



The Corporation of the City of Nelson
2017 STATEMENT OF FINANCIAL INFORMATION

Statement of Financial Information (SOFI)

THE CORPORATION OF THE CITY OF NELSON

Fiscal Year Ended December 31, 2017

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Statement of Financial Information (SOFI)

THE CORPORATION OF THE CITY OF NELSON

Fiscal Year Ended December 31, 2017

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

Prepared as required by *Financial Information Regulation*, Schedule 1, section 9

Statement of Financial Information (SOFI)

THE CORPORATION OF THE CITY OF NELSON

Fiscal Year Ended December 31, 2017

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 18, 2018



**THE CORPORATION OF THE CITY OF NELSON
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2017**

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For the Year Ended December 31, 2017

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THE CORPORATION OF THE CITY OF NELSON

MANAGEMENT REPORT

For the Year Ended December 31, 2017

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, 2017, 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, 2017, 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 7, 2018

Nelson, B.C.

THE CORPORATION OF THE CITY OF NELSON
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2017

	<u>2017</u>	<u>2016</u>
Financial Assets		
Cash and cash equivalents (Note 2)	\$ 30,642,773	\$ 23,676,857
Investments (Note 3)	3,005,368	2,924,253
Accounts receivable (Note 4)	6,123,372	5,784,084
Long-term accounts receivable (Note 5)	3,316,934	3,763,215
MFA deposits (Note 6)	<u>313.917</u>	<u>307,912</u>
	<u>43,402,364</u>	<u>36,456,321</u>
Financial Liabilities		
Accounts payable and accrued liabilities (Note 7)	5,799,638	4,950,068
Deferred revenue (Note 8)	5,768,320	3,604,420
Accrued future payroll benefits (Note 9)	1,958,590	1,999,193
Capital lease obligation (Note 10)	350,235	356,043
Debt (Note 11)	<u>15,317,222</u>	<u>16,536,054</u>
	<u>29,194,005</u>	<u>27,445,778</u>
Net Financial Assets	14,208,359	9,010,543
Non -Financial Assets		
Tangible capital assets (Note 12)	154,334,248	152,819,425
Inventory (Note 13)	1,321,861	1,299,909
Prepaid expenses	<u>318,734</u>	<u>264,569</u>
	<u>155,974,843</u>	<u>154,383,903</u>
Accumulated Surplus (Note 14)	<u>\$170,183,202</u>	<u>\$163,394,446</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, 2017

	<u>2017 Budget</u> (Note 20)	<u>2017</u>	<u>2016</u>
Revenue			
Taxes	\$ 10,154,324	\$ 10,188,590	\$ 9,444,570
Sale of services	3,516,764	3,393,001	3,036,613
Other revenue from own sources	3,988,286	3,298,250	3,307,550
Investment income	423,400	523,976	577,629
Grants - unconditional	783,865	784,993	796,884
Grants - conditional	5,977,488	2,829,650	2,416,094
Water user fees	3,466,651	3,490,223	3,390,784
Sewer user fees	2,982,626	3,001,144	2,922,830
Transit user fees	242,279	282,828	257,259
Nelson Hydro sales	<u>17,150,555</u>	<u>18,353,665</u>	<u>16,778,032</u>
	<u>48,686,238</u>	<u>46,146,320</u>	<u>42,928,245</u>
Expenses			
General government	3,544,465	3,685,146	3,610,280
Protective services	6,228,960	6,426,410	5,699,743
Transportation services	3,723,098	3,138,873	3,181,310
Environmental health services	272,070	257,514	222,947
Public health and welfare services	189,923	183,659	183,961
Parks, recreation and cultural services	2,035,511	2,170,771	2,518,889
Interest and other debt charges	899,113	785,489	799,250
Water utility operations	1,317,332	1,381,373	1,441,853
Sewer utility operations	1,813,399	1,834,528	1,599,065
Nelson Hydro operations	11,681,227	11,328,455	10,418,197
Transit operations	1,569,945	1,568,395	1,495,013
Library	890,616	893,786	908,059
Amortization	5,253,868	5,342,649	5,225,475
Loss on disposal of tangible capital assets	<u>-</u>	<u>360,516</u>	<u>297,110</u>
	<u>39,419,527</u>	<u>39,357,564</u>	<u>37,601,152</u>
Annual surplus	9,266,711	6,788,756	5,327,093
Accumulated surplus, beginning of the year	<u>163,394,446</u>	<u>163,394,446</u>	<u>158,067,353</u>
Accumulated surplus, end of the year	<u>\$172,661,157</u>	<u>\$170,183,202</u>	<u>\$163,394,446</u>

