



The Corporation of the City of Nelson
2016 STATEMENT OF FINANCIAL INFORMATION

Statement of Financial Information (SOFI)

THE CORPORATION OF THE CITY OF NELSON

Fiscal Year Ended December 31, 2016

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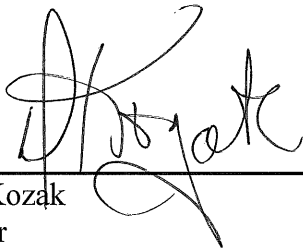
Statement of Financial Information (SOFI)

THE CORPORATION OF THE CITY OF NELSON

Fiscal Year Ended December 31, 2016

STATEMENT OF FINANCIAL INFORMATION APPROVAL

We, the undersigned, approve the attached statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.



Deb Kozak
Mayor



Colin McClure
Chief Financial Officer

Statement of Financial Information (SOFI)

THE CORPORATION OF THE CITY OF NELSON

Fiscal Year Ended December 31, 2016

MANAGEMENT REPORT

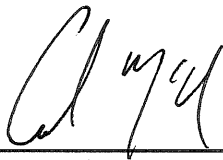
The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles and the integrity and objectivity of these statements are management's responsibility.

Management is also responsible for all other schedules of financial information and for ensuring this information is consistent, where appropriate, with the information contained in the financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

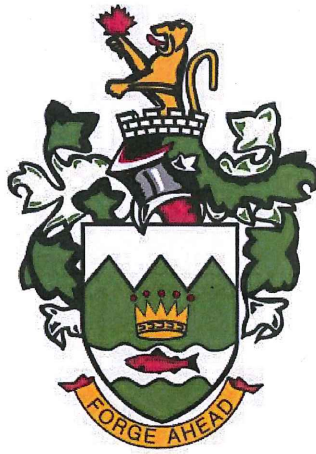
The Mayor and Council are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and for approving the financial information included in the Statement of Financial Information.

The external auditors, Berg Lehmann, Chartered Professional Accountants, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules of financial information required by the *Financial Information Act*. Their examination includes a review and evaluation of the City's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.

On behalf of The Corporation of the City of Nelson



Colin McClure
Chief Financial Officer
June 9, 2017



THE CORPORATION OF THE CITY OF NELSON
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016

THE CORPORATION OF THE CITY OF NELSON
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For the Year Ended December 31, 2016

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Consolidated Statement of Cash Flows

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Schedule A - Consolidated Statement of Tangible Capital Assets

THE CORPORATION OF THE CITY OF NELSON

MANAGEMENT REPORT

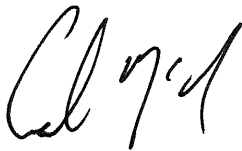
For the Year Ended December 31, 2016

RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation of the accompanying consolidated financial statements. The financial statements have been prepared in accordance with the accounting principles disclosed in Note 1 to the consolidated financial statements and include amounts that are based on estimates and judgments. Management believes that the financial statements fairly present The Corporation of the City of Nelson's consolidated financial position and results of operations. The integrity of the information presented in the financial statements, including estimates and judgments relating to matters not concluded by fiscal year-end, is the responsibility of management. The financial statements have been approved by Council.

Management has established and maintained appropriate systems of internal control including policies and procedures, which are designed to provide reasonable assurance that The Corporation of the City of Nelson's assets are safeguarded and that reliable financial records are maintained to form a proper basis for preparation of the financial statements.

The independent external auditors, Berg Lehmann, Chartered Professional Accountants, have been appointed by Council to express an opinion as to whether the consolidated financial statements present fairly, in all material respects, The Corporation of the City of Nelson's financial position, results of operations, and changes in financial position in conformity with the accounting principles disclosed in Note 1 to the consolidated financial statements. The report of Berg Lehmann, Chartered Professional Accountants, follows and outlines the scope of their examination and their opinion on the consolidated financial statements.



Colin McClure, CPA, CA
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council
The Corporation of the City of Nelson

We have audited the accompanying consolidated financial statements of the Corporation of the City of Nelson, which comprise the consolidated statement of financial position as at December 31, 2016, and the consolidated statement of operations, consolidated statement of changes in financial assets and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the 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 City'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 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 Corporation of the City of Nelson as at December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Chartered Professional Accountants

May 1, 2017

Nelson, B.C.

THE CORPORATION OF THE CITY OF NELSON

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2016

	<u>2016</u>	<u>2015</u>
Financial Assets		
Cash and cash equivalents (Note 2)	\$ 23,676,857	\$ 20,754,467
Investments (Note 3)	2,924,253	2,825,133
Accounts receivable (Note 4)	5,784,084	5,414,993
Long-term accounts receivable (Note 5)	3,763,215	4,079,305
MFA deposits (Note 6)	<u>307,912</u>	<u>299,541</u>
	<u>36,456,321</u>	<u>33,373,439</u>
Financial Liabilities		
Accounts payable and accrued liabilities (Note 7)	4,950,068	5,018,245
Deferred revenue (Note 8)	3,604,420	3,784,249
Accrued future payroll benefits (Note 9)	1,999,193	2,024,540
Capital lease obligation (Note 10)	356,043	361,382
Debt (Note 11)	<u>16,536,054</u>	<u>17,706,718</u>
	<u>27,445,778</u>	<u>28,895,134</u>
Net Financial Assets	9,010,543	4,478,305
Non -Financial Assets		
Tangible capital assets (Note 12)	152,819,425	152,013,916
Inventory (Note 13)	1,299,909	1,299,278
Prepaid expenses	<u>264,569</u>	<u>275,854</u>
	<u>154,383,903</u>	<u>153,589,048</u>
Accumulated Surplus (Note 14)	<u>\$163,394,446</u>	<u>\$158,067,353</u>

Commitments and Contingencies (Note 18)



