

REGIONAL DISTRICT OF NANAIMO
COMMITTEE OF THE WHOLE
AGENDA

Tuesday, June 12, 2018

3:00 P.M.

RDN Board Chambers

This meeting will be recorded

Pages

1. CALL TO ORDER
2. APPROVAL OF THE AGENDA
3. ADOPTION OF MINUTES
 - 3.1 Regular Committee of the Whole Meeting - May 8, 2018 6

That the minutes of the Regular Committee of the Whole meeting held May 8, 2018, be adopted.
4. DELEGATIONS
5. CORRESPONDENCE

That the following correspondence be received for information:

 - 5.1 Fred Alteen, Canadian Tire Store, re Holiday Bus Schedule 12
6. COMMITTEE MINUTES

That the following minutes be received for information:

 - 6.1 District 69 Recreation Commission - May 17, 2018 13
7. COMMITTEE RECOMMENDATIONS
 - 7.1 District 69 Recreation Commission
 - 7.1.1 District 69 Recreation Services Master Plan Report
Please note: Committee recommendation has no accompanying staff report

1. That the D69 Recreation Services Master Plan Steering Committee work together with Regional District of Nanaimo staff and consultants to formulate a revised recreation facility development strategy for three top priority items as follows:

1. Minimum Ravensong Pool upgrade proposal to address critical current user concerns and define a low cost upgrade recommendation to move forward quickly with a referendum to proceed.
2. Minimum cost replacement of the old track at Ballenas Secondary School and a proposal for an 8 lane rubberized track and field facility at a future location.
3. Continuation and finalization of the centralized land purchase strategy as defined in the July 2006 Recreation Services Master Plan for Oceanside section 7.2.

2. That when the District 69 Recreation Commission and Regional District of Nanaimo Board are considering recreation infrastructure projects in the District 69 (Oceanside) area that they be informed by a financial analysis review process.

7.1.2 District 69 Youth Recreation Grants

Please note: Committee recommendation has no accompanying staff report

That the following District 69 Youth Recreation Grant applications be approved:

- Bard to Broadway - youth theatre workshop facility rental - \$410
- Bard to Broadway - performing arts education series facility rental - \$1,180
- Kwalikum Secondary School - Dry Grad - \$1,000
- Oceanside Community Arts Council - summer camp supplies - \$1,000
- District 69 (Oceanside) Minor Softball Association - equipment - \$2,000
- Oceanside Track and Field Club - high jump mat - \$2,500
- Parksville Volleyball Club - Community play days, equipment, facility rental - \$2,500
- YoungLife Canada (Qualicum Beach) - food and supplies - \$750

Total - \$11,340

7.1.3 District 69 Community Recreation Grants

Please note: Committee recommendation has no accompanying staff report

That the following District 69 Community Recreation Grant applications be approved:

- Arrowsmith Community Recreation Association - Food Skills for Families – \$1,000
- Arrowsmith Community Recreation Association - Coombs Candy Walk - \$2,243
- Errington Cooperative Preschool - art supplies and games - \$1,300
- Eswyn's Alpine and Rock Garden - signage - \$650
- Parksville Curling Club - Worksafe compliance/ammonia safety equipment - \$2,500
- Parksville Lions Club - Lions Club Free Skates at Oceanside Place - \$750
- Parksville Golden Oldies Sports Association (PGOSA) - 25th Anniversary active living video - \$1,000
- Parksville Senior Athletic Group (Slo-Pitch) - AED at Parksville Community Park - \$1,350
- Qualicum Beach Community Garden Society - materials for garden beds - \$2,126
- Qualicum Community Education and Wellness - family soccer program – \$1,500
- Town of Qualicum Beach - Select Committee on Family Day Celebration - pool rental - \$500

Total - \$14,919

8. ADMINISTRATION

8.1 Freedom of Information and Protection of Privacy Act 2017 Overview 18

That the Freedom of Information and Protection of Privacy Act 2017 Overview report be received for information.

8.2 Regional District of Nanaimo 2018-2022 Board Orientation 23

That the 2018-2022 Board Orientation be approved.

9. CORPORATE SERVICES

9.1 2017 Annual Financial Report and Statement of Financial Information 25

That the 2017 Annual Financial Report and the Statement of Financial Information be approved as presented.

9.2 Quarterly Financial Report – First Quarter - 2018 71

That the financial report for the period January 1, 2018 to March 31, 2018 be received for information.

10. STRATEGIC AND COMMUNITY DEVELOPMENT

10.1 2019-2022 Strategic Planning Process 85

That the 2019 – 2022 Strategic Planning Process be endorsed.

10.2 Regional Economic Development 88

1. That a meeting be organized with the organizations listed in Attachment 2 to consider the creation of a region-wide economic development service.

2. That to assist with the meeting, a background report that incorporates input from the other organizations be prepared addressing the current state of economic development in the Regional District of Nanaimo.

11. REGIONAL AND COMMUNITY UTILITIES

11.1 Biosolids Transportation Services Contract Award 101

1. That the Board award a two year contract for Biosolids Transportation Services to DBL Disposal Services Ltd at an estimated value of \$162,000.

2. That the General Manager of Regional and Community Utilities and the Director of Finance be authorized to extend the contract for an additional 2 years if required.

11.2 Detailed Design Services for Chase River Force Main No. 1 Replacement and Pump Station Upgrades 103

That the Engineering Services contract for the detailed design of the Chase River Force Main No. 1 Replacement and Pump Station Upgrades Project be awarded to CH2M Hill Canada Limited for \$199,682 (excluding GST).

11.3 Solid Waste Management Plan Adoption 106

Please note: the Solid Waste Management Plan will be distributed under separate cover

That the Solid Waste Management Plan be adopted and that the Plan be sent to the Minister of Environment & Climate Change Strategy for approval.

12. TRANSPORTATION AND EMERGENCY PLANNING SERVICES

12.1 Transit Radio Tower Occupancy Agreement 113

That the Regional District of Nanaimo enter into an agreement with the City of Nanaimo to allow the installation of Transit Services radio and auxiliary equipment on an existing tower and related building and provide hydro for \$1,200 annually for a five (5) year term commencing April 1, 2018 to March 31, 2023.

12.2 Coombs Fire Department Self Contained Breathing Apparatus Tender Award 121

That the Board award the Coombs-Hilliers Fire Department Self Contained Breathing Apparatus contract to Guillevin International at a cost of \$227,700.53 before taxes to be funded by the Coombs-Hilliers Fire Service capital reserve fund.

13. BUSINESS ARISING FROM DELEGATIONS

14. NEW BUSINESS

14.1 Directors' Roundtable

15. ADJOURNMENT

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE REGULAR COMMITTEE OF THE WHOLE MEETING

Tuesday, May 8, 2018

3:10 P.M.

RDN Board Chambers

In Attendance:	Director W. Veenhof	Chair
	Director I. Thorpe	Vice Chair
	Director A. McPherson	Electoral Area A
	Director H. Houle	Electoral Area B
	Director M. Young	Electoral Area C
	Director B. Rogers	Electoral Area E
	Director J. Fell	Electoral Area F
	Director J. Stanhope	Electoral Area G
	Director B. McKay	City of Nanaimo
	Alternate	
	Director S. Armstrong	City of Nanaimo
	Director B. Bestwick	City of Nanaimo
	Director D. Brennan	City of Nanaimo
	Director G. Fuller	City of Nanaimo
	Director J. Hong	City of Nanaimo
	Director B. Yoachim	City of Nanaimo
	Director M. Lefebvre	City of Parksville
	Director K. Oates	City of Parksville
	Director T. Westbroek	Town of Qualicum Beach
Regrets:	Director J. Kipp	City of Nanaimo
	Director B. Colclough	District of Lantzville
Also in Attendance:	P. Carlyle	Chief Administrative Officer
	R. Alexander	Gen. Mgr. Regional & Community Utilities
	G. Garbutt	Gen. Mgr. Strategic & Community Development
	T. Osborne	Gen. Mgr. Recreation & Parks
	D. Wells	Gen. Mgr. Corporate Services
	W. Idema	Director of Finance
	D. Pearce	Director of Transportation & Emergency Services
	J. Hill	Mgr. Administrative Services
	T. Mayea	Legislative Coordinator
	S. Commentucci	Recording Secretary
	C. Golding	Recording Secretary

CALL TO ORDER

The Chair called the meeting to order and respectfully acknowledged the Coast Salish Nations on whose traditional territory the meeting took place.

APPROVAL OF THE AGENDA

It was moved and seconded that the agenda be approved as presented.

CARRIED UNANIMOUSLY

ADOPTION OF MINUTES

Regular Committee of the Whole Meeting - April 10, 2018

It was moved and seconded that the minutes of the Regular Committee of the Whole meeting held April 10, 2018, be adopted.

CARRIED UNANIMOUSLY

DELEGATIONS

Carly Trobridge, Nanaimo Search and Rescue, re Nanaimo Search and Rescue New Facility Update

Carly Trobridge provided an update to the Committee on the Nanaimo Search and Rescue's proposed new facility to be located on Nanaimo Lakes Road and requested the Board's support in meeting their budget shortfall by requesting staff to help secure and obtain funding alternatives.

Chris Burger & Gerry Anderson, Corcan Meadowood Resident Association, re Update and Request for further Support of Ongoing Park and Access Improvements

Chris Burger and Gerry Anderson provided an update regarding the ongoing challenges of secondary access in and out of the community, and requested a polling station in close proximity for the upcoming election and continued support for the community hall project.

CORRESPONDENCE

It was moved and seconded that the following correspondence be received for information:

Lighthouse Community Centre, re Funding Request for New Roofing for the Lighthouse Community Centre

Ministry of Public Safety and Solicitor General, re BC Community Road Safety Toolkit - Module 1, Protecting People Walking and Cycling

UBCM, re Provincial Housing Affordability Announcements; and National Housing Strategy Launch Dates

Justin Farrell, Policy Coordinator, Federation of Canadian Municipalities, re FCM Resolution, Marine Litter

CARRIED UNANIMOUSLY

COMMITTEE MINUTES

It was moved and seconded that the following minutes be received for information:

Drinking Water and Watershed Protection Technical Advisory Committee - April 19, 2018

District 69 Recreation Commission - April 19, 2018

Agricultural Advisory Committee - April 6, 2018

CARRIED UNANIMOUSLY

COMMITTEE RECOMMENDATIONS

District 69 Recreation Commission

Recreation Services Master Plan for District 69 (Oceanside) 2019 - 2029

It was moved and seconded that the Recreation Services Master Plan for District 69 (Oceanside) 2019-2029 be approved as a guiding document.

CARRIED UNANIMOUSLY

CORPORATE SERVICES

2017 Consolidated Financial Statements and Audit Findings Report

Cory Vanderhorst, CPA, CA from MNP LLP, presented highlights of the 2017 Consolidated Financial Statements and Audit Findings report to the Board.

It was moved and seconded that the consolidated financial statements of the Regional District of Nanaimo for the year ended December 31, 2017 be approved as presented.

CARRIED UNANIMOUSLY

Spring 2018 Community Works Fund Status Report

It was moved and seconded that the Community Works Funds program project list included in Attachment 1 be approved.

CARRIED UNANIMOUSLY

It was moved and seconded that the Community Works Funds Agreements between the Regional District of Nanaimo and third parties include a requirement for asset management principles to be incorporated in the funding criteria.

It was moved and seconded that the main motion be amended by replacing "for asset management principles to be incorporated in the funding criteria" with "that further information regarding the structure be provided for asset management purposes."

Opposed (5): Director Thorpe, Director Houle, Director Armstrong, Director Lefebvre, and Director Oates

CARRIED

The vote was taken on the main motion as amended:

It was moved and seconded that the Community Works Funds Agreements between the Regional District of Nanaimo and third parties include a requirement that further information regarding the structure be provided for asset management purposes.

CARRIED UNANIMOUSLY

REGIONAL AND COMMUNITY UTILITIES

Wastewater Services On-Call Electrical Maintenance and Repair Contract Award

It was moved and seconded that the Board award the Wastewater Services On-call Electrical Maintenance and Repair three year contract to Shaw Electrical Services.

CARRIED UNANIMOUSLY

Greater Nanaimo Pollution Control Centre Liquid Aluminum Sulphate Contract Award

It was moved and seconded that the Board award the Greater Nanaimo Pollution Control Centre Liquid Aluminum Sulphate contract to ChemTrade for a period of one year.

CARRIED UNANIMOUSLY

It was moved and seconded that the General Manager of Regional Community Utilities and the Director of Finance be authorized to extend the contract for an additional year if required.

CARRIED UNANIMOUSLY

Island Timberlands Land Access License for Shared Weather Station – Upper Nanoose Creek Watershed

It was moved and seconded that the Board approve the Non-Exclusive License five-year agreement with Island Timberlands for the use of land to install a shared weather / climate station in the upper Nanoose Creek watershed.

CARRIED UNANIMOUSLY

BUSINESS ARISING FROM DELEGATIONS OR CORRESPONDENCE

Nanaimo Search and Rescue New Facility Update

It was moved and seconded that staff be directed to provide the Board with a report to include recommendations of possible funding sources for the Nanaimo Search and Rescue's new facility on Nanaimo Lakes Road.

CARRIED UNANIMOUSLY

Community Works Funds – Meadowood Community Centre

It was moved and seconded that pending final project approval from the Regional District of Nanaimo and the Union of BC Municipalities, the Electoral Area 'F' allocation of Community Works Funds for the Meadowood Community Centre be increased from the previously approved amount of \$700,000, to \$825,000

CARRIED UNANIMOUSLY

Union of BC Municipalities, re Provincial Housing Affordability Announcements; and National Housing Strategy Launch Dates

It was moved and seconded that staff be directed to provide the Board with a report with information on how the Regional District can get involved in the new National Housing Strategy initiatives.

CARRIED UNANIMOUSLY

Federation of Canadian Municipalities, re FCM Resolution, Marine Litter

It was moved and seconded that the Board support the request from the Federation of Canadian Municipalities to submit the expanded version of the Regional District of Nanaimo's recently adopted resolution on Marine Litter for consideration at the 2018 Federation of Canadian Municipalities Annual Conference.

CARRIED UNANIMOUSLY

NEW BUSINESS

Directors' Roundtable

Directors provided updates to the Board.

IN CAMERA

It was moved and seconded that pursuant to Section 90 (m) of the *Community Charter* the Committee proceed to an In Camera meeting for discussions related to a matter that, under another enactment, is such that the public may be excluded from the meeting.

CARRIED UNANIMOUSLY

TIME: 4:15 PM

ADJOURNMENT

It was moved and seconded that this meeting be adjourned.

CARRIED UNANIMOUSLY

TIME: 4:24 PM

CHAIR

CORPORATE OFFICER

From: Fred Alteen
Sent: Monday, May 21, 2018 10:14 AM
To: transprt
Cc: Bill McKay
Subject: Holiday bus Schedule

Dear Sir / Madame

Every time there is a so called "holiday" in the city of Nanaimo and surrounding area, your schedule is reduced.

As general manager of a major retail operation, we have to deal with staff members missing shifts , through no fault of their own, These people rely on this service seven days a week 363 days a year. The retail sector employees are compromised on these days through no fault of their own and then we as a retailer, end up re-arranging staff to meet customer service levels.

The only people who benefit from these holidays are the people who determine them. You as a bus service, have an obligation to serve **YOUR** patrons, as the retail employees have to serve their customers

If the people who benefit from these holidays want to shop and expect service, then it is up to you to make sure the retail sector employees are afforded responsible transportation **EVERDAY**.

Regards,
Fred Alteen
<image008.jpg>

Canadian Tire Store # 362
4585 Uplands Dr.
Nanaimo, BC, V9T 6M8
Tel. (250) 585-8045 Ext:3904
generalmanager.362@thetire.ca

**REGIONAL DISTRICT OF NANAIMO
MINUTES OF THE DISTRICT 69 RECREATION COMMISSION MEETING**

**Thursday, May 17, 2018
2:00 P.M.
Oceanside Place**

In Attendance:	Commissioner J. Fell	Chair
	Commissioner L. Krofta	Electoral Area E
	Commissioner R. Nosworthy	Electoral Area F
	Commissioner B. Veenhof	Electoral Area H
	Commissioner N. Horner	Town of Qualicum Beach
	Commissioner K. Burden	City of Parksville
	Commissioner E. Young	School District 69 Trustee
Regrets:	Commissioner T. Malyk	Electoral Area G
Also in Attendance:	T. Osborne	Gen. Mgr. Recreation and Park Services
	D. Banman	Mgr. Recreation Services
	H. King	Superintendent, Recreation Program Services
	M. Chestnut	Superintendent, Aquatic Services
	A. Harvey	Recording Secretary

CALL TO ORDER

The Chair called the meeting to order and respectfully acknowledged the Coast Salish Nations on whose traditional territory the meeting took place.

APPROVAL OF THE AGENDA

It was moved and seconded that the agenda be approved as amended to add 'Recreation Report Update' to Reports.

CARRIED UNANIMOUSLY

ADOPTION OF MINUTES

District 69 Recreation Commission Meeting - April 19, 2018

That the minutes of the District 69 Recreation Commission meeting held April 19, 2018, be adopted with the addition of the following motion to New Business:

It was moved and seconded that the pool options and concerns about centralized facilities be on the agenda for the next Commission meeting.

CARRIED UNANIMOUSLY

DELEGATIONS

A. mcVey, M. Albert & S. Lawrence - Ravensong Action Group, re: Ravensong Aquatic Centre

A. mcVey presented the views of the Ravensong Aquatic Group about the expansion of Ravensong and recommended an additional tank adjacent to the existing tank. They feel this would help meet the needs of the pool users.

H. Mahony & J. Nemlander - Ravensong Water Dancers Synchro, re: Proposed Facility Changes – Ravensong Aquatic Centre

H. Mahony & J. Nemlander told the Commission about the Ravensong Water Dancers Synchro club and their current hurdles with the existing facility. They would like another tank added to the existing Ravensong pool to meet the needs of the community members, user groups and tourists who utilize the current facility.

B. Trajan, S. Bennett & T. Young - Ravensong Aquatic Club, re: Ravensong Aquatic Club – Current and Future

B. Trajan, S. Bennett & T. Young from the Ravensong Aquatic Club gave an introduction about the club. They described their challenges with lane space and fees. They would like the Commission to consider adding another pool tank or creating a new facility.

T. Manson , Ravensong Masters Swim Club, re: Ravensong Pool Facilities Expansion

T. Manson from the Ravensong Masters Swim Club told the Commission the history and obstacles the club faces with the current facility. They requested an additional pool and change room expansion and that increasing the size of the current tank not be acted on.

CORRESPONDENCE

M. Chestnut addressed the letters regarding the aquafit cancellations, noting that much effort has been made to attain staff that can teach aquafit but due to staff schedules and availability the cancellations were the only option. The option of video instruction was suggested and is being looked into.

That the following correspondence be received for information:

J. Unsworth, Pool User to B. Veenhof, RDN Chair, re: Qualicum Pool

A. Jessey, Pool User, re: Aquafit Cancellations

S. Dye, Pool User, re: Ravensong Aquatic Centre Critical Staffing Shortage

D. Clift, Pool User, re: District 69 Recreation Commission

M. Fowles, Pool User, re: Ravensong

CARRIED UNANIMOUSLY

COMMITTEE MINUTES AND RECOMMENDATIONS

D69 Recreation Commission Grant Sub-Committee Minutes

It was moved and seconded that the minutes from the D69 Recreation Commission Grant Sub-Committee meeting held May 8, 2018 be received.

CARRIED UNANIMOUSLY

It was moved and seconded that the following District 69 Youth Recreation Grant applications be approved:

Bard to Broadway - youth theatre workshop facility rental - \$410
Bard to Broadway - performing arts education series facility rental - \$1,180
Kwalikum Secondary School - Dry Grad - \$1,000
Oceanside Community Arts Council - summer camp supplies - \$1,000
District 69 (Oceanside) Minor Softball Association - equipment - \$2,000
Oceanside Track and Field Club - high jump mat - \$2,500
Parksville Volleyball Club - Community play days, equipment, facility rental - \$2,500
YoungLife Canada (Qualicum Beach) - food and supplies - \$750

Total - \$11,340

CARRIED UNANIMOUSLY

It was moved and seconded that the following District 69 Community Recreation Grant applications be approved:

Arrowsmith Community Recreation Association - Food Skills for Families – \$1,000
Arrowsmith Community Recreation Association - Coombs Candy Walk - \$2,243
Errington Cooperative Preschool - art supplies and games - \$1,300
Eswyn's Alpine and Rock Garden - signage - \$650
Parksville Curling Club - Worksafe compliance/ammonia safety equipment - \$2,500
Parksville Lions Club - Lions Club Free Skates at Oceanside Place - \$750
Parksville Golden Oldies Sports Association (PGOSA) - 25th Anniversary active living video - \$1,000
Parksville Senior Athletic Group (Slo-Pitch) - AED at Parksville Community Park - \$1,350
Qualicum Beach Community Garden Society - materials for garden beds - \$2,126
Qualicum Community Education and Wellness - family soccer program – \$1,500
Town of Qualicum Beach- Select Committee on Family Day Celebration - pool rental - \$500

Total - \$14,919

CARRIED UNANIMOUSLY

REPORTS

Parks Update Report – Winter 2018

It was moved and seconded that the Parks Update Report - Winter 2018 be received for information.

CARRIED UNANIMOUSLY

Recreation Reports Update

Commissioner Nosworthy requested an update of the Recreation Reports that are regularly on the agenda. D. Banman advised the Commission that staff had been asked to revise the template and statistical information of the reports. It has taken longer than anticipated but he expects it to be ready for the next meeting.

BUSINESS ARISING FROM DELEGATIONS

The concerns of the delegations were discussed under New Business - District 69 Recreation Services Master Plan Report.

NEW BUSINESS

District 69 Recreation Services Master Plan Report (For Information, previously received)

It was moved and seconded that the D69 Recreation Services Master Plan Steering Committee work together with Regional District of Nanaimo staff and consultants to formulate a revised recreation facility development strategy for three top priority items as follows:

1. Minimum Ravensong Pool upgrade proposal to address critical current user concerns and define a low cost upgrade recommendation to move forward quickly with a referendum to proceed.
2. Minimum cost replacement of the old track at Ballenas Secondary School and a proposal for an 8 lane rubberized track and field facility at a future location.
3. Continuation and finalization of the centralized land purchase strategy as defined in the July 2006 Recreation Services Master Plan for Oceanside section 7.2.

Amendment:

It was moved and seconded that the main motion be amended to add “with an additional single 8 lane tank in Qualicum Beach” to item #1 after user concerns.

Opposed (6): Commissioner Fell, Commissioner Veenhof, Commissioner Nosworthy, Commissioner Krofta, Commissioner Burden, and Commissioner Young

DEFEATED UNANIMOUSLY

The vote was taken on the main motion as presented:

It was moved and seconded that the D69 Recreation Services Master Plan Steering Committee work together with Regional District of Nanaimo staff and consultants to formulate a revised recreation facility development strategy for three top priority items as follows:

1. Minimum Ravensong Pool upgrade proposal to address critical current user concerns and define a low cost upgrade recommendation to move forward quickly with a referendum to proceed.
2. Minimum cost replacement of the old track at Ballenas Secondary School and a proposal for an 8 lane rubberized track and field facility at a future location.
3. Continuation and finalization of the centralized land purchase strategy as defined in the July 2006 Recreation Services Master Plan for Oceanside section 7.2.

CARRIED UNANIMOUSLY

It was moved and seconded that when the District 69 Recreation Commission and Regional District of Nanaimo Board are considering recreation infrastructure projects in the District 69 (Oceanside) area that they be informed by a financial analysis review process.

CARRIED UNANIMOUSLY

Pool Options

This item was discussed in conjunction with the District 69 Recreation Services Master Plan Report.

Centralized Facilities

This item was discussed in conjunction with the District 69 Recreation Services Master Plan Report.

ADJOURNMENT

It was moved and seconded that the meeting be adjourned.

CARRIED UNANIMOUSLY

TIME: 4:17 PM

CHAIR

TO: Committee of the Whole
FROM: Jacquie Hill
Manager, Administrative Services
MEETING: June 12, 2018
FILE: 0580-01
SUBJECT: Freedom of Information and Protection of Privacy Act 2017 Overview

RECOMMENDATION

That the Freedom of Information and Protection of Privacy Act 2017 Overview report be received for information.

SUMMARY

In 2017 the Regional District of Nanaimo received 15 requests made under the *Freedom of Information and Protection of Privacy Act* under various general themes and released 1533 pages of documentation and one DVD audio recording. Fee estimates were issued for 4 of the 15 requests, and out of those 4, one request was abandoned and one was granted a fee waiver.

BACKGROUND

The *Freedom of Information and Protection of Privacy Act (FIPPA)* is provincial legislation that came into effect in British Columbia in 1993. *FIPPA* regulates the information and privacy practices of public bodies including local governments and promotes two general principles:

- **Freedom of Information** - To make public bodies more open and accountable by providing the public with a legislated right of access to government records.
- **Protection of Privacy** - To prevent the unauthorized collection, use or disclosure of personal information by public bodies.

The Regional District of Nanaimo (RDN) is committed to open and transparent government including providing easy access to information and records. The primary methods to access RDN records are the RDN's website, direct contact with departments, or formally by a written request under *FIPPA*. Requests made under *FIPPA* are intended to be an avenue of last resort and used only when information is not routinely available or accessible through normal access procedures.

FIPPA covers records "in the custody or under the control" of a public body with certain specified and limited exceptions. For example, an applicant would not have access to someone else's personal information without their permission, or information that could harm third party business interests, law enforcement, the economic or financial interests of a public body, other individuals, or the public.

The Regional District of Nanaimo received 15 requests in 2017. Records were retrieved from most departments and are summarized generally under the following themes:

- Tender and Contract documents
- Bylaw Enforcement
- Building & Property files
- Trails
- Incidents & Investigations
- Board Meeting Audio files
- Wastewater
- Building Regulation

Table 1 outlines the type of requestors and the number of requests made to the RDN in 2017.

Type of Requestor	Number of Requests
Individual	8
Other Government	2
Law Firm	2
Business	2
Special Interest Group	1
Total	15

The amount of documentation released in 2017 was 1533 pages in total and included one DVD audio recording. The largest request processed included the review and release of 874 pages of records. Table 2 provides a summary of previous years for comparison.

Year	Requests	Pages Released	Average Pages/Request
2017	15	1533	102
2016	23	1157	50
2015	16	570	36
2014	18	1621	90

Section 75 of *FIPPA* provides that the RDN may charge fees for certain limited costs of providing applicants with records including the provision of the following services:

- (a) locating, retrieving and producing the record;
- (b) preparing the record for disclosure;
- (c) shipping and handling the record; and
- (d) providing a copy of the record.

Under *FIPPA* applicants cannot be charged fees for the first 3 hours spent locating and retrieving a record; time spent severing information from a record; or for services relating to the provision of an applicant's own personal information. All fees charged by the RDN are in accordance with Regional District of Nanaimo Freedom of Information and Protection of Privacy Bylaw No. 1695, 2014, and the Schedule of Maximum Fees as established by British Columbia Regulation 155/2012 (shown on Attachment 1). The majority of requests submitted to the RDN are not charged a fee generally due to the scope and size of the requests and because the RDN is not able to charge for time spent reviewing and severing information from a record. Applicants who receive a fee estimate can either pay the fee, narrow the scope of their request to reduce the fee, or request a fee waiver. Of the 4 requests issued fee estimates in 2017, one request was abandoned and one was granted a fee waiver.

ALTERNATIVES

1. That the Freedom of Information and Protection of Privacy Act 2017 Overview report be received for information.
2. That alternative direction be provided.

FINANCIAL IMPLICATIONS

There are no financial implications; this report is provided for information purposes only.

STRATEGIC PLAN IMPLICATIONS

Adhering to the principles established under the *Freedom of Information and Protection of Privacy Act* supports the RDN's Board Strategic Plan in the key focus area of Service and Organizational Excellence by ensuring our processes are as easy to work with as possible, and supports the Board's governing principle to be transparent and accountable.