THE CORPORATION OF THE CITY OF NELSON
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2017

	<u>2017 Budget</u>	<u>2017</u>	<u>2016</u>
Annual surplus	\$ 9,266,711	\$ 6,788,756	\$ 5,327,093
Acquisition of tangible capital assets	(17,908,266)	(7,319,151)	(6,385,874)
Amortization of capital assets	5,253,868	5,342,649	5,225,475
Proceeds on sale of tangible capital assets	-	101,163	57,780
Loss on disposal of tangible capital assets	-	360,516	297,110
	<u>(3,387,687)</u>	<u>5,273,933</u>	<u>4,521,584</u>
Consumption (acquisition) of prepaid expenses	-	(54,165)	11,285
Consumption (acquisition) of supply inventory	-	(21,952)	(631)
	<u>-</u>	<u>(76,117)</u>	<u>10,654</u>
Increase (decrease) in net financial assets	(3,387,687)	5,197,816	4,532,238
Net financial assets, beginning of year	<u>9,010,543</u>	<u>9,010,543</u>	<u>4,478,305</u>
Net financial assets, end of the year	\$ 5,622,856	\$ 14,208,359	\$ 9,010,543

THE CORPORATION OF THE CITY OF NELSON
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2017

	<u>2017</u>	<u>2016</u>
Cash Provided by (Used In)		
Operating Activities		
Annual surplus	\$ 6,788,756	\$ 5,327,093
Items not involving cash:		
Amortization of tangible capital assets	5,342,649	5,225,475
Actuarial adjustments	(327,791)	(279,623)
Loss on disposal of tangible capital assets	<u>360,516</u>	<u>297,110</u>
	12,164,130	10,570,055
Increase (decrease) in non-cash operating items:		
Accounts receivable	(339,288)	(369,091)
Long-term accounts receivable	446,281	316,090
MFA deposits	(6,005)	(8,371)
Accounts payable and accrued liabilities	849,570	(68,177)
Deferred revenue	2,163,900	(179,829)
Accrued future payroll benefits	(40,603)	(25,347)
Inventory	(21,952)	(631)
Prepaid expenses	<u>(54,165)</u>	<u>11,285</u>
	<u>15,161,868</u>	<u>10,245,984</u>
Financing Activities		
Debt repayment	(891,041)	(891,041)
Repayment of capital lease obligations	<u>(5,808)</u>	<u>(5,339)</u>
	<u>(896,849)</u>	<u>(896,380)</u>
Capital Activities		
Proceeds from disposal of tangible capital assets	101,163	57,780
Acquisition of tangible capital assets	<u>(7,319,151)</u>	<u>(6,385,874)</u>
	<u>(7,217,988)</u>	<u>(6,328,094)</u>
Investing Activities		
Net purchase of investments	<u>(81,115)</u>	<u>(99,120)</u>
Net decrease in Cash	<u>6,965,916</u>	<u>2,922,390</u>
Cash and cash equivalents, beginning of year	<u>23,676,857</u>	<u>20,754,467</u>
Cash and cash equivalents, end of year	<u>\$ 30,642,773</u>	<u>\$ 23,676,857</u>

THE CORPORATION OF THE CITY OF NELSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2017

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, 2017

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 2017-2021, adopted by Council on May 5, 2017.