Colin McClure, CPA, CA
Chief Financial Officer

THE CORPORATION OF THE CITY OF NELSON

CONSOLIDATED STATEMENT OF OPERATIONS

For the Year Ended December 31, 2016

	<u>2016 Budget</u> (Note 20)	<u>2016</u>	<u>2015</u>
Revenue			
Taxes	\$ 9,389,838	\$ 9,444,570	\$ 9,137,584
Sale of services	3,282,942	3,036,613	3,076,330
Other revenue from own sources	3,837,061	3,307,550	3,653,093
Investment income	401,600	577,629	749,260
Grants - unconditional	782,865	796,884	806,527
Grants - conditional	1,936,348	2,416,094	2,056,221
Water user fees	3,392,955	3,390,784	3,293,748
Sewer user fees	2,932,656	2,922,830	2,868,551
Transit user fees	234,275	257,259	236,954
Nelson Hydro sales	<u>17,085,000</u>	<u>16,778,032</u>	<u>15,965,059</u>
	<u>43,275,540</u>	<u>42,928,245</u>	<u>41,843,327</u>
Expenses			
General government	3,621,095	3,610,280	3,471,650
Protective services	5,704,411	5,699,743	5,368,200
Transportation services	3,476,201	3,181,310	3,441,517
Environmental health services	270,169	222,947	226,585
Public health and welfare services	187,231	183,961	182,217
Parks, recreation and cultural services	2,031,241	2,518,889	2,508,718
Interest and other debt charges	915,400	799,250	805,035
Water utility operations	1,245,535	1,441,853	1,395,561
Sewer utility operations	1,683,931	1,599,065	1,624,645
Nelson Hydro operations	11,501,462	10,418,197	11,988,700
Transit operations	1,537,863	1,495,013	1,485,463
Library	880,975	908,059	875,111
Amortization	5,125,725	5,225,475	5,082,904
Loss on disposal of tangible capital assets	-	297,110	369,666
	<u>38,181,239</u>	<u>37,601,152</u>	<u>38,825,972</u>
Annual surplus	5,094,301	5,327,093	3,017,355
Accumulated surplus, beginning of the year	<u>158,067,353</u>	<u>158,067,353</u>	<u>155,049,998</u>
Accumulated surplus, end of the year	<u>\$163,161,654</u>	<u>\$163,394,446</u>	<u>\$158,067,353</u>

The accompanying summary of significant accounting policies and notes form an integral part of these consolidated financial statements

THE CORPORATION OF THE CITY OF NELSON
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2016

	<u>2016 Budget</u>	<u>2016</u>	<u>2015</u>
Annual surplus	\$ 5,094,301	\$ 5,327,093	\$ 3,017,355
Acquisition of tangible capital assets	(12,779,633)	(6,385,874)	(10,757,223)
Amortization of capital assets	5,125,725	5,225,475	5,082,904
Proceeds on sale of tangible capital assets	-	57,780	39,130
Loss on disposal of tangible capital assets	-	297,110	369,666
	<u>(2,559,607)</u>	<u>4,521,584</u>	<u>(2,248,168)</u>
Consumption (acquisition) of prepaid expenses	-	11,285	23,137
Consumption (acquisition) of supply inventory	-	(631)	(11,323)
	<u>-</u>	<u>10,654</u>	<u>11,814</u>
Increase (decrease) in net financial assets	(2,559,607)	4,532,238	(2,236,354)
Net financial assets, beginning of year	<u>4,478,305</u>	<u>4,478,305</u>	<u>6,714,659</u>
Net financial assets, end of the year	\$ <u>1,918,698</u>	\$ <u>9,010,543</u>	\$ <u>4,478,305</u>

The accompanying summary of significant accounting policies and notes form an integral part of these consolidated financial statements

THE CORPORATION OF THE CITY OF NELSON

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2016

	<u>2016</u>	<u>2015</u>
Cash Provided by (Used In)		
Operating Activities		
Annual surplus	\$ 5,327,093	\$ 3,017,355
Items not involving cash:		
Amortization of tangible capital assets	5,225,475	5,082,904
Actuarial adjustments	(279,623)	(233,364)
Loss on disposal of tangible capital assets	<u>297,110</u>	<u>369,666</u>
	10,570,055	8,236,561
Increase (decrease) in non-cash operating items:		
Accounts receivable	(369,091)	66,280
Long-term accounts receivable	316,090	312,873
MFA deposits	(8,371)	(7,478)
Accounts payable and accrued liabilities	(68,177)	(413,045)
Deferred revenue	(179,829)	457,224
Accrued future payroll benefits	(25,347)	(92,610)
Inventory	(631)	(11,323)
Prepaid expenses	<u>11,285</u>	<u>23,137</u>
	<u>10,245,984</u>	<u>8,571,619</u>
Financing Activities		
Debt repayment	(891,041)	(891,041)
Repayment of capital lease obligations	<u>(5,339)</u>	<u>(4,907)</u>
	<u>(896,380)</u>	<u>(895,948)</u>
Capital Activities		
Proceeds from disposal of tangible capital assets	57,780	39,130
Acquisition of tangible capital assets	<u>(6,385,874)</u>	<u>(10,757,223)</u>
	<u>(6,328,094)</u>	<u>(10,718,093)</u>
Investing Activities		
Net purchase of investments	<u>(99,120)</u>	<u>(70,794)</u>
Net decrease in Cash	2,922,390	(3,113,216)
Cash and cash equivalents, beginning of year	<u>20,754,467</u>	<u>23,867,683</u>
Cash and cash equivalents, end of year	\$ <u>23,676,857</u>	\$ <u>20,754,467</u>

The accompanying summary of significant accounting policies and notes form an integral part of these consolidated financial statements

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2016

1. Significant Accounting Policies

The Corporation of the City of Nelson (the City) is a local government in the Province of British Columbia. The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards.

The following is a summary of the City's significant accounting policies:

(a) Principles of Consolidation

These consolidated financial statements include the accounts of all the funds of the City. Inter-fund transactions and balances have been eliminated in the consolidated statements.

(b) Revenue Recognition

Sources of revenue are recorded on the accrual basis and include revenue in the period in which the transactions or events occurred that give rise to the revenues. Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year. Sale of services and user fee revenues are recognized when the service or product is rendered by the City.

Grant revenues are recognized when the funding becomes receivable. Revenue unearned in the current period is recorded as deferred revenue.

(c) Deferred Revenue

Deferred revenue represents funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes as well as licenses, permits, other fees and grants which have been collected, but for which the related services have not been performed and or projects have not been constructed. These amount will be recognized as revenues in the fiscal year in which it is used for the specified purpose, the services are performed and or the projects are constructed.

(d) Government Transfers

Government transfers are recognized in the consolidated financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates can be made.

(e) Financial Instruments

The City's financial instruments consist of cash and short term investments, accounts receivable, due from other governments, trades accounts payable and accrued liabilities, employee benefit plans and long term debt. It is management's opinion that the City is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values.