Jacquie Hill
jhill@rdn.bc.ca
May 25, 2018

Reviewed by:

- D. Wells, General Manager, Corporate Services
- P. Carlyle, Chief Administrative Officer

Attachments

1. British Columbia Regulation 155/2012 - Schedule of Maximum Fees

Attachment 1

British Columbia Regulation 155/2012 - Schedule of Maximum Fees

Item	Column 1	Column 2
	Description of Services	Management Fees
1	For applicants other than commercial applicants:	
	(a) for locating and retrieving a record	\$7.50 per 1/4 hour after the first 3 hours
	(b) for producing a record manually	\$7.50 per 1/4 hour
	(c) for producing a record from a machine readable record from a server or computer	\$7.50 per 1/4 hour for developing a computer program to produce the record
	(d) for preparing a record for disclosure and handling a record	\$7.50 per 1/4 hour
	(e) for shipping copies	actual costs of shipping method chosen by applicant
	(f) for copying records	
	(i) floppy disks	\$2 per disk
	(ii) CDs and DVDs, recordable or rewritable	\$4 per disk
	(iii) computer tapes	\$40 per tape, up to 2 400 feet
	(iv) microfiche	\$3 per fiche
	(v) microfilm duplication	\$25 per roll for 16 mm microfilm, \$40 per roll for 35 mm microfilm
	(vi) microfiche or microfilm to paper duplication	\$0.50 per page (8.5" x 11")
	(vii) photographs, colour or black and white	\$5 to produce a negative
		\$12 each for 16" x 20" photograph
		\$9 each for 11" x 14" photograph
		\$4 each for 8" x 10" photograph
		\$3 each for 5" x 7" photograph
	(viii) photographic print of textual, graphic or cartographic record, black and white	\$12.50 each (8" x 10")

		(ix) dot matrix, ink jet, laser print or photocopy, black and white	\$0.25 per page (8.5" x 11", 8.5" x 14" or 11" x 17")
		(x) dot matrix, ink jet, laser print or photocopy, colour	\$1.65 per page (8.5" x 11", 8.5" x 14" or 11" x 17")
		(xi) scanned electronic copy of a paper record	\$0.10 per page
		(xii) photomechanical reproduction of 105 mm cartographic record/plan	\$3 each
		(xiii) slide duplication	\$0.95 each
		(xiv) audio cassette tape (90 minutes or fewer) duplication	\$5 per cassette plus \$7 per 1/4 hour of recording
		(xv) video cassette recorder (VHS) tape (120 minutes or fewer) duplication	\$5 per cassette plus \$7 per 1/4 hour of recording
2		For commercial applicants for each service listed in Item 1	the actual cost to the public body of providing that service

TO: Committee of the Whole
FROM: Phyllis Carlyle
Chief Administrative Officer
SUBJECT: 2018-2022 Board Orientation

MEETING: June 12, 2018
FILE: 0530-01

RECOMMENDATION

That the 2018-2022 Board Orientation be approved.

SUMMARY

Board orientation sessions are proposed to provide both new and returning Directors with information to assist them in their role as Directors on the Regional District of Nanaimo (RDN) Board.

BACKGROUND

Board orientation sessions have been tentatively scheduled following the October 20, 2018 General Election. These sessions include a joint governance session with Councils from member municipalities, and two RDN orientation sessions to provide an overview of RDN procedural and administrative matters, budget, the five-year financial plan and individual department presentations. Other external learning opportunities are available through the Local Government Leadership Academy. An outline of each session is provided below.

A joint elected official orientation session with Councils of member municipalities, hosted by the Town of Qualicum Beach, is scheduled for Friday, November 2, 2018. This all day session, facilitated by George Cuff, focuses on general governance matters including the roles and responsibilities of the Board and staff.

The first RDN Board orientation session is proposed to be held in the RDN Board Chambers on Tuesday, November 13, 2018 from 4:00 pm to 6:00 pm. This session will provide a general overview of RDN procedural and administrative matters. All Directors will be invited to attend to prepare for the Inaugural meeting at 7:00 pm.

The second RDN Board orientation session is scheduled for Tuesday, November 20, 2018 from 9:00 am to 12:00 pm in the RDN Board Chambers. This session will be led by the Chief Administrative Officer and include individual department presentations combined with an overview of the budget and five-year financial plan.

The Local Government Leadership Academy (LGLA) also provides additional learning opportunities for Directors. An Electoral Area Representatives session is being held in Richmond on January 16-18, 2019 and Elected Official seminars are being held in Parksville on February 12-14 and February 13-15, 2019.

In addition to the orientation sessions, the Chair's Executive Assistant will schedule individual meetings with each Director immediately following the election. These meetings will address general administrative matters.

ALTERNATIVES

1. That the Regional District of Nanaimo 2018-2022 Board Orientation plan be endorsed.
2. That alternative direction be provided.

FINANCIAL IMPLICATIONS

There are no financial implications.

STRATEGIC PLAN IMPLICATIONS

Scheduling Board orientation sessions for newly elected and returning elected officials supports the Board's governing principle to work effectively as a team to achieve a common vision.



Phyllis Carlyle
pcarlyle@rdn.bc.ca
June 6, 2018

Reviewed by:

- Corporate Leadership Group

TO: Committee of the Whole **MEETING:** June 12, 2018
FROM: Manvir Manhas **FILE:** 1870-01
 Manager, Capital Accounting & Financial
 Reporting
SUBJECT: **2017 Annual Financial Report and Statement of Financial Information**

RECOMMENDATION

That the 2017 Annual Financial Report and the Statement of Financial Information be approved as presented.

SUMMARY

The Board approved the 2017 consolidated financial statements of the Regional District of Nanaimo (RDN) at the May Board meeting. MNP LLP, the RDN's external auditors, confirmed the Regional District remains in sound financial health with a good balance of assets to liabilities and highly liquid cash reserves to meet annual costs.

As the statements now have final audit approval, they are included in the Regional District's Annual Report and Statement of Financial Information (SOFI). The SOFI including the board remuneration report ensures the RDN complies with the requirements of the *Local Government Act* and the *Financial Information Act*.

BACKGROUND

The Regional District must prepare a Statement of Financial Information to comply with the *Financial Information Act*. The SOFI contains the audited consolidated financial statements, the schedule of Board expenses and remuneration, schedule of employee expenses and remuneration (over \$75,000), a schedule of supplier payments (over \$25,000) and information on community grants provided during the year.

The full edition of the annual report consisting of departmental highlights, approved consolidated financial statements, supplementary departmental revenue and expense schedules as well as statistical data is provided as a separate handout. The annual report also includes a Financial Statement Discussion and Analysis section which reviews the 2017 year. Overall, 2017 results were as expected with \$12 million invested in new capital and an \$8 million increase to reserves. The ongoing challenge to the RDN is the need to finance significant infrastructure projects and to maintain and enhance services such as recreation and transit within the impacts of external factors such as fluctuations in the economy. The annual report and SOFI will be posted to the Regional District's web site for public access.

Statement of Financial information (Attachment 1)

The *Financial Information Act* requires that the Statement of Financial Information be approved by the Board. Regional Districts are also required by Section 376 of the *Local Government Act* to report on Board and Committee member expenses and remuneration (*page 31 of Attachment 1*). Total 2017 remuneration for Board members and their alternates was \$383,262 compared to \$383,164 in 2016. Board member expenses totalled \$81,112 in 2017 compared to \$67,535 in 2016 a result of several items including the Federation of Canadian Municipalities (FCM) conference being held in Ottawa and additional directors attending the Union of BC Municipalities (UBCM) and FCM conferences.

Development Cost Charges (DCCs) Expended in 2017 (Attachment 2)

Local Governments are required, as per Section 569 of the *Local Government Act*, to annually report on the use of DCCs. The Schedule for Development Cost Charges outlines the amount of DCCs collected in the year, expenditures and the balance in the DCC reserve funds at the start and at the end of 2017.

ALTERNATIVES

1. That the 2017 Annual Financial Report and the Statement of Financial Information be approved.
2. That alternate direction be provided to staff.

FINANCIAL IMPLICATIONS

The annual audit fee of \$26,775 was included in the Finance Department's 2017 budget.

STRATEGIC PLAN IMPLICATIONS

Regional Districts are required by the *Local Government Act* to present annually the results of its financial audit and to include a report on Board and Committee member expenses and remuneration in the Statement of Financial Information. Compliance with this requirement directly supports the Board governing value to *Be Transparent and Accountable*, which demands transparency in financial reporting and that Directors are accountable to the public.



Manvir Manhas
mmanhas@rdn.bc.ca
May 24, 2018

Reviewed by:

- W. Idema, Director of Finance
- D. Wells, General Manager, Corporate Services
- P. Carlyle, Chief Administrative Officer

Attachments

1. 2017 Statement of Financial Information
2. 2017 Schedule of Development Cost Charges

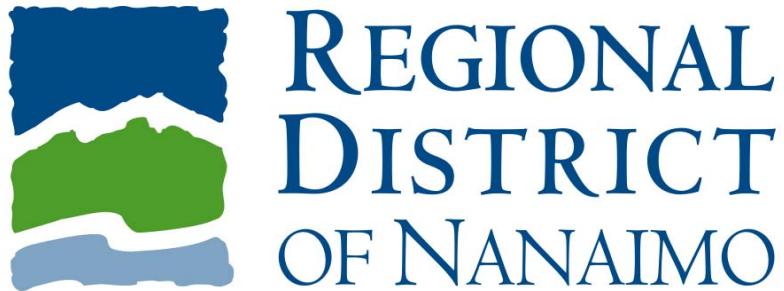


STATEMENT OF FINANCIAL INFORMATION

FOR THE YEAR ENDED

DECEMBER 31, 2017

(In compliance with the Financial Information Act of British Columbia, Chapter 140)



The information contained in this booklet represents the Regional District of Nanaimo's filing under the Financial Information Act for the year ended December 31st, 2017 and has been presented to and received by the Board of the Regional District of Nanaimo at a meeting held June 12, 2018.

The financial summary information included in this report is extracted from the 2017 audited annual financial statements prepared by the Regional District. The full text of the financial statements may be obtained from the Regional District offices or through its website at www.rdn.bc.ca.

Signed in accordance with the requirements of the Financial Information Regulation, Schedule 1, and Section 9(2).

Bill Veenhof
Chairperson

Wendy Idema
Director of Finance

**REGIONAL DISTRICT OF NANAIMO
STATEMENT OF FINANCIAL INFORMATION
For the year ended December 31, 2017**

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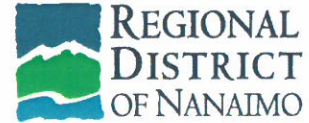
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Management's Responsibility

To the Members of the Board of the Regional District of Nanaimo:

This statement is provided to clarify and outline the roles and responsibilities of the management team, the elected Board of Directors and the independent auditors in relation to the preparation and review of the Regional District of Nanaimo's annual financial results.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Regional Board of Directors is composed entirely of Directors who are neither management nor employees of the Regional District. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for delegating the authority for approval of the consolidated financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management. The Board is also responsible for recommending the appointment of the Regional District's external auditors. The external auditors have full and free access to the Board and management to discuss their audit findings.

MNP LLP, an independent firm of Chartered Professional Accountants, has been appointed by the Regional Board of Directors to audit the consolidated financial statements and report to them; their report follows.

April 19, 2018

A handwritten signature in black ink, appearing to read "D. Deane", is written over a horizontal line.

Director of Finance

Independent Auditors' Report

To the Members of the Board of the Regional District of Nanaimo:

We have audited the accompanying consolidated financial statements of the Regional District of Nanaimo, which comprise the consolidated statement of financial position as at December 31, 2017 and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows and related schedules on pages 26 and 28 to 35 for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Regional District of Nanaimo as at December 31, 2017 and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

The supplementary information on 27 and 36 to 51 have been presented for purposes of additional analysis and are unaudited. We do not express an opinion on these schedules because our examination did not extend to the detailed information therein.

Nanaimo, British Columbia

May 8, 2018

MNP LLP

Chartered Professional Accountants

**REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017**

		<u>2017</u>	<u>2016</u>
Financial Assets			
Cash and short-term deposits	(Note 2)	\$ 84,180,386	\$ 65,426,660
Accounts receivable	(Note 3)	8,925,705	6,145,802
Investments	(Note 4)	34,193,566	31,559,740
Other jurisdictions debt receivable	(Note 12)	60,630,952	64,943,861
Other assets	(Note 5)	579,903	94,229
		<u>188,510,512</u>	<u>168,170,292</u>
Financial Liabilities			
Short-term loans	(Note 6)	277,473	371,107
Accounts payable	(Note 7)	7,534,004	6,294,470
Other liabilities	(Note 8)	4,433,281	4,529,854
Unfunded liabilities	(Note 9)	15,088,181	12,797,451
Deferred revenue	(Note 10)	30,321,851	22,453,326
Long-term debt	(Note 11)	95,489,278	84,448,850
		<u>153,144,068</u>	<u>130,895,058</u>
Net Financial Assets		<u>\$ 35,366,444</u>	<u>\$ 37,275,234</u>
Non-financial Assets			
Tangible capital assets	(Note 13)	211,111,824	198,227,258
Prepaid expenses		1,896,230	1,414,768
Inventories		47,831	43,399
		<u>213,055,885</u>	<u>199,685,425</u>
Accumulated Surplus	(Note 14)	<u>\$ 248,422,329</u>	<u>\$ 236,960,659</u>

Contingent Liabilities (Note 21)

APPROVED:



W. Idema, CPA, CGA
Director of Finance

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Budget</u> (Note 17)	<u>2017</u>	<u>2016</u>
Revenue			
Property taxes	\$ 48,026,015	\$ 48,026,015	\$ 45,498,181
Operating revenues	22,075,578	24,712,090	22,975,645
Grant revenues	12,491,811	9,287,684	15,735,117
Developer contributions	4,718,595	2,535,951	3,162,137
Other	2,127,254	1,186,434	918,080
Interest on investments	150,000	877,722	924,812
Grants in lieu of taxes	149,290	197,398	319,413
MFA debt surplus refunds	-	-	5,118
	<u>89,738,543</u>	<u>86,823,294</u>	<u>89,538,503</u>
Expenses			
General Government	3,216,261	3,761,080	2,734,694
Strategic & Community Development	4,118,439	3,304,814	3,481,604
Wastewater & Solid Waste Management	21,239,544	26,217,493	22,796,558
Water, Sewer & Street lighting	4,780,476	5,566,153	5,484,414
Public Transportation	20,729,762	19,601,485	19,218,611
Protective Services	4,855,364	5,471,779	4,708,898
Parks, Recreation & Culture	10,639,435	11,438,820	10,639,364
	<u>69,579,281</u>	<u>75,361,624</u>	<u>69,064,143</u>
Surplus for the year	\$ 20,159,262	\$ 11,461,670	\$ 20,474,360
Accumulated surplus, Beginning of the year	236,960,659	236,960,659	216,486,299
Accumulated surplus, End of the year (Note 14)	\$ 257,119,921	\$ 248,422,329	\$ 236,960,659

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Budget</u> (Note 17)	<u>2017</u>	<u>2016</u>
Surplus for the year	\$ 20,159,262	\$ 11,461,670	\$ 20,474,360
Acquisition of tangible capital assets	(65,901,871)	(20,700,693)	(27,275,629)
Amortization of tangible capital assets	-	7,216,168	6,846,859
Proceeds on disposal of tangible capital assets	-	444,701	413,977
Loss (Gain) on disposal of tangible capital assets	-	155,258	(43,204)
Change in prepaid expenses	-	(481,462)	(553,338)
Change in inventories	-	(4,432)	(2,632)
Increase (decrease) in Net Financial Assets	(45,742,609)	(1,908,790)	(139,607)
Net Financial Assets, Beginning of the year	37,275,234	37,275,234	37,414,841
Net Financial Assets, End of the year (Pg. 3)	<u>\$ (8,467,375)</u>	<u>\$ 35,366,444</u>	<u>\$ 37,275,234</u>

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>2017</u>	<u>2016</u>
Operating Transactions		
Surplus for the year	\$ 11,461,670	\$ 20,474,360
Non-cash items included in surplus		
Amortization of tangible capital assets	7,216,168	6,846,859
Contributed tangible capital assets	(2,266,000)	(1,867,000)
Loss (Gain) on disposal of tangible capital assets	155,258	(43,204)
Debt actuarial adjustments	(347,372)	(310,997)
Change in non-cash working capital balances related to operations		
Increase in accounts receivable	(2,779,902)	(1,090,735)
Increase in other assets	(485,674)	(71,090)
Increase in accounts payable	1,239,534	264,462
Increase in deferred revenues	7,868,525	2,076,935
(Decrease) Increase in other liabilities	(96,573)	107,535
Increase in prepaid expenses	(481,462)	(553,338)
Increase in inventory	(4,432)	(2,632)
Increase in unfunded liabilities	2,290,730	230,538
Cash provided by operating transactions	<u>23,770,470</u>	26,061,693
Capital Transactions		
Acquisition of tangible capital assets	(18,434,693)	(25,408,629)
Proceeds on disposal of tangible capital assets	444,701	413,977
Cash used in capital transactions	<u>(17,989,992)</u>	(24,994,652)
Investment Transactions		
Cash provided by (used in) investment transactions	<u>(2,633,826)</u>	(5,426,474)
Financing Transactions		
Short and long term debt issued	16,779,875	6,309,389
Decrease in capital lease obligation	-	(211,229)
Repayment of short and long-term debt	(1,172,801)	(899,990)
Cash provided by financing transactions	<u>15,607,074</u>	5,198,170
Net change in cash and short-term deposits	18,753,726	838,737
Cash and short-term deposits, Beginning of the year	<u>65,426,660</u>	<u>64,587,923</u>
Cash and short-term deposits, End of the year (Pg. 3)	(Note 2) <u>\$ 84,180,386</u>	<u>\$ 65,426,660</u>

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017

The Regional District was incorporated in 1967 under the provisions of the British Columbia Municipal Act. Its principal activities are the provision of district wide local government services to the residents of seven electoral areas and four municipalities within its boundaries. These services include general government administration, bylaw enforcement, planning and development services, building inspection, fire protection and emergency response planning, public transportation, parks and recreation, water supply and sewage collection, wastewater disposal, solid waste collection and disposal, and street lighting.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Principles of Consolidation

The Regional District follows Canadian public sector accounting standards issued by the Public Sector Accounting Board (PSAB) of CPA Canada.

Consolidated financial statements have been prepared in accordance with the recommendations of the Public Sector Accounting Board (PSAB). The consolidated financial statements include the activities related to all funds belonging to the one economic entity of the Regional District. In accordance with those standards, inter-departmental and inter-fund transactions have been removed to ensure financial activities are recorded on a gross basis. The consolidated financial statements have been prepared on a going concern basis.

The consolidated financial statements include the Regional District of Nanaimo's proportionate share of the Arrowsmith Water Service (a joint venture agreement with the City of Parksville and Town of Qualicum Beach) and the Englishman River Water Service (a joint venture agreement with the City of Parksville). The Regional District's share of the joint ventures is accounted for on a proportionate basis as follows:

Arrowsmith Water Service	22.4%
Englishman River Water Service	26.0%

Any inter-entity transactions are eliminated on consolidation.

(b) Short-term deposits

Short-term deposits are carried at the lower of cost and market value.

(c) Long-term investments

Long-term investments are carried at cost less any amortized premium. It is the intention of the Regional District to hold these instruments to maturity. Any premium has been amortized on a straight-line basis using the earlier of the date of maturity or call date.

(d) Non-Financial Assets

i. Tangible capital assets

Tangible capital assets are physical assets that are to be used on a continuing basis, are not for sale in the ordinary course of operations and have useful economic lives extending beyond a single year. Section 3150 of Public Sector Accounting Handbook requires governments to record and amortize the assets over their estimated useful lives. Tangible capital assets are reported at historical cost and include assets financed through operating budgets, short-term and long-term debt, and leases. Tangible capital assets, when acquired, are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Tangible capital asset cost less any estimated residual value is amortized on a straight-line basis over estimated useful lives as follows:

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Asset Category	Useful Life Range (years)
Land	n/a
Land Improvements	15 - 50
Building	20 - 50
Equipment, Furniture & Vehicles	5 - 20
Engineering Structures	
Water	25 - 75
Sewer	45 - 75
Wastewater	30 - 75
Solid Waste	20 - 50
Transportation	20 - 50

In the year of acquisition and in the year of disposal, amortization is recorded as half of the annual expense for that year. Assets under construction are not amortized until the asset is available for productive use.

ii. Contributions of tangible capital assets

Tangible capital assets received as contributions (examples are parklands as a result of subdivision, donated land and infrastructure built by property developers which is transferred to the Regional District) are recorded as assets and revenues at their fair value at the date of receipt.

iii. Inventories

Inventories held for consumption are recorded at the lower of cost and replacement cost.

(e) Debt servicing cost

Interest is recorded on an accrual basis.

(f) Financial Instruments

Financial instruments consist of cash and short-term deposits, accounts receivable, investments, other jurisdictions debt receivable, short-term loans, accounts payable, other liabilities and long-term debt. Unless otherwise noted, it is management's opinion that the Regional District is not exposed to significant interest, currency or credit risk arising from these financial instruments.

**REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Revenue recognition

Revenues are recorded on an accrual basis and are recognized in the period in which they are earned.

Property tax revenues and grants in lieu are recognized as revenue when levied. Operating revenues such as user fees, tipping fees, garbage, and recycling collection fees are recognized when charged to the customer, when amounts are measurable and when collectability is reasonably assured. Interest on investments is recorded when earned on an accrual basis. Developer contributions are recorded as deferred revenues when received and recognized as revenue in the year in which the associated expenses are incurred. Donations of tangible assets are recognized as revenue on the date of receipt. Other revenues are recognized as revenue when amounts can be reasonably estimated and collectability is reasonably assured.

The Regional District 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 Regional District recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

(h) Expense recognition

Operating expenses are recorded on an accrual basis.

Estimates of employee future benefits are recorded as expenses in the year they are earned. Landfill closure and post closure costs are recognized as costs as landfill capacity is used.

(i) Contingent liabilities

Contingent liabilities are recognized in accordance with PS 3300, which requires that an estimate be recorded when it is likely that a future event will confirm that a liability has been incurred by the financial statement date and that the amount can be reasonably estimated.

(j) Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Significant areas requiring management estimates are the determination of employee retirement benefits, landfill closure and post closure liabilities, likelihood of collection of accounts receivable, useful lives of tangible capital assets and provisions for contingencies. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the Regional District is responsible for. Actual results may vary from those estimates and adjustments will be reported in operations as they become known. Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provisions recognized.

**REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) 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 Regional District 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, 2017.

At each financial reporting date, the Regional District reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Regional District 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.

(l) Recent accounting pronouncements

PS 2200 Related Party Disclosures

In March 2015, as part of the CPA Canada Public Sector Accounting Handbook Revisions Release No. 42, the Public Sector Accounting Board (PSAB) issued a new standard, PS 2200 Related Party Disclosures.

This new Section defines related party and established disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

This section is effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted.

The Regional District does not expect application of the new Standard to have a material effect on the consolidated financial statements.

PS 3210 Assets

In June 2015, new PS 3210 Assets was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section provides guidance for applying the definition of assets set out in PS 1000 Financial Statement Concepts. The main features of this standard are as follows:

Assets are defined as economic resources controlled by a government as a result of past transactions or events and from which future economic benefits are expected to be obtained.

Economic resources can arise from such events as agreements, contracts, other government's legislation, the government's own legislation, and voluntary contributions.

The public is often the beneficiary of goods and services provided by a public sector entity. Such assets benefit public sector entities as they assist in achieving the entity's primary objective of providing public goods and services.

A public sector entity's ability to regulate an economic resource does not, in and of itself, constitute control of an asset if the interest extends only to the regulatory use of the economic resource and does not include the ability to control access to future economic benefits.

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A public sector entity acting as a trustee on behalf of beneficiaries specified in an agreement or statute is merely administering the assets, and does not control the assets, as future economic benefits flow to the beneficiaries.

An economic resource may meet the definition of an asset, but would not be recognized if there is no appropriate basis for measurement and a reasonable estimate cannot be made, or if another Handbook Section prohibits its recognition. Information about assets not recognized should be disclosed in the notes.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

The Regional District does not expect application of the new Standard to have a material effect on the consolidated financial statements.

PS 3320 Contingent Assets

In June 2015, new PS 3320 Contingent Assets was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section establishes disclosure standards on contingent assets. The main features of this Standard are as follows:

Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the public sector entity's control occurs or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset.

Passing legislation that has retroactive application after the financial statement date cannot create an existing condition or situation at the financial statement date.

Elected or public sector entity officials announcing public sector entity intentions after the financial statement date cannot create an existing condition or situation at the financial statement date.

Disclosures should include existence, nature, and extent of contingent assets, as well as the reasons for any non-disclosure of extent, and the basis for any estimates of extent made.

When a reasonable estimate can be made, disclosure should include a best estimate and a range of possible amounts (or a narrower range of more likely amounts), unless such a disclosure would have an adverse impact on the outcome.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The Regional District does not expect application of the new Standard to have a material effect on the consolidated financial statements.

PS 3380 Contractual Rights

In June 2015, new PS 3380 Contractual Rights was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). This new Section establishes disclosure standards on contractual rights and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Standard are as follows:

Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.

Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.

Disclosures should include descriptions about nature, extent, and timing.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

The Regional District does not expect application of the new Standard to have a material effect on the consolidated financial statements.

PS 3430 Restructuring Transactions

In June 2015, new PS 3430 Restructuring Transactions was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section establishes disclosure standards on restructuring transactions. The main features of this Standard are as follows:

A restructuring transaction is defined separately from an acquisition. The key distinction between the two is the absence of an exchange of consideration in a restructuring transaction.

A restructuring transaction is defined as a transfer of an integrated set of assets and/or liabilities, together with related program or operating responsibilities that does not involve an exchange of consideration.

Individual assets and liabilities transferred in a restructuring transaction are derecognized by the transferor at their carrying amount and recognized by the recipient at their carrying amount with applicable adjustments.

The increase in net assets or net liabilities resulting from recognition and derecognition of individual assets and liabilities received from all transferors, and transferred to all recipients in a restructuring transaction, is recognized as revenue or as an expense.

Restructuring-related costs are recognized as expenses when incurred.

Individual assets and liabilities received in a restructuring transaction are initially classified based on the accounting policies and circumstances of the recipient at the restructuring date.

The financial position and results of operations prior to the restructuring date are not restated.

Disclosure of information about the transferred assets, liabilities and related operations prior to the restructuring date by the recipient is encouraged but not required.

The Section is effective for new restructuring transactions that occur in fiscal periods beginning on or after April 1, 2018. Earlier application is encouraged.

The Regional District does not expect application of the new Standard to have a material effect on the consolidated financial statements.

**REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PS 3420 Inter-entity Transactions

In March 2015, the Public Sector Accounting Board (PSAB) issued new PS 3420 *Inter-entity Transactions*.

The new Section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

The main features of the new Section are:

- i. Under a policy of cost allocation, revenues and expenses are recognized on a gross basis.
- ii. Transactions are measured at the carrying amount, except in specific circumstances.
- iii. A recipient may choose to recognize unallocated costs for the provision of goods and services and measure them at the carrying amount, fair value or other amount dictated by policy, accountability structure or budget practice.
- iv. The transfer of an asset or liability for nominal or no consideration is measured by the provider at the carrying amount and by the recipient at the carrying amount or fair value.
- v. Inter-entity transactions are considered in conjunction with PS 2200 *Related Party Disclosures*.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

2. CASH AND SHORT-TERM DEPOSITS

In 2017, all cash and short-term deposits were held by the General Revenue Fund including \$37,468,755 held by the Municipal Finance Authority. Interest income has been allocated to restricted receipt accounts (development cost charges), reserve accounts/funds and unexpended loan proceeds for capital projects based on the relative equity.

3. ACCOUNTS RECEIVABLE

	<u>2017</u>	<u>2016</u>
Province of British Columbia	\$ 122,750	\$ 10,917
Government of Canada	680,614	480,916
Regional and local governments	654,769	299,688
Gas Tax Revenue Transfer program	-	1,966,894
Clean Water/ Wastewater Revenue Transfer Program	482,502	-
BC Transit Annual Operating Agreement	1,001,008	1,049,568
Accrued investment interest	240,029	92,658
Solid Waste commercial accounts	897,589	559,942
Utility services customers	409,862	431,533
Developer DCC instalments	199,804	183,967
Developer DCC contributions - Bowser Sewer Project	2,634,912	-
Other trade receivables	1,601,866	1,069,719
	<u>\$ 8,925,705</u>	<u>\$ 6,145,802</u>

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017

4. INVESTMENTS

	<u>2017</u>	<u>2016</u>
Investments at cost less amortized premium	\$ <u>34,193,566</u>	\$ <u>31,559,740</u>

As at December 31, 2017, the following investments were held by the Regional District:

Investment	Amortized Purchase Price	Accrued Interest	Total Book Value	Market Value at December 31, 2017
BNS 2.05% deposit note	\$ 5,076,500	\$ 7,128	\$ 5,083,628	\$ 5,076,500
TD 1.78% deposit note	5,000,000	38,282	5,038,282	5,038,282
CCCU 2.05% deposit note	3,105,295	7,606	3,112,901	3,105,295
BMO 3.30% coupon note	3,000,000	13,678	3,013,678	2,982,928
CCAP 1.50% deposit note	2,966,649	44,546	3,011,195	2,966,649
BMO 1.50% extendible note	2,802,000	8,107	2,810,107	2,810,107
BMO 1.60% extendible note	2,050,000	6,380	2,056,380	2,000,749
BMO 2.00% extendible note	2,000,000	1,767	2,001,767	1,937,241
TD 2.00% extendible note	2,000,000	15,233	2,015,233	2,016,019
BMO 2.10% extendible note	1,515,000	6,724	1,521,724	1,513,566
TD 2.00% extendible note	1,500,000	7,069	1,507,069	1,509,543
CCAP 2.20% deposit note	995,000	6,057	1,001,057	995,000
CCAP 2.20% deposit note	995,000	5,817	1,000,817	995,000
CCAP 2.20% deposit note	995,000	5,577	1,000,577	995,000
TD 1.00% deposit note	193,122	-	193,122	193,122
	<u>\$ 34,193,566</u>	<u>\$ 173,971</u>	<u>\$ 34,367,537</u>	<u>\$ 34,135,002</u>

5. OTHER ASSETS

	<u>2017</u>	<u>2016</u>
Security deposits for building or development permit applications	\$ <u>579,903</u>	\$ <u>94,229</u>

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017

6. SHORT-TERM LOANS

During 2017, the Regional District entered into one additional short-term loan agreement totalling \$75,000 with the Municipal Finance Authority. In 2017, principal payments of \$168,634 were made. The maturity dates of the loans range between 1 to 5 years. The interest rates for these loans are variable, which at December 31 was 1.94%.

