objects are all items of material culture (i.e., objects that have been modified by human action) that have been modified by KFN ancestors prior to AD 1900. Such artifacts / cultural heritage objects include: tools, implements, containers, clothing, objects of personal adornment, decorative objects, objects associated with travel and transport, objects that are components of domestic architecture, and symbolic / ritual objects. In some cases, cultural heritage objects may belong to specific KFN tribal families rather than to KFN more broadly.

Table 1. Cultural Heritage Site Types and Required Mitigation Measures.

Site Type	KFN Required Mitigation Measures
Shell Middens	Avoid impacts; if cannot be avoided, maximize data recovery, compensatory archaeology
House Site	Avoid impacts; if cannot be avoided, maximize data recovery, compensatory archaeology
Fire-Cracked-Rock middens	Avoid impacts; if cannot be avoided, maximize data recovery, compensatory archaeology
Cemeteries / Burials	No impacts; if cannot be avoided, impacts will require KFN consent and will maximize data recovery
Lithic Sites	Maximize data recovery
Rock Art	No impacts
Fortifications	Avoid impacts; if cannot be avoided, maximize data recovery, compensatory archaeology
Fish Traps	Avoid impacts; if cannot be avoided, maximize data recovery, compensatory archaeology
Clam Gardens	Avoid impacts; if cannot be avoided, maximize data recovery, compensatory archaeology
Earth Ovens	Avoid impacts; if cannot be avoided, maximize data recovery, compensatory archaeology
Culturally Modified Trees (CMTs)	Avoid impacts; if cannot be avoided, maximize data recovery, compensatory archaeology, 50 m cutting buffer around sites
Wet Sites	Avoid impacts; if cannot be avoided, maximize data recovery, compensatory archaeology
Cultural Depression	Avoid impacts; if cannot be avoided, maximize data recovery, compensatory archaeology
Canoe Runs	Avoid; if cannot be avoided, maximize data recovery
Trails	Avoid impacts; if cannot be avoided, maximize data recovery, compensatory archaeology
Rock Shelters	Avoid impacts; if cannot be avoided, maximize data recovery, compensatory archaeology
Petroforms	Avoid impacts; if cannot be avoided, maximize data recovery, compensatory archaeology

5. Protection of KFN Cultural Heritage

All KFN cultural heritage (as described above) belongs to KFN, and where applicable, specific KFN tribal families. The only exceptions to the above statements include KFN cultural heritage that was made for or commissioned by an individual, or heritage objects in peoples' possession that were obtained by legal means prior to introduction of the KFN Cultural Heritage Policy.

No party or individual is to damage, disturb, collect or otherwise impact KFN cultural heritage in any form without explicit permission from KFN as defined in a KFN Cultural Heritage Permit. This includes all developments and all investigations within KFN territory.

KFN ancestral remains are not to be removed from their place of discovery without written permission from KFN.

KFN cultural heritage and heritage objects cannot be bought, sold, traded, or bartered by any party.

KFN cultural heritage is not to be removed from KFN territory without explicit permission from KFN.

KFN will pursue the repatriation of all KFN cultural heritage held outside of KFN territory.

KFN will develop site specific management plans for significant archaeological sites that are continuously threatened by development (see *Site Specific Management Plans*).

6. Cultural Heritage Investigations

Many projects or developments within an area considered to have high archaeological potential (*Figure 2*) will require a KFN Cultural Heritage Investigation prior to development or harvesting. The goal of the KFN Cultural Heritage Investigation is to avoid unnecessary impacts to KFN cultural heritage by proceeding cautiously with development in areas with high archaeological potential. KFN will not accept Archaeological Overview Assessments (AOAs) of such areas recommending no further investigation, without some form of in-field assessment by a qualified archaeologist.

Developments or projects in areas considered by KFN to have high archaeological potential that involve subsurface construction/landscaping in excess of 10 m² will require a KFN Cultural Heritage Investigation consisting of preliminary field reconnaissance (PFR) by an archaeologist and a KFN Guardian Watchman, KFN Archaeological Monitor or other individual designated by KFN. The goal of the PFR is to assess whether or not further investigation, in the form of an

Archaeological Impact Assessment (AIA), is required prior to the proposed development / project.

In certain situations wherein a PFR has not identified surficial archaeological remains, but the landform has high archaeological potential for buried cultural heritage, KFN may still request subsurface testing in the form of an AIA to determine the presence or absence of buried cultural heritage.

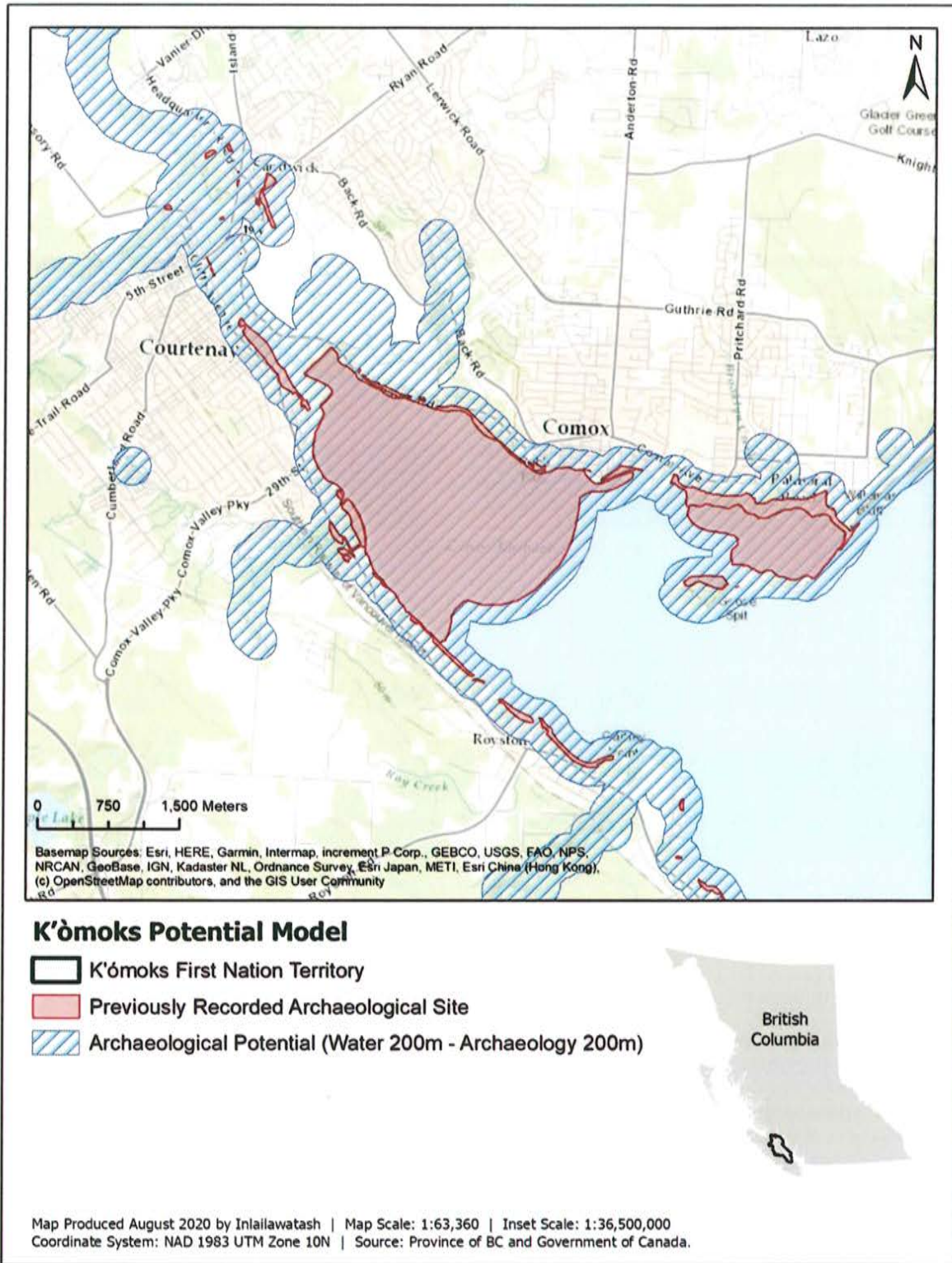


Figure 2. KFN archaeological potential model, Comox Valley area.

7. KFN Cultural Heritage Investigation Permit

A KFN Cultural Heritage Investigation Permit (CHIP) is required for all projects and developments with an area determined to have high archaeological potential (*Figure 2*). This area of high archaeological potential includes all projects within recorded archaeological sites, within 200 m of the boundaries of registered archaeological sites, areas within 200 m of the ocean, river or lake shore, and in areas considered by KFN to have high archaeological potential based on the distribution of known archaeological sites, major landforms, and other KFN ethnohistoric information. This area of high archaeological potential is a living document, and is modified and updated in light of new information. The guiding purpose of the KFN Cultural Heritage Investigation Permit is to ensure that all developments proceed in accordance with KFN's preferred mitigation measures (see *Table 1: Cultural Heritage Sites and Required Mitigation Measures* above).

The types of projects requiring a KFN Cultural Heritage Investigation Permit include civil, residential, agricultural, commercial and industrial developments involving subsurface work in areas of high archaeological potential, forestry projects involving the construction of roads, bridges, and sorting areas, timber harvesting on old growth areas, and archaeological research of KFN cultural heritage sites involving excavation or testing.

The fee for a KFN Cultural Heritage Investigation Permit is \$400 (+ GST) for a small project, and \$600 (+ GST) for a large project¹. A small project is defined as less than a hectare in size or 100 meters in maximum dimension. A large project is defined as larger than a hectare in size or 100 meters in maximum dimension. Large and / or complex projects may require an additional project management fee. Project management fees cover the costs of meetings and liaising with KFN staff and Chief and Council.