(f) Accrued Future Payroll Benefits

The City records the cost of future payroll benefits over the employee's term of employment. Upon retirement a portion of accumulated sick leave credits are paid to the employee based on years of service.

(g) Interest and Actuarial Gains on Long Term Debt

The City records interest expense on long-term debt on an accrual basis and actuarial gains when realized as a reduction of the principal balance.

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2016

1. Significant Accounting Policies (continued)

(h) Tangible Capital Assets

Tangible capital assets, comprised of capital assets and capital assets under construction, are recorded at cost and are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing the year the asset is put in to service. Donated tangible capital assets are reported at fair value at the time of donation. Estimated useful lives are as follows:

Land Improvements	15 to 20 years
Buildings	10 to 75 years
Fixtures, Furniture, Equipment & Vehicles	4 to 20 years
Technology	4 to 10 years
Roads and Paving	10 to 100 years
Bridges and other Transportation Structures	10 to 100 years
Water Infrastructure	10 to 100 years
Sewer Infrastructure	10 to 100 years
Nelson Hydro Infrastructure	10 to 100 years
Storm Drain Infrastructure	10 to 100 years

(i) Non-Financial Assets

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

(j) Inventory of supplies

Inventory of supplies held for consumption are recorded at the lower of weighted average cost and replacement cost.

(k) Statutory Reserves

Statutory reserves are funds that have been restricted by council. Formal establishing bylaws have been adopted pursuant to the Community Charter, which define how these reserves are to be used.

(l) Reserves Set Aside by Council

Reserves set aside by Council are non-statutory reserves which represent an appropriation of surplus for specific purposes. These internally restricted funds are not available for unrestricted purposes without the approval of Council.

(m) Use of Estimates

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported revenues and expenses during the reporting period. Significant areas requiring estimates include the useful lives of tangible capital assets for amortization, future employee benefits, allowance for doubtful accounts and provision for contingencies. Actual results could differ from management's best estimates as additional information becomes available in the future.

(n) Budget

Budget data presented in these consolidated financial statements is based on the City's Five Year Financial Plan for the years 2016-2020, adopted by Council on April 4, 2016.

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2016

2. Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position are comprised of:

	2016	2015
Cash	\$ 5,509,022	\$ 2,826,749
MFA bond and money market funds	<u>18,167,835</u>	<u>17,927,718</u>
	<u>\$ 23,676,857</u>	<u>\$ 20,754,467</u>

Municipal Finance Authority (MFA) pooled investment funds are considered equivalent to cash because of their liquidity.

3. Investments

Investments are carried according to the cost method, where cost is adjusted to reflect accrued interest less any permanent decline in market value below cost. Investments are composed of Government and Bank issued accrual notes and debentures as follows:

	2016	2016	2015	2015
<u>Maturity</u>	Carrying Value	Market Value	Carrying Value	Market Value
2015	\$ -	\$ -	\$ 774,790	\$ 807,999
2016	1,379,061	1,379,374	1,067,690	1,082,243
2017	395,527	406,170	424,204	449,574
2018	35,693	34,429	260,449	264,478
2019	298,299	300,787	148,000	147,556
2020	184,722	196,403	150,000	150,000
2021	196,171	206,834	-	-
Thereafter	<u>434,780</u>	<u>423,731</u>	<u>-</u>	<u>-</u>
	<u>\$ 2,924,253</u>	<u>\$ 2,947,728</u>	<u>\$ 2,825,133</u>	<u>\$ 2,901,850</u>

4. Accounts Receivable

	2016	2015
Property taxes	\$ 595,056	\$ 558,813
Utility billings	3,876,270	3,460,173
Other governments	260,097	317,729
Trade & other receivables	<u>1,052,661</u>	<u>1,078,278</u>
	<u>\$ 5,784,084</u>	<u>\$ 5,414,993</u>

5. Long Term Accounts Receivable

The City entered into an agreement with Selkirk College in April 2000, to undertake certain improvements to the Tenth Street Campus. Selkirk College is paying for the improvements over a 25 year term in equal monthly installments at the Municipal Finance Authority lending rate plus 1%.

On-bill financing refers to the financial loan service that the City of Nelson has made available for energy retrofits. The customer repays the on-bill financing loan on their regular Nelson Hydro utility bill through automatic withdrawal. The loan is available to those who reside within the City of Nelson and approval is based on payment history and property ownership verification. The maximum allowable loan is \$16,000 with the choice of a 5 or 10 year repayment term, the current fixed interest rate is 3.5% The interest rate is subject to change for any new loans on January first of each year.

THE CORPORATION OF THE CITY OF NELSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2016

5. Long Term Accounts Receivable (continued)

The City has also entered into agreements with various organizations for goods and services or to repay long term financing agreements over an extended period of time.

	2016	2015
Selkirk College	\$ 2,996,093	\$ 3,264,080
Ecosave energy retrofits on-bill financing loans	314,158	272,540
Various other agreements	452,964	542,685
	<u>\$ 3,763,215</u>	<u>\$ 4,079,305</u>

6. Municipal Finance Authority Debt Reserve Fund

The Municipal Finance Authority of British Columbia (MFA) provides capital financing for regional districts and their member municipalities. The MFA is required to establish a Debt Reserve Fund. The MFA must then use this fund if at any time there are insufficient funds to meet payments on its obligations. If this occurs the regional districts may be called upon to restore the fund.

Each regional district, through its member municipalities who share in the proceeds of a debt issue, is required to pay into the Debt Reserve Fund certain amounts set out in the financing agreements. The interest earned on the Debt Reserve Fund, less administrative expenses, becomes an obligation of the MFA to the regional districts.

