



**THE CORPORATION OF
THE CITY OF COURTENAY**

Consolidated Financial Statements

Year Ending December 31, 2024

THE CORPORATION OF THE CITY OF COURTENAY
Consolidated Financial Statements
Year Ended December 31, 2024

Management's Responsibility for Financial Reporting

Independent Auditor's Report

Consolidated Statements

- A Consolidated Statement of Financial Position
- B Consolidated Statement of Operations
- C Consolidated Statement of Change in Net Financial Assets
- D Consolidated Statement of Cash Flow

Notes to Consolidated Financial Statements

Supporting Schedules

- 1 Consolidated Schedule of Segment Disclosure by Service
- 2 Consolidated Schedule of Accumulated Surplus & Reserves
- 3 Consolidated Schedule of Tangible Capital Assets
- 4 Consolidated Schedule of Debenture and Other Long-Term Debt
- 5 Consolidated Schedule of Investments

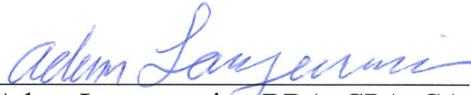
THE CORPORATION OF THE CITY OF COURTENAY

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 consolidated financial statements. Their report accompanies this statement.


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

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, 2024, and the consolidated statements of operations, 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, 2024, and the results of its consolidated operations, change 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 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

May 7, 2025

Chartered Professional Accountants

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024**

STATEMENT A

	2024	2023
FINANCIAL ASSETS		
Cash on Hand and on Deposit (Schedule 5)	37,708,254	29,812,771
Receivables (Note 1j)	5,147,372	4,243,795
Term Deposits and Pooled Funds (Schedule 5)	60,845,702	61,544,657
	103,701,328	95,601,223
FINANCIAL LIABILITIES		
Accounts Payable (Note 1k)	11,925,452	10,176,278
Trust and Other Deposits	6,005,891	6,766,816
Deferred Revenue - Development Cost Charges (Note 8)	15,468,690	14,364,562
Deferred Revenue - Other (Note 10)	3,103,021	3,278,368
Short-Term Debt (Note 20)	7,176,000	-
Long-Term Debt (Schedule 4)	8,948,196	10,419,070
Asset Retirement Obligation (Note 13)	466,932	330,800
Capital Leases (Note 18)	3,173,144	-
	56,267,326	45,335,894
NET FINANCIAL ASSETS	47,434,002	50,265,329
NON-FINANCIAL ASSETS		
Inventories	552,217	419,577
Prepaid Expenses	672,733	401,172
Tangible Capital Assets (Note 15 & Schedule 3)	196,461,574	184,768,531
	197,686,524	185,589,280
ACCUMULATED SURPLUS (Schedule 2)	245,120,526	235,854,609

CONTINGENT LIABILITIES AND COMMITMENTS (NOTE 3)

CONTRACTUAL RIGHTS (NOTE 17)



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, 2024**

REVENUE	2024 Budget (Note 16)	2024	2023
Taxes for Municipal Purposes	38,339,100	38,302,054	35,481,555
Sale of Services	20,730,100	21,909,428	19,216,157
Revenue From Own Sources	4,993,200	4,615,097	4,730,657
Federal Transfers	1,347,000	1,374,904	1,240,152
Provincial Transfers	5,474,300	2,849,236	10,503,606
Other Local Government Transfers	345,200	971,896	800,749
Contributions	-	1,831,235	3,806,801
Investment Income and Taxation Penalties	2,637,100	4,211,915	4,364,286
Other	916,400	2,208,379	991,168
Gain on Sale of Tangible Capital Assets	-	15,012	2,622
TOTAL REVENUE	74,782,400	78,289,156	81,137,753
EXPENSES			
General Government Services	8,246,615	6,462,153	5,675,508
Protective Services	14,126,808	13,490,936	10,898,248
Transportation Services	11,240,664	9,421,450	9,229,936
Sewer and Water Facilities	20,327,618	19,509,757	18,738,968
Environmental Health Services	5,091,673	4,679,605	3,119,883
Public Health and Welfare Services	501,150	536,672	477,899
Environmental Development Services	3,179,216	2,767,030	2,724,023
Recreational and Cultural Services	12,939,856	12,155,636	10,743,336
TOTAL EXPENSES	75,653,600	69,023,239	61,607,801
ANNUAL SURPLUS (DEFICIT) (Schedule 1)	(871,200)	9,265,917	19,529,952
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	235,854,609	235,854,609	216,324,657
ACCUMULATED SURPLUS AT END OF YEAR	\$ 234,983,409	\$ 245,120,526	\$ 235,854,609