It is assumed that archaeologists contracted by project proponents will apply for the KFN Cultural Heritage Investigation Permit. KFN maintains a list of preferred archaeologists with considerable experience in KFN territory; please contact the KFN Band Administrator, Jenny Millar (250 339 4545 ext 105).

The KFN Cultural Heritage Investigation Permit application will request details regarding the proposed development or project and the proposed mitigations for any potential impact to KFN cultural heritage. KFN Cultural Heritage Investigation Permit applications for developments or projects that do not propose mitigations in accordance with KFN's required mitigation strategies (see *Table 1: Cultural Heritage Sites and Required Mitigation Measures* above) will not be issued. Such applications will be rejected until they are modified in accordance with KFN's required mitigation strategies.

Many of the preferred mitigation measures for cultural heritage / archaeological sites require maximization of data recovery where impacts cannot be avoided (see *Table 1: Cultural Heritage Sites and Required Mitigation Measures* above). Generally speaking, such data recovery

¹ KFN will not charge KFN members a fee for a Cultural Heritage Investigation Permit for on-reserve or off reserve developments of residential properties.

methods will require far more effort than is typically prescribed under provincial Heritage Conservation Act permits. Applications for KFN Cultural Heritage Investigation Permits should:

- Plan for systematic data recovery of about 50% of intact cultural sediments (i.e., parts of archaeological sites that have not been moved, modified or disturbed through historic or recent land use activities);
- Plan for some level of inspection (such as raking) of 100% of disturbed cultural sediments;
- Plan for appropriate collection and analysis of faunal remains from every site where they are present. This includes column sampling from all stratified shell midden deposits;
- Plan for appropriate collection and analysis of lithic artifacts from every site where they are present. Where appropriate, this includes geochemical characterization;
- Allocate funds for radiocarbon dating for every project that impacts intact cultural sediments or wet sites.

The terms and conditions of the KFN Cultural Heritage Investigation Permit are to be followed by all permit holders and employees or contractors of the permit holder.

KFN Cultural Heritage Investigation Permit applications can be obtained from KFN Band Administrator, Jenny Millar (250 339 4545 ext 105).

8. Specific Requirements regarding Ancestral Remains

When ancestral remains are encountered:

- All work within 10 m will cease, and KFN will be contacted immediately. Appropriate KFN contacts for this situation are provided below.
- KFN will make a determination if the remains are to be excavated or remain in place. KFN ancestral remains cannot be moved without written permission from KFN. If the remains are to be excavated, they will be temporarily stored in a cedar or cardboard box with cedar boughs and a red wool blanket. KFN will determine the temporary storage of the remains and whether they will be reburied on site or relocated to the KFN mortuary house.
- When archaeologists are working with ancestral remains or in cemeteries, all work is expected to be completed by 2 pm, unless mitigating factors prevent this.
- KFN will determine the level of analysis of the ancestral remains (see below – Analyses of Ancestral Remains).
- KFN will determine the cultural work associated with the excavation and relocation of the ancestral remains.
- The proponent of the project will cover all costs associated with the excavation, storage, analyses, reburial of the ancestral remains and appropriate ceremony or work as defined by KFN.
-

Analyses of Ancestral Remains

- When ancestral remains are encountered and excavated, KFN requires that comprehensive osteological analyses are undertaken by a qualified individual to maximize the knowledge gained about the individual's life history.
- These osteological analyses include: non-destructive analyses by a qualified physical anthropologist / biological anthropologist to determine, sex, age, pathologies and other life-history indicators.
- At the discretion of KFN, additional isotopic analyses of ancestral remains may be required.
- These isotopic analyses include radiocarbon dating and stable isotope analysis.

Contacts:

KFN Band Administrator, Jenny Millar (250 339 4545 ext 105),

KFN Reception (250 339 4545)

9. Site Specific Management Plans

Several significant cultural heritage / archaeological sites in KFN territory are located in areas that have undergone and continue to undergo considerable development. Impacts to these sites have been particularly severe, and responsible stewardship of the remaining portions of these sites requires consideration of specific local conditions. For this reason, KFN will develop several site specific management plans that will describe the parameters by which local development can proceed. Such sites include but are not limited to:

- Qualicum Beach, DiSc 26
- Deep Bay, DiSe 7
- Comox Bay, DkSf 4
- Comox Bay, DkSf 10
- Comox IR No.1, DkSf 19
- Courtenay River, DkSf 1
- Campbell River, EaSh 1
- Heriot Bay, EaSh 4
- Hotel Block CMTs

Any proposed impacts to KFN cultural heritage within these sites will require direct consultation with KFN Chief and Council.

10. Glossary of Terms

Archaeological Terms

Archaeological Impact Assessment (AIA)

An Archaeological Impact Assessment (AIA) is a field-based study of a known archaeological site or of an area where archaeological sites are anticipated, that involves mapping and some form of sub-surface testing or excavation to identify the extent and significance of archaeological materials. The purpose of the AIA is to inform management decisions regarding planned impacts to that site or area.

Archaeological Overview Assessment (AOA)

An Archaeological Overview Assessment (AOA) is a desktop based study that typically involves a review of local archaeological and ethnohistoric information regarding an area considered to have high potential to contain unknown archaeological sites. An AOA may also include a limited amount of field work, similar to a preliminary field reconnaissance (PFR), to assess the archaeological potential of the local landforms, and to inspect the surface for signs of archaeological materials. The purpose of the AOA is to inform the need for future, more detailed archaeological investigations of an area prior to development.

Archaeological Potential

The term archaeological potential refers to the suitability of a given area or landform to contain unrecorded archaeological sites. The archaeological potential of a given area is assessed through consideration of landform attributes, such as proximity to the shoreline, proximity to fresh water, slope, exposure, etc. that would have made the landform attractive for past settlement or use, and conducive for the preservation of archaeological materials. Consideration of archaeological potential is important for assessing the need for further archaeological investigation of an area prior to development.

Artifacts

Artifacts are objects or materials that have been modified by past human activities. Local examples of artifacts include flaked or ground stone tools (i.e., lithics), worked bone tools, or wooden / fibre objects such as fish trap stakes.

Culturally Modified Trees

Culturally modified trees are living trees, fallen trees, or stumps that display evidence of being impacted by past Aboriginal harvesting activities, such as bark stripping, plank harvesting, or canoe production, or past Aboriginal communication or signalling such as trail markers, boundary markers, or arborglyphs (carved or decorated surfaces on a tree). The vast majority of culturally modified trees in KFN territory occur on western red cedar trees, but can also occur on other species.

Disturbed

In archaeology, disturbed archaeological materials or deposits refers to archaeological materials that have been substantially moved, dug through or otherwise modified through modern development so that materials are no longer in a stratified (or layered) sequence. Compare to intact archaeological deposits described below. While disturbed archaeological materials have lost some of their scientific value, often contain ancestral remains and are still considered significant by KFN.

Faunal Remains

Faunal remains, fauna, or zooarchaeological remains, are the remains (almost always bones) of animals, birds, fish, shellfish etc. that are recovered from excavation of archaeological sites. In almost all cases, such faunal remains are the preserved parts of animals that were harvested by the past inhabitants of archaeological sites. Faunal remains are typically well-preserved in shell middens, and rarely occur in other contexts. A faunal assemblage consists of all the faunal remains recovered from a particular archaeological site.

Feature

Archaeological features represent the remains of past human activity and are not portable. Examples of archaeological features include hearths, storage pits, post holes, cairns, and ditches.

Fire-Cracked Rock

Fire-cracked rock (FCR) or fire-modified rock (FMR) are angular or discoloured rocks that have been fractured or undergone color change (usually shifting to shades of red and black) as the result of being heated in a fire. Archaeological FCR was produced through cooking / boiling activities and is typically very concentrated in shell middens, FCR middens, and earth ovens. Natural fire-cracked rock can also be created in forest fires.

Fire-Cracked Rock Midden

A fire-cracked rock midden is a large accumulation of fire-cracked rock (FCR) with black, charcoal rich sediment. An FCR midden likely represents the repeated use of an area for plant cooking activities. An FCR midden differs from a shell midden in that there are no shellfish remains in an FCR midden.

Geochemical Characterization

Geochemical characterization refers to the use of one or more analytical techniques used to determine the type of rock that a stone tool was made of, and, where possible, to use that information to match the stone tool to a known source or outcrop. Analytical techniques used for geochemical characterization include x-ray fluorescence (XRF), x-ray diffraction (XRD), near-infrared spectrometry (NIR), and electron microprobe analysis on a scanning electron microscope (SEM). Most of these methods collect readings of the major element chemistry of sample rocks to identify what type of rock they belong to, and rare element chemistry of particular rocks to attempt to match such a rock to a known source. Obsidian is the most common archaeological toolstone that is submitted for geochemical analysis and sourcing, but other materials such as dacite and nephrite can also be sourced.

Intact

In archaeology, an intact archaeological deposit refers to materials that have not been modified or disturbed by modern processes such as landscaping. Compare to disturbed archaeological deposits as described above.

Lithics

Lithics are stone tools (i.e., objects flaked or ground from stone by past people) and their waste debris or debitage. Flaked stone tools are objects that have been struck in a controlled way to remove sharp flakes and to shape the tool. Ground stone tools are objects that have been abraded or ground into specific shapes. A lithic assemblage consists of all the stone tools and debitage from a particular archaeological site.