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

2. Cash and Cash Equivalents

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

	2017	2016
Cash	\$ 4,454,851	\$ 5,509,022
MFA bond and money market funds	<u>26,187,922</u>	<u>18,167,835</u>
	<u>\$ 30,642,773</u>	<u>\$ 23,676,857</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:

<u>Maturity</u>	2017 Carrying Value	2017 Market Value	2016 Carrying Value	2016 Market Value
2016	\$ -	\$ -	\$ 1,379,061	\$ 1,379,374
2017	1,024,802	1,024,802	395,527	406,170
2018	511,024	508,465	35,693	34,429
2019	301,870	292,076	298,299	300,787
2020	36,722	36,566	184,722	196,403
2021	96,171	92,248	196,171	206,834
2022	296,886	284,308	46,896	45,944
Thereafter	<u>737,893</u>	<u>730,330</u>	<u>387,884</u>	<u>377,787</u>
	<u>\$ 3,005,368</u>	<u>\$ 2,968,795</u>	<u>\$ 2,924,253</u>	<u>\$ 2,947,728</u>

4. Accounts Receivable

	2017	2016
Property taxes	\$ 504,819	\$ 595,056
Utility billings	3,941,780	3,876,270
Other governments	273,075	260,097
Trade & other receivables	<u>1,403,698</u>	<u>1,052,661</u>
	<u>\$ 6,123,372</u>	<u>\$ 5,784,084</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, 2017

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.

	<u>2017</u>	<u>2016</u>
Selkirk College	\$ 2,716,047	\$ 2,996,093
Ecosave energy retrofits on-bill financing loans	243,030	314,158
Various other agreements	<u>357,857</u>	<u>452,964</u>
	<u>\$ 3,316,934</u>	<u>\$ 3,763,215</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, 2017, the total of the Debt Reserve Fund was comprised of:

	2017	2017	2017	2016
	Cash Deposit	Demand Note	Total	Total
General fund	\$ 193,457	\$ 470,990	\$ 664,447	\$ 660,746
Sewer utility	16,326	40,843	57,169	56,857
Water utility	14,425	36,091	50,516	50,240
Nelson Hydro	<u>89,709</u>	<u>174,898</u>	<u>264,607</u>	<u>262,891</u>
	<u>\$ 313,917</u>	<u>\$ 722,822</u>	<u>\$ 1,036,739</u>	<u>\$ 1,030,734</u>

7. Accounts Payable and Accrued Liabilities

	<u>2017</u>	<u>2016</u>
Trades payable	\$ 4,513,619	\$ 3,170,640
Accrued wages and benefits	1,007,420	1,237,394
Accrued interest	122,627	123,241
Funds held on deposit	<u>155,972</u>	<u>418,793</u>
	<u>\$ 5,799,638</u>	<u>\$ 4,950,068</u>

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

8. Deferred Revenue

	<u>2017</u>	<u>2016</u>
Taxes and utility prepayments	\$ 2,879,512	\$ 2,765,355
Hydro utility prepayments	422,078	602,600
Grants	1,966,935	28,961
Other	499,795	207,504
	<u>\$ 5,768,320</u>	<u>\$ 3,604,420</u>

9. Accrued Future Payroll Benefits

	<u>2017</u>	<u>2016</u>
Holiday Pay	\$ 739,647	\$ 749,366
Sick Leave	1,054,786	1,090,757
Banked Overtime	164,157	159,070
	<u>\$ 1,958,590</u>	<u>\$ 1,999,193</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:

2018	\$ 36,354
2019	36,354
2020	36,354
2021	36,354
2022	36,354
Thereafter	581,664
Less interest	<u>(413,199)</u>
<u>\$</u>	<u>350,235</u>