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024**

STATEMENT C

	2024 Budget (Note 16)	2024	2023
ANNUAL SURPLUS (DEFICIT)	(871,200)	9,265,917	19,529,952
Acquisition of tangible capital assets	(34,370,300)	(14,648,795)	(6,713,027)
Amortization of tangible capital assets	7,038,200	7,584,845	6,937,531
Losses and other adjustments to tangible capital assets	-	59,267	462,525
Change in asset retirement obligations	-	(136,132)	(330,800)
Change in capital leases	-	(3,462,792)	-
Proceeds on sale of tangible capital assets	-	35,509	25,450
Developer tangible capital asset contribution	-	(1,124,946)	(3,260,675)
	<u>(27,332,100)</u>	<u>(11,693,044)</u>	<u>(2,878,996)</u>
Change in prepaid expenses	-	(132,639)	(83,582)
Change in inventory of supplies	-	(271,561)	290,881
	<u>-</u>	<u>(404,200)</u>	<u>207,299</u>
CHANGE IN NET FINANCIAL ASSETS	(28,203,300)	(2,831,327)	16,858,255
NET FINANCIAL ASSETS AT BEGINNING OF YEAR	<u>50,265,329</u>	<u>50,265,329</u>	<u>33,407,074</u>
NET FINANCIAL ASSETS AT END OF YEAR	<u>\$ 22,062,029</u>	<u>\$ 47,434,002</u>	<u>\$ 50,265,329</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, 2024**

STATEMENT D

	2024	2023
CASH PROVIDED BY (APPLIED TO) FINANCING TRANSACTIONS		
OPERATING TRANSACTIONS		
Annual Surplus	9,265,917	19,529,952
Changes in non-cash items		
Amortization	7,584,845	6,937,531
Change in receivables	(903,577)	1,412,897
Change in accounts payable	1,749,174	(2,609,401)
Change in trust and other deposits	(760,925)	(829,793)
Change in deferred revenue	928,781	4,293,634
Change in inventories	(132,640)	(83,581)
Change in prepaids	(271,561)	290,880
Net (gains)/losses and other adjustments to tangible capital assets	59,267	462,525
Developer Tangible Capital Asset Contribution	(1,124,946)	(3,260,675)
Actuarial adjustment	(484,696)	(453,218)
	15,909,639	25,690,751
CAPITAL TRANSACTIONS		
Cash used to acquire tangible capital assets	(14,648,795)	(6,713,027)
Proceeds on sale of tangible capital assets	35,509	25,450
	(14,613,286)	(6,687,577)
INVESTING TRANSACTIONS		
Cash provided by (applied to) Investing Transactions	698,955	(24,684,379)
FINANCING TRANSACTIONS		
Repayment of long-term debt	(986,177)	(1,008,264)
Repayment of Capital Lease	(289,648)	-
Short-term debt proceeds	7,176,000	-
Cash applied to Financing Transactions	5,900,175	(1,008,264)
INCREASE (DECREASE) IN CASH ON HAND AND ON DEPOSIT	7,895,483	(6,689,469)
CASH ON HAND AND ON DEPOSIT AT BEGINNING OF YEAR	29,812,771	36,502,240
CASH ON HAND AND ON DEPOSIT AT END OF YEAR	\$ 37,708,254	\$ 29,812,771
Interest paid on outstanding debt and included in annual surplus above	\$ 541,739	\$ 536,434

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

PAGE 1 OF 15

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

1) SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Presentation

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

b) Revenue and Expense Recognition

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

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

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 and Revenue from own Sources are recognized when the performance obligation has been satisfied, 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.

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.

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

PAGE 2 OF 15

1) SIGNIFICANT ACCOUNTING POLICIES (continued)

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. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the City of Courtenay is responsible for. Asset retirement obligations are estimated based on the best information available related to the costs associated with retiring, decommissioning or otherwise removing an asset from productive service. These estimates and assumptions are reviewed periodically and as adjustments become necessary, they are reported in earnings in the periods in which they become known.

e) 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
Capital Leases	\$10,000	Over the life of the lease
Other Tangible Capital Assets (includes IT software)	\$5,000	5 years

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

PAGE 3 OF 15

1) SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Tangible Capital Assets (continued)

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

The City of Courtenay recognizes its financial instruments when the City becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at fair value.

At initial recognition, the City may irrevocably elect to subsequently measure any financial instrument at fair value. Courtenay has made such an election during the year.