Preliminary Field Reconnaissance (PFR)

A preliminary field reconnaissance (PFR) is a basic survey of a project area by a qualified archaeologist to determine the archaeological potential of a given project area and to inspect the surface of that area for archaeological remains. A PFR does not include any excavation or

subsurface testing. A PFR is typically undertaken in conjunction with a desk-top review of available archaeological or ethnohistoric information of a particular area.

Radiocarbon Dating

Radiocarbon dating (or C14 dating) is an analytical technique used by archaeologists to determine age of artifacts or archaeological sites, and is based on the known rate of radioactive decay of an isotope of carbon. This technique can be used to date organic materials such as charcoal, wood, bone, antler or shell. Samples for radiocarbon dating are sent to a specialized lab where they are analyzed in a mass spectrometer.

Shell Midden

A shell midden is an accumulation of the discarded remains of shellfish, fire-cracked rock, stone tools and faunal remains resulting from the past occupation of an area. Shell middens accumulate through many years of repeated use of an area. While the term midden refers to a refuse dump, shell middens are not only dumps, but contain the remains of houses, features and burials. Large shell middens are typically interpreted as the remains of past villages or settlements, while small shell middens are typically interpreted as the remains of temporary camps.

Stable Isotope Analysis

Stable isotope analysis is a type of chemical analysis of human or animal bone that identifies particular ratios of stable radioactive isotopes of specific elements to infer past diets. This analysis involves analysis of isotopes of carbon (C) and nitrogen (N) to determine the relative contribution of certain plants in past diets or the ratio of marine to terrestrial protein in past diets. Stable isotope analysis involves analyzing a small sample of bone in a mass spectrometer.

Systematic Data Recovery

In archaeology, systematic data recovery refers to the controlled excavation of archaeological materials by hand (trowel) involving the screening of all excavated materials and collection of all artifacts and fauna. Systematic data recovery is employed to gain the maximum amount of information from an intact archaeological deposit.

Toolstone

In archaeology, toolstone refers to a suite of rocks that are suitable for making flaked and ground stone tools. For flaked stone tools, desirable toolstones should fracture conchoidally, should hold a sharp edge, and should be free of internal fracturing planes. Examples of toolstones for

making flaked stone tools include obsidian, basalt, dacite, chert, and chalcedony. For ground stone tools, desirable toolstones should not fracture conchoidally, have either no internal fracturing planes or have clear unidirectional fracturing planes, and should be tough enough to hold a cutting edge. Examples of toolstones for making ground stone tools include slate and nephrite (jade).

Cultural Terms

ʔəms naʔ giʔe : “our territory” (‘umps na gijaye’)

ʔəms hehew : “ancestors (‘umps hey-hew’)

ʔəms taʔaw: “teachings from our ancestors” (‘umps tao’)

he səm t kʷə ms hehew kənesε: “the ancestors will look out for you” (‘he som koms hey-hew konese’)

11. Appendix 1 – KFN CHIP Application and Permit



K'ómoks First Nation

K'ómoks First Nation
3330 Comox Rd, Courtenay, BC V9N 3P8

**Cultural Heritage Investigation
Permit (CHIP) Application**

1. Applicant Information

Applicant: _____ Date: _____

Affiliation: _____

Address: _____

Street Address

City _____ Province _____ Postal Code _____

Phone: _____ Email _____

2. Project Background

Project name: _____

Project type: _____

Project proponent: _____

3. Project Area

General description: _____

Legal description: _____

PID: _____ PIN: _____

Borden Number(s) of registered archaeological site(s): _____

Classification / description of registered archaeological site(s): _____

Attach map of general project area

4. Archaeological Project Investigations

Type of investigation (select all that apply):

- Preliminary field reconnaissance
- Archaeological inventory or survey
- Archaeological Impact Assessment
- Mitigative excavation
- Construction monitoring
- Site alteration
- Academic research (including survey, testing and excavation)

Does this project also require a permit under the Heritage Conservation Act (HCA)?

YES NO

If yes, please attach the HCA permit or permit application.

If no, provide an explanation as to why it does not:

Description of project and anticipated impacts to KFN cultural heritage:

Proposed measures to mitigate KFN cultural heritage impacts (include archaeological methodology for data recovery): *(see KFN Required Mitigation Table for recommended mitigations)*

Proposed project schedule:

Please note: if ancestral remains are recovered, the proponent will be responsible for reburial costs by KFN.

Proposed repository** for any KFN cultural heritage objects or artifacts.

** Please note that KFN's preferred repositories are:

- The *Courtenay District Museum and Archives* for cultural heritage and artifacts from the Comox Valley area
- The *Campbell River Museum and Archives* for cultural heritage and artifacts from the Campbell River area.
- The *Royal BC Museum (RBCM)* in Victoria for sites where excavated collections are already located at the RBCM (additional collections should join existing collections)

Does this project have a reasonable probability of encountering ancestral remains?

NONE	LOW	MED	HIGH	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. Permitting Fees

Select type of investigation and corresponding fee:

- \$400 CDN Small Cultural Heritage Investigation as defined under the KFN Cultural Heritage Policy
(the investigation area is less than 100 meters in maximum dimension or less than one hectare in area)
- \$600 CDN Large Cultural Heritage Investigation as defined under the KFN Cultural Heritage Policy
(the investigation area is greater than 100 meters in maximum dimension or more than one hectare in area)

Please note: large or complex cultural heritage investigations may require additional project management fees. These fees will be negotiated with KFN at time of permitting.

6. Signature

I certify that the information captured in this Cultural Heritage Investigation Permit (CHIP) application is true and complete to the best of my knowledge. I also certify that I have read the CHIP terms and conditions below.

Signature: _____ Date: _____



K'ómoks First Nation

K'ómoks First Nation
3330 Comox Rd, Courtenay, BC V9N 3P8

**Cultural Heritage Investigation
PERMIT (CHIP)**

1. Administrative Information

KFN CHIP Number: _____

Permit Holder Name: _____

Permit Holder

Affiliation: _____

Address: _____

Street Address

City Province Postal Code

Phone: _____ *Email* _____

2. CHIP Details

Site location: _____

Borden Number(s) of registered
archaeological site(s): _____

Activities covered under this KFN CHIP:

KFN Cultural Heritage Policy

Repository for any KFN cultural heritage objects or artifacts.