	<u>2017</u>	<u>2016</u>
Compactor	\$ 43,121	\$ 168,917
Land - Community Parks EA B	150,400	188,000
Trailer and Kubota	8,952	14,190
Land - Community Parks EA F	75,000	-
	<u>\$ 277,473</u>	<u>\$ 371,107</u>

Short-term loan payments for the next five years are:

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>TOTAL</u>
\$101,006	\$56,267	\$52,600	52,600	\$15,000	<u>\$277,473</u>

7. ACCOUNTS PAYABLE

	<u>2017</u>	<u>2016</u>
Payable to Federal Government	\$ 198,935	\$ 184,852
Payable to Provincial Government	785,638	649,643
Payable to other local governments	1,119,919	344,667
Trade and other payables	5,429,512	5,115,308
	<u>\$ 7,534,004</u>	<u>\$ 6,294,470</u>

8. OTHER LIABILITIES

	<u>2017</u>	<u>2016</u>
Wages and benefits payable	\$ 1,711,006	\$ 1,415,977
Retirement benefits payable - see note 9(a) i	2,243,138	2,429,167
Other benefits payable	-	281,437
Permit deposits	479,137	403,273
	<u>\$ 4,433,281</u>	<u>\$ 4,529,854</u>

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017

9. UNFUNDED LIABILITIES

Unfunded liabilities represent the estimated amount of cumulative future expenses required to meet obligations which result from current operations. These liabilities are related to contractual employment obligations and landfill operations which are governed by Provincial statute. Special reserves which have been set aside to meet those obligations are described below.

(a) Employee Benefits

- i. Retirement Benefits - The Regional District provides vested sick leave benefits to its employees who retire where they can qualify for a one time payout of up to 60 days of their accumulated unused sick leave. The amount recorded for these benefits is based on an actuarial evaluation done by an independent firm using a projected benefit actuarial valuation method prorated on service. The actuarial valuation was calculated at December 31, 2017.

The accrued post-employment benefits are as follows:

	<u>2017</u>	<u>2016</u>
Balance, beginning of year	\$ 1,777,474	\$ 1,789,202
Current service costs	149,400	146,529
Benefits paid	(156,899)	(181,278)
Interest cost	54,096	50,889
Amortization of Net Actuarial Loss/ (Gain)	(26,222)	(27,868)
Balance, end of year	<u>\$ 1,797,849</u>	<u>\$ 1,777,474</u>

The significant actuarial assumptions adopted in measuring the Regional District's post-employment benefits are as follows:

	<u>2017</u>	<u>2016</u>
Discount Rate	2.90%	3.30%
Expected Inflation Rate and Wage & Salary Increases	2.50%	2.50%

	<u>2017</u>	<u>2016</u>
Retirement benefits payable - balance reported in Note 8	\$ 2,243,138	\$ 2,429,167
Consolidation adjustment for actuarial valuation	(445,289)	(651,693)
Accrued benefit balance, end of year	<u>\$ 1,797,849</u>	<u>\$ 1,777,474</u>

- ii. Other – Includes vacation pay adjustments and statutory and other benefits provided for in the collective agreement and which are paid in the normal course of business in the following year. The vacation pay liability at December 31, 2017 is \$109,294 (2016, \$112,303). The statutory benefits liability at December 31, 2017 is \$144,842 (2016, \$145,318).

(b) Landfill Closure and Post Closure Maintenance Costs

In accordance with PS 3270, liabilities with respect to permanently closing and monitoring a landfill are incurred as landfill capacity is used. Landfill Closure costs include placing a permanent cover over the face of the landfill. Post Closure Maintenance costs include landfill gas monitoring, leachate collection system operation and general site maintenance for a period of 200 years after the landfill is permanently closed.

**REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017**

9. UNFUNDED LIABILITIES (CONTINUED)

i. Landfill Closure costs - are estimated based on the open area of the remaining unused capacity of the landfill site. In 2009, a revised design and operations plan was approved for the landfill which provides additional airspace for future needs. This plan extended the estimated life of the landfill to 2030 which has since been updated to 2036 based on most recent usage data. The plan includes remediation and reuse of previously filled areas as well as extending perimeter berms for the development of new airspace.

At December 31, 2017, there were approximately 1,617,463 cubic meters of airspace available for waste and daily cover. Landfill Closure costs are estimated at \$9,677,527 (2016, \$8,721,122). As at December 31, 2017, \$1,843,650 (2016, \$1,775,783) has been set aside in reserves for this purpose. The balance of Landfill Closure costs are expected to be funded by a combination of future reserve account contributions, operating budgets and/or borrowing.

ii. Post Closure Maintenance costs – are costs estimated to manage the closed landfill for a statutory period of 200 years (increased from 25 years in 2015). Post Closure Maintenance costs are estimated using a number of factors including the percentage of landfill capacity already filled, the probable closure date, the regulated monitoring period, the estimated annual maintenance costs and a present value discount rate which is the difference between the long-term MFA borrowing rate and the 5 year average Consumer Price Index. The current estimate for annual Post Closure Maintenance costs are \$575,000 for year 1-5; \$475,000 for year 6-10; \$275,000 for year 11-25; and \$100,000 for year 26-200. Total Post Closure Maintenance costs are estimated to be \$5,601,807 (2016, \$4,470,400) based on 66% of the total landfill capacity being filled at this date, a 19 year lifespan to 2036, final closure in 2037, and a discount rate of 1.67%. Post Closure Maintenance costs are expected to be funded by annual budget appropriations in the years in which they are incurred.

<u>Unfunded Liability Balances</u>	<u>2017</u>	<u>2016</u>
Employee Retirement Benefits	\$ (445,289)	\$ (651,693)
Employee Other Benefits	\$254,136	\$257,622
Landfill Closure Costs	9,677,527	8,721,122
Post Closure Maintenance Costs	5,601,807	4,470,400
Unfunded Liability	<u>\$ 15,088,181</u>	<u>\$ 12,797,451</u>
Reserves On Hand	<u>\$ 1,843,676</u>	<u>\$ 1,494,261</u>

10. DEFERRED REVENUE

	<u>2017</u>	<u>2016</u>
Parkland Cash-in-Lieu receipts	\$ 1,658,185	\$ 1,716,243
Development Cost Charges	17,424,967	12,070,854
Subtotal (Pg. 35)	<u>19,083,152</u>	<u>13,787,097</u>
Gas Tax Revenue Transfer program – Community Works Fund	8,310,258	8,097,324
Clean Water/ Wastewater Revenue Transfer program	2,414,272	-
General Revenue Fund	514,169	568,905
	<u>\$ 30,321,851</u>	<u>\$ 22,453,326</u>

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017

10. DEFERRED REVENUE (CONTINUED)

Parkland Cash-in-Lieu - are amounts collected from developers under the authority of Section 941 of the Local Government Act, where the Board has determined that cash rather than land for parkland purposes may be accepted as a condition of subdivision. These funds are held for the purpose of purchasing parkland.

Development Cost Charges - are amounts collected or payable as a result of new subdivision or building developments under the authority of Section 933 of the *Local Government Act*. The purpose of Section 933 is to collect funds for infrastructure which will be built as a result of population growth. Development Cost Charge bylaws have been enacted for the future expansion of wastewater treatment facilities, sewer, water and a bulk water system.

Community Works Fund - is a component of the federal government's "Investing in Canada Program" which was established to transfer a portion of gas tax revenues to local governments to address infrastructure deficits. Additional information on the Regional District of Nanaimo's use of the Community Works Fund grants is included in the schedule on Pg. 36.

11. LONG-TERM DEBT

Debt is recorded and payable in Canadian dollars. It is the current policy of the Municipal Finance Authority to secure debt repayable only in Canadian dollars.

Details of long-term debt, including debt issue numbers, maturity dates, interest rates and outstanding amounts, are summarized in the Schedule of Long-Term Debt on pages 29 to 32.

	<u>2017</u>	<u>2016</u>
Long-Term debt - Regional District services	\$ 34,858,326	\$ 19,504,989
Vancouver Island Regional Library	14,785,940	15,192,042
Member municipalities	45,845,012	49,751,819
Total Long-Term Debt	<u>\$ 95,489,278</u>	<u>\$ 84,448,850</u>

Payments of principal on issued debt of the Regional District, not including member municipalities, for the next five years are:

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>TOTAL</u>
\$1,975,339	\$1,932,887	\$1,928,850	\$1,928,963	\$1,860,693	<u>\$9,626,732</u>

12. OTHER JURISDICTIONS DEBT RECEIVABLE

Pursuant to the *Local Government Act*, the Regional District acts as the agency through which its member municipalities and other jurisdictions borrow funds from the Municipal Finance Authority. The annual cost of servicing this debt is recovered entirely from the borrowing jurisdiction. However, the Regional District is joint and severally liable for this debt in the event of default.

	<u>2017</u>	<u>2016</u>
Town of Qualicum Beach	\$ 3,703,491	\$ 4,166,428
City of Parksville	1,258,210	1,660,091
City of Nanaimo	40,883,311	43,925,300
Vancouver Island Regional Library	14,785,940	15,192,042
	<u>\$ 60,630,952</u>	<u>\$ 64,943,861</u>

**REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017**

13. TANGIBLE CAPITAL ASSETS

Net Book Value	<u>2017</u>	<u>2016</u>
Land	\$ 42,610,826	\$ 40,194,826
Land improvements	11,191,795	5,625,050
Buildings	31,821,555	32,623,629
Engineered structures	97,312,780	99,823,719
Equipment, furniture and vehicles	8,415,197	8,775,919
Assets under construction	19,759,671	11,184,115
	<u>\$ 211,111,824</u>	<u>\$ 198,227,258</u>

In 2017, parkland dedications valued at \$2,266,000 were accepted and recorded as contributed assets. During 2016, parkland dedications and a wharf on Gabriola Island valued at \$1,867,000 were accepted and recorded as contributed assets.

The Consolidated Schedule of Tangible Capital Assets (Pg. 28) provides details of acquisitions, disposals and amortization for the year.

14. ACCUMULATED SURPLUS

The financial operations of the Regional District are divided into three funds: capital fund, general revenue fund and reserve fund. For accounting purposes, each fund is treated as a separate entity.

General Revenue Fund – represents the accumulated operating surplus of the Regional District which has not otherwise been allocated by the Board as reserves for special purposes.

Capital Fund – represents amounts which have been expended by or returned to the General Revenue Fund or a Reserve Fund for the acquisition of tangible capital assets and includes related debt and refunds of debenture debt sinking fund surpluses.

Reserves - represents that portion of the accumulated operating surplus that has been set aside to fund future expenses. It includes both statutory reserves created by bylaw under the authority of the *Local Government Act* and reserve accounts, which may be used by the Board without legislative restrictions.

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017

14. ACCUMULATED SURPLUS (CONTINUED)

The Accumulated Surplus consists of individual fund surpluses (deficits) and reserves as follows:

	<u>2017</u>	<u>2016</u>
Surplus		
General Revenue Fund - Unappropriated Surplus	\$ 12,297,424	\$ 12,328,194
General Revenue Fund - Appropriated Surplus	3,906,208	-
General Revenue Fund - Total Operating Surplus (Note 15)	<u>16,203,632</u>	<u>12,328,194</u>
Net investment in Tangible capital assets (Note 16)	175,976,025	178,351,162
Capital Fund advances	4,779,379	(97,812)
Unfunded liabilities	<u>(15,088,181)</u>	<u>(12,797,451)</u>
	<u>181,870,855</u>	<u>177,784,093</u>
General Revenue Fund - Reserves Accounts		
Landfill closure	1,843,650	1,775,783
Property insurance deductible-fire departments	31,010	31,240
Liability insurance deductible	153,187	151,675
Regional Sustainability Initiatives	12,467	22,275
Island Corridor Foundation	-	799,000
Dashwood Fire	453	7,516
San Pareil Boundary Amendment	10,097	10,000
Regional parks and trails donations	57,921	57,174
Vehicle fleet replacement (various departments)	<u>1,007,139</u>	<u>1,097,949</u>
	<u>3,115,924</u>	<u>3,952,612</u>
Restricted Reserve Funds (Pg. 34)	63,435,550	55,223,954
Total Reserves	<u>66,551,474</u>	<u>59,176,566</u>
Accumulated Surplus (Pg. 3)	<u>\$ 248,422,329</u>	<u>\$ 236,960,659</u>

15. CONSOLIDATION ADJUSTMENTS

The figures reported in the consolidated financial statements differ from the supporting schedules due to differences in grouping and presentation as well as the elimination of inter-fund and inter-departmental transactions. The Net Operating Surplus in the General Revenue Fund Schedule of Revenue and Expenses has been adjusted as follows to conform to PSAB requirements:

	<u>2017</u>	<u>2016</u>
Net Operating Surplus (Pg. 37)	\$ 16,053,022	\$ 12,163,068
Add: Water User Fee Revenue year end accrual (billed May 2017)	150,610	165,126
Net Operating Surplus adjusted for statement presentation (Note 14)	<u>\$ 16,203,632</u>	<u>\$ 12,328,194</u>

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017

16. NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

Net investment in Tangible capital assets represents the historic cost of capital expenses less debt obligations incurred to purchase and develop the infrastructure.

	<u>2017</u>	<u>2016</u>
Tangible capital assets (Pg. 3)	\$ 211,111,824	\$ 198,227,258
Short-term loans (Pg. 3)	(277,473)	(371,107)
Long-term debt - Regional District only (Note 11)	(34,858,326)	(19,504,989)
Net investment in Tangible capital assets (Note 14)	<u>\$ 175,976,025</u>	<u>\$ 178,351,162</u>

17. BUDGET FIGURES

Budget figures represent the Financial Plan Bylaw adopted by the Board on March 28, 2017. The financial plan includes capital expenses but does not include amortization expense. The financial plan forms the basis for taxation and fees and charges rates which may be required for a particular year. The following reconciliation of the budgeted "Surplus for the year" shown on Pg. 4 is provided to show which items must be added or removed to reflect to the budgeted financial plan values which are shown compared to actual expenses on Pg. 36 (General Revenue Fund Schedule of Revenue and Expenses).

	<u>2017 Budget</u>
Budgeted Surplus for the year (Pg. 4)	\$ 20,159,262
Add:	
Transfers from reserves	31,936,392
Proceeds of borrowing	19,144,870
Prior year operating surplus	12,163,067
Less:	
Capital expenses	(65,901,871)
Prior Year consolidation adjustments	
Debt principal repayments/actuarial adjustments	
Budgeted principal payments	\$ 4,371,769
Add: Actuarial Adjustments	347,372
Less: Principal payments for member municipalities	<u>(3,187,018)</u>
Transfer to reserves	<u>(8,369,629)</u>
Consolidated Budgeted Surplus, per Regional District of Nanaimo Financial Plan Bylaw No.1755 (Pg. 37)	<u>\$ 7,599,968</u>

18. MUNICIPAL FINANCE AUTHORITY RESERVE DEPOSITS

The Regional District 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. As at December 31, 2017, the Regional District had debt reserve funds of \$535,176 (2016, \$360,247).

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017

19. NORTH ISLAND 9-1-1 CORPORATION

A 9-1-1 emergency call answering service is provided by the North Island 9-1-1 Corporation, which is owned by the Regional Districts of Comox Valley, Strathcona, Mount Waddington, Alberni Clayoquot, Nanaimo and Powell River. The shares in the corporation are owned as follows:

Alberni Clayoquot	3 shares
Comox Valley	6 shares
Strathcona	4 shares
Mount Waddington	1 share
Nanaimo	5 shares
Powell River	2 shares

The Regional District's investment in shares of the North Island 9-1-1 Corporation is recorded at cost as it does not fall under the definition of a government partnership (PS 3060.06). The Regional District's share of the corporation is equal to 23.8% and the degree of control is proportionate to the ownership share. As no benefits are expected from the ownership, it has not been accounted for as an equity investment.

20. PENSION LIABILITY

The Regional District of Nanaimo 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 contributory pension plan. Basic pension benefits are based on a formula. As at December 31, 2016, the plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 38,000 contributors from the local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the 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 valuation for the Municipal Pension Plan was at December 31, 2015, indicated a \$2.224 billion funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1.927 billion was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The Regional District of Nanaimo paid \$2,036,380 (2016, \$1,947,226) for employer contributions to the Plan in fiscal 2017.

	<u>2017</u>	<u>2016</u>
Employer Portion	\$ 2,036,380	\$ 1,947,226
Employee Portion	<u>1,782,863</u>	<u>1,701,930</u>
	<u>\$ 3,819,243</u>	<u>\$ 3,649,156</u>

21. CONTINGENT LIABILITIES

Contingent liabilities are recognized by the Regional District in accordance with PS 3300.15. As at December 31, 2017, there were outstanding claims against the Regional District, however, no liability has been accrued because amounts are undeterminable and the likelihood of the Regional District having to make payment is uncertain.

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017

22. ENVIRONMENTAL REGULATIONS

The Regional District is subject to environmental regulations which apply to a number of its operations. These regulations may require future expenses to meet applicable standards and subject the Regional District to possible penalties for violations. Amounts required to meet these obligations will be charged to operations when incurred and/or when they can be reasonably estimated.

23. EXPENSES BY OBJECT

	<u>Budget</u>	<u>2017</u>	<u>2016</u>
Operating goods and services	\$ 35,659,503	\$ 34,896,300	\$ 31,956,377
Wages and benefits	32,666,102	29,704,749	29,012,116
Debt interest	1,253,676	1,253,676	1,018,253
Amortization expense	-	7,216,168	6,846,859
Unfunded expenditures (Note 9)	-	2,290,731	230,538
Total Expenditures by Object	\$ <u>69,579,281</u>	\$ <u>75,361,624</u>	\$ <u>69,064,143</u>

24. ARROWSMITH WATER SERVICE AND ENGLISHMAN RIVER WATER SERVICE JOINT VENTURES

The Arrowsmith Water Service (AWS) was formed in 1996 as a joint venture between the Regional District of Nanaimo, the City of Parksville and the Town of Qualicum Beach. The AWS was established to develop a bulk water supply available to the participants in the service and to construct the Arrowsmith Dam as a first step in that development as well as to provide for protection of the fisheries habitat of the Englishman River.

The Englishman River Water Service (ERWS) is a joint venture between the City of Parksville and the Regional District of Nanaimo, formed to secure a bulk water supply from the Englishman River. This regional partnership supplements existing well supply sources owned and operated by the City of Parksville and Nanoose Bay Peninsula Water Service Area. The ERWS development plan includes a new river water supply intake, new water treatment plant and distribution system.

Financial results and budget for the joint ventures are consolidated in the Regional District of Nanaimo's financial statements proportionately based on the joint venture agreements: 22.4% of the Arrowsmith Water Service and 26% of the Englishman River Water Service.

The following table summarizes the financial statements of the two joint ventures.

	Arrowsmith Water Service 2017	Englishman River Water Service 2017
Financial assets	\$ 339,630	\$ 5,449,669
Non-financial assets	6,457,416	20,716,122
Accumulated surplus	<u>6,797,046</u>	<u>26,165,791</u>
Revenues		
Joint venturer contributions	\$ 134,767	\$ 13,624,920
Capital grant	-	6,464,168
	<u>134,767</u>	<u>20,089,088</u>
Expenses		
Operating	104,767	6,470
Annual surplus (deficit)	\$ <u>30,000</u>	\$ <u>20,082,618</u>

**REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2017**

25. CONTAMINATED SITES

At the reporting date, only one site was identified as potentially contaminated due to past industrial use at this site and on the neighbouring property; these findings remain unchanged from the December 31, 2015 year end. For this site there is insufficient information to determine whether contamination exceeding the relevant environmental standard is likely to exist, or whether remediation is required. The future cost and responsibility for remediation of this site is not currently determinable.

26. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the presentation adopted in the current year.

**REGIONAL DISTRICT OF NANAIMO
GENERAL REVENUE FUND
SCHEDULE OF REVENUE AND EXPENSES
as at December 31, 2017
(UNAUDITED)**

	Corporate Services (Schedule A)	Strategic & Community Development (Schedule B)	Regional & Community Utilities (Schedule C)	Recreation & Parks & Services (Schedule D)	Transportation & Emergency Services (Schedule E)	Actual 2017	Budget 2017	Actual 2016
REVENUES								
Tax requisition	\$ 3,938,708	\$ 2,520,650	\$ 17,978,926	\$ 10,469,799	\$ 15,186,692	\$ 50,094,775	\$ 50,094,775	\$ 47,489,129
Grants	490,057	109,992	2,050,238	990,173	5,647,224	9,287,684	6,608,044	15,735,117
Grants in Lieu	77,470	5,921	51,438	6,933	55,636	197,398	149,290	319,413
Interest	269,174	-	-	-	-	269,174	150,000	194,279
Permit fees	-	378,178	-	446,950	-	825,128	564,154	5,793,557
Operating revenues	-	1,978,476	7,211,237	1,754,583	4,613,062	15,557,358	14,391,924	14,418,694
Disposal fees	-	-	9,183,048	-	-	9,183,048	8,161,519	8,554,506
Other	11,431,909	-	14,080,737	-	2,218,351	27,730,997	76,045,172	21,445,377
	16,207,318	4,993,217	50,555,624	13,668,438	27,720,965	113,145,562	156,164,878	113,950,072
EXPENSES								
General administration	169,290	354,202	1,757,390	638,629	1,446,649	4,366,160	4,523,659	4,227,994
Professional fees	395,762	156,653	893,587	174,228	34,959	1,655,189	2,464,845	1,722,647
Community grants	730,367	-	-	-	-	730,367	787,764	65,022
Legislative	462,429	-	-	10	-	462,439	511,635	456,127
Program costs	-	344,018	148,092	599,785	-	1,091,895	1,109,238	884,761
Vehicle and Equip operating	207,630	83,571	1,836,606	153,713	4,735,005	7,016,525	7,733,120	6,939,068
Building operating	364,668	37,313	1,491,156	730,935	497,991	3,122,063	3,286,720	2,971,935
Other operating	607,128	609,066	10,170,616	931,968	3,722,439	16,041,217	17,354,348	15,149,572
Wages & benefits	4,197,736	2,447,100	7,510,367	4,478,117	11,914,539	30,547,859	32,666,102	29,012,116
Capital expenses	203,738	29,510	17,277,174	1,172,737	631,664	19,314,823	65,906,871	26,149,354
	7,338,748	4,061,433	41,084,988	8,880,122	22,983,246	84,348,537	136,344,302	87,578,596
OPERATING SURPLUS	8,868,570	931,784	9,470,636	4,788,316	4,737,719	28,797,025	19,820,576	26,371,476
Debt retirement								
- interest	3,006,908	-	678,922	406,689	168,065	4,260,584	4,725,283	4,455,182
- principal	3,187,012	-	599,209	419,201	171,390	4,376,812	4,371,768	4,785,082
Contingency	-	-	-	-	-	-	-	-
Reserve contributions	210,695	120,000	6,072,283	1,611,628	891,650	8,906,256	8,369,629	9,641,791
Transfers to other govts	2,431,027	78,842	-	2,073,473	2,780,077	7,363,419	6,916,996	7,153,132
	8,835,642	198,842	7,350,414	4,510,991	4,011,182	24,907,071	24,383,676	26,035,187
CURRENT YEAR SURPLUS (DEFICIT)	32,928	732,942	2,120,222	277,325	726,537	3,889,954	(4,563,100)	336,289
Prior year's surplus applied	1,368,962	1,313,637	4,510,067	1,725,784	3,244,618	12,163,068	12,163,068	11,826,779
NET OPERATING SURPLUS	\$ 1,401,890	\$ 2,046,579	\$ 6,630,289	\$ 2,003,109	\$ 3,971,155	\$ 16,053,022	\$ 7,599,968	\$ 12,163,068

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
LONG-TERM DEBT SUMMARY BY FUNCTION
DECEMBER 31, 2017**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
REGIONAL DISTRICT					
RAVENSONG AQUATIC CENTRE	611,532	313,224	-	-	\$ -
OCEANSIDE PLACE ARENA	4,314,003	3,954,686	3,580,996	3,192,358	2,788,175
REGIONAL PARKS	2,053,653	1,984,688	1,912,964	1,838,371	1,760,795
COMMUNITY PARKS	333,617	310,004	285,373	259,679	232,873
WASTEWATER MANAGEMENT				5,000,000	19,813,921
FIRE PROTECTION	1,656,878	4,352,441	4,160,535	4,189,644	3,994,473
SEWER SERVICES	1,915,450	1,822,604	1,956,994	1,848,406	1,735,515
WATER SUPPLY SERVICES	2,030,455	2,891,369	2,587,690	3,176,528	4,532,574
VANCOUVER ISLAND REGIONAL LIBRARY	<u>16,319,013</u>	<u>15,957,989</u>	<u>15,582,525</u>	<u>15,192,042</u>	<u>14,785,940</u>
TOTAL REGIONAL DISTRICT	29,234,601	31,587,005	30,067,078	34,697,031	49,644,266
MEMBER MUNICIPALITIES	<u>45,903,812</u>	<u>52,213,097</u>	<u>53,520,830</u>	<u>49,751,819</u>	<u>45,845,012</u>
TOTAL LONG-TERM DEBT (Pg. 3)	<u><u>75,138,413</u></u>	<u><u>83,800,102</u></u>	<u><u>83,587,908</u></u>	<u><u>84,448,850</u></u>	<u><u>\$ 95,489,278</u></u>

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF LONG-TERM DEBT
DECEMBER 31, 2017**

FUNCTION	ISSUER	FUNDS	BYLAW NUMBER	MATURITY DATE	INTEREST RATE	ORIGINAL VALUE	2017 DEBT O/S	2016 DEBT O/S
OCEANSIDE PLACE ARENA								
	MFA 97	CDN	1365	Apr 19,2023	4.830	6,470,646	2,788,175	3,192,358
	TOTAL OCEANSIDE PLACE ARENA					6,470,646	2,788,175	3,192,358
REGIONAL PARKS								
	MFA 126	CDN	1629	Sep 26,2033	3.850	2,053,653	1,760,795	1,838,371
	TOTAL REGIONAL PARKS					2,053,653	1,760,795	1,838,371
COMMUNITY PARKS ELECTORAL AREA B								
	MFA 78	CDN	1299	Dec 03, 2022	2.250	100,000	34,741	40,729
	MFA 79	CDN	1303	Jun 03, 2023	5.250	80,000	32,583	37,145
	MFA 81	CDN	1304	Apr 22, 2024	4.900	80,000	37,145	41,490
	MFA 93	CDN	1305	Apr 06, 2025	5.100	80,000	36,891	41,001
	MFA 97	CDN	1306	Apr 19, 2026	4.660	80,000	43,768	47,745
	MFA 101	CDN	1307	Apr 11, 2027	2.250	80,000	47,745	51,569
	TOTAL COMMUNITY PARKS					500,000	232,873	259,679
FIRE PROTECTION SERVICES								
MEADOWOOD FIRE								
	MFA 110	CDN	1587	Apr 08, 2030	4.500	1,773,410	1,303,033	1,378,388
NANAIMO RIVER FIRE								
	MFA 99	CDN	1488	Apr 19,2027	4.430	20,761	11,358	12,390
NANOOSE BAY FIRE								
	MFA 130	CDN	1617	Oct 14, 2034	3.000	2,790,000	2,497,528	2,598,866
COOMBS-HILLIERS FIRE								
	MFA 139	CDN	1538	Oct 5, 2026	2.100	200,000	182,554	200,000
	TOTAL FIRE PROTECTION SERVICES					4,784,171	3,994,473	4,189,644
SEWER SERVICES								
BARCLAY CRESCENT SEWER								
	MFA 102	CDN	1486	Dec 01, 2027	4.820	895,781	534,615	577,431
CEDAR SEWER								
	MFA 106	CDN	1571	Oct 13, 2029	4.130	926,180	639,592	680,521
	MFA 106	CDN	1572	Oct 13, 2029	4.130	27,200	18,784	19,986
	MFA 106	CDN	1573	Oct 13, 2029	4.130	108,800	75,134	79,942
	MFA 106	CDN	1574	Oct 13, 2029	4.130	61,200	42,263	44,967
	MFA 110	CDN	1584	Apr 08, 2030	4.500	232,286	170,675	180,545
	MFA 117	CDN	1626	Oct 12, 2031	3.250	51,620	40,122	42,231
						1,407,286	986,570	1,048,192
HAWTHORNE RISE SEWER								
	MFA 131	CDN	1696	Apr 8, 2035	2.200	173,300	160,829	167,172
REID ROAD SEWER								
	MFA 133	CDN	1709	Oct 2, 2035	2.750	57,650	53,501	55,611
	TOTAL SEWER SERVICES					\$ 2,534,017	\$ 1,735,515	\$ 1,848,406