The City subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price negotiations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. Interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating annual surplus. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost, and/or amortized cost, to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net measurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

The City of Courtenay has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses).

i) Debt Charges

Interest payments are charged against current fund balances in the period they become payable and have been accrued to December 31, 2024. 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, 2024**

1) SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Receivables

Following is a breakdown of receivables outstanding at December 31, 2024 with 2023 comparatives:

	2024	2023
Federal Government	\$ 177,495	\$ 164,050
Provincial Government	405,348	317,156
Regional and other Local Governments	272,497	653,512
Property Taxes	1,734,418	1,262,714
Other	2,557,614	1,846,363
 Total Receivables	 \$ 5,147,372	 \$ 4,243,795

k) Accounts Payable

Following is a breakdown of accounts payable and accrued liabilities outstanding at December 31, 2024 with 2023 comparatives:

	2024	2023
Federal Government	\$ 3,583,879	\$ 2,948,061
Provincial Government	1,056,783	705,436
Regional and other Local Governments	967,769	526,624
Employee Retirement Benefits (Note 12)	1,424,300	1,343,900
Trade and accrued liabilities	4,892,721	4,652,257
 Total Accounts Payable	 \$ 11,925,452	 \$ 10,176,278

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, 2024.

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 herwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

1) SIGNIFICANT ACCOUNTING POLICIES (continued)

m) Asset Retirement Obligations

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or component thereof) at the financial statement date when there is a legal obligation for the City to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at December 31, 2024.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the City reviews the carrying amount of the liability. Changes to the liability arising from revisions to the timing are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The City 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.

n) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the City are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the City's rate for incremental borrowing or the interest rate implicit in the lease.

All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

2) CHANGE IN ACCOUNTING POLICY

a) Revenue Recognition

Effective January 1, 2024, the City adopted PS 3400 *Revenue* issued by the Public Sector Accounting Board. The standard provides guidance on recognizing revenue based on performance obligations. It distinguishes between transactions with and without performance obligations, with revenue recognized when obligations are satisfied or when the entity has the authority to claim or retain economic resources and a past event that gives rise to a claim of economic resources has occurred.

This standard has been applied prospectively, and prior periods have not been restated. The adoption of PS 3400 has not had a significant impact on the organization's financial statements, as revenue recognition practices were already aligned with the new standard.

**THE CORPORATION OF THE CITY OF COURTENAY
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024**

3) 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 2024 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:

2025	843,732
2026	780,099
2027	675,542
2028	366,336
2029	366,336
	<u>\$ 3,032,045</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, 2024, 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.

4) 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 assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2023, the plan has about 256,000 active members and approximately 129,000 retired members. Active members include approximately 45,000 contributors from local governments.

4) PENSION LIABILITY (continued)

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 actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2024.

The City of Courtenay paid \$1,314,339 for employer contributions to the plan in fiscal 2024.

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, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

5) 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.

6) CANADA COMMUNITY BUILDING FUND

The City received transfers of Canada Community Building Fund (CCBF) through the Union of BC Municipalities. The use of the funding is established by a funding agreement between the local government and the Union of British Columbia Municipalities. Funds 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 CCBF in 2005 and reports the balance in a General Fund Reserve – New Works Canada Community Building Fund (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.

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

PAGE 8 OF 15

6) CANADA COMMUNITY BUILDING FUND (continued)

Following is a schedule of CCBF receipts and disbursements received in 2024 with comparatives to 2023.

	2024	2023
Opening Balance of Unspent Funds	\$ 2,265,143	\$ 2,069,886
Additions:		
Amounts Received During the Year	1,357,484	1,235,824
Interest Earned	107,534	108,069
Deductions:		
Amount Spent on Projects	(1,499,873)	(1,148,636)
Closing Balance of Unspent Funds	\$ 2,230,288	\$ 2,265,143

7) GROWING COMMUNITIES FUND

The Growing Communities Fund (GCF) was provided to local governments to assist with increasing the local housing supply with investments in community infrastructure and amenities. The GCF may be used towards one-off costs needed to build required infrastructure and amenities rather than funding ongoing or operational activities. These funds are to be incremental to currently planned investments and should accelerate the delivery of capital projects. The GCF provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia.

The City of Courtenay received \$7,655,000 in March 2023 and reports the balance in a General Fund Reserve – Growing Communities Reserve Fund (Schedule 2) until it is used to fund eligible costs. Interest is accrued and allocated monthly to the balance.

Following is a schedule of the GCF receipts and disbursements received in 2024 with comparatives to 2023.