Issuance date: _____

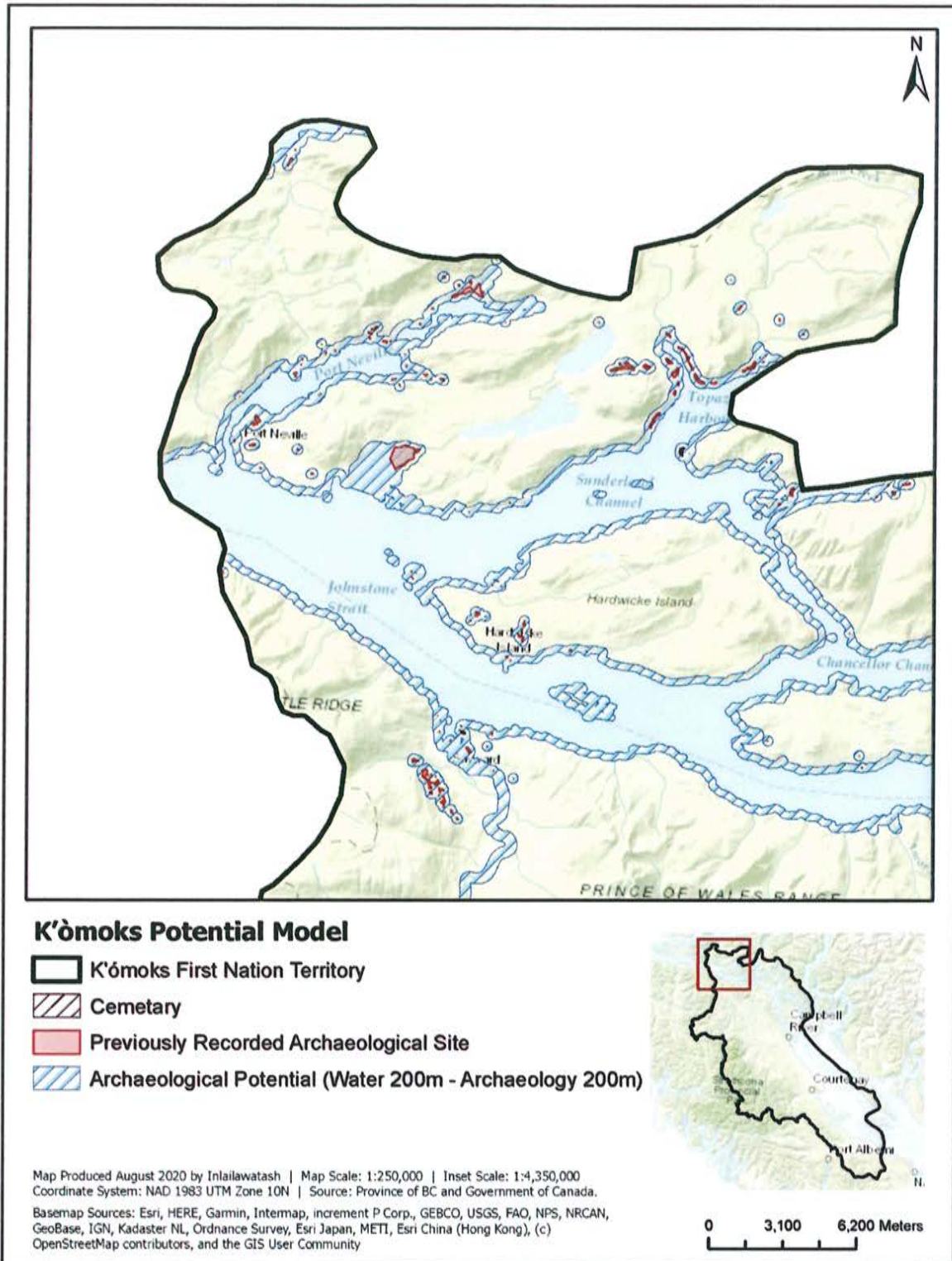
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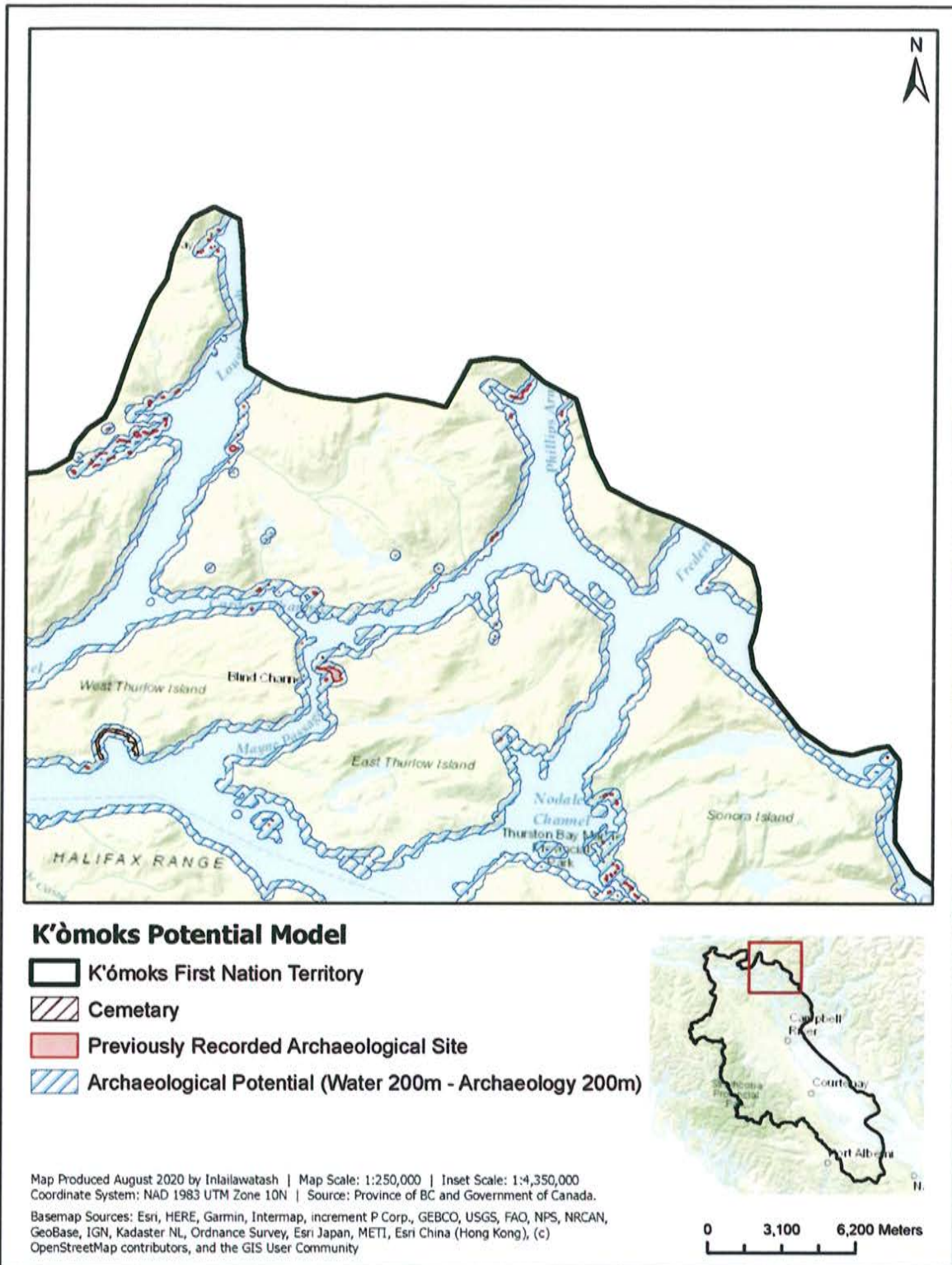
Signatory, Elected Chief

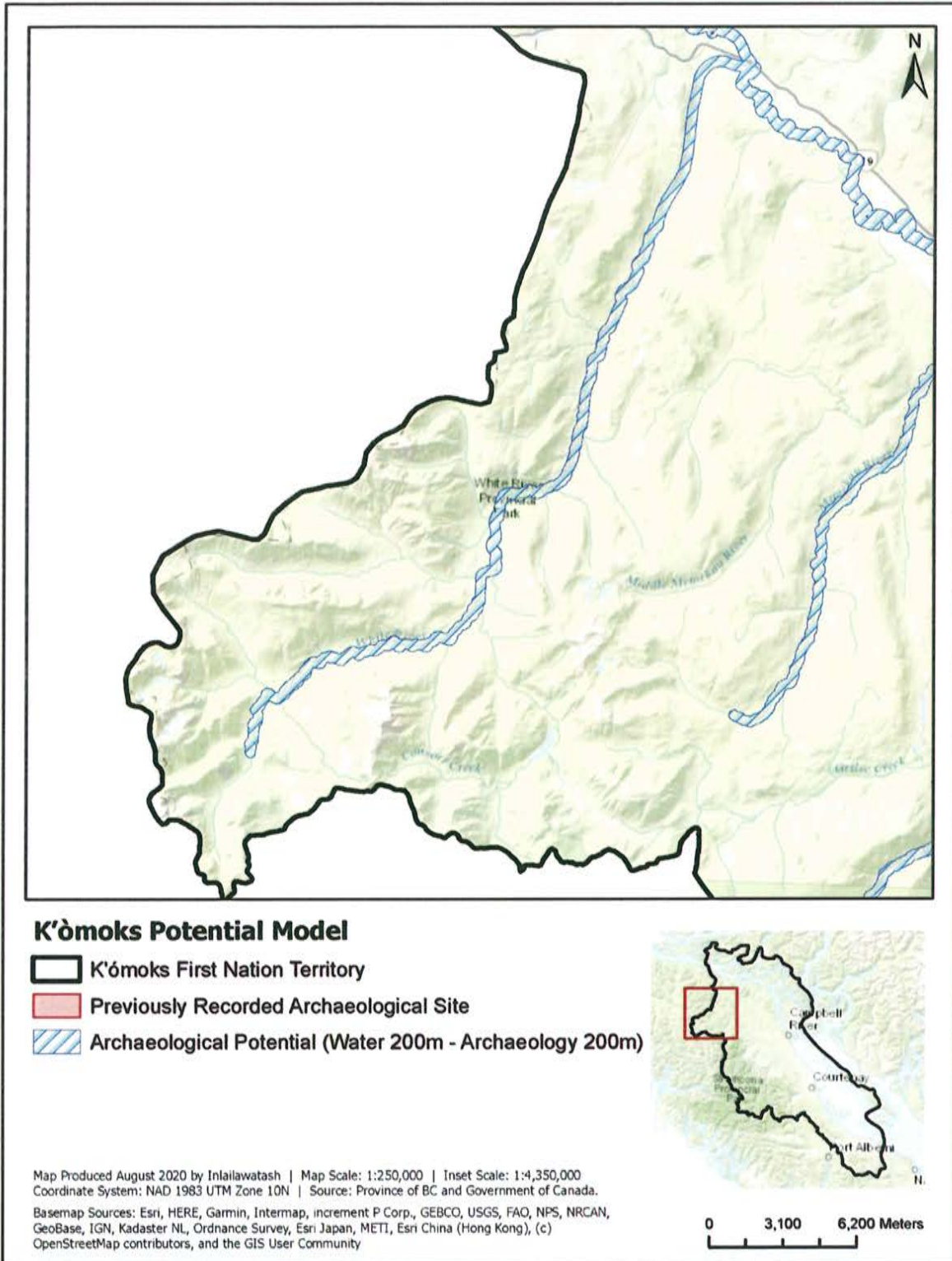
**K'ómoks First Nation Cultural Heritage Investigation Permit (KFN CHIP)
terms and conditions**

