



**THE CORPORATION OF
THE CITY OF COURTENAY**

**Statement of Financial Information
For the Year Ended December 31, 2021**

STATEMENT OF FINANCIAL INFORMATION

For the Year Ended December 31, 2021

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MANAGEMENT REPORT

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

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

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

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

On behalf of the Corporation of the City of Courtenay:



Adam Langenmaier, BBA, CPA, CA
Director of Financial Services
June 6, 2022

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, 2021, 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.

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, 2021, and the results of its consolidated operations, changes in its 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 an annual report, which is expected to be made available to us after the date of this auditor's report.

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

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

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

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

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

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

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

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

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

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

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

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

Courtenay, British Columbia

April 25, 2022

MNP LLP

Chartered Professional Accountants

MNP

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021**

STATEMENT A

	2021	2020
FINANCIAL ASSETS		
Cash on Hand and on Deposit (Schedule 5)	\$ 37,888,848	\$ 27,062,580
Receivables (Note 1j)	4,254,024	3,763,857
Term Deposits (Schedule 5)	36,031,618	35,807,364
	78,174,490	66,633,801
FINANCIAL LIABILITIES		
Accounts Payable (Note 1k)	13,537,751	10,888,816
Trust and Other Deposits	7,198,292	6,049,909
Deferred Revenue - Development Cost Charges (Note 7)	10,558,658	8,885,487
Deferred Revenue - Other (Note 9)	2,133,611	2,709,157
Long-Term Debt (Schedule 4)	13,423,365	11,569,753
	46,851,677	40,103,122
NET FINANCIAL ASSETS	31,322,813	26,530,679
NON-FINANCIAL ASSETS		
Inventories	313,184	225,880
Prepaid Expenses	386,606	337,153
Tangible Capital Assets (Note 13 & Schedule 3)	174,071,589	163,018,502
	174,771,379	163,581,535
ACCUMULATED SURPLUS (Schedule 2)	\$ 206,094,192	\$ 190,112,214

CONTINGENT LIABILITIES AND COMMITMENTS (NOTE 2)

SIGNIFICANT EVENT (NOTE 16)

Adam Langenmaier

Adam Langenmaier, BBA, CPA, CA
Director of Financial Services

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2021**

REVENUE	2021 Budget (Note 14)	2021	2020
Taxes for Municipal Purposes	\$ 30,452,200	\$ 30,444,210	\$ 29,339,207
Sale of Services	16,859,400	17,780,296	16,897,139
Revenue From Own Sources	3,035,800	4,008,059	3,248,232
Federal Transfers	1,173,800	3,070,743	1,133,150
Provincial Transfers	4,648,000	2,181,738	4,905,398
Other Local Government Transfers	487,300	355,922	214,431
Contributions	395,900	8,330,460	3,972,685
DCC Revenue	-	366,280	399,898
Investment Income and Taxation Penalties	662,400	846,734	912,018
Other	369,300	945,711	418,646
Gain on Sale of Tangible Capital Assets	200,000	4,826	873,017
TOTAL REVENUE	58,284,100	68,334,979	62,313,821
EXPENSES			
General Government Services	6,944,137	6,280,503	5,904,766
Protective Services	10,765,488	9,261,174	10,328,314
Transportation Services	7,972,677	7,774,805	7,792,469
Sewer and Water Facilities	13,899,899	13,930,487	12,751,544
Environmental Health Services	4,141,051	4,166,352	3,748,053
Public Health and Welfare Services	385,784	424,026	398,208
Environmental Development Services	1,645,100	1,773,731	1,500,510
Recreational and Cultural Services	10,092,563	8,741,923	8,486,863
TOTAL EXPENSES	55,846,700	52,353,001	50,910,727
ANNUAL SURPLUS (DEFICIT) (Schedule 1)	2,437,400	15,981,978	11,403,094
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	190,112,214	190,112,214	178,709,120
ACCUMULATED SURPLUS AT END OF YEAR	\$ 192,549,614	\$ 206,094,192	\$ 190,112,214

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021**

STATEMENT C

	2021 Budget (Note 14)	2021	2020
ANNUAL SURPLUS	\$ 2,437,400	\$ 15,981,978	\$ 11,403,094
Acquisition of tangible capital assets	(19,229,800)	(10,131,262)	(6,526,289)
Amortization of tangible capital assets	5,650,000	6,465,930	6,303,193
(Gains)/losses and other adjustments to tangible capital assets	-	108,969	(702,017)
Proceeds on sale of tangible capital assets	-	5,826	1,031,484
Developer tangible capital asset contribution	-	(7,502,551)	(3,676,300)
	<u>(13,579,800)</u>	<u>(11,053,088)</u>	<u>(3,569,929)</u>
Acquisition of supplies inventories	-	(727,169)	(546,879)
Acquisition of prepaid expense	-	(1,121,040)	(1,165,761)
Consumption of supplies inventories	-	639,866	547,857
Use of prepaid expense	-	1,071,587	1,206,669
	<u>-</u>	<u>(136,756)</u>	<u>41,886</u>
CHANGE IN NET FINANCIAL ASSETS	(11,142,400)	4,792,134	7,875,051
NET FINANCIAL ASSETS AT BEGINNING OF YEAR	<u>26,530,679</u>	<u>26,530,679</u>	<u>18,655,628</u>
NET FINANCIAL ASSETS AT END OF YEAR	<u>\$ 15,388,279</u>	<u>\$ 31,322,813</u>	<u>\$ 26,530,679</u>