Upon maturity of a debt issue, the unused portion of the Debt Reserve Fund established for that issue will be discharged to the Municipality. The proceeds from these discharges will be credited to income in the year they are received. As at December 31, 2016, the total of the Debt Reserve Fund was comprised of:

	2016 Cash Deposit	2016 Demand Note	2016 Total	2015 Total
General fund	\$ 189,756	\$ 470,990	\$ 660,746	\$ 655,586
Sewer utility	16,014	40,843	56,857	56,422
Water utility	14,149	36,091	50,240	49,856
Nelson Hydro	87,993	174,898	262,891	260,499
	<u>\$ 307,912</u>	<u>\$ 722,822</u>	<u>\$ 1,030,734</u>	<u>\$ 1,022,363</u>

7. Accounts Payable and Accrued Liabilities

	2016	2015
Trades payable	\$ 3,170,640	\$ 3,709,138
Accrued wages and benefits	1,237,394	751,834
Accrued interest	123,241	127,797
Funds held on deposit	418,793	429,476
	<u>\$ 4,950,068</u>	<u>\$ 5,018,245</u>

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2016

8. Deferred Revenue

	2016	2015
Taxes and utility rates	\$ 2,765,355	\$ 2,744,148
Hydro	602,600	714,386
Other	<u>236,465</u>	<u>325,715</u>
	<u>\$ 3,604,420</u>	<u>\$ 3,784,249</u>

9. Accrued Future Payroll Benefits

	2016	2015
Holiday Pay	\$ 749,365	\$ 751,830
Sick Leave	1,090,758	1,098,664
Banked Overtime	<u>159,070</u>	<u>174,046</u>
	<u>\$ 1,999,193</u>	<u>\$ 2,024,540</u>

The City accrues holiday pay, sick leave, and banked overtime as they are earned by the employee, however, it is expected that these substantially funded liabilities will be met on a continuous basis over the long-term. Payment of these amounts will be funded from revenues of the period in which they are settled.

10. Capital Lease Obligations

FortisBC Energy Lease

The City has entered into a 35 year capital lease with FortisBC Energy Inc (formerly Terasen Gas Inc.), commencing October 31, 2003 for the natural gas distribution system within the municipality's boundary for \$8,000,000. The City has prepaid \$7,600,000 of the capital lease obligation and has financed the prepayment through debenture debt. The remaining obligation of \$400,000 is being paid through annual lease payments of \$36,354 including interest at 8.614%.

The City has also entered into a seventeen year operating lease with FortisBC expiring October 31, 2020 whereby the City leases back to FortisBC the operations of the gas distribution system. Under the operating lease FortisBC is required to make annual lease payments to the City calculated by a formula specified in the agreement which is based on the total annual revenue generated by the transaction. At the end of the seventeen year term FortisBC has the option of making a termination payment to the City equal to the unamortized portion of the City's \$7,600,000 prepayment under the capital lease which is estimated to be \$3,900,000, or negotiate a new eighteen year operating lease with a continuation of the annual lease payments which existed under the previous seventeen year operating lease.

The minimum lease payments required under the terms of the FortisBC Energy leases for the next five years and thereafter are as follows:

2017	\$ 36,354
2018	36,354
2019	36,354
2020	36,354
2021	36,354
Thereafter	618,018
Less interest	<u>(443,745)</u>
	<u>\$ 356,043</u>

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2016

11. Debt

Debt Bylaw #	Purpose of Bylaw	Interest rate %	Year of Maturity	Original Issue	2016 Balance	2015 Balance
General Purposes:						
3107	Catacombs	3.85%	2033	\$ 275,000	\$ 246,172	\$ 256,161
3107	Baker Street bridge	3.85%	2033	900,000	805,654	838,344
3034	Street construction	4.82%	2022	50,341	23,735	27,176
2871	Tenth Street campus	3.15%	2025	6,080,000	3,025,090	3,293,075
3036	Highway 3A	4.00%	2021	300,000	120,121	141,445
2978	Fortis Gas	4.50%	2020	4,200,000	1,879,639	2,305,251
	Fortis Gas	CDOR+.5%	2021	<u>7,386,404</u>	<u>2,753,604</u>	<u>2,753,604</u>
				<u>19,191,745</u>	<u>8,854,015</u>	<u>9,615,056</u>
Water Purposes:						
3038	Fairview reservoir	4.82%	2022	240,000	113,156	129,560
3106	Water improvements	4.90%	2029	<u>1,000,000</u>	<u>734,761</u>	<u>777,253</u>
				<u>1,240,000</u>	<u>847,917</u>	<u>906,813</u>
Sewer Purposes:						
3037	Sewage treatment plant	4.00%	2021	550,000	220,221	259,316
3109	Sewer improvements	4.90%	2029	<u>500,000</u>	<u>367,381</u>	<u>388,626</u>
				<u>1,050,000</u>	<u>587,602</u>	<u>647,942</u>
Hydro Purposes:						
3110	Hydro improvements	4.90%	2029	1,500,000	1,102,142	1,165,880
3223	Hydro improvements	3.05%	2032	<u>6,000,000</u>	<u>5,144,378</u>	<u>5,371,027</u>
				<u>7,900,000</u>	<u>6,246,520</u>	<u>6,536,907</u>
Total Debt					\$ <u>16,536,054</u>	\$ <u>17,706,718</u>

Principal payments and expected actuarial additions for the next 5 years and thereafter are as follows:

	General	Water	Sewer	Hydro	Total
2017	\$ 792,824	\$ 61,251	\$ 62,754	\$ 302,002	\$ 1,218,831
2018	825,937	63,701	65,265	314,082	1,268,985
2019	860,438	66,249	67,875	326,646	1,321,208
2020	896,384	68,899	70,590	339,712	1,375,585
2021	416,015	71,655	73,414	353,300	914,384
Thereafter	<u>5,062,417</u>	<u>516,162</u>	<u>247,704</u>	<u>4,610,778</u>	<u>10,437,061</u>
	\$ <u>8,854,015</u>	\$ <u>847,917</u>	\$ <u>587,602</u>	\$ <u>6,246,520</u>	\$ <u>16,536,054</u>

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2016

12. Tangible Capital Assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2016 Net Book Value</u>	<u>2015 Net Book Value</u>
Land	\$ 9,011,828	\$ -	\$ 9,011,828	\$ 9,011,828
Buildings	35,314,247	25,402,709	9,911,538	10,609,629
Vehicles	9,114,246	4,889,413	4,224,833	3,849,756
IT, equipment & furniture	2,893,068	1,498,379	1,394,689	1,514,926
Library	266,539	186,409	80,130	98,214
Natural gas system capital lease	8,186,404	3,274,560	4,911,844	5,145,741
Transportation infrastructure	25,757,558	9,614,926	16,142,632	15,592,654
Parks & cemetery	5,315,000	2,501,200	2,813,800	2,687,370
Water infrastructure	50,052,052	12,888,836	37,163,216	35,408,992
Sewer infrastructure	30,192,583	11,719,537	18,473,046	18,533,875
Storm sewer infrastructure	18,601,476	6,764,780	11,836,696	11,997,767
Hydro generators & substations	20,382,295	6,787,286	13,595,009	13,875,319
Hydro infrastructure	29,518,025	6,670,793	22,847,232	22,248,268
Assets under construction	412,932	-	412,932	1,439,577
	<u>\$245,018,253</u>	<u>\$ 92,198,828</u>	<u>\$152,819,425</u>	<u>\$152,013,916</u>

See schedule of consolidated tangible capital assets for more information.