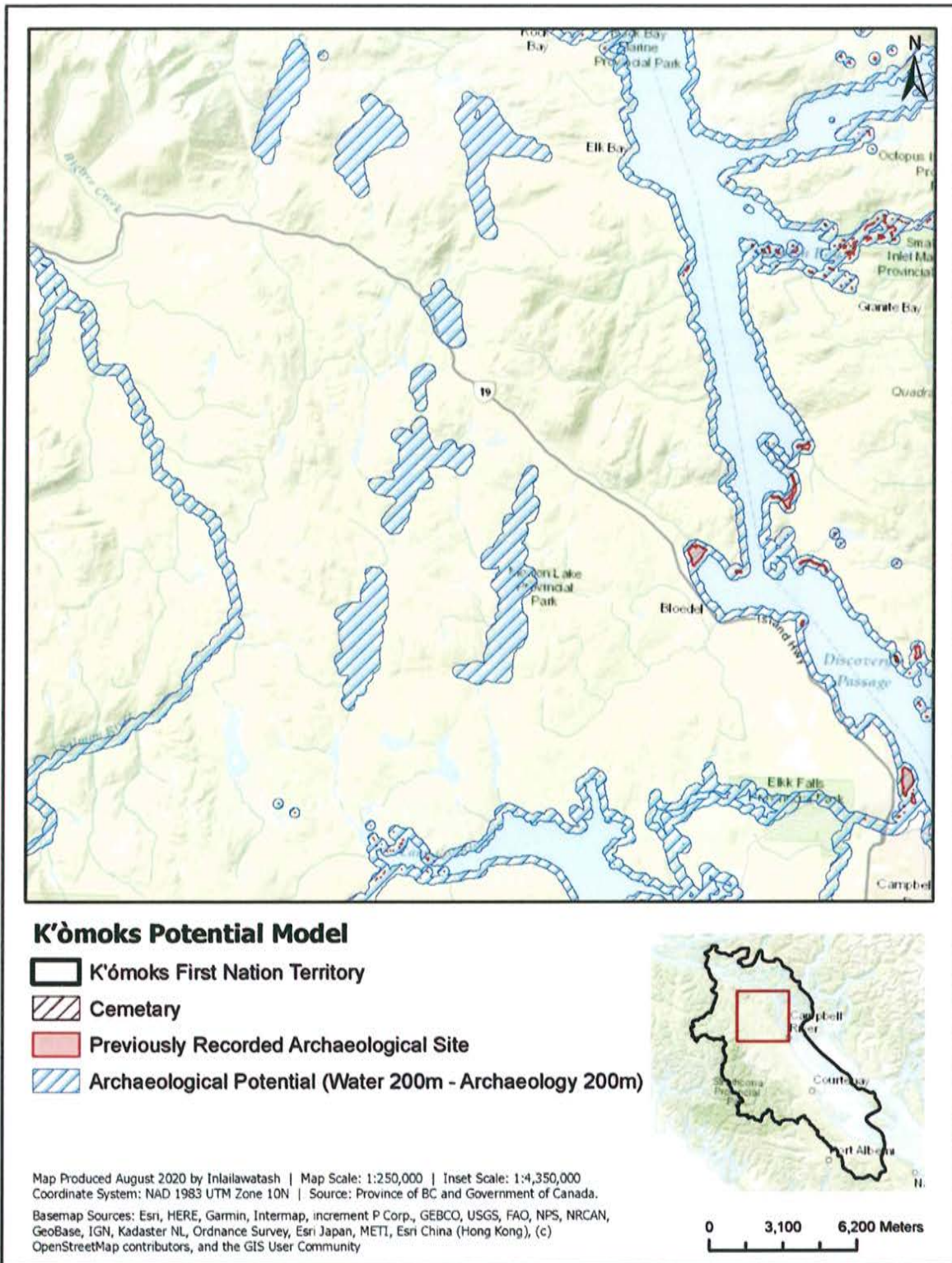
- The KFN Cultural Heritage Investigation Permit is valid for two years from the time of issuance. If the project is not complete within two years, an additional KFN Cultural Heritage Investigation Permit will need to be applied for.
- All fieldwork undertaken under this permit will include a KFN Guardian Watchman or KFN Archaeological Monitor for the duration of the fieldwork.
- Projects may require an additional project management fee, in addition to the permit fee, to be paid by the proponent.
- **If human remains are identified as a result of project related activities, the permit holder will immediately cease work, contact KFN, and follow KFN's specific requirements regarding human remains as detailed in the KFN Cultural Heritage Policy.**
- If human remains are removed as a result of project related activities, the proponent will bear the costs associated with reburial.
- Upon completion of fieldwork, the permit holder will make reasonable efforts to restore the physical appearance of the site.
- KFN will have a chance to review and comment upon the penultimate draft of the permit report.
- Upon completion of the project, KFN will be provided one digital and one paper copy of the final report.
- KFN retains the right to terminate this permit if evidence indicates that the permit holder is not acting under the terms and conditions of the permit.

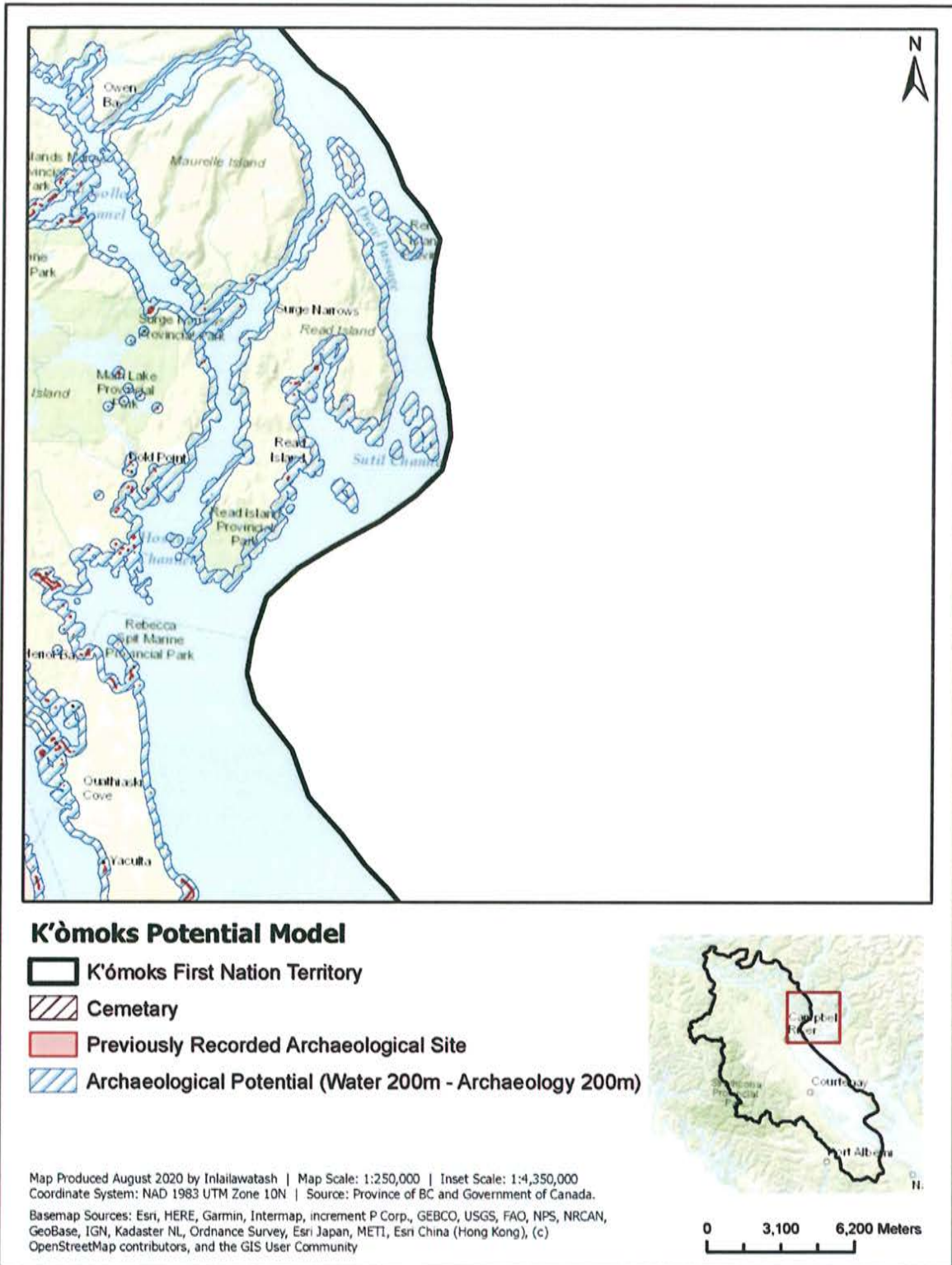
12. Appendix 2 – Map Atlas of KFN Territory, Archaeological Sites, and Areas of High Archaeological Potential

