

REGIONAL DISTRICT OF NANAIMO

COMMITTEE OF THE WHOLE

TUESDAY, MAY 13, 2008

7:00 PM

(RDN Board Chambers)

A G E N D A

PAGES

CALL TO ORDER

DELEGATIONS

- 5-8 **Jenny MacLeod**, re Effects of the BC Meat Regulations on Slaughter Capacity in the RDN.

MINUTES

- 9-14 Minutes of the regular Committee of the Whole meeting held April 8, 2008.

BUSINESS ARISING FROM THE MINUTES

COMMUNICATIONS/CORRESPONDENCE

- 15-16 **F. Bates, Comox Valley Regional District**, re Comox Valley Regional District – Regional Growth Strategy.
- 17-18 **D. Davidge, Friends of French Creek Conservation Society**, re French Creek Wastewater Facility.
- 19 **Gabriola Land Conservancy**, re Gabriola Community Park (707).

FINANCE AND INFORMATION SERVICES

FINANCE

- 20-28 2007 Audited Financial Statements – Nanaimo Regional Hospital District.
- 29-52 2007 Regional District Annual Report (Audited Financial Statements).
- 53-89 2007 Statement of Financial Information.
- 90-92 2007 Report – Directors & Committee Members' Remuneration & Expenses.
- 93-95 Property Tax Exemption – Mt. Arrowsmith Regional Park – Bylaw No. 1548.

96-99 Dashwood Fire Protection Local Service Area Amendment Bylaw No. 964.04 – Meadowood – Area ‘F’.

100-111 Electoral Areas Community Works Funds.

DEVELOPMENT SERVICES

BUILDING & BYLAW

112-114 Unsightly Premise – 2401 Collins Crescent – Area ‘E’.

115-116 Notice of Bylaw Contravention – 793 Terrien Way – Area ‘G’.

Delegations wishing to speak to Notice of Bylaw Contravention at 793 Terrien Way – Area ‘G’.

117-118 Notice of Bylaw Contravention – 3182 Dolphin Drive – Area ‘E’.

Delegations wishing to speak to Notice of Bylaw Contravention at 3182 Dolphin Drive – Area ‘E’.

EMERGENCY PLANNING

District of Lantzville Emergency Management Service Agreement. (to be circulated)

PLANNING

119-124 Built Environment and Active Transportation Community Planning Grant

125-136 Green Building Policy for RDN Facilities.

ENVIRONMENTAL SERVICES

LIQUID WASTE

137-138 Cogeneration Project – Greater Nanaimo Pollution Control Centre.

Application for Development Cost Charge Reduction – Parksville Lions. (to be circulated)

139-142 Greater Nanaimo Pollution Control Centre Operations Building – Southern Community Development Cost Charge Reserve Fund Expenditure Bylaw No. 1551.

UTILITIES

143-144 Infrastructure Planning (Study) Grant Application.

RECREATION AND PARKS SERVICES

PARKS

145-147 Rotary Bowl Resurfacing Project.

TRANSPORTATION AND SOLID WASTE SERVICES

SOLID WASTE

148-150 Contract Extension – Bird Control at Regional Landfill.

151-154 Regional Landfill Cell One Remediation Capital Project.

COMMISSION, ADVISORY & SELECT COMMITTEE

Electoral Area ‘A’ Parks and Green Space Advisory Committee.

155-157 Minutes of the Electoral Area ‘A’ Parks and Green Space Advisory Committee meeting held March 20, 2008. (for information)

Electoral Area ‘H’ Parks and Open Space Advisory Committee.

158-160 Minutes of the Electoral Area ‘H’ Parks and Open Space Advisory Committee meeting held March 27, 2008. (for information)

Intergovernmental Advisory Committee.

161-163 Minutes of the Intergovernmental Advisory Committee meeting held April 9, 2008. (for information)

Grants-in-Aid Advisory Committee.

164-165 Minutes of the Grants-in-Aid Advisory Committee meeting held May 6, 2008. (for information)

1. *That the following grants be awarded:*

School District 68 Grants:

<i>Cedar Community Policing</i>	<i>\$1,175</i>
<i>Cedar Schools & Community Enhancement Society</i>	<i>\$ 800</i>
<i>Jonanco Hobby Workshop</i>	<i>\$ 450</i>
<i>Nature Trust of BC</i>	<i>\$ 500</i>

2. *That the following grants be awarded:*

School District 69 Grants:

<i>Building Learning Together – Project Literacy</i>	<i>\$1,200</i>
<i>Forward House Community Society</i>	<i>\$1,000</i>
<i>Lighthouse Country Marine Rescue Society</i>	<i>\$3,500</i>
<i>Nature’s Trust</i>	<i>\$ 500</i>
<i>Oceanside Volunteer Association</i>	<i>\$1,000</i>
<i>Parksville & District Association for Community Living</i>	<i>\$1,700</i>

ADDENDUM

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

NEW BUSINESS

BOARD INFORMATION (Separate enclosure on blue paper)

ADJOURNMENT

IN CAMERA

That pursuant to Section 90(1) (e) of the Community Charter the Board proceed to an In Camera Committee of the Whole meeting to consider items related to land issues.

Lee, Clair

From: Jenny and Hugh MacLeod [hughjenny@shaw.ca]
Sent: April 14, 2008 3:04 PM
To: Lee, Clair
Subject: Presentation to Committee of the Whole
Attachments: Proposal Speech.rtf; Meat Assessment Surveys

Dear Claire,

I would like to address the Committee of the Whole on Tuesday, May 13th at 7PM.

Here is my speech (10 minutes) and the cover letter saying I can use the templates used in the North Okanagan Impact study.

This presentation is 10 minutes.

Could you send me the cover letter from the North Okanagan RD from when they shared their impact study with the RDN? Could you also provide a copy of the Impact Study on BC Meat Regulations and Slaughter Capacity in the North Okanagan Regional District to each member of the committee as well as a copy of the cover letter giving permission to use the study template materials and a copy of my speech as well?

Thank you thank you!

Jenny

14/04/2008

Proposal to the Regional District of Nanaimo Committee of the Whole

May 13th, 2008

**RDN Offices
Nanaimo, BC**

RE: Impact Study on the effects of the BC Meat Regulations on Slaughter Capacity in the RDN

Dear Committee Members,

I have read the "IMPACT OF THE MEAT INSPECTION REGULATION ON SLAUGHTER CAPACITY IN THE NORTH OKANAGAN REGIONAL DISTRICT (RDNO), Final Report, JANUARY, 2008".

This study clarifies the effects the BC Meat Regulations have had on local small scale abattoirs and farmgate operations in their area.

It is my belief that a similar impact study in the RDN would be greatly beneficial. It would be easy to set up as the initial work of such a study has already been done. The template for the study is here and it is being shared by the authors, along with their comments on how to further sharpen the focus of the study.

The present push towards local food consumption comes from various sources:

- The recommendations from the UN Committee on Global Warming that to prevent global warming eating local was a step in the right direction. It cut down on mileage for food transportation and that is one part of the solution;
- The message from Health Canada and Provincial Health that eating fresh and local fruits, vegetables, and other produce like meat and eggs is healthier. It promotes better individual health and that eventually cuts medical expenses for the individual and for the government; and
- The 100 Mile Diet which was the trigger for the growing desire of the public to eat locally produced food. Nanaimo Food Share and the Nanaimo CO-Op are two organizations actively working to increase the amount of local produce and to streamline delivery of good, local food to the community in the RDN area and on Vancouver Island.

Local farmers, farmgate and abattoirs are a healthy tax base for the community. When these small businesses thrive the community thrives.

Local small scale farming dedicated to the raising of meat animals locally, and to having the meat animals slaughtered locally produces higher quality meat, better delivery to local food outlets, and a better product all 'round.

Small scale farming is a more efficient way of farming, keeping carbon in the ground and maintaining an ecological cycle of events that does not pollute the air, water or earth when best practices are observed. It is less of a power drain on the local grid. It is a sustainable practice.

Because of the BC Meat Regulations many farmers in this area stopped raising meat animals last year. This trend will continue if the implementation of these regulations is not amended.

Along with lower local meat production, we have the loss of local business, something that negatively affects the community economy as a whole.

The increase of cost for meat slaughter has made the raising of meat animals cost inefficient for local farms. The coming increased costs (paying the inspectors salaries in 1012) will put these local businesses under any viable profit margin. These businesses will close.

The statement that there is an increase in licenced facilities is true. What it does not say is that all the farmgate and unlicenced facilities we had before the BC Meat Regulations were implemented are gone except for a few. Our slaughter capacity has been greatly damaged.

There is also the "chill factor" produced by regulations like these that restrict business in such a way that people no longer consider the meat slaughter business to be a viable livelihood.

I have spoken with Brigitt Johnson of who prepared the questionnaires for the study. She is willing to advise us on the streamlining of the questionnaire, the places where we might focus the issue better in the questionnaire, and the pitfalls we might avoid in implementing the questionnaire.

She also feels that the assessment shows that the effects your area is feeling are being felt, and documented, in other Regional Districts in B.C.

It seems that the squeaky wheel syndrome is upon us. One area makes noise and then it is observed as a one-area problem.

This is a BC wide problem. It is especially onerous to those of us living on Vancouver Island. We have the barrier of water to cross, and that affects our ability to access other slaughter facilities should our local slaughter capacity fail our needs. The ferry costs escalate the total price of slaughter, putting that option out of the reach of the small producer. It also affects the quality of the meat, further reducing the profit margin for the product.

Raising animals for slaughter is a difficult and complicated business. There is no huge profit margin to begin with. Competition in local markets from imported "cheap" meat is always a consideration for food producers and processors. These new regulations come at a cost, one that is reflected in the new higher costs of slaughter for the producer. This cost must be partially passed down to the consumer. This can price a farmer right out of the market.

If we get a clear picture of how these regulations are affecting our local food producers we can convey this to the Provincial Ministry of Agriculture and Lands. We can show that the North Okanagan Regional District is not alone. This is a BC Wide problem.

More particularly, this is our problem.

When the Olympics are upon us where will we get the BC Grown meat to showcase in our restaurants? When the Olympics have come and gone, where will we get local quality meat for our own table? When our farmers have gone out of the business of raising meat, where will the organic fruit and vegetable growers get fertilizer for their crops?

We need to show that regulations implemented without consultation can lead to severe crippling of an industry, if not its very collapse.

We need to support the right of everyone to choose what they will eat and how they will eat, and we need to support the local food producers and processors so that they can continue to provide healthy, high quality options in food choices in our community.

We need to prove our case on meat and then we will have a basis to insist on local consultation on all food related issues. An adjunct to this issue is the statement that Pat Bell made about similar regulations coming in 2009 for wine, honey, fruits and vegetables.

The North Okanagan Regional District study was financed by the North Okanagan Regional District and also through Community Futures.
The UBCM can assist in the formation of a local food policy plan through a grant to hire a part time coordinator for a FOOD SYSTEM PLAN. Maybe these initiatives can be combined after the study has been completed. The people who initiated this in the North Okanagan Regional District are willing to share the materials for this as well.

To this end I ask the Committee of the Whole to urge the Regional District of Nanaimo to implement an Impact Study of the BC Regulations on Slaughter Capacity in the Regional District of Nanaimo.

I thank you for your time and consideration,
Jenny MacLeod
2731 Gray Road
Gabriola, BC
V0R 1X7
250 247-9601

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE COMMITTEE OF THE WHOLE MEETING HELD ON TUESDAY, APRIL 8, 2008 AT 7:00 PM IN THE RDN BOARD CHAMBERS

Present:

Director J. Stanhope	Chairperson
Director J. Burnett	Electoral Area A
Director B. Sperling	Electoral Area B
Director M. Young	Electoral Area C
Director G. Holme	Electoral Area E
Director I. Biggemann	Electoral Area F
Alternate	
Director D. Heenan	Electoral Area H
Director S. Herle	City of Parksville
Director T. Westbrook	Town of Qualicum Beach
Alternate	
Director B. Dempsey	District of Lantzville
Alternate	
Director J. Cameron	City of Nanaimo
Director J. Manhas	City of Nanaimo
Director D. Brennan	City of Nanaimo
Director B. Holdom	City of Nanaimo
Director L. McNabb	City of Nanaimo
Director M. Unger	City of Nanaimo

Also in Attendance:

C. Mason	Chief Administrative Officer
M. Pearse	Senior Manager, Corporate Administration
N. Avery	Gen. Manager of Finance & Information Services
J. Pope	A/General Manager of Transportation Services
J. Finnie	General Manager of Environmental Services
P. Thorkelsson	General Manager of Development Services
T. Osborne	General Manager of Recreation & Parks
N. Tonn	Recording Secretary

CALL TO ORDER

The Chairperson welcomed Alternate Directors Heenan, Dempsey and Cameron to the meeting.

DELEGATIONS

Neil Malbon, McLean Mill National Historic Site, & Doug Backhouse, Island Corridor Foundation, re Arrowsmith Explorer Project.

Ken McRae, Mayor of Port Alberni thanked the Board for allowing the presentation and introduced Doug Backhouse and Neil Malbon who would be doing the presentation. Mr. Backhouse spoke on the Island Corridor Foundation's involvement in the Arrowsmith Explorer project and its' importance to promoting rail travel on Vancouver Island. Mr. Malbon provided an overview of the project which will create excursion steam trail services originally between Port Alberni and Qualicum Beach, and the proposed expansion of this service as its popularity grows.

MOVED Director Holdom, SECONDED Director Westbroek, that the Board send a letter to the McLean Mill National Historic Site in support of the Arrowsmith Explorer project.

CARRIED

Cheryl Gill, re Bylaw Enforcement at 2020 Saddle Drive – Area ‘E’.

Rick and Cheryl Gill distributed written information including a petition and letter of intention from Mr. Klaus Mattner, owner and operator of Klaus Automotive. Mr. Gill provided a short history with respect to the property at 2020 Saddle Drive and the business run by Mr. Mattner for the Committee’s information and requested an extension to October 31, 2008 to have the property in compliance with RDN regulations.

Andrew Tucker, City of Nanaimo, re City of Nanaimo OCP Process.

Mr. Tucker provided a visual and verbal overview of the City of Nanaimo’s Official Community Plan process.

MINUTES

MOVED Director McNabb, SECONDED Director Holdom, that the minutes of the Committee of the Whole meeting held March 11, 2008 be adopted.

CARRIED

DEVELOPMENT SERVICES

BUILDING & BYLAW

Notice of Bylaw Contravention – 3130 Northwood Road – Area ‘C’.

MOVED Director Young, SECONDED Director McNabb, that staff be directed to register a Notice on title pursuant to Section 57 of the *Community Charter* after a 30 day period and should the outstanding bylaw contraventions not be resolved within ninety (90) days following registration, that legal action be taken to ensure Lot 6, Section 13, Range 2, Mountain Land District, Plan 30985, is in compliance with the “Regional District of Nanaimo Building Regulation & Fees Bylaw No. 1250, 2001”.

CARRIED

PLANNING

City of Nanaimo OCP Amendment Application (OCP 00037) and Municipal Boundary Extension, Cable Bay Lands – Electoral Area ‘A’ Referrals.

MOVED Director Westbroek, SECONDED Director Brennan, that the Regional District Board receive this report for information and provide this report as the RDN’s comments on the City of Nanaimo’s referrals on the OCP Amendment Application No. OCP 00037 and the Municipal Boundary Extension, Cable Bay Lands – Electoral Area ‘A’.

CARRIED

MOVED Director Burnett, SECONDED Director Holme, that RDN staff send a letter to the City of Nanaimo requesting the City to hold a public information meeting on the City of Nanaimo’s boundary extension application. This will allow RDN residents of Electoral Area ‘A’ whose interests are affected to be consulted and their comments recorded and provided to the Ministry as information, documenting the opinion of residents whose interests are affected.

DEFEATED

City of Nanaimo's Draft OCP Referral.

MOVED Director Holdom, SECONDED Director Brennan, that the Regional District of Nanaimo Board receive this report for information and that the comments provided in the report be forwarded to the City of Nanaimo for consideration in the next draft of the City's OCP.

CARRIED

ENVIRONMENTAL SERVICES

LIQUID WASTE

Trucked Liquid Waste Disposal Bylaw Amendment Bylaw No. 988.08.

MOVED Director Westbrook, SECONDED Director Herle, that "Regional District of Nanaimo Trucked Liquid Waste Disposal Amendment Bylaw No. 988.08, 2008" be introduced for three readings.

CARRIED

MOVED Director Westbrook, SECONDED Director Herle, that "Regional District of Nanaimo Trucked Liquid Waste Disposal Amendment Bylaw No. 988.08, 2008" be adopted.

CARRIED

Greater Nanaimo Pollution Control Centre Expansion and Upgrading Strategy – Southern Community Sewer Service Area Development Cost Charges Bylaw No. 1547.

The Manager of Liquid Waste provided a visual and verbal overview of the proposed Northern and Southern sewer service area development cost charges program for the Greater Nanaimo and French Creek Pollution Control Centres.

MOVED Director Westbrook, SECONDED Director Unger, that "Southern Community Sewer Service Area Development Cost Charges Bylaw No. 1547, 2008" be introduced for first and second readings and be forwarded for a public consultation meeting scheduled for May 7, 2008.

CARRIED

French Creek Pollution Control Centre Expansion and Upgrading Strategy – Northern Community Sewer Service Area Development Cost Charges Amendment Bylaw No. 1442.02.

MOVED Director Westbrook, SECONDED Director Unger, that "Northern Community Sewer Service Area Development Cost Charges Amendment Bylaw No. 1442.02, 2008" be introduced for first and second readings and be forwarded for a public consultation meeting scheduled for May 14, 2008.

CARRIED

SOLID WASTE

Residential Food Waste Collection Field Test – Progress Report.

MOVED Director Herle, SECONDED Director McNabb, that the Board receive the Residential Food Waste Collection Field Test progress report for information.

CARRIED

BC Product Stewardship Council.

MOVED Director McNabb, SECONDED Director Brennan, that the Board approve the revised Terms of Reference for the BC Product Stewardship Council.

CARRIED

MOVED Director McNabb, SECONDED Director Brennan, that the Board approve the RDN providing annual financial support in the amount of \$1,000 to the BC Product Stewardship Council.

CARRIED

UTILITIES

French Creek Sewer Local Service Area Amendment Bylaw No. 813.42 & Northern Community Sewer Service Area Boundary Amendment Bylaw No. 889.48 – Inclusion of 622 Johnstone Road – Area ‘G’.

MOVED Director Holme, SECONDED Director Burnett, that “French Creek Sewer Local Service Area Amendment Bylaw No. 813.42, 2008” be introduced and read three times.

CARRIED

MOVED Director Holme, SECONDED Director Burnett, that “Northern Community Sewer Service Area Boundary Amendment Bylaw No. 889.48, 2008” be introduced and read three times.

CARRIED

RECREATION AND PARKS SERVICES

PARKS

UBCM Community Tourism Program Phase II.

MOVED Director Holme, SECONDED Director Biggemann, that the application for the UBCM Community Tourism Program, Phase II, be approved to conduct a feasibility study for the E & N Rail by Trail Initiative and related outcomes from the study, and for the development of a park management plan for the 707 acre community park on Gabriola Island; and the Terms and Conditions of the program be accepted.

CARRIED

MOVED Director Holme, SECONDED Director Biggemann, that Lanarc Consultants be retained as per the proposal outlined in Appendix 1 to conduct the E & N Trail by Rail feasibility study upon confirmation of receiving UBCM Tourism Program Phase II funding.

CARRIED

COMMISSION, ADVISORY & SELECT COMMITTEE

East Wellington/Pleasant Valley Parks and Open Space Advisory Committee.

MOVED Director Young, SECONDED Director Burnett, that the minutes of the East Wellington/Pleasant Valley Parks and Open Space Advisory Committee meetings held January 21, 2008 (no quorum) and March 3, 2008 be received for information.

CARRIED

Lease of Meadow Drive Community Park – Area ‘C’ – Updated Report.

MOVED Director Young, SECONDED Director Burnett, that the RDN enter into a Land Use Lease as detailed in Appendix 3, Option 5, for a section of Meadow Drive Community Park, legally described as Lot 11, Section 14, Range 4, Mountain Land District, Plan VIP800079, for a twenty year term commencing April 1, 2008 and ending February 29, 2028, to be used as a training area for the Mountain Fire Protection Improvement District (50 metres/0.805 acres).

CARRIED

District 69 Recreation Commission.

MOVED Director Westbrook, SECONDED Director Biggemann, that the minutes of the District 69 Recreation Commission meeting held March 20, 2008 be received for information.

CARRIED

MOVED Director Westbrook, SECONDED Director Burnett, that the Regional District of Nanaimo approve the Sublease with the Parksville Curling Club Society for the use of the District 69 Arena for the term of April 1, 2008 to March 31, 2013.

CARRIED

Electoral Area 'A' Recreation and Culture Commission.

MOVED Director Burnett, SECONDED Director McNabb, that the minutes of the Electoral Area 'A' Recreation and Culture Commission meeting held March 12, 2008 be received for information.

CARRIED

Transit Select Committee.

MOVED Director McNabb, SECONDED Director Manhas, that the minutes of the Transit Select Committee meeting held March 27, 2008 be received for information.

CARRIED

MOVED Director McNabb, SECONDED Director Manhas, that the 2008/2009 Annual Operating Agreement (AOA) with BC Transit be approved.

CARRIED

MOVED Director McNabb, SECONDED Director Manhas, that the Nanaimo Regional Transit Business Plan be approved as a guide for transit service planning and delivery in the Nanaimo region.

CARRIED

MOVED Director McNabb, SECONDED Director Manhas, that the Key Performance Indicators and the Service Design Guidelines developed by BC Transit and the RDN be approved as the basis for monitoring and evaluating the transit service.

CARRIED

MOVED Director McNabb, SECONDED Director Manhas, that the Short and Medium Range Service Proposals and the Supporting Strategies are approved in principle and that staff be directed to proceed with more detailed planning work for the proposals scheduled for implementation in March and September, 2009 as part of the annual budget cycle.

CARRIED

District 69 Community Justice Select Committee. (*Resolution from the meeting held March 13, 2008*).

Additional Funding (2008) for Victim Services/Restorative Justice.

MOVED Director Biggemann, SECONDED Director Westbrook, that the Committee consider reviewing an adjustment to the requisition for the D69 Community Justice service in conjunction with the 2009 budget development.

CARRIED

ADJOURNMENT

MOVED Director Holme, SECONDED Director McNabb, that this meeting terminate.

CARRIED

TIME: 8:33 PM

CHAIRPERSON

Office of the Chair

600 Comox Road, Courtenay, BC V9N 3P6
Tel: 250-334-6000 Fax: 250-334-4358
Toll free: 1-800-331-6007
www.comoxvalleyrd.ca



RDN	
CAO	GMF&IS
GMDS	GMR&PS
GMES	GMTS
APR 09 2008	
SMCA	
CHAIR	BOARD
Correspondence	

File: 6410-20/CVRGS

April 7, 2008

Chair and Directors
Regional District of Nanaimo
6300 Hammond Bay Road
Nanaimo, BC V9T 6N2

Sent via email only: Corpsrv@rdn.bc.ca

Dear Chair and Directors:

RE: Comox Valley Regional District - Regional Growth Strategy

I am pleased to inform you that pursuant to section 854 of the *Local Government Act*, the Comox Valley Regional District has initiated a regional growth strategy process. At the board meeting held on March 25, 2008 the following resolution passed unanimously:

THAT based upon the principles of sustainability and the legislated requirements, the Comox Valley Regional Growth Strategy be initiated. the Comox Valley Regional Growth Strategy will include the communities of Courtenay, Comox, Cumberland, Baynes Sound (Area 'A'), Lazo North (Area 'B') and Puntledge-Black Creek (Area 'C') based on a twenty year time frame with a comprehensive statement on the future of the region including the social, economic and environmental objectives of the board, population and employment projections for the area, and the actions proposed by the board in relation to:

- *housing,*
- *transportation,*
- *regional district services,*
- *parks and natural areas,*
- *economic development, and*
- *public health and safety.*

AND FURTHER THAT legislative amendments being proposed relating to green house gas reduction targets and strategies shall be included in the Comox Valley Regional Growth Strategy;

AND FURTHER THAT development of the Comox Valley Regional Growth Strategy begin immediately, and that the CVRD board consider adoption of the regional growth strategy by no later then December 31, 2010.

We are very pleased to have taken this step as every member of the board recognizes the need for and benefits that will arise from the preparation and adoption of this important document. We are also looking forward to working closely with you and your staff as we jointly and collaboratively build upon the work that has been done to date to examine issues associated with regional growth management.

With a fundamental belief in the value of leaving behind a positive legacy for future generations, we are committed to basing our future planning work on respect for the natural, physical and historic environment within which we live. We fully recognize there will be many challenges before us as we meld the principles of sustainability and SMART Growth together with the realities of our changing world throughout the Comox Valley.

Thank you for your support as we move forward with this exciting process. We will be asking you to participate in several ways, as part of the Intergovernmental Advisory Committee and ultimately in the end as we refer the newly created Comox Valley Regional Growth Strategy to you for comment and acceptance. Once again, on behalf of the rest of the directors on the board, we are looking forward to working with you in a collaborative and collegial manner over the course of this exciting project.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred Bates", with a stylized flourish at the end.

Fred Bates
Chair

Comox Valley Regional District

**FRIENDS OF FRENCH CREEK
CONSERVATION SOCIETY**

May 4, 2008

Regional Board of Directors,
Regional District of Nanaimo,
6300 Hammond Road,
Nanaimo, B.C. V9T 6N2

RDN			
CAO		GMF&IS	
GMDS		GMR&PS	
GMES		GMTS	
MAY - 6 2008			
SMCA			
CHAIR		BOARD	✓
<i>Correspondence</i>			

Dear Sir or Madam;

It is our understanding that it is proposed to uncap wells located adjacent to French Creek in an area designated as park just up the creek from the French Creek Wastewater Facility. These wells are close to the same elevation as the creek itself.

The Directors of the Friends of French Creek Conservation Society passed the following motion at their meeting of May 1st.

That the Board of the Regional District of Nanaimo be advised that the Friends of French Creek Conservation Society view any further removal of water from French Creek, or from wells that will affect the level of water in French Creek, is not acceptable to the Society.

This motion was passed in order to prevent any further destruction of the habitat of the French Creek watershed.

This Society has spent considerable time and effort in attempting to increase the flow of water in French Creek. Increased flow is required should the creek ever to be returned to anywhere near its former capacity to provide a habitat for the previous runs of salmon and trout that made French Creek their spawning ground and home.

In 2006 our Society was involved in a project at Dudley Marsh which raised the water level one foot to help maintain some flow of water into French Creek over the summer. The Society also is optimistic that similar action at Hamilton Marsh can further add to the depth of water in the creek.

(2)

The flow of water in French Creek all but disappears during a hot summer, and in places one can only find water by digging in the gravel. Further removal of water from the water table, especially as close to the creek as these wells are located, negates the work of our Society and is at the least very discouraging.

You are urged to ensure that these wells remain capped, and help our Society in increasing the water level in the creek.

Thank you

Sincerely

A handwritten signature in black ink, appearing to read 'Des Davidge', with a stylized flourish at the end.

Des Davidge
President

Regional District of Nanaimo
6300 Hammond Bay Rd
Nanaimo, BC V9T 6N2

Gabriola Land Conservancy
Box 187
Gabriola, BC V0R1X0

RDN			
CAO	✓	GMF&IS	
GMDS		GMR&PS	✓
GMES		GMTS	
MAY - 7 2008			
SMCA			
CHAIR	✓	BOARD	✓
<i>Correspondence</i>			

To the Board,

The Gabriola Land Conservancy wishes to clarify what appears to be some misunderstanding concerning the Gabriola Community Park ("the 707"). The land was donated to the RDN for safekeeping. The property was acquired by the community after the island granted the transfer of density to another southern location. The conditions attached to the transfer at the time were very clear, and in agreement with our Official Community Plan. Emphasis was placed on conservation and wilderness recreation.

We were assured at the time of transfer (Fall, 2005) that a management planning process would be conducted by the RDN. The planning process was simply to sort out and define what constituted wilderness recreation for Gabriolans and which areas were considered more environmentally sensitive and would benefit from further protection by introducing covenants.

We have been greatly disturbed by the recent articles concerning a possible wind farm on the Park. The 707 is not open for business. We are confused by why the RDN would even consider entertaining applications for other possible uses. If the property needs a tighter legal description so that Board Members understand it is off-limits then that is what we need to be working on.

We feel very strongly about maintaining the terms under which this piece was transferred to the RDN. We are greatly disturbed by the fact that we have to defend something that was completed in the past and set aside for safekeeping.

We feel the RDN has grossly overstepped their role. We are calling for immediate clarification and stronger legal protection for the 707 lands.

Thank you for your attention.

Sincerely,

the Board, Gabriola Land Conservancy

Leigh Ann Milman/president
Joan Cellik/vicepresident
Carolyn Wilkinson
Diana Rose
EJ Hurst
John Pierce
Gloria Filax



CAO APPROVAL		CAO
EAP		
COW	✓	IMY BTH
APR 25 2008		
RHD		
BOARD		

**NANAIMO REGIONAL
HOSPITAL DISTRICT
MEMORANDUM**

TO: C. Mason
Chief Administrative Officer

DATE: April 20, 2008

FROM: N. Avery
General Manager, Finance & Information Services

FILE:

SUBJECT: 2007 Audited Financial Statements

PURPOSE

To present the 2007 audited financial results for the Nanaimo Regional Hospital District.

BACKGROUND

The *Hospital District Act* requires a Regional Hospital District to prepare audited financial statements. This report will comment briefly on highlights of the 2007 financial report.

Auditor Opinion Letter (Page 2)

The Regional Hospital District, in the same manner as the Regional District maintains a system of internal accounting controls designed to provide reasonable assurance of the safekeeping of assets, the propriety of expenditures and revenues, and the accuracy of the financial records. The audit firm of Meyers Norris Penny LLP is responsible for reporting to the Board the results of their audit. As in prior years, the auditor's report is unqualified, assuring readers that based on the audit procedures conducted; the financial statements are considered to be free of material errors and are prepared in accordance with generally accepted accounting standards.

Consolidated Statement of Financial Position (Page 3)

This statement identifies the asset and liability balances as at December 31, 2007.

Cash balances and outstanding long term debt amounts are self explanatory.

Health Authority Capital Advances and short term debt are amounts that have been reimbursed to the Health Authority for capital projects or purchases and which are financed with the Municipal Finance Authority on a short term basis. Short term debt is converted to long term debenture debt periodically as the project or equipment expenditures reach a conclusion. The current balance of Health Authority Capital Advances is made up of final amounts advanced for the construction of the new obstetrics wing at the Nanaimo Regional General Hospital.

The Consolidated Equity position of the Regional Hospital District includes the surplus from the current year of \$1.3 million. This is in line with budget projections and will be gradually reduced as the remaining long term debt associated with the last expansion of the Nanaimo Regional General Hospital becomes a current year expense. The Reserve Fund represents the amount not yet disbursed from capital equipment grants approved through the annual budget process. All of the funds are committed based on plans submitted by the Health Region. The 2007 budget approval for capital grants was \$2,800,000.

Consolidated Statement of Financial Activities (Page 4)

This statement includes all of the transactions associated with the approved annual budget (Revenue Fund), capital financing (Capital Fund) and equipment grants (Reserve Fund).

Interest revenues were better than budgeted and reflect the time lag between authorizing capital grants and the actual payment of the grants. This can be seen under the Expenditures section where "Grants to health care facilities" is less than budgeted.

Interest on long term debt was also less than budgeted because short term financing was used for a longer period than anticipated. \$8,100,000 in short term debt was converted to long term debt in the fall of 2007 at a rate of 4.82% for a 20 year period.

Schedule of Revenue Fund Activities (Page 9)

The Hospital District provides a share of the funding for capital projects and equipment to the Vancouver Island Health Authority. About 35% of the annual budget is direct grants for capital items acquired throughout the year and the balance covers financing costs for short term and long term debt.

An accumulated Revenue Fund surplus of \$1,332,103 (2006, \$1,233,802) is on hand at the end of 2007. This surplus will be expended in part on capital items identified by the Vancouver Island Health Authority in 2008 with the remainder being carried forward in anticipation of the final long term borrowing for the Phase II project. The total project commitment is \$12.8 million dollars.

Schedule of Reserve Fund Activities (Page 10)


This schedule provides a summary of the amounts raised for capital grants approved as part of the annual tax requisition and the expenditure of those funds during the year. At December 31, 2007, \$3.7 million remains committed but not fully expended.

SUMMARY

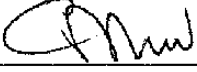
The Regional Hospital District is required to prepare annual audited financial statements. This report summarizes the results of the audited statements for the year ended December 31, 2007.

RECOMMENDATION

That the report on the 2007 audited financial statements of the Nanaimo Regional Hospital District be received.



Report Writer



C.A.O. Concurrence

COMMENTS:



MEYERS NORRIS PENNY LLP

March 20, 2008

Board of Directors
Nanaimo Regional Hospital District
6300 Hammond Bay Road
Nanaimo, BC V9T 6N2

**Re: Audit Findings Report to the Board of Directors
Year ending December 31, 2007**

Dear Sirs/Mesdames:

We are pleased to submit to you this report for discussion of our audit of the financial statements of Nanaimo Regional Hospital District (the "Hospital District") for the year ended December 31, 2007. In this report we cover those significant matters which, in our opinion, you should be aware of as members of the Board of Directors.