	2024	2023
Opening Balance of Unspent Funds	\$ 7,763,486	\$ -
Additions:		
Amounts Received During the Year		7,655,000
Interest Earned	354,799	277,334
Deductions:		
Playground Development	(46,354)	(168,848)
Small Tool Electrification	(74,944)	
Eastside Fire Hall	(32,125)	
Closing Balance of Unspent Funds	\$ 7,964,862	\$ 7,763,486

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

8) 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 2024 and 2023.

	General Reserve DCC BL #2840	Water Utility Reserve DCC BL #2840	Sewer Utility Reserve DCC BL #2840	Sewer Utility Reserve DCC BL #1638	2024 Total
Balance Forward	\$ 11,244,321	\$ 962,245	\$ 2,120,644	\$ 37,352	\$ 14,364,562
Increases					
Interest	523,031	44,821	99,546	1,707	669,104
Other Contributions	326,760	26,798	81,466		435,024
	849,791	71,619	181,012	1,707	1,104,128
Ending Balance Deferred Revenue - DCC	\$ 12,094,112	\$ 1,033,864	\$ 2,301,656	\$ 39,059	\$ 15,468,690

	General Reserve DCC BL #2840	Water Utility Reserve DCC BL #2840	Sewer Utility Reserve DCC BL #2840	Sewer Utility Reserve DCC BL #1638	2023 Total
Balance Forward	\$ 8,918,301	\$ 724,188	\$ 1,415,789	\$ 35,665	\$ 11,093,943
Increases					
Interest	461,121	38,559	80,444	1,687	581,811
Other Contributions	1,864,899	199,498	624,411	-	2,688,808
	2,326,020	238,057	704,855	1,687	3,270,619
Ending Balance Deferred Revenue - DCC	\$ 11,244,321	\$ 962,245	\$ 2,120,644	\$ 37,352	\$ 14,364,562

9) TRUST AND ENDOWMENT FUNDS

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 2024 and 2023, which has been excluded from the City’s consolidated financial statements.

	CEMETERY PERPETUAL CARE FUND FINANCIAL POSITION		CEMETERY PERPETUAL CARE FUND FINANCIAL ACTIVITIES		
	2024	2023		2024	2023
Financial Assets			Revenue		
Cash on Hand	\$ 196,702	\$ 173,413	Fees Levied	\$ 13,831	\$ 16,191
Term Deposits	283,697	271,001	Interest Revenue	22,154	24,166
Net Financial Position	\$ 480,399	\$ 444,414	Excess Revenue over Expenditure	\$ 35,985	\$ 40,357

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

10) 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 Government transfers received prior to revenue recognition criteria being met. Following is a breakdown of the change in this balance for 2024 and 2023:

	2024	2023
Opening Balance	\$ 3,278,368	\$ 2,255,353
Additions to Deferred Revenue	3,083,642	3,278,368
Revenue Recognized	(3,258,988)	(2,255,353)
	\$ 3,103,021	\$ 3,278,368

11) MFA DEBT RESERVE FUNDS

The City secures its long term borrowing through the Municipal Finance Authority. As a condition of these borrowings a portion of the debenture proceeds are retained by the Authority as a debt reserve fund. These funds are not reported in the financial statements as they are eliminated upon consolidation. As at December 31, 2024 the City had debt reserve funds of \$304,042 (\$340,109 in 2023).

12) EMPLOYEE RETIREMENT BENEFIT LIABILITY

Employees with 10 years of continuous service retiring under the terms of the Municipal Superannuation Act are entitled to a payout of up to 72 days of their accumulated unused sick leave bank and up to a maximum of 8 additional severance days for each year of service in which the employee used no sick leave. Additionally, upon death of the employee, the bank, up to a maximum of 72 days, will be payable to the employee’s life benefit beneficiary. The value of this liability is calculated by an Actuary engaged by the City and reflects the likelihood that all eligible City employees will become entitled to this benefit. Actuarial valuation assumptions for 2024 were based on an interest (discount) rate of 4.3% per annum (2023 – 4.1%) and an inflation rate of 2.5% (2023 – 2.5%). The total estimated employee retirement benefit liability at December 31, 2024 is \$1,424,300 (2023 - \$1,343,900) and is included in the accounts payable balance on Statement A. Following is a breakdown of the benefit liability:

	2024	2023
Accrued benefit liability at beginning of year	\$ 1,343,900	\$ 1,307,000
Expense	140,500	135,400
Benefit Payments	(60,100)	(98,500)
	\$ 1,424,300	\$ 1,343,900

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

13) ASSET RETIREMENT OBLIGATION

The City owns and operates assets that have retirement obligations associated with them:

Well Decommissioning Obligation:

The Groundwater Protection Regulation provides specific guidelines for decommissioning wells, which give rise to a retirement obligation. The City recognized an asset retirement obligation related to three wells owned by the City that will be required to be decommissioned at the end of their life.