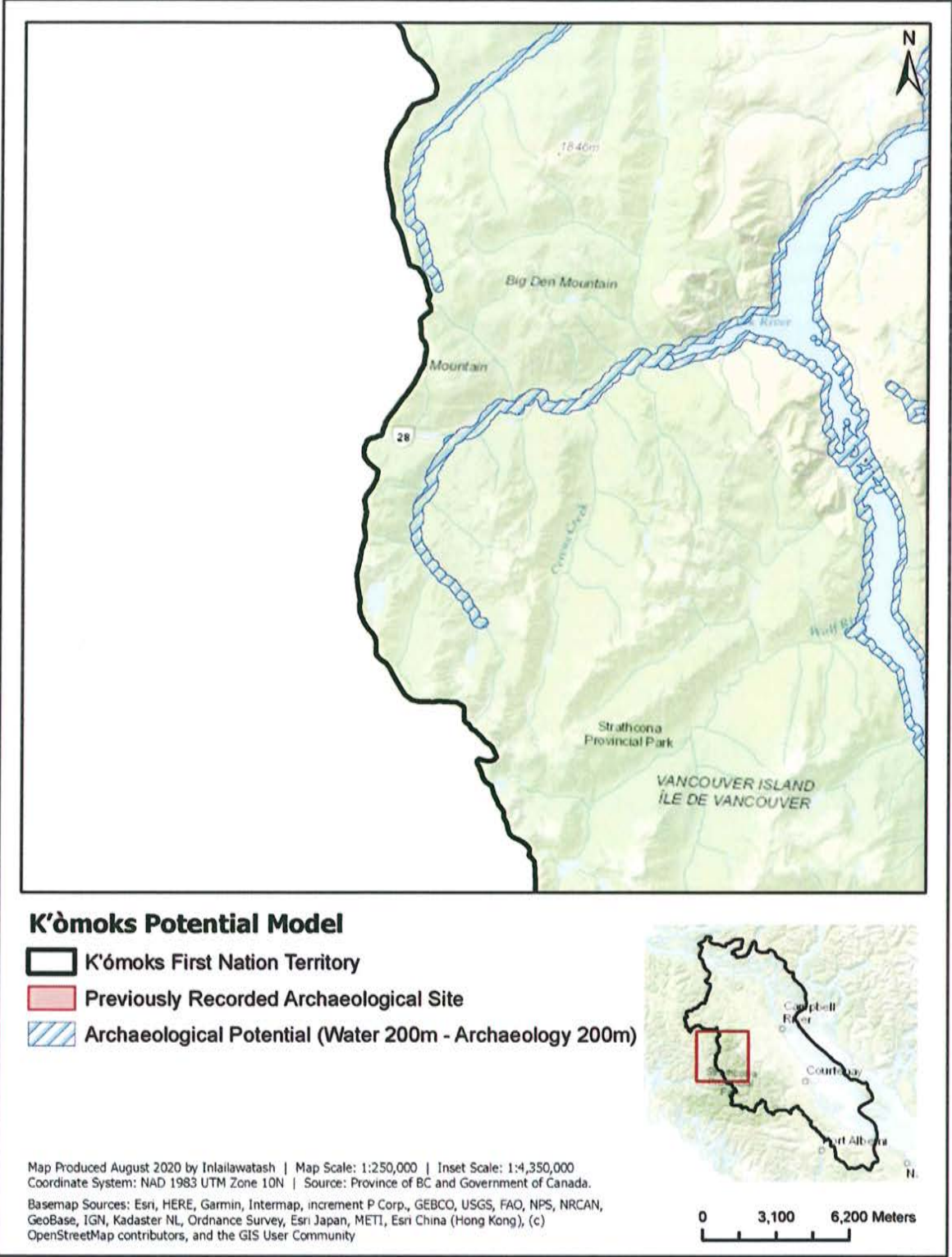


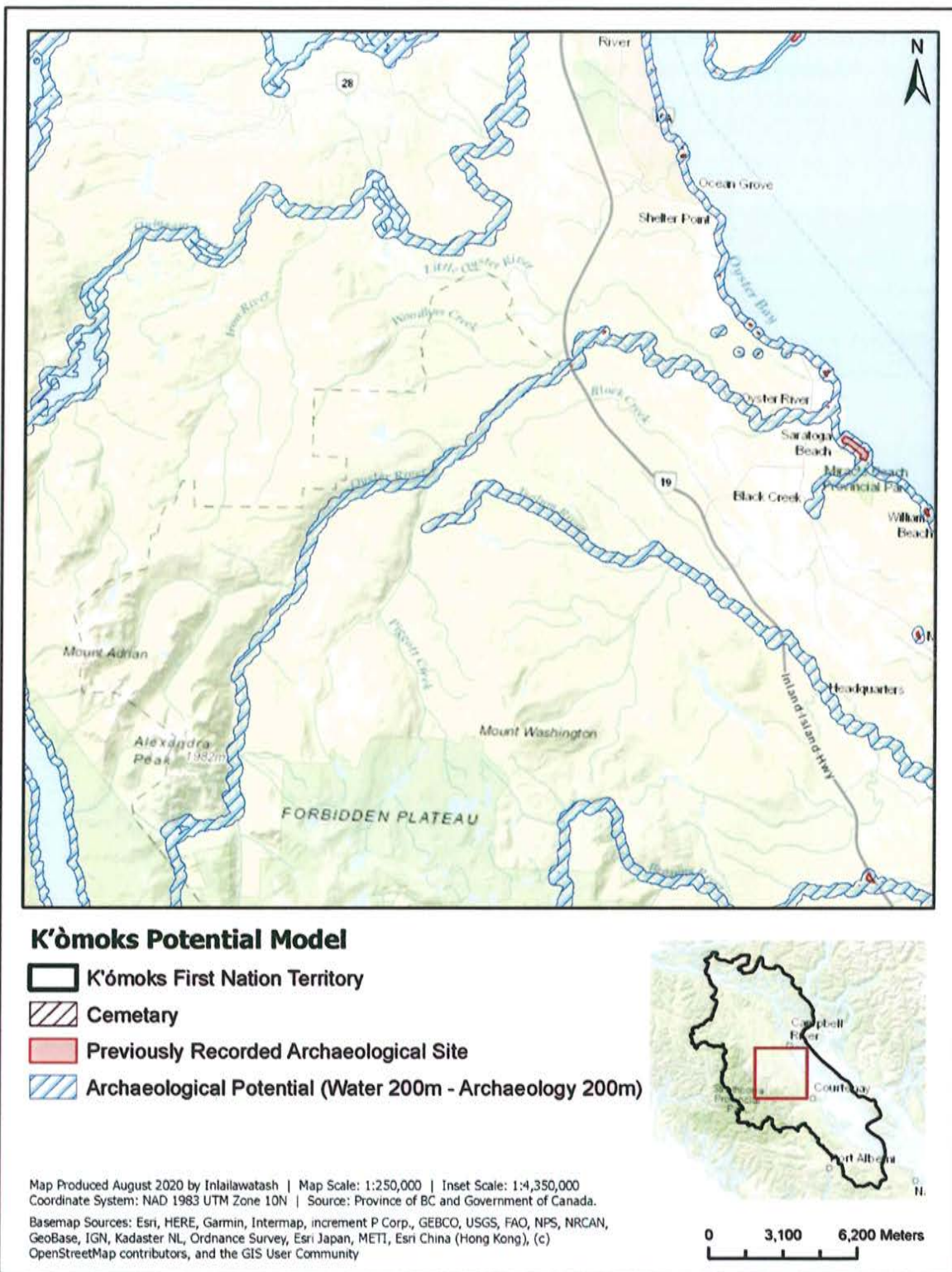


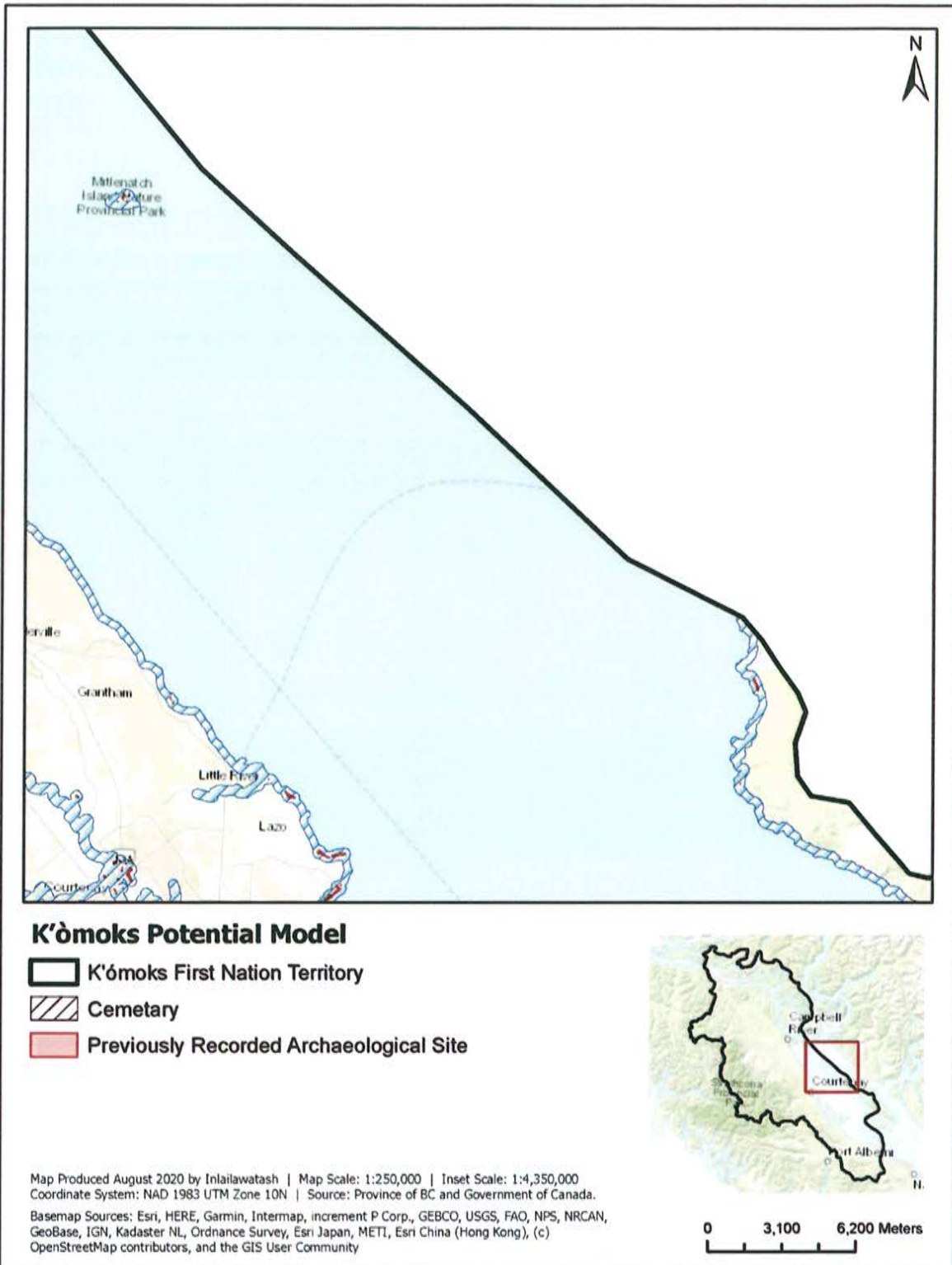


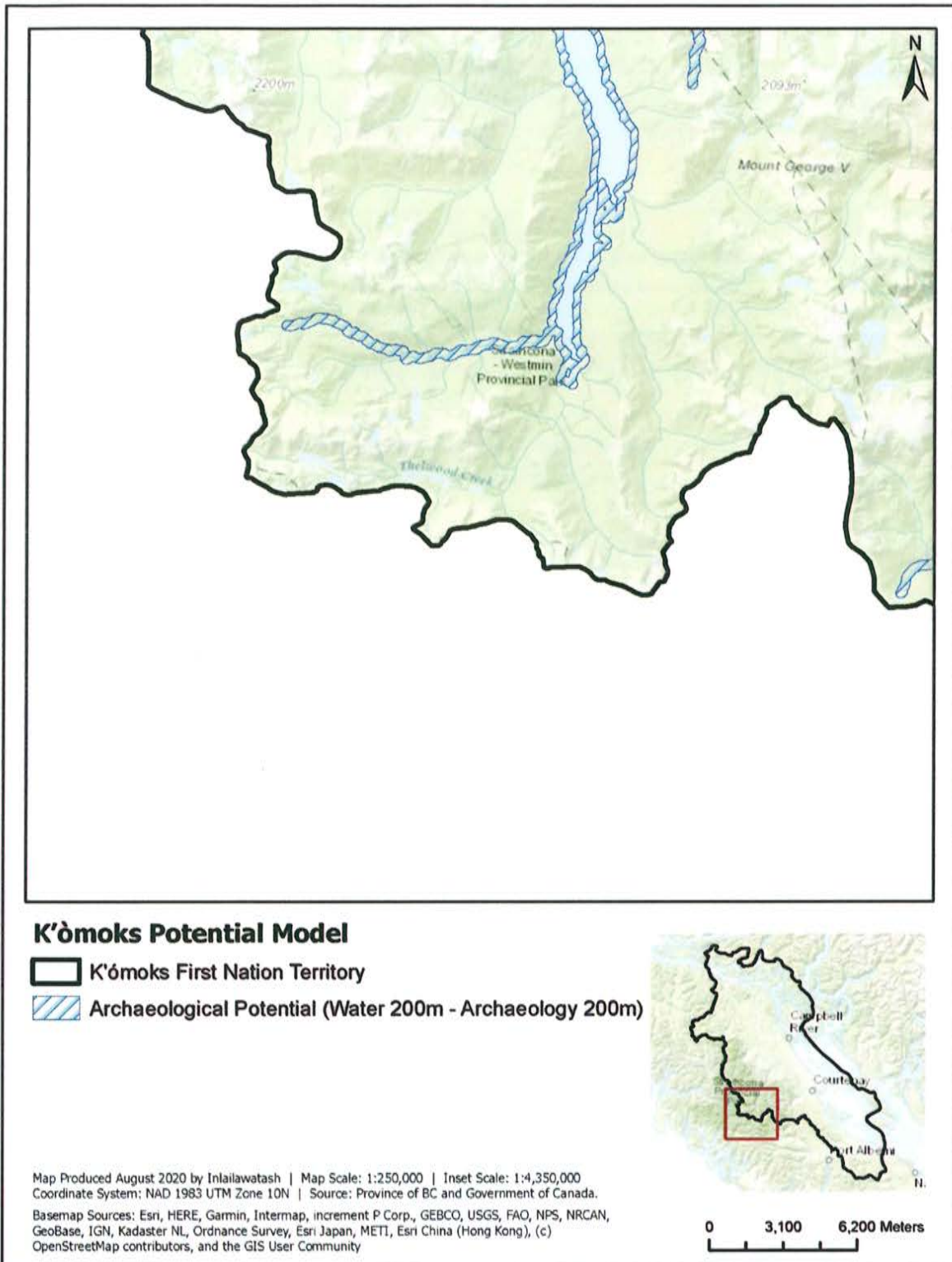