13. INVENTORY

Inventories recognized in the statement of financial position are comprised of:

	<u>2016</u>	<u>2015</u>
General, Water, Sewer Transit and Garage supplies	\$ 356,572	\$ 346,409
Fuel	61,571	53,621
Hydro	881,766	899,248
	<u>\$ 1,299,909</u>	<u>\$ 1,299,278</u>

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2016

14. Accumulated Surplus

	2016	2015
Reserves set aside by Council		
Capital projects	\$ 671,066	\$ 431,818
Community works fund	949,059	585,439
Equipment replacement	3,243,715	3,328,772
Future power purchase	1,051,656	1,032,930
Nelson municipal library	19,182	18,935
Nelson Hydro capital	3,452,944	1,953,195
Sewer utility capital	4,155,130	3,409,735
Waterfront development	29,400	29,021
Water licence	2,095,185	2,149,289
Water utility capital	<u>4,058,947</u>	<u>3,098,722</u>
	19,726,284	16,037,856
Statutory reserves		
Land sales	137,756	123,689
Off street parking	9,747	9,587
Parks acquisition	110,791	109,365
Tax sale	<u>22,382</u>	<u>22,094</u>
Total reserves	<u>20,006,960</u>	<u>16,302,591</u>
Surplus set aside by Council		
Airport	210,470	200,470
Art in public places	13,315	14,747
Bridge	279,789	360,000
Building reserve	190,000	327,000
Economic development	19,231	12,754
Downtown & waterfront	120,264	55,866
Fortis	697,170	517,170
Insurance	377,925	380,699
Legal	20,000	20,000
Parking	7,578	17,578
Recycling reserve	113,340	115,840
911	49,089	64,089
10th street	<u>110,677</u>	<u>89,877</u>
	2,208,848	2,176,090
Unappropriated surplus	<u>2,255,219</u>	<u>2,378,778</u>
Total surplus	<u>4,464,067</u>	<u>4,554,868</u>
Invested in capital assets	<u>138,923,419</u>	<u>137,209,894</u>
Total Accumulated Surplus	<u>\$163,394,446</u>	<u>\$158,067,353</u>

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2016

15. Trust Funds

The Cemetery Care, Cemetery Replacement, Justice McDonald, Better Gardens and Spurway Estate Trust Funds are not reported in these financial statements. The following is a summary of Trust Fund transactions for the year:

	2016	2015
Balances, beginning of year	\$ 951,028	\$ 928,371
Contributions received	12,753	10,820
Interest earned	<u>16,803</u>	<u>25,737</u>
	980,584	964,928
Expenses and transfers	<u>(15,000)</u>	<u>(13,900)</u>
Balances, end of year	<u>\$ 965,584</u>	<u>\$ 951,028</u>

16. Taxes Levied For Other Paid Authorities

In addition to taxes levied for municipal purposes, the City is legally obligated to collect and remit taxes levied for the following authorities. These collections and remittances are not recorded as revenue and expenses.

	2016	2015
Provincial Government - School taxes	\$ 8,447,471	\$ 8,375,914
Regional District of Central Kootenay	4,263,334	4,152,348
Central Kootenay Hospital District	(2,316)	-
West Kootenay Boundary Hospital District	668,061	646,190
British Columbia Assessment Authority	161,096	163,413
Municipal Finance Authority	<u>450</u>	<u>429</u>
	<u>\$ 13,538,096</u>	<u>\$ 13,338,294</u>

17. Pension Plan

The City of Nelson and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2015, the plan has about 189,000 active members and approximately 85,000 retired members. Active members include approximately 37,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate is then adjusted to the extent there is amortization of any funding deficit.

The most recent valuation of the Municipal Pension Plans at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2018 with results available in 2019.

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

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2016

17. Pension Plan (continued)

The City of Nelson paid \$1,379,173 (2015 - \$1,319,525) for employer contributions to the plan in fiscal 2016.

18. Commitments and Contingencies

Regional District Debt

Regional District debt is under the provisions of the Community Charter of BC a direct, joint and several liability of the District and each member municipality within the District including the City of Nelson.

Claims for Damages

In the normal course of a year the City is faced with lawsuits and claims for damages of a diverse nature. The outcome of these claims cannot be reasonably determined at this time.

Reciprocal Insurance Exchange Agreement

The City is a subscribed member of the Municipal Insurance Association of British Columbia (The "Exchange") as provided by Section 3.02 of the Insurance Act of British Columbia. The main purpose of the exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange agreement, the Municipality is assessed a premium and specific deductible based on population and claims experience. The obligation of the Municipality with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several and not joint and several. The City irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other Subscriber may suffer.

19. Segmented Information

The City is a diversified municipal government institution that provides a wide range of services to its citizens. City Services are provided by departments and their activities are reported in these Service Areas. Departments disclosed in the segmented information, along with the services they provide, are as follows:

General Government Services

The Departments and Divisions within General Government Services are responsible for adopting bylaws; adopting administrative policy; levying and collecting taxes and utilities; acquiring, disposing and managing City assets; developing and maintaining information technology systems and applications; ensuring effective financial management and communication; administering City grants; developing an effective labour force; administering collective agreements and payroll; emergency planning; economic development; monitoring and reporting performance; and ensuring that high quality City service standards are met.

Police & Bylaw Services

The mandate of Police Services is to keep our community safe by enforcing the law, and by preventing and reducing crime. Bylaw is responsible for parking and other bylaw enforcement, as well as domestic animal control.

Fire and Rescue Services

The mandate of the Fire and Rescue Services is to protect life, property and the environment through the provision of emergency response, inspections, code enforcement and public education, ensuring safety for the public.

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2016

19. Segmented Information (continued)

Development Services

Development Services is responsible for preparing land use plans, bylaws and policies for sustainable development of the City, for reviewing and approving new development and building permits and inspections, management of City owned lands, heritage planning and development of the City's official community plan.