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

11. Debt

Debt Bylaw #	Purpose of Bylaw	Interest rate %	Year of Maturity	Original Issue	2017 Balance	2016 Balance
<u>General Purposes:</u>						
3107	Catacombs	3.85%	2033	\$ 275,000	\$ 235,784	\$ 246,172
3107	Baker Street bridge	3.85%	2033	900,000	771,657	805,654
3034	Street construction	4.82%	2022	50,341	20,157	23,735
2871	Tenth Street campus	3.15%	2025	6,080,000	2,745,044	3,025,090
3036	Highway 3A	4.00%	2021	300,000	97,943	120,121
2978	Fortis Gas	4.50%	2020	4,200,000	1,437,003	1,879,639
	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>8,061,192</u>	<u>8,854,015</u>
<u>Water Purposes:</u>						
3038	Fairview reservoir	4.82%	2022	240,000	96,096	113,156
3106	Water improvements	4.90%	2029	<u>1,000,000</u>	<u>690,570</u>	<u>734,761</u>
				<u>1,240,000</u>	<u>786,666</u>	<u>847,917</u>
<u>Sewer Purposes:</u>						
3037	Sewage treatment plant	4.00%	2021	550,000	179,562	220,221
3109	Sewer improvements	4.90%	2029	<u>500,000</u>	<u>345,285</u>	<u>367,381</u>
				<u>1,050,000</u>	<u>524,847</u>	<u>587,602</u>
<u>Hydro Purposes:</u>						
3110	Hydro improvements	4.90%	2029	1,500,000	1,035,855	1,102,142
3223	Hydro improvements	3.05%	2032	<u>6,000,000</u>	<u>4,908,662</u>	<u>5,144,378</u>
				<u>7,900,000</u>	<u>5,944,517</u>	<u>6,246,520</u>
Total Debt				\$ 15,317,222	\$ 16,536,054	

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>4,269,594</u>	<u>454,911</u>	<u>184,949</u>	<u>4,308,775</u>	<u>9,218,229</u>
	<u>\$ 8,061,192</u>	<u>\$ 786,666</u>	<u>\$ 524,847</u>	<u>\$ 5,944,517</u>	<u>\$ 15,317,222</u>

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

12. Tangible Capital Assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2017 Net Book Value</u>	<u>2016 Net Book Value</u>
Land	\$ 9,011,828	\$ -	\$ 9,011,828	\$ 9,011,828
Buildings	35,714,384	26,360,240	9,354,144	9,911,538
Vehicles	8,965,714	4,754,679	4,211,035	4,224,833
IT, equipment & furniture	2,805,754	1,586,440	1,219,314	1,394,689
Library	263,516	191,095	72,421	80,130
Natural gas system capital lease	8,186,404	3,508,457	4,677,947	4,911,844
Transportation infrastructure	26,681,028	10,303,726	16,377,302	16,142,632
Parks & cemetery	5,329,211	2,680,358	2,648,853	2,813,800
Water infrastructure	50,831,144	13,469,229	37,361,915	37,163,216
Sewer infrastructure	30,963,591	12,277,948	18,685,643	18,473,046
Storm sewer infrastructure	18,620,317	7,011,863	11,608,454	11,836,696
Hydro generators & substations	20,990,194	7,042,028	13,948,166	13,595,009
Hydro infrastructure	31,057,514	7,209,258	23,848,256	22,847,232
Assets under construction	<u>1,308,970</u>	<u>-</u>	<u>1,308,970</u>	<u>412,932</u>
	<u><u>\$250,729,569</u></u>	<u><u>\$ 96,395,321</u></u>	<u><u>\$154,334,248</u></u>	<u><u>\$152,819,425</u></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>2017</u>	<u>2016</u>
General, Water, Sewer Transit and Garage supplies	\$ 376,711	\$ 356,572
Fuel	35,556	61,571
Hydro operating supplies	<u>909,594</u>	<u>881,766</u>
	<u><u>\$ 1,321,861</u></u>	<u><u>\$ 1,299,909</u></u>

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

14. Accumulated Surplus

	<u>2017</u>	<u>2016</u>
Reserves set aside by Council		
Capital projects	\$ 1,616,896	\$ 671,066
Community works fund	1,260,448	949,059
Equipment replacement	3,476,483	3,243,715
Future power purchase	1,079,908	1,051,656
Nelson municipal library	19,292	19,182
Nelson Hydro capital	4,853,717	3,452,944
Sewer utility capital	4,442,291	4,155,130
Waterfront development	29,537	29,400
Water licence	2,097,387	2,095,185
Water utility capital	<u>4,639,080</u>	<u>4,058,947</u>
	23,515,039	19,726,284
Statutory reserves		
Land sales	138,399	137,756
Off street parking	9,793	9,747
Parks acquisition	111,308	110,791
Tax sale	<u>22,487</u>	<u>22,382</u>
Total reserves	<u>23,797,026</u>	<u>20,006,960</u>
Surplus set aside by Council		
Airport	220,470	210,470
Art in public places	13,995	13,315
Bridge	319,789	279,789
Building reserve	540,000	190,000
Economic development	125,710	19,231
Downtown & waterfront	27,870	120,264
Fortis	683,173	697,170
Insurance	363,245	377,925
Legal	20,000	20,000
Parking	7,578	7,578
Recycling reserve	103,340	113,340
911	59,089	49,089
10th street	<u>131,481</u>	<u>110,677</u>
Unappropriated surplus	<u>2,615,740</u>	<u>2,208,848</u>
Total surplus	<u>2,387,600</u>	<u>2,255,219</u>
Invested in capital assets	<u>5,003,340</u>	<u>4,464,067</u>
Total Accumulated Surplus	<u>\$170,183,202</u>	<u>\$163,394,446</u>