1. The Audit

Our responsibility, as auditor of Nanaimo Regional Hospital District, is to report to the Board of Directors on the fair presentation of the 2007 financial statements, in accordance with Canadian generally accepted accounting principles. To properly discharge this responsibility, we designed our audit process to assess the risk of material misstatement within the statements by examining and assessing the effectiveness of Nanaimo Regional Hospital District's controls and accounting systems and the evidence supporting the amounts and disclosures in the statements, including the appropriateness of accounting principles and significant estimates made by management.

We have considered the Hospital District's internal control as part of the financial statement audit. This included obtaining an understanding of the internal controls relevant to our audit; evaluating the design of these controls; and determining whether they have been implemented. This understanding was sufficient to allow us to identify and assess the risks of material misstatement of the financial statements and to design and perform audit procedures. We have not determined whether relevant controls are operating effectively, as such, our understanding of internal controls should not be relied upon for any other purposes.

Wherever possible, we relied on the effectiveness of controls within the reporting systems in order to reduce the extent of our audit testing. Our audit procedures, consisting of separate examination of each material year-end balance, key transaction, and other event considered significant to the financial statements, were concentrated in areas where risks were identified and therefore differences were most likely to arise.

Management has provided us with written representations, acknowledging, among other things, their responsibility for the implementation and maintenance of appropriate reporting systems and controls including those designed to detect and prevent fraud, and to ensure the appropriateness of the amounts recorded in the accounting records, and the amounts and disclosures in the financial statements.

2. Audit Results

We have satisfactorily completed our audit and are prepared to sign our Auditors' Report after the Board of Directors's review and approval of the financial statements. A substantive approach was used in auditing Nanaimo Regional Hospital District's financial statements; thus, the Hospital District's controls were not relied upon. Final materiality calculated and used to assess the significance of misstatements or omissions identified during the audit and determine the level of audit testing performed was \$100,000. The audit report will provide an unqualified opinion to the Board of Directors. Key matters noted during our audit are summarized in the table below.

**BAKER TILLY
INTERNATIONAL**

CHARTERED ACCOUNTANTS & BUSINESS ADVISORS

96 WALLACE STREET, P.O. BOX 514, NANAIMO, BC V9R 5L5

1-877-340-3330 PH. (250) 753-8251 FAX (250) 754-3999 www.mnp.ca

SUBJECTS	2007	2006
Significant doubt concerning entity's ability to continue as a going concern	None	None
Illegal or fraudulent acts	None noted	None noted
Fraud by employees/management with key roles in control activities	None noted	None noted
Differences that may: - Cause future statements to be materially misstated - Indicate significant weaknesses in controls	None None	None None
Irregularities having a material financial statement effect	None	None
Limitations placed on the scope of our audit	None	None
Significant transactions not in the ordinary course of business	None	None
Unusual significant transactions given the entity and its environment	None	None
Non-monetary transactions	None	None
Transactions that increase risk	None	None
Concerns with management breach of corporate conduct	None	None
Conflicts of interest	None	None
Disagreements with management	None	None
Matters influencing audit appointment	None	None
Difficulties encountered during the audit	None	None
Disagreements with management's accounting estimates	None	None
Disagreements with management's adoption of accounting policies or emphasis on the need for a particular accounting treatment	None	None
Significant weaknesses in the entity's risk assessment process within the design and/or implementation of controls	None	None
Material weaknesses in controls resulting from inappropriate response by management regarding implementing controls over significant risks	None	None
Matters giving rise to questions regarding the honesty and integrity of management	None	None

There were no unadjusted differences of any significance noted.

3. Auditor Independence

We confirm to the Board of Directors that we are independent of Nanaimo Regional Hospital District. Our letter to the Board of Directors discussing our independence is included as Appendix A to this report.

We would like to take this opportunity to formally acknowledge the excellent cooperation and assistance we received from the management and staff of Nanaimo Regional Hospital District.

The matters raised in this and other reports that will flow from the audit are only those which have come to our attention arising from, or relevant to, our audit that we believe need to be brought to your attention. They are not a comprehensive record of all the matters arising and, in particular, we cannot be held responsible for reporting all risks in your business or all control weaknesses. This report has been prepared solely for your use and should not be quoted in whole or in part without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for, any other purpose.

We appreciate having the opportunity to meet with you and respond to any questions you may have about our audit, and to discuss any other matters that may be of interest to you.

Yours truly,

Meyers Norris Penny LLP

APPENDIX A

March 20, 2008

Board of Directors
Nanaimo Regional Hospital District
6300 Hammond Bay Road
Nanaimo, BC V9T 6N2

Dear Sirs/Mesdames:

We have been engaged to audit the financial statements of Nanaimo Regional Hospital District ("the Hospital District") for the year ending December 31, 2007.

CICA Handbook 5751, *Communications With Those Having Oversight Responsibility for the Financial Reporting Process* ("the Standard"), requires that we communicate at least annually with you regarding all relationships between the Hospital District and Meyers Norris Penny LLP that, in our professional judgment, may reasonably be thought to bear on our independence. In determining which relationships to report, the Standard requires us to consider relevant rules and related interpretations prescribed by the appropriate provincial institute and applicable legislation, covering such matters as:

- (a) Holding a financial interest, either directly or indirectly, in a client;
- (b) Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- (c) Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- (d) Economic dependence on a client; and
- (e) Provision of services in addition to the audit engagement.

We are not aware of any relationship between the Hospital District and Meyers Norris Penny LLP that, in our professional judgment, may reasonably be thought to bear on our independence, which have occurred from January 1, 2007 to March 20, 2008.

Generally Accepted Auditing Standards require that we confirm our independence to the Audit Committee. Accordingly, we hereby confirm that Meyers Norris Penny LLP is independent with respect to the Hospital District within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of BC as of March 20, 2008.

This report is intended solely for the use of the Board of Directors, management and others within the Hospital District and should not be used for any other purposes.

We look forward to discussing with you the matters addressed in this letter as well as other matters that may be of interest to you. We will be prepared to answer any questions you may have regarding our independence as well as other matters.

Yours truly,


MEYERS NORRIS PENNY LLP

/mjf
encls.



Auditors' Report

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

We have audited the consolidated statement of financial position of Nanaimo Regional Hospital District as at December 31, 2007 and the consolidated statements of financial activities and changes in financial position for the year then ended. These consolidated financial statements are the responsibility of the Hospital District's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Hospital District as at December 31, 2007 and the results of its financial activities and changes in financial positions for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information, including schedules presented on pages 9 through 12, is presented for purposes of additional analysis. This supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated statements and, in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

Meyers Harris Penny LLP

Nanaimo, British Columbia
March 20, 2008

Chartered Accountants

**NANAIMO REGIONAL HOSPITAL DISTRICT
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2007**

	<u>2007</u>	<u>2006</u>
Financial Assets		
Cash	\$ 5,173,872	\$ 3,860,285
Accounts receivable	19,076	14,218
Health Authority Capital Advances	1,543,916	6,876,163
	<u>6,736,864</u>	<u>10,750,666</u>
Financial Liabilities		
Short term debt (Note 2)	1,541,804	6,876,163
Accounts payable	134,234	28,539
Accrued liabilities	171,126	123,958
Long term debt (Schedule D, Note 3)	18,939,576	12,445,458
	<u>20,786,740</u>	<u>19,474,118</u>
Net Financial Liabilities	<u>\$ (14,049,876)</u>	<u>\$ (8,723,452)</u>
Consolidated Equity Position		
Revenue fund (Schedule A)	\$ 1,332,103	\$ 1,233,802
Reserve fund (Schedule B)	3,728,723	2,612,162
Consolidated Financial Equity (Page 4)	<u>5,060,826</u>	<u>3,845,964</u>
Capital fund (Schedule C)	<u>(18,939,576)</u>	<u>(12,445,458)</u>
	<u>(13,878,750)</u>	<u>(8,599,494)</u>
Unfunded liabilities(Note 4)	<u>(171,126)</u>	<u>(123,958)</u>
Net Debt	<u>\$ (14,049,876)</u>	<u>\$ (8,723,452)</u>

Approved:




 General Manager Finance & Information Services

See notes to consolidated financial statements

**NANAIMO REGIONAL HOSPITAL DISTRICT
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Budget</u>	<u>2007</u>	<u>2006</u>
Revenues			
Property tax revenues	\$ 5,389,907	\$ 5,389,907	\$ 5,232,920
Grants-in-lieu of taxes	26,000	27,613	27,760
Interest on investments	75,000	189,468	120,828
Other revenue	-	417,563	302,415
	<u>5,490,907</u>	<u>6,024,551</u>	<u>5,683,923</u>
Expenditures			
Administration	8,665	8,665	8,495
Debenture issue costs	189,870	141,750	5,048
Grants to health care facilities	2,400,000	1,283,439	1,914,511
Short term loan interest and bank charges	403,360	355,319	231,392
Interest on long-term debt	2,100,535	1,461,801	1,605,345
Health Authority advances converted to long term debt	-	8,100,000	288,478
	<u>5,102,430</u>	<u>11,350,974</u>	<u>4,053,269</u>
Net Revenues (Expenditures)	<u>388,477</u>	<u>(5,326,423)</u>	<u>1,630,654</u>
Financing activities:			
Long term debt issued	-	8,100,000	288,478
Debt principal repayments	(963,685)	(963,682)	(992,747)
Debt actuarial adjustments	-	(642,201)	(670,174)
Increase (decrease) in financing obligations	<u>(963,685)</u>	<u>6,494,117</u>	<u>(1,374,443)</u>
Unfunded expenditures:			
Long-term debt interest (Note 4)	-	47,168	(49,793)
Change in Financial Equity	(575,208)	1,214,862	206,418
Consolidated Financial Equity, beginning(Page 3)	<u>3,845,964</u>	<u>3,845,964</u>	<u>3,639,546</u>
Consolidated Financial Equity, ending(Page 3)	<u>\$ 3,270,756</u>	<u>\$ 5,060,826</u>	<u>\$ 3,845,964</u>

Approved:


General Manager Finance & Information Services

See notes to consolidated financial statements

**NANAIMO REGIONAL HOSPITAL DISTRICT
SCHEDULE OF REVENUE FUND ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007**

SCHEDULE A

	<u>Budget</u>	<u>2007</u>	<u>2006</u>
Revenues			
Property tax revenues	\$ 5,389,907	\$ 5,389,907	\$ 5,232,920
Grants-in-lieu of taxes	26,000	27,613	27,760
Interest on Investments	75,000	189,468	120,828
Other revenue	-	417,563	302,414
	<u>5,490,907</u>	<u>6,024,551</u>	<u>5,683,922</u>
Expenditures			
Administration	8,665	8,665	8,495
Short term loan interest and bank charges	593,230	497,069	236,440
Long term debt interest	<u>2,100,535</u>	<u>2,056,834</u>	<u>2,325,311</u>
	<u>2,702,430</u>	<u>2,562,568</u>	<u>2,570,246</u>
Operating Surplus	<u>2,788,477</u>	<u>3,461,983</u>	<u>3,113,676</u>
Transfer to Reserve Fund(Page 10)	2,400,000	2,400,000	2,004,800
Debt principal repayment	<u>963,685</u>	<u>963,682</u>	<u>992,747</u>
	<u>3,363,685</u>	<u>3,363,682</u>	<u>2,997,547</u>
Current Year Surplus (Deficit)	(575,208)	98,301	116,129
Prior years' surplus	<u>1,233,802</u>	<u>1,233,802</u>	<u>1,117,673</u>
Total Operating Surplus	<u>\$ 658,594</u>	<u>\$ 1,332,103</u>	<u>\$ 1,233,802</u>

See notes to consolidated financial statements



CAO APPROVAL	
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COW	✓ May 13th
MAY 06 2008	
RHD	
BOARD	

MEMORANDUM

TO: W. Thexton
Acting General Manager of Finance and Information Services

DATE: April 29, 2008

FROM: Wendy Idema
Manager, Accounting Services

FILE:

SUBJECT: 2007 Regional District Annual Report (audited financial statements)

PURPOSE

To provide comments on the financial performance of the Regional District of Nanaimo for the fiscal year ending December 31, 2007.

BACKGROUND

Regional Districts are required by Section 814.1 of the Local Government Act to present at a public meeting of the Board the results of the annual audit. This report and the attachments are intended to identify highlights and explain the results of the fiscal year ending on December 31, 2007.

The Regional District accounts for its activities in three funds; the General Revenue (or Operating) Fund, the Capital Fund and the Reserve Fund. The annual report consists of a set of consolidated financial statements and supplementary information for each service provided by the Regional District. The consolidated statements allow us to assess the overall results of all of our activities. The objective of our annual statements is to fairly present the financial position of the Regional District as a whole. The attachments to this report include excerpts of the financial statements as well as the Auditors' Report to the Chief Administrative Officer outlining the results of the 2007 audit.

CONSOLIDATED FINANCIAL STATEMENTS

Auditor Opinion Letter (Page 2 of the annual report)

The Regional District maintains a system of accounting controls designed to provide reasonable assurance for the safekeeping of assets, that revenues and expenditures are fully and properly recorded and that the financial records are accurate. The firm of Meyers Norris Penny LLP is responsible for reporting to the Board the results of their audit of the controls and transaction accounting. As in prior years, the auditor's report is unqualified, assuring readers that based on the audit procedures conducted; the financial statements are considered to be free of material errors and are prepared in accordance with generally accepted accounting standards.

Consolidated Statement of Financial Position (Page 3 of the annual report)

The Statement of Financial Position shows the net equity position at the end of December, 2007. Two measures reflect the Regional District's current financial position – Net Financial Assets (Liabilities) and Capital Assets. The "Net Financial Assets (Liabilities)" amount indicates at a point in time, whether the Regional District has made commitments which will require future financial resources. Our net financial assets position improved from a negative \$1.8 million liability in 2006 to a positive \$7.7 million at December 31, 2007. Three main items contributed to the shift to a net asset position in 2007 – an increase in 'Cash and short-term deposits' to \$27,240,434 (2006, \$24,598,980), an increase in 'Investments' to \$22,855,000 (2006, \$18,947,604) and a reduction in 'Short-term loans' to \$509,598 (2006, \$2,254,534).

Long Term Debt

The increase in long-term debt reflects the borrowing by the City of Nanaimo of \$15,000,000 for the New Nanaimo Center. This debt is serviced entirely by the City of Nanaimo and does not therefore affect the Regional District's net position.

Deferred Revenues – (see also Note 10 – page 10)

Deferred revenues include advances from the Federal Gas Tax Transfer Program - Community Works Fund of \$950,370 (2006, \$569,647), Development Cost Charges (DCCs) - \$15,440,735 (2006, \$13,241,072) and parkland cash-in-lieu contributions - \$1,156,520 (2006, \$1,090,651). During 2007, \$46,073 (2006, \$37,003) was spent from the Community Works Fund account to support the research activities of the Drinking Water/Watershed Protection Committee.

Unfunded Liabilities – (Note 9 – page 9/10)

Accounting rules require us to calculate the full value of certain types of liabilities, in particular liabilities associated with using up landfill space and liabilities for payment of employee benefits. The intent of calculating these estimates is to signal that at some future point tax or other revenues will be needed to cover those costs. Where we have not yet set aside reserves or other sources of cash to meet the liability, the difference is shown on the statements as unfunded.

Employee Retirement Benefits

The total estimate for employee retirement benefits is \$985,914 (a maximum of 60 days unused sick leave upon retirement). The Regional District funds this retirement benefit on a pay as you go basis by a charge on wages paid in each department. Adequate reserves to fully fund this retirement benefit have been set aside at December 31, 2007, resulting in a nil amount for the unfunded portion in 2007 (2006, \$69,946).

Landfill Capacity Liability:

The unfunded portion of the costs to close and maintain the landfill site is a total of \$7,339,677 (2006, \$7,629,533). Our financial plan projections include appropriations to reserves to assist in phased landfill closure costs, while it is expected that annual tax requisitions will cover the post closure monitoring and maintenance activities. The estimated remaining lifespan of the landfill remains at five years at the end of December 2007. The Board is monitoring alternative waste disposal options including the possibility of expanding an existing berm to provide more space without increasing the footprint of the landfill. Staff estimate that the berm expansion could increase the life of the landfill to 2024 and would consequently reduce the current liability calculations.

The Regional District's overall Consolidated Financial Equity remains in a positive year-end balance at \$34,838,272 (2006 \$28,094,280). The consolidated surplus from operations (General Revenue Fund) was \$11,911,965 (2006 \$11,775,886). The surplus from operations is not a single value available to the Regional District as a whole – rather it is the accumulated value of surpluses from each of the individually funded services provided by the Regional District.

Statement of Financial Activities (Page 4 of the annual report)

The Statement of Financial Activities is a form of 'profit and loss' statement summarizing the operating and financing activities that have occurred during the year. The Regional District increased its overall financial equity by \$6,743,992 in 2007 (2006, \$7,639,685).

Expenditures for Environmental Services (\$18,487,797) are below budget (\$28,111,363). This is not an unusual occurrence because this service area undertakes the greatest number of large, complex capital projects which are often started in one year and carried over to completion in the following year.

Expenditures for Utility Services (\$3,309,940), consisting mainly of sewer and water services, are below budget (\$8,052,332). The budget included an estimate to borrow for the construction of a sewer collector system in the Cedar village area which has not yet been drawn on.

Expenditures for Parks, Recreation and Culture (\$8,049,349) are below budget (\$9,071,721) as a result of reduced operating costs and a regional park acquisition which did not occur (Hamilton Marsh).

Notes to Financial Statements

Included as excerpts attached to this report are notes which provide further details with respect to Unfunded Liabilities, Deferred Revenue, Long Term Debt repayments and leases.

General Revenue Fund - Schedule of Revenues and Expenditures (Page 16 of the annual report)

The General Revenue Fund reflects cash expenditures during the year. This schedule presents the results of operations at an organizational level compared to budget and the prior year. The detailed operating results of individual services are contained in the published report at Pages 26 to 39.

Overall actual revenues were slightly below budget (\$61,667,692 actual vs. \$64,863,792 budgeted). The difference is mainly the result of Gas Tax Transfer grant funding that has been approved but the projects were not entirely completed at December 31st. Permit fees were slightly above budget overall, although the actual results in the Building Inspection service reflected a decrease in revenues of approximately 8% (2007 - \$869,945; 2006 - \$945,346). Building permit revenues were however consistent with the 2007 budget which anticipated lower revenues.

Overall operating expenditures were 19% lower than budget (\$43,863,720 actual vs. \$54,151,555 budgeted). As noted earlier, the most significant component difference is capital projects which are completed over two years.

Schedule of Change in Equity in Tangible Capital Assets (Page 20 in the annual report)

This schedule shows how our investment in tangible capital assets changed over the year. The Regional District invested \$7.1 million in new capital assets in 2007 (2006 \$5.6 million). Assets purchased by way of capital leases increased by \$545,364 in 2007. Long term debt financing decreased by \$3,007,765.

Schedule of Statutory Reserve Fund Balances (Pages 22, 23 and 24 in the annual report)

This schedule shows the activity that occurred in each of the separate reserve funds established by the Board. Highlights of total activity for the year include:

	<u>2007</u>	<u>2006</u>
Contributions in the year	\$ 5,808,716	\$ 4,273,054
Interest earned	664,742	424,926
Funds applied to approved expenditures	129,674	107,995

Reserve funds were utilized in 2007 to upgrade information technology equipment (\$39,335); the French Creek Water system (\$51,000); the Nanoose Bay Peninsula water system well structures (\$23,000); and for feasibility studies (\$11,729). Significant reserve fund contributions made in 2007 include \$592,431 - administration building; \$243,750 - information technology; a combined total of \$274,123 for various fire department building and vehicle reserve funds; \$2,500,000 - landfill acquisition/upgrades; a combined total of \$592,916 for future community and regional parks and recreation facilities; and \$1,500,000 for future expansion of the Southern Community wastewater treatment plant.

AUDITORS' REPORT TO THE CHIEF ADMINISTRATIVE OFFICER

This report provided by the accounting firm of Meyers Norris Penny LLP provides the Chief Administrative Officer with an overview of the audit process and a summary of findings for the Regional District of Nanaimo. Pages 2 and 3 discuss the areas of audit emphasis and provide the auditors' conclusions with respect to the accounting treatments followed by staff.

Page 4 of the report summarizes the key matters reviewed with management during the audit and indicates that no areas of concern were found.


The Regional District of Nanaimo received an unqualified opinion on the consolidated financial statements for 2007 and the auditors' report concludes there are no areas of significant concern on their part.

SUMMARY


The 2007 Consolidated Financial Statements have been prepared and audited within the framework of the accounting policies applicable to local governments in B.C.. These statements present, in all significant respects, the financial position of the Regional District of Nanaimo as at December 31, 2007. This is supplemented and confirmed by the Auditors' Report to the Chief Administrative Officer dated April 3, 2008.

RECOMMENDATION


That the 2007 Consolidated Financial Statements, associated financial schedules and Auditors' Report to the Chief Administrative Officer be received.



Report Writer



General Manager Concurrence



C.A.O. Concurrence

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

We have audited the consolidated statement of financial position of the Regional District of Nanaimo as at December 31, 2007 and the consolidated statements of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Regional District. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Regional District as at December 31, 2007 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information, including schedules presented on pages 15 through 44, is presented for purposes of additional analysis. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

Nanaimo, British Columbia

March 10, 2008

Meyer Morris Penny LLP

Chartered Accountants

**REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2007**

	<u>2007</u>	<u>2006</u>
Financial Assets		
Cash and short-term deposits (Note 2 & Pg. 5)	\$ 27,240,434	\$ 24,596,980
Accounts receivable (Note 3)	7,763,491	3,931,132
Investments (Note 4)	22,855,000	18,947,604
Municipal debt receivable (Note 11)	48,089,804	31,484,841
Other assets (Note 5)	3,000	3,000
	<u>105,951,729</u>	<u>78,965,557</u>
Financial Liabilities		
Short-term loans (Note 6)	509,598	2,254,534
Accounts payable (Note 7)	2,826,198	2,306,442
Other liabilities (Note 8)	2,350,317	2,080,989
Unfunded liabilities (Note 9)	7,490,810	7,846,076
Deferred revenue (Note 10)	17,847,138	14,999,005
Obligation under capital lease (Note 13)	888,345	342,981
Long-term debt (Notes 11, 12 & Pg. 40)	66,305,849	50,963,715
	<u>98,218,255</u>	<u>80,793,742</u>
Net Financial Assets (Liabilities)	<u>7,733,474</u>	<u>(1,828,185)</u>
Capital Assets		
Tangible capital assets (Note 20 & Pg. 21)	136,826,237	130,167,606
Assets under capital lease (Note 13)	1,128,857	711,023
	<u>137,955,094</u>	<u>130,878,629</u>
Net Equity	<u>\$ 145,688,568</u>	<u>\$ 129,050,444</u>
Consolidated Equity Position		
General Revenue Fund (Note 14)	\$ 11,911,965	\$ 11,775,886
Capital Fund (Pg. 19)	1,014,213	1,177,542
Reserves (Note 15)	21,912,094	15,140,852
	<u>34,838,272</u>	<u>28,094,280</u>
Consolidated Financial Equity (Note 15)	34,838,272	28,094,280
Equity in Tangible Capital Assets (Pg. 20)	118,341,106	108,802,240
Unfunded liabilities (Note 9)	(7,490,810)	(7,846,076)
Net Equity	<u>\$ 145,688,568</u>	<u>\$ 129,050,444</u>

APPROVED:


N. Avery, CGA

See notes to consolidated financial statements

- 3 -

General Manager, Finance and Information Services

**REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Budget</u>	<u>2007</u>	<u>2006</u>
Revenues			
Property taxes	\$ 26,883,847	\$ 26,882,882	\$ 25,568,134
Grants in lieu of taxes	87,830	186,287	183,576
Operating grants	9,303,485	6,963,091	4,405,867
Operating revenues	17,507,293	17,488,538	16,770,211
Developer contributions	2,848,865	1,912,659	1,648,182
Other	780,347	1,051,324	924,297
Interest on investments	794,468	1,439,751	1,096,179
MFA debt surplus refunds	-	155,992	13,999
	<u>58,206,135</u>	<u>56,080,524</u>	<u>50,610,445</u>
Expenditures			
General government services	1,747,823	504,290	640,817
Planning and development	2,944,218	2,501,318	2,513,151
Environmental services	28,111,363	18,487,797	17,678,934
Utility services	8,052,332	3,309,940	3,412,071
Transportation services	11,477,206	11,006,591	10,528,480
Protective services	3,343,685	2,659,579	2,365,560
Parks, recreation and culture	9,071,721	8,049,349	8,217,430
	<u>64,748,348</u>	<u>46,518,864</u>	<u>45,356,443</u>
Net Revenues (Expenditures)	<u>(6,542,213)</u>	<u>9,561,660</u>	<u>5,254,002</u>
Add:			
Financing activities			
Increase (decrease) in Obligation under capital lease	(106,101)	545,364	115,580
Short-term and long-term debt issued	6,548,630	975,781	8,698,798
Debt actuarial adjustments	(822,246)	(896,848)	(732,792)
Debt principal repayments	<u>(1,619,275)</u>	<u>(3,086,699)</u>	<u>(7,828,774)</u>
Increase (Decrease) in financing obligations	<u>4,001,008</u>	<u>(2,462,402)</u>	<u>252,812</u>
Unfunded expenditures:			
Employee benefits	-	(65,410)	(47,375)
Landfill closure and post closure costs	-	(289,856)	2,180,246
	<u>-</u>	<u>(355,266)</u>	<u>2,132,871</u>
Change in Consolidated Financial Equity	<u>(2,541,205)</u>	<u>6,743,992</u>	<u>7,639,685</u>
Consolidated Financial Equity, beginning	<u>28,094,280</u>	<u>28,094,280</u>	<u>20,454,595</u>
Consolidated Financial Equity, ending (Note 15 & Pg. 3)	<u>\$ 25,553,075</u>	<u>\$ 34,838,272</u>	<u>\$ 28,094,280</u>

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>2007</u>	<u>2006</u>
Operating Activities		
Net Revenues (Expenditures)	\$ 9,561,660	\$ 5,254,002
Decrease (increase) in accounts receivable	(3,832,359)	1,387,936
Increase (decrease) in accounts payable	519,756	(1,425,558)
Increase (decrease) in deferred revenues	2,848,133	2,155,364
Increase (decrease) in other liabilities	269,328	176,154
Increase (decrease) in unfunded liabilities	<u>(355,266)</u>	<u>2,132,871</u>
Net increase (decrease) in cash from operating activities	<u>9,011,252</u>	<u>9,680,769</u>
Investing Activities		
(Increase) decrease in investments	<u>(3,907,396)</u>	<u>806,990</u>
Net increase (decrease) in cash from investing activities	<u>(3,907,396)</u>	<u>806,990</u>
Financing Activities		
Short and long-term debt issued	975,781	8,698,798
Debt actuarial adjustments	(896,848)	(732,792)
Increase in capital lease obligation	545,364	115,580
Repayment of short and long-term debt	<u>(3,086,699)</u>	<u>(7,828,774)</u>
Net increase (decrease) in cash from financing activities	<u>(2,462,402)</u>	<u>252,812</u>
Net change in cash and cash equivalents	\$ 2,641,454	\$ 10,740,571
Cash and short-term deposits, Beginning	<u>24,598,980</u>	<u>13,858,409</u>
Cash and short-term deposits, Ending (Note 2 & Pg. 3)	<u>\$ 27,240,434</u>	<u>\$ 24,598,980</u>

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2007

(c) Demand loan of \$2,619 (2006, \$7,143); original value \$22,600, for a Regional Parks vehicle, payable at \$377 per month plus interest at Royal Bank prime rate. The loan will be fully repaid in 2008.

(d) Coastal Community Credit Union Loan of Nil (2006, \$160,000) for the purchase of community park land in Electoral Area B.

7. ACCOUNTS PAYABLE

	<u>2007</u>	<u>2006</u>
Payable to Provincial Government	\$ 355,385	\$ 150,910
Payable to other local governments	34,193	41,867
Trade and other payables	<u>2,436,620</u>	<u>2,113,665</u>
	\$ <u>2,826,198</u>	\$ <u>2,306,442</u>

8. OTHER LIABILITIES

	<u>2007</u>	<u>2006</u>
Wages and benefits payable	\$ 870,165	\$ 738,604
Retirement benefits payable	985,914	828,099
Permit deposits	<u>494,238</u>	<u>514,286</u>
	\$ <u>2,350,317</u>	\$ <u>2,080,989</u>

9. UNFUNDED LIABILITIES

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

(a) Employee Benefits

- i. *Retirement Benefits* - Employees who retire qualify for a one time payout of up to 60 days of their accumulated unused sick leave bank. The Regional District calculates the value of this liability for employees aged 40 or older based on a statistical analysis of the age and length of service of its workforce. The reported liability reflects the likelihood that employees 55 or older will retire and become eligible for this benefit. The unfunded portion of the estimated employee retirement benefit liability at December 31, 2007 is nil (2006, \$69,946), and the total estimated employee retirement benefit liability at December 31, 2007 is \$985,914 (2006, \$898,045). Employee retirement benefit payments are being funded by an accounting charge on wages paid in the year.
- ii. *Other* - Includes vacation pay adjustments and statutory and other benefits provided for in the collective agreement and which are paid in the normal course of business in the following year. The vacation pay liability at December 31, 2007 is \$72,057 (2006, \$72,245). The statutory benefits liability at December 31, 2007 is \$79,076 (2006, \$74,352).

(b) Landfill Closure and Post Closure Maintenance Costs

In accordance with PS 3270 liabilities with respect to permanently closing and monitoring a landfill are incurred as landfill capacity is used. Landfill Closure costs include placing a permanent cover over the face of the landfill. Post Closure Maintenance costs include landfill gas monitoring, leachate collection system operation and general site maintenance which must be managed for a period of 25 years after the landfill is permanently closed.

Landfill Closure costs:

Landfill Closure costs are estimated based on the open area of the remaining unused capacity of the landfill site. In 2004 a berm was constructed that resulted in an increase in landfill capacity, initially extending the life of the landfill to 2017. At the end of 2005 additional waste was diverted to the landfill

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2007

9. UNFUNDED LIABILITIES (CONTINUED)

rather than being exported out of the Regional District. This reduced the expected life of the landfill from 2017 to 2014. In the most recent year, increased fill rates due to population growth have further reduced the expected life to 2012, with final closure to occur in 2013. The Regional District will be considering a proposed Phase 2 expansion of the berm which would increase landfill life by an estimated 12 years to 2024.

At December 31, 2007, there were approximately 829,862 cubic meters of uncovered refuse in the landfill. Landfill Closure costs are estimated at \$1,785,753 (2006, \$2,359,575) for which \$1,233,997 (2006, \$1,183,111) has been set aside in reserves. The balance of Landfill Closure costs are expected to be funded by a combination of future reserve account contributions and borrowing.

Post Closure Maintenance costs:

The Regional District has a statutory obligation to manage the environmental state of the landfill site for 25 years after the site is closed. Post Closure Maintenance costs are estimated using a number of factors including the percentage of landfill capacity already filled, the probable closure date, the regulated monitoring period, the estimated annual management costs and a present value discount rate which is the difference between the long-term MFA borrowing rate and the current Consumer Price Index. The current estimate for annual Post Closure Maintenance costs is \$425,000 (2006, \$425,000). Total Post Closure Maintenance costs are estimated to be \$5,553,924 (2006, \$5,269,958) based on 87% of the total landfill capacity being filled at this date, a 5 year lifespan to 2012, final closure in 2013, and a discount rate of 3.0%. Post Closure Maintenance costs are expected to be funded by annual budget appropriations in the years in which they are incurred.

Unfunded Liability Balances	<u>2007</u>	<u>2006</u>
Employee Retirement Benefits	\$ -	\$ 69,946
Employee Other Benefits	151,133	146,597
Landfill Closure Costs	1,785,753	2,359,575
Post Closure Maintenance Costs	<u>5,553,924</u>	<u>5,269,958</u>
Unfunded Liability	\$ <u>7,490,810</u>	\$ <u>7,846,076</u>
Reserves On Hand	\$ <u>1,233,997</u>	\$ <u>1,183,111</u>

10. DEFERRED REVENUE

	<u>2007</u>	<u>2006</u>
Parkland Cash-in-Lieu Contributions	\$ 1,156,520	\$ 1,090,651
Development Cost Charges	<u>15,440,735</u>	<u>13,241,072</u>
Subtotal (Pg. 25)	<u>16,597,255</u>	<u>\$14,331,723</u>
Gas tax transfer program – Community Works Fund	950,370	569,647
Community Tourism Program funding	100,369	-
General Revenue Fund	<u>199,144</u>	<u>97,635</u>
	<u>\$ 17,847,138</u>	<u>\$ 14,999,005</u>

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

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

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2007

10. DEFERRED REVENUE (CONTINUED)

Community Works Fund - is a program component of the federal government's "New Deal for Cities and Communities" which was established to transfer a portion of gas tax revenues to local governments to address infrastructure deficits. Additional information on the Regional District of Nanaimo's use of the Community Works Fund grants is included in the schedule on Pg 44.

Community Tourism Program - is a provincial program to increase tourism activity, build local economies and support the Province's Spirit of 2010 Tourism Strategy.