Underground Tank Obligation:

The Storage Tank Systems for Petroleum Products and Allied Petroleum Products Regulations dictate the requirements for the proper removal and disposal of underground fuel storage tanks upon the expiration of their useful life. This legislated regulation gives rise to an asset retirement obligation for the City for any underground fuel tanks they own.

Asbestos obligation:

Asbestos and other designated hazardous materials represent a health hazard upon disturbance and, as a result, carry a legal obligation to remove them when a facility undergoes a significant renovation or demolition. The City owns and operates several facilities that are known to have asbestos which will need to be abated upon retirement.

Lead Remediation Obligation:

Lead-based materials, including lead pipes, lead paint, and other related materials, can present significant health and environmental risks if disturbed. The City has acquired a facility this year, where lead-based materials need to be removed or remediated upon renovation, demolition, or decommissioning of these assets. In compliance with environmental regulations and health safety standards, the City is required to recognize a liability for the cost of removing and properly disposing of lead-based materials when these assets reach the end of their useful life.

As a result, the City has recognized an asset retirement obligation associated with the future remediation of lead-based materials.

	Well Decommissioning	Underground Tank Removal	Asbestos Abatement	Lead Abatement	Total Asset Retirement Obligation
Opening Balance	\$ 45,000	\$ 52,700	\$ 233,100	\$ -	\$ 330,800
Plus Additions	-	-	74,572	61,560	136,132
Ending Balance	\$ 45,000	\$ 52,700	\$ 307,672	\$ 61,560	\$ 466,932

14) 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 2024 revenues and expenses with 2023 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 and costs related to public and social housing.

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, 2024**

15) 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 2024 is \$1,124,946 (\$3,260,675 in 2023).

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.

16) RESTATEMENT OF 2024 BUDGET

The budget amounts presented throughout these consolidated financial statements are based upon the Five Year Financial Plan approved by Council on May 8, 2024 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 2024-2028 Consolidated Financial Plan Bylaw No. 3130, 2024 adopted by Council on May 8, 2024 and reflected in these consolidated financial statements:

Adjustments to 2024 Budgeted Annual Surplus

Budgeted Surplus per Council approved Budget	\$	-
Purchase of Capital Assets		34,370,300
Amortization Budgeted		(7,038,200)
Transfer from Reserves		(17,722,600)
Transfer to Reserves		5,414,300
Use of Prior Year Surplus		(4,455,900)
Debt Issues in Financial Plan		(12,426,000)
Debt principle repayments in Financial Plan		986,900
Budgeted Deficit per Consolidated Statement of Operations	\$	(871,200)

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

17) CONTRACTUAL RIGHTS

Following is a breakdown of contractual rights at December 31, 2024:

Contractual Right with	Type	2025	2026	2027	2028	Total
Courtenay Fire Protection District	Fire Protection	683,230	723,760	815,937	846,861	\$ 3,069,788

18) CAPITAL LEASES

Effective January 1, 2024, the City entered into a 10 year agreement with Emterra Environmental for the use of solid waste carts with monthly payments of \$34,796. This lease is deemed to hold an interest rate of 3.84% which is in line with the Municipal Finance Authority’s 10-year borrowing rate.

The required minimum lease payments over the next 9 years are as follows:

2025	\$	417,556
2026		417,556
2027		417,556
2028		417,556
2029		417,556
2030		417,556
2031		417,556
2032		417,556
2033		417,556
Total Minimum lease payments		3,758,008
Less amounts representing interest		584,864
Present value of net minimum capital lease payments	\$	3,173,144

The interest expense for the current year was \$127,909 (2023: \$NIL)

Tangible capital assets of \$3,462,792 have been recorded in relation to the capital lease. Amortization of \$346,279 has been recorded in 2024 and the net book value at December 31, 2024 is \$3,116,513.

19) FINANCIAL INSTRUMENTS

The City, as a part of its operations, carries a number of financial instruments. It is management’s opinion that the City is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

20) SHORT-TERM DEBT

The City has entered into short-term borrowing agreements through the Municipal Finance Authority, pursuant to loan authorization bylaws to finance certain capital expenditures. The interest rate on the borrowing varies throughout the year based on market conditions, and as of December 31, 2024, the rate was 4.05%. Interest payments on the debt are made monthly. The loans are to be repaid over a period of up to 5 years.