Engineering Services

Engineering Services is responsible for planning, building, operating and maintaining the City's physical infrastructure including roads and sidewalks, civic buildings and facilities. In addition, the divisions provide services for storm sewer services, solid waste and recycling, cemetery operations, and fleet services.

Parks, Culture and Recreation Services

Parks, Culture and Recreation is responsible for providing, facilitating the development of, and maintaining high quality parks, recreation facilities and programs, the youth centre and cultural services.

Transit

Transit is tasked with providing safe, timely and efficient public transit services within the City limits.

Library

As a controlled entity the City reports and is responsible for the successful operations of the Nelson Municipal Library.

Nelson Hydro

This segment includes all the operating activities related to the generation, distribution and supply of the City's electricity.

Utility Operations

The Water Utility operates and distributes over 8 million cubic meters of drinking water annually, and maintains water mains and pump stations. The Sewer and Drainage Utility is responsible for the collection, treatment and disposal of sanitary sewage and drainage, as well as the network of sewer mains and pump stations.

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2016

19. **Segmented Information** (continued)

Statement of Operations by Object and Function (excluding transfers between segments)

	<u>General Government</u>	<u>Police & Bylaw</u>	<u>Fire Services</u>	<u>Development Services</u>
Revenues				
Taxes	\$ 9,384,360	\$ -	\$ -	\$ -
Sales of Service	275,646	1,259,769	197,272	10,992
Other revenue from own services	1,506,980	232,348	-	256,445
Investment income	371,650	-	-	-
Grants - unconditional	418,652	127,881	-	-
Grants - conditional	520,299	78,219	12,032	259,084
Water user fees	-	-	-	-
Sewer user fees	-	-	-	-
Transit user fees	-	-	-	-
Nelson Hydro sales	-	-	-	-
	<u>12,477,587</u>	<u>1,698,217</u>	<u>209,304</u>	<u>526,521</u>
Expenditures				
Wages and benefits	1,761,446	3,469,682	1,576,113	547,514
Supplies and services	1,369,157	446,967	193,305	203,101
Interest and other debt charges	385,919	-	-	-
Amortization	1,336,432	52,161	98,342	-
Loss on disposal of assets	-	-	-	-
	<u>4,852,954</u>	<u>3,968,810</u>	<u>1,867,760</u>	<u>750,615</u>
Annual Surplus (Deficit)	<u>\$ 7,624,633</u>	<u>\$(2,270,593)</u>	<u>\$(1,658,456)</u>	<u>\$ (224,094)</u>

<u>Engineering Services</u>	<u>Parks Culture & Recreation</u>	<u>Transit</u>	<u>Library</u>	<u>Nelson Hydro</u>	<u>Utilities</u>	<u>2016 Total</u>
\$ 60,210	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,444,570
715,016	537,723	-	40,195	-	-	3,036,613
74,229	39,496	3,034	36,351	921,122	237,545	3,307,550
-	-	-	2,645	88,004	115,330	577,629
-	-	-	250,351	-	-	796,884
4,586	432,416	991,094	35,100	58,320	24,944	2,416,094
-	-	-	-	-	3,390,784	3,390,784
-	-	-	-	-	2,922,830	2,922,830
-	-	257,259	-	-	-	257,259
-	-	-	-	<u>16,778,032</u>	-	<u>16,778,032</u>
<u>854,041</u>	<u>1,009,635</u>	<u>1,251,387</u>	<u>364,642</u>	<u>17,845,478</u>	<u>6,691,433</u>	<u>42,928,245</u>
1,710,588	1,069,033	760,053	694,298	2,129,885	1,587,624	15,306,236
1,620,368	1,449,856	734,960	213,761	8,288,312	1,453,294	15,973,081
59,346	-	-	-	247,500	106,485	799,250
1,364,890	178,589	-	-	968,532	1,226,529	5,225,475
<u>48,040</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>143,700</u>	<u>105,370</u>	<u>297,110</u>
<u>4,803,232</u>	<u>2,697,478</u>	<u>1,495,013</u>	<u>908,059</u>	<u>11,777,929</u>	<u>4,479,302</u>	<u>37,601,152</u>
<u>\$(3,949,191)</u>	<u>\$(1,687,843)</u>	<u>\$(243,626)</u>	<u>\$(543,417)</u>	<u>\$ 6,067,549</u>	<u>\$ 2,212,131</u>	<u>\$ 5,327,093</u>

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2016

20. Budget Data

The reconciliation of the approved budget for the current year to the budget figures reported in these consolidated financial statement is as follows:

	<u>2016</u>
Budget surplus per Consolidated Statement of Operations	\$ 5,094,301
Less: Capital expenditures	12,779,633
Debt principal repayments	1,076,382
Budgeted transfers to reserves	2,490,467
Add: Budgeted transfers from surplus and reserves	6,101,456
Amortization	5,125,725
Debt proceeds	<u>25,000</u>
Net annual budget	\$ <u><u>-</u></u>

THE CORPORATION OF THE CITY OF NELSON
SCHEDULE A - CONSOLIDATED STATEMENT OF TANGIBLE CAPITAL ASSETS
For the Year Ended December 31, 2016