The General Revenue Fund - consists of payments in advance for recreation programs, unredeemed recreation program awards, facility rental deposits and miscellaneous deferred revenue.

11. MUNICIPAL DEBT RECEIVABLE

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

	<u>2007</u>	<u>2006</u>
City of Parksville	\$ 4,609,155	\$ 4,945,641
City of Nanaimo	<u>43,480,649</u>	<u>26,539,200</u>
	<u>\$ 48,089,804</u>	<u>\$ 31,484,841</u>

12. LONG-TERM DEBT

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

Details of long-term debt, including debt issue numbers, maturity dates, interest rates and outstanding amounts, are summarized in the Schedule of Long-Term Debt on pages 41 to 43.

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

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>TOTAL</u>
\$ 1,359,491	\$ 1,359,574	\$ 1,359,660	\$ 724,263	\$ 724,353	<u>\$ 5,527,341</u>

13. OPERATING AND CAPITAL LEASES

The Regional District has entered into five year operating leases for certain vehicles and equipment which expire on various dates. In 2007 the operating lease payments totalled \$102,223 (2006, \$176,731).

The Regional District financed assets under capital leases in the amount of \$1,128,857 (2006, \$711,023), including two Zamboni ice cleaners, one van and four trucks for recreation and parks services; a wheeled loader and a refuse compactor for the landfill and several photocopiers. The 2007 capital lease principal payments totalled \$124,500 (2006, \$84,962). The outstanding obligation balance for leased capital assets as at December 31, 2007 was \$888,345 (2006, \$342,981).

All capital leases are held by the MFA Leasing Corporation. While payments are fixed for the term of the lease, interest rates are variable daily based upon the Canadian prime rate minus 1.0%. A final interest adjustment is made at the time of the final payment. In 2007, interest expenditures related to lease liabilities were \$12,069 (2006, \$12,151).

**REGIONAL DISTRICT OF NANAIMO
GENERAL REVENUE FUND
SCHEDULE OF REVENUE AND EXPENDITURES
AS AT DECEMBER 31, 2007**

	Corporate Services (Schedule A)	Development Services (Schedule B)	Environmental Services (Schedule C)	Recreation & Parks Services (Schedule D)	Transportation Services (Schedule E)	Actual 2007	Budget 2007	Actual 2006
REVENUES								
Tax requisition	\$ 4,449,006	\$ 1,707,020	\$ 10,804,107	\$ 6,067,189	\$ 4,055,560	\$ 26,882,882	\$ 26,883,847	\$ 25,568,134
Grants	118,197	82,791	2,717,302	96,464	3,716,109	6,732,863	9,303,485	4,064,779
Grants in Lieu	47,762	6,260	81,775	5,443	45,047	186,287	87,830	183,576
Interest	649,920	-	-	-	-	649,920	385,000	552,369
Permit fees & other	-	1,081,666	-	348,698	112,185	1,542,550	1,343,690	1,462,360
Operating revenues	-	81,545	3,609,607	1,367,928	3,947,083	9,006,163	8,913,163	9,034,701
Disposal fees	-	-	8,272,715	-	-	8,272,715	8,387,370	7,600,885
Other	6,859,459	-	1,534,853	-	-	8,394,312	9,559,407	7,368,479
	12,124,344	2,959,282	28,820,359	7,865,722	11,877,985	61,667,692	64,863,792	55,835,283
EXPENDITURES								
General administration	849,298	628,467	1,318,036	457,523	1,816,745	5,070,069	5,459,333	4,921,425
Professional fees	207,723	350,525	869,490	98,143	20,725	1,546,606	2,233,715	1,284,314
Community grants	21,095	-	-	84,630	-	105,725	112,970	181,232
Legislative	232,263	-	-	-	-	232,263	259,515	236,157
Recreation program costs	-	-	-	105,479	-	105,479	105,820	101,162
Equipment operating	97,257	6,566	-	63,313	2,192	169,328	191,926	208,669
Building operating	157,875	43,414	236,988	555,130	173,683	1,166,990	1,323,368	1,088,199
Vehicle operating	60,036	31,696	1,216,374	79,406	2,700,425	4,087,937	4,329,288	4,360,173
Other operating	135,925	167,098	7,222,349	330,855	244,393	8,100,620	9,457,427	7,052,370
Wages & benefits	1,875,197	1,759,737	4,450,591	2,653,313	6,656,275	17,395,113	18,339,807	16,367,860
Capital expenditures	206,475	43,110	5,113,996	490,733	29,274	5,883,590	12,338,386	3,831,357
	3,843,144	3,030,613	23,427,826	4,918,525	11,643,612	43,863,720	54,151,555	39,612,938
OPERATING SURPLUS	8,281,200	(71,331)	6,392,533	2,967,197	234,373	17,803,972	10,712,237	16,222,345
Debt retirement								
- interest	2,201,633	-	1,399,959	624,661	-	4,226,253	4,226,785	3,661,405
- principal	1,754,633	-	910,932	922,774	-	3,588,339	3,074,735	2,233,183
- foreign exchange	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	102,050	-
Reserve contributions	1,141,519	25,405	4,085,890	593,636	16,266	5,862,716	5,546,252	4,324,520
Transfers to other govts	2,954,679	3,000	-	1,208,899	-	4,166,578	4,191,842	3,855,678
	8,052,464	28,405	6,396,781	3,349,970	16,266	17,943,886	17,141,664	14,074,786
CURRENT YEAR SURPLUS (DEFICIT)	228,736	(99,736)	(4,248)	(382,773)	218,107	(39,914)	(8,429,427)	2,147,559
Prior year's surplus applied	888,014	1,843,854	6,627,222	1,826,912	924,025	11,910,027	11,906,446	9,762,468
NET OPERATING SURPLUS	\$ 1,116,750	\$ 1,744,118	\$ 6,622,974	\$ 1,244,139	\$ 1,142,132	\$ 11,870,113	\$ 5,477,019	\$ 11,910,027

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF CHANGE IN EQUITY IN TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>2007</u>	<u>2006</u>
Changes in Capital Lease Obligations		
Lease obligations incurred to acquire assets	\$ (669,864)	\$ (200,542)
Capital lease principal payments	<u>124,500</u>	<u>84,962</u>
	<u>(545,364)</u>	<u>(115,580)</u>
Changes in Debt		
(Increase) in long-term loans	(975,781)	(8,611,407)
Decrease in short-term loans	1,744,936	4,678,133
Principal payments for long-term debt	1,341,762	1,063,250
Actuarial adjustments for long-term debt	<u>896,848</u>	<u>732,792</u>
	<u>3,007,765</u>	<u>(137,232)</u>
Changes in Tangible Capital Assets		
Capital assets acquired under lease	669,864	200,542
Leased capital assets reclassified to owned assets	(252,030)	-
Capital assets purchased	6,850,663	5,590,904
Net cost of capital assets written off	<u>(192,032)</u>	<u>(212,172)</u>
	<u>7,076,465</u>	<u>5,579,274</u>
Change in Equity in Tangible Capital Assets	9,538,866	5,326,462
Equity in Tangible Capital Assets, Beginning	<u>108,802,240</u>	<u>103,475,778</u>
Equity in Tangible Capital Assets, Ending (Pg. 18)	<u>\$ 118,341,106</u>	<u>\$ 108,802,240</u>

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF STATUTORY RESERVE FUND ACTIVITY AND FUND BALANCES
AS AT DECEMBER 31, 2007

	Feasibility	Coombs Fire	Errington Fire	Extension Fire	Nanoose Fire	Dashwood Fire	Bow Horn Bay Fire	Landfill Acquisition	Extension Recreation	Parks & Recreation	Descanso Bay Emergency Wharf	Admin Bldg & Computer
ASSETS:												
Due from Revenue Fund (Pg 15)	\$ 48,966	\$ 129,887	\$ 73,656	\$ 72,472	\$ 593,859	\$ 327,923	\$ 263,779	\$ 5,720,873	\$ 37,023	\$ 1,156,869	\$ 13,171	\$ 2,049,278
Arrowsmith Water Service												
	<u>48,966</u>	<u>129,887</u>	<u>73,656</u>	<u>72,472</u>	<u>593,859</u>	<u>327,923</u>	<u>263,779</u>	<u>5,720,873</u>	<u>37,023</u>	<u>1,156,869</u>	<u>13,171</u>	<u>2,049,278</u>
LIABILITIES AND FUND BALANCE:												
FUND ACTIVITY												
Balance, beginning	59,481	95,224	12,852	69,484	491,367	231,100	235,721	3,047,980	36,275	529,772	-	1,192,355
Add:												
Contribution by developers & others												
Contribution from Revenue Fund	1,238	30,290	59,700		80,000	86,633	17,500	2,500,000		592,916	13,066	836,181
MFA surplus												
Interest earned		4,373	1,104	2,988	22,472	10,180	10,558	172,893	1,531	34,181	105	60,077
Less:												
Feasibility, legal & other costs	(11,729)											
Contribution to Capital Fund (Pg.19)												(39,335)
Transfers to Revenue Fund	(2)											
Transfers to Other Agencies									(783)			
FUND BALANCE Ending (Note 15)	<u>\$ 48,966</u>	<u>\$ 129,887</u>	<u>\$ 73,656</u>	<u>\$ 72,472</u>	<u>\$ 593,859</u>	<u>\$ 327,923</u>	<u>\$ 263,779</u>	<u>\$ 5,720,873</u>	<u>\$ 37,023</u>	<u>\$ 1,156,869</u>	<u>\$ 13,171</u>	<u>\$ 2,049,278</u>

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
 SCHEDULE OF STATUTORY RESERVE FUND ACTIVITY AND FUND BALANCES
 AS AT DECEMBER 31, 2007

	Local Govt Elections	Regional Growth Strategy	Bylaw Enforcement	SD68 E911	Nanoose Wastewater	Northern Wastewater	Southern Wastewater	Duke Pt Wastewater	Surfside Sewer	Pacific Shores Sewer	French Creek Sewer
ASSETS:											
Due from Revenue Fund (Pg 15)	\$ 41,537	\$ 53,182	\$ 37,442	\$ 91,448	\$ 195,590	\$ 239,792	\$ 7,703,707	\$ 3,034	\$ 966	\$ 2,051	\$ 354,442
Arrowsmith Water Service											
	<u>41,537</u>	<u>53,182</u>	<u>37,442</u>	<u>91,448</u>	<u>195,590</u>	<u>239,792</u>	<u>7,703,707</u>	<u>3,034</u>	<u>966</u>	<u>2,051</u>	<u>354,442</u>
LIABILITIES AND FUND BALANCE:											
FUND ACTIVITY											
Balance, beginning	20,326	50,989	32,662	85,922	163,155	-	5,923,842	-	966	2,051	326,693
Add:											
Contribution by developers & others						236,714					
Contribution from Revenue Fund	20,000		3,500	1,800	25,000		1,500,000	3,000			
MFA surplus											13,339
Interest earned	1,209	2,193	1,280	3,726	7,435	3,078	279,865	34			14,410
Less:											
Feasibility, legal & other costs											
Contribution to Capital Fund (Pg.19)											
Transfers to Revenue Fund											
Transfers to Other Agencies											
FUND BALANCE Ending (Note 15)	<u>\$ 41,537</u>	<u>\$ 53,182</u>	<u>\$ 37,442</u>	<u>\$ 91,448</u>	<u>\$ 195,590</u>	<u>\$ 239,792</u>	<u>\$ 7,703,707</u>	<u>\$ 3,034</u>	<u>\$ 966</u>	<u>\$ 2,051</u>	<u>\$ 354,442</u>

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
 SCHEDULE OF STATUTORY RESERVE FUND ACTIVITY AND FUND BALANCES
 AS AT DECEMBER 31, 2007

	French Creek Water	Madrona Water	Fairwinds Water	Surfside Water	Arbutus Park Est Water	West Bay Est Water	Decoursey Water	Nanoose Bay Peninsula Water	Nanoose Bay Water	Englishman River Water	Nanoose Bulk Water	French Creek Bulk Water	Actual 2007	Actual 2006
ASSETS:														
Due from Revenue Fund (Pg 15)	\$ 85,247	\$ 195,121	\$ 310,209	\$ 10,638	\$ 87,982	\$ 78,385	\$ 1,797	\$ 912	\$ 5,248	\$ 20,260	\$ -	\$ -	\$ 20,006,746	\$ 13,320,312
Arrowsmith Water Service											11,620	6,456	18,076	11,356
	<u>85,247</u>	<u>195,121</u>	<u>310,209</u>	<u>10,638</u>	<u>87,982</u>	<u>78,385</u>	<u>1,797</u>	<u>912</u>	<u>5,248</u>	<u>20,260</u>	<u>11,620</u>	<u>6,456</u>	<u>20,024,822</u>	<u>13,331,668</u>
LIABILITIES AND FUND BALANCE:														
FUND ACTIVITY														
Balance, beginning	51,843	166,128	297,417	8,299	88,788	75,152	1,500	22,966	-	-	7,300	4,056	13,331,668	8,740,497
Add:														
Contribution by developers & others	82,500												319,214	
Contribution from Revenue Fund		3,770		1,950			264		5,190	20,000	4,320	2,400	5,808,716	4,273,054
MFA surplus		17,602											30,941	2,381
Interest earned	1,904	7,621	12,792	389	3,804	3,233	33	946	58	260			664,742	424,926
Less:														
Feasibility, legal & other costs	(51,000)												(62,729)	(2,671)
Contribution to Capital Fund (Pg.19)					(4,610)			(23,000)					(66,945)	(105,324)
Transfers to Revenue Fund													(2)	
Transfers to Other Agencies													(783)	(1,195)
FUND BALANCE Ending (Note 15)	<u>\$ 85,247</u>	<u>\$ 195,121</u>	<u>\$ 310,209</u>	<u>\$ 10,638</u>	<u>\$ 87,982</u>	<u>\$ 78,385</u>	<u>\$ 1,797</u>	<u>\$ 912</u>	<u>\$ 5,248</u>	<u>\$ 20,260</u>	<u>\$ 11,620</u>	<u>\$ 6,456</u>	<u>\$ 20,024,822</u>	<u>\$ 13,331,668</u>

See notes to consolidated financial statements



MEYERS NORRIS PENNY^{LLP}

April 3, 2008

Chief Administrative Officer of the
Regional District of Nanaimo

Dear Ms. Mason:

We are pleased to submit to you this report for discussion of our audit of the consolidated financial statements of the Regional District of Nanaimo for the year ended December 31, 2007. In this report we cover those significant matters which, in our opinion, you should be aware of as the Chief Administrative Officer.

We have completed our audit of the consolidated financial statements of the Regional District of Nanaimo and have signed our Auditors' Report. Our report provides an unqualified opinion to the members of the Board of the Regional District of Nanaimo.

We would like to express our appreciation for the excellent cooperation we have received from management and employees with whom we worked.

We also appreciate having the opportunity to meet with you and to respond to any questions you may have about our audit, and to discuss any other matters that may be of interest to you.

Yours truly,

MeYers Norris Penny LLP

MEYERS NORRIS PENNY LLP

MC/11

Regional District of Nanaimo

Contents

For the year ended December 31, 2007

	Page
1. Auditor Responsibilities.....	1
2. Engagement Status.....	1
3. Areas of Audit Emphasis.....	2
4. Significant Audit and Financial Reporting Matters.....	2
5. Significant Management Estimates.....	3
6. Management's Representations.....	3
7. Other Matters Important to the Chief Administrative Officer.....	3
8. Auditor Independence.....	4

Appendices:

- A Auditor Independence Letter
- B Summary of Differences

The matters raised in this and other reports that will flow from the audit are only those which have come to our attention arising from or relevant to our audit that we believe need to be brought to your attention. They are not a comprehensive record of all the matters arising, and in particular we cannot be held responsible for reporting all risks in your business or all control weaknesses. This report has been prepared solely for your use and should not be quoted in whole or in part without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for any other purpose.

1. Auditor Responsibilities

As auditors of the Regional District of Nanaimo (the "Regional District"), we report to the members of the Board on the results of our examination of the Regional District's annual consolidated financial statements. This report addresses our audit of the Regional District of Nanaimo and, accordingly, discusses issues that are of relevance to the Chief Administrative Officer of the Regional District of Nanaimo.

- Our audit procedures included a review of all significant accounting and management reporting systems. Where possible, reliance was placed on the controls within these systems to reduce the extent of our testing of transactions and year-end balances. All transactions and year-end balances considered individually significant were examined separately.
- The audit process focused and placed reliance on certain of the controls utilized by the Regional District of Nanaimo's management. It involved an identification of overall and specific risks related to the operations of the Regional District and its management reporting systems. This risk assessment enabled us to concentrate our audit procedures on the areas where the differences were most likely to arise.
- During the course of this audit, we have:
 - Examined on a test basis, evidence supporting the amounts and disclosures in the financial statements;
 - Assessed the accounting principles used;
 - Assessed the significant estimates made by management;
 - Obtained an understanding of the entity and its environment, including management's internal controls deemed relevant to the audit, sufficient to identify and assess the risks of material misstatement of the consolidated financial statements and to design and perform audit procedures. We have not determined whether relevant controls are operating effectively as this is not a "Section 9110" engagement for agreed upon procedures regarding internal control over financial reporting.
 - Reviewed and assessed those management controls and accounting systems deemed necessary to support our audit opinion;
 - Evaluated the overall financial statement presentation;
 - Performed a subsequent events review with management;
 - Reviewed and assessed the status of contingencies, commitments and guarantees;
 - Reviewed and assessed exposure to environmental liabilities; and
 - Obtained written representation from management regarding the audited consolidated financial statements.

2. Engagement Status

We have completed our audit of the consolidated financial statements of the Regional District of Nanaimo and have signed our Auditors' Report. Our report provides an unqualified opinion to the members of the Board.

- Final materiality calculated and used to assess the significance of misstatements or omissions identified during the audit and determine the level of audit testing performed was \$375,000.
- There were no limitations placed on the scope of our audit, which was carried out in accordance with Canadian generally accepted auditing standards.
- We have satisfactorily completed our audit test procedures for each of the major account balances and transaction streams. A combined approach was used in auditing the Regional District of Nanaimo's financial statements, thus, the Regional District's controls were relied upon.
- No irregularities came to our attention that would have materially affected the results for the year or the presentation of the financial statements.
- We have described all non-trivial differences, whether adjusted or not, and any non-trivial presentation and disclosure differences or omissions, at Appendix B. The cumulative net effect of unadjusted differences and disclosure differences or omissions identified during our audit has not resulted in material misstatement, and therefore does not affect our audit report.
- Nothing has come to our attention that would suggest the existence of any conflicts of interest, unusual related party transactions, or illegal or questionable payments.
- During the planning and initial phases of our audit, we had discussions with management to obtain their perspective on the business risks and challenges facing the Regional District of Nanaimo.
- During the course of our audit, we reviewed the results of various departments and functions with their respective departmental managers and general managers.

3. Areas of Audit Emphasis

- Landfill Closure and Post-Closure Liabilities
- Employee Retirement Benefits
- Revenues and Expenditures for the Functions in the General Revenue Fund

4. Significant Audit and Financial Reporting Matters

4.1 Landfill Closure and Post-Closure Liabilities

- The unfunded liabilities for landfill closure costs and post-closure monitoring costs represent one of the largest items in the Regional District's financial statements. These costs are an estimate, based on factors such as landfill capacity, remaining unused capacity, projected future costs to close and to monitor the site, and an appropriate discount rate used to determine a present value of these future costs.
- **Audit Procedures:**
Similar to prior years, our audit work in this area included a detailed review of management's methodology used in the calculation of the estimate of these liabilities and a check of the mathematical accuracy. We also assessed the various factors for reasonability by reviewing the external engineer's report and by discussing the factors and results with the Manager of Solid Waste.
- We have concluded that the accounting related to the Landfill Closure and Post-Closure Liabilities was appropriate.

4.2 Employee Retirement Benefits

- Employee retirement benefits include payouts of accumulated, unused sick leave upon an employee's retirement. An expense and corresponding liability is recorded now for the estimate of the future costs of these payouts, related to current service by current employees. This liability is an estimate, based on factors such as number of current employees in various age groups, number of recent employees over age 40 who have been employed with the Regional District until retirement, and an appropriate discount rate used to determine a present value of these future costs.
- **Audit Procedures:**
Similar to prior years, our audit work in this area included a detailed review of management's methodology in calculating these liabilities and a check of the mathematical accuracy. We also evaluated the various factors for reasonability by reviewing the payroll data with the payroll clerk and by discussing the assumptions used with the Senior Accountant.
- We have concluded that the accounting related to Employee Retirement Benefits was appropriate.

4.3 Revenues and Expenditures for the Functions in the General Revenue Fund

- There are 88 separate functions reported in the General Revenue Fund's schedules of revenues and expenditures. These functions varied in size of dollar amounts and complexity.
- **Audit Procedures:**
As in prior years, our audit work in this area focused on functions with significant revenues and smaller functions based on their significance within the department. Based on predetermined audit selection criteria, we reviewed revenue and expenditure budget variances for 35 functions. We reviewed detailed general ledger reports for those functions to identify significant variances on an account by account basis, obtained explanations for those variances with the respective department managers, and corroborated the various comments from the managers with other District personnel.
- We have concluded that the revenue and expenditure amounts for 2007 for the General Revenue fund functions were fairly stated.

5. Significant Management Estimates

The following is a summary of significant management estimates and provisions at December 31, 2007:

- Provision for legal contingencies - no provision deemed necessary. Corroborated by legal opinions obtained.
- Landfill closure and post-closure costs - estimated at present value of future costs related to actual landfill usage to date. Amount reasonable per work performed as stated above.
- Employee retirement benefits - estimated at present value of future costs related to actual employee service to date.
- Provision for doubtful accounts receivable - no provision deemed necessary. Audit work performed supports this.

All significant estimates made by management were reviewed for the current period and no material differences were noted. The methodologies and processes used by management were consistent with those used in the prior fiscal year.

6. Management's Representations

At the conclusion of our audit, we raised, among other questions, the following key questions with management of the Regional District of Nanaimo. The significant questions were as follows:

- Are there any potential major losses due to the permanent impairment in the value of assets for which no provision has been made in the accounts (i.e., are asset values appropriate)?
- Are there any significant outstanding liabilities for which no accrual has been made in the accounts?
- Are there any significant contingent liabilities, which would require disclosure in the 2007 financial statements?
- Have there been any unusual related party transactions during the year and have all significant related party transactions been disclosed?
- Have there been any significant non-monetary transactions during the year, as well as non-monetary transactions with related parties, and have all non-monetary transactions been disclosed?
- Does management know of any situations of conflicts of interest, or illegal or other questionable payments?
- Does management know of any situations of non-compliance with statutory or regulatory requirements, including financial reporting requirements?
- Has management appropriately disclosed all subsequent events?
- Is management satisfied that estimates used in the preparation of the financial statements are sufficiently and adequately supported?
- Is management satisfied that revenues and expenditures are not materially misstated?
- Does management understand that they are responsible for the implementation and operation of controls that are designed to prevent and detect fraud? Has there been any fraud or possible irregularities involving management or employees who have a significant role in the system of controls, or that could have a material effect on the financial statements? What is management's assessment of the risk that the financial statements may be materially misstated as a result of fraud?

The responses indicated that there were no specific or significant items that should be reflected in the financial statements or brought to the attention of the Chief Administrative Officer as a result of this inquiry.

7. Other Matters Important to the Chief Administrative Officer

Summary of key matters noted or arising during the course of our audit:

Report to the Chief Administrative Officer

SUBJECTS	2007	2006
Illegal or fraudulent acts	None	None
Fraud by employees/management with key roles in control activities	None	None
Differences that may: - Cause future statements to be materially misstated - Indicate significant weaknesses in controls	None None	None None
Irregularities having a material financial statement effect	None	None
Limitations placed on the scope of our audit	None	None
Significant transactions not in the ordinary course of business, or other unusual related party transactions	None	None
Unusual significant transactions given the entity and its environment	None	None
Non-monetary transactions	None	None
Transactions that increase risk	None	None
Breaches of corporate code of conduct or other sources of concern	None	None
Conflicts of interest	None	None
Disagreements with management	None	None
Matters influencing audit appointment	None	None
Difficulties encountered during the audit	None	None
Disagreements with management's accounting estimates	None	None
Disagreements with management's adoption of accounting policies or emphasis on the need for a particular accounting treatment	None	None
Significant weaknesses in the entity's risk assessment process within the design and/or implementation of controls	None	None
Material weaknesses in controls resulting from inappropriate response by management regarding implementing controls over significant risks	None	None
Matters giving rise to questions regarding the honesty and integrity of management	None	None

We detected a few areas in which controls could be enhanced and we have issued to management a letter describing our findings and recommendations and discussed those items with management. These comments, by their nature, are critical as they relate solely to the areas for enhancement and do not address the many strong features and controls within the District's systems.

8. Auditor Independence

We confirm to the Chief Administrative Officer that we are independent of the Regional District of Nanaimo.

Our letter to the Chief Administrative Officer discussing our independence is included as Appendix A to this report.

Appendix A - Auditor Independence Letter

March 10, 2008

Chief Administrative Officer
Regional District of Nanaimo
6300 Hammond Bay Road
Nanaimo, B.C. V9T 6N2

Dear Ms. Mason:

We have been engaged to audit the consolidated financial statements of Regional District of Nanaimo ("the Regional District") for the year ending December 31, 2007.

CICA Handbook 5751, *Communications With Those Having Oversight Responsibility for the Financial Reporting Process* ("the Standard"), requires that we communicate at least annually with you regarding all relationships between the Regional District and Meyers Norris Penny LLP that, in our professional judgment, may reasonably be thought to bear on our independence. In determining which relationships to report, the Standard requires us to consider relevant rules and related interpretations prescribed by the appropriate provincial institute and applicable legislation, covering such matters as:

- (a) Holding a financial interest, either directly or indirectly, in a client;
- (b) Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- (c) Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- (d) Economic dependence on a client; and
- (e) Provision of services in addition to the audit engagement.

We are not aware of any relationship between the Regional District and Meyers Norris Penny LLP that, in our professional judgment, may reasonably be thought to bear on our independence, which have occurred from January 1, 2007 to March 10, 2008.

Generally Accepted Auditing Standards require that we confirm our independence to the Audit Committee. Accordingly, we hereby confirm that Meyers Norris Penny LLP is independent with respect to the Regional District within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of B.C. as of March 10, 2008.

The total fees invoiced to the Regional District for audit services were \$27,110, and for non-audit services were nil, during the period from January 1, 2007 to March 10, 2008.

This report is intended solely for the use of the Chief Administrative Officer, management and others within the Regional District and should not be used for any other purposes.

We are available to discuss with you the matters addressed in this letter as well as other matters that may be of interest to you. We will be prepared to answer any questions you may have regarding our independence as well as other matters.

Yours truly,



MEYERS NORRIS PENNY LLP

MC/II

Appendix B - Summary of Differences

Adjusted Differences

Differences Noted	Financial Statement Item Affected	Amount
None noted		-

Unadjusted Differences

Differences Noted	Financial Statement Item Affected	Financial Position Under (overstated)	Financial Activities (Under)overstated
Lechate monitoring costs not recorded for current and prior year, due to fact that the Town of Qualicum Beach has not yet invoiced the RDN for these costs.	Net revenues (expenditures) overstated by \$14,000, liabilities understated by \$14,000.	(14,000)	14,000
Effect from 2006 of unrecorded items: Audit items carried forward from December 31, 2006 cutoff that impact the 2007 year's results.	Net revenues (expenditures) understated by \$8,000, opening fund balances overstated by \$8,000.	-	(8,000)
Total Unadjusted Differences (Income Effect)		(14,000)	6,000



CAO APPROVAL	
EAP	
COV	✓ May 13th
MAY 06 2008	
RHD	
BOARD	

MEMORANDUM

TO: W. Thexton
Acting General Manager, Finance & Information Services

DATE: April 29, 2008

FROM: W. Idema
Manager, Accounting Services

FILE:

SUBJECT: 2007 Statement of Financial Information (SOFI) Report

PURPOSE:

To present for approval, the Regional District's 2007 filing under the *Financial Information Act*.

BACKGROUND:

In addition to our annual report which includes our audited financial statements, local governments in British Columbia must produce certain additional financial information in booklet form. The *Financial Information Act* requires the following:

- A management report outlining the roles and responsibilities of the Board, the auditors and management staff.
- A consolidated balance sheet, income statement and notes to the audited financial statements.
- A schedule of long term debt.
- A schedule of sinking fund balances for long term debt.
- A schedule of Director's remuneration and expenses.
- A schedule of employee remuneration and expenses (over \$75,000).
- A schedule of supplier payments for goods and services (over \$25,000).
- A schedule of community grant payments.

The Financial Information Report must be received and approved by the Board and be forwarded to the Ministry of Community Services before June 30th each year.

The attached booklet contains the statutory information necessary to comply with the Act.

ALTERNATIVES:

There are no alternatives to this requirement.

FINANCIAL IMPLICATIONS:


The booklet is available for purchase at a cost of \$5.00.

SUMMARY:

Local governments in British Columbia must produce each year, on or before June 30th, a booklet containing certain statutory financial information. The information includes extracts from the audited financial statements, schedules of Board member and employee remuneration, schedules of long term debt and supplier payments for goods and services. The report must be received and approved by the Board. The 2007 report is submitted here for approval.

RECOMMENDATION:


That the 2007 *Financial Information Act* report be received and approved and be forwarded to the Ministry of Community Services.



Report Writer



General Manager Concurrence



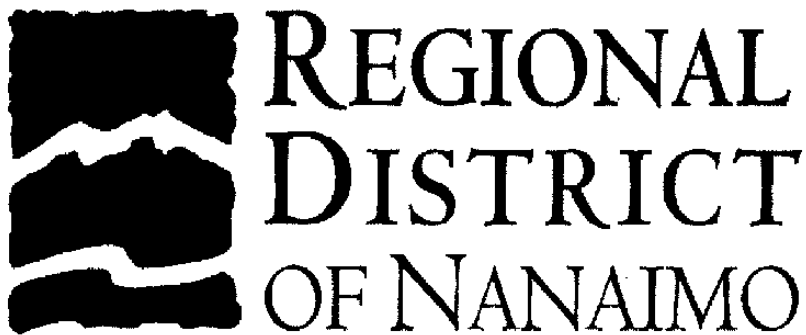
C.A.O. Concurrence

COMMENTS:



REGIONAL DISTRICT OF NANAIMO

REPORT UNDER THE
FINANCIAL INFORMATION ACT
FOR THE YEAR ENDED
DECEMBER 31, 2007



The information contained in this booklet represents the Regional District of Nanaimo's filing under the Financial Information Act for the year ended December 31st, 2007 and has been presented to and approved by the Board of the Regional District of Nanaimo at a meeting held May 27th, 2008.