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF LONG-TERM DEBT
DECEMBER 31, 2017

FUNCTION	ISSUER	FUNDS	BYLAW NUMBER	MATURITY DATE	INTEREST RATE	ORIGINAL VALUE	2017 DEBT O/S	2016 DEBT O/S	
WATER - SAN PAREIL									
	MFA 81	CDN	1367	Apr 22, 2019	4.900	89,476	16,029	23,475	
	MFA 97	CDN	1395	Apr 19, 2021	4.660	40,000	13,059	16,016	
	MFA 106	CDN	1395	Oct 13, 2024	4.130	94,439	50,981	57,188	
	MFA 117	CDN	1395	Oct 12, 2026	3.250	49,056	32,806	35,786	
						<u>272,971</u>	<u>112,875</u>	<u>132,465</u>	
WATER - SAN PAREIL FIRE IMPROVEMENTS									
	MFA 127	CDN	1689	Apr 07, 2034	3.300	1,114,600	997,758	1,038,242	
						<u>1,114,600</u>	<u>997,758</u>	<u>1,038,242</u>	
WATER - DRIFTWOOD									
	MFA 80	CDN	1301	Oct 03, 2023	4.900	100,614	40,979	46,716	
						<u>100,614</u>	<u>40,979</u>	<u>46,716</u>	
WATER - MELROSE TERRACE									
	MFA 103	CDN	1539	Apr 23, 2018	4.650	14,349	1,701	3,337	
						<u>14,349</u>	<u>1,701</u>	<u>3,337</u>	
BULK WATER - FRENCH CREEK									
	MFA 69	CDN	1127	Sep 24, 2018	4.650	503,655	38,490	75,147	
						<u>503,655</u>	<u>38,490</u>	<u>75,147</u>	
BULK WATER - NANOOSE									
	MFA 69	CDN	1128	Sep 24, 2018	4.650	864,095	66,035	128,926	
	MFA 74	CDN	1226	Jun 01, 2021	5.900	2,195,223	624,621	762,639	
	MFA 80	CDN	1239	Oct 03, 2023	4.900	176,295	71,802	81,856	
	MFA 142	CDN	1242	Oct 04, 2037	3.150	168,875	168,875	-	
	MFA 142	CDN	1244	Oct 04, 2037	3.150	1,476,000	1,476,000	-	
						<u>4,880,488</u>	<u>2,407,333</u>	<u>973,421</u>	
NANOOSE BAY PENINSULA WATER									
	MFA 139	CDN	1723	Oct 05, 2036	2.100	350,000	336,975	350,000	
	MFA 139	CDN	1750	Oct 05, 2036	2.100	557,200	536,463	557,200	
						<u>907,200</u>	<u>873,438</u>	<u>907,200</u>	
WESTURNE HEIGHTS									
	MFA 142	CDN	1720	Oct 04, 2037	3.150	60,000	60,000	-	
						<u>60,000</u>	<u>60,000</u>		
	TOTAL WATER SUPPLY MANAGEMENT						<u>7,853,877</u>	<u>4,532,574</u>	<u>3,176,528</u>
WASTEWATER SERVICES									
SOUTHERN COMMUNITY WASTEWATER									
	MFA 139	CDN	1742	Oct 05, 2036	2.100	5,000,000	4,813,921	5,000,000	
	MFA 142	CDN	1762	Oct 04, 2037	3.150	15,000,000	15,000,000	-	
	TOTAL WASTEWATER MANAGEMENT						<u>20,000,000</u>	<u>19,813,921</u>	<u>5,000,000</u>
DEBT HELD FOR OTHER JURISDICTIONS									
VANCOUVER ISLAND REGIONAL LIBRARY									
	MFA 117	CDN	1634	Oct 12, 2041	3.250	8,000,000	7,053,867	7,227,411	
	MFA 126	CDN	1674	Sep 26, 2038	3.850	8,610,000	7,732,073	7,964,631	
	TOTAL - VANCOUVER ISLAND REGIONAL LIBRARY						<u>\$ 16,610,000</u>	<u>\$ 14,785,940</u>	<u>\$ 15,192,042</u>
TOTAL LONG-TERM DEBT - REGIONAL DISTRICT						<u>\$ 60,806,364</u>	<u>\$ 49,644,266</u>	<u>\$ 34,697,028</u>	

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF LONG-TERM DEBT
DECEMBER 31, 2017**

FUNCTION	ISSUER	FUNDS	BYLAW NUMBER	MATURITY DATE	INTEREST RATE	ORIGINAL VALUE	2017 DEBT O/S	2016 DEBT O/S	
CITY OF PARKSVILLE									
	MFA68	CDN	1109	Mar 24, 2018	4.650	1,200,000	91,706	179,045	
	MFA69	CDN	1129	Sep 24, 2018	4.650	1,970,000	150,550	293,932	
	MFA74	CDN	1227	Jun 01, 2021	5.900	290,000	82,516	100,748	
	MFA75	CDN	1238	Dec 01, 2021	5.690	1,050,000	298,763	364,779	
	MFA78	CDN	1283	Dec 03, 2022	2.250	765,000	265,767	311,574	
	MFA93	CDN	1420	Apr 06, 2025	5.100	800,000	368,908	410,013	
	TOTAL CITY OF PARKSVILLE						6,075,000	1,258,210	1,660,091
TOWN OF QUALICUM BEACH									
	MFA136	CDN	1729	Nov 30, 2025	2.750	4,629,364	3,703,491	4,166,428	
	TOTAL TOWN OF QUALICUM BEACH						4,629,364	3,703,491	4,166,428
CITY OF NANAIMO									
	MFA72	CDN	1197	Jun 01, 2020	6.450	4,500,000	966,732	1,261,630	
	MFA73	CDN	1219	Dec 01, 2020	6.360	4,100,000	880,801	1,149,486	
	MFA99	CDN	1489	Oct 19, 2026	4.430	15,000,000	8,206,571	8,952,209	
	MFA101	CDN	1489	Apr 11, 2027	2.250	15,000,000	8,952,209	9,669,168	
	MFA 102	CDN	1530	Dec 01, 2027	2.250	3,750,000	2,238,052	2,417,292	
	MFA 126	CDN	1688	Sep 26, 2033	3.850	13,300,000	11,403,371	11,905,777	
	MFA 127	CDN	1694	Apr 07, 2034	3.300	9,200,000	8,235,575	8,569,738	
	TOTAL CITY OF NANAIMO						64,850,000	40,883,311	43,925,300
TOTAL LONG-TERM DEBT - MEMBER MUNICIPALITIES						\$ 75,554,364	\$ 45,845,012	\$ 49,751,819	
TOTAL LONG-TERM DEBT						\$ 136,360,728	\$ 95,489,278	\$ 84,448,847	

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

This organization has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF DIRECTORS REMUNERATION & EXPENSES FOR 2017**

Area 2017 Board	Name	Remuneration				Expenses		Total 2017	Total 2016
		Taxable Payroll	Exempt Allowance	Total 2017	Total 2016	2017	2016		
H (Chairperson)	Veenhof, B.	\$ 33,977.50	\$ 16,988.75	\$ 50,966.25	\$ 50,646.79	\$ 13,956.10	\$ 13,932.88	\$ 64,922.35	\$ 64,579.67
A	McPherson, A.	\$ 20,961.47	\$ 10,480.74	\$ 31,442.21	\$ 31,721.53	\$ 12,218.83	\$ 9,236.01	\$ 43,661.04	\$ 40,957.54
B	Houle, H.	\$ 20,334.81	\$ 10,167.40	\$ 30,502.21	\$ 31,765.45	\$ 12,483.96	\$ 6,673.18	\$ 42,986.17	\$ 38,438.63
C	Young, M.	\$ 19,888.14	\$ 9,944.07	\$ 29,832.21	\$ 28,933.45	\$ 4,975.12	\$ 4,877.03	\$ 34,807.33	\$ 33,810.48
E	Rogers, B.	\$ 20,281.47	\$ 10,140.74	\$ 30,422.21	\$ 29,236.63	\$ 11,959.24	\$ 8,485.24	\$ 42,381.45	\$ 37,721.87
F	Fell, J.	\$ 18,144.01	\$ 9,072.00	\$ 27,216.01	\$ 28,520.65	\$ 11,259.27	\$ 10,828.91	\$ 38,475.28	\$ 39,349.56
G	Stanhope, J.	\$ 20,646.55	\$ 10,323.28	\$ 30,969.83	\$ 30,414.89	\$ 8,817.43	\$ 7,569.96	\$ 39,787.26	\$ 37,984.85
Lantzville	Haime, C.	\$ -	\$ -	\$ -	\$ 14,629.59	\$ -	\$ 230.67	\$ -	\$ 14,860.26
Lantzville	Colclough, B.	\$ 9,746.00	\$ 4,873.00	\$ 14,619.00	\$ 1,052.92	\$ 362.85	\$ 24.02	\$ 14,981.85	\$ 1,076.94
Nanaimo	McKay, B.	\$ 10,026.00	\$ 5,013.00	\$ 15,039.00	\$ 15,282.51	\$ 343.13	\$ 332.84	\$ 15,382.13	\$ 15,615.35
Nanaimo	Bestwick, B.	\$ 9,606.00	\$ 4,803.00	\$ 14,409.00	\$ 14,512.50	\$ 294.16	\$ 332.10	\$ 14,703.16	\$ 14,844.60
Nanaimo	Kipp, J.	\$ 9,372.67	\$ 4,686.34	\$ 14,059.01	\$ 14,262.51	\$ 237.60	\$ 295.40	\$ 14,296.61	\$ 14,557.91
Nanaimo	Hong, J.	\$ 9,699.34	\$ 4,849.67	\$ 14,549.01	\$ 14,542.50	\$ 185.10	\$ 205.84	\$ 14,734.11	\$ 14,748.34
Nanaimo	Pratt, W.	\$ 2,705.63	\$ 1,352.82	\$ 4,058.45	\$ 14,972.51	\$ 43.20	\$ 339.60	\$ 4,101.65	\$ 15,312.11
Nanaimo	Fuller, G.	\$ 6,700.37	\$ 3,350.19	\$ 10,050.56	\$ 560.00	\$ 236.07	\$ 84.59	\$ 10,286.63	\$ 644.59
Nanaimo	Thorpe, I.	\$ 9,886.00	\$ 4,943.00	\$ 14,829.00	\$ 14,592.51	\$ 209.15	\$ 49.96	\$ 15,038.15	\$ 14,642.47
Nanaimo	Yoachim, B.	\$ 9,279.34	\$ 4,639.67	\$ 13,919.01	\$ 13,702.50	\$ 410.40	\$ 415.60	\$ 14,329.41	\$ 14,118.10
Nanaimo	Brennan, D.	\$ 1,066.96	\$ 533.48	\$ 1,600.44	\$ 560.00	\$ 28.80	\$ 58.53	\$ 1,629.24	\$ 618.53
Parksville	Lefebvre, M.	\$ 9,959.34	\$ 4,979.67	\$ 14,939.01	\$ 15,462.51	\$ 891.79	\$ 1,234.14	\$ 15,830.80	\$ 16,696.65
Parksville	Oates, K.	\$ 1,440.29	\$ 720.15	\$ 2,160.44	\$ -	\$ 242.54	\$ -	\$ 2,402.98	\$ -
Qualicum Beach	Westbroek, T.	\$ 10,486.00	\$ 5,243.00	\$ 15,729.00	\$ 15,332.50	\$ 1,435.21	\$ 1,626.70	\$ 17,164.21	\$ 16,959.20
		\$ 254,207.89	\$ 127,103.97	\$ 381,311.86	\$ 380,704.45	\$ 80,589.95	\$ 66,833.20	\$ 461,901.81	\$ 447,537.65
Board Alternates									
A	Wilson, K.	\$ 373.33	\$ 186.67	\$ 560.00	\$ -	\$ 146.57	\$ -	\$ 706.57	\$ -
C	Pinker, C.	\$ -	\$ -	\$ -	\$ 640.00	\$ -	\$ 79.20	\$ -	\$ 719.20
E	Van Eynde, F.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74.97	\$ -	\$ 74.97
E	Lowe, K.	\$ 53.33	\$ 26.67	\$ 80.00	\$ 320.00	\$ 19.03	\$ 58.14	\$ 99.03	\$ 378.14
F	McLean, J.	\$ 393.33	\$ 196.67	\$ 590.00	\$ 560.00	\$ 171.04	\$ 219.57	\$ 761.04	\$ 779.57
G	Derkach, L.	\$ -	\$ -	\$ -	\$ 80.00	\$ -	\$ -	\$ -	\$ 80.00
H	Recalma, M.	\$ 106.67	\$ 53.33	\$ 160.00	\$ 80.00	\$ 51.94	\$ 52.90	\$ 211.94	\$ 132.90
Parksville	Powell, S.	\$ -	\$ -	\$ -	\$ 350.00	\$ -	\$ 108.96	\$ -	\$ 458.96
Parksville	Beil, M.	\$ 53.33	\$ 26.67	\$ 80.00	\$ -	\$ 20.57	\$ -	\$ 100.57	\$ -
Qualicum Beach	Horner, N.	\$ 320.00	\$ 160.00	\$ 480.00	\$ -	\$ 113.55	\$ -	\$ 593.55	\$ -
Qualicum Beach	Luchtmeijer, B.	\$ -	\$ -	\$ -	\$ 430.00	\$ -	\$ 108.67	\$ -	\$ 538.67
		\$ 1,299.99	\$ 650.01	\$ 1,950.00	\$ 2,460.00	\$ 522.70	\$ 702.41	\$ 2,472.70	\$ 3,162.41
	TOTAL	\$ 255,507.88	\$ 127,753.98	\$ 383,261.86	\$ 383,164.45	\$ 81,112.65	\$ 67,535.61	\$ 464,374.51	\$ 450,700.06

REPORTING OF REMUNERATION AND EXPENSES DISCLOSED UNDER SECTION 168 OF THE COMMUNITY CHARTER

<u>Elected Official</u>	<u>Title</u>	<u>Associated Business</u>	<u>Description of Expense</u>	<u>Value</u>
None to report for 2017				

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF EARNINGS, TRAVEL AND OTHER EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017**

Employee Name	Position	Earnings	Expenses	
Exempt staff				
ALEXANDER	E. RANDAL	General Manager, Regional & Community Utilities	\$ 160,985.72	\$ 2,439.27
ARMET	THOMAS W.	Manager, Building & Bylaw Services	119,208.18	480.25
BANMAN	DEAN E.	Manager, Recreation Services	119,208.18	3,282.53
BEAUCHAMP	ERICA	Superintendent, Transit Planning & Scheduling	95,619.11	6,758.81
BROWN	TYLER J.	Intergovernmental Liaison	95,329.09	617.09
CARLYLE	PHYLLIS L.	Chief Administrative Officer	226,931.30	8,327.39
CHESTNUT	MIKE J.	Superintendent, Aquatic Services	96,528.56	897.86
DEPOL	SEAN R.	Manager, Waste Water Services	128,158.72	2,973.79
DESILETS	MICHAEL J.	Project Engineer	105,181.22	380.00
DOBBS	MARK A.	Superintendent, Parks Operations & Capital Projects	98,701.40	247.47
DOLAN	KELLI J.	Manager, Human Resources	96,042.10	9,833.80
GARBUTT	GEOFFREY W.	General Manager, Strategic & Community Development	160,836.24	5,228.47
GARDINER	DOUGLAS	Fire & Rescue Service Coordinator	86,116.28	2,548.54
GARDNER	LARRY A.	Manager, Solid Waste Services	125,924.92	1,860.36
HAMILTON	JANE A.	Superintendent, Landfill Operations	98,485.76	2,990.58
HANSEN	CURTIS W.	Superintendent, Transit Operations	97,353.56	248.30
HARRISON	JOAN E.	Director, Corporate Services	139,309.28	1,967.86
HILL	JACQUELINE R.	Manager, Administrative Services	119,443.46	6,939.46
HOLM	JEREMY J.	Manager, Current Planning	122,422.16	1,040.77
IDEMA	WENDY J.	Director, Finance	142,645.72	3,112.53
KING	HANNAH L.	Superintendent, Recreation Program Services	97,874.94	478.20
LUNDMAN	IAN E.	Superintendent, Wastewater Services	100,118.45	3,884.10
MANHAS	MANVIR	Manager, Capital Accounting & Financial Reporting	119,920.47	2,527.83
MARCELLUS	JOHN W.	Superintendent, Arena Services	97,701.32	798.14
MARSHALL	DARREN L.	Manager, Transit Operations	112,995.56	3,475.22
MARSHALL	WENDY S.	Manager, Parks Services	120,903.35	2,007.12
MAUCH	R. MAURICE	Project Engineer	112,995.56	1,761.20
METCALF	EMILY J.	Human Resources Advisor	79,615.42	1,355.00
MIDGELY	CHRISTOPHER M.	Manager, Strategic Initiatives & Asset Management	119,208.18	2,547.61
MILLER	BRANDON J.	Superintendent, Fleet & Transit Service Delivery	95,553.56	3,437.99
MOODY	MICHAEL R.	Manager, Information Services	119,208.18	1,844.14
MOORE	TIFFANY A.	Manager, Accounting Services	118,704.25	2,985.05
OSBORNE	THOMAS W.	General Manager, Recreation & Parks Services	163,908.54	2,577.47
PEARCE	DANIEL A.	Director, Transportation & Emergency Services	129,715.90	5,551.48
ROUTLEDGE	BENJAMIN L.	Superintendent, Scale & Transfer Services	82,404.16	1,287.27
ST PIERRE	GERALD A.	Project Engineer	105,328.18	4,901.40
THOMPSON	PAUL D.	Manager, Long Range Planning	121,897.16	3,052.09
TRUDEAU	DENNIS M.	General Manager, Transportation & Emergency Services	131,098.12	879.47
CUPE staff				
AINGE	JEFFREY T.	Asset Management Coordinator	77,530.70	1,400.34
APPLETON	BRENT M.	Transit Mechanic	77,604.60	-
BANDURKA	GREG D.	Dispatch - HandyDART	79,631.51	-
BANNATYNE	CLAYTON D.	Chief Facility Operator (Ravensong and Oceanside)	77,267.38	609.35
BASTARACHE	CEDRIC J.	HandyDART Driver	77,715.56	-
BESSELING	LAWRENCE J.	Operator 3 - FCPC	84,116.60	2,429.76
BLOCK	PETER H.	Serviceperson Driver	80,402.50	-
BOOGAARDS	STEPHEN D.	Planner	75,440.60	1,118.86
CHOI	BYEONG TAEK	Serviceperson Driver	90,473.93	-
CRAMER	KELSEY A.	Parks Planner	76,024.88	3,328.76
DORKEN	HEATHER J.	Utilities Technician 3	80,639.07	1,742.28
EDWARDS	ANDREW C.	Serviceperson Driver	77,873.18	135.00
EISON	ROBERT P.	Chief Operator - FCPC	88,456.39	599.00

ATTACHMENT 1

FEE	STEWART J.	Serviceperson Driver	91,776.61	-
GREEN	GREIG W.	Transit Shop Staff	78,027.23	-
GUIZZETTI	KEVIN L.	Transfer Station Supervisor - Solid Waste	78,474.74	418.67
HALE	BRIAN P.	Utilities Technician 3	80,666.42	1,093.78
HILL	WILLIAM R.	Chief Operator - Equipment and Maintenance	79,395.22	-
HOGeweIDE	KEVIN J.	Serviceperson Driver	79,431.39	-
HOOVER	CRAIG M.	Senior Operator - GNPCC	83,738.65	2,462.68
HORSBURGH	SHARON	Sustainability Coordinator	83,392.19	3,378.62
JAWORSKI	LYNDON A.	Utilities Technician 2	77,392.97	4,491.17
JONES	LESLIE G.	Serviceperson Driver	81,110.64	29.95
KAIN	RANDY V.	Dispatch - HandyDART	77,580.41	-
KALLEN	TONY J.	Operator 3 - GNPCC	82,309.19	710.46
KAROD	SODI	Serviceperson Driver	76,630.86	-
KELLER	GREG B.	Senior Planner	86,426.85	1,052.23
KEMP	GLENN C.	Transit Shop/Charge Hand	75,919.26	256.00
KERMAN	CHRIS S.	Senior Operator - FCPC	85,146.10	730.15
KUZIEK	PETER A.	Serviceperson Driver	90,452.04	-
LIEW	ALEX K.	Serviceperson Driver	81,741.02	-
LOBB	JONATHAN M.	Parks Operations Coordinator	75,019.69	370.00
MACDONALD	RYAN W.	Information Services Coordinator	80,579.47	4,426.69
MACLENNAN	RICHARD H.	Chief Mechanic	81,818.34	315.00
MARKS	L. KRISTEEN	Planner	76,780.29	1,103.86
MATHESON	JANE S.	Accountant	79,690.94	2,295.04
MATTHEWS	JOHN L.	Serviceperson Driver	76,749.98	-
MCCULLOCH	ELAINE R.	Parks Planner	77,751.38	3,913.28
MICHEL	JOAN L.	Parks and Trails Coordinator	75,766.59	686.58
MOWATT	JACK F.	Serviceperson Driver	76,502.75	29.95
NIELSEN	RODNEY O.	Serviceperson Driver	75,121.52	-
NORUM	SHELLEY E.	Wastewater Coordinator	76,516.65	754.39
OMAN	TRAVIS K.	Parks Technician	75,931.75	438.80
PARKS	LARRY J.	Maintenance Operator - GNPCC	75,912.91	710.46
PHILLIPS	SHANE M.	Utilities Technician 2	79,585.49	2,627.45
PISANI	JULIE C.	Drinking Water and Watershed Protection Coordinator	76,357.26	1,274.21
POROLISEANU	FLAVIU A.	Database Systems Coordinator	76,040.13	2,604.92
POWELL	RYAN W.	Laboratory Technician - GNPCC	77,885.61	1,455.07
ROACH	JEREMY	Serviceperson Driver	75,288.10	-
SAKAI	DAVID Y.	Transit Dispatch Assistant	88,646.47	-
SCHAEFER	GERALD L.	Building Inspector Supervisor	83,397.87	500.25
SCHILE	JOY (JAMAI) M.	Senior Planner	82,718.06	3,181.31
SHORTMAN	JIM R.	Serviceperson Driver	83,234.23	-
SIMPSON	COURTNEY D.	Senior Planner	85,877.85	681.15
SINGBEIL	DONALD A.	Transit Bodyman	93,470.53	521.54
SINGBEIL	JEFFREY D.	Operator 2 - GNPCC	82,728.29	1,396.52
SKEELES	GEOFFREY C.	Transit Shop Staff	78,185.84	-
SKWARCZYNSKI	ROBERT L.	Chief Operator - GNPCC	81,794.82	2,954.13
SOPER	KAREN S.	Supervisor - Landfill	78,369.47	673.26
STEARMAN	RANDALL C.	Utilities Technician 2	76,667.49	2,552.73
STEFANIW	TREVOR M.	Transit Dispatch Assistant	85,933.48	-
SUHAN	ZACHARY R.	Operator 3 - GNPCC	80,212.50	2,451.80
VAN OSSENBRUGGEN	CHRISTOPHER J.	Regional Parks Operations Coordinator	84,063.22	603.11
WARNER	DEREK R.	Serviceperson Driver	82,221.09	29.95
WEBSTER	PARIS J.	Operator 2 - GNPCC	75,268.11	1,174.40
WELZ	DAVID A.	Chief Operator - Water Services	92,257.36	1,489.67
WICKMAN	MARTIN D.	Operator 3 - FCPC	77,024.06	1,032.23
YAMASAKI	DALE K.	Transit Dispatch	78,519.83	-
ZMURCHYK	CRAIG J.	Serviceperson Driver	79,267.79	-

Total Individual Earnings Paid over \$75,000**10,015,528.16 175,760.72****Total Summary Earnings Paid under \$75,000****15,742,666.05 179,515.88**

REGIONAL DISTRICT OF NANAIMO
STATEMENT OF SEVERANCE AGREEMENTS

There were two severance agreements under which payments commenced between the Regional District of Nanaimo and its non-unionized employees during fiscal year 2017.

These agreements represent 30 months of compensation based on the value of salary and benefits.

REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF PAYMENTS FOR SUPPLIES AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2017

Supplier	Amount
ACE COURIER SERVICES	40,333
AC TAXI LTD	28,126
ACKLANDS-GRAINGER INC	43,456
ACME SUPPLIES LTD	27,768
AECOM CANADA LIMITED	922,333
ANDREW SHERET LTD	30,798
AQUATECH WEST	56,896
ARROWSMITH COMMUNITY RECREATION ASSOCIATION	72,328
BAKER SUPPLY LTD	28,805
BALLISTIC ARTS MEDIA STUDIOS INC	29,148
BC HYDRO	1,406,427
BC TRANSIT	3,828,528
BEAVER ELECTRICAL MACHINERY LTD	189,119
BERK'S INTERTRUCK LTD	121,186
BI PURE WATER (CANADA) INC	28,233
BLACK PRESS GROUP LTD	67,032
BLUE WAVE DEVELOPMENTS LTD	35,438
BOW HORN BAY VOLUNTEER FIRE DEPARTMENT	283,355
CANADA POST CORPORATION	63,794
CAPEWELL DESIGN	33,784
CHEMTRADE CHEMICALS CANADA LTD	293,917
CINTAS	33,625
CITY OF NANAIMO	593,972
CITY OF PARKSVILLE	1,751,977
CLEARTECH INDUSTRIES INC	107,119
CMF CONSTRUCTION LTD	53,575
CMJ EQUIPMENT LTD	30,279
COAST ENVIRONMENTAL LTD	230,757
COASTAL ANIMAL CONTROL SERVICES OF BC LTD	140,515
CO-GEN MECHANICAL SERVICES LTD	355,202
COPCAN CIVIL LTD	276,485
CORIX WATER PRODUCTS LP	80,691
CRANBERRY FIRE PROTECTION DISTRICT	45,050
CULLEN DIESEL POWER LTD	57,662
DASHWOOD VOLUNTEER FIRE DEPARTMENT	445,765
DAVID STALKER EXCAVATING LTD	640,576
DBL DISPOSAL SERVICES LTD	198,609
DEBRO CONTRACTING	31,099
DELL CANADA INC	189,505
DYNAMIC SPECIALTY VEHICLES LTD	64,541
ESRI CANADA LIMITED	58,492
EPCOR WATER (WEST) INC	112,315
ERRINGTON VOLUNTEER FIRE DEPARTMENT	323,064
EXTENSION VOLUNTEER FIRE FIGHTERS ASSOCIATION	31,124
FH BLACK & COMPANY INCORPORATED	25,725
FINNING CANADA	188,342
FOOTPRINTS SECURITY PATROL INC	54,865

REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF PAYMENTS FOR SUPPLIES AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2017

Supplier	Amount
FORTIS BC	142,138
FOUR STAR WATERWORKS LTD	69,372
G & G ROOFING LTD	106,240
G3 CONSULTING LTD	75,614
GABRIOLA ISLAND CHAMBER OF COMMERCE	61,728
GABRIOLA RECREATION SOCIETY	77,394
GARDAWORLD CASH SERVICES CANADA CORPORATION	31,319
GEOADVICE ENGINEERING INC	32,869
GEOWARE INC	28,635
GRAND & TOY	71,483
GREAT WEST EQUIPMENT	155,032
GREATPACIFIC CONSULTING LTD	48,717
GREGG DISTRIBUTORS (BC) LTD	64,877
GROVER COMMUNICATIONS INC	58,454
GUILLEVIN INTERNATIONAL CO	47,942
GW SOLUTIONS INC	31,292
HABITAT SYSTEMS INCORPORATED	52,238
HACH SALES & SERVICE CANADA LTD	46,519
HARMAC PACIFIC	91,529
HARRIS COMPUTER SYSTEMS	131,508
HEROLD ENGINEERING LIMITED	64,057
HORIZON RECRUITMENT INC	27,641
HPS POWER LTD	43,639
HUB FIRE ENGINES & EQUIPMENT LTD	165,384
INDACHEM INC	111,888
INSURANCE CORPORATION OF BC	497,818
ISLAND AGGREGATES LTD	48,995
ISLAND COMMUNICATIONS LTD	27,104
ISLAND TRACTOR & SUPPLY LTD	53,516
ISLAND WESTCOAST DEVELOPMENTS LTD	382,604
JE ANDERSON & ASSOCIATES	46,199
KAL TIRE	131,775
KALICUM DRILLING LTD	27,263
KERR WOOD LEIDAL	72,169
KIVELA CONTRACTING	29,093
KNAPPETT INDUSTRIES (2006) LTD	260,706
KOERS & ASSOCIATES ENGINEERING LTD	241,390
LAIRD WHEATON GM	39,084
LEWKOWICH ENGINEERING ASSOCIATES LTD	61,864
LIQUID CAPITAL EXCHANGE CORP	25,870
MAGNUM DISPOSAL SERVICES	381,006
MARCEL EQUIPMENT LIMITED	538,000
MAXXAM ANALYTICS	58,142
MCELHANNEY CONSULTING SERVICES LTD	84,476
MCNALLY CONSTRUCTION INC	319,430
MICROSOFT CORPORATION	141,473
MID ISLAND CONSUMER SERVICES CO-OP	26,550

REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF PAYMENTS FOR SUPPLIES AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2017

Supplier	Amount
MID ISLAND FENCE PRODUCTS LTD	100,652
MILESTONE EQUIPMENT CONTRACTING INC	203,739
MINISTER OF FINANCE	536,044
MNP	32,038
MONK OFFICE	69,096
MONKEY BUSINESS GYMNASTICS	47,373
MOTION CANADA	97,036
MUNICIPAL INSURANCE ASSOCIATION OF BC	138,947
MUNICIPAL PENSION PLAN	2,039,810
NAC CONSTRUCTORS LTD	8,287,744
NAI COMMERCIAL CENTRAL VANCOUVER ISLAND LTD	383,603
NANAIMO ORGANIC WASTE LTD	1,360,170
NANAIMO TOYOTA	34,554
NEILSON-WELCH CONSULTING INC	41,062
NESSSELBECK RI CINDY	38,333
NOORT INVESTMENTS	80,429
NORTH ISLAND 911 CORP	640,241
ONO TRADING CO CANADA LTD	27,210
OPUS INTERNATIONAL CONSULTANTS (CANADA)	40,217
ORCA HEALTH & SAFETY CONSULTING INC	53,728
PACIFIC BLUE CROSS	1,639,880
PACIFIC NORTHWEST RAPTORS	130,092
PARKLAND REFINING (BC) LTD	429,015
PARKSVILLE CHRYSLER LTD	51,860
PARKSVILLE HEAVY EQUIPMENT	125,831
PETRO-CANADA	103,545
PRICE'S ALARM SYSTEMS LTD	25,572
PRINT THREE	48,554
PURE TECHNOLOGIES	220,500
RC STRATEGIES INC	57,330
RECEIVER GENERAL FOR CANADA	1,307,315
REESOR ROB	28,948
RLC ENTERPRIZE LTD	54,049
ROB MARSHALL VENTURES	56,476
ROBIE'S CONTRACTING LTD	49,261
ROCK STEADY RESTORATIONS LTD	281,809
SAINAS CONSULT INC	33,455
SCHOOL DISTRICT NO 69 (QUALICUM)	55,057
SECURIGUARD SERVICES LIMITED	96,153
SHAW CABLE	32,299
SHAW ELECTRICAL SERVICES LTD	224,189
SIMSON MAXWELL	39,746
SNC-LAVALIN INC	43,771
SOUTHERN RAILWAY OF VANCOUVER ISLAND LTD	105,440
SOUTHWESTERN FLOWTECH & ENVIRONMENTAL LTD	51,319
STANTEC CONSULTING LTD	104,069
STAR WEST PETROLEUM LTD	54,628

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF PAYMENTS FOR SUPPLIES AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2017**

Supplier	Amount
STEWART MCDANNOLD STUART	204,189
STEWART MCDANNOLD STUART - IN TRUST	694,963
STRAIN LANDSCAPES	128,351
SYLVIS ENVIRONMENTAL SERVICES INC	397,240
TELUS COMMUNICATIONS	199,693
TELUS MOBILITY	66,258
TELUS SERVICES INC	79,313
THE COMMUNICATION CONNECTION INC	26,380
THE PUBLIC SECTOR DIGEST INC	29,542
TOMKO SPORTS SYSTEMS INC	25,686
TOWN OF QUALICUM BEACH	278,028
TRANE CANADA	45,612
TREE ISLAND INDUSTRIES LTD	84,730
TRINEX INTERNET SOLUTIONS INC	101,948
UNIVAR CANADA LTD	70,389
UPSTREAM CONSULTING BC	37,103
URBAN SYSTEMS LTD	80,850
VADIM COMPUTER MANAGEMENT GROUP	41,575
VANCOUVER ISLAND UNIVERSITY	70,842
VWR INTERNATIONAL CO	47,542
WACOR HOLDINGS LTD	868,552
WASTE CONNECTIONS OF CANADA INC	2,960,362
WATERHOUSE ENVIRONMENTAL SERVICES CORPORATION	177,261
WATERLINE RESOURCES INC	33,790
WEST BRIDGE CORPORATION	89,300
WESTBURNE WEST	37,081
WESTCOAST INDUSTRIAL VALVES AND PUMPS	42,375
WESTERN FINANCIAL GROUP	76,808
WESTERRA EQUIPMENT LP	99,388
WESTLUND	29,740
WILLIS CANADA INC	242,925
WOODGROVE CHRYSLER	34,381
WORKSAFEBC	620,790
XCG CONSULTANTS LTD	95,182
TOTAL SUPPLIERS PAID OVER \$25,000	46,904,136
TOTAL SUPPLIERS PAID UNDER \$25,000	4,302,702
TOTAL ALL SUPPLIERS PAID	51,206,837

The Regional District prepares its records using generally accepted accounting principles. This will result in differences between amounts recorded as an expense in the financial statements and the amount paid to a vendor in the year. The amounts reported here represent actual cash outlays in 2017 - some of which relate to goods or services received and recorded in 2016.

REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF COMMUNITY GRANTS AND CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2017

(these amounts are not included in Total Paid to Suppliers)

ARROWSMITH COMMUNITY RECREATION ASSOCIATION	3,394
ARROWSMITH SEARCH & RESCUE SOCIETY	10,000
BALLENAS SECONDARY SCHOOL	3,500
BARD TO BROADWAY THEATRE SOCIETY	1,660
BOW HORNE BAY COMMUNITY CLUB	2,400
BOWSER ELEMENTARY SCHOOL PAC	1,000
BOWSER SENIOR HOUSING SOCIETY	1,500
CENTRAL VANCOUVER ISLAND JOB OPPORTUNITIES	10,000
CITY OF PARKSVILLE	659,000
COASTAL INVASIVE PLANT SPECIES COMMITTEE	16,500
CORCAN MEADOWOOD RESIDENTS ASSOCIATION	2,650
DISTRICT 69 FAMILY RESOURCE ASSOCIATION	2,700
ECHO PLAYERS THEATRE GROUP	5,000
ERRINGTON CO-OP PRESCHOOL	1,000
ERRINGTON ELEMENTARY SCHOOL	1,000
ERRINGTON WAR MEMORIAL HALL ASSOCIATION	950
GABRIOLA COMMUNITY BUS FOUNDATION	130,200
GABRIOLA ISLAND AGRICULTURAL ASSOCIATION	1,000
GABRIOLA ISLAND COMMUNITY HALL ASSOCIATION	17,365
GABRIOLA ISLAND GOLF CLUB	26,030
GABRIOLA ISLAND RECYCLING ORGANIZATION	31,325
GABRIOLA SENIOR CITIZEN'S ASSOCIATION	10,000
INCLUSION PARKSVILLE SOCIETY	3,000
ISLAND ROOTS MARKET CO-OPERATIVE	25,000
JOHN HOWARD SOCIETY	5,000
LADIES AUXILIARY TO ROYAL CANADIAN LEGION	8,148
LADYSMITH VICTIM SERVICES	1,000
LIGHTHOUSE COMMUNITY CENTRE SOCIETY	25,144
LIGHTHOUSE COUNTRY MARINE RESCUE SOCIETY	5,000
MOUNT ARROWSMITH BIOSPHERE REGION- VIU	3,000
MUDGE ISLAND CITIZENS SOCIETY	3,697
NANAIMO ABORIGINAL CENTRE	10,000
NANAIMO AND AREA LAND TRUST	30,000
NANAIMO MARINE RESCUE SOCIETY	17,500
NANAIMO RCMP VICTIM SERVICES PROGRAM	10,000
NANAIMO SEARCH & RESCUE SOCIETY	5,975
NANOOSE BAY ACTIVITIES AND RECREATION SOCIETY	110,763
NANOOSE FIRST NATION	1,200
OCEANSIDE BUILDING LEARNING TOGETHER SOCIETY	1,709
OCEANSIDE COMMUNITY ARTS COUNCIL	2,435

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF COMMUNITY GRANTS AND CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2017**

(these amounts are not included in Total Paid to Suppliers)

OCEANSIDE COMMUNITY SAFETY VOLUNTEERS	65,420
OCEANSIDE ELEMENTARY SCHOOL PAC	20,000
OCEANSIDE HOSPICE SOCIETY	4,832
OCEANSIDE KIDFEST SOCIETY	1,300
OCEANSIDE MINOR SOFTBALL ASSOCIATION	2,500
OCEANSIDE VOLUNTEER ASSOCIATION	200
PARKSVILLE INDOOR SLOW PITCH LEAGUE	1,100
PARKSVILLE LIONS CLUB	1,000
PARKSVILLE OCEANSIDE PICKLEBALL SOCIETY	1,000
QUALICUM BEACH CHAMBER OF COMMERCE	5,000
QUALICUM BEACH COMMUNITY EDUCATION & WELLNESS SOCIETY	1,250
QUALICUM BEACH ELEMENTARY SCHOOL PAC	2,500
QUALICUM FIRST NATION	1,250
QUALICUM WOODS RESIDENTS ASSOCIATION	375
RAVENSONG AQUATIC CLUB	1,000
ROYAL CANADIAN LEGION-BRANCH 211	800
ROYAL CANADIAN LEGION-BRANCH 76	1,600
SCHOOL DISTRICT 69	2,000
SNUNEYMUXW FIRST NATION	301,160
THE GABRIOLA ISLAND HISTORICAL & MUSEUM SOCIETY	12,000
THE PORT THEATRE SOCIETY	71,932
THE WHALERS FOOTBALL SUPPORT SOCIETY	2,000
TOWN OF QUALICUM BEACH	6,500
TULNUXW LELUM BOWSER CULTURAL LEARNING SPACE	4,422
VAN ISLE WALKING SOCCER	1,000
VANCOUVER ISLAND NORTH FILM COMMISSION	5,000
YELLOW POINT DRAMA GROUP	4,800
TOTAL COMMUNITY GRANTS AND CONTRIBUTIONS	<u>\$ 1,728,685</u>

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF DEVELOPMENT COST CHARGES
RESERVE FUND BALANCES AS AT DEC 31, 2017**

	Northern Wastewater DCCs (1)	Southern Wastewater DCCs (2)	Bulk Water DCCs (3)	Sewer DCCs (4)	Total 2017
ACTIVITY:					
Balance, Beginning of the year	7,584,712	3,341,711	768,477	375,954	12,070,854
Add:					
Contribution by developers & others	1,390,489	1,221,589	2,346	2,641,319	5,255,743
Interest earned	79,059	37,014	7,658	3,772	127,503
Less:					
Parkland purchases					
Transfer DCCs to Revenue Fund	(11,760)	(15,027)	(2,346)	-	(29,133)
BALANCE, End of the year	<u>\$ 9,042,500</u>	<u>\$ 4,585,287</u>	<u>\$ 776,135</u>	<u>\$ 3,021,045</u>	<u>\$ 17,424,967</u>

- (1) Northern Wastewater DCC collection areas include the City of Parksville, Town of Qualicum Beach, portions of Electoral Area G and portions of Electoral Area E.
- (2) Southern Wastewater DCC collection areas include the City of Nanaimo and the District of Lantzville.
- (3) Bulk Water service areas have been established in the French Creek area of Electoral Area G and the Nanoose Bay Peninsula in Electoral Area E.
- (4) Sewer DCC collection area includes properties in Electoral Area A (Cedar) and G (French Creek).

still the uncertainty surrounding the future of the North America Free Trade Agreement (NAFTA) that is clouding the economic outlook.

British Columbia²

B.C.'s economy remained on fire in 2017, with growth likely surpassing the 3% mark for a fourth straight year. Although growth in the labour force benefitted from strong inflows of migrants, job market conditions continued to tighten, as evidenced by a pickup in wage gains as the year came to a close. In turn, rising household incomes, combined with wealth effects from past home price gains, underpinned consumer spending.

Strength in the province remained broad based, as manufacturing, wholesale trade and exports have also advanced at a solid clip. Despite the tariffs implemented on softwood lumber – which Canada is in the midst of disputing – B.C.'s lumber industry was supported by robust U.S. demand and lumber prices which shot up to record levels.

Much of this momentum is expected to carry into 2018, although construction is likely to provide some offset. Indeed, construction has been the weak spot over the past year, with non-residential building construction contracting and housing starts cooling off following a surge in activity in 2016. Going forward, more of the same is likely in store, as capital spending intentions point to a modest drop in non-residential construction and more outsized double digit declines are expected in homebuilding activity as it returns to a more sustainable level.

Regional District of Nanaimo

The positive economic indicators for the Regional District of Nanaimo (RDN) continue with 166 building permits issued by the RDN in the first quarter vs. 130 in 2017; however, growth is predicted to slow somewhat over 2018. The impacts of the new foreign buyer's tax and the speculation tax contained in the BC Budget, as well as the revised mortgage stress test rates are expected to impact the housing markets across Canada. The Canadian Real Estate Association has reported that the volume of national home sales sank to the lowest level in more than five years in April, falling by 13.9 per cent from the same month last year. In the Nanaimo area, unit sales decreased 11% from 137 in April 2017 to 122 in April 2018 and in the Parksville/Qualicum area, unit sales increased by 3% from 73 to 75. The national average sales price decreased by 11.3 per cent year-over-year; however, as of April the Vancouver Island Real Estate Board is still reporting an 11% increase in average sales prices for the Nanaimo (\$553,352) and 14% in Parksville/Qualicum areas (\$611,880)³. Vancouver Island demographics positively impact the RDN housing market because of the number of retirees who move here mortgage free.

The unemployment rate on Vancouver Island for April 2018 of 5.2% is slightly above the Provincial rate of 4.9%, which was the lowest in Canada during the month⁴. BC Ferries March 2018 Year to Date Passenger and Vehicle traffic are up 3.5% and 3.0% at Departure Bay and 6.2% and 7.1% at Duke Point compared to 2017.⁵

² TD Economics Provincial Economic Forecast (March, 2018)

³ Vancouver Island Real Estate Board Monthly Statistics, April 2018

⁴ BC Stats, Labour Force Statistics Highlights, April 2018

⁵ BC Ferries, Traffic Statistics System Total Vehicle and Passenger Counts by Route for March 2018

There are a number of factors that will impact the Canadian, BC and Vancouver Island economies in 2018 and forward including federal and provincial regulations, interest rate changes, the Canadian dollar fluctuations, trade agreements and global politics. However, at this time, BC and Vancouver Island are expected to continue to show growth, likely slower growth than was experienced in 2017.

Overall Summary by Division (Attachment 2)

The Overall Summary by Division provides an overview of the year-to-date results at a divisional level.

Capital Accounts

Overall capital spending is at 7% of budget due to the timing of capital projects, in particular the \$43 million allocated for 2018 to the secondary treatment project at the Greater Nanaimo Pollution Control Centre for which the construction is currently underway. The timing of capital projects also impacts professional fees (8%). Capital projects use a drawdown accounting approach where grant revenues and transfers from reserves and Development Cost Charge revenues are recorded when project expenses are incurred which in turn impacts transfers from reserves (3%), capital grant revenues (4%), and new borrowing (17%). Other major capital works underway or beginning in 2018 are the Nanoose Bulk Water Joint Venture project, the Bowser Village sanitary sewer project, design work for the French Creek Pollution Control Centre, San Pareil Water Treatment upgrades, the Landfill gas collection system expansion and the design work for Anders Dorrit Community Park and Huxley skatepark.

Operating Accounts

Total operating revenues are at 22% of the budget, with Building Inspection operating revenues at 30% of the budget and Solid Waste revenues at 27% of the budget. Regional & Community Utilities revenues (22%) will increase after the first utility services billings which occur at the end of May.

Operating expenditure accounts are at 20% or more of budget other than professional fees (8% impacted by capital as noted above), community grants (2%) and program costs (15%). Community Grants (2%) reflect the timing of grants to various organizations which will be disbursed fully over the summer and the fall. Program costs reflect the Drinking Water/Watershed Protection rebate programs in Regional & Community Utilities (13%) which are currently underway and expected to be fully allocated by the year-end. Recreation and Parks program costs at 11% are incurred predominantly in the spring and summer when most children and youth programming is completed.

Expenditures for Debt Interest (18%) and Debt Principal (10%) are lower than budget because of the timing of debt payments made on behalf of municipalities.

Transfers to Reserve (1%) approved in the annual budget are completed and recorded in August when tax revenues are received from the Province and the municipalities.

On a consolidated basis total operating expenditures are \$20 million or 20% of budget which reflects the items discussed above and those in Attachment 1.

Summary of Operating Results by Department (Attachment 3)

The Summary of Operating Results by Department lists the total year-to-date revenues and expenditures for services within each organizational division at March 31. The majority of the variances are due to the timing of capital and operating projects and the related revenue accruals.

Contract Awards

During the first quarter, the following three contracts (greater than \$50,000) were awarded by the Regional District of Nanaimo totaling over \$438,797.

Date	Description	Awarded Vendor	Awarded Amount
March.2018	Fire Department Breathing Air Compressors – Coombs- Hiller and Nanoose Bay	Aquatech West	\$ 86,797
March.2018	Floodplain Mapping	Ebbwater Consulting	\$202,000
February.2018	Consulting engineering services for the Wastewater Services department for various operational and small capital projects	Koers Engineering	\$150,000

ALTERNATIVES

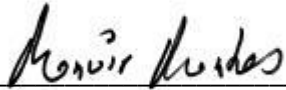
1. Receive the financial report for the period January 1, 2017 to March 31, 2018 for information.
2. Provide alternate direction to staff.

FINANCIAL IMPLICATIONS

There are no significant variances impacting the overall budget for the period ending March 31, 2018. Capital projects are on-going and all RDN services are forecast to be within budget for 2018.

STRATEGIC PLAN IMPLICATIONS

Quarterly financial progress statements provide information to identify both positive and negative budget trends and to allow for improved financial planning. This directly supports the Board governing principles to “Be Transparent and Accountable” and to “Show Fiscal Restraint” through prudent use of tax dollars and to deliver the services expected by residents of the Region as cost effectively and economically as possible.



Manvir Manhas

mmanhas@rdn.bc.ca

May 23, 2018

Reviewed by:

- W. Idema, Director of Finance
- D. Wells, General Manager, Corporate Services
- P. Carlyle, Chief Administrative Officer

Attachments

1. List of variances for March 31, 2018 quarterly reporting
2. Overall Summary by Division
3. Summary of Operating Results by Service

Services with variances as at March 31, 2018 are as follows:

Services	Revenues	Expenditures	Explanation of variance
CORPORATE SERVICES			
Community Grants	18% revenues	2% expenditures	Expenditures are impacted by the timing of grants which will be disbursed fully over the summer and the fall
Municipal Debt Transfers	7% revenues	7% expenditures	Impacted by timing of debt payments made to the Municipal Finance Authority on behalf of municipalities.
STRATEGIC & COMMUNITY DEVELOPMENT			
Regional Growth Strategy	34% revenues	14% expenditures	2017 carry forward surplus creates a positive variance for revenues and includes \$75,000 appropriated for projects brought forward from 2017 . Expenditures are impacted by timing of Green Building program costs and transfer to reserves which will be completed in August.
Building Inspection	59% revenues	22% expenditures	Higher than expected building permit revenues and positive variance impact of 2017 carry forward surplus.
Unightly Premises	59% revenues	60% expenditures	Property cleanup costs and related recovery invoice to property owner impact both revenues and expense.
REGIONAL & COMMUNITY UTILITIES			
Liquid Waste Management Planning	61% revenues	18% expenditures	Revenues are impacted by 2017 carryforward surplus. Expenditures are impacted by timing of rebate programs which will be fully allocated by the year end.
Southern Community Wastewater	10% revenues	7% expenditures	Timing of major projects impacts capital expenditures and recognition of reserve/DCC revenues. GNPCC Secondary Treatment project will incur significant costs through the summer and the fall which will increase both revenues and expenses.
Northern Community Wastewater	31% revenues	10% expenditures	Timing of major projects impacts capital expenditures and recognition of reserve/DCC revenues. FCPCC Plant expansion project will incur more costs during the year and will impact both revenues and expenses.
Drinking Water/Watershed Protection	46% revenues	14% expenditures	Impact of larger 2017 carry forward surplus creates positive variance for revenues. Expenditures impacted by rebate programs which are currently underway and will be fully allocated by year end.
Nanoose Bay Bulk Water	6% revenues	2% expenditures	Timing of transfer to Parksville for RDN share of ERWS joint venture impacts reserve fund transfers to revenue as well as expenses.
Water Services	8%-49% revenues	3%-39% expenditures	Lower operating revenues will increase after first water billing is completed in May. Services showing lower revenues/expenditures are impacted by timing of projects resulting in lower capital expenditures which also impacts the revenues transferred in from reserves.
Sewer Fairwinds/Wastewater Nanoose	51% revenues	13% expenditures	2017 carry forward surplus generates a positive variance for revenues. Timing of projects impacts capital expenditures and professional fees.
Solid Waste Management	30% revenues	17% expenditures	Revenues reflect better than expected tipping fee revenues at 27% of budget. Expenditures are impacted by capital project timing.

Services with variances as at March 31, 2018 are as follows:

Services	Revenues	Expenditures	Explanation of variance
Solid Waste Collection & Recycling	14% revenues	19% expenditures	Revenues will increase after first utility services billing in May. Expenditures are impacted by timing of hauler invoices.
RECREATION & PARKS SERVICES			
Community Parks	27%-55% revenues	10%-25% expenditures	The 2017 carry forward surplus amounts generate higher revenues. Timing of capital and development projects impacts expenses. Major capital works underway or beginning in 2018 are the Dunsmuir Community Park construction (EA H), Anders Dorrit Community Park design (EA C East Wellington) and Huxley Park skatepark design (EA B).
Area A Recreation & Culture	58% revenues	4% expenditures	2017 carry forward surplus generates positive variance for revenues. Expenditures are impacted by transfer to reserves which will be completed in August.
Southern Community Recreation & Culture	26% revenues	0% expenditures	Expenditures are impacted by transfer to City of Nanaimo for facilities and sportsfields agreement completed in August.
TRANSIT & EMERGENCY SERVICES			
Fire - Coombs Hilliers	13% revenues	9% expenditures	Timing of capital projects impacts expenditures and related transfer from reserve revenues.
Fire - Errington	43% revenues	53% expenditures	Timing of truck purchases impacts expenditures and related transfer from reserve revenues.
Fire - Nanoose Bay	27% revenues	13% expenditures	Expenditures will increase later in the year due to payment of allowances to volunteers at year end.
Fire - French Creek, Wellington and Parksville Local	27%-44% revenues	1%-2% expenditures	2017 carry forward surplus generates positive variance for revenues. Expenditures reflect fire service contracts with Parksville, Qualicum and Nanaimo where funds are transferred in August.
Fire -Extension	6% revenues	3% expenditures	Timing of engine truck purchases impacts expenditures and related transfer from reserve revenues.
Fire - Bow Horn Bay	10% revenues	16% expenditures	Delay in receipt of crown land tenure from province for satellite hall construction impacts expenditures and related transfer from reserve revenues.
Emergency Planning	19% revenues	11% expenditures	Timing of capital projects and grant funded operational planning projects impacts expenditures and related grant and reserve transfer revenues.
D69 E911	28% revenues	98% expenditures	Expenditures reflect the transfer to the North Island 911 corporation completed in March.
District 69 Community Justice	20% revenues	0% expenditures	Expenditures are impacted by timing of transfer to Oceanside Victim Services which will be completed in August.