THE CORPORATION OF THE CITY OF NELSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2017

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:

	2017	2016
Balances, beginning of year	\$ 965,584	\$ 951,028
Contributions received	8,889	12,753
Interest earned	9,784	16,803
	984,257	980,584
Expenses and transfers	(13,000)	(15,000)
Balances, end of year	<u>\$ 971,257</u>	<u>\$ 965,584</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.

	2017	2016
Provincial Government - School taxes	\$ 8,446,697	\$ 8,447,471
Regional District of Central Kootenay	4,145,993	4,263,334
Central Kootenay Hospital District	-	(2,316)
West Kootenay Boundary Hospital District	697,673	668,061
British Columbia Assessment Authority	150,675	161,096
Municipal Finance Authority	485	450
	<u>\$ 13,441,523</u>	<u>\$ 13,538,096</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, 2016, the plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 38,000 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 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 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. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

THE CORPORATION OF THE CITY OF NELSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2017

17. Pension Plan (continued)

The City of Nelson paid \$1,539,691 (2016 - \$1,379,173) for employer contributions to the plan in fiscal 2017.

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

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.

THE CORPORATION OF THE CITY OF NELSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2017

19. Segmented Information (continued)

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.

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, Recreation & Cultural 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, 2017

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	\$10,127,660	\$ -	\$ -	\$ -
Sales of Service	261,040	1,676,805	201,050	17,460
Other revenue from own services	1,522,033	211,623	-	269,377
Investment income	352,709	-	-	-
Grants - unconditional	413,098	111,108	-	-
Grants - conditional	525,503	76,690	10,000	555,240
Water user fees	-	-	-	-
Sewer user fees	-	-	-	-
Transit user fees	-	-	-	-
Nelson Hydro sales	-	-	-	-
	<u>13,202,043</u>	<u>2,076,226</u>	<u>211,050</u>	<u>842,077</u>
Expenditures				
Wages and benefits	1,811,751	3,815,147	1,586,633	563,154
Supplies and services	1,513,067	618,724	373,529	81,190
Interest and other debt charges	390,995	-	-	-
Amortization	1,324,191	52,319	98,809	-
Loss on disposal of assets	-	-	-	-
	<u>5,040,004</u>	<u>4,486,190</u>	<u>2,058,971</u>	<u>644,344</u>
Annual Surplus (Deficit)	<u>\$ 8,162,039</u>	<u>\$(2,409,964)</u>	<u>\$(1,847,921)</u>	<u>\$ 197,733</u>

Engineering Services	Parks Recreation & Culture	Transit	Library	Nelson Hydro	Utilities	2017 Total
\$ 60,930	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,188,590
623,448	583,973	-	29,225	-	-	3,393,001
79,449	42,520	1,757	33,200	784,514	353,777	3,298,250
-	-	-	2,466	92,659	76,142	523,976
-	-	-	260,787	-	-	784,993
5,291	343,041	1,032,539	34,234	242,112	5,000	2,829,650
-	-	-	-	-	3,490,223	3,490,223
-	-	-	-	-	3,001,144	3,001,144
-	-	282,828	-	-	-	282,828
<u>769,118</u>	<u>969,534</u>	<u>1,317,124</u>	<u>359,912</u>	<u>18,353,665</u>	<u>6,926,286</u>	<u>46,146,320</u>
1,727,519	1,041,177	767,210	691,680	2,173,170	1,709,272	15,886,713
1,600,889	1,129,594	801,185	202,106	9,155,285	1,506,628	16,982,197
52,808	-	-	-	247,500	94,186	785,489
1,409,794	179,158	-	-	1,030,693	1,247,685	5,342,649
70,675	-	-	-	87,207	202,634	360,516
<u>4,861,685</u>	<u>2,349,929</u>	<u>1,568,395</u>	<u>893,786</u>	<u>12,693,855</u>	<u>4,760,405</u>	<u>39,357,564</u>
<u><u>\$4,092,567</u></u>	<u><u>\$1,380,395</u></u>	<u><u>\$ (251,271)</u></u>	<u><u>\$ (533,874)</u></u>	<u><u>\$ 6,779,095</u></u>	<u><u>\$ 2,165,881</u></u>	<u><u>\$ 6,788,756</u></u>