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

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

Joe Stanhope
Chairperson

Nancy Avery
General Manager Finance & Information Services

**REGIONAL DISTRICT OF NANAIMO
STATEMENT OF FINANCIAL INFORMATION
For the year ended December 31, 2007**

INDEX

	Page
<u>CONSOLIDATED FINANCIAL STATEMENT SECTION</u>	
MANAGEMENT RESPONSIBILITIES	1
AUDITORS' REPORT	2
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	3
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES	4
CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION	5
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	6-14
<u>SCHEDULES AND REPORTS SECTION</u>	
SCHEDULE OF GENERAL REVENUE FUND REVENUE AND EXPENDITURES	15
SCHEDULE OF CHANGES IN CAPITAL FUND FINANCIAL EQUITY	16
SCHEDULE OF LONG-TERM DEBT - Summary	17
SCHEDULE OF LONG-TERM DEBT – Detailed	18-20
SCHEDULE OF SINKING FUND BALANCES	21-22
STATEMENT OF GUARANTEES AND INDEMNITIES	23
REPORT OF DIRECTORS AND COMMITTEE MEMBERS REMUNERATION & EXPENSES	24
REPORT OF EMPLOYEE EARNINGS, TRAVEL AND OTHER EXPENSES	25
STATEMENT OF SEVERANCE AGREEMENTS	26
SCHEDULE OF PAYMENTS FOR SUPPLIES AND SERVICES	27-30
SCHEDULE OF COMMUNITY GRANTS	31-32

Management's Responsibility



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

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

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

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

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

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

March 10, 2008


General Manager Finance & Information Services

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

We have audited the consolidated statement of financial position of the Regional District of Nanaimo as at December 31, 2007 and the consolidated statements of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Regional District. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Regional District as at December 31, 2007 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information, including schedules presented on pages 15 through 44, is presented for purposes of additional analysis. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

Nanaimo, British Columbia

March 10, 2008

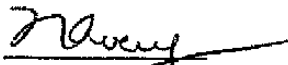
Meyer Harris Penney LLP

Chartered Accountants

REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2007

	<u>2007</u>	<u>2006</u>
Financial Assets		
Cash and short-term deposits (Note 2 & Pg. 5)	\$ 27,240,434	\$ 24,598,980
Accounts receivable (Note 3)	7,763,491	3,931,132
Investments (Note 4)	22,855,000	18,947,604
Municipal debt receivable (Note 11)	48,089,804	31,484,841
Other assets (Note 5)	3,000	3,000
	<u>105,951,729</u>	<u>78,965,557</u>
Financial Liabilities		
Short-term loans (Note 6)	509,598	2,254,534
Accounts payable (Note 7)	2,826,198	2,306,442
Other liabilities (Note 8)	2,350,317	2,080,989
Unfunded liabilities (Note 9)	7,490,810	7,846,076
Deferred revenue (Note 10)	17,847,138	14,999,005
Obligation under capital lease (Note 13)	888,345	342,981
Long-term debt (Notes 11, 12 & Pg. 40)	66,305,849	50,963,715
	<u>98,218,255</u>	<u>80,793,742</u>
Net Financial Assets (Liabilities)	<u>7,733,474</u>	<u>(1,828,185)</u>
Capital Assets		
Tangible capital assets (Note 20 & Pg. 21)	136,826,237	130,167,606
Assets under capital lease (Note 13)	1,128,857	711,023
	<u>137,955,094</u>	<u>130,878,629</u>
Net Equity	<u>\$ 145,688,568</u>	<u>\$ 129,050,444</u>
Consolidated Equity Position		
General Revenue Fund (Note 14)	\$ 11,911,965	\$ 11,775,886
Capital Fund (Pg. 19)	1,014,213	1,177,542
Reserves (Note 15)	21,912,094	15,140,852
Consolidated Financial Equity (Note 15)	<u>34,838,272</u>	<u>28,094,280</u>
Equity in Tangible Capital Assets (Pg. 20)	118,341,106	108,802,240
Unfunded liabilities (Note 9)	<u>(7,490,810)</u>	<u>(7,846,076)</u>
Net Equity	<u>\$ 145,688,568</u>	<u>\$ 129,050,444</u>

APPROVED:



N. Avery, CMA
 General Manager, Finance and Information Services

See notes to consolidated financial statements

- 3 -

REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>2007</u>	<u>2006</u>
Revenues			
Property taxes	\$ 26,883,847	\$ 26,882,882	\$ 25,568,134
Grants in lieu of taxes	87,830	186,287	183,576
Operating grants	9,303,485	6,963,091	4,405,867
Operating revenues	17,507,293	17,488,538	16,770,211
Developer contributions	2,848,865	1,912,659	1,648,182
Other	780,347	1,051,324	924,297
Interest on investments	794,468	1,439,751	1,096,179
MFA debt surplus refunds	-	155,992	13,999
	<u>58,206,135</u>	<u>56,080,524</u>	<u>50,610,445</u>
Expenditures			
General government services	1,747,823	504,290	640,817
Planning and development	2,944,218	2,501,318	2,513,151
Environmental services	28,111,363	18,487,797	17,678,934
Utility services	8,052,332	3,309,940	3,412,071
Transportation services	11,477,206	11,006,591	10,528,480
Protective services	3,343,685	2,659,579	2,365,560
Parks, recreation and culture	9,071,721	8,049,349	8,217,430
	<u>64,748,348</u>	<u>46,518,864</u>	<u>45,356,443</u>
Net Revenues (Expenditures)	<u>(6,542,213)</u>	<u>9,561,660</u>	<u>5,254,002</u>
Add:			
Financing activities			
Increase (decrease) in Obligation under capital lease	(106,101)	545,364	115,580
Short-term and long-term debt issued	6,548,630	975,781	8,698,798
Debt actuarial adjustments	(822,246)	(896,848)	(732,792)
Debt principal repayments	(1,619,275)	(3,086,699)	(7,828,774)
Increase (Decrease) in financing obligations	<u>4,001,008</u>	<u>(2,462,402)</u>	<u>252,812</u>
Unfunded expenditures:			
Employee benefits	-	(65,410)	(47,375)
Landfill closure and post closure costs	-	(289,856)	2,180,246
	<u>-</u>	<u>(355,266)</u>	<u>2,132,871</u>
Change in Consolidated Financial Equity	<u>(2,541,205)</u>	<u>6,743,992</u>	<u>7,639,685</u>
Consolidated Financial Equity, beginning	<u>28,094,280</u>	<u>28,094,280</u>	<u>20,454,595</u>
Consolidated Financial Equity, ending (Note 15 & Pg. 3)	<u>\$ 25,553,075</u>	<u>\$ 34,838,272</u>	<u>\$ 28,094,280</u>

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>2007</u>	<u>2006</u>
Operating Activities		
Net Revenues (Expenditures)	\$ 9,561,660	\$ 5,254,002
Decrease (increase) in accounts receivable	(3,832,359)	1,387,936
Increase (decrease) in accounts payable	519,756	(1,425,558)
Increase (decrease) in deferred revenues	2,848,133	2,155,364
Increase (decrease) in other liabilities	269,328	176,154
Increase (decrease) in unfunded liabilities	<u>(355,266)</u>	<u>2,132,871</u>
Net increase (decrease) in cash from operating activities	<u>9,011,252</u>	<u>9,680,769</u>
Investing Activities		
(Increase) decrease in investments	<u>(3,907,396)</u>	<u>806,990</u>
Net increase (decrease) in cash from investing activities	<u>(3,907,396)</u>	<u>806,990</u>
Financing Activities		
Short and long-term debt issued	975,781	8,698,798
Debt actuarial adjustments	(896,848)	(732,792)
Increase in capital lease obligation	545,364	115,580
Repayment of short and long-term debt	<u>(3,086,699)</u>	<u>(7,828,774)</u>
Net increase (decrease) in cash from financing activities	<u>(2,462,402)</u>	<u>252,812</u>
Net change in cash and cash equivalents	\$ 2,641,454	\$ 10,740,571
Cash and short-term deposits, Beginning	<u>24,598,980</u>	<u>13,858,409</u>
Cash and short-term deposits, Ending (Note 2 & Pg. 3)	<u>\$ 27,240,434</u>	<u>\$ 24,598,980</u>

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2007

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

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

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Principles of Consolidation

The Regional District follows Canadian generally accepted accounting principles for local governments issued by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA).

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

(b) Short-term investments

Short-term investments are carried at the lower of cost and market value which approximates market value.

(c) Long-term investments

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

(d) Inventories

Inventories of materials and supplies are included as expenditures in the Consolidated Statement of Financial Activities in the period of acquisition.

(e) Tangible capital assets

Tangible capital assets are stated at historical cost and include assets financed from annual operating budgets, short-term and long-term debt and leases. Tangible capital asset purchases are included in the expenditures of the Consolidated Statement of Financial Activities (Page 4). Amortization is not charged on tangible capital assets in accordance with current generally accepted accounting principles for local governments in British Columbia.

(f) Debt servicing cost

Interest is recorded on an accrual basis.

Long-term debt is obtained through the Municipal Finance Authority (MFA) whose policy is to issue debt denominated in Canadian dollars.

(g) Financial Instruments

Financial instruments consist of cash and short-term deposits, accounts receivable, investments, municipal debt recoveries receivable, short-term loans, accounts payable, obligations under capital leases, other liabilities, unfunded liabilities and long-term debt. Unless otherwise noted, it is

**REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2007**

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

management's opinion that the Regional District is not exposed to significant interest, currency or credit risk arising from these financial instruments

(h) Revenue recognition

Revenues are recorded on an accrual basis and are recognized in the period in which they are earned. Restricted receipts such as development cost charges (DCC), and cash in lieu of parkland contributions, are recognized as revenues in the year in which the related expenses are incurred. Unrestricted receipts such as property tax revenues, user and permit fees are recognized as revenues when received or receivable.

Government transfers are recognized in accordance with PS 3410 as revenues in the period in which events giving rise to the transfer occur. PS 3410 requires recognition when a transfer is authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

(i) Expenditure recognition

Operating and capital expenditures are recorded on an accrual basis.

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

(j) Contingent liabilities

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

(k) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenditures during the reporting period. Significant areas requiring management estimates are the determination of employee retirement benefits, landfill closure and post closure liabilities, likelihood of collection of accounts receivable and provisions for contingencies. Actual results may vary from those estimates and adjustments will be reported in operations as they become known. Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provisions recognized.

2. CASH AND SHORT-TERM DEPOSITS

In 2007, all cash and short-term deposits were held by the General Revenue Fund. Interest income has been allocated to deferred revenue, Reserve Accounts, Reserve Funds and Capital Funds based on the relative equity in each Fund.

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2007

3. ACCOUNTS RECEIVABLE

	<u>2007</u>	<u>2006</u>
Province of British Columbia	\$ 810,420	\$ 387,228
Government of Canada	433,644	287,769
Regional and local governments	581,504	498,883
Gas tax transfer program – Strategic Priorities Fund	2,552,625	-
Accrued investment interest	321,101	130,881
Developer DCC instalments	1,263,254	1,073,343
Solid Waste commercial accounts	786,546	801,510
Utility services customers	303,001	304,174
Other trade receivables	<u>711,396</u>	<u>447,344</u>
	\$ <u>7,763,491</u>	\$ <u>3,931,132</u>

4. INVESTMENTS

All investments are held by the General Revenue Fund and consist of notes and bonds with varying yields and extendible maturity dates ranging from 2008 to 2014. Interest earned in the period has been allocated to deferred revenue, Reserve Accounts, Reserve Funds and Capital Funds based on the relative equity in each Fund.

	<u>2007</u>	<u>2006</u>
Investments at cost less amortized premium	\$ <u>22,855,000</u>	\$ <u>18,947,604</u>

As at December 31, 2007, the following investments were held by the Regional District:

Investment	Amortized Purchase Price	Accrued Interest	Total Book Value	Market Value at December 31, 2007
BMO 4.2% extendible note	2,000,000	26,236	2,026,236	1,968,496
RB 4.8% extendible note	4,000,000	101,523	4,101,523	4,057,523
RB 5.0% extendible note	1,963,000	42,218	2,005,218	2,001,783
RB 4.3% extendible note	3,000,000	18,378	3,018,378	2,989,338
TD 3.5% extendible note	2,000,000	192	2,000,192	1,956,192
TD 4.5% extendible note	2,892,000	46,708	2,938,708	2,874,650
CIBC 4.25% extendible note	4,000,000	77,326	4,077,326	4,022,126
CIBC 4.2% extendible note	2,000,000	1,841	2,001,841	1,978,841
CIBC 4.6% extendible note	1,000,000	6,679	1,006,679	977,229
	<u>\$22,855,000</u>	<u>\$321,101</u>	<u>\$23,176,101</u>	<u>\$22,826,178</u>

5. OTHER ASSETS

	<u>2007</u>	<u>2006</u>
Security deposits for building or development permit applications	\$ <u>3,000</u>	\$ <u>3,000</u>

6. SHORT-TERM LOANS

(a) Municipal Finance Authority interim financing program of \$506,979 (2006, \$934,479), interest only payable monthly, for the purchase of land to establish a Regional Park. Interest rates have varied from 4.5% to 5.1% during 2007. As at January 1, 2008, the rate was 4.985%.

(b) Municipal Finance Authority interim financing program of Nil (2006, \$1,152,912) for Barclay Crescent Sewer project.

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2007

(c) Demand loan of \$2,619 (2006, \$7,143); original value \$22,600, for a Regional Parks vehicle, payable at \$377 per month plus interest at Royal Bank prime rate. The loan will be fully repaid in 2008.

(d) Coastal Community Credit Union Loan of Nil (2006, \$160,000) for the purchase of community park land in Electoral Area B.

7. ACCOUNTS PAYABLE

	<u>2007</u>	<u>2006</u>
Payable to Provincial Government	\$ 355,385	\$ 150,910
Payable to other local governments	34,193	41,867
Trade and other payables	<u>2,436,620</u>	<u>2,113,665</u>
	<u>\$ 2,826,198</u>	<u>\$ 2,306,442</u>

8. OTHER LIABILITIES

	<u>2007</u>	<u>2006</u>
Wages and benefits payable	\$ 870,165	\$ 738,604
Retirement benefits payable	985,914	828,099
Permit deposits	<u>494,238</u>	<u>514,286</u>
	<u>\$ 2,350,317</u>	<u>\$ 2,080,989</u>

9. UNFUNDED LIABILITIES

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

(a) Employee Benefits

- i. *Retirement Benefits* - Employees who retire qualify for a one time payout of up to 60 days of their accumulated unused sick leave bank. The Regional District calculates the value of this liability for employees aged 40 or older based on a statistical analysis of the age and length of service of its workforce. The reported liability reflects the likelihood that employees 55 or older will retire and become eligible for this benefit. The unfunded portion of the estimated employee retirement benefit liability at December 31, 2007 is nil (2006, \$69,946), and the total estimated employee retirement benefit liability at December 31, 2007 is \$985,914 (2006, \$898,045). Employee retirement benefit payments are being funded by an accounting charge on wages paid in the year.
- ii. *Other* - Includes vacation pay adjustments and statutory and other benefits provided for in the collective agreement and which are paid in the normal course of business in the following year. The vacation pay liability at December 31, 2007 is \$72,057 (2006, \$72,245). The statutory benefits liability at December 31, 2007 is \$79,076 (2006, \$74,352).

(b) Landfill Closure and Post Closure Maintenance Costs

In accordance with PS 3270 liabilities with respect to permanently closing and monitoring a landfill are incurred as landfill capacity is used. Landfill Closure costs include placing a permanent cover over the face of the landfill. Post Closure Maintenance costs include landfill gas monitoring, leachate collection system operation and general site maintenance which must be managed for a period of 25 years after the landfill is permanently closed.

Landfill Closure costs:

Landfill Closure costs are estimated based on the open area of the remaining unused capacity of the landfill site. In 2004 a berm was constructed that resulted in an increase in landfill capacity, initially extending the life of the landfill to 2017. At the end of 2005 additional waste was diverted to the landfill

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2007

9. UNFUNDED LIABILITIES (CONTINUED)

rather than being exported out of the Regional District. This reduced the expected life of the landfill from 2017 to 2014. In the most recent year, increased fill rates due to population growth have further reduced the expected life to 2012, with final closure to occur in 2013. The Regional District will be considering a proposed Phase 2 expansion of the berm which would increase landfill life by an estimated 12 years to 2024.

At December 31, 2007, there were approximately 829,862 cubic meters of uncovered refuse in the landfill. Landfill Closure costs are estimated at \$1,785,753 (2006, \$2,359,575) for which \$1,233,997 (2006, \$1,183,111) has been set aside in reserves. The balance of Landfill Closure costs are expected to be funded by a combination of future reserve account contributions and borrowing.

Post Closure Maintenance costs:

The Regional District has a statutory obligation to manage the environmental state of the landfill site for 25 years after the site is closed. Post Closure Maintenance costs are estimated using a number of factors including the percentage of landfill capacity already filled, the probable closure date, the regulated monitoring period, the estimated annual management costs and a present value discount rate which is the difference between the long-term MFA borrowing rate and the current Consumer Price Index. The current estimate for annual Post Closure Maintenance costs is \$425,000 (2006, \$425,000). Total Post Closure Maintenance costs are estimated to be \$5,553,924 (2006, \$5,269,958) based on 87% of the total landfill capacity being filled at this date, a 5 year lifespan to 2012, final closure in 2013, and a discount rate of 3.0%. Post Closure Maintenance costs are expected to be funded by annual budget appropriations in the years in which they are incurred.

Unfunded Liability Balances	<u>2007</u>	<u>2006</u>
Employee Retirement Benefits	\$ -	\$ 69,946
Employee Other Benefits	151,133	146,597
Landfill Closure Costs	1,785,753	2,359,575
Post Closure Maintenance Costs	<u>5,553,924</u>	<u>5,269,958</u>
Unfunded Liability	\$ <u>7,490,810</u>	\$ <u>7,846,076</u>
Reserves On Hand	\$ <u>1,233,997</u>	\$ <u>1,183,111</u>

10. DEFERRED REVENUE

	<u>2007</u>	<u>2006</u>
Parkland Cash-in-Lieu Contributions	\$ 1,156,520	\$ 1,090,651
Development Cost Charges	<u>15,440,735</u>	<u>13,241,072</u>
Subtotal (Pg. 25)	<u>16,597,255</u>	<u>\$14,331,723</u>
Gas tax transfer program – Community Works Fund	950,370	569,647
Community Tourism Program funding	100,369	-
General Revenue Fund	<u>199,144</u>	<u>97,635</u>
	<u>\$ 17,847,138</u>	<u>\$ 14,999,005</u>

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

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

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2007

10. DEFERRED REVENUE (CONTINUED)

Community Works Fund - is a program component of the federal government's "New Deal for Cities and Communities" which was established to transfer a portion of gas tax revenues to local governments to address infrastructure deficits. Additional information on the Regional District of Nanaimo's use of the Community Works Fund grants is included in the schedule on Pg 44.

Community Tourism Program - is a provincial program to increase tourism activity, build local economies and support the Province's Spirit of 2010 Tourism Strategy.

The General Revenue Fund - consists of payments in advance for recreation programs, unredeemed recreation program awards, facility rental deposits and miscellaneous deferred revenue.

11. MUNICIPAL DEBT RECEIVABLE

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

	<u>2007</u>	<u>2006</u>
City of Parksville	\$ 4,609,155	\$ 4,945,641
City of Nanaimo	<u>43,480,649</u>	<u>26,539,200</u>
	<u>\$ 48,089,804</u>	<u>\$ 31,484,841</u>

12. LONG-TERM DEBT

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

Details of long-term debt, including debt issue numbers, maturity dates, interest rates and outstanding amounts, are summarized in the Schedule of Long-Term Debt on pages 41 to 43.

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

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>TOTAL</u>
\$ 1,359,491	\$ 1,359,574	\$ 1,359,660	\$ 724,263	\$ 724,353	<u>\$ 5,527,341</u>

13. OPERATING AND CAPITAL LEASES

The Regional District has entered into five year operating leases for certain vehicles and equipment which expire on various dates. In 2007 the operating lease payments totalled \$102,223 (2006, \$176,731).

The Regional District financed assets under capital leases in the amount of \$1,128,857 (2006, \$711,023), including two Zamboni ice cleaners, one van and four trucks for recreation and parks services; a wheeled loader and a refuse compactor for the landfill and several photocopiers. The 2007 capital lease principal payments totalled \$124,500 (2006, \$84,962). The outstanding obligation balance for leased capital assets as at December 31, 2007 was \$888,345 (2006, \$342,981).

All capital leases are held by the MFA Leasing Corporation. While payments are fixed for the term of the lease, interest rates are variable daily based upon the Canadian prime rate minus 1.0%. A final interest adjustment is made at the time of the final payment. In 2007, interest expenditures related to lease liabilities were \$12,069 (2006, \$12,151).

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2007

13. OPERATING AND CAPITAL LEASES (CONTINUED)

Lease payment commitments for the next five years are:

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>TOTAL</u>
Operating leases	\$ 19,838	\$	\$	\$	\$	\$ <u>19,338</u>
Capital Leases	\$ 261,672	\$ 196,604	\$ 144,840	\$ 368,402	\$ 23,131	\$ 994,649
			Less: Imputed Interest			<u>(106,303)</u>
			Net Obligation under Capital Lease (Pg. 3)			\$ <u>888,345</u>

14. CONSOLIDATION ADJUSTMENTS

The figures reported in the consolidated financial statements differ from the supporting fund schedules due to differences in grouping and presentation as well as the elimination of inter-fund transactions. The General Revenue Fund Statement of Financial Position values have been amended by the following consolidation adjustments to conform to PSAB requirements:

	<u>2007</u>	<u>2006</u>
General Revenue Fund surplus (Pg. 15,16)	\$ 11,870,113	\$ 11,910,027
Plus:		
Accounts Receivable - Metered Water User fee revenue	110,232	98,529
Less:		
Prepaid Expenses (Pg. 15)	(37,054)	(202,716)
Inventories (Pg. 15)	<u>(31,326)</u>	<u>(29,684)</u>
General Revenue Fund surplus adjusted for statement presentation	\$ <u>11,911,965</u>	\$ <u>11,775,886</u>

15. FINANCIAL EQUITY

Unappropriated financial equity

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

Capital Fund – represents amounts which have been expended by or returned to the General Revenue Fund or a Reserve Fund for the acquisition of capital assets and includes refunds of debenture debt sinking fund surpluses. Credit balances represent funds borrowed or earned in excess of expenditures to date. Debit balances represent funds expended prior to receiving debenture borrowing proceeds or other sources of cash.

	<u>2007</u>	<u>2006</u>
General Revenue Fund (Note 14)	\$ 11,911,965	\$ 11,775,886
Capital Fund (Page 18)	<u>1,014,213</u>	<u>1,177,542</u>
Unappropriated financial equity	\$ <u>12,926,178</u>	\$ <u>12,953,428</u>

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2007

15. FINANCIAL EQUITY (CONTINUED)

Appropriated financial equity

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

	<u>2007</u>	<u>2006</u>
General Revenue Fund Reserve Accounts		
Landfill expansion	\$ 232,487	\$ 222,901
Landfill closure	1,233,997	1,183,111
Property insurance deductible-fire departments	28,546	25,387
Liability insurance deductible	125,257	120,092
French Creek Water (Qualicum Beach Incorporation)	6,185	63,988
Regional parks and trails donations	1,970	11,193
Vehicle fleet replacement	244,660	182,512
Vehicle fleet replacement -- Bylaw Enforcement	14,170	0
	1,887,272	1,809,184
Statutory Reserve Funds	\$ <u>20,024,822</u>	\$ <u>13,331,668</u>
Appropriated financial equity	\$ <u>21,912,094</u>	\$ <u>15,140,852</u>
Total Financial Equity	\$ <u>34,838,272</u>	\$ <u>28,094,280</u>

16. MUNICIPAL FINANCE AUTHORITY RESERVE DEPOSITS

The Regional District secures its long term borrowing through the Municipal Finance Authority. As a condition of these borrowings a portion of the debenture proceeds are retained by the Authority as a debt reserve fund. As at December 31, 2007 the Regional District had debt reserve funds of \$5,282,611 (2006, \$4,773,177).

17. THE NORTH ISLAND 9-1-1 CORPORATION

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

Alberni Clayoquot	3 shares
Comox Strathcona	10 shares
Mount Waddington	1 share
Nanaimo	5 shares
Powell River	2 shares

The Regional District's investment in shares of the North Island 911 Corporation is recorded at cost as it does not fall under the definition of a government partnership (PS3060.06). The Regional District's share of the corporation is equal to 23.8% and the degree of control is proportionate to the ownership share. As no benefits are expected from the ownership, it has not been accounted for as an equity investment.

In February, 2008, the Regional District of Comox-Strathcona was split into two: Comox Valley Regional District and the Strathcona Regional District. This may result in a reallocation of shares amongst the members of the North Island 9-1-1 Corporation for the 2008 fiscal year.

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2007

18. PENSION LIABILITY

The Regional District of Nanaimo and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The Plan has about 144,000 active members and approximately 51,000 retired members. Active members include approximately 35,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of plan funding. The most recent valuation as at December 31, 2006 indicated a surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of the surplus to individual employers. This note represents the most current information at the time of the financial audit. The Regional District of Nanaimo paid \$978,705 (2006, \$923,272) for employer contributions to the plan in fiscal 2007.

19. CONTINGENT LIABILITIES

Contingent liabilities are recognized by the Regional District in accordance with PS 3300.15. As at December 31, 2007 there were no outstanding claims against the Regional District which could result in a contingent liability.

20. PSAB 3150 TANGIBLE CAPITAL ASSET IMPLEMENTATION

The Public Sector Accounting Board has approved a new accounting standard (PS 3150) for reporting tangible capital assets (TCAs) on the financial statements of local governments effective the fiscal year beginning January 1, 2009. This standard requires TCAs to be accounted for and reported as assets on the statement of financial position and amortized over the useful life of the assets in a rational and systematic manner. The amortization of the costs of TCAs should be accounted for as expenses in the statement of operations. A public sector guideline, PSG 7, provides transitional guidance for the implementation of PS 3150 by local governments for fiscal periods beginning on or after January 1, 2007.

The Regional District of Nanaimo has developed an implementation plan and a draft tangible capital asset policy which will ensure compliance with PS 3150 by the required implementation date of January 1, 2009. While the Regional District historically has reported TCA values at cost on the statement of financial position, the focus of the 2008 implementation plan activities for this project will be to validate asset values, confirm asset record completeness and implement amortization of these assets based on the respective acquisition dates.

21. ENVIRONMENTAL REGULATIONS

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

22. EXPENDITURES BY OBJECT

	<u>Budget</u>	<u>2007</u>	<u>2006</u>
Operating goods and services purchases	\$ 24,427,876	\$ 21,604,671	\$ 20,186,514
Wages and benefits	18,339,807	17,395,113	16,367,880
Debt interest and foreign exchange	1,180,599	1,215,714	1,229,316
Capital expenditures	20,800,066	6,658,632	5,439,862
Unfunded expenditures (Note 9)	-	(355,266)	2,132,871
Total Expenditures by Object	\$ 64,748,348	\$ 46,518,864	\$ 45,356,443

**REGIONAL DISTRICT OF NANAIMO
GENERAL REVENUE FUND
SCHEDULE OF REVENUE AND EXPENDITURES
AS AT DECEMBER 31, 2007**

	Corporate Services (Schedule A)	Development Services (Schedule B)	Environmental Services (Schedule C)	Recreation & Parks Services (Schedule D)	Transportation Services (Schedule E)	Actual 2007	Budget 2007	Actual 2006
REVENUES								
Tax requisition	\$ 4,449,006	\$ 1,707,020	\$ 10,604,107	\$ 6,067,189	\$ 4,055,560	\$ 26,882,862	\$ 26,883,647	\$ 25,566,134
Grants	118,197	82,791	2,717,302	96,464	3,718,109	6,732,863	9,303,485	4,064,779
Grants in Lieu	47,762	6,260	81,775	5,443	45,047	186,287	87,830	183,576
Interest	649,920	-	-	-	-	649,920	385,000	562,369
Permit fees & other	-	1,081,666	-	348,698	112,186	1,542,550	1,343,690	1,462,360
Operating revenues	-	81,545	3,609,607	1,367,928	3,947,083	9,006,163	8,913,163	9,034,701
Disposal fees	-	-	8,272,715	-	-	8,272,715	8,387,370	7,600,685
Other	6,859,459	-	1,534,853	-	-	8,394,312	9,559,407	7,368,479
	<u>12,124,344</u>	<u>2,959,282</u>	<u>26,820,359</u>	<u>7,885,722</u>	<u>11,877,985</u>	<u>61,667,692</u>	<u>64,863,792</u>	<u>55,835,283</u>
EXPENDITURES								
General administration	849,298	628,467	1,318,036	457,523	1,816,745	5,070,069	5,459,333	4,921,425
Professional fees	207,723	350,525	869,490	98,143	20,725	1,546,606	2,233,715	1,284,314
Community grants	21,095	-	-	84,630	-	105,725	112,970	181,232
Legislative	232,263	-	-	-	-	232,263	259,515	236,157
Recreation program costs	-	-	-	105,479	-	105,479	105,620	101,162
Equipment operating	97,257	6,566	-	63,313	2,192	169,328	191,926	208,669
Building operating	157,875	43,414	236,988	555,130	173,583	1,166,990	1,323,368	1,068,199
Vehicle operating	60,036	31,696	1,216,374	79,406	2,700,425	4,087,937	4,329,288	4,360,173
Other operating	135,925	167,098	7,222,349	330,855	244,393	8,100,620	9,457,427	7,052,370
Wages & benefits	1,875,197	1,759,737	4,450,591	2,653,313	6,656,275	17,395,113	18,339,807	16,367,880
Capital expenditures	206,475	43,110	5,113,998	480,733	29,274	5,983,590	12,338,386	3,831,357
	<u>3,843,144</u>	<u>3,030,613</u>	<u>20,427,826</u>	<u>4,918,525</u>	<u>11,643,612</u>	<u>43,863,720</u>	<u>54,151,555</u>	<u>39,612,938</u>
OPERATING SURPLUS	<u>8,281,200</u>	<u>(71,331)</u>	<u>6,392,533</u>	<u>2,967,197</u>	<u>234,373</u>	<u>17,803,972</u>	<u>10,712,237</u>	<u>16,222,345</u>
Debt retirement								
- interest	2,201,633	-	1,399,959	624,661	-	4,226,253	4,226,785	3,661,405
- principal	1,754,633	-	910,932	922,774	-	3,588,339	3,074,735	2,233,183
- foreign exchange	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	102,050	-
Reserve contributions	1,141,519	26,405	4,065,890	593,636	16,266	5,862,716	5,546,252	4,324,520
Transfers to other govts	2,954,679	3,000	-	1,208,899	-	4,166,578	4,191,842	3,855,678
	<u>8,052,464</u>	<u>28,405</u>	<u>6,396,781</u>	<u>3,349,970</u>	<u>16,266</u>	<u>17,843,886</u>	<u>17,141,664</u>	<u>14,074,786</u>
CURRENT YEAR SURPLUS (DEFICIT)	<u>228,736</u>	<u>(99,736)</u>	<u>(4,248)</u>	<u>(382,773)</u>	<u>218,107</u>	<u>(39,914)</u>	<u>(6,429,427)</u>	<u>2,147,559</u>
Prior year's surplus applied	888,014	1,843,854	6,627,222	1,626,912	924,025	11,910,027	11,906,446	9,762,468
NET OPERATING SURPLUS	<u>\$ 1,116,750</u>	<u>\$ 1,744,118</u>	<u>\$ 6,622,974</u>	<u>\$ 1,244,139</u>	<u>\$ 1,142,132</u>	<u>\$ 11,870,113</u>	<u>\$ 5,477,019</u>	<u>\$ 11,910,027</u>

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF CHANGE IN CAPITAL FUND FINANCIAL EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>2007</u>	<u>2006</u>
Source of Funds		
Proceeds from loans	\$ 975,781	\$ 8,698,798
Government Infrastructure grants	230,228	341,088
Debt sinking fund surplus refunds	125,051	11,618
Proceeds on disposal of tangible capital assets	27,000	26,400
Other	6,206	-
Developer contributions & capital prepayments	307,300	5,030
Interest	46,116	45,066
	<u>1,717,682</u>	<u>9,128,000</u>
Net Interfund transfers		
Leased asset acquired as tangible asset	252,030	-
Reserve Fund	66,945	105,324
Revenue Fund - tangible capital asset purchases	5,883,589	3,831,357
- debt payment transfers	80,000	219,112
	<u>6,282,564</u>	<u>4,155,793</u>
Application of Funds		
Expenditures on tangible capital assets	(6,850,663)	(5,590,904)
Expenditures on debt and interest	(1,312,912)	(6,822,130)
Payment of other payables	-	(20,421)
	<u>(8,163,575)</u>	<u>(12,433,455)</u>
Change in Fund Financial Equity	(163,329)	850,338
Fund Financial Equity, Beginning	<u>1,177,542</u>	<u>327,204</u>
Fund Financial Equity, Ending (Pg. 18)	\$ <u>1,014,213</u>	\$ <u>1,177,542</u>

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
LONG-TERM DEBT SUMMARY BY FUNCTION
DECEMBER 31, 2007**

REGIONAL DISTRICT	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
RAVENSONG AQUATIC CENTER	\$ 2,939,400	\$ 2,744,358	\$ 2,539,563	\$ 2,337,657	\$ 2,125,654
OCEANSIDE PLACE ARENA	-	-	-	6,470,646	6,197,594
COMMUNITY PARKS	176,976	251,381	323,087	391,262	456,235
SOLID WASTE MANAGEMENT	1,392,941	1,221,860	1,042,225	853,609	655,562
WASTEWATER TREATMENT					
- Southern Community (District 68)	1,619,553	1,073,116	564,741	425,912	280,143
- Northern Community (District 69)	7,989,414	7,097,899	6,161,807	5,178,911	5,042,651
FIRE PROTECTION	-	-	232,725	234,102	213,246
WATER SERVICES	<u>4,175,598</u>	<u>4,039,918</u>	<u>3,799,361</u>	<u>3,586,775</u>	<u>3,244,960</u>
TOTAL REGIONAL DISTRICT	18,293,882	16,428,532	14,663,509	19,478,874	18,216,045
MEMBER MUNICIPALITIES	<u>15,925,823</u>	<u>18,575,086</u>	<u>17,932,534</u>	<u>31,484,841</u>	<u>48,089,804</u>
TOTAL LONG TERM DEBT (Pg. 3)	\$ <u>34,219,705</u>	\$ <u>35,003,618</u>	\$ <u>32,596,043</u>	\$ <u>50,963,715</u>	\$ <u>66,305,849</u>

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF LONG-TERM DEBT
DECEMBER 31, 2007