MFA Temporary Loan	Borrowing Bylaw Number	Interest Rate	2024
Strategic Land Acquisition	3148	4.05%	2,176,000
Puntledge Sanitary Catchment Replacement	3127	4.05%	2,500,000
1st Street Lift Station	3104	4.05%	2,500,000
Total Short Term Debt			\$ 7,176,000

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY SERVICE
YEAR ENDED DECEMBER 31, 2024**

SCHEDULE 1
(Note 14)
Page 1 of 2

	General Government Services		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
REVENUE										
Taxation	34,771,606	32,130,499	-	-	-	-	-	-	-	-
Sales of Services	-	-	921,436	696,088	-	-	3,895,926	2,814,002	-	-
Revenue from Own Sources	-	-	687,335	1,982,918	251,179	205,578	-	-	-	-
Government Transfers	1,147,102	9,113,034	304,079	169,473	1,621,874	1,616,124	-	-	704,958	929,971
Other Revenue	117,012	101,469	-	-	177,152	214,766	-	-	168,245	212,233
Other Contributions	-	17,410	-	-	679,472	2,759,693	258,290	-	-	-
Interest Earned	3,297,275	3,456,923	96,847	67,202	339,578	335,546	-	-	-	-
Gain on sale of TCA	-	750	-	-	-	1,309	-	-	-	-
Total Revenues	<u>39,332,995</u>	<u>44,820,085</u>	<u>2,009,697</u>	<u>2,915,681</u>	<u>3,069,255</u>	<u>5,133,016</u>	<u>4,154,216</u>	<u>2,814,002</u>	<u>873,203</u>	<u>1,142,204</u>
EXPENSES										
Salaries and Benefits	5,427,879	4,856,898	4,149,785	3,787,600	2,858,871	2,747,446	392,667	211,736	261,248	273,430
Goods and Services	786,887	459,206	8,951,461	6,544,886	2,512,990	2,635,922	3,363,854	2,470,560	222,241	153,626
Amortization Expense	210,377	190,496	392,926	381,834	3,800,143	3,645,828	793,135	437,319	53,183	50,843
Debt Servicing	4,629	-	(22,813)	(19,328)	33,135	57,805	127,909	-	-	-
Other Expenses	32,381	168,908	-	-	214,579	100,962	-	-	-	-
Loss on Disposal of TCA	-	-	19,577	203,256	1,732	41,973	2,040	268	-	-
Total Expenses	<u>6,462,153</u>	<u>5,675,508</u>	<u>13,490,936</u>	<u>10,898,248</u>	<u>9,421,450</u>	<u>9,229,936</u>	<u>4,679,605</u>	<u>3,119,883</u>	<u>536,672</u>	<u>477,899</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ 32,870,842</u>	<u>\$ 39,144,577</u>	<u>\$ (11,481,239)</u>	<u>\$ (7,982,567)</u>	<u>\$ (6,352,195)</u>	<u>\$ (4,096,920)</u>	<u>\$ (525,389)</u>	<u>\$ (305,881)</u>	<u>\$ 336,531</u>	<u>\$ 664,305</u>

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY SERVICE
YEAR ENDED DECEMBER 31, 2024**

SCHEDULE 1
(Note 14)
Page 2 of 2

	Environmental Development Services		Recreational and Cultural Services		Water Utility Services		Sewer Utility Services		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
REVENUE										
Taxation	-	-	-	-	\$ 1,298,915	\$ 1,233,274	2,231,533	2,117,782	38,302,054	35,481,555
Sales of Services	-	-	-	-	9,466,333	8,907,429	7,625,733	6,798,638	21,909,428	19,216,157
Revenue from Own Sources	970,359	553,963	1,854,799	1,562,225	771,625	409,549	79,800	16,424	4,615,097	4,730,657
Government Transfers	818,528	185,082	599,495	530,823	-	-	-	-	5,196,036	12,544,507
Other Revenue	1,745,970	462,700	-	-	-	-	-	-	2,208,379	991,168
Other Contributions	285,000	209,100	257,279	10,813	188,064	407,870	163,130	401,915	1,831,235	3,806,801
Interest Earned	73,737	77,904	65,777	64,203	132,078	172,509	206,624	189,999	4,211,915	4,364,286
Gain on sale of TCA	-	-	15,012	563	-	-	-	-	15,012	2,622
Total Revenues	3,893,594	1,488,749	2,792,362	2,168,627	11,857,015	11,130,631	10,306,819	9,524,758	78,289,156	81,137,753
EXPENSES										
Salaries and Benefits	1,099,163	1,242,915	6,765,640	5,796,260	1,159,978	1,114,227	724,446	666,053	22,839,677	20,696,565
Goods and Services	1,666,070	1,479,257	4,129,594	3,714,281	8,617,860	8,584,386	1,558,707	1,427,065	31,809,664	27,469,189
Amortization Expense	1,095	1,095	1,160,601	1,096,358	601,315	579,332	572,070	554,426	7,584,845	6,937,531
Debt Servicing	-	-	35,741	48,093	(9,567)	(8,105)	15,919	4,749	184,953	83,214
Other Expenses	702	756	64,060	47,929	-	-	6,218,101	5,637,600	6,529,823	5,956,155
Loss on Disposal of TCA	-	-	-	40,415	50,930	133,655	-	45,580	74,279	465,147
Total Expenses	2,767,030	2,724,023	12,155,636	10,743,336	10,420,516	10,403,495	9,089,241	8,335,473	69,023,239	61,607,801
ANNUAL SURPLUS (DEFICIT)	\$ 1,126,564	\$ (1,235,274)	\$ (9,363,274)	\$ (8,574,709)	\$ 1,436,499	\$ 727,136	\$ 1,217,578	\$ 1,189,285	\$ 9,265,917	\$ 19,529,952