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

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2021**

STATEMENT D

	2021	2020
CASH PROVIDED BY (APPLIED TO) FINANCING TRANSACTIONS		
OPERATING TRANSACTIONS		
Annual Surplus	\$ 15,981,978	\$ 11,403,094
Changes in non-cash items		
Amortization	6,465,930	6,303,193
Change in receivables	(490,167)	(251,118)
Change in accounts payable	2,648,935	2,621,120
Change in trust and other deposits	1,148,383	(100,488)
Change in deferred revenue	1,097,625	1,604,477
Change in inventories	(87,304)	973
Change in prepaids	(49,453)	40,907
Net (gains)/losses and other adjustments to tangible capital assets	108,969	(702,017)
Developer Tangible Capital Asset Contribution	(7,502,551)	(3,676,300)
Actuarial adjustment	(543,357)	(537,979)
	18,778,988	16,705,862
CAPITAL TRANSACTIONS		
Cash used to acquire tangible capital assets	(10,131,262)	(6,526,289)
Proceeds on sale of tangible capital assets	5,826	1,031,484
	(10,125,436)	(5,494,805)
INVESTING TRANSACTIONS		
Purchase of term deposits	(224,254)	(9,793,875)
Cash Provided by (applied to) Investing Transactions	(224,254)	(9,793,875)
FINANCING TRANSACTIONS		
Repayment of long-term debt	(1,003,030)	(935,534)
Long-term debt proceeds	3,400,000	3,000,000
Cash provided by Financing Transactions	2,396,970	2,064,466
INCREASE IN CASH ON HAND AND ON DEPOSIT	10,826,268	3,481,648
CASH ON HAND AND ON DEPOSIT AT BEGINNING OF YEAR	27,062,580	23,580,932
CASH ON HAND AND ON DEPOSIT AT END OF YEAR	\$ 37,888,848	\$ 27,062,580
Interest paid on outstanding debt and included in annual surplus above	\$ 523,095	\$ 502,306

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

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

(b) Revenue and Expense Recognition

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

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

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

Taxes for Municipal Purposes are recognized in the year levied.

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

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

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

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

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

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Revenue and Expense Recognition (continued)

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

(c) Accrued Payroll Benefits

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

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

(d) Use of Estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Accounts Receivable are stated after evaluation of their collectability. Post employment benefits are calculated by an Actuary. Amortization is based on the estimated useful lives of tangible capital assets. These estimates and assumptions are reviewed periodically and as adjustments become necessary they are reported in earnings in the periods in which they become known. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the City of Courtenay is responsible for.

(e) Non-financial assets

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

(f) Inventories

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

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Tangible Capital Assets

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

Major Asset Category	Threshold	Average Useful Life
Land	\$1	Indefinite
Land Improvements	\$10,000	Varies from 10 to 40 years
Building	\$10,000	Varies from 25 to 60 years
Vehicles, Machinery/Equipment	\$5,000 to \$10,000	Varies from 5 to 25 years
Engineering Structures		
Roads	\$5,000 to \$50,000	Varies from 10 to 60 years
Water	\$5,000 to \$10,000	Varies from 8 to 80 years
Sewer	\$10,000	Varies from 8 to 60 years
Other – Includes Storm	\$10,000	Varies from 25 to 75 years
Other Tangible Capital Assets (includes IT software)	\$5,000	5 years

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

(h) Financial Instruments

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

(i) Debt Charges

Interest payments are charged against current fund balances in the period they become payable and have been accrued to December 31, 2021. Actuarial adjustments are offset against interest charged. Principal payments are applied directly to loan balances in the period they accrue.

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Receivables

Following is a breakdown of receivables outstanding at December 31, 2021 with 2020 comparatives:

	<u>2021</u>	<u>2020</u>
Federal Government	\$ 939,046	\$ 137,384
Provincial Government	667,957	353,991
Regional and other Local Governments	471,171	808,102
Property Taxes	929,666	1,015,435
Other	<u>1,246,184</u>	<u>1,448,945</u>
 Total Receivables	 \$ 4,254,024	 \$ 3,763,857

(k) Accounts Payable

Following is a breakdown of accounts payable and accrued liabilities outstanding at December 31, 2021 with 2020 comparatives:

	<u>2021</u>	<u>2020</u>
Federal Government	\$ 2,905,643	\$ 2,900,445
Provincial Government	925,818	100,214
Regional and other Local Governments	854,245	2,182,594
Employee Retirement Benefits (Note 11)	1,205,200	1,150,700
Trade and accrued liabilities	<u>7,646,845</u>	<u>4,554,863</u>
 Total Accounts Payable	 \$ 13,537,751	 \$ 10,888,816

(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, 2021.

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

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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2. CONTINGENT LIABILITIES AND COMMITMENTS

(a) Regional District debt is, under the provisions of the Local Government Act (Section 836), a direct, joint and several liability of the District and each member municipality within the District, including the Corporation of the City of Courtenay. Readers are referred to the Comox Valley Regional District 2021 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:

2022	1,064,633
2023	986,719
2024	964,632
2025	808,099
2026	<u>744,467</u>
	<u>\$ 4,568,550</u>

(c) The Municipality is obligated to collect and transmit the tax levies of the following bodies:

Provincial Government – Schools
Comox Valley Regional District
Comox-Strathcona Regional Hospital District
Municipal Finance Authority
British Columbia Assessment Authority
Vancouver Island Regional Library
Downtown Courtenay Business Improvement Area

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

(d) As at December 31, 2021, 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, 2021

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3. PENSION LIABILITY

The employer and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 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 \$1,215,326 (2020 - \$1,222,922) for employer contributions to the plan in fiscal 2021.

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

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

4. HOST FINANCIAL ASSISTANCE AGREEMENT

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

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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5. FEDERAL GAS TAX AGREEMENT FUNDS

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

The City of Courtenay received the first contribution of Gas Tax funding in 2005 and reports the balance in a General Fund Reserve – New Works Community Gas Tax Funds (Schedule 2) until it is used to fund the specified projects outlined in the funding agreement. Interest is accrued and allocated monthly to the balance.

Following is a schedule of Gas Tax receipts and disbursements received in 2021 with comparatives to 2020.

	2021	2020
Opening Balance of Unspent Funds	\$ 2,550,961	\$ 2,796,599
Additions:		
Amounts Received During the Year	2,317,692	1,133,150
Interest Earned	5,293	14,024
Deductions:		
Amount Spent on Projects	(1,822,002)	(1,392,812)
Closing Balance of Unspent Funds	\$ 3,051,945	\$ 2,550,961

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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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 2021 with comparatives to 2020.