FUNCTION	ISSUER	FUNDS	BYLAW NUMBER	MATURITY DATE	INTEREST RATE	ORIGINAL VALUE	2007 DEBT O/S	2006 DEBT O/S
RAVENSONG AQUATIC CENTER								
	MFA 61	CDN	900A	Dec 01, 2015	5.970	4,098,635	\$ 2,125,654	\$ 2,337,657
TOTAL RAVENSONG AQUATIC CENTER						4,098,635	2,125,654	2,337,657
OCEANSIDE PLACE ARENA								
	MFA 97	CDN	1365	Apr 19, 2023	4.830	6,470,646	6,197,594	6,470,646
TOTAL OCEANSIDE PLACE ARENA						6,470,646	6,197,594	6,470,646
COMMUNITY PARKS ELECTORAL AREA B								
	MFA 78	CDN	1299	Dec 03, 2022	5.250	100,000	83,289	86,965
	MFA 79	CDN	1303	Jun 03, 2023	5.250	80,000	69,572	72,375
	MFA 81	CDN	1304	Apr 22, 2024	4.900	80,000	72,373	75,040
	MFA 93	CDN	1305	Apr 06, 2025	5.100	80,000	73,688	76,884
	MFA 97	CDN	1306	Apr 19, 2026	4.660	80,000	77,313	80,000
	MFA 101	CDN	1307	Apr 11, 2027	4.520	80,000	80,000	-
TOTAL COMMUNITY PARKS						560,000	456,235	391,282
FIRE PROTECTION SERVICES								
COOMBS HILLIERS FIRE								
	MFA 92	CDN	1386	Apr 06, 2015	4.550	232,725	193,182	213,341
						232,725	193,182	213,341
NANAIMO RIVER FIRE								
	MFA 99	CDN	1486	Apr 19, 2027	4.430	20,761	20,064	20,761
						20,761	20,064	20,761
TOTAL FIRE PROTECTION SERVICES						253,486	213,246	234,102
SOLID WASTE MANAGEMENT								
	MFA 49	CDN	819	Oct 24, 2010	6.500	3,000,000	655,562	853,609
TOTAL SOLID WASTE MANAGEMENT						3,000,000	655,562	853,609
SOUTHERN COMMUNITY WASTEWATER								
	MFA 41	CDN	729	Jun 30, 2007	6.900	900,000	-	61,137
	MFA 48	CDN	811	May 15, 2010	6.500	1,282,000	280,143	364,775
TOTAL SOUTHERN COMMUNITY WASTEWATER						2,082,000	280,143	425,912
NORTHERN COMMUNITY WASTEWATER								
	MFA 61	CDN	982	Dec 05, 2010	5.860	10,615,000	2,784,994	3,626,350
	MFA 69	CDN	1101	Sep 24, 2013	5.500	2,785,000	1,361,876	1,652,581
	MFA 102	CDN	1486	Dec 01, 2027	4.820	895,781	895,781	-
TOTAL NORTHERN COMMUNITY WASTEWATER						\$ 14,295,781	\$ 5,042,651	\$ 5,178,911

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF LONG-TERM DEBT
DECEMBER 31, 2007

FUNCTION	ISSUER	FUNDS	BYLAW NUMBER	MATURITY DATE	INTEREST RATE	ORIGINAL VALUE	2007 DEBT O/S	2006 DEBT O/S
WATER SERVICES								
WATER - MADRONA								
	MFA41	CDN	730	Jun 30,2007	5.500	\$ 370,000	\$ -	\$ 28,276
						<u>370,000</u>	<u>-</u>	<u>28,276</u>
WATER - NANOOSE								
	MFA47	CDN	786	Nov 09,2009	5.630	500,000	-	109,280
	MFA48	CDN	812	May 15,2010	6.500	325,000	71,019	92,474
	MFA49	CDN	824	Oct 24,2010	5.480	140,000	30,593	39,835
						<u>965,000</u>	<u>101,612</u>	<u>241,569</u>
WATER - SAN PAREIL								
	MFA74	CDN	1221	Jun 01,2016	5.900	193,979	132,834	144,307
	MFA81	CDN	1367	Apr 22,2019	4.900	89,476	76,404	80,976
	MFA97	CDN	1395	Apr 19,2021	4.660	40,000	38,002	40,000
						<u>323,455</u>	<u>247,240</u>	<u>265,283</u>
WATER - DRIFTWOOD								
	MFA85	CDN	1301	Oct 03,2023	4.900	100,614	87,499	91,021
						<u>100,614</u>	<u>87,499</u>	<u>91,021</u>
BULK WATER - FRENCH CREEK								
	MFA86	CDN	1127	Sep 24,2018	5.500	503,655	335,700	358,205
						<u>503,655</u>	<u>335,700</u>	<u>358,205</u>
BULK WATER - NANOOSE								
	MFA69	CDN	1127	Sep 24,2018	5.500	654,095	575,944	614,553
	MFA74	CDN	1226	Jun 01,2021	5.900	2,195,223	1,743,650	1,828,381
	MFA80	CDN	1239	Oct 03,2023	4.900	178,285	153,315	159,487
						<u>3,225,613</u>	<u>2,472,909</u>	<u>2,602,421</u>
						<u>5,498,337</u>	<u>3,244,950</u>	<u>3,686,775</u>
TOTAL WATER UTILITIES								
TOTAL LONG TERM DEBT - REGIONAL DISTRICT						<u>\$36,199,885</u>	<u>\$ 18,216,045</u>	<u>\$19,478,874</u>

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF LONG-TERM DEBT
DECEMBER 31, 2007**

FUNCTION	ISSUER	FUNDS	BYLAW NUMBER	MATURITY DATE	INTEREST RATE	ORIGINAL VALUE	2007 DEBT O/S	2006 DEBT O/S	
CITY OF PARKSVILLE									
	MFA32	CDN	598	Oct 27, 2007	5.550	487,000	\$ -	\$ 31,557	
	MFA33	CDN	614	Jun 15, 2008	12.375	497,000	57,862	109,352	
	MFA68	CDN	1109	Mar 24, 2018	5.500	1,200,000	799,834	853,452	
	MFA69	CDN	1129	Sep 24, 2018	5.500	1,970,000	1,313,061	1,401,084	
	MFA74	CDN	1227	Jun 01, 2021	5.300	290,000	230,345	241,538	
	MFA75	CDN	1238	Dec 01, 2021	5.890	1,050,000	834,007	874,535	
	MFA78	CDN	1253	Dec 03, 2022	5.250	765,000	637,161	865,283	
	MFA93	CDN	1420	Apr 06, 2025	5.100	800,000	736,885	769,840	
	TOTAL CITY OF PARKSVILLE						7,039,000	4,609,155	4,945,641
CITY OF NANAIMO									
	MFA53	CDN	848	May 13, 2012	6.010	1,438,475	499,738	585,872	
	MFA53	CDN	GNWD46	May 13, 2012	6.010	2,593,125	1,737,042	2,036,433	
	MFA54	CDN	871	Jan 12, 2008	5.250	1,000,486	91,799	179,227	
	MFA56	CDN	907	Nov 19, 2008	5.600	1,292,747	-	231,583	
	MFA59	CDN	945	Nov 10, 2009	5.000	1,150,320	206,068	301,802	
	MFA61	CDN	980	Dec 01, 2010	4.000	354,239	92,932	121,007	
	MFA61	CDN	980	Dec 01, 2010	4.000	60,265	16,811	20,588	
	MFA61	CDN	GNWD 50	Dec 01, 2015	4.000	1,166,086	850,327	935,134	
	MFA64	CDN	1044	Sep 25, 2011	4.240	304,105	103,890	126,846	
	MFA72	CDN	1197	Jun 01, 2020	6.450	4,500,000	3,391,941	3,574,317	
	MFA73	CDN	1219	Dec 01, 2020	6.380	4,100,000	3,090,435	3,258,600	
	MFA73	CDN	1220	Dec 01, 2015	6.350	247,947	154,392	169,791	
	MFA99	CDN	1489	Oct 19, 2026	4.430	15,000,000	14,496,274	15,000,000	
	MFA101	CDN	1489	Apr 11, 2027	4.520	15,000,000	15,000,000	-	
	MFA 102	CDN	1530	Dec 01, 2027	4.820	3,750,000	3,750,000	-	
	TOTAL CITY OF NANAIMO						51,957,765	43,480,649	26,539,200
TOTAL LONG TERM DEBT - MEMBER MUNICIPALITIES						\$ 58,996,765	\$ 48,089,804	\$ 31,484,841	
TOTAL LONG TERM DEBT						\$ 95,195,650	\$ 66,305,849	\$ 50,963,715	

Note:

1. The City of Nanaimo assumed the outstanding debt of the Greater Nanaimo Water District in 2004
2. The Municipal Finance Authority has issued 'Stop Payment' notices for issues # 47 and # 56 effective November 10, 2007 and May 20, 2007 respectively, as there are sufficient surplus funds on hand to meet the future payment requirements for these issues. Municipalities and regional districts are required to continue to recognize this debt until the issues have been cancelled.

See notes to consolidated financial statements

**Regional District of Nanaimo
Schedule of Sinking Fund Balances
As At December 31, 2007**

Issue Number	RD S/I Bylaw	Maturity	Principal Requested	Sinking Fund Balance
<u>REGIONAL DISTRICT DIRECT DEBT</u>				
33	615	Complete	250,000	250,000
41	729	Apr 24, 2007	800,000	1,050,115
41	730	Apr 24, 2007	370,000	485,678
45	755	Oct 27, 2008	500,000	500,000
48	811	May 15, 2010	1,282,000	1,273,586
48	812	May 15, 2010	325,000	322,867
49	819	Oct 24, 2010	3,000,000	2,807,326
49	824	Oct 24, 2010	140,000	131,009
61	981	Dec 01, 2015	4,098,635	1,987,448
61	982	Dec 01, 2010	10,615,000	7,868,632
69	1101	Sep 24, 2013	2,785,000	1,467,467
69	1127	Sep 24, 2018	503,655	172,637
69	1128	Sep 24, 2018	864,095	296,184
74	1221	Jun 01, 2016	193,979	63,033
74	1226	Jun 01, 2021	2,195,223	465,513
78	1299	Dec 03, 2022	100,000	16,775
79	1303	Jun 03, 2023	80,000	10,729
80	1239	Oct 03, 2023	176,295	23,260
80	1301	Oct 03, 2023	100,614	13,275
81	1367	Apr 22, 2019	89,476	13,525
81	1304	Apr 22, 2024	80,000	7,891
92	1396	Apr 06, 2015	232,725	40,709
93	1305	Apr 06, 2025	80,000	-
97	1306	Apr 19, 2026	80,000	2,762
97	1365	Apr 19, 2023	6,470,646	280,712
97	1395	Apr 19, 2021	40,000	2,054
99	1488	Oct 19, 2026	20,761	703
101	1307	Apr 11, 2027	80,000	-
102	1486	Dec 01, 2027	895,781	-
			\$ 36,448,885	\$ 19,553,890

**Regional District of Nanaimo
Schedule of Sinking Fund Balances
As At December 31, 2007**

Issue Number	RD S/ Bylaw	Maturity	Principal Requested	Sinking Fund Balance
<u>MUNICIPAL DEBT</u>				
CITY OF NANAIMO				
53	848	May 13, 2012	1,438,475	1,056,498
54	871	Jan 12, 2008	1,000,486	931,991
56	907	Nov 19, 2008	1,292,747	1,292,747
59	945	Nov 10, 2009	1,150,320	1,014,360
61	980	Dec 01, 2010	414,473	307,239
64	1044	Sep 25, 2011	304,105	203,025
72	1197	Jun 01, 2020	4,500,000	1,142,546
73	1219	Dec 01, 2020	4,100,000	1,014,008
73	1220	Dec 01, 2015	247,948	93,968
99	1489	Oct 19, 2026	15,000,000	507,756
101	1489	Apr 11, 2027	15,000,000	-
102	1530	Dec 01, 2027	3,750,000	-
53	GNWD46	May 13, 2012	5,000,000	3,672,286
61	GNWD50	Dec 01, 2015	1,639,580	795,040
			<u>\$ 54,838,134</u>	<u>\$ 12,031,464</u>
CITY OF PARKSVILLE				
32	598	Complete	467,000	524,773
33	614	Jun 15, 2008	497,000	510,297
68	1109	Mar 24, 2018	1,200,000	423,744
69	1129	Sep 24, 2018	1,970,000	675,253
74	1227	Jun 01, 2021	290,000	61,496
75	1238	Dec 01, 2021	1,050,000	216,881
78	1283	Dec 03, 2022	765,000	128,329
93	1420	Apr 06, 2025	800,000	-
			<u>\$ 7,039,000</u>	<u>\$ 2,540,773</u>

FIR Schedule 1, Section 5 (1)

REGIONAL DISTRICT OF NANAIMO
GUARANTEE AND INDEMNITY AGREEMENTS

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

**REGIONAL DISTRICT OF NANAIMO
REPORT OF DIRECTORS AND COMMITTEE MEMBERS REMUNERATION & EXPENSES FOR 2007**

Area 2007 Board	Name	Remuneration				Out of Pocket		Total 2007	Total 2006
		Taxable Allowance	Exempt Allowance	Total 2007	Total 2006	Expenses Reimbursed			
						2007	2006		
G (Chairperson)	Stanhope, J.	\$ 17,946.57	\$ 8,973.28	\$ 26,919.85	\$ 27,662.14	\$ 10,418.17	\$ 14,983.95	\$ 37,338.02	\$ 42,646.09
A	Burnett, J.	\$ 11,080.18	\$ 5,545.09	\$ 16,635.27	\$ 19,308.42	\$ 4,748.08	\$ 4,956.22	\$ 21,383.35	\$ 24,264.64
B	Sperling, B.	\$ 9,523.51	\$ 4,761.76	\$ 14,285.27	\$ 16,538.42	\$ 2,045.13	\$ 2,011.69	\$ 16,330.40	\$ 18,550.11
C	Young, M.	\$ 10,610.18	\$ 5,305.09	\$ 15,915.27	\$ 18,503.42	\$ 4,289.90	\$ 5,347.61	\$ 20,265.17	\$ 21,851.03
E	Holme, G.	\$ 10,976.85	\$ 5,468.42	\$ 16,465.27	\$ 15,904.96	\$ 1,555.74	\$ 3,280.22	\$ 18,021.01	\$ 19,185.18
F	Biggemann, L.	\$ 10,586.85	\$ 5,293.42	\$ 15,880.27	\$ 15,959.96	\$ 4,710.01	\$ 4,634.88	\$ 20,590.28	\$ 20,594.84
H	Bartram, D.	\$ 12,736.85	\$ 6,368.42	\$ 19,105.27	\$ 19,217.74	\$ 5,748.13	\$ 9,356.82	\$ 24,853.40	\$ 28,574.56
Lantzville	Haime, C.	\$ 6,208.95	\$ 3,104.48	\$ 9,313.43	\$ 9,129.90	\$ 152.97	\$ -	\$ 9,466.40	\$ 9,129.90
Nanaimo	Korpan, G.	\$ 6,122.29	\$ 3,061.14	\$ 9,183.43	\$ 8,999.90	\$ -	\$ -	\$ 9,183.43	\$ 8,999.90
Nanaimo	McNabb, L.	\$ 7,315.62	\$ 3,657.81	\$ 10,973.43	\$ 10,889.90	\$ 637.29	\$ 844.04	\$ 11,610.72	\$ 11,733.94
Nanaimo	Brennan, D.	\$ 6,598.95	\$ 3,299.48	\$ 9,898.43	\$ 10,191.05	\$ 173.35	\$ 315.23	\$ 10,071.78	\$ 10,506.28
Nanaimo	Holdom, B.	\$ 6,892.29	\$ 3,446.14	\$ 10,338.43	\$ 10,154.90	\$ 324.34	\$ 407.43	\$ 10,662.77	\$ 10,562.33
Nanaimo	Bestwick, B.	\$ 6,122.29	\$ 3,061.14	\$ 9,183.43	\$ 9,346.05	\$ -	\$ 109.35	\$ 9,183.43	\$ 9,455.40
Nanaimo	Manhas, C.	\$ 6,425.62	\$ 3,212.81	\$ 9,638.43	\$ 9,866.05	\$ 106.41	\$ 349.54	\$ 9,744.84	\$ 10,215.59
Parksville	Herle, S.	\$ 6,512.29	\$ 3,256.14	\$ 9,768.43	\$ 5,374.95	\$ 487.74	\$ 404.91	\$ 10,256.17	\$ 5,779.86
Qualicum Beach	Westbroek, T.	\$ 6,605.62	\$ 3,302.81	\$ 9,908.43	\$ 9,649.90	\$ 917.05	\$ 934.50	\$ 10,825.48	\$ 10,784.40
		\$ 142,274.91	\$ 71,137.43	\$ 213,412.34	\$ 214,897.66	\$ 36,314.31	\$ 47,936.39	\$ 249,726.65	\$ 262,834.05
Board Alternates									
E	Van Eynde, F.	\$ 286.67	\$ 143.33	\$ 430.00	\$ 375.00	\$ 85.13	\$ 221.88	\$ 515.13	\$ 596.88
F	Niwa, D.	\$ -	\$ -	\$ -	\$ 140.00	\$ -	\$ 29.72	\$ -	\$ 169.72
G	Chase, J.	\$ 150.00	\$ 75.00	\$ 225.00	\$ 75.00	\$ 102.51	\$ 946.41	\$ 327.51	\$ 1,021.41
H	Heenan, D.	\$ 250.00	\$ 125.00	\$ 375.00	\$ 300.00	\$ 261.60	\$ 201.66	\$ 636.60	\$ 501.66
Lantzville	Dempsey, B.	\$ 200.00	\$ 100.00	\$ 300.00	\$ 225.00	\$ -	\$ -	\$ 300.00	\$ 225.00
Nanaimo	Sherry, L.	\$ 50.00	\$ 25.00	\$ 75.00	\$ 225.00	\$ -	\$ -	\$ 75.00	\$ 225.00
Nanaimo	Cameron, J.	\$ 350.00	\$ 175.00	\$ 525.00	\$ 625.00	\$ -	\$ -	\$ 525.00	\$ 825.00
Nanaimo	Unger, M.	\$ 450.00	\$ 225.00	\$ 675.00	\$ 440.00	\$ -	\$ -	\$ 675.00	\$ 440.00
Parksville	Burger, C.	\$ 100.00	\$ 50.00	\$ 150.00	\$ -	\$ -	\$ -	\$ 150.00	\$ -
Parksville	Lefebvre, M.	\$ -	\$ -	\$ -	\$ 150.00	\$ -	\$ 50.34	\$ -	\$ 200.34
Parksville	Johnston, B.	\$ -	\$ -	\$ -	\$ 5,561.10	\$ -	\$ 405.83	\$ -	\$ 5,966.93
Qualicum Beach	Avis, B.	\$ -	\$ -	\$ -	\$ 225.00	\$ -	\$ 229.78	\$ -	\$ 454.78
Qualicum Beach	Wilson, J.	\$ 186.67	\$ 93.33	\$ 280.00	\$ 75.00	\$ 127.70	\$ -	\$ 407.70	\$ 75.00
		\$ 2,023.34	\$ 1,011.66	\$ 3,035.00	\$ 8,616.10	\$ 576.94	\$ 2,085.62	\$ 3,611.94	\$ 10,701.72
Other Committees									
BOV	Little, John	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 335.07	\$ -	\$ 335.07
BOV	Flynn, J.	\$ -	\$ -	\$ -	\$ -	\$ 533.84	\$ -	\$ 533.84	\$ -
BOV/EA H Parks Open Space	Procter, M.	\$ -	\$ -	\$ -	\$ -	\$ 440.70	\$ 539.12	\$ 440.70	\$ 539.12
BOV/EA G Parks Open Space	Coath, B.	\$ -	\$ -	\$ -	\$ -	\$ 289.57	\$ 148.60	\$ 289.57	\$ 148.60
D69 Recreation	Wilson, J.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35.47	\$ -	\$ 35.47
		\$ -	\$ -	\$ -	\$ -	\$ 1,264.11	\$ 1,058.26	\$ 1,264.11	\$ 1,058.26
TOTAL		\$ 144,298.25	\$ 72,149.09	\$ 216,447.34	\$ 223,513.76	\$ 38,155.36	\$ 51,080.27	\$ 254,602.70	\$ 274,594.03

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF EARNINGS, TRAVEL AND OTHER EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2007**

EMPLOYEE NAME		POSITION	EARNINGS	EXPENSES
MASON	CAROL L	Chief Administrative Officer	\$ 140,868.00	\$ 6,263.90
FINNIE	JOHN O	General Manager, Environmental Services	\$ 112,726.50	\$ 5,676.22
OSBORNE	THOMAS W	General Manager, Recreation & Parks	\$ 108,965.50	\$ 3,847.80
THORKELSSON	PAUL H	General Manager, Development Services	\$ 108,398.50	\$ 8,694.01
TRUDEAU	DENNIS M	General Manager, Transportation Services	\$ 105,973.00	\$ 2,224.12
AVERY	NANCY J	General Manager, Finance & Info Services	\$ 105,040.60	\$ 3,642.32
PEARSE	MAUREEN	Senior Manager, Corporate Administration	\$ 88,540.20	\$ 1,428.38
DEPOL	SEAN R	Manager, Liquid Waste	\$ 88,325.58	\$ 4,298.06
MCIVER	CAREY L	Manager, Solid Waste	\$ 87,990.70	\$ 1,476.02
MOORMAN	WAYNE F	Manager, Engineering Services	\$ 87,733.10	\$ 1,912.91
PORTEOUS	DANIEL E	Manager, Recreation Services	\$ 87,338.36	\$ 2,684.61
THOMPSON	PAUL	Manager, Long Range Planning	\$ 87,200.73	\$ 2,999.16
KITELEY	LAURA	Manager, Transit Operations	\$ 87,084.41	\$ 3,394.84
DONNELLY	MICHAEL G	Manager, Utilities	\$ 86,854.60	\$ 2,798.93
MOODY	MICHAEL R	Manager, Information Services	\$ 86,683.10	\$ 1,724.19
THEXTON	B WAYNE	Manager, Budgets & Capital Planning	\$ 85,781.14	\$ 4,476.82
MARSHALL	WENDY S	Manager, Parks Services	\$ 84,713.44	\$ 2,695.46
GARBUTT	GEOFFREY W	Manager, Current Planning	\$ 83,901.30	\$ 3,241.83
KUZIEK	PETER	Transportation Supervisor	\$ 77,315.47	\$ 1,328.34
ADAIR	JASON J	Superintendent, Transit Operations	\$ 75,175.80	\$ 2,879.32
TOTAL OVER \$75,000			\$ 1,876,610.03	\$ 67,687.24
TOTAL UNDER \$75,000			\$ 12,606,170.76	\$ 228,461.04
TOTAL			\$ 14,482,780.79	\$ 296,148.28

The amounts paid as remuneration reported in this schedule differs from the amount reported in the Schedule of Revenues and Expenses. The amount reported in the Schedule of Revenues and Expenses includes amount paid for employee benefits including Municipal Pension Plan premiums, Employment Insurance and Canada Pension Plan contributions, Long Term Disability, Medical, Dental and Workers' Compensation Board premiums.

FIR Section 1, Subsection 6 (7) (a), (b)

REGIONAL DISTRICT OF NANAIMO
STATEMENT OF SEVERANCE AGREEMENTS

There were **no** severance agreements made between the Regional District of Nanaimo and its non-unionized employees during fiscal 2007.

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF PAYMENTS FOR SUPPLIES AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2007**

<u>SUPPLIER</u>	<u>AMOUNT</u>
A 1 SEPTIC TANK SERVICE	47,216.86
A C TAXI LTD	31,707.54
ACKLANDS-GRAINGER INC	78,291.80
ACME SUPPLIES LTD	31,351.33
ACTION TANK & PUMP SERVICE	65,926.21
ALPINE	99,765.53
AON REED STENHOUSE INC	152,800.00
ARCHIE JOHNSTONE PLUMBING & HEATING LTD	114,496.10
ARROWSMITH COMMUNITY JUSTICE SOCIETY	25,000.00
ASSOCIATED ENGINEERING (BC)LTD	653,947.19
B C S P C A	78,438.79
BAKER SUPPLY LTD	46,905.64
BAKES JARVIE INSURANCE	189,000.00
BARSKI INDUSTRIES (1985) LTD	49,155.01
BC HYDRO	734,641.75
BC WATER & WASTE ASSOCIATION	32,298.28
BEAVER ELECTRICAL MACHINERY LTD	31,686.30
BLACK PRESS	52,881.63
BLJC - WSI	52,279.59
BOBELL TRUCKING LTD	358,202.40
BOW HORN BAY VOLUNTEER FIRE DEPARTMENT	132,665.00
BRENNTAG CANADA INC	131,531.49
BRITCO LEASING LTD	27,348.00
C LANE CONTRACTING	44,225.55
CANADA POST CORPORATION	49,056.69
CANADIAN UNION OF PUBLIC EMPLOYEES	222,187.84
CAPITAL WELDING & MARINE	35,500.99
CARFRA & LAWTON	26,200.95
CATERPILLAR FINANCIAL SERVICES LIMITED	72,855.12
CBS PARTS LTD	64,986.23
CIBA CANADA LTD	91,627.38
CIBC PURCHASING CARDS	129,628.62
CMF CONSTRUCTION LTD	714,458.22
CONESTOGA-ROVERS & ASSOCIATES	122,150.24
COOMBS HILLIERS VOL FIRE DEPARTMENT	125,950.00
CORRAIN GARY	29,000.00
COWICHAN VALLEY REGIONAL DISTRICT	126,995.00
D G REGAN AND ASSOCIATES LTD	28,998.26
D ROBINSON CONTRACTING LTD	2,560,576.53
DASHWOOD VOL FIRE DEPARTMENT	152,622.38
DBL DISPOSAL SERVICES LTD	69,713.69
DELL CANADA INC	172,608.13
DUNCAN ELECTRIC MOTOR LTD	273,659.93

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF PAYMENTS FOR SUPPLIES AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2007**

<u>SUPPLIER</u>	<u>AMOUNT</u>
E S R I CANADA LIMITED	28,119.00
EAST ISLE POWER LTD	56,958.40
ERRINGTON VOL FIRE DEPARTMENT	195,185.25
F & M INSTALLATIONS LTD	40,451.18
FINNING INTERNATIONAL INC	196,498.58
FISHER ROAD RECYCLING	42,682.80
FORBES INDUSTRIAL CONTRACTORS LTD	115,880.26
FOUR STAR WATERWORKS LTD	30,743.38
FYFE HOLDINGS LTD	95,179.27
GABRIOLA RECREATION SOCIETY	66,000.00
GARTNER LEE LIMITED	58,140.97
GENERAL CHEMICAL PERFORMANCE PRODUCTS	146,937.00
GRAND & TOY	181,586.73
GREAT WEST EQUIPMENT	168,557.36
GROUP 4 SECURICOR	30,087.09
GUILLEVIN INTERNATIONAL CO	48,805.86
HAYLOCK BROS PAVING LTD	39,987.45
HAYWARD GORDON LIMITED	39,944.24
HUB EXCAVATING LTD	53,767.44
HYLA ENVIRONMENTAL SERVICES LTD	46,097.34
IDL PROJECTS INC	551,400.40
INTERNATIONAL COMPOSTING CORPORATION	133,263.95
ISL CUSTOMS BROKERS	32,034.35
ISLAND PROCESSING CO	65,131.48
J J BARNICKE NANAIMO LTD	140,665.18
J MILNER TRUCKING LTD	101,545.35
JEFF'S HAULING	27,479.77
JEGLERHAM ENTERPRISES LTD DBA BUDGET CAR AND TRUCK SALES	31,864.87
JOHN BALLARD ENTERPRISES LTD	32,807.24
JOHN BROOKS COMPANY LIMITED	47,472.43
KAL TIRE	83,273.29
KEHOE HOLDINGS LTD	61,762.46
KLASSEN DIESEL SALES LTD.-DELTA	37,024.45
KLEINFELDER	26,497.70
KOERS & ASSOCIATES ENGINEERING LTD	39,097.91
LANARC CONSULTANTS LTD	156,527.45
MACK SALES & SERVICE OF NANAIMO	68,608.60
MALASPINA UNIVERSITY COLLEGE	119,129.58
MANULIFE FINANCIAL	57,378.69
MARK'S WORK WEARHOUSE (BC)	31,831.21
METTLER-TOLEDO INC	26,577.79
MEYERS NORRIS PENNY	30,803.60
MICHELIN NORTH AMERICA (CANADA) INC	28,173.95

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF PAYMENTS FOR SUPPLIES AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2007**

<u>SUPPLIER</u>	<u>AMOUNT</u>
MIDAN INDUSTRIES LTD	33,999.44
MINISTER OF FINANCE	345,034.80
MORROW ENVIRONMENTAL CONSULTANTS INC	40,990.20
MUNICIPAL INSURANCE ASSOCIATION OF BC	216,449.30
MUNICIPAL PENSION PLAN	1,845,609.56
NANAIMO & DISTRICT HARBOURFRONT CENTER	65,160.00
NANAIMO ANIMAL SHELTER LIMITED	48,762.53
NANAIMO AREA LAND TRUST	30,000.00
NANAIMO CITY OF	145,681.43
NANAIMO DAILY NEWS/HARBOUR CITY STAR	36,031.10
NATIONAL PROCESS EQUIPMENT INC	28,747.25
NEALE STANISZKIS DOLL ADAMS ARCHITECTS	37,964.18
NEW FLYER PARTS	105,286.44
NORSEMAN PLASTICS LIMITED	72,217.80
OCEANSIDE TOURISM ASSOCIATION	51,598.97
PACIFIC BLUE CROSS	529,205.10
PACIFIC HYDROLOGY CONSULTANTS LTD	27,008.83
PACIFIC NORTHWEST RAPTORS	135,229.50
PARKSVILLE CITY OF	55,138.65
PEBBLE BEACH HOLDINGS LTD	27,030.00
PETRO-CANADA	1,362,643.92
PORTER WOOD RECYCLING LTD	151,543.96
QUALICUM BEACH TOWN OF	25,165.44
R & G EQUIPMENT RENTALS LTD	143,948.84
RASCAL TRUCKING LTD	54,153.72
RECEIVER GENERAL FOR CANADA	798,249.43
RED WILLIAMS WELL DRILLING & PUMP INSTALLATIONS	34,864.56
SCHNEIDER CANADA INC	80,226.29
SCL A-1 PLASTICS LTD	33,867.00
SCOTT SIGNS LTD	28,438.44
SFE GLOBAL	26,168.10
SHAW ELECTRICAL SERVICES LTD	43,299.44
SIMSON-MAXWELL	54,212.65
SPERLING HANSEN ASSOCIATES	191,245.67
STAPLES MCDANNOLD STEWART	285,582.20
SUN LIFE ASSURANCE CO OF CANADA	304,685.04
SYLVIS	86,115.85
TELUS COMMUNICATIONS	150,606.38
TELUS MOBILITY	28,924.93
TELUS SERVICES INC	69,458.60
TERASEN GAS	199,866.50
THE SHELTAIR GROUP RESOURCE CONSULTANTS INC	39,108.14
TREE ISLAND INDUSTRIES LTD	102,255.93

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF PAYMENTS FOR SUPPLIES AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2007**

<u>SUPPLIER</u>	<u>AMOUNT</u>
TRINEX INTERNET SOLUTIONS	32,344.64
UNITED PETROLEUM PRODUCTS INC	34,340.65
VAN-ISLE AGGREGATES	33,572.62
VIKING CHAINS INC	28,192.90
WASTE SERVICES (CA) INC	1,544,059.45
WESTGUARD SECURITY SERVICES	84,252.73
WILLIAMS MACHINERY	33,001.30
WINDLEY CONTRACTING LTD	221,041.40
WORKSAFEBC (WCB)	188,648.62
WORLEY PARSONS KOMEX	29,709.70
XCG CONSULTANTS LTD	97,313.46
	-
TOTAL SUPPLIERS PAID OVER \$25,000	<u>22,440,753.07</u>
TOTAL SUPPLIERS PAID UNDER \$25,000	<u>3,480,882.50</u>
TOTAL ALL SUPPLIERS PAID	<u>25,921,635.57</u>

The Regional District prepares its records using generally accepted accounting principles. This will result in differences between amounts recorded as an expense in the financial statements and the amount paid to a vendor in the year. The amounts reported here represent actual cash outlays in 2007 - some of which relate to goods or services received and recorded in 2006.