THE CORPORATION OF THE CITY OF NELSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

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>2017</u>
Budget surplus per Consolidated Statement of Operations	\$ 9,266,711
Less: Capital expenditures	17,908,266
Debt principal repayments	896,851
Budgeted transfers to reserves	2,956,666
Add: Budgeted transfers from surplus and reserves	6,680,204
Amortization	5,253,868
Debt proceeds	561,000
Net annual budget	<u>\$ _____ -</u>

THE CORPORATION OF THE CITY OF NELSON
 SCHEDULE A - CONSOLIDATED STATEMENT OF TANGIBLE CAPITAL ASSETS
 For the Year Ended December 31, 2017

Tangible Capital Assets	Opening Balance	Additions & reallocation of assets under Construction	Disposals	Closing Balance	Accumulated Amortization		Reduction on Disposals	Accumulated Amortization	Closing Balance	Net Carrying Amount End of year
					Opening balance	Amortization Expense				
Land	\$ 9,011,828	\$ -	\$ -	\$ 9,011,828	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,011,828
Buildings	35,314,247	400,137	-	35,714,384	25,402,710	957,530	-	-	26,360,240	9,354,144
Vehicles	9,114,246	696,088	(844,620)	8,965,714	4,889,413	545,886	(680,620)	4,754,679	4,211,035	
IT, equipment & furniture	2,893,068	-	(87,314)	2,805,754	1,498,379	168,361	(80,300)	1,586,440	1,219,314	
Library	266,539	-	(3,023)	263,516	186,409	7,709	(3,023)	191,095	72,421	
Natural gas system capital lease	8,186,404	-	-	8,186,404	3,274,560	233,897	-	3,508,457	4,677,947	
Transportation infrastructure	25,757,558	960,139	(36,669)	26,681,028	9,614,926	724,646	(35,846)	10,303,726	16,377,302	
Parks and cemetery	5,315,000	14,211	-	5,329,211	2,501,200	179,158	-	2,680,358	2,648,853	
Water infrastructure	50,052,052	1,090,608	(311,516)	50,831,144	12,888,836	689,276	(108,883)	13,469,229	37,361,915	
Sewer infrastructure	30,192,583	771,008	-	30,963,591	11,719,537	558,411	-	12,277,948	18,685,643	
Storm sewer infrastructure	18,601,476	18,841	-	18,620,317	6,764,780	247,083	-	7,011,863	11,608,454	
Hydro generators & substations	20,382,295	790,597	(182,698)	20,990,194	6,787,286	424,984	(170,242)	7,042,028	13,948,166	
Hydro infrastructure	29,518,025	1,681,484	(141,995)	31,057,514	6,670,793	605,708	(67,243)	7,209,258	23,848,256	
Assets under construction	412,932	1,308,969	(412,931)	1,308,970	<u>\$250,729.569</u>	<u>\$ 92,198,829</u>	<u>\$ 5,342,649</u>	<u>\$ (1,146,157)</u>	<u>\$ 96,395,321</u>	<u>\$ 154,334,248</u>
Total	\$ 245,018,253	\$ 7,732,082	\$ (2,020,766)	\$ 250,729.569						

Statement of Financial Information (SOFI)