	2021	2020
Opening Balance of Unspent Funds	\$ 2,005,246	\$ 4,149,000
Additions:		
Interest Earned	2,957	527
Deductions:		
Lush Valley Food Action Society - Good Food Box Program	(60,000)	-
City Hall Foyer Renovation	(80,561)	-
Downtown Washroom for Public and Vulnerable	(180,949)	-
Gaming Revenue Shortfall - Infrastructure Reserve contribution	(320,000)	(320,000)
Gaming Revenue Shortfall - Police Contract	(405,000)	(405,000)
Additional Bylaw Enforcement Support	(84,000)	-
Community Services Revenue Shortfalls	(718,194)	(1,351,789)
Other Revenue Shortfalls	-	(67,492)
	\$ 159,500	\$ 2,005,246
Closing Balance of Unspent Funds	\$ 159,500	\$ 2,005,246

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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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 2021 and 2020.

	2021				2021 Total		
	General Reserve DCC BL #2840	Water Utility Reserve DCC BL #2840	Sewer Utility Reserve DCC BL #2840	Sewer Utility Reserve DCC BL #1638			
	Balance Forward	\$ 7,191,100	\$ 537,996	\$ 1,121,402		\$ 34,989	\$ 8,885,487
	Increases						
Interest	11,855	919	2,042	53	14,868		
Other Contributions	1,423,735	140,653	460,195		2,024,583		
	1,435,590	141,571	462,236	53	2,039,451		
Decreases							
Revenue Recognized to Fund Capital Projects	(46,280)	-	(320,000)	-	(366,280)		
Reclassifications, redemptions, refunds	-	-	-	-	-		
	(46,280)	-	(320,000)	-	(366,280)		
Ending Balance Deferred Revenue - DCC	\$ 8,580,411	\$ 679,567	\$ 1,263,638	\$ 35,042	\$ 10,558,658		
	2020						
	General Reserve DCC BL #2840	Water Utility Reserve DCC BL #2840	Sewer Utility Reserve DCC BL #2840	Sewer Utility Reserve DCC 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		

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

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 2021 and 2020, which has been excluded from the City's consolidated financial statements.

CEMETERY PERPETUAL CARE FUND FINANCIAL POSITION	<u>2021</u>	<u>2020</u>	CEMETERY PERPETUAL CARE FUND FINANCIAL ACTIVITIES	<u>2021</u>	<u>2020</u>
Financial Assets			Revenue		
Cash on Hand	\$ 133,978	\$ 122,996	Fees Levied	\$ 13,391	\$ 14,296
Investments - MFA	<u>249,265</u>	<u>248,799</u>	Interest Revenue	<u>1,416</u>	<u>3,358</u>
Liabilities			Expenditure		
Interest Payable to City	<u>1,416</u>	<u>3,358</u>	Interest Expense	<u>1,416</u>	<u>3,358</u>
Net Financial Position	<u>\$ 381,827</u>	<u>\$ 368,437</u>	Excess Revenue over Expenditure	<u>\$ 13,391</u>	<u>\$ 14,296</u>

9. DEFERRED REVENUE – OTHER

Other Deferred Revenue recorded in the Liability section of the City's Consolidated Financial Statements consists of the revenues related to business license revenue levied and to be recognized in future years, Government transfers received prior to revenue recognition criteria being met. Following is a breakdown of the change in this balance for 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Opening Balance	\$ 2,709,157	\$ 2,851,913
Additions to Deferred Revenue	2,133,611	1,880,852
Revenue Recognized	(2,709,157)	(2,023,608)
	<u>2,133,611</u>	<u>1,880,852</u>
Ending Balance Deferred Revenue Other	<u>\$ 2,133,611</u>	<u>\$ 2,709,157</u>

10. MFA DEBT RESERVE FUNDS

The City secures its long term borrowing through the Municipal Finance Authority. As a condition of these borrowings a portion of the debenture proceeds are retained by the Authority as a debt reserve fund. These funds are not reported in the financial statements as they are eliminated upon consolidation. As at December 31, 2021 the City had debt reserve funds of \$353,360 (\$363,044 in 2020).

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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 2021 were based on an interest (discount) rate of 2.50% per annum (2020 – 2.00%) and an inflation rate of 2.5% for both 2021 and 2020. The total estimated employee retirement benefit liability at December 31, 2021 is \$1,205,200 (\$1,150,700 in 2020) and is included in the accounts payable balance on Statement A. Following is a breakdown of the benefit liability:

	2021	2020
Accrued benefit liability at beginning of year	\$ 1,150,700	\$ 1,138,000
Expense	161,515	151,500
Benefit Payments	(107,015)	(138,800)
Accrued benefit liability at end of year	\$ 1,205,200	\$ 1,150,700

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 2021 revenues and expenses with 2020 comparatives for each segment can be found in Schedule 1 of the accompanying financial statements.

General Government Services

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

Protective Services

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

Transportation Services

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

Environmental Health Services

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

Public Health and Welfare Services

Includes cemetery services.

Environmental Development Services

Includes services related to planning, zoning, sustainability, and hotel taxes, as well as actions relating to homelessness.

Recreational and Cultural Services

Provides recreation and leisure services to the community and includes parks and facilities that allow for fitness, aquatic, cultural, and other activities for the public to enjoy.

Water Utility Services

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

Sewer Utility Services

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

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

PAGE 13 OF 15

13. TANGIBLE CAPITAL ASSET DETAILS

(See Schedule 3 for further details)

Contributed capital assets received and recognized in the year from developers, for various infrastructure works and related land and parks, and recorded in the consolidated financial statements in 2021 is \$7,502,551 (\$3,676,300 in 2020).

Tangible capital assets include land under the City's roads, recorded at a nominal amount.

Art and historic treasures are displayed at various city facilities and consist of paintings, historical photographs, sculptures, carvings, and other cultural artefacts. These items have not been included in tangible capital assets due to the inability of estimating future benefits associated with such property.