	Opening Balance	Additions & reallocation of assets under Construction	Disposals	Closing Balance	Accumulated Amortization Opening balance	Amortization Expense	Reduction on Disposals	Accumulated Amortization Closing Balance	Net Carrying Amount End of year
Tangible Capital Assets									
Land	\$ 9,011,828	\$ -	\$ -	\$ 9,011,828	\$ -	\$ -	\$ -	\$ -	\$ 9,011,828
Buildings	35,430,145	254,110	(370,008)	35,314,247	24,820,516	950,352	(368,159)	25,402,709	9,911,538
Vehicles	8,370,867	969,973	(226,594)	9,114,246	4,521,111	536,850	(168,548)	4,889,413	4,224,833
IT, equipment & furniture	2,854,044	57,704	(18,680)	2,893,068	1,339,118	177,941	(18,680)	1,498,379	1,394,689
Library	341,109	-	(74,570)	266,539	242,895	18,084	(74,570)	186,409	80,130
Natural gas system capital lease	8,186,404	-	-	8,186,404	3,040,663	233,897	-	3,274,560	4,911,844
Transportation infrastructure	24,570,315	1,244,520	(57,277)	25,757,558	8,977,661	687,855	(50,590)	9,614,926	16,142,632
Parks and cemetery	5,131,202	314,834	(131,036)	5,315,000	2,443,832	178,589	(121,221)	2,501,200	2,813,800
Water infrastructure	47,743,045	2,536,283	(227,276)	50,052,052	12,334,053	678,769	(123,986)	12,888,836	37,163,216
Sewer infrastructure	29,720,907	489,011	(17,335)	30,192,583	11,187,032	547,760	(15,255)	11,719,537	18,473,046
Storm sewer infrastructure	18,529,010	115,199	(42,733)	18,601,476	6,531,243	246,846	(13,309)	6,764,780	11,836,696
Hydro generators & substations	20,397,470	195,249	(210,424)	20,382,295	6,522,151	403,559	(138,424)	6,787,286	13,595,009
Hydro infrastructure	28,463,412	1,235,637	(181,024)	29,518,025	6,215,144	564,973	(109,324)	6,670,793	22,847,232
Assets under construction	1,439,577	412,933	(1,439,578)	412,932	-	-	-	-	412,932
Total	\$ 240,189,335	\$ 7,825,453	\$ (2,996,535)	\$ 245,018,253	\$ 88,175,419	\$ 5,225,475	\$ (1,202,066)	\$ 92,198,828	\$ 152,819,425

Statement of Financial Information (SOFI)

THE CORPORATION OF THE CITY OF NELSON

Fiscal Year Ended December 31, 2016

SCHEDULE OF DEBT

Information on all long term debt is included in the Audited Financial Statements of The Corporation of the City of Nelson.

Prepared as required by *Financial Information Regulation*, Schedule 1, section 4

Statement of Financial Information (SOFI)

THE CORPORATION OF THE CITY OF NELSON

Fiscal Year Ended December 31, 2016

SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

The Corporation of the City of Nelson has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

Prepared under the Financial Information Regulation, Schedule 1, section 5

Statement of Financial Information (SOFI)

THE CORPORATION OF THE CITY OF NELSON

Fiscal Year Ended December 31, 2016

STATEMENT OF SEVERANCE AGREEMENTS

There was no severance agreements made between The Corporation of the City of Nelson and its non-unionized employees during the fiscal year ended December 31, 2016.

Prepared under the Financial Information Regulation, Schedule 1, subsection 6(8)

The Corporation of the City of Nelson
PAYMENT TO FINANCIAL STATEMENT RECONCILIATION
Fiscal Year Ended December 31, 2016

S.O.F.I. Report Scheduled Payments

Remuneration	\$ 10,872,361	
Employee Expenses	212,537	
Employer CPP/EI	<u>523,179</u>	\$ 11,608,077
Payments for Goods and Services		<u>25,240,685</u>

Total of Scheduled Payments **\$36,848,762**

Total of Financial Statement Expenditures **\$37,601,152**

The difference between the Total of Scheduled Payments and the Total Financial Statements Expenditures are due to:

- Adjustments to account for the difference between payments made on a cash basis, and the audited financial statements reporting expenditures on an accrual basis of accounting. This would include adjustments for opening and closing balances of inventories, prepaid expenses, and accrued liabilities.
- List of payments to suppliers include 100% GST while the expenditures in the financial statements are net of the applicable GST rebate.
- The remuneration schedule excludes the Nelson Police Department. In addition, the Nelson Municipal Library is required to complete their own SOFI report so their expenses have not been included; however, the Library is included in the consolidated financial statements numbers.
- Capital expenditures are shown as payments to the vendor in this report. However, the total financial statement expenditures do not reflect these payments as they report amortization of all the capital assets.
- The Schedule of Payments of Goods and Services includes payments made on behalf of third parties, which are recovered from these parties and the expense is excluded from the Financial Statements.
- Payments to some suppliers are reported directly to the Balance Sheet and therefore are not reported as expenditures

THE CORPORATION OF THE CITY OF NELSON
SCHEDULE OF REMUNERATION AND EXPENSE
YEAR ENDED DECEMBER 31, 2016

NAME		REMUNERATION	EXPENSE
ELECTED OFFICIALS	POSITION		
Adams, Robert	Councillor	\$ 17,194	\$ 6,718
Cherbo, Robin	Councillor	17,194	6,855
Dailly, Michael	Councillor	18,826	5,357
Kozak, Debra	Mayor	41,740	1,879
Morrison, Janice	Councillor	18,194	5,197
Purcell, Anna	Councillor	20,076	5,959
Warmington, Valerie	Councillor	19,576	4,735
TOTAL ELECTED OFFICIALS		152,800	36,700
DETAILED EMPLOYEES > \$75,000			
Austin, Timothy		\$ 82,829	\$ 410
Caldecott, Joanne		76,044	3,557
Centrone, Dean		84,225	1,323
Champlin, Brian		89,012	3,038
Colgan, Andrew		128,681	4,817
Cormack, Kevin		180,468	10,674
Daloise, Michael		111,054	1,749
Geissler, Daniel		103,537	4,666
Georgetti, Garth		139,513	2,737
Grill, Martin		83,342	1,767
Grypma, Leo		83,412	-
Hamilton, Dana		130,620	3,072
Hebert, Jeffrey		103,426	-
Innes, Colin		135,510	2,414
Jeffery, Scott		92,067	700
Johnson, Kevin		98,524	-
Jury, Chris		99,958	3,934
Knight, Christopher		96,013	344
Koehle, Jody		105,071	2,869
Lawrence, Jamie		124,852	319
Lauritzen, Kalum		76,694	-
Long, Frances		108,823	5,798
Love, Alex		181,891	8,237
Lynn, Logan		115,542	-
MacCharles, Len		128,099	4,431
MacDonald, Karen		94,298	4,201
Maida, Rick		106,691	1,129
Manchur, Darrel		81,672	3,476
Markin, Joanna		104,282	10,298
McClure, Colin		147,557	7,263
Mierau, Pam		110,985	1,981
Nystrom, Robin		111,024	3,332
Olsson, Carl		124,347	345
Ouellette, Martin		84,232	1,492
Patton, Robert		100,079	-
Proctor, Greg		84,682	-
Rich, Norm		96,018	1,072
Rorick, Suzanne		86,392	1,786
Sinstadt, Peter		89,591	1,001
Squires, Megan		79,422	2,353
Sutherland, Allison		97,772	1,211
Taburiaux, Youri		129,792	650
Tait, Brian		79,218	382
Thibault, Marc		86,607	25
TOTAL DETAILED EMPLOYEES > \$75,000		4,653,868	104,886
TOTAL EMPLOYEES <= \$75,000		6,065,693	70,951
TOTAL		\$ 10,872,361	\$ 212,537
TOTAL EMPLOYER PREMIUM FOR CPP/EI			\$ 523,179