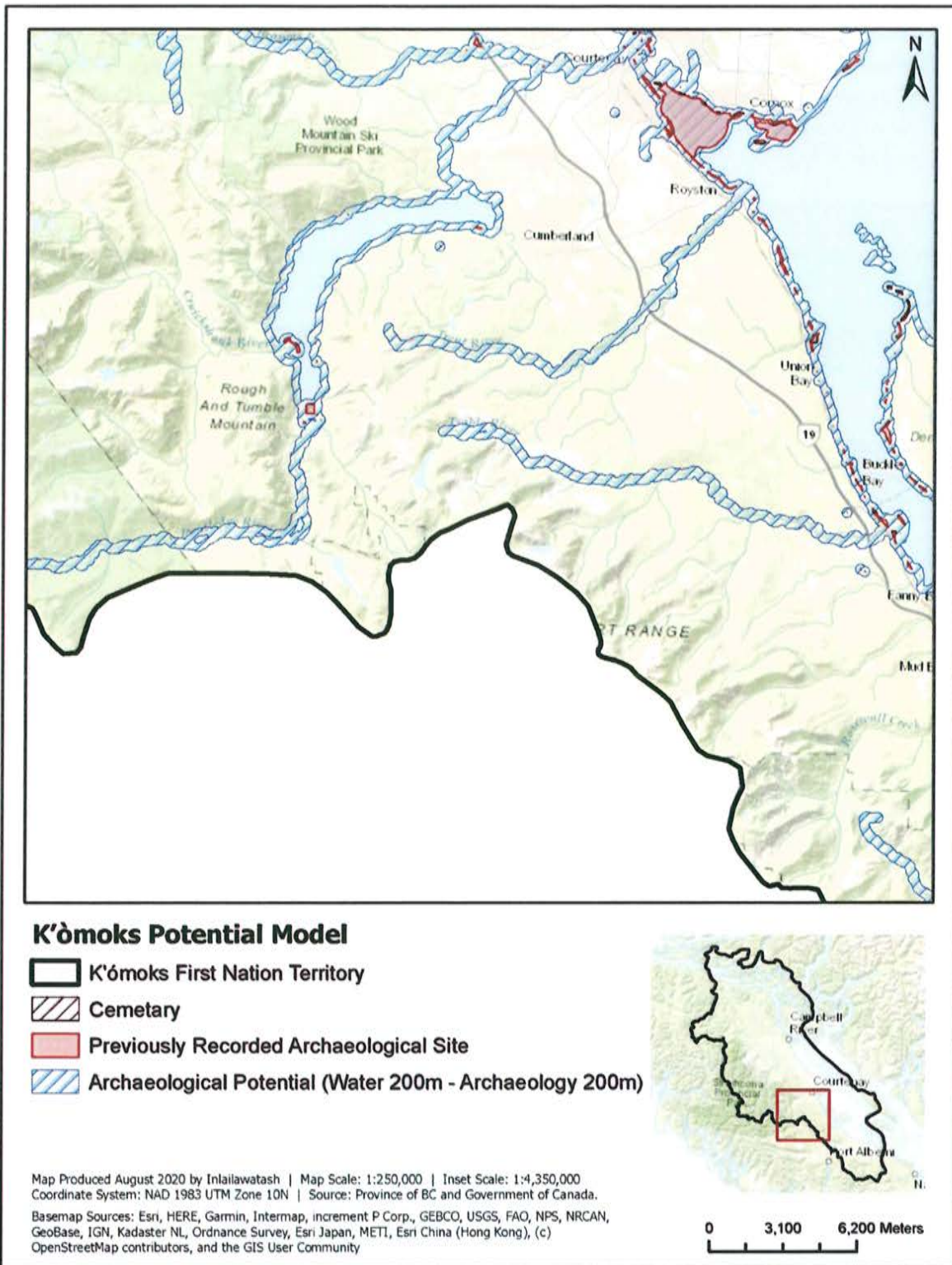


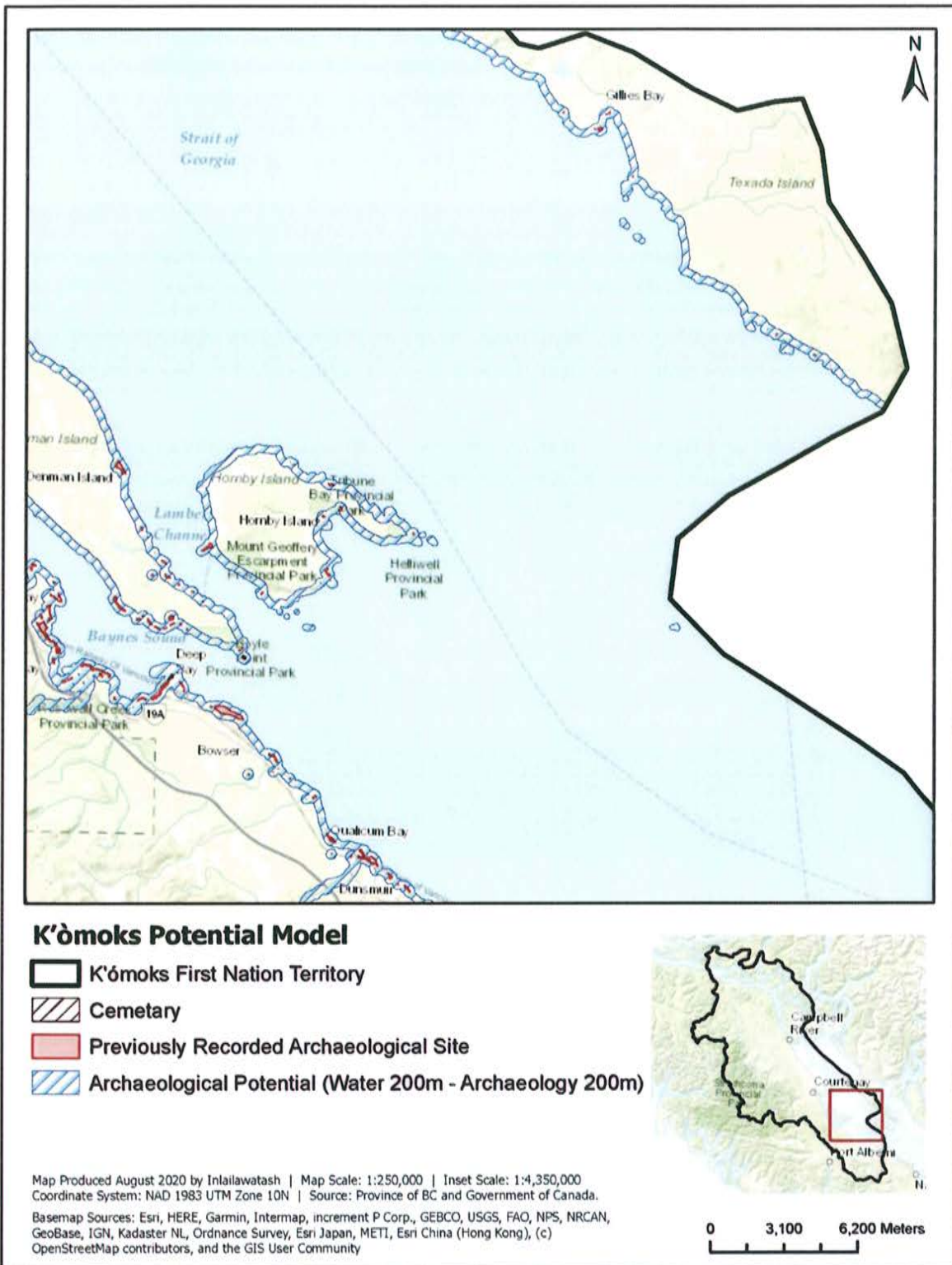


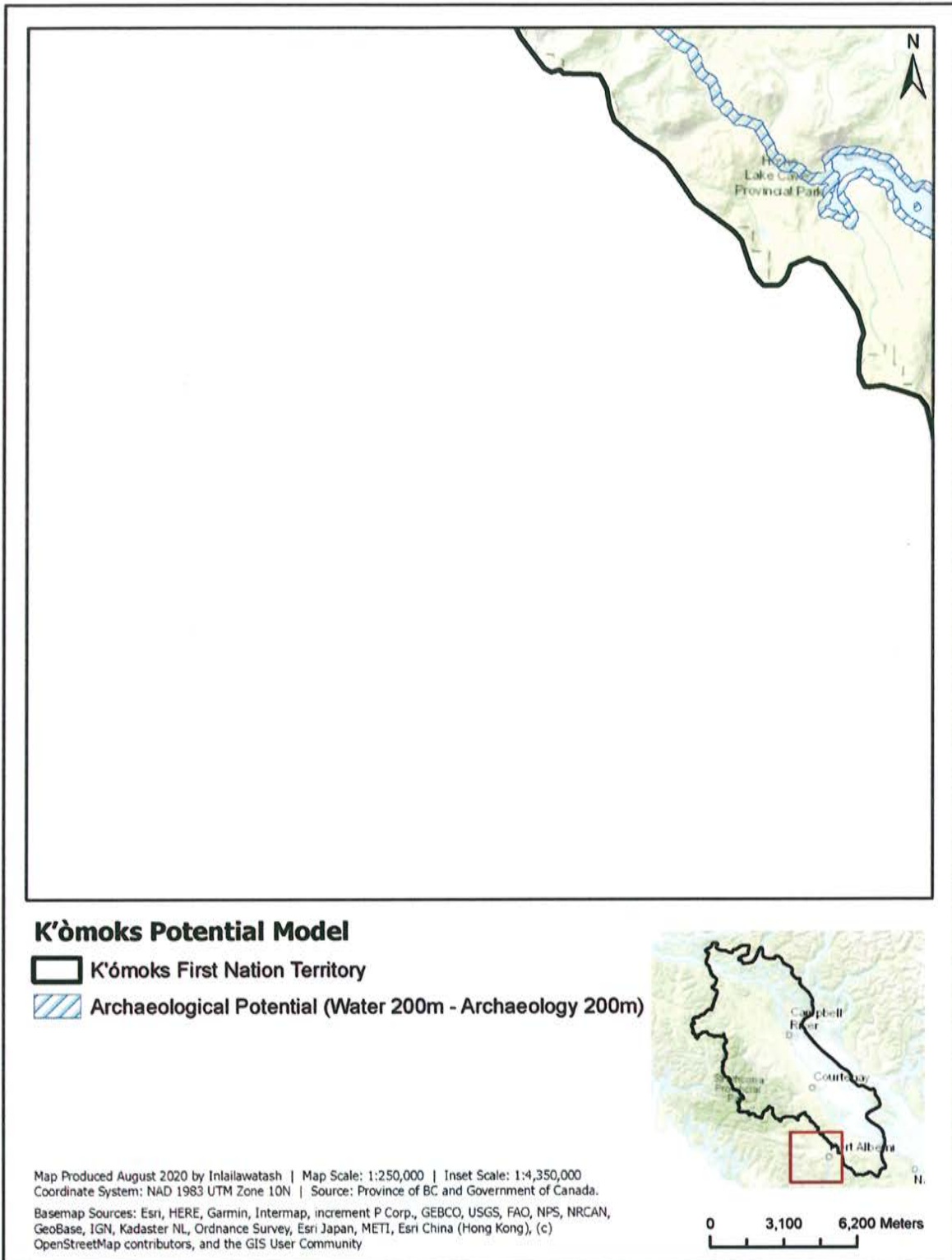


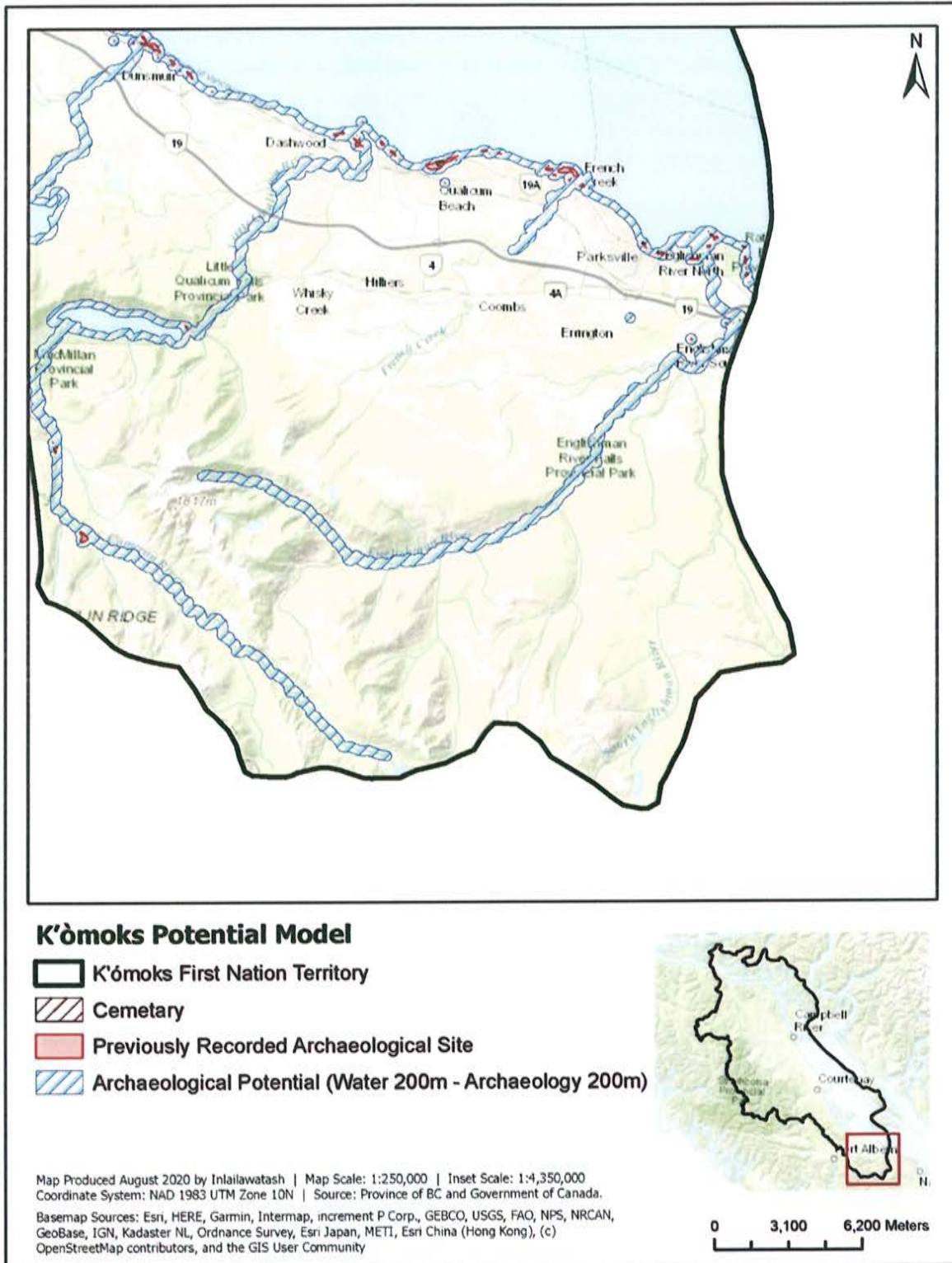












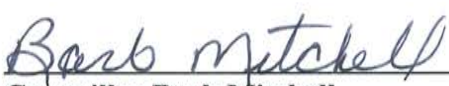
Signed on the 2nd day of OCTOBER 2nd, 2020 by the following:



Chief Nicole Rempel



Councillor Richard Hardy



Councillor Barb Mitchell

Councillor Katherine Frank