THE CORPORATION OF THE CITY OF NELSON

Fiscal Year Ended December 31, 2017

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, 2017

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, 2017

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, 2017

S.O.F.I. Report Scheduled Payments

Remuneration	\$ 10,853,320
Employee Expenses	211,693
Employer CPP/EI	<u>564,889</u>
	<u>\$ 11,629,902</u>
Payments for Goods and Services	<u>25,640,112</u>
Total of Scheduled Payments	<u>\$37,270,014</u>
Total of Financial Statement Expenditures	<u>\$39,357,564</u>

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 remuneration and 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, 2017

NAME	REMUNERATION	EXPENSE
ELECTED OFFICIALS	POSITION	
Adams, Robert	Councillor	\$ 16,959
Cherbo, Robin	Councillor	\$ 16,959
Dailly, Michael	Councillor	18,859
Kozak, Debra	Mayor	41,164
Morrison, Janice	Councillor	18,209
Purcell, Anna	Councillor	18,759
Warmington, Valerie	Councillor	18,759
TOTAL ELECTED OFFICIALS		149,668
		31,925
DETAILED EMPLOYEES > \$75,000		
Arabia, Frank	\$ 75,246	\$ 70
Austin, Timothy	75,847	-
Capriglione, Joe	78,357	-
Centrone, Dean	85,938	133
Champlin, Brian	90,712	2,306
Colgan, Andrew	132,698	1,552
Cormack, Kevin	181,222	8,904
Daloise, Michael	110,472	4,008
Gainham, Chris	86,044	643
Geissler, Daniel	123,197	7,263
Georgetti, Garth	159,253	2,521
Grill, Martin	80,969	138
Hamilton, Dana	154,205	1,920
Hebert, Jeffrey	97,302	88
Innes, Colin	135,807	5,986
Jeffery, Scott	85,358	63
Johnson, Kevin	104,477	-
Jury, Chris	100,446	3,336
Knight, Christopher	98,517	-
Koehle, Jody	105,211	3,113
Laminski, Chris	76,140	70
Lauritzen, Kalum	80,040	470
Long, Frances	110,691	4,557
Love, Alex	183,711	21,203
Lynn, Logan	111,891	4,683
MacCharles, Len	128,638	7,843
MacDonald, Karen	95,137	4,858
Maida, Rick	101,278	150
Manchur, Darrel	116,965	3,463
Markin, Joanna	104,227	8,145
McClure, Colin	156,914	8,686
Mierau, Pam	111,486	1,002
Nystrom, Robin	111,541	1,553
Olsson, Carl	120,639	-

Ouellette, Martin	83,215	1,131
Patton, Robert	105,332	90
Proctor, Greg	82,158	-
Rorick, Suzanne	88,787	3,613
Sinstadt, Peter	89,163	2,508
Sutherland, Allison	97,921	2,558
Taburiaux, Youri	75,195	-
Tait, Brian	75,480	205
Thibault, Marc	94,327	-
Van Zanden, Ron	75,805	-
TOTAL DETAILED EMPLOYEES > \$75,000	4,637,959	118,762
TOTAL EMPLOYEES <= \$75,000	6,065,693	60,904
TOTAL	\$ 10,853,320	\$ 211,591
TOTAL EMPLOYER PREMIUM FOR CPP/EI		\$ 564,889

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

THE CORPORATION OF THE CITY OF NELSON
SCHEDULE OF PAYMENTS TO SUPPLIERS OF GOODS AND SERVICES
YEAR ENDED DECEMBER 31, 2017