FIR , Schedule 1, Subsection 7(2)(b)

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF COMMUNITY GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2007**

(these amounts are included in Totals Paid to Suppliers aggregating less than \$25,000)

School District 68 Grants in Aid

CATS NEEDING AID & PROTECTION	\$ 500
CEDAR SCHOOL & COMMUNITY ENHANCEMENT SOCIETY	\$ 400
CEDAR COMMUNITY POLICING OFFICE	\$ 427
THE HOPE CENTRE	\$ 880
JONANCO HOBBY WORKSHOP	\$ 400
NANAIMO SEARCH & RESCUE SOCIETY	\$ 1,342
PEOPLE FOR A HEALTHY COMMUNITY	\$ 500
	<u>\$ 4,449</u>

School District 69 Grants in Aid

ARROWSMITH SEARCH & RESCUE SOCIETY	\$ 1,000
CITIZEN'S ON PATROL SOCIETY DISTRICT 69	\$ 1,320
DISTRICT 69 FAMILY RESOURCE ASSOCIATION	\$ 10,817
ERRINGTON PRESCHOOL PARENTS SOCIETY	\$ 400
ERRINGTON VOLUNTEER FIRE DEPARTMENT	\$ 2,500
FRIENDS OF NANOOSE LIBRARY CENTRE SOCIETY	\$ 750
LADIES AUXILIARY TO ROYAL CANADIAN LEGION	\$ 2,100
MOUNT ARROWSMITH PIPE BAND ASSOCIATION	\$ 1,275
NANOOSE BAY CATSPAN	\$ 2,300
THE NATURE TRUST OF BC	\$ 1,500
OCEANSIDE COMMUNITY RESPONSE NETWORK	\$ 600
PARKSVILLE GARDEN & PARKLAND SOCIETY	\$ 330
PARKSVILLE & DISTRICT HISTORICAL SOCIETY	\$ 1,000
	<u>\$ 25,892</u>

Recreation Program Grants

ARROWSMITH COMMUNITY ENHANCEMENT SOCIETY	\$ 1,510
ARROWSMITH MOUNTAIN BIKE SOCIETY	\$ 2,500
BARD TO BROADWAY THEATRE SOCIETY	\$ 5,000
DASHWOOD RECREATION COMMISSION	\$ 4,000
DEEP BAY CELEBRATION COMMITTEE	\$ 2,000
DISTRICT 69 FAMILY RESOURCE ASSOCIATION	\$ 10,817
DISTRICT 69 MINOR SOFTBALL ASSOCIATION	\$ 2,625
ERIK GOETZINGER BMX SOCIETY	\$ 3,500
ERRINGTON THERAPEUTIC RIDING ASSOC	\$ 3,500
FORWARD HOUSE COMMUNITY SOCIETY	\$ 1,800
KWALIKUM SECONDARY SCHOOL	\$ 1,250
LIGHTHOUSE RECREATION COMMISSION	\$ 3,145

FIR , Schedule 1, Subsection 7(2)(b)

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF COMMUNITY GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2007**
(these amounts are included in Totals Paid to Suppliers aggregating less than \$25,000)

Recreation Program Grants (cont'd)

NANOOSE BAY ELEMENTARY SCHOOL PAC	\$ 1,500
OCEANSIDE BASEBALL ASSOCIATION	\$ 2,500
OCEANSIDE COMMUNITY ARTS COUNCIL	\$ 850
OCEANSIDE FLOOR CURLERS	\$ 2,000
OCEANSIDE KIDFEST COMMITTEE	\$ 1,000
THE OLD SCHOOL HOUSE ARTS CENTRE	\$ 2,090
ONE FIVE ONE	\$ 1,381
PANTERS HOCKEY	\$ 2,140
PARKSVILLE CURLING CLUB	\$ 2,000
PARKSVILLE & DISTRICT ASSOCIATION FOR COMMUNITY LIVING	\$ 2,550
PARKSVILLE LAWN BOWLING CLUB	\$ 2,000
PARKSVILLE LIONS CLUB	\$ 1,200
PARKSVILLE SENIORS ATHLETIC GROUP	\$ 932
QUALICUM BEACH FIRE DEPARTMENT	\$ 2,500
RAVENSONG AQUATIC CLUB	\$ 1,800
ROTARY CLUB OF QUALICUM BEACH	\$ 5,875
VANCOUVER ISLAND OPERA	\$ 900
YOUNG LIFE OCEANSIDE	\$ 2,500
	<u>\$ 77,365</u>
Total Grants in Aid	<u><u>\$ 107,706</u></u>



ADMIN RECORD	
CAO APPROVAL	
EAP	
COW	✓ May 13th
MAY 06 2008	
RHD	
BOARD	

MEMORANDUM

TO: W. Thexton
Acting General Manager of Finance and Information Services

DATE: April 29, 2008

FROM: Wendy Idema
Manager, Accounting Services

FILE:

SUBJECT: 2007 Report on Directors' and Committee Members' Remuneration and Expenses

PURPOSE

To report on the remuneration and expenses paid on behalf of Board Directors, alternate Directors and Committee members in 2007.

BACKGROUND

Section 814.1 of the *Local Government Act* requires that annually, a report listing the amount of remuneration and expenses paid to a Board or Committee member be prepared and considered by the Board. Copies of the listing must be available to the public from the date of consideration for a period of one year. The attached report has been prepared from the 2007 audited records of the Regional District.

Following Board practice, remuneration rates are reviewed and established by an independent committee, for the three year period between elections. Remuneration rates for other comparable jurisdictions are surveyed as part of the review process. The 2007 remuneration rates were effective December 2006 as recommended by the Board Remuneration Committee (2005) and established by Bylaws 1078.05 and 1317.01. An elected Director's remuneration includes a base amount for attendance at regular Board and Standing Committee meetings, plus per meeting stipends for attending additional select committee, advisory committee, public hearing or information meetings. The Regional District also reimburses members for milcage, ferry fares, business meals, communication costs and attendance at the annual UBCM, AVICC and FCM conventions.

The Regional District's remuneration bylaw provides that one third of all remuneration amounts paid to Board members or their alternates are a tax-exempt allowance for the purpose of carrying out their duties as an elected member. The basic annual remuneration rates for 2007 were as follows:

Member	Base Remuneration	Allowance	Total
Municipal Director	\$9,169		\$9,169
Electoral Area Director	\$9,169	\$5,094	\$14,263
Chairperson	\$9,169	\$11,915	\$21,084
Other Public/Advisory Committee Meetings	\$65 per meeting attended		\$65 per meeting attended

The amount expended for Board meeting attendances and expenses in 2007 was \$249,727 (2006 - \$262,834). The total remuneration and expenses paid for all Directors and/or Committee members was

The amount expended for Board meeting attendances and expenses in 2007 was \$249,727 (2006 - \$262,834). The total remuneration and expenses paid for all Directors and/or Committee members was lower in 2007 (\$254,603) than in 2006 (\$274,594) due mainly to a decrease in out-of-province travel expenses as well as a decrease in taxable allowances for information systems and mileage.

ALTERNATIVES

There are no alternatives to this provision of the Act.

FINANCIAL IMPLICATIONS

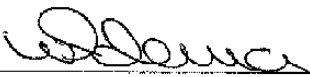
There are no financial implications.

SUMMARY/CONCLUSIONS


The attached remuneration and expense report is submitted in compliance with Section 814.1 of the *Local Government Act*.

RECOMMENDATION


That the 2007 report on remuneration and expenses for Board and Committee members be received.



Report Writer



General Manager Concurrence



C.A.O. Concurrence

COMMENTS:

**REGIONAL DISTRICT OF NANAIMO
REPORT OF DIRECTORS AND COMMITTEE MEMBERS REMUNERATION & EXPENSES FOR 2007**

Area 2007 Board	Name	Remuneration				Out of Pocket		Total 2007	Total 2006
		Taxable Allowance	Exempt Allowance	Total 2007	Total 2006	Expenses Reimbursed			
						2007	2006		
G (Chairperson)	Stanhope, J.	\$ 17,946.57	\$ 8,973.28	\$ 26,919.85	\$ 27,662.14	\$ 10,418.17	\$ 14,983.95	\$ 37,338.02	\$ 42,646.09
A	Burnett, J.	\$ 11,090.18	\$ 5,545.09	\$ 16,635.27	\$ 19,308.42	\$ 4,748.08	\$ 4,956.22	\$ 21,383.35	\$ 24,264.64
B	Sperling, B.	\$ 9,523.51	\$ 4,761.76	\$ 14,285.27	\$ 16,538.42	\$ 2,045.13	\$ 2,011.69	\$ 16,330.40	\$ 18,550.11
C	Young, M.	\$ 10,610.18	\$ 5,305.09	\$ 15,915.27	\$ 16,503.42	\$ 4,289.90	\$ 5,347.61	\$ 20,205.17	\$ 21,851.03
E	Holme, G.	\$ 10,976.85	\$ 5,488.42	\$ 16,465.27	\$ 15,904.96	\$ 1,555.74	\$ 3,280.22	\$ 18,021.01	\$ 19,185.18
F	Biggemann, L.	\$ 10,586.85	\$ 5,293.42	\$ 15,880.27	\$ 15,959.96	\$ 4,710.01	\$ 4,634.88	\$ 20,590.28	\$ 20,594.84
H	Bartram, D.	\$ 12,736.85	\$ 6,368.42	\$ 19,105.27	\$ 19,217.74	\$ 5,748.13	\$ 9,356.82	\$ 24,853.40	\$ 28,574.56
Lantzville	Haime, C.	\$ 6,208.95	\$ 3,104.48	\$ 9,313.43	\$ 9,129.90	\$ 152.97	\$ -	\$ 9,466.40	\$ 9,129.90
Nanaimo	Korpan, G.	\$ 6,122.29	\$ 3,061.14	\$ 9,183.43	\$ 8,999.90	\$ -	\$ -	\$ 9,183.43	\$ 8,999.90
Nanaimo	McNabb, L.	\$ 7,315.62	\$ 3,657.81	\$ 10,973.43	\$ 10,889.90	\$ 637.29	\$ 844.04	\$ 11,610.72	\$ 11,733.94
Nanaimo	Brennan, D.	\$ 6,598.95	\$ 3,299.48	\$ 9,898.43	\$ 10,191.05	\$ 173.35	\$ 315.23	\$ 10,071.78	\$ 10,506.28
Nanaimo	Holdom, B.	\$ 6,892.29	\$ 3,446.14	\$ 10,338.43	\$ 10,154.90	\$ 324.34	\$ 407.43	\$ 10,662.77	\$ 10,562.33
Nanaimo	Bestwick, B.	\$ 6,122.29	\$ 3,061.14	\$ 9,183.43	\$ 9,346.05	\$ -	\$ 109.35	\$ 9,183.43	\$ 9,455.40
Nanaimo	Manhas, C.	\$ 6,425.62	\$ 3,212.81	\$ 9,638.43	\$ 9,866.05	\$ 106.41	\$ 349.54	\$ 9,744.84	\$ 10,215.59
Parksville	Herle, S.	\$ 6,512.29	\$ 3,256.14	\$ 9,768.43	\$ 5,374.95	\$ 487.74	\$ 404.91	\$ 10,256.17	\$ 5,779.86
Qualicum Beach	Westbrook, T.	\$ 6,605.62	\$ 3,302.81	\$ 9,908.43	\$ 9,849.90	\$ 917.05	\$ 934.50	\$ 10,825.48	\$ 10,784.40
		\$ 142,274.91	\$ 71,137.43	\$ 213,412.34	\$ 214,897.66	\$ 36,314.31	\$ 47,936.39	\$ 249,726.65	\$ 262,834.05
Board Alternates									
E	Van Eynde, F.	\$ 286.67	\$ 143.33	\$ 430.00	\$ 375.00	\$ 85.13	\$ 221.88	\$ 515.13	\$ 596.88
F	Niwa, D.	\$ -	\$ -	\$ -	\$ 140.00	\$ -	\$ 29.72	\$ -	\$ 169.72
G	Chase, J.	\$ 150.00	\$ 75.00	\$ 225.00	\$ 75.00	\$ 102.51	\$ 946.41	\$ 327.51	\$ 1,021.41
H	Heenan, D.	\$ 250.00	\$ 125.00	\$ 375.00	\$ 300.00	\$ 261.60	\$ 201.66	\$ 636.60	\$ 501.66
Lantzville	Dempsey, B.	\$ 200.00	\$ 100.00	\$ 300.00	\$ 225.00	\$ -	\$ -	\$ 300.00	\$ 225.00
Nanaimo	Sherry, L.	\$ 50.00	\$ 25.00	\$ 75.00	\$ 225.00	\$ -	\$ -	\$ 75.00	\$ 225.00
Nanaimo	Cameron, J.	\$ 350.00	\$ 175.00	\$ 525.00	\$ 825.00	\$ -	\$ -	\$ 525.00	\$ 825.00
Nanaimo	Unger, M.	\$ 450.00	\$ 225.00	\$ 675.00	\$ 440.00	\$ -	\$ -	\$ 675.00	\$ 440.00
Parksville	Burger, C.	\$ 100.00	\$ 50.00	\$ 150.00	\$ -	\$ -	\$ -	\$ 150.00	\$ -
Parksville	Lefebvre, M.	\$ -	\$ -	\$ -	\$ 150.00	\$ -	\$ 50.34	\$ -	\$ 200.34
Parksville	Johnston, B.	\$ -	\$ -	\$ -	\$ 5,561.10	\$ -	\$ 405.83	\$ -	\$ 5,966.93
Qualicum Beach	Avis, B.	\$ -	\$ -	\$ -	\$ 225.00	\$ -	\$ 229.78	\$ -	\$ 454.78
Qualicum Beach	Wilson, J.	\$ 186.67	\$ 93.33	\$ 280.00	\$ 75.00	\$ 127.70	\$ -	\$ 407.70	\$ 75.00
		\$ 2,023.34	\$ 1,011.66	\$ 3,035.00	\$ 8,616.10	\$ 576.94	\$ 2,085.62	\$ 3,611.94	\$ 10,701.72
Other Committees									
BOV	Little, John	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 335.07	\$ -	\$ 335.07
BOV	Flynn, J.	\$ -	\$ -	\$ -	\$ -	\$ 533.84	\$ -	\$ 533.84	\$ -
BOV/EA H Parks Open Space	Procter, M.	\$ -	\$ -	\$ -	\$ -	\$ 440.70	\$ 539.12	\$ 440.70	\$ 539.12
BOV/EA G Parks Open Space	Coath, B.	\$ -	\$ -	\$ -	\$ -	\$ 289.57	\$ 148.60	\$ 289.57	\$ 148.60
D69 Recreation	Wilson, J.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35.47	\$ -	\$ 35.47
		\$ -	\$ -	\$ -	\$ -	\$ 1,264.11	\$ 1,058.26	\$ 1,264.11	\$ 1,058.26
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ 144,298.25	\$ 72,149.09	\$ 216,447.34	\$ 223,513.76	\$ 38,155.36	\$ 51,080.27	\$ 254,602.70	\$ 274,594.03



CAO APPROVAL <input checked="" type="checkbox"/>	
EAP	
COW	<input checked="" type="checkbox"/> MCB
APR 25 2008	
RHD	
BOARD	

MEMORANDUM

TO: N. Avery
General Manager, Finance and Information Services

DATE: April 18, 2008

FROM: W. Thexton
Manager, Budgets and Capital Planning

FILE:

SUBJECT: Alberni Clayoquot Regional District – 2009 Permissive Tax Exemption

PURPOSE:

To introduce for adoption “Property Tax Exemption (Mt. Arrowsmith Regional Park) Bylaw No. 1548, 2008.”

BACKGROUND:

Where a Regional District is the owner of property outside of its boundaries, it is no longer automatically exempt from property taxes. The Alberni-Clayoquot Regional District is the owner of the Mt. Arrowsmith Regional Park, which is located within Electoral Area ‘C’ of the Regional District of Nanaimo. The Board has adopted bylaws annually since 2004 to provide a permissive tax exemption for this property. Permissive tax exemption bylaws must be adopted annually or, with the assent of the electors, may cover a period not exceeding 10 years. Nanaimo and Alberni-Clayoquot Regional District staff have agreed that it is administratively simple to adopt a permissive tax exemption bylaw annually, and Bylaw 1548 covering the 2009 tax year is presented with this report.

ALTERNATIVES:

1. Introduce and adopt “Property Tax Exemption (Mt. Arrowsmith Regional Park) Bylaw No. 1548, 2008” for the 2009 taxation year as presented.
2. Do not grant a permissive tax exemption for the 2009 taxation year for the Mt. Arrowsmith Regional Park properties.

FINANCIAL IMPLICATIONS:

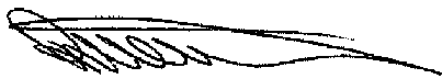
The 2008 assessed values for the two properties in question (folios 768 0002268.420 and 768 002268.416) total \$690,900. Had the exemption not been in place for the 2008 taxation year, the properties would have been assessed Regional District taxes of approximately \$523 including the regional parks parcel tax (\$12.24 x 2 folios) and Electoral Area ‘C’ general services taxation (\$72.20 per \$100,000). It is anticipated that the impact will be similar for 2009. However, if the properties were no longer to be statutorily exempt, the assessment value could increase and the property taxes payable would also be higher. Despite this implication, there is an intent and expectation that local governments will be exempt on any land they own directly.

SUMMARY/CONCLUSIONS:

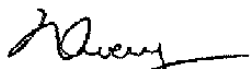
The bylaw introduced with this report continues the Nanaimo Regional District's acknowledgement that the Mt. Arrowsmith Regional Park should be a tax exempt property. The park is owned by the Alberni-Clayoquot Regional District but is located within the boundaries of the Regional District of Nanaimo. Permissive tax exemption bylaws must be adopted annually. Staff recommend the bylaw as presented.

RECOMMENDATION:

1. That "Property Tax Exemption (Mt. Arrowsmith Regional Park) Bylaw No. 1548, 2008" be introduced for first three readings.
2. That "Property Tax Exemption (Mt. Arrowsmith Regional Park) Bylaw No. 1548, 2008" be adopted.



Report Writer



General Manager Concurrence



C.A.O. Concurrence

COMMENTS:

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1548

**A BYLAW TO AUTHORIZE A PROPERTY
TAX EXEMPTION FOR THE YEAR 2009**

WHEREAS a Board may, by bylaw adopted by at least 2/3 of the votes cast, exempt property from property taxes under Section 809(3), in accordance with Section 809(4) of the *Local Government Act*,

AND WHEREAS the Alberni-Clayoquot Regional District is the owner of properties located within the boundaries of the Regional District of Nanaimo and the properties are used as a public park;

NOW THEREFORE the Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. The properties described as:

- a) District Lot 2000, Cameron Land District
- b) Lot 1, Block 1324, Plan 28909, Cameron Land District

which are owned by the Alberni-Clayoquot Regional District and are used for public park purposes, are authorized to be exempt from property taxes in accordance with Section 809(4)(g) of the *Local Government Act* for the year 2009.

2. This bylaw may be cited as the "Property Tax Exemption (Mt. Arrowsmith Regional Park) Bylaw No. 1548, 2008".

Introduced and read three times this ____ day of _____, 2008.

Adopted this ____ day of _____, 2008.

CHAIRPERSON

SR. MGR., CORPORATE ADMINISTRATION



CAO APPROVAL (CM)	
EAP	
COW	✓ May 13th
APR 29 2008	
RHD	
BOARD	

MEMORANDUM

TO: C. Mason
Chief Administrative Officer

DATE: April 26, 2008

FROM: N. Avery
General Manager, Finance & Information Services

FILE:

SUBJECT: Expansion of the Service Boundaries for the Dashwood Fire Department

PURPOSE:

To obtain approval of an amendment to the Dashwood Fire Protection service boundaries to include properties in the Meadowood Fire Protection Service.

BACKGROUND:

In May 2007 property owners in the Meadowood subdivision area of Electoral Area 'F' approved borrowing to purchase fire fighting vehicles and construct a firehall, which would subsequently be operated by the Dashwood volunteer fire department. Vehicles were ordered in 2007 and are slated for delivery in the first week of June. The firehall construction project has been delayed because of cost pressures and is under discussion with the community steering committee and staff. Storage for the vehicles is available on private property within the Meadowood service area and volunteers from the area are fully trained. The Board of the Dashwood Fire Department supports expanding the service area boundaries so that fire protection services can be available commencing this summer.

This bylaw can be adopted without Provincial approval and our standard is that such bylaws be adopted in the month following their introduction. A lease with the property owner where the vehicles will be stored is underway, however, in order to comply with our procedural standard staff are introducing the amendment bylaw at this meeting.

ALTERNATIVES:

1. Approve the amendment bylaw as presented.
2. Do not approve the amendment at this time.

FINANCIAL IMPLICATIONS:


The financial implications have been outlined in previous staff reports and there are no significant changes to report at this time. Funds to cover the operating and storage costs for the vehicles are covered within the 2008 budget paid for by the Meadowood property owners.


SUMMARY/CONCLUSIONS:

The firefighting vehicles for the Meadowood service area will be delivered early in June and would be capable of being placed into service this summer. The firehall building for the vehicles is not yet constructed and interim storage arrangements have been made with a private property owner in the Meadowood subdivision area. Volunteers from the area are fully trained and the Dashwood Fire Department has advised staff that they support expanding Dashwood's operational boundaries so that fire protection can be available commencing at the end of June. A lease with the private property owner will be brought to the Board in June. In order to meet our procedural standard for adopting bylaws, Bylaw No. 964.04 is introduced at this time, so that it can be adopted in June.

RECOMMENDATION:

That "Dashwood Fire Protection Local Service Area Amendment Bylaw No. 964.04, 2008" be introduced and read three times.


Report Writer


C.A.O. Concurrence

COMMENTS:

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 964.04

**A BYLAW TO AMEND THE BOUNDARIES
OF THE DASHWOOD FIRE PROTECTION
LOCAL SERVICE AREA**

WHEREAS the Board of the Regional District of Nanaimo has established the Dashwood Fire Protection Local Service Area by Regional District of Nanaimo "Dashwood Fire Protection Local Service Area Conversion and Boundary Amendment Bylaw No. 964, 1996";

AND WHEREAS in May 2007 the Board of the Regional District of Nanaimo received sufficient petitions to amend the boundaries of the service area to include additional properties included concurrently within the Meadowood Fire Protection Service Area;

NOW THEREFORE the Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. This bylaw may be cited as "Dashwood Fire Protection Local Service Area Boundary Amendment Bylaw No. 964.04, 2008".
2. Schedules 'A', 'B' and 'C' attached to Bylaw No. 964 are hereby repealed.
3. The boundaries of the "Dashwood Fire Protection Local Service Area" are hereby amended to include the properties outlined on Schedule 'B' attached to and forming part of this bylaw.
4. The amended boundaries of the "Dashwood Fire Protection Local Service Area" are shown in heavy black outline on Schedule 'A' attached to this bylaw.

Introduced and read three times this 27th day of May, 2008.

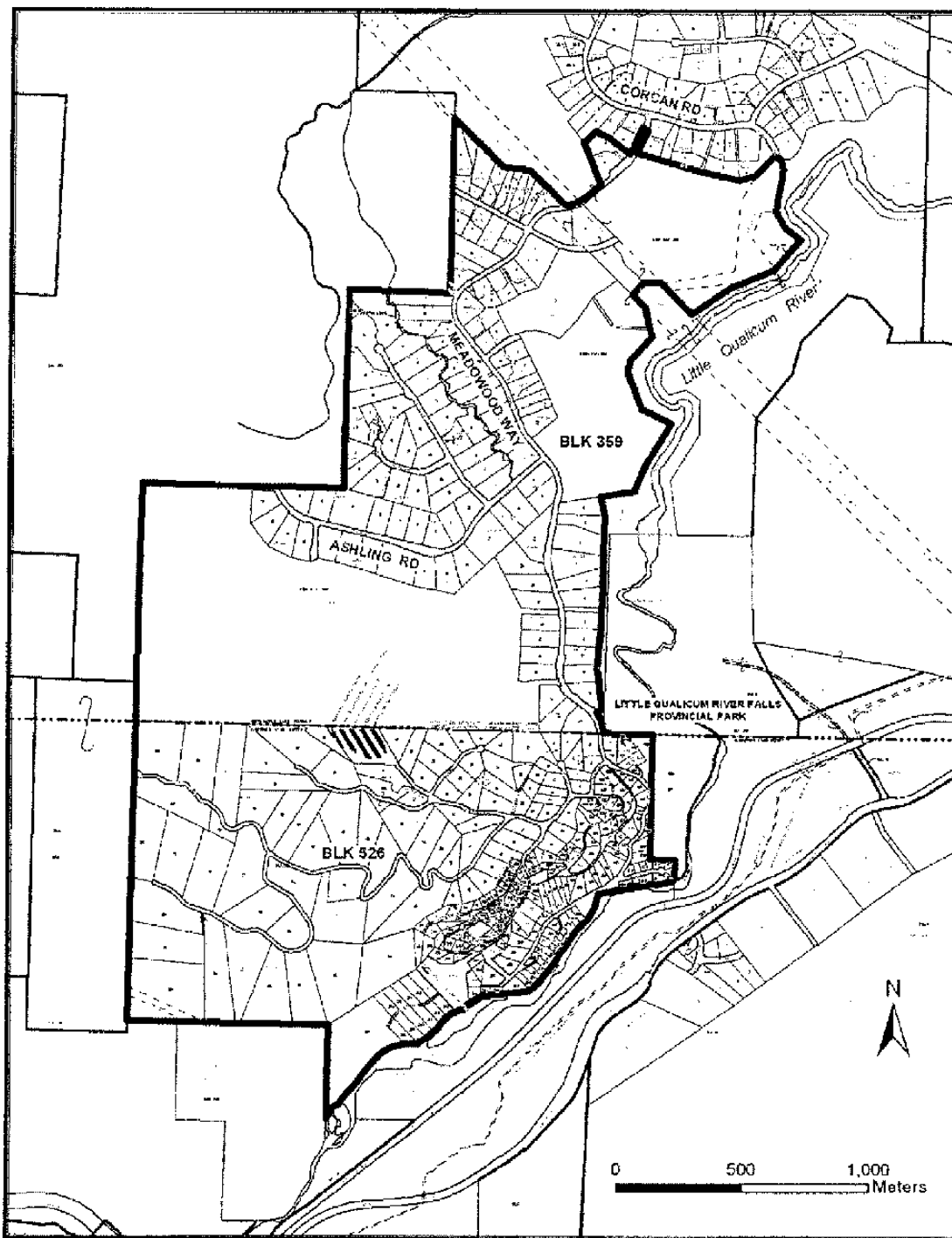
Adopted this day of , 2008.

CHAIRPERSON

SR. MGR., CORPORATE ADMINISTRATION

Chairperson

Sr. Mgr, Corporate Administration





EAP		CAO APPROVAL <i>CW</i>
COW		<i>May 13th</i>
MAY 06 2008		
RHD		
BOARD		

MEMORANDUM

TO: C. Mason
Chief Administrative Officer **DATE:** April 26, 2008

FROM: N. Avery **FILE:**
General Manager, Finance & Information Services

SUBJECT: Approval to use Electoral Areas Community Works Funds

PURPOSE:

To describe the purpose and obtain approval to use Gas Tax transfer program Community Works funds for the Electoral Areas.

BACKGROUND:

The Community Works Funds is a component of the federal Gas Tax program. The funds are distributed directly to local governments and can be used for any of the purposes identified under the Gas Tax program including infrastructure improvements, applications of innovative technology or capacity building. The primary objectives of the Gas Tax transfer program are to:

1. Accelerate improvements to infrastructure which improve the quality of the environment and contribute to reduced greenhouse gas emissions, cleaner water or cleaner air
2. Strengthen the ability of local government to develop and implement integrated community sustainability planning

Funds available to the Regional District of Nanaimo are intended to undertake relevant projects for the Electoral Areas – each municipality within the Regional District has and will receive funds each year until 2010 for the same purpose. Over the course of time up to March 31, 2010 the Regional District of Nanaimo is projected to receive \$2.5 million dollars for use in the Electoral Areas. To date we have received \$950,000 as advances from the program and expect a further \$500,000 by March 31, 2009. This report outlines projects which fit the criteria of the program and for which we are seeking Board endorsement to be included as work plan items over the next three years.

ALTERNATIVES:

1. Endorse the proposed projects as presented.
2. Recommend changes to the proposed plan and endorse an amended plan.

FINANCIAL IMPLICATIONS:

General Comments:

For the most part the proposals fall into the category of capacity building projects. Under this category local governments may use the funds to undertake studies which lead to integration of sustainability targets in community development plans or Official Community Plans. As noted above one of the objectives of the Gas Tax transfer program is to accelerate implementation activities. The challenge, particularly where a project involves reaching out to the community for feedback and participation is finding sufficient staff resources to do so while maintaining (and continuously improving) our day to day delivery of services. By this we are referring to processing development applications and permits and responding to Board requests for investigation into topics that arise in the regular course of business. Under the Gas Tax agreement there is an expectation that the funds will be used within the time period of the program, the first phase of which ends in 2010.

All Electoral Area OCP's could benefit from additional research into development objectives identified in their plans – finding the funding and the staff resources has been challenging within the current planning services budgets. The program outlined on the attachments will need a combination of temporary and permanent new staff in addition to the funds for the investigatory studies themselves. If this plan is endorsed staff would address resourcing as part of the 2009 and future budgets.

The table below summarizes the cost in today's dollars for projects that would fit the Gas Tax program criteria. With the exception of Electoral Area B and as noted earlier, most of the proposals involve studies which are needed to identify the specific actions or to draft the regulations leading to implementation of objectives in Official Community Plans, the Board's strategic plan and most recently new Provincial legislation with regards to green house gas reduction targets within the Electoral Areas. The table below does not identify separate projects for Electoral Area B at this time as there is little in the way of specific Regional District infrastructure in that Electoral Area. Electoral Area B is however, participating in the projects categorized as All Electoral Areas. The results from these projects will be shared with the Islands Trust to assist in their oversight of development in Electoral Area B.

	2008-2009	2009-2010	2010-2011	2011-2012	Projected On Hand at 2012
All Electoral Areas	\$342,430	\$200,000			
Area A Projects	\$167,215	\$70,000	\$10,000		\$151,000
Area B Projects	TBD	TBD	TBD		\$196,000
Area C Projects			\$75,000	\$75,000	\$40,000
Area E Projects	\$10,000	\$85,000	\$10,000		\$194,000
Area F Projects		\$75,000			\$288,000
Area G Projects	\$10,000	\$10,000	\$10,000		\$375,000
Area H Projects	\$97,215				\$49,000
	\$626,860	\$440,000	\$105,000	\$75,000	\$1,293,000

The attachments to this report provide more detail on the proposed use of the funds.

SUMMARY/CONCLUSIONS:


Funding from the Gas Tax program for the Electoral Areas provides opportunities to accelerate the achievement of objectives outlined in Official Community Plans, the Board's Strategic Plan, the Green Buildings Plan and the report from the Regional Growth Monitoring Advisory Committee titled "Prospering Today, Protecting Tomorrow - Recommendations for a Sustainable Future".

On the pages attached to this report staff have identified focus areas which fit the criteria of the Gas Tax program and which will result in improvements in staff knowledge, will create public education materials and opportunities, will identify barriers to creating low impact communities and will improve the regulatory framework through which the Regional District can influence the future building of sustainable communities.

Opportunities also come with challenges – the primary one being sufficient staff resources to manage multiple projects in the timeframe of the funding program. The budgets outlined in the attachments will be refined as the projects get underway and there is a clearer understanding of the staff resource requirements.

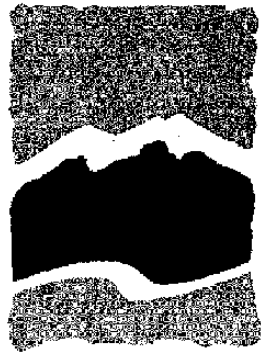
RECOMMENDATION:

That the projects eligible under the Community Works component of the Gas Tax program outlined on the attachments to this report be endorsed as presented and that the 2008 budget be amended to include new projects identified for 2008.