GENERAL REVENUE FUND
As of March 31, 2018

	CORPORATE			SERVICES			STRATEGIC & COMMUNITY DEVELOPMENT		
	Actual	Budget	%	Actual	Budget	%	Actual	Budget	%
	2018	2018	Var	2018	2018	Var	2018	2018	Var
OPERATING REVENUES									
TAX REQUISITION	(1,145,276)	(4,581,104)	25%	(601,377)	(2,405,517)	25%			
OPERATING GRANTS	(72,471)	(260,935)	28%	(32,046)	(354,695)	9%			
OPERATING REVENUE	(5,542)	(23,094)	24%	(487,593)	(1,606,640)	30%			
OTHER REVENUE	(1,759,731)	(11,169,002)	16%	(175,672)	(1,089,749)	16%			
TOTAL OPERATING REVENUES	(2,983,020)	(16,034,135)	19%	(1,296,688)	(5,456,601)	24%			
OPERATING EXPENDITURES									
OFFICE OPERATING	41,902	231,893	18%	93,743	436,114	21%			
COMMUNITY GRANTS	2,500	131,940	2%	0	0	0%			
LEGISLATIVE	158,223	768,231	21%	0	0	0%			
PROFESSIONAL FEES	59,398	426,576	14%	60,559	863,830	7%			
BUILDING - OPER & MAINT	239,324	341,303	70%	9,328	40,813	23%			
VEH & EQUIP - OPER & MAINT	74,561	236,051	32%	25,699	77,831	33%			
OTHER OPERATING COSTS	205,105	1,469,367	14%	147,198	846,468	17%			
WAGES & BENEFITS	1,061,658	4,466,200	24%	784,734	3,254,432	24%			
PROGRAM COSTS	0	0	0%	107,763	415,150	26%			
DEBT - FINANCING - INTEREST	495,471	2,966,469	17%	0	0	0%			
DEBT - FINANCING - PRINCIPAL	36,291	3,188,064	1%	0	0	0%			
TRANSFER TO RESERVE FUND	299	209,770	0%	1,500	246,643	1%			
TRANSFER TO OTHER GOV'T/AGENCIES	677,805	2,296,191	30%	0	245,542	0%			
TOTAL OPERATING EXPENDITURES	3,052,537	16,732,055	18%	1,230,524	6,426,823	19%			
CAPITAL ASSET EXPENDITURES									
CAPITAL EXPENDITURES	27,027	926,450	3%	3	11,700	0%			
TRANSFERS FROM RESERVES	(22,118)	(637,800)	3%	0	0	0%			
CAPITAL GRANTS AND OTHER	(140,519)	0	0%	0	0	0%			
NEW BORROWING	0	0	0%	0	0	0%			
NET CAPITAL ASSETS FUNDED FROM OPERATIONS	(135,610)	288,650		3	11,700				
ACCUMULATED SURPLUS									
NET (SURPLUS) DEFICIT	(66,093)	986,570		(66,161)	981,922				
TRANSFER FROM APPROPRIATED SURPLUS	0	(212,548)		0	(378,011)				
PRIOR YEARS (SURPLUS) DEFICIT	(1,144,338)	(1,144,338)		(1,713,648)	(1,713,648)				
CURRENT YEAR UNAPPROPRIATED (SURPLUS) DEFICIT	(1,210,431)	(370,316)		(1,779,809)	(1,109,737)				



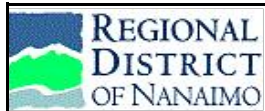
GENERAL REVENUE FUND
As of March 31, 2018

	REGIONAL &	COMMUNITY	UTILITIES	RECREATION &	PARKS	SERVICES
	Actual	Budget	%	Actual	Budget	%
	2018	2018	Var	2018	2018	Var
OPERATING REVENUES						
TAX REQUISITION	(4,848,956)	(19,395,804)	25%	(2,709,835)	(10,839,337)	25%
OPERATING GRANTS	(136,150)	(97,806)	139%	(18,916)	(60,410)	31%
OPERATING REVENUE	(2,860,436)	(15,248,075)	19%	(423,551)	(1,730,128)	24%
OTHER REVENUE	(389,992)	(2,029,990)	19%	(3,346)	(98,802)	3%
TOTAL OPERATING REVENUES	(8,235,534)	(36,771,675)	22%	(3,155,648)	(12,728,677)	25%
OPERATING EXPENDITURES						
OFFICE OPERATING	447,729	1,883,851	24%	151,810	629,460	24%
COMMUNITY GRANTS	0	0	0%	0	0	0%
LEGISLATIVE	0	0	0%	0	1,500	0%
PROFESSIONAL FEES	100,002	1,316,178	8%	16,926	402,300	4%
BUILDING - OPER & MAINT	308,928	1,693,082	18%	131,656	754,602	17%
VEH & EQUIP - OPER & MAINT	437,811	1,788,276	24%	41,094	175,846	23%
OTHER OPERATING COSTS	1,862,817	11,347,631	16%	156,398	1,284,257	12%
WAGES & BENEFITS	2,267,061	9,260,472	24%	1,240,582	4,864,775	26%
PROGRAM COSTS	20,265	161,700	13%	77,811	712,316	11%
DEBT - FINANCING - INTEREST	222,239	1,215,182	18%	101,603	419,387	24%
DEBT - FINANCING - PRINCIPAL	294,900	1,138,352	26%	143,341	416,450	34%
TRANSFER TO RESERVE FUND	0	6,963,004	0%	0	1,751,834	0%
TRANSFER TO OTHER GOV'T/AGENCIES	0	0	0%	88,243	1,804,742	5%
TOTAL OPERATING EXPENDITURES	5,961,752	36,767,728	16%	2,149,464	13,217,469	16%
CAPITAL ASSET EXPENDITURES						
CAPITAL EXPENDITURES	3,485,453	60,610,469	6%	633,399	5,334,770	12%
TRANSFERS FROM RESERVES	(26,537)	(33,182,843)	0%	(559,923)	(2,845,834)	20%
CAPITAL GRANTS AND OTHER	(349,517)	(11,667,824)	3%	(7,959)	(908,762)	1%
NEW BORROWING	(2,628,405)	(13,424,726)	20%	0	(1,000,000)	0%
NET CAPITAL ASSETS FUNDED FROM OPERATIONS	480,994	2,335,076		65,517	580,174	
ACCUMULATED SURPLUS						
NET (SURPLUS) DEFICIT	(1,792,788)	2,331,129		(940,667)	1,068,966	
TRANSFER FROM APPROPRIATED SURPLUS	0	(1,236,460)		0	(281,519)	
PRIOR YEARS (SURPLUS) DEFICIT	(5,323,835)	(5,323,835)		(1,721,644)	(1,721,594)	
CURRENT YEAR UNAPPROPRIATED (SURPLUS) DEFICIT	(7,116,623)	(4,229,166)		(2,662,311)	(934,147)	



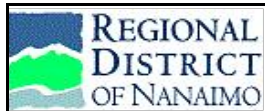
GENERAL REVENUE FUND
As of March 31, 2018

	TRANSIT &	EMERGENCY	SERVICES	TOTAL	REVENUE	FUND
	Actual	Budget	%	Actual	Budget	%
	2018	2018	Var	2018	2018	Var
OPERATING REVENUES						
TAX REQUISITION	(4,049,565)	(16,198,258)	25%	(13,355,009)	(53,420,020)	25%
OPERATING GRANTS	(1,664,595)	(6,604,262)	25%	(1,924,178)	(7,378,108)	26%
OPERATING REVENUE	(1,243,531)	(4,657,649)	27%	(5,020,653)	(23,265,586)	22%
OTHER REVENUE	(400,146)	(1,596,096)	25%	(2,728,887)	(15,983,639)	17%
TOTAL OPERATING REVENUES	(7,357,837)	(29,056,265)	25%	(23,028,727)	(100,047,353)	23%
OPERATING EXPENDITURES						
OFFICE OPERATING	379,128	1,557,230	24%	1,114,312	4,738,548	24%
COMMUNITY GRANTS	0	0	0%	2,500	131,940	2%
LEGISLATIVE	0	0	0%	158,223	769,731	21%
PROFESSIONAL FEES	17,731	301,850	6%	254,616	3,310,734	8%
BUILDING - OPER & MAINT	172,009	499,949	34%	861,245	3,329,749	26%
VEH & EQUIP - OPER & MAINT	1,262,496	5,238,379	24%	1,841,661	7,516,383	25%
OTHER OPERATING COSTS	784,677	3,787,963	21%	3,156,195	18,735,686	17%
WAGES & BENEFITS	3,646,327	12,919,081	28%	9,000,362	34,764,960	26%
PROGRAM COSTS	0	128,500	0%	205,839	1,417,666	15%
DEBT - FINANCING - INTEREST	42,017	177,167	24%	861,330	4,778,205	18%
DEBT - FINANCING - PRINCIPAL	42,848	215,769	20%	517,380	4,958,635	10%
TRANSFER TO RESERVE FUND	148,328	1,261,765	12%	150,127	10,433,016	1%
TRANSFER TO OTHER GOV'T/AGENCIES	1,266,559	3,027,802	42%	2,032,607	7,374,277	28%
TOTAL OPERATING EXPENDITURES	7,762,120	29,115,455	27%	20,156,397	102,259,530	20%
CAPITAL ASSET EXPENDITURES						
CAPITAL EXPENDITURES	736,363	6,061,702	12%	4,882,245	72,945,091	7%
TRANSFERS FROM RESERVES	(736,362)	(4,355,562)	17%	(1,344,940)	(41,022,039)	3%
CAPITAL GRANTS AND OTHER	0	(280,140)	0%	(497,995)	(12,856,726)	4%
NEW BORROWING	0	(695,000)	0%	(2,628,405)	(15,119,726)	17%
NET CAPITAL ASSETS FUNDED FROM OPERATIONS	1	731,000		410,905	3,946,600	
ACCUMULATED SURPLUS						
NET (SURPLUS) DEFICIT	404,284	790,190		(2,461,425)	6,158,777	
TRANSFER FROM APPROPRIATED SURPLUS	0	(526,895)		0	(2,635,433)	
PRIOR YEARS (SURPLUS) DEFICIT	(2,243,397)	(2,243,397)		(12,146,862)	(12,146,812)	
CURRENT YEAR UNAPPROPRIATED (SURPLUS) DEFICIT	(1,839,113)	(1,980,102)		(14,608,287)	(8,623,468)	



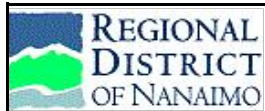
SUMMARY OF OPERATING RESULTS
For period ending March 31, 2018

	Revenues	Revenues	Variance	Expenditures	Expenditures	Variance	Surplus	Surplus
	2018	2018		2018	2018		2018	2018
	Actuals	Budget		Actuals	Budget		Actuals	Budget
CORPORATE SERVICES								
Administration								
Corporate Administration Summary	2,642,057	8,314,604	32%	1,670,835	8,032,373	21%	971,222	282,231
Community Grants	29,312	166,040	18%	2,500	166,040	2%	26,812	0
Community Works Fund Projects - Corporate Services	140,519	100,000	141%	140,519	100,000	141%	0	0
Electoral Area Administration	395,767	1,057,673	37%	184,366	969,589	19%	211,401	88,084
Regional Library	706,316	3,103,164	23%	706,316	3,103,164	23%	0	0
Feasibility Studies	4,530	51,780	9%	3,536	51,780	7%	994	0
Municipal Debt Transfers	366,019	5,213,660	7%	366,019	5,213,660	7%	0	0
House Numbering	5,475	21,900	25%	5,475	21,900	25%	0	0
TOTAL	4,289,995	18,028,821	24%	3,079,566	17,658,506	17%	1,210,429	370,315
STRATEGIC & COMMUNITY DEVELOPMENT								
EA Community Planning	871,940	2,258,905	39%	445,592	2,070,804	22%	426,348	188,101
Economic Development South	16,250	195,847	8%	0	195,847	0%	16,250	0
Economic Development North	6,459	50,000	13%	263	50,000	1%	6,196	0
VIHA Health Network Funding	1,214	44,695	3%	1,214	44,695	3%	0	0
OHWN Special Project Grant	12,120	0	0%	12,120	0	0%	0	0
Strategic Initiatives/Asset Management	91,841	695,502	13%	91,841	695,502	13%	0	0
Regional Growth Strategy	297,556	883,848	34%	111,094	809,553	14%	186,462	74,295
Building Inspection	1,386,931	2,346,698	59%	344,325	1,541,451	22%	1,042,606	805,247
Bylaw Enforcement								
Bylaw Enforcement	83,509	366,557	23%	83,509	366,557	23%	0	0
Animal Control EA A,B,C,LANTZ	26,372	77,996	34%	9,995	73,244	14%	16,377	4,752
Animal Control E,G & H	35,171	115,534	30%	15,434	111,572	14%	19,737	3,962
Animal Control EA F	14,396	30,123	48%	3,463	23,725	15%	10,933	6,398
Unsanitary Premises	96,451	162,111	59%	97,703	162,111	60%	(1,252)	0
Hazardous Properties	45,753	212,370	22%	3,342	189,599	2%	42,411	22,771
Noise Control	24,375	58,074	42%	10,630	53,862	20%	13,745	4,212
Community Works Fund Projects - Strategic & Community Deve	0	50,000	0%	0	50,000	0%	0	0
TOTAL	3,010,338	7,548,260	40%	1,230,525	6,438,522	19%	1,779,813	1,109,738



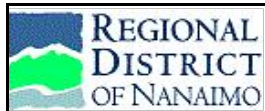
SUMMARY OF OPERATING RESULTS
For period ending March 31, 2018

	Revenues	Revenues	Variance	Expenditures	Expenditures	Variance	Surplus	Surplus
	2018	2018		2018	2018		2018	2018
	Actuals	Budget		Actuals	Budget		Actuals	Budget
REGIONAL & COMMUNITY UTILITIES								
RCU - Administration	102,833	382,631	27%	102,833	382,631	27%	0	0
RCU - Engineering	79,900	402,763	20%	79,900	402,763	20%	0	0
Wastewater Management								
Liquid Waste Management Planning	275,138	453,760	61%	54,906	308,689	18%	220,232	145,071
Wastewater Southern Community	5,656,954	55,010,445	10%	4,058,600	54,251,152	7%	1,598,354	759,293
Wastewater Northern Community	2,469,088	8,051,575	31%	676,276	7,054,866	10%	1,792,812	996,709
Wastewater Duke Point	229,747	460,347	50%	52,475	337,288	16%	177,272	123,059
Wastewater Bowser Village	13,186	2,000,000	1%	13,186	2,000,000	1%	0	0
Water Supply								
Water - Surfside	5,719	38,661	15%	4,464	35,776	12%	1,255	2,885
Water - French Creek	32,059	226,036	14%	28,629	219,220	13%	3,430	6,816
Water - Whiskey Creek	51,094	607,292	8%	18,242	599,585	3%	32,852	7,707
Water - Decourcey	7,120	14,619	49%	1,496	11,763	13%	5,624	2,856
Water - San Pareil	368,575	870,340	42%	332,044	854,208	39%	36,531	16,132
Water - Driftwood	1,365	5,458	25%	1,364	5,458	25%	1	0
Water - Englishman River	43,844	137,647	32%	18,501	133,773	14%	25,343	3,874
Water - Melrose Place	22,858	59,925	38%	5,651	52,773	11%	17,207	7,152
Water - Nanoose Peninsula	536,285	2,493,654	22%	308,835	2,383,630	13%	227,450	110,024
Water - Bulk Water Nanoose Bay	425,881	7,369,183	6%	131,591	7,311,277	2%	294,290	57,906
Water - Bulk Water French Creek	12,297	72,359	17%	12,297	71,107	17%	0	1,252
Water - San Pareil Fire	18,484	74,212	25%	18,553	74,212	25%	(69)	0
Water - Westurne Heights	11,514	29,240	39%	3,312	25,651	13%	8,202	3,589
Drinking Water/Watershed Protection	329,640	715,672	46%	85,358	598,481	14%	244,282	117,191
Streetlighting	32,420	119,470	27%	15,338	113,244	14%	17,082	6,226
Sewer Collection								
Sewer - French Creek	195,301	1,128,263	17%	268,303	1,121,882	24%	(73,002)	6,381
7551 / 2851 SewerFairwinds / Wastewater Nanoose	562,941	1,112,903	51%	102,740	812,434	13%	460,201	300,469
Sewer - Pacific Shores	30,180	85,302	35%	16,567	76,627	22%	13,613	8,675
Sewer - Surfside	22,564	43,610	52%	4,649	41,942	11%	17,915	1,668
Sewer - Cedar	97,635	255,994	38%	38,424	210,289	18%	59,211	45,705
Sewer - Barclay	77,191	260,365	30%	47,066	251,237	19%	30,125	9,128
Sewer - Reid Road Debt	906	3,624	25%	906	3,624	25%	0	0



SUMMARY OF OPERATING RESULTS
For period ending March 31, 2018

	Revenues	Revenues	Variance	Expenditures	Expenditures	Variance	Surplus	Surplus
	2018	2018		2018	2018		2018	2018
	Actuals	Budget		Actuals	Budget		Actuals	Budget
Sewer - Hawthorne Rise Debt	2,485	9,941	25%	2,485	9,941	25%	0	0
Englishman River Stormwater	7,249	11,161	65%	325	8,300	4%	6,924	2,861
Cedar Estates Stormwater	6,161	9,776	63%	317	7,268	4%	5,844	2,508
Solid Waste								
Solid Waste Management	4,127,018	13,606,332	30%	2,036,529	12,335,317	17%	2,090,489	1,271,015
Solid Waste Collection & Recycling	702,107	4,983,088	14%	898,955	4,770,071	19%	(196,848)	213,017
Community Works Fund Projects - Regional & Community Utilit	6,084	501,714	1%	6,084	501,714	1%	0	0
TOTAL	16,563,823	101,607,362	16%	9,447,201	97,378,193	10%	7,116,622	4,229,169
RECREATION & PARKS SERVICES								
Regional Parks	1,691,912	6,208,825	27%	861,738	5,939,112	15%	830,174	269,713
Community Parks								
Community Parks - Area A	115,354	274,622	42%	48,663	271,588	18%	66,691	3,034
Community Parks - Area B	135,098	367,605	37%	78,578	308,885	25%	56,520	58,720
Community Parks - Area C (Extension)	66,553	120,222	55%	14,424	90,091	16%	52,129	30,131
Community Parks - Area C (East Wellington)	79,653	148,257	54%	14,966	133,073	11%	64,687	15,184
Community Parks - Area E	70,376	181,084	39%	31,671	183,230	17%	38,705	(2,146)
Community Parks - Area F	106,696	233,251	46%	48,434	210,589	23%	58,262	22,662
Community Parks - Area G	54,619	181,921	30%	38,063	174,389	22%	16,556	7,532
Community Parks - Area H	121,730	451,475	27%	40,949	404,548	10%	80,781	46,927
Area A Recreation & Culture	210,155	362,249	58%	12,983	300,895	4%	197,172	61,354
Northern Community Recreation	545,459	2,169,727	25%	347,919	2,095,992	17%	197,540	73,735
Oceanside Place	891,895	2,933,952	30%	618,136	2,784,465	22%	273,759	149,487
Ravensong Aquatic Centre	963,996	3,659,573	26%	578,024	3,475,379	17%	385,972	184,194
Gabriola Island Recreation	45,202	137,991	33%	45,223	124,369	36%	(21)	13,622
Southern Community Recreation & Culture	346,474	1,310,657	26%	3,097	1,310,657	0%	343,377	0
Community Works Fund Projects - Parks & Recreation Services	0	744,975	0%	0	744,975	0%	0	0
TOTAL	5,445,172	19,486,386	28%	2,782,868	18,552,237	15%	2,662,304	934,149
TRANSIT & EMERGENCY SERVICES								
Transit								
Transit Southern Community	6,765,460	24,286,034	28%	5,318,113	22,904,326	23%	1,447,347	1,381,708
Transit - Gabriola Transit Contribution	34,000	136,000	25%	21,450	136,000	16%	12,550	0
Transit - Gabriola Island Taxi Saver	5,191	8,440	62%	110	8,440	1%	5,081	0



SUMMARY OF OPERATING RESULTS
For period ending March 31, 2018

	Revenues	Revenues	Variance	Expenditures	Expenditures	Variance	Surplus	Surplus
	2018	2018		2018	2018		2018	2018
	Actuals	Budget		Actuals	Budget		Actuals	Budget
Transit Northern Community	1,041,927	2,574,758	40%	516,654	2,062,413	25%	525,273	512,345
Gabriola Island Emergency Wharf	3,628	8,796	41%	2,080	8,796	24%	1,548	0
Fire Protection								
Fire - Administration	57,695	251,252	23%	45,705	251,252	18%	11,990	0
Fire - Meadowood	34,864	139,457	25%	34,864	139,457	25%	0	0
Fire - Nanaimo River	4,452	17,796	25%	409	17,796	2%	4,043	0
Fire - Coombs Hilliers	168,489	1,325,843	13%	123,052	1,301,039	9%	45,437	24,804
Fire - Errington	867,781	2,019,365	43%	1,063,944	2,019,365	53%	(196,163)	0
Fire - French Creek	179,092	673,517	27%	9,962	673,517	1%	169,130	0
Fire - Nanoose Bay	260,104	973,053	27%	127,649	970,733	13%	132,455	2,320
Fire - Wellington	23,549	87,064	27%	1,743	84,105	2%	21,806	2,959
Fire - Cassidy Waterloo	79,667	209,718	38%	10,255	201,354	5%	69,412	8,364
Fire - Dashwood	160,472	749,210	21%	237,425	749,210	32%	(76,953)	0
Fire - Extension	43,793	675,173	6%	17,952	675,173	3%	25,841	0
Fire - Parksville Local	65,933	149,596	44%	2,600	145,657	2%	63,333	3,939
Fire - Bow Horn Bay	97,065	988,821	10%	160,776	988,821	16%	(63,711)	0
Emergency Planning	149,245	804,116	19%	85,857	779,035	11%	63,388	25,081
D68 Search & Rescue	15,996	51,003	31%	8,188	48,225	17%	7,808	2,778
D69 Marine Search & Rescue	1,900	7,600	25%	25	7,600	0%	1,875	0
D69 Land Search & Rescue	2,550	10,200	25%	50	10,200	0%	2,500	0
D68 E911	48,641	167,843	29%	37,083	162,450	23%	11,558	5,393
D69 E911	196,342	697,135	28%	672,475	686,725	98%	(476,133)	10,410
Community Justice								
D68 Community Justice	4,031	16,125	25%	31	16,125	0%	4,000	0
D69 Community Justice	25,730	129,344	20%	31	129,344	0%	25,699	0
TOTAL	10,337,597	37,157,259	28%	8,498,483	35,177,158	24%	1,839,114	1,980,101
TOTAL ALL SERVICES	(39,646,925)	(183,828,088)	22%	25,038,643	175,204,616	14%	(14,608,282)	(8,623,472)

TO: Committee of the Whole **MEETING:** June 12, 2018
FROM: Chris Midgley **FILE:**
 Manager, Strategic Initiatives
SUBJECT: 2019-2022 Strategic Planning Process

RECOMMENDATION

That the 2019 – 2022 Strategic Planning Process be endorsed.

SUMMARY

The Board Strategic Plan establishes the long term organizational vision, key focus areas, deliverables and priorities. Traditionally, at the outset of each term, the Board initiates the process to develop a strategic plan for their term of office. Following the approval of the strategic plan, the Board then begins a continuous process to monitor the progress of the plan. This iterative process ensures the strategic plan continues to reflect the priorities of the Board while also remaining adaptable to change and responsive to the expectations of constituents.

The recommended strategic planning process incorporates Board sessions dedicated to assessing current organizational priorities and activities; exploring new ideas and establishing new priorities. The objective is for the Board's vision in the strategic plan to set the direction for the organization and the operational plan.

BACKGROUND

Through the development of a strategic plan, the Board of Directors considers mandated or committed service delivery responsibilities, core service priorities, longer term strategic priorities and corporate direction; as well as the impact of major external drivers likely to influence decision making over time. Such external drivers typically include factors affecting the regional economy, climate change, demographics, social conditions and priorities from senior government.

The recommended strategic planning process is set out below:

1. Background research is presented on external factors that will impact services provided;

2. Understand Current Priorities: Examine mandated responsibilities, high priority operational activities; current key focus areas and strategic priorities, corporate mission and vision;
3. Explore New Ideas: Board input on corporate vision and mission, new focus areas, priorities and projects;
4. Context: Identify implications and situate emerging priorities within organizational context;
5. Prioritize: Board considers implications of emerging priorities on organizational context and establishes priorities; and
6. Report: Identify actions to achieve priorities, prepare final strategic plan based on content generated by the Board.

The recommended date for the initial Board session is Tuesday, January 15, 2019, with a second session on Tuesday, January 29, 2019. The earliest opportunity for the Board to consider a final 2019-2022 Board Strategic Plan for adoption would be at the Regular Board Meeting to be held in March, 2019.

In addition to the strategic planning process that takes place at the outset of the term of office, the RDN Board has built annual updates into the strategic planning process to ensure the Board strategic plan is adaptable to change, effectively responds to the needs of constituents, and enjoys the full support of the Board over the entire term of office. This review has typically taken shape as a condensed, half-day session. The ongoing process of review ensures that all the Board's priorities advance, and demonstrates alignment between the Board strategic plan and RDN operational plan.

ALTERNATIVES

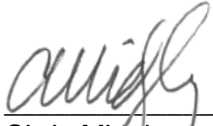
1. That the proposed 2019-2022 Board Strategic Planning Process be endorsed.
2. That alternate direction be given to staff.

FINANCIAL IMPLICATIONS

All work related to the Board strategic planning process is captured in the Approved 2018 Budget. No additional financial implications are anticipated to complete a 2019-2022 Board Strategic Plan.

STRATEGIC PLAN IMPLICATIONS

The Board strategic plan is a critical planning document for the RDN. The plan provides overarching direction, orientation and priorities for actions by the Board and implementation by staff. The development of the Board strategic plan at the outset of each term of office provides the opportunity for the RDN Board to set a strong foundation for action and direction for the organization. The strategic plan also provides the Board with the opportunity to situate priorities against longer term goals for the RDN as an organization and as a regional community.



Chris Midgley
cmidgley@rdh.bc.ca
May 3, 2018

Reviewed by:

- G. Garbutt, General Manager, Strategic & Community Development
- P. Carlyle, Chief Administrative Officer

TO: Committee of the Whole

FROM: Paul Thompson
Manager of Long Range Planning

SUBJECT: Regional Economic Development

MEETING: June 12, 2018

RECOMMENDATIONS

1. That a meeting be organized with the organizations listed in Attachment 2 to consider the creation of a region-wide economic development service.
2. That to assist with the meeting, a background report that incorporates input from the other organizations be prepared addressing the current state of economic development in the Regional District of Nanaimo.

SUMMARY

This report provides a summary of: the basic economic development service models; the general services offered by economic development organizations; the economic development initiatives currently underway in the Regional District of Nanaimo (RDN); the economic development models currently in use by local governments on Vancouver Island; and a proposal to further the discussion on a regional economic development service.

While there are many initiatives and programs underway in the region there is no coordination of economic development at the regional level. With the wide range of disparate initiatives currently underway, in order to have effective economic development, activities should be delivered in a coordinated manner. In order to determine how best to proceed, a discussion is needed on the benefits of a region-wide economic development service. The recommendation is to proceed with the next step, which is to hold a workshop that includes all of the organizations involved in economic development in the region. Through this discussion, direction on approaches to economic development can be considered for the RDN on a go forward basis.

BACKGROUND

The Board directed that a report on establishing a regional economic development function be prepared in response to local economic trends, initiatives by private sector and business groups, changes to existing RDN economic development services, the collapse of the Nanaimo Economic Development Corporation and the desire to examine how to best promote sustainable growth and resiliency in our region. Establishing a regional economic development function requires a number of considerations. The first consideration is how the RDN could be more involved in economic development, or more specifically, what role should the RDN play in economic development considering there are number of

other organizations, including the member municipalities already active in providing this service. The role of the RDN will affect the type of service model, governance structure and funding to be provided. Recognizing that the RDN is already involved in the delivery of economic development services in the region, what part should the RDN play? Should the RDN services evolve into a coordinating role? Should the RDN directly coordinate and deliver a regional service? Is there a hybrid role for the RDN?

To provide background on the establishment of a regional economic development service, this report covers the standard economic development models; possible economic development services; economic development initiatives currently underway in the RDN; economic development services offered by other regional districts and municipalities on Vancouver Island; and, a proposed process to determine if there is a need and/or role for the RDN in region-wide economic development.

Local Government and Economic Development

Economic development is typically understood to encompass a number of goals and activities in furtherance of a higher standard of living for a community, a concept which itself is defined in any number of different ways. Economic development is thus about communities continually enhancing their competitiveness, increasing sustainable growth, improving their investment climate, retaining jobs, improving incomes, and ensuring that growth is inclusive of the community in which it occurs. It encompasses a range of disciplines including physical planning and economics and marketing. It also incorporates many local government and private sector functions including business development, infrastructure provision, real estate development and finance.

Economic development is often considered to be an important service for a community, because a local economy that is active and healthy will help create more public funds and generate higher and more cost-effective public revenues, allowing local government to provide better services to the community. In this region, economic development has been traditionally identified as a path to grow the local and regional economy, support job growth and address key sectors like resource management, tourism, tech sector and knowledge based industries. In recognizing the need to support growth, investment and employment, many local governments provide an economic development service. This often combines both economic development and tourism marketing. Providing economic development is consistent with both the RDN Strategic Plan 2016-2020 and the Regional Growth Strategy (RGS).

Economic Development Models

There are four general models that are used for economic development. For all of these models, both economic development and tourism promotion can be included, or just economic development. Each model has its advantages and disadvantages. The first model is as a department or agency of the local government. In this model, the local government provides the majority of funding for the service. This is the model used by the Cowichan Valley Regional District (CowVRD), the City of Campbell River and City of Port Alberni. The CowVRD provides both economic development and tourism promotion while the Cities of Port Alberni and Campbell River focus on economic development.

A second model is as a semi-independent economic development commission mandated by the local government. The majority of funding usually is provided by the local government. The society or local government owned corporation are two forms of this “arms-length” delivery model. This was the model used by the City of Nanaimo with the Nanaimo Economic Development Commission (NEDC) and is

currently being used in the Comox Valley Regional District with the Comox Valley Economic Development Society.

A third model is for a Chamber of Commerce or other local organization to assume responsibility for economic development. This may or may not be with funding from the local government. An example is the Nelson and Area Economic Development Partnership in the West Kootenay. To a certain extent this is the model currently in use in District 69, where Oceanside Initiatives, which is led by the Parksville Chamber of Commerce, has taken the lead on economic development.

A fourth model is for a private agency or corporation to be contracted on a fee-for-service basis. This model is currently being used on Gabriola Island where the Gabriola Island Chamber of Commerce is providing economic development services for the RDN on a contract basis.

In some cases, providing grants is part of an economic development service. The economic development service will provide funding to projects that further the goals of the service. While it is not part of a broader economic development service, the Northern Community Economic Development (NCED) program is an example of an economic development activity which has been established as a grant program. Another example of a grant program is the Island Coastal Economic Trust (ICET).

Economic Development Services

An economic development service, regardless of the delivery model, can provide a wide variety of services depending on the goals and objectives of the service. Some of the more common activities are: business investment and attraction; business retention and expansion; economic profile and market research statistics; small business support; education and training; and specific programs for certain industries such as agriculture or technology.

In British Columbia, the most common services provided by local and regional economic development organizations are business retention and expansion, promotion of tourism and cultural activities, and attracting external industry, businesses and resources. These are findings of a province wide survey conducted by the Union of BC Municipalities (UBCM) in 2009 and 2016¹.

The services provided will depend on what is needed for the region and what is already being provided by other economic development organizations. The activities of the organization and the services provided are usually guided by a strategic plan. Also important for determining the effectiveness of the activities are a monitoring program and an evaluation.

Economic Development Initiatives in the RDN

A significant number of economic development initiatives are currently underway in the RDN, with some being led by local government and others by the private sector. There is no one body that provides coordination, and each initiative is generally being undertaken independently of the others. In some cases, different agencies/organizations do participate in other initiatives.