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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14. RESTATEMENT OF 2021 BUDGET

The budget amounts presented throughout these consolidated financial statements are based upon the Five Year Financial Plan approved by Council on April 19, 2021 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 19, 2021 budget approved by Council and reflected in these consolidated financial statements:

Adjustments to 2021 Budgeted Annual Surplus

Budgeted Surplus per Council approved Budget	\$ -
Purchase of Capital Assets	19,229,800
Amortization Budgeted	(5,650,000)
Transfer from Reserves	(9,406,000)
Transfer to Reserves	4,087,700
Use of Prior Year Surplus	(3,427,200)
Debt Issues in Financial Plan	(3,400,000)
Debt principle repayments in Financial Plan	<u>1,003,100</u>
Budgeted Surplus per Consolidated Statement of Operations	<u>\$ 2,437,400</u>

**THE CORPORATION OF THE CITY OF COURTENAY
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

15. CONTRACTUAL RIGHTS

Following is the breakdown of the contractual rights at December 31, 2021:

Contractual Right with	Description of Contractual Right	2022	2023	2024	2025	2026	Total
Courtenay Fire Protection District	Courtenay Fire Protection	475,367	484,875	494,572	504,464	514,553	\$ 2,473,831

16. SIGNIFICANT EVENT

During the 2020 and 2021 years, 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. The pandemic caused disruption to work plans, supply chain issues and minor staffing shortages which delayed some purchases and other projects to future years. At this time, the extent of the impact the COVID-19 outbreak may have on the City is unknown as it will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographical spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, office closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY SERVICE
YEAR ENDED DECEMBER 31, 2021**

**SCHEDULE 1
(Note 12)
Page 1 of 2**

	General Government Services		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
REVENUE										
Taxation	27,141,965	26,070,165		-	-	-	-	-	-	-
Sales of Services	-	-	844,686	810,924	-	-	3,889,359	3,565,976	-	-
Revenue from Own Sources	-	-	1,590,245	1,558,585	234,865	85,353	-	-	-	-
Government Transfers	825,948	4,734,232	162,261	95,602	4,182,434	1,150,750	-	-	84,788	64,511
Transfer from Other Funds	-	-	-	-	-	-	-	-	-	-
Other Revenue	107,757	126,362	-	-	158,199	142,320	25,000	-	166,755	149,964
Other Contributions	50,029	16,330	-	-	4,606,424	3,341,783	1,604,605	-	-	-
Interest Earned	817,427	836,741	2,750	8,133	10,278	27,194	-	-	-	-
Gain on sale of TCA	-	543,006	-	-	4,826	51,159	-	-	-	-
Total Revenues	<u>28,943,126</u>	<u>32,326,836</u>	<u>2,599,942</u>	<u>2,473,244</u>	<u>9,197,026</u>	<u>4,798,559</u>	<u>5,518,964</u>	<u>3,565,976</u>	<u>251,543</u>	<u>214,475</u>
EXPENSES										
Salaries and Benefits	4,295,673	4,193,372	2,808,800	2,408,795	2,859,471	2,611,800	105,798	68,570	261,901	220,078
Goods and Services	1,416,932	1,234,537	6,133,026	7,577,103	1,226,835	1,698,043	3,569,472	3,242,308	121,468	139,555
Amortization Expense	337,521	331,243	327,208	328,646	3,401,551	3,317,490	397,321	376,526	40,657	38,575
Debt Servicing	-	(32,641)	(10,364)	(6,468)	11,132	13,565	-	-	-	-
Other Expenditures	176,365	178,255	2,504	2,418	261,744	460	93,761	58,580	-	-
Loss on Disposal of TCA	54,012	-	-	17,820	14,072	151,111	-	2,069	-	-
Total Expenses	<u>6,280,503</u>	<u>5,904,766</u>	<u>9,261,174</u>	<u>10,328,314</u>	<u>7,774,805</u>	<u>7,792,469</u>	<u>4,166,352</u>	<u>3,748,053</u>	<u>424,026</u>	<u>398,208</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ 22,662,623</u>	<u>\$ 26,422,070</u>	<u>\$ (6,661,232)</u>	<u>\$ (7,855,070)</u>	<u>\$ 1,422,221</u>	<u>\$ (2,993,910)</u>	<u>\$ 1,352,612</u>	<u>\$ (182,077)</u>	<u>\$ (172,483)</u>	<u>\$ (183,733)</u>

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY SERVICE
YEAR ENDED DECEMBER 31, 2021**

**SCHEDULE 1
(Note 12)
Page 2 of 2**

	Environmental Development Services		Recreational and Cultural Services		Water Utility Services		Sewer Utility Services		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
REVENUE										
Taxation	-	-	-	-	\$ 1,215,773	1,202,909	2,086,472	2,066,133	30,444,210	29,339,207
Sales of Services	-	-	-	-	7,377,099	7,079,917	5,669,152	5,440,322	17,780,296	16,897,139
Revenue from Own Sources	619,452	576,244	1,049,110	659,500	406,759	300,417	107,628	68,133	4,008,059	3,248,232
Government Transfers	69,402	69,588	283,570	138,296	-	-	-	-	5,608,403	6,252,979
Transfer from Other Funds	-	-	-	-	-	-	-	-	-	-
Other Revenue	488,000	-	-	-	-	-	-	-	945,711	418,646
Other Contributions	141,259	114,105	175,534	73,171	927,867	484,667	1,191,022	342,527	8,696,740	4,372,583
Interest Earned	2,384	6,242	1,838	5,604	4,983	11,371	7,074	16,733	846,734	912,018
Gain on sale of TCA	-	-	-	1,150	-	277,702	-	-	4,826	873,017
Total Revenues	1,320,497	766,179	1,510,052	877,721	9,932,481	9,356,983	9,061,348	7,933,848	68,334,979	62,313,821
EXPENSES										
Salaries and Benefits	1,082,067	1,121,195	4,727,108	4,614,311	837,736	900,393	561,600	462,808	17,540,154	16,601,322
Goods and Services	691,230	275,340	2,720,656	2,527,101	5,973,871	5,280,017	971,824	785,889	22,825,314	22,759,893
Amortization Expense	-	1,267	1,049,754	1,021,205	536,784	521,187	375,134	367,054	6,465,930	6,303,193
Debt Servicing	-	-	(33,847)	(4,645)	(5,006)	(2,711)	17,823	(2,773)	(20,262)	(35,673)
Other Expenditures	434	102,708	263,142	328,891	-	-	4,630,120	4,439,680	5,428,070	5,110,992
Loss on Disposal of TCA	-	-	15,110	-	30,601	-	-	-	113,795	171,000
Total Expenses	1,773,731	1,500,510	8,741,923	8,486,863	7,373,986	6,698,886	6,556,501	6,052,658	52,353,001	50,910,727
ANNUAL SURPLUS (DEFICIT)	\$ (453,234)	\$ (734,331)	\$ (7,231,871)	\$ (7,609,142)	\$ 2,558,495	\$ 2,658,097	\$ 2,504,847	\$ 1,881,190	\$ 15,981,978	\$ 11,403,094