Report Writer


C.A.O. Concurrence

COMMENTS:



REGIONAL DISTRICT OF NANAIMO

ELECTORAL AREAS

GAS TAX TRANSFER PROGRAM

COMMUNITY WORKS FUND

PROPOSED PROJECT LIST

MAY 2008

GAS TAX TRANSFER PROGRAM
COMMUNITY WORKS FUNDS – ALL ELECTORAL AREAS
2008-2009

Topic	Gas Tax Program Objective	Description	Budget
Liquid Waste Management Plan Review	Long term plans – water/wastewater	Assist in the review of disposal options	\$38,000 (2008 budget)
Bylaw 500 Update	Improving the regulatory framework for sustainable communities	A review and update of the primary regional district zoning and subdivision bylaw to include regulations related to green site planning/subdivision and other sustainable community development regulations; includes development community input and education	\$107,215 (2008 budget)
Affordable Housing Strategy	Social and economic sustainability	Examine how affordable housing can be addressed and incorporated into official community plans and land use bylaws. Includes examining and understanding partnerships or strategic alliances to achieve the goals.	\$57,215 (2008 budget)
Green Buildings & Public Awareness	Long term thinking, research and public education	A report examining new construction in the region over a 20 year period and comparing the impacts of current patterns of development with greener more compact communities (new requirements resulting from Bill 27). Includes an awareness campaign to inform the public, industry and government officials.	\$20,000 (new request) Total project is \$40,000-\$20,000 is included in 2008 Regional Growth Strategy budget
V.I. Aquifer Mapping Project	Water conservation/demand management plans – long term thinking and research	Partnering with Natural Resources Canada & BC Ministry of Environment to map aquifer locations, the overlying land use and vulnerability of those aquifers. This project will provide valuable background information to future actions on protection of drinking water in the region	\$30,000 (new request)
Water Smart website upgrade	Water conservation/demand management plans - Public education to increase awareness	Development of interactive tools focused as teaching resources for elementary/high school students. Includes calculators to illustrate the reduction in household bills by reducing water use	\$20,000 (new request)
Rainwater Management Strategy Options	Integration of planning and policy development with respect to environmental management systems	Technical assistance to address the role and approaches the Regional District might take to guide the management of surface water in new developments	\$20,000 (new request)
Urban/Rural Open Burning Strategy	Air quality plans	Research into policy approaches related to open burning and the connection to community greenhouse gas/air particulate matter reduction targets	\$50,000 (new request)

GAS TAX TRANSFER PROGRAM

COMMUNITY WORKS FUNDS – ALL ELECTORAL AREAS

2009-2010

Topic	Gas Tax Program Objective	Description	Budget
Report on barriers to Green Buildings	Knowledge gain – a component of the Green Buildings Action Plan	Examine the barriers to constructing green buildings that are specific to this region to help the RDN achieve its goals and obligations with respect to climate change and GHG reduction.	\$30,000
Incentives for Green Buildings	Knowledge gain - a component of the Green Buildings Action Plan	Examine the various incentives that can be used to encourage development and construction of green buildings specific to this region.	\$20,000
Green Building/Climate Change Staff Education	Corporate education program related to the sustainable management, operation and maintenance of infrastructure	Internal education and training to ready the organization to implement the green building and climate change plans	\$20,000
Resource Lands Review	Community development plans	Identify regulations and tools that can be used to implement objectives and policies related to sustainable use of resource lands and maintaining rural integrity	\$35,000
Home Based Business Regulation Review	Community development plans	Examine the trends and impacts of home based businesses in the Regional District and the regulatory framework. Regulatory amendments focus on sustainability, economic development, traffic and growth.	\$35,000
Sustainable Subdivision Regulation Review	Community development plans	Identify regulations and tools that can be used to implement objectives and policies related to sustainable subdivision design, environmental protection and servicing with a focus on maintaining rural integrity	\$60,000

GAS TAX TRANSFER PROGRAM

COMMUNITY WORKS FUNDS – ELECTORAL AREA A

2008-2009

Topic	Gas Tax Program Objective	Description	Budget
OCP Review Background Reports	Knowledge gaining activities aimed at integrating planning with policy development and implementation	Information is needed on protecting and enhancing a green space network, aquifer vulnerability and recharge and a sewer servicing strategy for village centers – the funds identified will not cover all of the required studies but will greatly assist in some parts of the review	\$97,215 (2008 budget) plus \$60,000 (new request)
Public Transit	Develop or improve public transit system	Bus shelter	\$10,000 (new request)

2009-2010

Topic	Gas Tax Program Objective	Description	Budget
Village Plan	Knowledge gaining activities aimed at integrating planning with policy development and implementation	Depending on outcome of overall OCP, reports would be commissioned to outline implementation of sustainability policies in village centers. The specific objectives of the study would be refined as part of the OCP review process.	\$60,000
Public Transit	Develop or improve public transit system	Bus shelter	\$10,000

2010-2011

Topic	Gas Tax Program Objective	Description	Budget
Public Transit	Develop or improve public transit system	Bus shelter	\$10,000

GAS TAX TRANSFER PROGRAM
COMMUNITY WORKS FUNDS – ELECTORAL AREA C

2010-2011

Topic	Gas Tax Program Objective	Description	Budget
OCP Review Background Reports	Knowledge gaining activities aimed at integrating planning with policy development and implementation	The specific studies will be identified in the initial planning for the OCP review.	\$75,000

2011 -2012

Topic	Gas Tax Program Objective	Description	Budget
Village Plan	Knowledge gaining activities aimed at integrating planning with policy development and implementation	Depending on outcome of overall OCP, review reports would be commissioned to outline implementation of sustainability policies in village centers. The specific objectives of the study would be refined as part of the OCP review process.	\$75,000

GAS TAX TRANSFER PROGRAM

COMMUNITY WORKS FUNDS – ELECTORAL AREA E

2008-2009

Topic	Gas Tax Program Objective	Description	Budget
Public Transit	Develop or improve public transit system	Bus shelter	\$10,000 (new request)

2009-2010

Topic	Gas Tax Program Objective	Description	Budget
Village Plan	Knowledge gaining activities aimed at integrating planning with policy development and implementation	Reports would be commissioned to outline implementation of sustainability policies in village centers. This information could be available in advance of the OCP review.	\$75,000
Public Transit	Develop or improve public transit system	Bus shelter	\$10,000

2010-2011

Topic	Gas Tax Program Objective	Description	Budget
Public Transit	Develop or improve public transit system	Bus shelter	\$10,000

GAS TAX TRANSFER PROGRAM

COMMUNITY WORKS FUNDS – ELECTORAL AREA F

2009-2010

Topic	Gas Tax Program Objective	Description	Budget
Village Plan	Knowledge gaining activities aimed at integrating planning with policy development and implementation	Reports would be commissioned to outline implementation of sustainability policies in village centers. This information could be available in advance of the OCP review.	\$75,000

GAS TAX TRANSFER PROGRAM

COMMUNITY WORKS FUNDS – ELECTORAL AREA G

2008-2009

Topic	Gas Tax Program Objective	Description	Budget
Public Transit	Develop or improve public transit system	Bus shelter	\$10,000 (new request)

2009-2010

Topic	Gas Tax Program Objective	Description	Budget
Public Transit	Develop or improve public transit system	Bus shelter	\$10,000

2010-2011

Topic	Gas Tax Program Objective	Description	Budget
Public Transit	Develop or improve public transit system	Bus shelter	\$10,000

GAS TAX TRANSFER PROGRAM

COMMUNITY WORKS FUNDS – ELECTORAL AREA H

2008-2009

Topic	Gas Tax Program Objective	Description	Budget
Village Plan	Knowledge gaining activities aimed at integrating planning with policy development and implementation	Reports would be commissioned to outline implementation of sustainability policies in village centers.	\$97,215 (2008 budget)



CAO APPROVAL	
EAP	
CCW	May 13th
MAY 02 2008	
RHD	
BOARD	

MEMORANDUM

TO: Tom Arnet
 Manager Building and Bylaw Services

DATE: April 30, 2008

FROM: Jack Eubank
 Bylaw Enforcement Officer

FILE: 345E07

SUBJECT: Unsightly Premises -- 2401 Collins Crescent, Nanoose Bay

PURPOSE

To obtain Board direction regarding an on-going property maintenance contravention at the above-noted location.

BACKGROUND

Property: 2401 Collins Crescent, Electoral Area 'E'

Legal Description: Lot 65 PL 23588, District Lot 6, Nanoose Land District

Property Owner: Guenter Selinger
 Robert G. Selinger
 2401 Collins Crescent
 Nanoose Bay, BC V9P 9J9

Zoning: Residential 1

The subject property is located in the residential community of Red Gap, Nanoose Bay, an area of neat and well maintained properties. On three previous occasions (1995, 1998, 2003), the Board directed the owners, by resolution, to clean-up the property. On each occasion, the property contained a large accumulation of debris, appliances, old boats, derelict vehicles as well as significant overgrowth of weeds, bushes and grass.

The most recent complaint was received on December 27th, 2007 and a staff inspection the same day confirmed an accumulation of 4 derelict vehicles, an old sailboat, an older holiday trailer and numerous bicycles, tools and a wheelchair among other debris scattered about the front yard (see photographs attachment 1). Staff provided verbal direction to Guenter Selinger on the requirements to bring the property into compliance.

On January 3rd, 2008, a letter was sent by courier to the owners, ordering the property cleaned up and explaining the requirements of the applicable bylaw however delivery of the letter was refused. On January 11th, 2008 staff hand delivered the letter to the property.

Several site inspections were conducted in the following weeks with no apparent changes to the condition of the property noted. Attempts were made to contact the owners without success.

On February 11th, 2008 Guenter Selinger was finally located at the residence and appeared quite receptive to the requirement to clean up his property, explaining that he intends to move to Tahsis shortly and take his belongings with him. As of the date of this report however, none of the debris has been removed as promised by the owner. It is apparent, based on the history of non-compliance, that the owners will not maintain the property in compliance with Regional District of Nanaimo regulations.

ALTERNATIVES

1. To notify the property owners and bring forward a resolution requiring the property be cleaned up pursuant to "Unsightly Premises Regulatory Bylaw No. 1073, 1996."
2. To not consider a clean up resolution pursuant to "Unsightly Premises Regulatory Bylaw No. 1073, 1996."

FINANCIAL IMPLICATIONS


If the Board adopts a resolution to have the identified material removed from the property, any costs incurred by the Regional District of Nanaimo or its agent with respect to the removal may be recovered from the property owner.

CONCLUSION

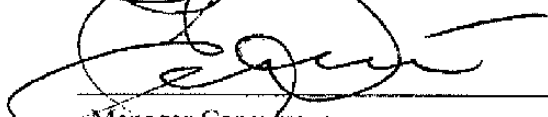
The owners have demonstrated an unwillingness to comply with the provisions of the Unsightly Premises bylaw or to maintain the property to a reasonable standard as compared to surrounding properties. On three previous occasions, the Board found it necessary to force the owners to clean up the property by way of resolution. Board direction appears, once again to be the only remaining option available to bring this property into compliance with Regional District of Nanaimo regulations.

RECOMMENDATION

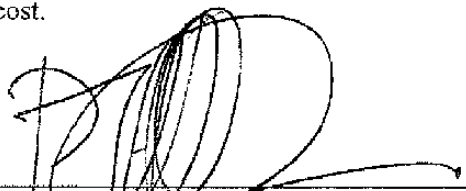
That should this matter not be rectified by May 27, 2008, pursuant to "Unsightly Premises Regulatory Bylaw No. 1073, 1996", the Board directs the owners of the above-noted property to remove from the premises, those items set out in the attached resolution within (14) days, or the work will be undertaken by the Regional District of Nanaimo's agents at the owner's cost.



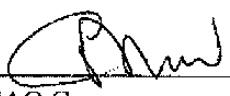
Report Writer



Manager Concurrence

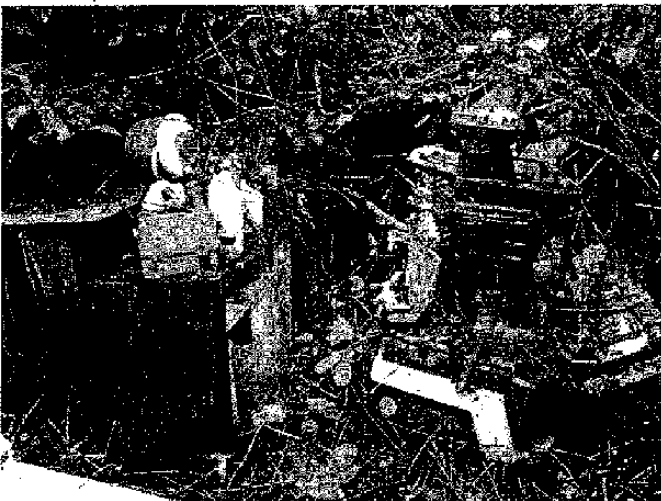
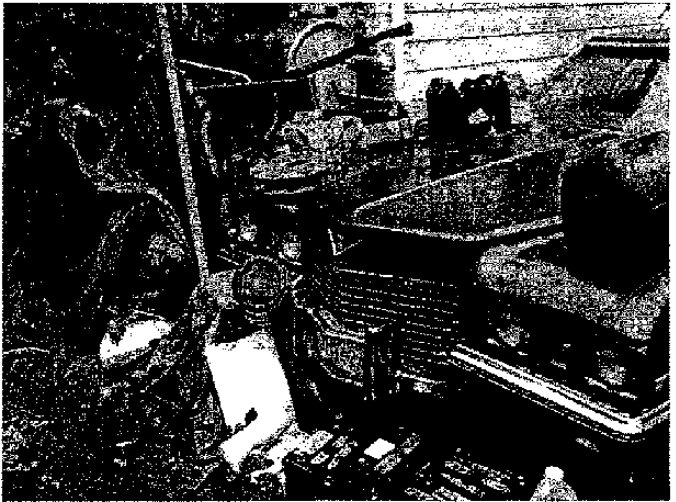
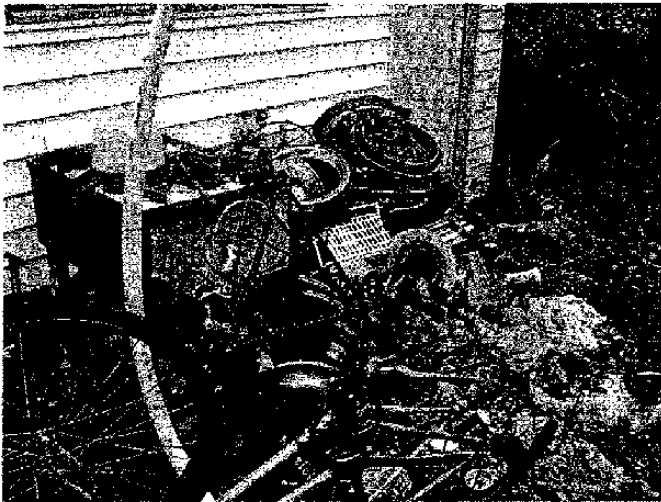
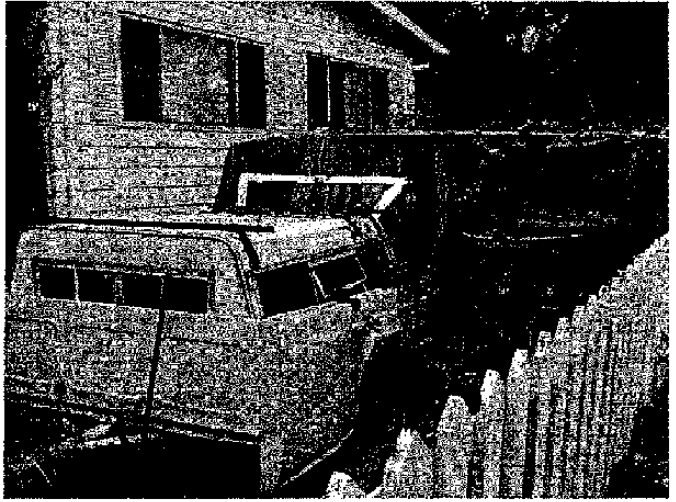
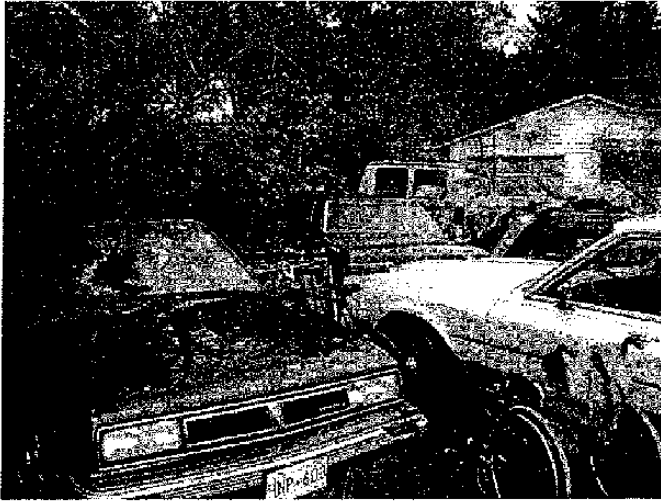


General Manager Concurrence



CAO Concurrence

Attachment No. 1





RDN REPORT	
CAO APPROVAL <i>[Signature]</i>	
EAP	
COW	✓ May 13th
MAY 05 2008	
RHD	
BOARD	

MEMORANDUM

TO: Tom Arnet
 Manager, Building and Bylaw Services

DATE: April 30, 2008

FROM: Allan Dick
 Building Inspection Supervisor

FILE:

SUBJECT: 793 Terrien Way -- Building Bylaw Contravention

PURPOSE

To obtain Board approval to file a Notice of Bylaw Contravention on the title of the above-noted property.

BACKGROUND

Property: 793 Terrien Way, Parksville, B.C., Electoral Area "G"

Legal: Lot 26 DL 1 Plan 29928 Nanoose District

Owners: Francis Joseph Provencal and Linda Marie-Germaine Simard

Zoning: Residential 1 (RS1)

On April 12, 2002, the Regional District of Nanaimo (RDN) issued a Building Permit to construct a 74 square meter detached garage on the above property. Subsequent to permit issuance, staff completed a footing and drainage inspection however no further inspections were requested by the owners prior to the permit expiring on April 12, 2004. The incomplete building is now in contravention of RDN building bylaw regulations. Staff has attempted to resolve the issue as follows:

- A recent inspection confirmed the building is currently framed contrary to approved plans.
- Letter sent to owners on February 12, 2008 outlining the requirements to renew the expired permit. No response received.
- Follow up letter sent to owners on March 31, 2008. No response received.

ALTERNATIVES

1. That a Notice of Bylaw Contravention be registered on the title of the property and staff be directed to take the necessary legal action should this contravention remain unresolved after a ninety (90) day period.
2. That a Notice of Bylaw Contravention not be registered on title at this time and staff be directed to continue to seek voluntary compliance with "Regional District of Nanaimo Building Regulations & Fees Bylaw 1250, 2001."

FINANCIAL IMPLICATIONS

If it becomes necessary to take legal action to resolve this contravention, the cost is estimated at \$3,000.

CONCLUSION

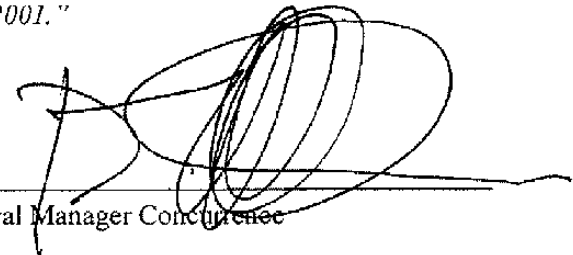
A Building Permit was issued in April 2002 to construct a 74 square meter detached garage on the subject property. Staff conducted a footing and drainage inspection in 2002 and work continued on the building without further inspections being requested by the owners during the valid permit period. The building is currently framed contrary to approved plans and the Building Permit has expired. As the owners have not responded to requests to renew their permit and complete the building, staff recommends that a Contravention Notice be placed on the title and legal action be taken if necessary to resolve this matter.

RECOMMENDATION

That staff be directed to register a Notice on title pursuant to Section 57 *Community Charter* and should the outstanding bylaw contraventions not be resolved within ninety (90) days, that legal action be pursued to ensure Lot 26, District Lot 1, Nanoose District, Plan 29928, is in compliance with the "*Regional District of Nanaimo Building Regulations & Fees Bylaw 1250, 2001.*"



Report Writer



General Manager Concurrence



Manager Concurrence



CAO Concurrence

COMMENTS:

devsvs/reports/2008/ja 57 CoW Report



CAO APPROVAL <i>(Signature)</i>	
EAP	
COW	<i>May 13th</i>
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RHD	
BOARD	

MEMORANDUM

TO: Tom Armet
 Manager, Building and Bylaw Services

DATE: April 30, 2008

FROM: Allan Dick
 Building Inspection Supervisor

FILE:

SUBJECT: 3182 Dolphin Drive- Building Bylaw Contravention

PURPOSE

To obtain Board approval to file a Notice of Bylaw Contravention on the title of the above-noted property.

BACKGROUND

Property: 3182 Dolphin Drive, Nanoose Bay – Electoral Area ‘E’

Legal: Lot 60 District Lot 78 Plan VIP14275 Nanoose Land District

Owners: Mary Jean and Gordon Wright

Zoning: Residential 1 (RS1)

On August 29, 2006 the Regional District of Nanaimo (RDN) issued a Building Permit to construct a single family dwelling with an attached garage on the subject property. Subsequent to permit issuance, all required inspections were conducted and approved except the final occupancy inspection. The owners moved into the house in December 2007 without an occupancy permit being issued pursuant to building bylaw regulations. Staff has attempted to resolve the contravention as follows:

- A letter was sent to the owners on January 17, 2008 outlining the requirements for an Occupancy Permit.
- An occupancy inspection was conducted on February 11, 2008 and failed due to 12 outstanding items, some being safety issues such as exterior deck, stair guards, gas and electrical permits.
- A follow-up letter was sent to the owners on February 20, 2008.
- Building Inspection Supervisor contacted the owners and urged them to complete the outstanding occupancy issues. They were informed of the bylaw contravention process should the issues not be addressed forthwith.
- Owners have not responded or completed the work as required.

ALTERNATIVES

1. That a Notice of Bylaw Contravention be registered on the title of the property and staff be directed to take the necessary legal action should these contraventions remain unresolved after a thirty (30) day period.
2. That a Notice of Bylaw Contravention not be registered on title at this time and staff be directed to continue to seek voluntary compliance with “Regional District of Nanaimo Building Regulations & Fees Bylaw 1250, 2001.”

FINANCIAL IMPLICATIONS

If it becomes necessary to take legal action to resolve this contravention, the cost is estimated at \$3,000.

SUMMARY


A Building Permit was issued in August 2006 to construct a single family dwelling and attached garage on the subject property. All required inspections were conducted and approved except the final occupancy inspection. The owners moved into the house in December 2007 without an occupancy permit being issued pursuant to building bylaw regulations. Staff provided the owners with written direction in February 2008 on occupancy requirements, including the correction of several safety related issues. Since that time, the owners have not communicated further with staff and the house remains occupied in contravention of building bylaw regulations. Staff recommend that a Contravention Notice be placed on the title and that legal action be taken if necessary to resolve this matter.

RECOMMENDATION

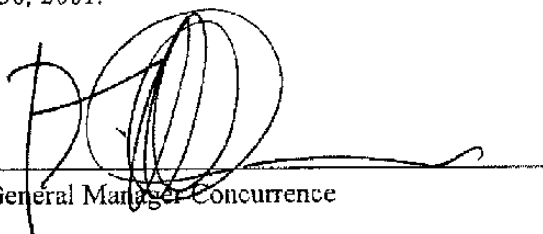
That staff be directed to register a Notice on title pursuant to Section 57 *Community Charter* and should the outstanding bylaw contraventions not be resolved within thirty (30) days, that legal action be pursued to ensure Lot 60, District Lot 78, Plan VIP14275, Nanoose District, is in compliance with the "*Regional District of Nanaimo Building Regulations & Fees Bylaw 1250, 2001.*"



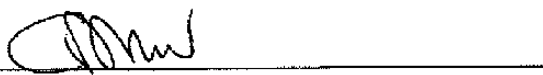
Report Writer



Manager Concurrence



General Manager Concurrence



CAO Concurrence

COMMENTS:

devsvs/reports/2008/ja 57 CoW Report



EAP		
COW		✓ May 13th
MAY 02 2008		
RHD		
BOARD		

MEMORANDUM

TO: Paul Thompson
 Manager of Long Range Planning

DATE: May 2, 2008

FROM: Greg Keller
 Senior Planner

FILE: 1855 03 2008

SUBJECT: Built Environment and Active Transportation Community Planning Grant

PURPOSE

To receive information on the Built Environment and Active Transportation Community Planning Grant Program and consider a resolution in support of submitting an expression of interest to apply for funding to develop an active transportation plan as part of the Electoral Area 'A' Official Community Plan review.

BACKGROUND

In January 2008 the Built Environment and Active Transportation (BEAT) initiative was launched as part of the provincial Physical Activity Strategy developed by the British Columbia Healthy Living Alliance. The purpose of the initiative is to reduce chronic disease in the province by decreasing the proportion of inactive adults aged 35-54 years old in British Columbia by 20%.

The British Columbia Recreation and Parks Association (BCRPA) is leading the implementation of the Physical Activity strategy in partnership with the Union of British Columbia Municipalities (UBCM), which is responsible for the administration of the associated community planning grants.

Municipalities and Regional Districts in British Columbia are eligible to apply for a community planning grant to assist in the development of new active transportation plans or the revision of existing transportation plans. During phase 1 of the grant program, a total of 10 grants of \$15,000 to \$25,000 are available. The grant funds do not require any matching funds or cost sharing. There is also a phase 2 which offers the same value and number of grants scheduled for the spring of 2009.

In the context of this initiative, Active Transportation includes human-powered forms of travel such as walking, cycling, jogging/running, rollerblading, in-line and ice skating, skateboarding, use of a wheelchair or scooter, cross-country skiing, canoeing and kayaking.

Grants are available for planning activities and can be used for community consultation, various kinds of assessments, developing new plans, updating existing plans, and hiring consultants to assist in the process.

To apply, interested Local Governments must submit an expression of interest not more than 2 pages in length outlining the project and the process of developing an active transportation plan. Successful applicants will be invited to submit a full proposal for consideration.

DISCUSSION

Staff have reviewed the grant application guide and have drafted an expression of interest (included as Attachment No. 1) that proposes to develop an active transportation plan as part of the Electoral Area 'A' Official Community Plan review. This would include conducting an assessment of the existing active transportation infrastructure in the Plan Area, providing opportunities for the community to discuss transportation issues and opportunities, the formation of an Active Transportation Advisory Group to provide technical expertise and different perspectives on the plan. Finally a draft plan would be developed and reviewed by the Advisory Group and presented to the community.

Once the Plan is completed, it is anticipated that it would become part of the new Electoral Area 'A' Official Community Plan and could include design guidelines, policies, and an implementation strategy.

Funding would primarily be used for hiring a consultant to conduct the assessment, lead the public process, and prepare the final report.

If approved, it would allow for a more detailed review of transportation issues than what would otherwise be possible with current staff and resource levels.

ALTERNATIVES

1. To receive this Report and attached expression of interest as information and to direct staff to proceed by submitting the attached expression of interest to UBCM for consideration.
2. To receive this Report and attached expression of interest as information and to provide staff with further direction.

FINANCIAL IMPLICATIONS

If the Board supports Alternative 1 to submit an expression of interest, the anticipated budget for this project, not including in-kind Regional District of Nanaimo staff time contributions, is \$25,000. Funding would be used to hire a consultant to assist in the plan process and development as well as to fund the costs associated with the process such as meeting expenses and advertising.

VOTING

All Directors -- one vote.

CONCLUSION

Grant funding in an amount of up to \$25,000 is available to assist the Regional District of Nanaimo Planning Department in developing an active transportation plan as part of the Electoral Area 'A' Official Community Plan review. Staff are proposing to submit an expression of interest to the UBCM for funding, which is aimed at hiring and covering other process-related costs.

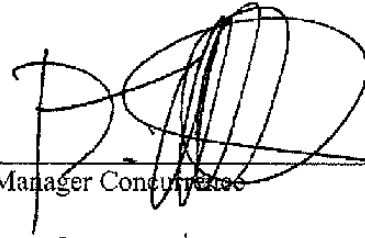
Staff is of the opinion that the proposal being put forward by staff is consistent with the grant program's guiding principles and eligibility requirements and has the potential to significantly improve transportation planning in Electoral Area 'A'. Therefore, staff recommends that the Board approve the requested resolution and direct staff to proceed with submitting an expression of interest.

RECOMMENDATION

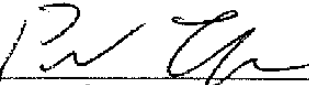
1. That the Regional District of Nanaimo Board authorizes staff to proceed with submitting an expression of interest to the Union of British Columbia Municipalities for the purpose of applying for funding under the Built Environment and Active Community Planning Grant Program to develop an active transportation plan as part of the Electoral Area 'A' Official Community Plan review.



Report Writer



General Manager Concurrence



Manager Concurrence



CAO Concurrence

COMMENTS:

Attachment No. 1
Expression of Interest
Regional District of Nanaimo Electoral Area 'A'
Active Transportation Plan

Context

The Regional District of Nanaimo is embarking on a review of its Electoral Area 'A' Official Community Plan. Electoral Area 'A' (The Plan Area) is the unincorporated area within the Regional District of Nanaimo located east of the City of Nanaimo and includes the neighbourhoods of Cedar, South Wellington, Cassidy, and Yellowpoint.

Transportation is of key importance to the community and is of growing concern. The Community is faced with a number of transportation challenges including low density development which is not conducive to frequent transit service, narrow roads and roads with uneven gravel shoulders and open drainage ditches which pose a challenge for non-vehicular modes of transportation, and large separation distances between residential areas and areas where commercial goods and services can be obtained. Public safety is an issue along many roads within the Plan Area and is likely a significant deterrent in using more active forms of transportation.

Our intent is to review/rewrite the existing Official Community Plan in consultation with the community and various other agencies and stakeholder groups to better reflect the needs and desires of the community. One of the desired outcomes is to incorporate an active transportation plan, including an implementation strategy, in consultation with the Ministry of Transportation into the new Official Community Plan.

Goals

Our proposal to incorporate an active transportation plan into the new Electoral Area 'A' Official Community Plan is focused on the following four goals:

1. To identify and evaluate opportunities for improved active transportation networks.
2. To reduce the community's dependence on the automobile and encourage a multi-modal transportation network;
3. To develop policies, design guidelines, and an implementation strategy in the new Electoral Area 'A' Official Community Plan for creating an environment which supports increased physical activity through community design, policy, and transportation planning; and,
4. To improve public safety.

Stakeholders and potential partners

We are proposing to approach the following groups and agencies to be involved in the process Electoral Area 'A' residents, the Ministry of Transportation, School District 68, and the North Cedar Improvement District.

Proposed Activities and Process

Activity	Description
Community active transportation assessment	An assessment of the current active transportation infrastructure and transportation and recreation planning documents in the Plan Area will be conducted. The information will be compiled and a map showing the location of all transportation infrastructure and linkages will be prepared.
Public Consultation	The public will be consulted to obtain input on how active transportation should be developed as part of the community including goals, objectives, and policies that work towards achieving that vision.
Formation of Technical Advisory Group	The Ministry of Transportation, School District 68, North Cedar Improvement District, and Community Members at large, and the Regional District of Nanaimo will get together to discuss strategies for addressing the issues raised by the assessment and public input.
Preparation of draft active transportation plan	A plan will be drafted by a consultant in cooperation with the Technical Advisory Group and will identify existing active transportation infrastructure, designate desirable active transportation infrastructure. The Plan would include design guidelines, suggested Official Community Plan policies, and a strategy for implementation.
Plan Review	The plan will be presented to Plan Area Residents in association with the Official Community Plan Review. Amendments may be made in response to community feedback.
Finalize Plan	The Plan will be completed and incorporated into the Electoral Area 'A' Official Community Plan.

Previous or Existing Regional District of Nanaimo Transportation Plans

The existing Electoral Area 'A' Official Community Plan contains some general policies on how the Regional District of Nanaimo should encourage alternate forms of transportation and how the Regional District of Nanaimo should work with the Ministry of Transportation to improve road standards. The existing Plan does not include design guidelines, policies to encourage active transportation, or a strategy for implementation.

A number of Community Trail Studies have been completed in Electoral Area 'A' which respond to the vision of a community linked together with trails and paths, as outlined in the Electoral Area 'A' Official Community Plan.

The Regional District of Nanaimo Regional Parks and Trails Plan identifies major trail connections throughout the region including the Plan Area.

Anticipated Budget

The anticipated budget for this project not including in-kind Regional District of Nanaimo staff time contributions is \$25,000. Funding would be used to hire a consultant to assist in the plan process and development as well as to fund the costs associated with the process such as meeting expenses and advertising.

Primary Contact

For more information on this proposal, please contact Greg Keller, Senior Planner at (250) 390-6510 or toll free at 1-977-607-4111 or email to gkeller@rdn.bc.ca.



CAO APPROVAL	
EAP	
COW	✓ May 13th
MAY 02 2008	
RHD	
BOARD	

MEMORANDUM

TO: Paul Thompson
Manager, Long Range Planning

DATE: April 28, 2008

FROM: Chris Midgley
Sustainability Coordinator

FILE: 6780 30 50 GRBU

SUBJECT: Green Building Policy for RDN Facilities

PURPOSE

The purpose of this report is to propose a "Green Building Policy for Regional District Facilities" for the Regional District of Nanaimo (attached as Appendix A). The key feature of the policy is to establish an Integrated Design Process (IDP) as the foundation for all new construction and renovations undertaken by the Regional District.

BACKGROUND

In its simplest terms, the IDP involves establishing a vision, goals and objectives for a building and its performance, and relies on a collaborative design team consisting of a range of consultants engaged at the outset of projects. This sets the stage for a dynamic, flexible and cost-effective approach to green building that maximizes creative input from every member of the design team and ensures early recognition of all available opportunities for innovation and potential synergies across building systems and functions. The IDP stands in contrast to the conventional approach to design and construction that typically relies on an architect, or other prime consultant, to carry a project through a linear sequence of sub-contracted experts, each of whom is constrained by decisions made in previous steps. Opportunities for creative input and green design are correspondingly limited and achieve marginal environmental benefits, or require backtracking and redesign adding potentially significant costs and time to the design process.

The reasons for establishing the IDP as the foundation for a green building policy for RDN facilities are:

- To ensure that all new construction and renovations undertaken by the RDN falls within the scope of a green building policy, including buildings as well as structures not intended for habitation;
- To ensure that optimal energy performance and maximum reductions in greenhouse gas (GHG) emissions associated with building operations are given the highest priority at the outset of all projects;
- To facilitate third-party verified, green building certification (such as through the Leadership in Energy and Environmental Design (LEED®) certification process) by giving close consideration to the most appropriate standard to apply at the outset of each project, while retaining the ability to construct high performance, green buildings and structures in circumstances where certification would not be pursued; and
- To minimize the cost of green building features and certification processes by exploring and capitalizing on opportunities at the earliest possible stage in the design process.

Green Building Action Plan

In February of 2007, the RDN Board of Directors approved the Regional District of Nanaimo *Green Building Action Plan*, which has as its goal, “to increase the number of green buildings in the Regional District of Nanaimo.” To achieve this goal, the plan sets out the objective of “establishing a policy regarding green buildings in the region”.

To proceed efficiently toward the goal of increasing the number of green buildings in the region while also producing immediate results, two separate green building policies are necessary:

1. A readily implementable green building policy that affects only Regional District facilities; and
2. A policy developed over the longer term that first facilitates, then, upon consultation with local municipalities and approval by the Province, requires the development of green buildings in the region.

The policy under consideration here affects only Regional District facilities. In this form the “Green Building Policy for Regional District Facilities” functions as a policy that governs Regional District operations rather than as a building bylaw, and amounts to the RDN setting specific criteria for construction and renovations it undertakes in the future.

Overview of the Integrated Design Process (IDP)

The IDP is an approach to building design that seeks to achieve the highest possible levels of performance on a wide variety of environmental and social goals, while respecting the budgetary and scheduling realities of a project. Achieving this requires the client (in this case the RDN) and the design team coming together and setting performance targets for a broad range of parameters at the outset of a design process, followed closely by the development of preliminary strategies to achieve those targets. This will necessitate that the RDN play an active role in future projects, working with a multi-disciplinary, collaborative team to establish a shared vision for the project, and to facilitate the decision-making that will realize that vision. This process is based on the fact that changes and improvements in building design are relatively easy to make at the beginning of the process, but become increasingly difficult and disruptive as the process unfolds.