¹ Local Economic Development in BC 2016 Survey. UBCM

Local Government Led Initiatives

Regional District of Nanaimo

The RDN has two economic development services, the Southern Communities Economic Development (SCED) service and the Northern Communities Economic Development (NCED) service. These services include all of the electoral areas and municipalities except for the City of Nanaimo and the District of Lantzville.

Southern Communities Economic Development (SCED)

The SCED service is an economic development service of the RDN comprised of Electoral Areas A, B and C and was initially set up to contribute funding to the NEDC. With the closing of the NEDC, delivery of the service had to be reconsidered. The service is currently providing funding to the Gabriola Island Chamber of Commerce to undertake economic development and tourism promotion on Gabriola Island under contract and will run until March 31, 2020. A review of the service to the other two electoral areas is scheduled to take place in 2018. The service is entirely funded through a tax requisition and has a maximum requisition of \$191,000.

Northern Communities Economic Development (NCED)

The NCED service includes the City of Parksville, Town of Qualicum Beach and Electoral Areas E, F, G and H. The service operates as a grant program and provides funding to projects that will provide economic benefits to the service area. The NCED has provided \$257,000 to 35 projects since its inception in 2012. The quantitative value of the benefits from all of the funded projects is not known. A recent review of the service by the members confirmed that the service will continue to operate as a grant program and will not be offering other types of economic development services. The annual requisition for the service is \$50,000.

City of Nanaimo

In 2017 the City of Nanaimo moved from an arms-length corporation to a government department model to deliver economic development services. The Nanaimo Economic Development (NED) office is a municipal function within the City of Nanaimo and has one full time employee. The services offered by NED include business investment and attraction; business retention and expansion; economic profile and market research statistics; and small business support. The economic development activities are focussed on the City of Nanaimo. The budget for economic development is \$946,722 for 2018 with a portion of that being transferred to Tourism Nanaimo.

Tourism Nanaimo

Tourism destination marketing for the Nanaimo region has been contracted to Tourism Vancouver Island. Destination marketing includes the promotion of attractions, activities and accommodations in Nanaimo and the surrounding region from Lantzville to Ladysmith and Gabriola Island. Currently, the City of Nanaimo is contributing the majority of funds for this service. The Gabriola Island Chamber of Commerce has also recently agreed to contribute funds to Tourism Nanaimo to include Gabriola Island in tourism marketing.

District of Lantzville

The District of Lantzville has two economic development initiatives underway. The first is an economic action strategy and the second is a branding exercise. With funding assistance from ICET the economic action strategy will identify economic goals for the community and the associated short, medium and long term actions to achieve the goals. The branding exercise is being undertaken to identify what makes Lantzville unique and then use that for the purpose of marketing the District as a place to do business.

City of Parksville

The City of Parksville does not have a formal economic development service. The City participates in the NCED and Oceanside Initiatives.

Town of Qualicum Beach

The Town of Qualicum Beach does not have a formal economic development service. The Town participates in the NCED and Oceanside Initiatives.

Private Sector Led Initiatives

Oceanside Initiatives

Oceanside Initiatives (OI) is a partnership of local governments, First Nations and business leaders in the Parksville-Qualicum Beach region that is led by the Parksville and District Chamber of Commerce. Stakeholder partners include the City of Parksville, Regional District of Nanaimo, Town of Qualicum Beach, Qualicum Beach Chamber of Commerce, School District 69, Vancouver Island University, Parksville Downtown Business Association, Parksville-Qualicum Beach Tourism Association, Nanoose First Nation, and Qualicum First Nation. OI developed an economic development strategy for the Oceanside area in 2015. However, the strategy was not endorsed by the local governments in District 69, and no action was taken on a recommendation to form a regional economic development body to be funded by the RDN. OI is currently working on a labour market needs assessment.

Mid Island Business Initiative

The Mid Island Business Initiative was formed by a group of local businesses and organizations to promote the benefits of living and working in east central Vancouver Island. The purpose of the organization is to attract businesses to be established in the mid island region from Ladysmith to Deep Bay. There are no local government members nor financial support. Services include providing information, introductions to existing businesses, and assistance with visits to the region.

Gabriola Island Chamber of Commerce

Gabriola Island Chamber of Commerce (GICC) is providing economic development and tourism marketing services for the RDN on a contract basis. Funds come from the SCED service which includes Electoral Areas A, B and C. The GICC was also successful in obtaining a grant from the Rural Dividend Fund to support economic development activities. The GICC is now able to hire an economic

development coordinator. Economic development activities provided by GICC are focused on Gabriola Island.

Parksville Qualicum Beach Tourism Association

The Parksville Qualicum Beach Tourism Association (PQBTA) is the destination marketing organization (also known as a convention and visitors bureau) for the Parksville, Qualicum Beach, Nanoose Bay, French Creek, Lighthouse Country, and Arrowsmith Coombs Country region of Vancouver Island. Partial funding for the PQBTA comes from the Municipal Regional District Tax (MRDT) tax on accommodation.

Community Futures Central Island

Community Futures Central Island specializes in providing business loans to small and medium sized businesses. The area served extends from Ladysmith to Deep Bay. They also provide other services for small businesses such as: assistance with business plans; small business training; start-up or expansion consulting; support in gaining access to other small business supports; information and access to capital.

Vancouver Island Economic Alliance

The Vancouver Island Economic Alliance (VIEA) is a collaborative partnership spearheading regional economic development for the Vancouver Island region. VIEA provides opportunities for communities, First Nations, businesses, and other key stakeholders to collaborate on broad-based economic development programs to improve the region's overall capacity for economic vitality. VIEA covers all of Vancouver Island from Victoria to Port Hardy as well as the Northern and Southern Gulf Islands. Membership is open to anyone. VIEA hosts a number of events each year, including the Vancouver Island Economic Summit, and produces information on economic development. The RDN, City of Nanaimo and Town of Qualicum Beach are members of VIEA.

There are numerous other organizations that are also involved in economic development in the RDN such as INfilm, Tourism Vancouver Island, Innovation Island and Island Coastal Economic Trust.

Economic Development Initiatives by BC local governments

Cowichan Valley Regional District

The Cowichan Valley Regional District (CowVRD) has an economic development department with staff who work directly for the CVRD. Economic Development Cowichan is a part of the CowVRD's *Land Use Services Division*, and part of their mandate is to build connections between community, business, and local government. Working in collaboration with regional economic development partners, the focus is on: supporting and attracting businesses and sector development; engagement and support for community-based initiatives; and, communicating the advantages of living, working and investing in Cowichan. The entire program is funded by the CowVRD with supplemental funding from grants from other levels of government. Economic Development Cowichan includes Film Cowichan, the aim of which is to: attract film productions to the area; promote Cowichan film locations; prepare online location packages; assist with scouting and permitting; liaising with local municipalities and business organizations; and supporting local film initiatives. The 2018 budget for the economic development service is \$670,000 with about 79% coming from a tax requisition.

Comox Valley Regional District

The Comox Valley Economic Development Society (CVEDS) is the contractor for the delivery of economic development services in the Comox Valley. The Comox Valley Regional District (ComVRD) provides the majority of funding to the CVEDS. The services provided by CVEDS focus on assisting existing businesses to grow, while working with potential investors and entrepreneurs. The three focus areas of the office include: business retention and enhancement; investment attraction and promotion; and, economic development coordination, facilitation and communication. The CVEDS is also responsible for tourism marketing and promotion. The 2018 budget for the service is \$1.29 M with the majority of that funding coming from a tax requisition.

Strathcona Regional District

The Strathcona Regional District does not have an economic development service. However, Campbell River, the largest municipality, does have an economic development office that is staffed by the City of Campbell River employees. The services provide focus on business retention and expansion as well as supporting entrepreneurs looking at investment opportunities in Campbell River. Tourism marketing is provided by a separate organization, Destination Campbell River. The 2018 budget for economic development is \$923,000 with approximately two thirds coming from tax requisition and one third coming from the Municipal and Regional District Hotel Tax (MRDT).

Alberni Clayoquot Regional District

The Alberni Clayoquot Regional District (ACRD) does not have an economic development service but Port Alberni, the largest city in the regional district, does have an economic development office. The department has two ACRD employees and focusses on diversification of the local economy, business retention, business attraction and marketing of key properties in the community.

Capital Regional District - South Island Prosperity Project

The Capital Regional District (CRD) does not have a regional economic development service. The South Island Prosperity Project (SIPP) is a private sector-driven economic development agency founded by (among others) seven businesses, twelve local governments, three post-secondary institutions, and five business and industry organizations in the Greater Victoria region. SIPP currently has 42 members including 10 of the 13 municipalities in the CRD and five First Nations. The 2018 budget for SIPP is \$960,047 with the 10 local governments providing roughly 63% of the funding. SIPP has five main activities: sector development, business growth and expansion; business investment and attraction; and First Nation economic development and collaboration.

The SIPP was a recent winner of \$250,000 as part of Infrastructure Canada's Smart Cities Challenge. The Greater Victoria based project is one of ten finalists and beat out other Vancouver Island cities such as Nanaimo, Langford and Campbell River. The SIPP will use the money to further develop their proposal on sustainable transportation in competition for a \$10,000,000 grand prize.

Regional District of Mt. Waddington

The Economic Development Commission (EDC) is a function of the Regional District of Mount Waddington (RDMW), and its membership is comprised of four municipalities and four participating

electoral areas. The RDMW Board approves policy, strategy and all associated project and engagement activity.

The manager of economic development is an integral member of the RDMW's staff and is secretary to the EDC. The role of the manager is to coordinate and execute core activities, provide advice, engage with stakeholders and prepare proposals in cases where the regional district is the lead agency. There are a number of committees and working groups linked to the economic development function. This includes the Mt. Waddington Workforce Planning and Action Committee (WPAC) and the Vancouver Island North Tourism Advisory Committee (VINTAC). The RDMW also employs a tourism coordinator who works with their Board and VINTAC. The RDMW has contracted out tourism marketing to Tourism Vancouver Island. The budget for the economic development service in 2017 was \$203,228 with about 87% funded from tax requisition.

Central Okanagan Regional District

The Regional District of Central Okanagan's Economic Development Commission (COEDC) is a service provided by the Regional District of Central Okanagan, providing economic development services to the District of Lake Country, RDCO Electoral Area East, City of Kelowna, City of West Kelowna, Westbank First Nation, District of Peachland and RDCO Electoral Areas East and West. The main activities of the COEDC are business retention and enhancement, investment and attraction and coordination and connection.

The COEDC reports on its activities to the Regional District of Central Okanagan Board of Directors through quarterly reporting and annual reporting mechanisms. The COEDC is guided by a 45 member advisory committee with representatives of business associations, local government, and key industry leaders of Agriculture, Advanced Manufacturing, Professional Services, Construction & Development, Technology and Tourism. The 2018 Budget for the COEDC is \$897,000 which is almost entirely funded from a tax requisition. Four full time staff work for the COEDC.

Regional Economic Development Service Discussion

The trend in general in British Columbia is for economic development to take a regional approach, recognizing that when it comes to economic development there are significant benefits for communities to work together that are part of the same economic unit. For this reason, many local governments in BC are involved in regional economic development entities. Three examples are the two regional districts to the north and south of the RDN and CORD. The regional district economic development service provides coordination for various economic development initiatives in those regions. The two CVRD's and the CORD play a leadership and coordinating role and are also involved in local economic development activities. Each of those services is guided by a strategic plan which identifies the partners involved and who takes the lead on various actions. Each also has a committee comprised of the various economic development organizations in the region.

Sharing of costs and leveraging of additional resources are the primary arguments in favour of a regional approach. The resources of a combined regional entity are often greater than any of the individual entities could fund on their own. This is particularly true of small communities that can deliver a far more substantial economic development program by partnering with other communities in their region.

Businesses looking to invest in an area are interested in the size of the market, regardless of boundaries, so it often makes better sense for multiple jurisdictions to have a unified economic development organization or approach. Regions are also large enough to offer a critical mass of companies, institutions, infrastructure and talent, while small enough to enable close interactions among people, firms and organizations – factors that contribute to regional innovation.

Collaboration at the regional level allows local governments to work together to achieve common goals or address common needs, and potential partners include local governments, First Nations, community groups and private sector organizations. Taking a regional approach also offers the opportunity to access additional sources of funding that would otherwise be unavailable. Regional coordination can also ensure that efforts are linked to, and support, other strategies such as the Regional Growth Strategy, Official Community Plans and Board/Council Strategic Plans.

The general trend in BC is in contrast to what has happened in the RDN over the past few years where there has been a move away from regional economic development to a local and/or a sector specific focus. Numerous initiatives are currently underway in the RDN but there is no one body that serves to coordinate the activities of the different initiatives.

In recent years economic development has gone from a sub-regional approach centered around Greater Nanaimo and the Oceanside areas to focusing on local areas. In the southern part of the RDN there are three separate local government initiatives focused on Nanaimo, Lantzville and Gabriola Island. In the northern part of the RDN Oceanside Initiatives has attempted to play a coordinating role, but insufficient commitment from the local governments and a lack of resources has hampered its effectiveness. A recent attempt by the RDN to create a regional economic development service did not receive support from two of the four member municipalities.

The possible budgets for the established services operated by the RDN and the City of Nanaimo are approximately \$1.2M (includes funding for Tourism Nanaimo). This amount does not include funding provided to other organizations involved in economic development or other sources of funding such as the MRDT. The budget amount for economic development is comparable to the Comox Valley Regional District and significantly greater than the Cowichan Valley Regional District.

There is no one “right” model for economic development and there are many variations within an in-house and an arms-length model to choose from. There are a number of factors to consider when determining which model may be suitable and it may take time to find the structure that best fits the circumstances for this region. A process is needed to investigate the benefits of having a regional economic development service or a way to coordinate the different economic development services in the region. Prior to proposing a service, an opportunity to examine the need for such a service and how it might operate is needed. With support to proceed, the details of the service can be worked out. Alternatively, as the RDN already has two economic development functions, revisions to those functions could be made to include the City of Nanaimo and District of Lantzville and then the role and services delivered could be reviewed.

Should there be support to have an economic development discussion, background information will be compiled including consultation with the existing providers. The discussion, to take place at a facilitated workshop, will take a closer look at how economic development is delivered in the region. With input from those who are currently providing the service, the RDN can examine how economic development

at the regional level can be improved and whether there is a role for the RDN. A proposed outline for the discussion is provided as Appendix 1. A list of proposed participants in the workshop is provided in Appendix 2.

The primary purpose of the workshop is to determine if there is support for establishing a regional economic development service to be funded through an RDN function.

In support of the Board's strategic plan, what role will the RDN play in economic development? A first step would be to host a workshop to look at the benefits of a regional approach to economic development and the role for the RDN in collaboration with the other organizations already engaged in economic development activities. Should the RDN be taking on a leadership role to coordinate economic development activities in the region? With all the disparate initiatives currently underway the RDN may be the best placed organization to take the lead and organize a discussion to consider how the region may benefit from collaboration.

Should there be support to establish the regional service, then the next step is to look at the delivery model, the possible services to be offered and source of funding, budget and staffing.

ALTERNATIVES

1. Receive this report for information only
2. Receive this report for information and provide direction to organize discussions about a revised role for the RDN in regional economic development.

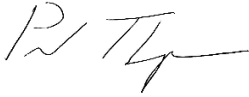
FINANCIAL IMPLICATIONS

The financial implications at this time are the costs to fund for a facilitator for the meeting. A small amount will also have to be budgeted for professional services. Staff will investigate the opportunity of applying for a grant to pursue funding with a possibility to apply to ICET, as they have a funding program for communities who want to examine the need for an economic development strategy. Funds have been established to conduct service reviews for RDN functions. These funds have not been allocated to any one service and, with the Board's approval, could be used for a review of the economic development services.

Following the initial meeting, should a decision be made to proceed with establishing a new economic development service, then a financial analysis will be conducted.

STRATEGIC PLAN IMPLICATIONS

The Board 2016-2020 Strategic Plan includes a strategic focus on economic health with a priority to foster economic development. The Board identified in the 2018 Strategic Plan review that promoting economic growth, diversification and resiliency was a continuing priority and that efforts in the area of economic development should be pursued in an effective manner. The Board supported economic development as a regional service that should be explored. Discussions on updates to the Strategic Plan are scheduled for January of 2019. The recommendation is to include regional economic development as a priority discussion area in the review of the Board Strategic Plan following the 2018 civic election.



Paul Thompson
pthompson@rdn.bc.ca
May 28, 2018

Reviewed by:

- G. Garbutt, General Manager, Strategic and Community Development
- P. Carlyle, Chief Administrative Officer

Attachments

1. Proposed Agenda Outline for Economic Development Discussion
2. Proposed Participants in Economic Development Discussion

Appendix 1
Proposed Agenda for Economic Development Discussion

Facilitation: Economic Development Professional

Purpose: To determine if there is support to proceed with the establishment of a regional economic development service.

Materials in support of the discussion:

- Background on each of the economic development providers including:
 - Services provided
 - Budgets and staffing
 - Governance structure
 - Guiding documents (e.g. strategic plan)
 - Networking
- Economic Development Models
- Economic Development Services
- Sources of funding for economic development

Discussion items

- What is missing in terms of regional collaboration?
- Is a regional economic development service needed in the RDN?
- Is a new local government service needed?
- What is the role of the RDN?
- What is the best delivery model?
- What is the best governance model?
- What services should be provided?
- What are sources of funding?

Appendix 2
Proposed Participants in Economic Development Discussion

- City of Nanaimo
- District of Lantzville
- City of Parksville
- Town of Qualicum Beach
- Regional District of Nanaimo
 - Northern Communities Economic Development
 - Southern Communities Economic Development

- Mid Island Business Initiative
- Oceanside Initiatives
- Community Futures Central Island

- Island Coastal Economic Trust
- Vancouver Island Economic Alliance
- Island North Film Commission

- Greater Nanaimo Chamber of Commerce
- Gabriola Island Chamber of Commerce
- Parksville and District Chamber of Commerce
- Qualicum Beach Chamber of Commerce

- Parksville Qualicum Beach Tourism Association
- Tourism Nanaimo
- Tourism Vancouver Island

TO: Committee of the Whole **MEETING:** June 12, 2018
FROM: Adrian Limpus **FILE:** 5340-05
Engineering Technologist – Wastewater Services
SUBJECT: Biosolids Transportation Services Contract Award

RECOMMENDATION

1. That the Board award a two year contract for Biosolids Transportation Services to DBL Disposal Services Ltd at an estimated value of \$162,000.
2. That the General Manager of Regional and Community Utilities and the Director of Finance be authorized to extend the contract for an additional 2 years if required.

SUMMARY

On April 27, 2018 the RDN Wastewater Services department posted a Request for Quotations (RFQ) for biosolids transportation services on the RDN and BC Bid websites. Three submissions were received by the May 16, 2018 closing date. The lowest compliant quotation was provided by DBL Disposal Services Ltd, the current provider, at an estimated annual cost of \$81,000 based on a two year term.

BACKGROUND

The Regional District of Nanaimo requires biosolids transportation for the operation of its wastewater facilities. Regional District of Nanaimo (RDN) biosolids are transported daily to a TimberWest woodlot as part of the RDN's forest fertilization program. Biosolids are also transported to the Harmac soil fabrication site if the forest fertilization site is not available. The current agreement for biosolids transportation services concludes on June 30, 2018.

The RDN Wastewater Services department posted the biosolids hauling quotation on the RDN and BC Bid websites. The contract term is for two years with an option to extend for an additional two years. The contract includes an option to extend the contract for an additional 2 years.

Three quotations were received on the May 16, 2018 closing date. One quotation was determined to be non-compliant and was set aside without further consideration.

Table 1 summarizes the compliant quotations:

Table 1 – Biosolids Hauling Quotation Results

Firm	Estimated Annual Cost
DBL Disposal Services	\$80,563
Milner Group Ventures	\$118,280

DBL had the lowest compliant quotation to provide the services. DBL also has demonstrated they have the required experience, resources, and capacity to fulfill the contract. DBL has provided biosolids transportation services to the RDN for many years and is familiar with the requirements of the contract.

ALTERNATIVES

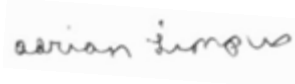
1. Award the Biosolids Transportation two year contract to DBL Disposal Services.
2. Do not award the Biosolids Transportation two year contract to DBL Disposal Services and provide alternate direction to staff.

FINANCIAL IMPLICATIONS

The biosolids transportation contract has been valued at approximately \$81,000 per year for a total of \$162,000 for the two year term based on estimated production. This expense is within the budget in the 5 year financial plan.

STRATEGIC PLAN IMPLICATIONS

Biosolids transportation services are critical for the efficient, safe and reliable operation of the RDN's wastewater facilities, advancing the Board's strategic focus on Service and Organizational Excellence.



Adrian Limpus
alimpus@rdn.bc.ca
May 24, 2018

Reviewed by:

- S. De Pol, Director, Water and Wastewater Services
- R. Alexander, General Manager, Regional and Community Utilities
- P. Carlyle, Chief Administrative Officer

- Replace internal piping.

The RFP for the detailed design of the Chase River Force Main No. 1 Replacement and Pump Station Upgrades was publicly advertised on February 1, 2018.

The RFP closed on April 18, 2018 and three (3) Proposals were received from the following Consultants:

- CH2M Hill Canada Ltd.
- ISL Engineering and Land Services Ltd.
- Wedler Engineering LLP

The selection process followed the RDN Selection of Consultants Policy A2.17 and selection was made on the basis of technical merit and financial fees. Proposals were evaluated using the following weighting:

- Technical Submission - 60% of total proposal score
- Financial Submission - 40% of total proposal score

The Evaluation Team determined that the highest ranked overall Proposal was provided by CH2M who also provided the lowest cost submission.

CH2M is a consulting engineering firm specializing in water and wastewater. CH2M demonstrated a thorough understanding of the Project and has the experience and expertise needed to work with RDN staff to complete the detailed design of this Project.

The design work is expected to be completed in 2018, tendering, award and construction will take place in 2019.

ALTERNATIVES

1. Award the Engineering contract for the Chase River Force Main No. 1 Replacement and Pump Station Upgrades Project to CH2M for \$199,682 (excluding GST).
2. Provide alternate direction to staff.

FINANCIAL IMPLICATIONS

The 2018 and 2019 financial plan provides \$380,000 in funding for the design, engineering and construction services of this project in the Southern Communities Waste Water Services Fund. CH2M's financial submission included a total fixed-fee of \$199,682 is within the 2018 allocation in the approved five year financial plan. The current budget for construction identified in the five year financial plan for this project is \$1,710,000.

STRATEGIC PLAN IMPLICATIONS

The design and construction of the Chase River Pump Station and Force Mains directly supports the Board Strategic Priority to Focus on Organizational Excellence. This priority states that the RDN will deliver efficient, effective and economically viable services that meet the needs of the Region, including funding infrastructure in support of our core services employing an asset management focus.

The project also supports the strategic priority to Focus on Economic Health and recognizes the importance of wastewater in supporting economic and environmental health.



Mike Squire, ASCT
msquire@rdn.bc.ca

05/02/2018

Reviewed by:

- M. Mauch, Manager, Engineering
- S. De Pol, Director, Water & Wastewater Services
- R. Alexander, General Manager, Regional and Community Utilities
- P. Carlyle, Chief Administrative Officer

TO: Committee of the Whole **MEETING:** June 12, 2018
FROM: Larry Gardner, ASCT, Eng.L
 Manager, Solid Waste Services **FILE:** 5365-42
SUBJECT: Solid Waste Management Plan Adoption

Please note: the Solid Waste Management Plan will be distributed under separate cover

RECOMMENDATION

That the Solid Waste Management Plan be adopted and that the Plan be sent to the Minister of Environment & Climate Change Strategy for approval.

SUMMARY

The Solid Waste Management Plan ("Plan") (Attachment 1) sets out a ten year vision on how the Regional District of Nanaimo proposes to manage municipal solid waste and recyclable material with a goal of diverting waste. The Environmental Management Act requires that all regional districts prepare and submit a solid waste management plan for approval by the Minister of Environment & Climate Change. Subject to the Minister being satisfied that there has been adequate public and stakeholder consultation, the Minister may approve all or part of a solid waste management plan and may attach conditions to the plan.

Community consultation was also carried out through the review process with increased intensity between the Fall of 2017 and the Spring of 2018. During this final period of the Plan development, various media were used to reach out to the community which resulted in the Regional District of Nanaimo (RDN) engaging 4000 residents. Third party expert review of the consultation process acknowledged this as a "very high level of direct engagement"¹.

The Plan proposes a 90% waste diversion target from the 1980's baseline annual per capita disposal rate of 1084 kg of waste going to landfill. Achieving this target would result in an annual per capita disposal rate of 109 kg. The RDN's current diversion is 68% with an annual per capita disposal rate of 347 kg. Strategies include the continuation and enhancement of existing programs such as education, disposal bans, Waste Stream Management Licensing and residential curbside collection. The Plan also proposes a number of new strategies such as household hazardous waste collection, mandatory waste source separation regulation and Waste Hauler Licensing. The latter two items require additional authorities to be granted to the RDN by the Province of which Plan approval by the Minister of Environment & Climate

¹ Maura Walker & Associates, Environmental Consultants, *Review of Stage 3 Solid Waste Management Plan Consultation Efforts*, letter report, May 1, 2018

Change Strategy is the first step. The second step will be to develop draft bylaws through consultation with potentially impacted stakeholders, and finally, a second level of provincial approvals will be required before mandatory source separation and Waste Hauler Licensing can be implemented.

BACKGROUND

The RDN has updated the Plan which sets out the strategies for managing municipal solid waste within the region. This is the third update since the original Plan was developed in 1988; subsequent updates were in 1996 and 2004. The plan was also amended in 2010 to include the Design and Operations plan for the Regional Landfill.

The Province's *A Guide to Solid Waste Management Planning*, September, 2016 sets guiding principles as follows:

The principles guiding the development and implementation of this plan are (RDs may replace this list with their own set of guiding principles that are complementary to the provincial set):

- Promote zero waste approaches and support a circular economy.
- Promote the first 3 Rs (Reduce, Reuse and Recycle).
- Maximize use of waste materials and manage residuals appropriately.
- Support polluter and user-pay approaches and manage incentives to maximize behavior outcomes.
- Prevent organics and recyclables from going in the garbage.
- Collaborate with other Regional Districts wherever practical.
- Develop collaborative partnerships with interested parties to achieve regional targets set in plans.
- Level playing field within regions for both private and public solid waste management facilities.

The RDN's Plan combines and replaces the first two Provincial principals with: *Promote the Zero Waste Hierarchy of highest and best uses and support a circular economy*; and, the Plan adopts the balance of the provincial principals. The Zero Waste Hierarchy is adopted from the *Zero Waste International Alliance* as presented below:



Program costs on full implementation and expected waste diversion is presented in the following table:

Strategies, Costs and Potential Diversion Projected by the Solid Waste Management Plan		
New Zero Waste Programs	Diversion Potential	Annual Cost on Full Implementation
Expanded Zero Waste Education	Not quantifiable	\$40,000
Household Hazardous Waste	<1%	\$100,000
Expanded Industrial, Commercial and Institutional (ICI) Waste Management Diversion <ul style="list-style-type: none"> - Increased education of existing landfill bans and a relaunch of the commercial/multi-family organics strategy - Increased enforcement of existing landfill bans 	3%	\$100,000 \$100,000
Expanded Construction and Demolition (CD) Waste Diversion <ul style="list-style-type: none"> - Education and communication - Increased enforcement of existing landfill bans 	3%	\$20,000 \$20,000
Waste Hauler Licensing	10%	\$469,000
Mandatory Waste Source Separation		\$373,000
Zero Waste Recycling	1%	\$300,000
Total New Programs	17%	\$1.6 million
Anticipated Diversion Through Federal/Provincial Programs²	5%	\$0
Total Existing Programs	68%	\$14.7 million
Total	90%	\$16.3 million

The objective of the Plan is to achieve higher levels of waste diversion with a focus on maximizing source separation to promote the best use of recyclables. Most of the diversion will be realized through the synergistic programs of Waste Hauler Licensing and Mandatory Waste Source Separation. Before either of these programs can be introduced, the RDN must be granted additional authority from the Province of which Plan approval is the first step. Subject to Plan approval, the RDN will carry out additional consultation on each of the programs and gain subsequent provincial approvals before the programs can be launched.

² October 29, 2009, the Canadian Council of Ministers approved the Canada-wide Action Plan for *Extended Producer Responsibility* they and are continuing with the action plan. BC has implemented Phase 1 projects (packaging, printed material, etc.); Phase 2 products include demolition, furniture, textiles and carpet.