SCHEDULE 2
THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS & RESERVES
YEAR ENDED DECEMBER 31, 2021

	2021	2020
SURPLUS		
Invested in Tangible Capital Assets	\$ 160,673,223	\$ 151,448,746
General Operating Fund	12,501,874	7,804,685
General Capital Fund	1,112,772	1,216,307
Water Utility Operating Fund	4,822,489	3,857,366
Water Utility Capital Fund	108,869	108,869
Sewer Utility Operating Fund	3,671,054	3,221,528
Sewer Utility Capital Fund	21,706	21,706
Gaming Fund	1,876,417	1,683,464
Total Surplus	\$ 184,788,404	\$ 169,362,671
RESERVES		
General Fund Reserves:		
Machinery and Equipment	2,358,700	1,656,316
Land Sale	780,085	778,916
New Works and Equipment	4,055,274	3,547,179
New Works - Community Gas Tax Funds (Note 5)	3,051,945	2,550,961
New Works - Covid-19 Restart Grant (Note 6)	159,500	2,005,246
General Asset Management Reserve	869,859	697,285
Risk Reserve	104,682	104,525
Public Parking	122,578	61,224
Parkland Acquisition	311,723	311,255
Police Contingency Reserve	771,211	511,413
Assessment Appeal	319,870	319,390
Housing Amenity	1,012,922	876,475
Tree Reserve	120,052	94,690
Amenity	669,693	563,386
	14,708,094	14,078,261
Water Utility Reserves:		
Water Utility	1,734,832	1,742,065
Water Asset Management Reserve	1,038,778	1,037,014
Machinery and Equipment	311,891	281,448
	3,085,501	3,060,527
Sewer Utility Reserves:		
Sewer Utility	843,982	566,687
Sewer Asset Management Reserve	1,946,031	2,397,909
Machinery and Equipment	722,180	646,159
	3,512,193	3,610,755
Total Reserves	21,305,788	20,749,543
ACCUMULATED SURPLUS (Statement A)	\$ 206,094,192	\$ 190,112,214

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021**

SCHEDULE 3

	Land	Land Improvements	Buildings	Equipment/ Furniture/ Vehicles	Engineering Structures				Other Tangible Capital Assets	Total	2020
					Roads	Water	Sewer	Other			
COST											
Opening Balance Construction-in-progress (CIP)	-	39,984	414,921	4,900	810,336	57,428	3,682,859	198,462	-	5,208,890	2,484,048
Add: Construction-in-progress (CIP)	-	-	-	27,452	5,620,021	119,052	2,216,257	43,538	-	8,026,320	3,487,708
Less: Transfers into Service	-	-	-	(4,900)	(1,110)	(19,511)	-	(82,211)	-	(107,732)	(762,866)
Closing Balance Construction-in-progress	-	39,984	414,921	27,452	6,429,247	156,969	5,899,116	159,789	-	13,127,478	5,208,890
Opening Balance Tangible Capital Assets	23,918,816	7,761,155	32,514,386	19,777,831	106,816,076	26,518,482	13,985,688	27,565,242	1,189,346	260,047,022	253,693,920
Add: Additions (including Transfers into Service)	1,604,919	294,578	302,445	314,152	3,059,136	1,547,675	591,627	1,944,499	56,194	9,715,225	7,477,740
Less: Disposals	-	(27,473)	(74,500)	(49,718)	(173,108)	(36,365)	-	(1,197)	(12,275)	(374,636)	(1,124,638)
Closing Balance Tangible Capital Assets and CIP	25,523,735	8,068,244	33,157,252	20,069,717	116,131,351	28,186,761	20,476,431	29,668,333	1,233,265	282,515,089	265,255,912
ACCUMULATED AMORTIZATION											
Opening 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	96,729,387
Add: Amortization	-	288,101	760,311	981,304	2,779,319	504,369	257,199	782,394	112,933	6,465,930	6,303,193
Less: Accum Amortization on Disposals	-	(12,363)	(20,488)	(47,322)	(160,432)	(5,764)	-	(1,196)	(12,275)	(259,840)	(795,170)
	-	3,874,633	14,127,959	12,751,791	54,233,594	8,470,662	2,813,356	11,140,437	1,031,068	108,443,500	102,237,410
Net Book Value for year ended December 31, 2021	\$ 25,523,735	\$ 4,193,611	\$ 19,029,293	\$ 7,317,926	\$ 61,897,757	\$ 19,716,099	\$ 17,663,075	\$ 18,527,896	\$ 202,197	\$ 174,071,589	\$ 163,018,502

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF DEBENTURE AND OTHER LONG-TERM DEBT
YEAR ENDED DECEMBER 31, 2021**

SCHEDULE 4

<u>Bylaw Number</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Principal Outstanding Dec 31/20</u>	<u>Current Year Borrowing</u>	<u>Actuarial Adjustment/ Princ. Reduction</u>	<u>Principal Outstanding Dec 31/21</u>	
General Capital Fund							
Debenture Debt							
2139	Library	2021	1.75	191,054	-	191,054	-
2227	Fifth Street Bridge	2023	2.90	114,190	-	36,581	77,609
2304	Lerwick Road Ext. Prop Acquisition	2029	2.85	504,317	-	45,736	458,581
2354	Repaving Program	2025	5.10	149,498	-	28,413	121,085
2355	Lerwick Road Extension	2030	0.91	363,436	-	31,703	331,733
2425	Lerwick Road Construction	2026	1.75	277,722	-	41,870	235,852
2453	Police Property Acquisition	2026	1.75	551,395	-	83,129	468,266
2458	Public Works Maintenance Building	2022	2.25	267,179	-	130,970	136,209
2539	Capital Infrastructure Work	2024	2.25	1,028,402	-	242,179	786,223
2538	Native Sons Hall Renovation	2025	1.28	240,241	-	44,800	195,441
2680	Lewis Centre Renovation	2027	2.90	2,267,292	-	287,061	1,980,231
2681	Infrastructure Works - Road Paving	2027	2.90	842,137	-	106,623	735,514
2978	Fifth Street Bridge Rehabilitation	2041	2.58	-	3,400,000	-	3,400,000
TOTAL GENERAL CAPITAL FUND				6,796,863	3,400,000	1,270,119	8,926,744
Water Capital Fund							
Debenture Debt							
2424	Water Extension - Lerwick Road	2026	1.75	231,435	-	34,891	196,544
TOTAL WATER CAPITAL FUND				231,435	-	34,891	196,544
Sewer Capital Fund							
Debenture Debt							
2305	Sewer Extension	2029	2.85	378,238	-	34,302	343,936
2353	Sewer Extension	2030	0.91	1,022,813	-	89,220	933,593
2423	Sewer Extension - Lerwick Road	2026	1.75	140,404	-	21,168	119,236
2985	Sewer Extension - Greenwood Trunk	2045	0.91	3,000,000	-	96,689	2,903,311
				4,541,455	-	241,379	4,300,077
TOTAL ALL CAPITAL FUNDS				\$ 11,569,753	\$ 3,400,000	\$ 1,546,389	\$ 13,423,365