SCHEDULE 2

THE CORPORATION OF THE CITY OF COURTENAY
 CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS & RESERVES
YEAR ENDED DECEMBER 31, 2024

	<u>2,024</u>	<u>2023</u>
SURPLUS		
Invested in Tangible Capital Assets	176,697,300	\$ 174,018,659
General Operating Fund	20,189,826	19,318,822
General Capital Fund	335,154	733,665
Water Utility Operating Fund	7,131,468	5,830,425
Water Utility Capital Fund	108,869	108,869
Sewer Utility Operating Fund	3,788,789	3,461,914
Sewer Utility Capital Fund	21,706	21,706
Gaming Fund	2,162,988	2,142,538
Total Surplus	<u>210,436,100</u>	<u>205,636,598</u>
RESERVES		
General Fund Reserves:		
Machinery and Equipment	2,293,707	1,739,055
Land Sale	161,212	827,696
New Works and Equipment	5,519,958	4,849,625
New Works - Canada Community Building Fund (Note 6)	2,230,288	2,265,143
General Asset Management Reserve	1,756,126	1,186,695
Risk Reserve	116,681	111,582
Public Parking	432,435	291,648
Parkland Acquisition	512,795	358,647
Police Contingency Reserve	2,487,174	1,284,719
Assessment Appeal	456,533	480,677
Housing Amenity	1,542,742	1,196,760
Tree Reserve	160,476	148,354
Amenity	800,778	685,590
Growing Communities Fund (Note 7)	7,964,862	7,763,486
Municipal and Regional District Tax Reserve	1,205,276	-
Snow and Ice Control Reserve	325,000	-
Solid Waste Reserve	130,022	-
	<u>28,096,065</u>	<u>23,189,677</u>
Water Utility Reserves:		
Water Utility	1,984,968	1,860,360
Water Asset Management Reserve	795,213	486,274
Machinery and Equipment	443,546	394,913
	<u>3,223,727</u>	<u>2,741,547</u>
Sewer Utility Reserves:		
Sewer Utility	1,202,340	1,137,957
Sewer Asset Management Reserve	1,234,603	2,282,368
Machinery and Equipment	927,691	866,462
	<u>3,364,634</u>	<u>4,286,787</u>
Total Reserves	<u>34,684,426</u>	<u>30,218,011</u>
ACCUMULATED SURPLUS (Statement A)	<u>245,120,526</u>	<u>\$ 235,854,609</u>