DETAILED SUPPLIERS >\$25,000

<u>SUPPLIER NAME</u>	<u>EXPENSE</u>
0831024 BC Ltd	\$ 90,711
Aardvark Pavement Marking Services	26,307
Advanced Utility Systems	36,822
AM Contracting	39,876
Anixter Power Solutions Canada Inc	32,875
Aqua Diversities Inc.	36,243
Arctic Arrow Powerline Group Ltd	147,616
Asplundh Canada ULC	516,833
Austin Engineering Ltd.	32,441
BC Transit	579,539
Ben-Lor Cast Iron Works	46,861
Berg Lehmann	36,855
Black Press Ltd.	39,185
Blue Sparkle Cleaning	27,738
Capri Insurance	238,061
Columbia Basin Broadband Corporation	33,567
Cooper Industries Electrical Inc.	103,040
Corix Water Products LP	46,905
Cornerstone General Contracting Ltd.	40,530
Cowan's Office Supplies Ltd	50,874
DBS Energy Services Inc.	38,435
DDC Excavating Ltd	31,245
DHC Communications Inc	119,376
Drop Manufacturing Inc	25,129
Emil Anderson Construction (EAC) Inc.	173,919
Executive Flight Centre Fuel Service Ltd	42,265
Fort Fabrication & Welding Ltd.	41,746
FortisBC Inc	6,577,032
Fred Surridge Ltd.	163,893
Georama Holdings Ltd	26,114
Guillevin International Co.	57,881
Hall Printing	26,508
High Five Maintenance Services	267,030
ICBC	64,291
Inland Allcare	52,386
Insight Canada Inc.	33,278
Insituform Technologies Ltd	889,682
IRL International Truck Centres Ltd	292,370
Joy of Art	38,229
Kal-Tire	34,278
Kootenay Industrial Supply Ltd	40,691
Lordco Auto Parts	65,951
Madden Fabrication	131,790
Manulife Financial	420,864
Martech Electrical Systems Ltd	1,108,686
Masse Environmental Consultants Ltd	26,818
McNally Excavating Inc.	212,222
MINISTER OF FINANCE - Accomadation and Real Estate	337,037
MINISTER OF FINANCE - Queens Printer	85,189
MINISTER OF FINANCE - Water Management	195,200
MTS Maintenance Tracking Systems Inc	32,644
Municipal Finance Authority	1,602,828
Municipal Insurance Assoc. of BC	155,921

Municipal Pension Plan	1,104,044
Nelson Building Centre Limited	29,822
Nelson Ford Sales (2003) Inc.	137,803
Nelson Ready-Mix	125,495
Neptune Technology Group (Canada) Ltd	31,555
Noramco	53,726
NSC Minerals Ltd.	28,986
Parkland Refining (B.C.) Ltd	413,007
Planetworks Consulting Corporation	51,568
Prism Engineering	26,142
Regional District of Central Kootenay	151,598
Rising Edge Technologies Limited	112,222
Rocky Mountain Phoenix	161,246
Safe Start Safety Ltd	39,462
SEL Schweitzer Laboratories Inc	75,777
Selkirk Paving	832,411
Sitkum IT Ltd	68,854
Softchoice LP	38,457
Sorenson Excavating Ltd.	211,231
Stella-Jones Inc	121,163
SUCK IT UP ENVIROMENTAL LTD.	30,375
Suncorp Valuation	32,498
Superior Propane Inc.	44,674
Taylor-Wilton Nelson Ltd	54,957
Telus Communications (B.C.) Inc.	104,412
Temple Consulting Group Ltd.	54,582
Terry Andreychuk Consulting Ltd.	52,466
Texcan	41,570
Trainor Mechanical Contractors Ltd	242,558
TRUE Consulting	62,912
Trydor Industries (Canada) Ltd	69,750
Urban Systems Ltd	139,128
Vector Projects Group Ltd.	325,236
Waste Management of Canada Corporation	43,104
Waterhouse Environmental Services Corp.	47,040
Wesco Distribution Canada LP	70,669
Westek Controls Ltd.	82,673
Western Industrial Contractors Ltd.	241,283
Wismer & Rawlings Electric Ltd.	82,373
WorkSafe BC	216,260
WSP Canada Inc.	403,635
YRB - Yellowhead Road & Bridge	28,966
TOTAL DETAILED SUPPLIERS >\$25,000	21,899,499
TOTAL SUPPLIERS <= \$25,000	3,026,676
TOTAL SUPPLIERS	24,926,175

GRANTS AND CONTRIBUTIONS >\$25,000

Capitol Theatre	115,237
Community Futures Central Kootenay	87,500
Nelson & District Chamber of Commerce	79,000
Regional District of Central Kootenay	184,200
Touchstones Nelson	248,000
TOTAL GRANTS AND CONTRIBUTIONS >\$25,000	713,937
TOTAL PAYMENTS, GRANTS AND CONTRIBUTIONS	\$ 25,640,112