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

SCHEDULE 5

	2021	2020
GENERAL OPERATING FUND		
Cash on Hand	\$ 36,173,464	\$ 26,041,686
GAMING FUND		
Cash on Hand	1,715,384	1,020,894
Total Cash on Hand and on Deposit	\$ 37,888,848	\$ 27,062,580
 GENERAL OPERATING FUND TERM DEPOSITS		
Municipal Finance Authority, Money Market Fund at fluctuating rate, no maturity date	15,042,244	15,019,377
The Bank of Nova Scotia, various guaranteed investment certificates	20,989,374	20,787,987
Total Term Deposits	36,031,618	35,807,364
TOTAL CASH AND INVESTMENTS	\$ 73,920,466	\$ 62,869,944

THE CORPORATION OF THE CITY OF COURTENAY

Statement of Financial Information

(as required under the Financial Information Act)

Schedule of Remuneration and Expenses of Elected Officials

For the Year 2021

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

Remuneration and Expense Payments

<u>Elected Official</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
Wells, Robert	Mayor	\$72,349	\$1,928
Cole-Hamilton, Will	Councillor	25,374	1,727
Frisch, David	Councillor	25,374	263
Hillian, Douglas A.	Councillor	25,374	1,451
McCollum, Melanie	Councillor	25,374	220
Morin, Wendy	Councillor	25,374	843
Theos, Manno	Councillor	25,374	240
TOTAL		<u>\$224,596</u>	<u>\$6,672</u>

Benefits

Insurance Policy Coverage: Personal Accident Insurance, Mayor and Council

AON Risk Solutions

Principal Sum:	\$250,000
Weekly Accident Indemnity:	750
Accidental Dental Reimbursement Benefit:	5,000
Accidental Medical Reimbursement Benefit:	25,000

Total premium - all members 336

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

No contracts

THE CORPORATION OF THE CITY OF COURTENAY

Statement of Financial Information

(as required under the Financial Information Act)

Schedule of Employee Remuneration and Expenses for the Year 2021

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

<u>Employee</u>	<u>Position</u>	<u>Total Remuneration</u>	<u>Expenses</u>
Adams, J.	Utilities Maintenance - Operator 1	\$77,760	\$546
Aikens, D.	Roads 2	76,394	424
Armstrong, R.	Manager of Asset Management Technical Services	100,506	2,224
Bardonnex, D.	Fire Chief	96,956	280
Bell, M.	Parks Utility Supervisor	81,918	1,013
Berard, A.	Manager of Financial Planning, Payroll & Business Performance	101,801	1,279
Berg, D.	Utilities Maintenance - Sewer 2	83,331	269
Bergevin, O.	Electrician	83,507	2,051
Boguski, B.	Manager of Transportation and Fleet Maintenance	95,203	320
Borecky, N.	Manager of Information Systems	96,831	557
Brand, B.	Foreman - Water	98,200	1,976
Brooks, B.	Engineering Technologist - Utilities	79,568	380
Buck, I.	Director of Development Services	114,774	856
Carmichael, S.	Turfgrass Supervisor	81,561	740
Carter, R.	Roads 2	89,104	2,847
Chan, J.	Manager of Business Administration	97,123	1,691
Coelho, N.	Roads 2	86,643	340
Collins, K.	Manager of Recreation Programming	99,671	1,213
Davidson, C.	Director of Engineering Services	142,471	2,889
Dojack, T.	Foreman - Civic Properties	93,892	751
Donais, B.	Engineering Technologist	79,938	2,847
Doty, L.	Asset Management Technologist	80,098	404
Featherstone, B.	Equipment Operator	80,443	623
Feucht, R.	Development Engineer	116,306	1,755
Fisher, K.	Roads 1	80,895	2,002
Fitzgerald, M.	Manager of Development Planning	94,835	892
Forsythe, R.	Painter / Signman	82,590	563
Franceshini, G.	Custodial Supervisor	75,414	239
Garbutt, Geoff	Chief Administrative Officer	126,676	2,108
Gavelin, E.	Network Technician	77,622	281
Gothard, N.	Policy Planner	81,334	1,117
Grant, D.	Carpenter	83,268	406
Guderjahn, B.	Manager of Purchasing	83,304	121
Guillo, A.	Manager of Communications	102,791	1,132
Hadath, J.	Manager of Utilities Maintenance	75,533	5,636
Hayes, S.	Engineering Technologist	79,824	3,641
Henderson, D.	Deputy Fire Chief / Training Officer	92,827	426
Jernslet, E.	Manager of Civic Properties Maintenance	96,791	204
Johns, T.	Horticulture Supervisor	81,765	1,192
Kanigan, J.	Building Inspector 1	76,946	775
Kearns, M.	Manager of Parks Maintenance	103,824	711
Kellinghusen, J.	Equipment Operator	78,883	1,549
Kerr, C.	EVT / Fire Inspector	99,645	590
Kitching, L.	HR Advisor - Recruitment & Compensation	78,403	984
Knapman, P.	Occupational Health & Safety Coordinator	92,183	1,256
Lamb, G.	Fire Inspector	110,506	398
Law, C.	Engineering Technologist	79,625	160
MacDonald, K.	Fire Chief	112,623	1,344
Machin, J.	GIS Coordinator	77,482	58
Matthews, R.	Executive Assistant / Deputy Corporate Officer	83,469	399
McClintock, K.	Accountant	75,776	2,075
Millar, C.	Manager of Recreation Facility Operations	99,671	672
Moore, B.	Shop Foreman	93,690	550
Mossing, S.	Assistant Manager - Recreation Facility Operations	75,100	869
Nelson, J.	Director of Financial Services	135,967	2,028
O'Connell, K.	Director of Corporate Support Services	138,129	1,905
Park, N.	Programmer Analyst	80,037	0
Peterson, G.	Procurement Specialist	76,991	1,036
Pitcher, A.	Engineering Technologist	79,625	3,209