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024**

SCHEDULE 3

	Land	Land Improvements	Buildings	Equipment/ Furniture/ Vehicles	Engineering Structures				Other Tangible Capital Assets	Total	2023
					Roads	Water	Sewer	Other			
COST											
Opening Balance Construction-in-progress (CIP)	3,805	35,931	383,831	15,658	692,176	263,440	703,238	338,735	-	\$ 2,436,814	2,424,021
Add: Construction-in-progress (CIP)	2,926	36,314	88,274	18,498	117,262	2,841	2,939,327	182,641	-	3,388,082	659,017
Less: Transfers into Service	(3,805)	(35,932)	(181,782)	(15,658)	-	(166,120)	(329,458)	(5,100)	-	(737,855)	(306,459)
Less: Writedowns & Reallocations	-	-	-	-	(55,278)	(50,930)	-	55,277	-	(50,932)	(339,765)
Closing Balance Construction-in-progress	2,926	36,313	290,324	18,498	754,160	49,230	3,313,106	571,553	-	5,036,110	2,436,814
Opening Balance Tangible Capital Assets	25,864,343	8,821,747	33,580,953	25,057,237	123,954,235	30,778,162	21,234,013	33,003,128	1,334,045	303,627,862	294,235,443
Add: Additions (including Transfers into Service)	2,513,185	141,581	1,378,758	6,861,948	2,814,051	429,552	2,149,311	341,039	93,015	16,722,439	10,200,037
Less: Disposals	-	-	-	(152,589)	(218,303)	-	-	(6,122)	-	(377,013)	(807,618)
Closing Balance Tangible Capital Assets and CIP	28,380,454	8,999,641	35,250,035	31,785,094	127,304,142	31,256,944	26,696,430	33,909,599	1,427,059	325,009,397	306,064,676
ACCUMULATED AMORTIZATION											
Opening Balance	-	4,390,145	15,679,608	14,418,267	59,811,012	9,531,760	3,486,529	12,802,263	1,176,561	121,296,145	114,769,929
Add: Amortization	-	311,247	858,801	1,448,279	3,063,236	572,023	378,703	877,731	74,824	7,584,845	6,937,531
Less: Accum Amortization on Disposals	-	-	-	(111,468)	(217,618)	-	-	(4,081)	-	(333,167)	(411,315)
	-	4,701,392	16,538,409	15,755,078	62,656,630	10,103,783	3,865,232	13,675,913	1,251,385	128,547,823	121,296,145
Net Book Value for year ended December 31, 2024	\$ 28,380,454	\$ 4,298,249	\$ 18,711,625	\$ 16,030,015	\$ 64,647,512	\$ 21,153,161	\$ 22,831,199	\$ 20,233,685	\$ 175,674	\$ 196,461,574	\$ 184,768,531

THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF DEBENTURE AND OTHER LONG-TERM DEBT
YEAR ENDED DECEMBER 31, 2024

SCHEDULE 4

<u>Bylaw Number</u>	<u>Term Years</u>	<u>Maturity Date</u>	<u>Interest Rate %</u>	<u>Principal Outstanding Dec 31/23</u>	<u>Current Year Borrowing</u>	<u>Actuarial Adjustment/ Princ. Reduction</u>	<u>Principal Outstanding Dec 31/24</u>
General Capital Fund							
Debenture Debt							
2304	25	2029	4.30	360,133	-	52,946	307,187
2354	20	2025	0.32	62,066	-	30,643	31,423
2355	25	2030	0.91	265,446	-	34,642	230,804
2425	20	2026	1.53	147,021	-	47,098	99,923
2453	20	2027	1.53	291,898	-	93,509	198,389
2539	15	2024	2.25	272,418	-	272,418	-
2538	15	2025	1.28	101,081	-	49,671	51,410
2680	15	2027	3.39	1,368,084	-	324,580	1,043,504
2681	15	2027	3.39	508,146	-	120,558	387,588
2978	20	2041	2.58	3,123,963	-	142,693	2,981,270
TOTAL GENERAL CAPITAL FUND				6,500,256	-	1,168,758	5,331,498
Water Capital Fund							
Debenture Debt							
2424	20	2026	1.53	122,517	-	39,248	83,269
TOTAL WATER CAPITAL FUND				122,517	-	39,248	83,269
Sewer Capital Fund							
Debenture Debt							
2305	25	2029	4.30	270,100	-	39,709	230,391
2353	25	2030	0.91	747,041	-	97,494	649,547
2423	20	2026	1.53	74,327	-	23,811	50,516
2985	25	2045	0.91	2,704,829	-	101,854	2,602,975
TOTAL SEWER CAPITAL FUND				3,796,297	-	262,868	3,533,429
TOTAL ALL CAPITAL FUNDS				10,419,070	-	1,470,874	8,948,196

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

SCHEDULE 5

	2024	2023
Cash On Hand		
General Fund	\$ 35,791,046	\$ 27,892,728
Gaming Fund	1,917,208	1,920,043
Total Cash on Hand	\$ 37,708,254	\$ 29,812,771
TERM DEPOSITS AND POOLED FUNDS		
Municipal Finance Authority, Money Market Fund at fluctuating rate, no maturity date	27,380,381	26,123,436
Guaranteed Investment Certificates	7,663,231	10,421,221
Municipal Finance Authority, Pooled Government Focused Ultra-Short Bond	15,413,965	15,000,000
Municipal Finance Authority, Pooled BC Fossil Fuel Free Bond	10,388,125	10,000,000
Total Term Deposits and Pooled Funds	60,845,702	61,544,657
TOTAL CASH AND INVESTMENTS	\$ 98,553,956	\$ 91,357,428