Consultation

Community consultation was carried out through the Plan review process and is documented in the *Stage 3 Solid Waste Management Plan Consultation Report* which forms Appendix H of the Plan. The Regional Solid Waste Advisory Committee (RSWAC), made up of both technical and public representatives, provided advice on the process and ultimate content of the Plan.

During the final stages of the review process, between the Fall of 2017 and Spring of 2018, the RDN provided opportunities for the community to learn about the planning process and directly engaged with 4000 residents through activities such as:

- Get Involved Website
- Video Summary
- Social Media
- Online and in person surveys
- Online, newspaper and bus advertising
- Travelling display
- Mail-outs
- Community Events
- Conference presentation
- Public/Mainstream media
- Open houses
- Stakeholder meetings

Cost implications of the new and expanded programs were presented as part of the consultation. Costs were presented in several ways including overall costs, costs expressed as per capita costs, and costs paid for by taxation.

Two surveys were carried out with a total of 726 respondents with the summary of results as follows:

- 32% (234) were aware of the Plan being updated.
- 97% (700) were supportive of the 90% diversion goal.
- Of those supportive of the diversion goal, 77% (562) were supportive of the increased cost of around \$10 per year per person.

Although the survey sample size was small, the results were indicative of the sentiments expressed through all other staff engagement (i.e. correspondence, public meetings, stakeholder meeting) which is estimated to be in the order of 4000 individuals. The results of the consultation can be characterised as follows:

- Common support for:
 - 90% diversion by 2027.
 - Programs and cost implications outlined in the Plan, specifically, mandatory source separation, education, zero waste recycling and household hazardous waste recycling.
- Mixed support for Waste Hauler Licensing
 - Varied support from the waste industry, and
 - Support from all other stakeholder groups.

The only substantive change to programs presented in the draft Plan as an outcome of consultation resulted from the February 2018 Board meeting where the draft Plan was revised to specify the Nanaimo Recycling Exchange as the recipient of \$300,000 per year for 5 years, to act as research and recycling hub for items not commercially marketable. Consultation carried out after February 2018 included this revision to the Plan.

The results of the consultation were presented and accepted by the RSWAC at their meetings of April 19, 2018.

At the Solid Waste Management Select Committee meeting on May 15, 2018, the following motion was passed:

It was moved and seconded that the draft Solid Waste Management Plan, as presented, be forwarded to the Regional District of Nanaimo Committee of the Whole for approval.

Post Plan Approval

If the Board approves the Plan, the Plan will be forwarded to the Minister of Environment & Climate Change for approval. This approval process is expected to take 4 to 6 months. In the interim, staff will develop a 2019 budget on the basis of the Plan as presented to the Board.

As per the terms of reference, the RSWAC will conclude its work when the Plan has been approved by the RDN Board. Following this, a Plan Monitoring Advisory Committee will be established consistent with the provincial guidelines. The purpose of the Plan Monitoring Advisory Committee is to monitor the implementation of the Plan and make recommendations to increase its effectiveness. The Terms of Reference for the Plan Monitoring Advisory Committee are included in Schedule C of the Plan.

ALTERNATIVES

- 1) That the Solid Waste Management Plan be approved and forwarded to the Minister of Environment & Climate Change for approval.
- 2) That Solid Waste Management Plan not be approved and alternate direction be provided.

FINANCIAL IMPLICATIONS

The Plan proposes to add approximately \$1.6 million annually to the Solid Waste Services budget which is currently \$14.7 million, an 11% increase. The increase would be phased in over 3 years. Cost implications presented to the community as part of the consultation were in both per capita costs and tax requisition (if the programs were fully funded through taxation) as set out in the following table:

Projected Zero Waste Strategy Cost Per Capita	
Current (68% diversion)	\$53.66
Proposed (90% diversion)	\$63.69
Increase	\$10.03
Projected Costs if Funded by Taxation (per \$100,000 property assessment)	
Zero Waste Education	\$0.11
Household Hazardous Waste	\$0.28
ICI Waste Management	\$0.54
CD Waste Management	\$0.11
Waste Source Regulation	\$0.99
Waste Hauler Licensing	\$1.25
Zero Waste Recycling	\$0.81
Total New Zero Waste Program	\$4.10
Total Existing Zero Waste Programs	\$3.04
Total SW Services Tax Rate	\$7.14

Cost projections include staff equivalent costs to administer programs and one to two additional staff are likely required to deliver the programs. Actual staffing needs will be determined by the roll out of the programs as directed by the Board.

Funding for Solid Waste Services is provided through a combination of utility fees, tipping fees and taxation. Should the Plan be approved, staff will develop a proposed 5 year financial plan for Board consideration that apportions costs through the available funding mechanisms.

STRATEGIC PLAN IMPLICATIONS

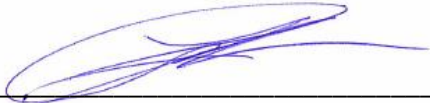
The Solid Waste Management Plan aligns with the RDN Strategic Priorities in the following ways:

1. *Focus on the Environment* – the RDN has already achieved world class waste diversion at a per capita disposal rate of 347 kg per year. This Plan sets a per capita target of 109 kg year and adopts the zero waste hierarchy of highest and best use of materials. Waste diversion conserves resources and, depending on the implementation schedule and success of programs, could extend the life of the landfill 10 to 15 years beyond its current projected timeline.
2. *Focus on Economic Health* – the Plan strategies propose an economic model that encourages private sector growth around waste diversion, consequently resulting in more and better services to the community and progress towards a circular economy. A 2013 report³ prepared

³ Innes Hood Consulting Inc., *Zero Waste Business Case, Draft for Expert Review*, May 2013

for the Ministry of Environment predicted that provincial diversion between 62% and 81% by 2025 will produce between \$56 million and \$126 million of annual net economic benefit.

3. *Focus on Service and Organization Excellence* - this Plan has been developed over a 5 year period with considerable community involvement to adopt a waste reduction target, and strategies to achieve the target, that meet the unique needs of the community.



Larry Gardner, ASCT, Eng.L
lgardner@rdn.bc.ca
May 31, 2018

Reviewed by:

- R. Alexander, General Manager, RCU
- P. Carlyle, Chief Administrative Officer

Attachment
Solid Waste Management Plan

TO: Committee of the Whole
FROM: Darren Marshall
Manager Transit Operations
MEETING: June 12, 2018
FILE: 2240 20 NRT
SUBJECT: Transit Radio Tower Occupancy Agreement

RECOMMENDATION

That the Regional District of Nanaimo enter into an agreement with the City of Nanaimo to allow the installation of Transit Services radio and auxiliary equipment on an existing tower and related building and provide hydro for \$1,200 annually for a five (5) year term commencing April 1, 2018 to March 31, 2023.

SUMMARY

The renewal of an existing agreement with the City of Nanaimo will allow the Regional District of Nanaimo's Transit System radio and auxiliary equipment to remain on a tower and in an existing building. The proposed renewal (Attachment 1) is for a five (5) year term commencing April 1, 2018 to March 31, 2023, for \$1,200 annually. All other terms and conditions of the agreement remain the same as the previous agreement with no increase to the annual fee.

BACKGROUND

The Regional District of Nanaimo (RDN) Transit Services has a daily need for radio services to support communication between buses, dispatch and management.

The City of Nanaimo's site provides the necessary direct line of sight that a Very High Frequency radio must have for clear communication. An added safety feature of the Very High Frequency radio is a panic button; this notifies a supervisor that a driver is in distress and needs immediate assistance.

The agreement term is from April 1, 2018 to March 31, 2023. In November 14, 1995, the Board approved the original agreement between the RDN and the City of Nanaimo and the agreement has continued to be renewed. The City of Nanaimo has provided radio tower services to the RDN for the past twenty three years which has assisted the RDN in the provision of the transit service and increased the safety of the system for the passengers and the drivers.

ALTERNATIVES

1. That the Regional District of Nanaimo enter into an agreement with the City of Nanaimo to allow the installation of Transit Services radio and auxiliary equipment on an existing tower and related building and provide hydro for \$1,200 annually for a five (5) year term commencing April 1, 2018 to March 31, 2023.
2. That alternative direction be provided.

FINANCIAL IMPLICATIONS

All other terms and conditions of the agreement remain the same as the previous agreement with no increase to the annual fee. The total financial authorization requested is \$1,200 annually for a five (5) year term. This annual amount is to provide hydro and is included in the annual budget.

STRATEGIC PLAN IMPLICATIONS

The radio tower services are important for the efficient, safe and reliable operation of the RDN's transit services, advancing the Board's strategic focus on Service and Organizational Excellence.



Darren Marshall
dmarshall@rdn.bc.ca
May 22, 2018

Reviewed by:

- D. Pearce, Director, Transportation and Emergency Planning Services
- P. Carlyle, Chief Administrative Officer

Attachment

1. Transit Radio Tower Occupancy Agreement

Attachment 1: Transit Radio Tower Occupancy Agreement

This Agreement dated this ____ day of _____, 2018

BETWEEN:

THE CORPORATION OF THE CITY OF NANAIMO

455 Wallace Street
Nanaimo, BC V9R 5J6
(the "**City**")

AND:

REGIONAL DISTRICT OF NANAIMO

6300 Hammond Bay Road
Nanaimo, BC V9T 6N2
(the "**Occupier**")

WHEREAS:

A. The Owner is the owner of lands more particularly described as:

PID: 003-706-419
LOT 1, DISTRICT LOT 55, WELLINGTON DISTRICT, PLAN 20015

having a civic address of 4877 Lost Lake Road, Nanaimo, BC (the "**Property**");

B. The Occupier desires to install certain radio equipment on the premises of the City at the Property.

C. The City is prepared to provide electrical energy for the purpose of operating the said radio equipment.

NOW THIS AGREEMENT WITNESSES that in consideration of the premises, the terms and conditions hereinafter contained, the sufficiency and receipt of which is hereby acknowledged, the parties covenant and agree each with the other as follows:

1. The City shall allow the Occupier to: install radio and auxiliary equipment on the tower and in existing building(s) at the Property as described in Schedule 'A' annexed hereto, and as illustrated in Schedule 'B' annexed hereto.
2. The term of this Occupancy shall be for a period of five (5) years commencing on the 1st day of APRIL 2018, and terminating on the 31st day of MARCH 2023. It is agreed that this Occupancy may be terminated by either party giving one to the other ninety (90) days written notice of such termination and the termination shall be effective at the expiration of the ninety (90) day period. This termination provision does not in any way offset the City's rights to otherwise terminate the Agreement under the items and conditions herein set forth.
3. The Occupier hereby agrees to pay to the City monthly in advance a fee of one hundred (\$100.00) dollars.
4. The Occupier shall assume all cost of installation of the equipment described in paragraph B.

5. The City agrees to provide the necessary electrical power to operate the equipment described in Paragraph B, but does not guarantee to do so and the City shall not be liable for any loss and/or damage whatsoever which the occupier shall or may suffer due to, on account of, by reason of, or incidental to any failure to provide such electrical power, or delay in restoring such electrical power for any cause whatsoever.
6. The Occupier agrees to eliminate any interference caused by the installation and operation of the radio equipment and that no expense will accrue to the City by reason of such installation and operation of the radio equipment.
7. Without limiting the generality of the foregoing, the Occupier shall, at his own expense, use all possible means and/or precautions to mitigate and if possible, to prevent physical, inductive or electrolytic interference between its installations and those of the City and/or any other person now or hereafter or from time to time contracted upon the premises. In the event that such ways, means and/or precautions are insufficient, in the opinion of the City to eliminate or sufficiently reduce the interference of the Occupier's installations, the Occupier shall, at his own risk and expense, and within thirty days of a notice in writing to do so, sent by the City to the Occupier, remove from the premises all such installations or parts thereof which, in the opinion of the City cause such interference.
8. The Occupier accepts complete responsibility for maintenance and repair of the Occupier's radio equipment. The City will grant the Occupier access to the site on a 24 hour per day basis to authorized personnel of the Occupier for the purpose of installation, inspection and repair of the Occupier's radio equipment.
9. The said radio equipment shall at all times while upon the premises of the City be and remain the property of the Occupier and the City shall not become liable to the Occupier for loss and/or damage to such radio equipment unless such loss/or damage is due to the negligence of an employee of the City of any person working under the direction or request of an employee of the City.
10. The Occupier shall, at his own risk and expense, obtain and keep in force all necessary licenses and permits of any competent authority having jurisdiction respecting the installation of the radio equipment as herein contemplating, and shall comply in all respects with all rules, regulations and/or statutes now or hereafter enforced and affecting the installation of such radio equipment including but not limited to all Federal, Provincial and Municipal Enactments. The Occupier shall operate said radio equipment in accordance with '*The Radio Act*', and the regulations pursuant thereto.
11. The Occupier shall indemnify and save harmless the City against all claims and demands which may be brought against or made upon the City and against all loss, liability, judgments, costs, damages or expenses which the City may suffer arising from or incidental to the Occupier's installation and/or operation of the said equipment, PROVIDED HOWEVER, that the Occupier shall not be liable under this clause if the damage arose as a result of the negligence of an employee of the City or any person working under the direction or request of an employee of the City.
12. The Occupier shall indemnify and save harmless the City from any liability for the death of or injury to any person that arises from or is incidental to the Occupier's installation and/or operation of the said equipment, PROVIDED HOWEVER, that the Occupier shall not be liable under this clause if the injury or death arose as a result of the negligence of an employee of the City or any person working under the direction or request of an employee of the City.

13. Upon termination of this Agreement, the Occupier shall forthwith dismantle and remove its radio facilities from the said building(s) and/or tower of the City provided that if the Occupier does not remove the said radio facilities, the City may remove them and the Occupier shall pay the cost of so doing.
14. Neither this Agreement nor any of the rights and privileges herein granted may be assigned by the Occupier without the written consent of the City.
15. If any of the equipment or chattels on the Premises are at any time seized or taken in execution or attachment by any creditor of the Occupier or under bill of sale or conditional sale or chattel mortgage; or
- (i) if a writ of execution issues against the equipment or chattels of the Occupier;
 - (ii) if the Occupier makes any assignment for the benefit of creditors, (iii) if the Occupier becomes insolvent or bankrupt;
 - (iv) being an incorporated company or society if proceedings are begun to wind up the company or society; or
 - (v) if the Premises or any part of them becomes vacant and unoccupied for a period of thirty (30) days or is used by any other person or persons or for any other purpose than permitted in this Agreement without the written consent of the City, the Term shall, at the option of the City, immediately become forfeited, and the City may re-enter and repossess the Premises despite any other provision of this Agreement.
16. Time shall be of the essence of this Agreement;
17. Any notice required to be given under this Agreement shall be deemed to be sufficiently given:
- (i) if delivered, at the time of delivery; and
 - (ii) if mailed from any government post office in the Province of British Columbia by prepaid, registered mail addressed as follows:

If to the City:	City of Nanaimo 455 Wallace Street Nanaimo, BC V9R 5J6
If to the Occupier:	Regional District of Nanaimo 6300 Hammond Bay Road Nanaimo, BC V9T 6N2

or at the address a party may from time to time designate, then the notice shall be deemed to have been received seventy-two (72) hours after the time and date of mailing. If, at the time of mailing of the notice the delivery of mail in the Province of British Columbia has been interrupted in whole or in part by reason of a strike, slow-down, lock-out or other labour dispute, then the notice may only be given by actual delivery of it.

- 18. When the singular or neuter are used in this Agreement, they include the plural or the feminine or the masculine or the body politic or corporate where the context or the parties require.
- 19. All provisions of this Agreement are to be construed as covenants and agreements as though the words importing covenants and agreements were used in each separate paragraph.
- 20. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors, administrators and permitted assignees.
- 21. That this Agreement shall be construed in accordance with and governed by the laws applicable in the Province of British Columbia.

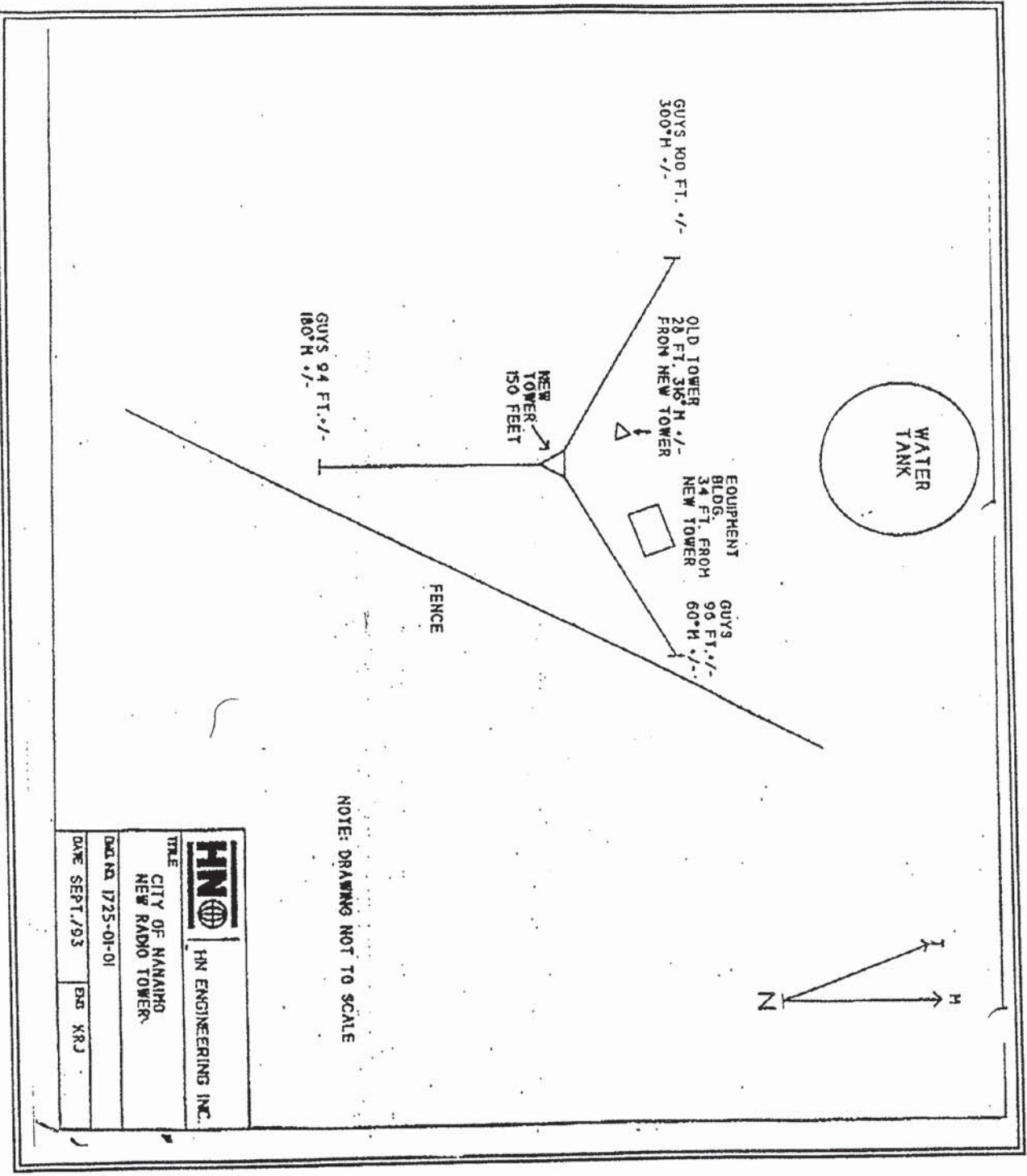
IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year first above written.

THE CORPORATION OF THE CITY OF NANAIMO
by its authorized signatories:

Mayor,

Corporate Officer

REGIONAL DISTRICT OF NANAIMO
by its authorized signatories:



City of Nanaimo
 Schedule A

CITY OF NANAIMO

WESTOWER

DEC. 11/83

C.P.

45.6 M 450G TOWER

COMMUNICATIONS LTD.

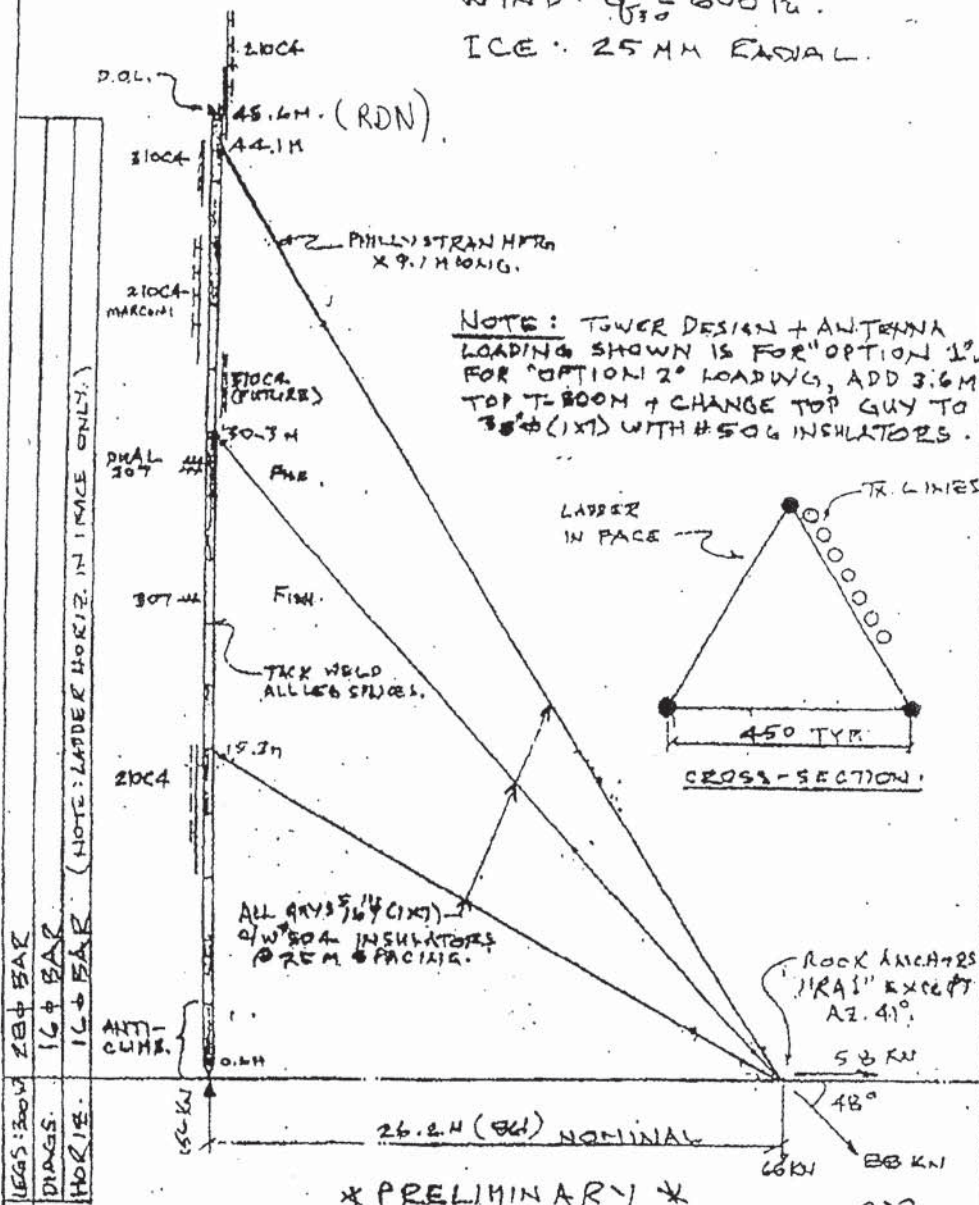
CP 3-1-243-D1

DESIGN SPECIFICATION: CSA S37-M86.

WIND: $q_{30} = 600 Pa$.

ICE: 25 MM RADIAL.

22-141 30 SHEETS
22-142 188 SHEETS
22-144 200 SHEETS



City of Nanaimo

Schedule B

TO:	Committee of the Whole	MEETING:	June 12, 2018
FROM:	Doug Gardiner Fire Service Coordinator	FILE:	2240 20 CHFD
SUBJECT: Coombs Fire Department Self Contained Breathing Apparatus Tender Award			

RECOMMENDATION

That the Board award the Coombs-Hilliers Fire Department Self Contained Breathing Apparatus contract to Guillevin International at a cost of \$227,700.53 before taxes to be funded by the Coombs-Hilliers Fire Service capital reserve fund.

SUMMARY

The Coombs-Hilliers Volunteer Fire Department (CHVFD) has in the 2018 to 2022 Capital Plan a budget to include the replacement of their Self Contained Breathing Apparatus (SCBA) equipment in 2018. Current equipment is reaching the end of its approved life with seven (7) of the existing units requiring considerable repair and currently unable to be used in service due to air frame cracks.

A Request for Tender (RFT) for replacement SCBA equipment was publicly posted on April 27, 2018. One proposal was submitted from Guillevin International at a total value before taxes of \$227,700.53. Based on compliance with tender specifications, quality, service and decreased operational costs, it is recommended that the contract be awarded to Guillevin International.

BACKGROUND

Self-contained breathing apparatus is a device worn by firefighters to provide breathable air in an immediately dangerous to life or health atmosphere. SCBA is an essential piece of safety equipment to fire ground operations and firefighter safety and a WorkSafe BC requirement for structural firefighting. The SCBA used by the CHVFD is approaching 30 years of age and is at the end of its usable life span. Out of 25 SCBA, seven (7) of the CHVFD existing units have been rendered unusable due to cracks in a component called the “air frame” which is the harness assembly that holds the tank and breathing apparatus together like a backpack that the firefighter wears.

The CHVFD had budgeted and prepared to update their SCBA in 2018. This included a change in brand of SCBA to “Scott Air Pak” which enables CHVFD to use the same type of breathing apparatus as their mutual aid and automatic aid partners during large multi-jurisdictional incidents. Additionally, the updated equipment was to change from 2215 pound per square inch (PSI) bottle that enabled approximately 30 minutes of working time for a firefighter, to a 4500 PSI bottle that provides approximately 45 minutes of working time. The primary benefit for firefighter safety is to allow more

time to get out of a dangerous atmosphere. This change in SCBA equipment and the necessary air pressure for new Scott Air Paks necessitated also purchasing a new compressor and fill station.

In January 2018, before a new compressor and fill station could be purchased, the CHVFD failed two consecutive air quality tests for their breathing apparatus. CHVFD had to immediately repair their SCBA fill station and compressor for fire fighter safety, due to contamination from the compressor failing. The repairs were addressed through the CHVFD Operating Budget and resulted in the fill station being upgraded to the 4500 PSI air pressure requirements for the new SCBA. The new compressor was installed in May of this year and now the CHVFD is in need of completing the purchase of the Scott Air Paks for the firefighters.

A Request for Tender for replacement SCBA equipment was publicly posted on April 27, 2018. The RFT issued was specific to sourcing Scott Air Pak equipment which provides a robust warranty with support available on Vancouver Island. The new Scott Air Pak system will provide a longer supply of breathing air, are considered to be very reliable, are widely used in the fire industry, and have a predicted life span of 30 years.

ALTERNATIVES

1. That the Board award the Coombs-Hilliers Fire Department Self Contained Breathing Apparatus contract to Guillevin International at a cost of \$227,700.53 before tax to be funded by the Coombs-Hilliers Fire Service capital reserve fund.
2. That alternative direction be provided to staff.

FINANCIAL IMPLICATIONS

The Coombs-Hilliers' 2018 approved budget provided \$260,000 from reserves for the SCBA equipment purchase as well as for replacement of the compressor required for filling the SCBA units.

The cost of twenty five (25) SCBA units, plus related equipment, is \$227,700.53 before taxes (PST & GST). With the cost added for the new compressor (\$48,394 + tax), the total budget impact is \$276,094.53 which is \$16,094.53 higher than the anticipated costs that were included and approved in the 2018 budget. The capital reserve fund for CHVFD has sufficient additional funds to offset the additional cost for the breathing apparatus without impacting the Coombs-Hilliers five year capital purchase plan.

Of note, the CHVFD projects an annual reduction in operating costs of approximately \$4,500 per year due to reduced maintenance costs that will be realized from the purchase of the new SCBA equipment.

STRATEGIC PLAN IMPLICATIONS

Ensuring the Regional District of Nanaimo (RDN) fire departments are provided with effective and reliable firefighting equipment is reflected under the RDN Strategic Priority of supporting Emergency Services as a core element of community safety. As well, the strategic purchase of equipment that is compatible with other fire departments in the RDN and that has been proven to provide long-term

service to fire departments also supports the Strategic Priority of funding infrastructure in support of our core services employing an asset management focus.



Doug Gardiner
dgardiner@rdn.bc.ca
May 30, 2018

Reviewed by:

- D. Pearce, Director of Transportation & Emergency Services
- P. Carlyle, Chief Administrative Officer