THE CORPORATION OF THE CITY OF COURTENAY

Statement of Financial Information

(as required under the Financial Information Act)

Schedule of Employee Remuneration and Expenses for the Year 2021

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

<u>Employee</u>	<u>Position</u>	<u>Total Remuneration</u>	<u>Expenses</u>
Roach, L.	Manager of Human Resources	108,275	6,274
Robson, D.	Custodial Supervisor	77,354	0
Romero, M.	Carpenter	77,327	270
Rose, L.	Wasterwater Foreman	102,016	5,597
Salmon, D.	Network Coordinator	89,329	0
Saunders, S.	Services	103,510	9,565
Sawkins, C.	Strategic Business Analyst	87,718	1,425
Schaffer, M.	Utilities Maintenance - Water 1	79,030	1,692
Schleppe, S.	Utilities Maintenance - Water 2	89,085	1,909
Setta, T.	Manager of Community & Sustainability Planning	100,719	1,054
Shaw, D.	Public Works Inspector	80,253	857
Shaw, K.	Director of Public Works Services	140,429	2,381
Sorichta, W.	Corporate Officer	95,683	267
Stevenson, S.	Roads 1	76,115	382
Strachan, D.	Roads Maintenance Foreman	103,624	1,073
Sweeney, T.	Manager of Building and Administrative Services	99,836	4,149
Tazziolo, J.	Environmental Engineer	91,831	6,545
Thompson, C.	Asset Management Technologist	79,625	29
Tillapaugh, S.	Arboriculture Supervisor	85,476	807
Welsh, J.	Deputy Fire Chief / Training Officer	96,638	460
Wood, I.	Mechanic	89,517	401
Wyka, R.	Manager of Finance	102,926	1,930
Total for employees where remuneration is over \$75,000		7,454,359	115,871
Consolidated total for employees where remuneration less than \$75,000		5,268,043	40,279
Elected Officials, direct payments		224,596	6,672
TOTAL REMUNERATION		\$12,946,999	\$162,822
Reconciliation to Salaries and Benefits reported in Financial Statements			
Reconciling items:			
Employee benefits included with Payments made to Suppliers		4,120,177	
Accrued payroll and post-employment benefits		472,979	
Total Salaries and Benefits reported in Financial Statements		\$17,540,154	

Statement of Severance Agreements

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

There was one severance agreement under which payment commenced between the City of Courtenay and a non-unionized employee during the fiscal year 2021.

This agreement represents 12 months of compensation.

THE CORPORATION OF THE CITY OF COURTENAY

Statement of Financial Information

(as required under the Financial Information Act)

Schedule of Payments to Suppliers of Goods and Services

For the Year 2021

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

Vendor Name	Amount Paid YTD 2021
ABC PRINTING	\$33,365
ABOVE & BEYOND TREE SERVICE	27,786
ACS COMPUTER SOLUTIONS	85,350
ACTIVE NETWORK	72,346
AMAZON.CA	29,497
ANDREW SHERET LTD	287,228
AON REED STENHOUSE INC	252,709
APLIN & MARTIN CONSULTANTS LTD.	33,617
ASSOCIATED ENGINEERING (B.C.) LTD.	117,868
ASSOCIATED FIRE & SAFETY	35,903
BC ASSESSMENT AUTHORITY	345,624
BC HYDRO	827,874
BEE CLEAN BUILDING MAINTENANCE	118,935
BLACK PRESS GROUP	55,519
BUDGET CAR & TRUCK RENTAL	26,658
BUMPER TO BUMPER	76,307
BUNZL CLEANING & HYGIENE	25,781
CENTRAL BUILDERS' SUPPLY LTD	61,007
CENTRAL SQUARE TECHNOLOGIES	56,544
CIBC	32,276
COMMISSIONAIRES (THE)	325,222
COMOX VALLEY BOBCAT & EXCAVATING LTD	27,510
COMOX VALLEY REGIONAL DISTRICT	18,494,216
COMOX VALLEY WOO KIM TAEKWONDO	30,212
COURTENAY DOWNTOWN BUSINESS ASSOCIATION	60,000
CR COASTLINE TOWING & TRANSPORT LTD	116,794
CUMBERLAND READY MIX LTD	54,138
CUMBERLAND, VILLAGE OF	49,766
CUPE LOCAL 556	142,651
CURRENT ENVIRONMENTAL LTD	52,907
D.K.I SERVICES LTD.	75,605
DANE DEVELOPMENTS LTD.	29,275
DIALOG BC ARCHITECTURE ENGINEERING INTERIOR DESIGN PLANNING INC.	74,151
E B HORSMAN & SON	87,518
EDDIE'S EQUIPMENT REPAIR LTD.	27,868
EDGETT EXCAVATING	227,018
EMCO CORP	30,082
EMPLOYER HEALTH TAX	310,211
EMTERRA ENVIRONMENTAL	1,941,212
ESRI CANADA	75,876
FOOTPRINTS SECURITY PATROL INC.	42,915
FORTIS BC	100,196
GBG RENTALS INC.	168,546
GENERAL PAINT/SHERWIN 2316-2729-0	31,066
GEOADVICE ENGINEERING INC	89,939
GROW TREE CARE	45,671
GUILLEVIN INTERNATIONAL INC	78,186
HABITAT SYSTEMS INCORPORATED	60,604
HEALTH SOURCE PLUS	417,904
HYLAND PRECAST INC	35,454
ICONIX WATERWORKS LTD PARTNERSHIP	190,787