THE CORPORATION OF THE CITY OF NELSON
SCHEDULE OF PAYMENTS TO SUPPLIERS OF GOODS AND SERVICES
YEAR ENDED DECEMBER 31, 2016

DETAILED SUPPLIERS >\$25,000

<u>SUPPLIER NAME</u>	<u>EXPENSE</u>
Aardvark Pavement Marking Services	\$ 42,444
Advanced Utility Systems	38,009
Aerial Contractors Ltd.	132,750
Altec Industries Ltd.	356,782
Arcright Plumbing & Heating Ltd	63,804
Arctic Arrow Powerline Group Ltd	35,557
Asplundh Canada ULC	304,259
Austin Engineering Ltd.	78,405
BC Transit	602,803
Ben-Lor Cast Iron Works	27,322
Berg Lehmann	46,148
Bill's Heavy Duty Enterprises (2004) Ltd	35,064
Black Press Ltd.	35,190
Blue Sparkle Cleaning	28,245
Bull, Housser & Tupper LLP	68,596
Calgon Carbon UV Technologies	55,440
Capri Insurance	235,204
Carte International Inc.	28,142
Chevron Canada Limited	376,112
Columbia Wireless Inc	25,868
Comfort Zone	48,615
Cookson Motors	275,105
Cooper Industries Electrical Inc.	60,457
Cowan's Office Supplies Ltd	57,554
CP Automation Ltd.	49,718
Dan Maglio Contracting Ltd	89,972
DBS Energy Services Inc.	84,782
DDC Excavating Ltd	48,457
DHC Communications Inc	90,289
Domino Highvoltage Supply Inc	29,228
Doyle Services	28,266
Drop Manufacturing Inc	44,377
Edge Roofing Ltd	165,489
Everlast Greenhouses and Solariums Ltd.	57,057
Executive Flight Centre Fuel Service Ltd	37,265
FortisBC Inc	6,713,818
Fred Surridge Ltd.	203,188
Gabe Energy Society	109,579
Gilnockie Inspection Ltd	28,303
Guillevin International Co.	95,767
High Five Maintenance Services	234,197
Hil-Tech Contracting Ltd	185,826
Hywood Truck & Equipment Ltd	43,827
ICBC	62,154
Impatient Cultural Consultants Ltd	39,672
Inland Allcare	36,534
Insight Canada Inc.	47,436
Insituform Technologies Ltd	147,078
Itron Canada Inc.	26,939
Justice Institute of B.C.	41,174
Kal-Tire	32,514
Kon Kast Products (2005) Ltd	32,888
Kootenay Industrial Supply Ltd	33,072
LineStar Utility Supply Inc.	40,918
Lordco Auto Parts	53,518
Maglio Building Centre Ltd	26,368
Maglio Installations Ltd.	348,578
Manulife Financial	416,628
Martech Electrical Systems Ltd	856,461
McNally Excavating Inc.	55,667
MINISTER OF FINANCE - Accomadation and Real Estate	355,844

MINISTER OF FINANCE - M.O.T.H.	156,495
MINISTER OF FINANCE - Queens Printer	79,964
MINISTER OF FINANCE - Water Management	182,848
Modus Planning, Design & Engagement	51,940
Municipal Finance Authority	1,625,608
Municipal Insurance Association of BC	165,893
Municipal Pension Plan	1,080,802
MVH Urban Planning and Design Inc.	43,332
Nelson Building Centre Limited	38,562
Nelson Ford Sales (2003) Inc.	188,401
Nelson Ready-Mix	175,779
Neptune Technology Group (Canada) Ltd	86,306
Noramco	44,695
PetroValue Products Canada Inc.	42,338
Pinchin West Ltd	140,060
Planetworks Consulting Corporation	26,165
Plowe Power Systems Ltd.	76,852
Porcupine Wood Products Ltd	36,483
PRIMECorp Police Records Information	29,614
Prism Engineering	34,062
PSE Equipment Ltd	81,798
Rapid-Span Precast Ltd.	74,973
Regional District of Central Kootenay	193,703
Ricoh Canada Inc.	34,900
Right Way Acquisition Service Ltd.	26,209
Right-of-Way Operations Group Inc.	108,374
Rising Edge Technologies Limited	30,338
S.C. Restorations Ltd.	41,340
Safe Start Safety Ltd	26,360
Selkirk Paving	1,039,294
Sitkum IT Ltd	112,211
Stella-Jones Inc	207,303
SureLink Fencing Ltd.	43,011
Taylor-Wilton Nelson Ltd	57,754
Telus Communications (B.C.) Inc.	214,826
Temple Consulting Group Ltd.	35,452
Texcan	27,404
Tomko Sports Systems Inc.	33,280
Trainor Mechanical Contractors Ltd	58,694
Trydor Industries (Canada) Ltd	121,625
Valhalla Timberwrights	72,739
Ward Engineering & Land Surveying Ltd	31,143
Waterhouse Environmental Services Corp.	53,760
Wesco Distribution Canada LP	25,264
Westburne West	65,063
Westech Industrial Ltd.	48,733
Westek Controls Ltd.	214,584
Wishbone Industries Limited	35,566
Wisner & Rawlings Electric Ltd.	127,680
WorkSafe BC	235,790
YRB - Yellowhead Road & Bridge	35,237
TOTAL DETAILED SUPPLIERS >\$25,000	21,871,326
TOTAL SUPPLIERS <= \$25,000	2,883,359
TOTAL SUPPLIERS	24,754,685
 GRANTS AND CONTRIBUTIONS >\$25,000	
Capitol Theatre	67,500
Community Futures Central Kootenay	116,500
Nelson & District Chamber of Commerce	79,000
Touchstones Nelson	223,000
TOTAL GRANTS AND CONTRIBUTIONS >\$25,000	486,000
TOTAL PAYMENTS, GRANTS AND CONTRIBUTIONS	\$ 25,240,685