THE CORPORATION OF THE CITY OF COURTENAY

Statement of Financial Information

(as required under the Financial Information Act)

Schedule of Payments to Suppliers of Goods and Services

For the Year 2021

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

Vendor Name	Amount Paid YTD 2021
INFINITE ROAD MARKING LTD.	110,373
INSURANCE CORPORATION OF BC	88,300
INTERNATIONAL WEB EXPRESS INC.	30,780
IRITEX PUMPS AND IRRIGATION INC	46,348
ISLAND KEY COMPUTER LTD.	47,700
J WATERS ELECTRIC LTD	30,851
JOMA ENVIRONMENTAL LTD	52,131
JSF TECHNOLOGIES INC	35,347
KERR WOOD LEIDAL LTD.	243,030
LAFARGE CANADA INC	28,421
LEIGHTON CONTRACTING (2009) LTD	2,357,279
LEUCO CONSTRUCTION INC.	388,477
LIDSTONE & COMPANY	67,335
MAINROAD MAINTENANCE PRODUCTS LP	51,052
MARATHON SURFACES INC	32,970
MCELHANNEY LTD	233,749
METRO MOTORS LTD	97,474
MEYERS NORRIS PENNY LLP	36,068
MICROSOFT LICENSING GP	57,913
MINISTER OF FINANCE	5,014,614
MONK OFFICE SUPPLY LTD	52,415
MOORE PROJECTS	42,937
MUNICIPAL INSURANCE ASSOCIATION OF BC	232,806
MUNICIPAL PENSION FUND	2,286,780
MYRA SYSTEMS CORP.	125,242
NORTH ISLAND CUSTOM CURBS	51,960
PACIFIC AIR MECHANICAL	103,908
PARK DEROGHIE INC.	3,780,199
PBX ENGINEERING LTD.	45,137
PEOPLE COROPORATION	344,034
PILON TOOL RENTALS (1972) LTD	77,025
POSTAGE-ON-CALL	27,000
PRECISION TREE SERVICES LTD.	50,731
PRESTIGE LINE PAINTING LTD	52,819
R HENN & ASSOCIATES	27,323
RAYLEC POWER LTD	122,315
RECEIVER GENERAL FOR CANADA (RCMP)	4,662,536
RECEIVER GENERAL FOR CANADA (CRA)	4,102,169
REGIONAL HOSPITAL DISTRICT OF COMOX STRATHCONA	3,046,780
RICHMOND ELEVATOR MAINTENANCE LTD	153,200
RICOH CANADA INC	72,138
ROPER GREYELL LLP	88,031
SACRED PASTURES RARE & SPECIALTY PLANTS	206,433
SHAW CABLE	45,886
SOFTCHOICE CORPORATION	43,400
SUNCOR ENERGY PRODUCTS	230,598
SUPERIOR FARMS INC.	39,864
TAYCO PAVING	666,414
TELUS COMMUNICATIONS (BC)	67,330
TELUS MOBILITY (BC)	101,587
THE GARAGE DOOR DEPOT	39,642

THE CORPORATION OF THE CITY OF COURTENAY

Statement of Financial Information

(as required under the Financial Information Act)

Schedule of Payments to Suppliers of Goods and Services

For the Year 2021

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

Vendor Name	Amount Paid YTD 2021
TOURISM ASSOCIATION OF VANCOUVER ISLAND	40,737
TOWER FENCE PRODUCTS	38,173
URBAN SYSTEMS LTD.	1,408,687
V+M STRUCTURAL DESIGN INC	180,066
VANCOUVER ISLAND REGIONAL LIBRARY	1,452,100
VIMAR EQUIPMENT LTD	54,726
WACOR HOLDINGS LTD	82,086
WEST ISLAND CAPITAL CORPORATION	45,982
WESTERN TRAFFIC	74,532
WESTPLAY CAPITAL ENTERPRISES INC	63,000
WORKERS COMPENSATION BOARD	282,005
YOUNG ANDERSON	80,030
 Total Amounts over \$25,000	 59,936,668
 Total Amounts less than \$25,000	 2,241,255
 Total Payments to Suppliers of Goods and Services	 <u><u>\$62,177,923</u></u>
 Reconciliation per Section 7 (1) c	
Payments for Grants or Contributions reported separately	\$529,100
 Total including Payments for Grants or Contributions	 \$62,707,023
 <i>Less:</i>	
Payment made to other taxing authorities	(16,125,207)
Acquisition of tangible capital assets	(10,131,262)
Repayment of long term debt	(1,003,030)
Employee portion of benefits remitted on their behalf	(2,737,938)
GST recoveries from disbursements	(940,454)
Change in inventories and prepaid expenses	(136,757)
Miscellaneous	(108,688)
 <i>Add:</i>	
Salaries and employees expenses	13,597,777
Amortization of tangible capital assets	6,465,930
Year-end accrual adjustment	651,812
Loss on disposal of assets	113,795
 Total Expenses per Consolidated Statement of Operations	 <u><u>\$52,353,001</u></u>
<i>Variance</i>	<i>\$0</i>

THE CORPORATION OF THE CITY OF COURTENAY

Statement of Financial Information

(as required under the Financial Information Act)

Schedule of Payments for Grants or Contributions

For the Year 2021

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

Recipient Name	Amount Paid YTD 2021
SID WILLIAMS THEATRE SOCIETY	\$196,500
THE COURTENAY & DISTRICT HISTORICAL SOCIETY	138,000
LUSH VALLEY FOOD ACTION SOCIETY	60,000
COMOX VALLEY ARTS	55,000
COMOX VALLEY ART GALLERY	42,100
Total Amounts over \$25,000	491,600
Total Amounts less than \$25,000	37,500
Total Payments for Grants or Contributions	\$529,100

SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

The City of Courtenay describes guarantees and indemnities in the Notes to the Consolidated Financial Statements. For 2021, the schedule and additional notes are not required and have been omitted.

STATEMENT OF FINANCIAL INFORMATION APPROVAL

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



Bob Wells
Mayor



Adam Langenmaier, BBA, CPA, CA
Director of Financial Services

JUN 13 2022

Date

June 6, 2022