The IDP relies on a basic set of principles, all of which are vital to its success. These principles, their benefits, and potential results are summarized in Table 1 below:

Table 1

IDP Principle	Benefits of Successful IDP	Results
Broad collaborative team from outset	Early formation of a broad interdisciplinary team ensures necessary expertise is present when opportunities for impact are greatest. Collaboration harnesses the team's best effort and collective wisdom.	Realization of challenging goals and objectives.
Well defined scope, vision, goals and objectives	Investing in time up front ensures common understanding and 'buy-in'.	Realization of high performance (sustainable) buildings.
Effective and open communication	Transparency builds trust and increases team's sense of ownership. Respectful communication avoids disputes and harnesses a team's best effort and enthusiasm.	Good team relationships that may result in lasting partnerships for future projects.
Innovation and synthesis	Fostering open-mindedness and creativity leads to innovation and synthesis, which allows the team to achieve the complex requirements of a high performance building.	Maximizes benefits and quality.
Systematic decision making	A clearly defined and understood decision making process can lead to better choices. Tools like life-cycle costing can foster the type of holistic and long-term thinking necessary for sustainable design.	Minimizes cost.
Iterative process with feedback loops	Providing opportunities for feedback along the way allows lessons to be learned from start to finish.	Realization of more optimally integrated solutions.

Source: Roadmap for the Integrated Design Process Part One: Summary Guide (page 14).

An important advantage to the IDP lies in the fact that the vision, goals, targets and strategies laid out at the beginning of a building design process relate directly to the specific intent of the building under consideration. These will differ from building to building depending on program, site, budget, schedule or any other of a range of factors, and will evolve as the construction and related industries change over time, or as different priorities emerge over time. The result is a highly flexible, responsive process that produces designs for efficient buildings with minimized additional capital costs for green features, reduced long-term operating and maintenance costs, and designs that are intimately connected to the environmental, social and economic conditions of the day. Furthermore, in addition to enhanced environmental performance, the open, interdisciplinary discussion and collaborative approach that characterizes the IDP may also lead to unpredicted, but very fortuitous improvements in fundamental building components such as functional program, structural systems, and architectural expression.

The IDP stands in strong contrast to the conventional design process, which is much more linear and formulaic. Table 2, below, provides a comparison between the IDP and the conventional design process:

Table 2

Integrated Design Process		Conventional Design Process
Inclusive from the outset	vs.	Involves members only when essential
Front loaded – time and energy invested early	vs.	Less time energy and collaboration exhibited in early stages
Decisions influenced by broad team	vs.	More decisions made by fewer people
Iterative, non-linear process	vs.	Linear process
Whole systems thinking	vs.	Systems often considered in isolation
Allows for full optimization	vs.	Limited to constrained optimization
Seeks synergies	vs.	Diminished opportunity for synergies
Life-cycle costing	vs.	Emphasis on up-front costs
Process continues through post-occupancy	vs.	Typically finished when construction is complete

Source: *Roadmap for the Integrated Design Process Part One: Summary Guide* (page 8).

A New Direction for Green Building Policy

Establishing the Integrated Design Process (IDP) as the foundation for the “Green Building Policy for RDN Facilities” represents a new direction for green building policy that comes as a result of new information shared by experienced and knowledgeable speakers at the “Building Green in a Changing Climate” conference held in Courtenay, March 4-5, 2008, as well the “Building Sustainable Communities” workshop held March 19, 2008 in Nanaimo. It is a move away from the more conventional approach of adopting a policy that would require some construction and renovations undertaken by the RDN to achieve a recognized, certified standard for green building (most likely LEED®-Silver). The reason for this move relates to the various limitations imposed by a certification-based policy, namely the narrow range of building types that can fall within the scope of a certification-based policy, the tendency of a certification-based policy to set an upper limit on building performance, and the disconnect between certification requirements and existing policies and priorities, particularly with respect to energy conservation, greenhouse gas emissions and climate change.

Firstly, regional districts are responsible for providing a very wide range of services. Accordingly, they must build an extremely wide range of building types, housing administrative offices, recreational facilities, transit facilities, and waste and water treatment plants, to name a few examples. This broad range of buildings, including some that are largely unoccupied, or whose primary purpose is to house mechanical systems, does not mesh neatly with certification systems such as LEED® or Green Globes. To base a green building policy on certification would then require identifying the types of buildings that fit within the certification system, and exempting the rest from the policy. For the Regional District of Nanaimo, this would greatly limit the number of buildings falling within the scope of the green buildings policy.

In addition, certification is not free. While the cost may be proportionally insignificant to the budget of large capital projects, that proportion grows in relation to the overall budget as buildings become smaller or less complex. The inevitable result is that local governments often adopt green building policies that apply only to construction exceeding a specific size, often 500 m², again exempting the rest. This further narrows the field of buildings that fall within the scope of the green building policy.

By dramatically limiting the scope of a green buildings policy to a narrow range of buildings, potentially great opportunities for innovation in green building may be missed, and progress toward the goal of increasing the number of green buildings in the region is stunted. By contrast, the IDP can readily apply to all buildings, regardless of size, program or function. Every building and renovation project strives to the highest level of performance possible, making all buildings as sustainable or green as possible. On the occasions where certification is appropriate as determined by the RDN and the consultant team, it is established as a goal at the outset of the project, and pursued throughout the process.

Secondly, a certification-based policy promotes designing to the lowest standard permitted, rather than the highest performance level possible. If a specific standard becomes the basis for the policy, e.g. LEED®-Silver, then construction built to that standard will be the best that the RDN will get. This creates a disincentive to go beyond the established standard, which in turn may preclude opportunities to attain much higher levels of performance, even if they are relatively easy to achieve. Related to this, a certification-based standard may also create the potential for a building design process that is checklist driven, aiming at achieving the minimum number of points required for certification. A common critique of this approach is that designers are forced to add elements to a building that are otherwise unnecessary, or construction crews are required to add tasks that accomplish nothing. This is an inefficient use of materials, time and resources, and such tendencies are avoided when building designers follow the IDP.

Lastly, a good green building policy for the Regional District should harmonize well with established policies and priorities. In recent years, the Regional District of Nanaimo has made a strong commitment to reducing greenhouse gas emissions (GHGs), and doing whatever possible to mitigate the effects of climate change. By signing the Climate Action Charter, for example, the RDN has agreed to the goal of implementing programs, policies or legislative actions that facilitate reduced GHG emissions (*Climate Action Charter*, Section 4(d)); and in order to contribute to reducing GHG emissions, the RDN has agreed to develop strategies and take actions to achieve the goal of being carbon neutral in respect of its operations by 2012 (*Climate Action Charter*, Section 5(a)(i)). In addition, the RDN has developed a Corporate Climate Change Plan, which recommends, among other actions, minimizing growth in energy consumption, costs and emissions by adopting aggressive energy efficient standards for new corporate buildings and additions/renovations of existing buildings.

Based on these existing policies and priorities, as well as the widely recognized urgency to significantly reduce GHG emissions, it is important that the RDN's green building policy incorporate aggressive targets that will gradually lead toward carbon neutral buildings. This is far more aggressive than any current certification system. LEED®, for example has some prerequisites for points in the category of Energy and Atmosphere, but the category as a whole can be largely ignored as long as points are made up in another category such as Water Efficiency. As a result, a LEED®-Silver building may consume energy and emit GHGs at almost the same rate as a well built, conventional building, as long as water consumption in that building has been significantly reduced. While reductions in water use are undeniably important, they must not come at the cost of energy conservation, significant reductions in GHG emissions, and the ultimate goal of building carbon neutral buildings.

Carbon neutral buildings will be difficult to achieve, but aiming any lower will result in achieving a lower standard, resulting in a situation over time that will commit the RDN to a complicated and as yet undetermined system of purchasing and trading carbon offsets to achieve carbon neutral operations. Furthermore, the policy does not require the RDN to build carbon neutral buildings immediately. Rather, it establishes incremental targets to build increasingly efficient buildings over time. The critical point is that the concept of carbon neutrality be a prominent item for discussion at the outset of the Integrated Design Process, and that designers contemplate how to get as close to carbon neutrality as possible, for any given project.

ALTERNATIVES

1. That the Board approve the Green Building Policy for RDN facilities.
2. That the Board approve the Green Building Policy for RDN facilities with suggested amendments.
3. That staff be provided with further direction for developing a revised Green Building Policy for RDN facilities.

FINANCIAL IMPLICATIONS

There are two sorts of financial implications to be considered in conjunction with this policy:

1. The financial implications of building high performance, green buildings; and
2. The financial implications of following the Integrated Design Process.

With respect to green buildings generally, consensus across the wealth of available information, including that from speakers at recent conferences seems to indicate that building green results in a 2-5% increase in up-front capital construction costs¹. It is reasonable to believe that this number is likely to be higher in the RDN due to lack of experience in the construction sector, potentially up to 10%. Accommodating this cost should be incorporated as a contingency in budgetary planning for capital projects. To justify this additional expenditure it is important to measure the life-cycle costs rather than solely the up-front capital cost of a building. Life-cycle costing includes operational costs (energy, water, etc.), as well as employee health and productivity, as examples. These costs, incurred over the life of the building, ultimately exceed the initial construction cost by an order of magnitude, and since the RDN is the owner, operator and occupier of the buildings it develops, it will ultimately have to pay these long term costs. The information available making the business case for green buildings suggests that minimizing these long term costs, and deferring savings to future taxpayers is more financially responsible than saving a small amount in the short term, and deferring unpredictable, and potentially high costs to future taxpayers. In addition, as other levels of government have made climate protection and energy efficiency a priority, there are currently significant loans and grants available to local governments that invest in the construction of green buildings and infrastructure. Pursuing these opportunities may further offset up-front costs, and justify a strong commitment to green building.

Regarding the Integrated Design Process, it is widely acknowledged that the IDP is the most effective way to minimize the additional construction costs associated with building green, including third-party certification when it is pursued. However, the collaborative nature of the process necessitates additional time and meetings at the pre-design and schematic design phases of projects, weighting design costs toward the beginning of a project, particularly when compared against the traditional model. Nevertheless, it is frequently noted that making this investment early does not increase the total cost of building design, and can in fact eliminate costly and time-consuming disruption later in the process, ultimately saving time and preserving relationships between clients and members of the consultant team.

¹ This is a consistent range whether 'green building' has meant LEED®-Silver, LEED®-Gold, or carbon neutral. The key cost variable generally cited for green building features is whether the features are contemplated early or late in the design process. If early, then the cost can be kept relatively low; if late then the cost is often prohibitively high.

DEVELOPMENT IMPLICATIONS

This policy is anticipated to have relatively significant development implications for the Regional District of Nanaimo, affecting all future construction and building renovations. The most noticeable immediate implication will be a shift in the development process, putting greater emphasis on consultant collaboration at the outset of all projects. This is by no means a difficult task, but it does constitute a departure from the traditional development model, and will require language about the Integrated Design Process to be integrated into Requests for Proposals for RDN development projects. As construction projects proceed, and as consultants gain comfort with the IDP, wider development implications are expected, including a maximum number of buildings operating at the highest possible level of performance, with ever-diminishing impacts on the environment.

As well, adopting this policy is expected to have a gentle ripple effect across the development sector in the region as the number of development consultants contracted to the RDN expands. As time passes, more consultants working with the RDN will become familiar with the IDP, catalyzing a transition to more collaborative, integrated design in the development sector. Hopefully, over time, by taking on this role, the RDN will facilitate the development of more green buildings in the wider community.

ENVIRONMENTAL IMPLICATIONS

By adopting this policy, it is anticipated that all new construction and renovations undertaken by the Regional District of Nanaimo will achieve a high standard of environmental performance. The result will be a trend toward increasing the number of buildings in the regional district that require less energy to operate, contribute fewer emissions to the environment, conserve water, generate less solid waste, provide more comfortable and productive interior environments for occupants, and are more sensitive to the local ecology and surrounding context.

PUBLIC CONSULTATION IMPLICATIONS

Adopting and implementing the “Green Building Policy for RDN Facilities” does not require public consultation. Once adopted and in effect, the policy will create opportunities for public outreach and education, thus fulfilling other objectives of the *Green Building Action Plan*.

SUMMARY

With the IDP as its foundation, the entire range of building construction and major renovation projects undertaken by the RDN will fall within the scope of the green building policy. This encompasses far more development than can be considered by a third party-verified certification system such as LEED®. As a result, the RDN will have the flexibility to establish specific goals that achieve the highest possible levels of environmental performance for each project, while acknowledging that the highest possible levels of performance will have a different meaning for different projects.

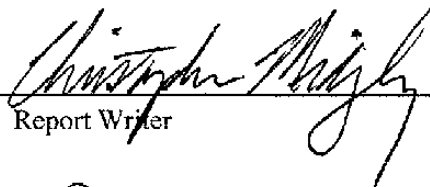
In addition, basing a green building policy on the IDP enables the RDN to establish aggressive targets for energy efficiency and GHG emissions reductions. Given the urgent need to act on climate change, as well as the responsibility of the RDN to act as a result of existing policies and commitments, emphasizing energy efficiency and GHG reductions should be a fundamental component of a green building policy. Since it is possible to achieve green building certification (e.g. LEED®-Silver) without making significant improvements in energy efficiency or GHG reductions, it is essential to include these features as additional, high-level priorities in the “Green Buildings Policy for Regional District Facilities”.

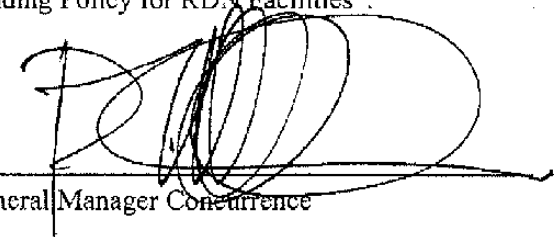
Nevertheless, third party verified green building certification has value, particularly as a tool to promote the awareness that the RDN is committed to green building. There will be circumstances in which certification should be pursued, and the Integrated Design Process facilitates that pursuit by setting the goal to do so at the outset rather than at the end of the design process.

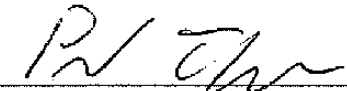
Finally, both green building and the Integrated Design Process will result in extra investment in the initial design and construction phases of projects. In order to justify these added costs, the "Green Building Policy for RDN Facilities" will require life-cycle costing when calculating the cost of a building. Since the RDN will have to pay for these long term costs, they should be considered in the budgetary planning for new buildings and renovation. Doing so will reveal that additional initial investment can yield considerable savings over the life of buildings.

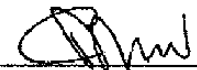
RECOMMENDATION

That the Regional District of Nanaimo adopt the "Green Building Policy for RDN Facilities".


Report Writer


General Manager Concurrence


Manager Concurrence


CAO Concurrence

COMMENTS:

REGIONAL DISTRICT OF NANAIMO

P O L I C Y

SUBJECT:	Proposed Green Building Policy for RDN Facilities	POLICY NO: CROSS REF.:
EFFECTIVE DATE:	APPROVED BY:	
REVISION DATE:	PAGE	

1. An Integrated Design Process (IDP) will be the foundation for all new construction and renovations undertaken by the Regional District of Nanaimo.

a. The IDP consists of seven phases, each with a particular process and outputs, as identified below. While all projects will be unique, this summary provides a useful guide in establishing the expectations for what an Integrated Design Process undertaken by the RDN should entail:

i. Phase 1 - Pre-Design

Process:

- Establish a diverse team, include a facilitator;
- Establish a foundation for the team, including fee schedules that provide incentives for consultants to incorporate high-performance, green building systems; and
- Host key meetings including project preparation, visioning workshop, programming meeting, facilities management, etc.

Outputs of Pre-Design:

- Vision statement, goals, objectives and targets;
- Pre-Design Report, including synopsis of visioning workshop;
- Preliminary budget that includes cost of IDP activities; and
- Communications protocol.

ii. Phase 2 - Schematic Design

Process:

- Ensure an understanding of site challenges and opportunities;
- Clarify functional program and program implications across disciplines; and
- Host ongoing meeting as necessary to brainstorm, develop concepts, evaluate and refine ideas, and for team cohesiveness;

Outputs of Schematic Design:

- Goals and targets matrix;
- Preliminary energy analysis;
- Preliminary financial estimate;
- Schematic design report; and
- Roles and responsibilities matrix.

iii. Phase 3 – Design Development

Process:

- Introduce new/ additional specialists to the team, as necessary,
- Assess feasibility of green building strategies and technologies; and
- Simulate building performance, as required.

Outputs of Design Development:

- Design development report including energy simulation results;
- Detailed financial report using life-cycle costing; and
- Updated goals, roles and responsibilities.

iv. Phase 4 - Construction Documentation

Process:

- Coordinate Construction Documents between all disciplines;
- Include green building aspects in Construction Documents; and
- Ensure that the impacts of all changes are evaluated.

Outputs of Construction Documentation

- Project specifications with embedded performance criteria;
- Material substitution policy;
- Tender documents with clear explanation of innovative aspects, contractor responsibilities for green building documentation, and training and supervision of trades/ sub-contractors;
- Develop commissioning plan; and
- Updated goals, roles and responsibilities.

v. Phase 5 – Bidding, Construction and Commissioning

Process:

- Transition from the design team to the construction team;
- Train maintenance and operations staff and occupants;
- Include performance criteria in contract documents;
- Host pre-tender award meeting to discuss green design intent;
- Host an information session for contractor and trades; and
- Host regular site meetings.

Outputs of Bidding Construction and Commissioning

- Record drawings of the build project;
- Commissioning reports; and
- Operations and maintenance manuals as necessary.

vi. Phase 6 - Building Operation (Start-up)

Process:

- Transfer of knowledge between design team, commissioning agent, building operator and occupants;
- Transfer of all building documentation to owner;
- Establish tools and/ or process for ongoing monitoring;
- Share lessons learned; and
- Educate staff and occupants about green building features.

Outputs of Building Operations (Start-up):

- Training, education and outreach materials;
- Measurement and monitoring data; and
- Completed commissioning documentation

vii. Phase 7 – Post-Occupancy

Process:

- Establish a building performance evaluation team with a budget and meeting schedule, as necessary; and
- Put monitoring equipment and/ or methods in place.

Outputs of Post-Occupancy

- Continuous monitoring and evaluation of building performance.

- b. In order to follow an Integrated Design Process, a diverse and knowledgeable team is required. This will vary, potentially significantly, from project to project. The following list indicates the range of team members that the RDN may need to draw from at the outset of an Integrated Design Process:

Core Team	Additional Team Members (as necessary)
RDN Representative/ Project Manager	Ecologist
Facilitator	Occupant representative
Architect	Programming specialist
Landscape Architect	Interior designer/ materials specialist
Structural Engineer	Planner/ Building Department representative to highlight code or other regulatory issues
Mechanical Engineer (with experience in energy modelling and analysis)	Lighting and delighting specialist
Electrical Engineer	Soils or geotechnical expert
Green Design Specialist	Commissioning Agent
Civil Engineer	Others as required
Facilities Manager	
Cost Consultant with experience in Life-Cycle Costing	
General Contractor	

2. Within the context of an IDP, the RDN will set the goal that all new construction and major renovations will maximize building performance, optimize energy efficiency and minimize greenhouse gas (GHG) emissions as measured in annual tonnes of carbon dioxide equivalent (CO₂e). Based on the urgent need to achieve significant reductions in GHG emissions in the immediate term, use the concept of 'carbon neutral' buildings to guide discussion at the outset of the IDP for capital projects, and achieve the following:
- a. 50% reduction in tonnes of CO₂e for all new construction and major renovations starting in 2010, relative to the Model National Energy Code, and as measured by an energy modelling specialist;
 - b. 60% reduction in tonnes of CO₂e for all new construction and major renovation between 2012 and 2014 relative to the Model National Energy Code, and as measured by an energy modelling specialist;
 - c. 70% reduction in tonnes of CO₂e for all new construction and major renovation between 2015 and 2019 relative to the Model National Energy Code, and as measured by an energy modelling specialist;

- d. 80% reduction in tonnes of CO₂e for all new construction and major renovation between 2020 and 2024 relative to the Model National Energy Code, and as measured by an energy modelling specialist;
 - e. 90% reduction in tonnes of CO₂e for all new construction and major renovation between 2024 and 2029 relative to the Model National Energy Code, and as measured by an energy modelling specialist; and
 - f. All new construction and major renovations are carbon neutral by 2030.
3. At the outset of the IDP for capital projects, consider the goal of achieving third-party verified, green building certification for all new construction and major renovations. Target LEED Gold (or equivalent), and achieve a minimum of LEED Silver (or equivalent), including registration and certification for new construction and renovations over 500m² with the majority of floor space devoted to tenant use and occupation.
 4. Require that a green building specialist (e.g. LEED Accredited Professional) is involved in all capital construction projects.
 5. Use the life-cycle costing approach in budgetary planning for major capital projects.
 6. Use the IDP to generate educational materials to encourage learning and awareness of green building practices for staff within the RDN and for people in the wider community.
 7. Review and adapt the IDP as the foundation for the Green Building Policy for RDN buildings after five years, or upon recommendation from staff and/ or the RDN Board of Directors.



**REGIONAL
DISTRICT
OF NANAIMO**

RDN REPORT		CAO APPROVAL <i>(PW)</i>	
EAP			
COV	<input checked="" type="checkbox"/>	<i>May Bth</i>	
MAY 01 2008			
RHD			
BOARD			

MEMORANDUM

TO: Sean De Pol
Manager of Liquid Waste

DATE: April 29, 2008

FROM: Nadine Schwager
Liquid Waste Coordinator

FILE: 0810-20-GNPC-04-COGEN

SUBJECT: Cogeneration Project at Greater Nanaimo Pollution Control Centre

PURPOSE

To inform the Board of the cogeneration project being implemented at the Greater Nanaimo Pollution Control Centre (GNPCC).

BACKGROUND

Sludge generated from GNPCC's primary treatment process is digested in two anaerobic digesters, which produce biogas (methane and carbon dioxide) as a by-product. This fuel source is considered to be sustainable (i.e. the biogas production is directly related to the number of people living in the GNPCC service area).

Currently, the GNPCC uses the biogas as a fuel for its boilers and to heat on-site processes and buildings. However, over 60% of the biogas generated at the plant is flared (wasted). The cogeneration project will utilize biogas from the treatment process to create electricity. During the day a portion of the treatment plant's electrical requirements will be met and it may even be possible, during night hours, to add electrical power to the commercial grid.

The scope of the GNPCC cogeneration project includes a desktop analysis of various engine technologies (internal and external combustion, microturbine) to determine the best option. The project, using up to eight permanently installed engines selected from the desktop exercise, has a budget of \$2.95 million. GNPCC will be one of the first wastewater treatment plants of its size in Canada to implement cogeneration. The desktop analysis is currently underway and construction is expected to begin by the end of the year with the system operational by October 2009.

Funding of \$350,000 was approved in August 2006 by the Federation of Canadian Municipalities (FCM). In July 2007, the Union of British Columbia Municipalities (UBCM), under the Gas Tax Program, provided \$2.3 million in funding towards the cogeneration project.

FINANCIAL IMPLICATIONS

The total cost for the cogeneration project is \$2.95 million. FCM is providing \$350,000, UBCM Gas Tax funding is providing \$2.3 million and the remaining \$300,000 is covered by the RDN.

Once the cogeneration units are installed and running, treatment plant operational costs will be offset by the electricity produced, providing a payback on the initial capital cost of the units. The amount of electricity produced will depend on the selected technology and biogas quality. Based on continuous generation of 300 kW of electricity and an average power cost of \$0.05 /kW-h, the savings in BC Hydro electrical costs would be \$131,400 per year.

ENVIRONMENTAL IMPLICATIONS

This project is aimed at the root cause of an unsustainable problem: increasing electrical demand. GNPC's cogeneration project will lower the regional electrical demand by using a sustainable fuel source (biogas) that will be self-sustaining. Also, the exhaust gas from the cogeneration units will be cleaner than that from the existing waste gas burner (flare stack).

SUMMARY/CONCLUSIONS


The Cogeneration project will include a desktop analysis to determine the best option. The project, using up to eight permanently installed engines selected from the desktop exercise, is expected to generate a portion of the electrical requirements at GNPC. The project will assess the feasibility of long-term operation of the selected technology, and its suitability for full-scale implementation at GNPC when the facility is upgraded to secondary treatment.

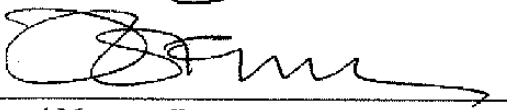
Funding of \$350,000 was approved in August 2006 by the Federation of Canadian Municipalities. In July 2007, the Union of British Columbia Municipalities, under the Gas Tax Program, provided \$2.3 million in funding towards the cogeneration project.


RECOMMENDATION

That the report on the cogeneration project at Greater Nanaimo Pollution Control Centre be received for information.


Report Writer


Manager Concurrence


General Manager Concurrence


CAO Concurrence

COMMENTS:



CAO APPROVAL <i>(Signature)</i>	
EAP	
COV	<i>✓ May 13th</i>
MAY 05 2008	
RHD	
BOARD	

MEMORANDUM

TO: John Finnie
General Manager of Environmental Services

DATE: May 1, 2008

FROM: Sean De Pol
Manager of Liquid Waste

FILE: 0810-20-GNPC-04-OPER

SUBJECT: Greater Nanaimo Pollution Control Centre Operations Building

PURPOSE

To award the tender for the construction of the Greater Nanaimo Pollution Control Centre (GNPCC) new operations building and to consider the release of DCC funds for this project, by adoption of the Southern Community Sewer Local Service Area Development Cost Charge Reserve Fund Expenditure Bylaw No. 1551, 2008.

BACKGROUND

The proposed new operations building has been designed to accommodate estimated staffing requirements for the introduction of secondary treatment in 2015. In the immediate future, the new building will relieve some of the pressures associated with the existing facility. The existing locker space, number of showers, lunch room and storage space all fall short of current requirements.

The new operations building will contain:

- Two offices for treatment plant staff.
- A lunch room suitable for 2015 requirements.
- Clean and dirty staff lockers rooms.
- A washroom/shower area.
- A unisex washroom.

Currently, there are no provisions for female staff at the GNPCC. With the completion of the new operations building, there will be an opportunity to convert the existing building to accommodate female staff, an undertaking that has not been possible within the existing facility.

Also as part of this construction project, to accommodate handicapped visitors, a suitable ramp will be constructed to the existing building. The entry door and an existing washroom will also be converted for handicapped persons' use. A ramp will also be provided in the new building from the parking area and a handicap washroom will be provided for public use.

On April 29, 2008 the RDN received seven bids for the construction of the new operations building project as shown below:

Saywell Contracting Ltd.	\$1,297,514.60
D. Robinson Contracting Ltd.	\$1,363,991.00
Ledcor Construction Ltd.	\$1,367,000.00
Forbes Industrial Contractors Ltd.	\$1,370,000.00
W.J. Murphy Contracting Ltd.	\$1,420,065.00
CMF Construction Ltd.	\$1,438,935.00
Kinetic Construction Ltd.	\$1,569,707.00

Our consultant has evaluated the tenders and the documentation has been verified. The low bidder for the project is Saywell Contracting Ltd. at a cost of \$1,297,514.60. Our consultants recommend the award of the project to Saywell Contracting Ltd.; staff supports this recommendation.

Our year 2008 line item budget for this project is \$1,645,000 of which \$99,700 is for engineering services. Based on a tender of \$1,297,515.60 there are sufficient funds to complete the project.

ALTERNATIVES

1. Award the construction contract to Saywell Contracting Ltd. for the construction of the GNPC new operations building and modifications to the existing building for the tendered price of \$1,297,514.60 and approve the release of DCCs (for construction, engineering and equipment) in the amount of \$698,607 (Bylaw 1551).
2. Provide alternate direction to staff.

FINANCIAL IMPLICATIONS

The costs of this construction project are included in the 2008 budget. There are sufficient DCCs on hand to cover the portion required from that source.

ENVIRONMENTAL IMPLICATIONS

In 2005, the RDN had an assessment done to determine whether it was feasible to modify the design for this project to be eligible for Leadership in Energy and Environmental Design (LEED) certification. It was determined that the design and capital cost to meet LEED certification was too high, but that certain sustainable design elements would be included in the project. The areas where sustainable design elements were incorporated are site selection, reduced site disturbance, reduction of thermal gradients, renewable energy, thermal comfort and natural lighting.

SUMMARY/CONCLUSIONS

On April 29, 2008 the RDN received seven bids for the construction of the new operations building project. The new operations building project includes the construction of a 250 m² building including associated site work and utilities, and modifications to the existing building.

There were seven bids submitted; the low bidder for the project is Saywell Contracting Ltd. at a cost of \$1,297,514.60.

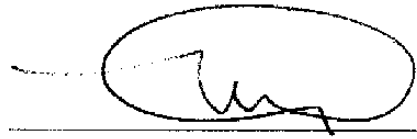
The work is required to accommodate staff at the treatment plant; it is therefore recommended that the project proceed.

RECOMMENDATIONS


1. That Saywell Contracting Ltd. be awarded the construction phase of the GNPCC new operations building project for the tendered amount of \$1,297,514.60.
2. That Southern Community Development Cost Charge funds in the amount of \$698,607 be approved as a source of funds for this project.
3. That "Southern Community Sewer Local Service Area Development Cost Charge Reserve Fund Expenditure Bylaw No. 1551, 2008" be introduced and read three times.
4. That "Southern Community Sewer Local Service Area Development Cost Charge Reserve Fund Expenditure Bylaw No. 1551, 2008" be adopted.



Report Writer

 Alan

General Manager Concurrence



CAO Concurrence

COMMENTS:

**REGIONAL DISTRICT OF NANAIMO
BYLAW NO. 1551**

**A BYLAW TO AUTHORIZE AN EXPENDITURE FROM THE
SOUTHERN COMMUNITY SEWER LOCAL SERVICE AREA
DEVELOPMENT COST CHARGE RESERVE FUND**

WHEREAS the Southern Community Sewer Local Service Area Development Cost Charge Reserve Fund was established under Bylaw No. 1020, 1996;

AND WHEREAS the 2008 capital plan identifies an amount of \$698,607 for various development cost charge eligible projects;

NOW THEREFORE the Board of the Regional District of Nanaimo in open meeting assembled, enacts as follows:

1. The sum of Six Hundred and Ninety Eight Thousand, Six Hundred and Seven Dollars (\$698,607) is hereby appropriated for certain eligible projects identified in the 2008 annual budget.
2. Should any of the above amount remain unexpended, such unexpended balance shall be returned to the credit of the Reserve Fund.
3. This bylaw may be cited as the "Southern Community Sewer Local Service Area Development Cost Charge Reserve Fund Expenditure Bylaw No. 1551, 2008".

Introduced and read three times this 27th day of May, 2008.

Adopted this 27th day of May, 2008.

CHAIRPERSON

SR. MGR., CORPORATE ADMINISTRATION



CAO APPROVAL <i>(Signature)</i>	
EAP	
COW	<input checked="" type="checkbox"/> <i>May 13th</i>
APR 29 2008	
RHD	
BOARD	

MEMORANDUM

TO: John Finnie, P. Eng.
General Manager of Environmental Services

DATE: April 24th, 2008

FROM: Mike Donnelly, AScT
Manager of Utilities

FILE: 1855-03 &
1025-20-UTILITIES

SUBJECT: Infrastructure Planning (Study) Grant Application

PURPOSE

To obtain Board support for an Infrastructure Planning (Study) Grant Application associated with the Drinking Water Watershed Protection communication plan.

BACKGROUND

The Drinking Water Watershed Protection Action Plan communication plan is being developed in preparation for the upcoming referendum in November of this year. Funding has been approved by the Board for that communication plan. Staff have made application for an infrastructure planning grant which will require Board support.

The Ministry of Community Services makes grants available to local governments to help develop comprehensive plans for community infrastructure projects. The applications must be approved by the Board before they will be considered by the Ministry. Grants usually cover 100% of the first \$5,000 in study costs plus 50% of the next \$10,000 to a maximum grant of \$10,000.

ALTERNATIVES

1. Approve submission of the Infrastructure Planning (Study) Grant application.
2. Do not approve submission of the grant application.

FINANCIAL IMPLICATIONS

The grant, if secured, would not be used to reduce the impacts of the currently approved funding of \$30,000 but would enhance elements of the communications plan in proportion to the grant funding approved.

SUMMARY/CONCLUSIONS

The 2008 budget includes funding for a Drinking Water Watershed Protection Action Plan communication plan. Staff have applied for an Infrastructure Planning Grant as a supplementary source of funding and require Board approval to support that application.

RECOMMENDATION


That the Board support the application to the Ministry of Community Services for an Infrastructure Planning (Study) Grant for the Drinking Water Watershed Protection Action Plan Communications Plan.



Report Writer



General Manager Concurrence



C.A.O. Concurrence

COMMENTS:



KUN RECURS	
CAO APPROVAL <i>[Signature]</i>	
EAP	
COW	✓ May 13th
APR 14 2008	
RHD	
BOARD	

MEMORANDUM

TO: Carol Mason
Chief Administrative Officer

DATE: April 11, 2008

FROM: Tom Osborne
General Manager, Recreation and Parks Services

FILE:

SUBJECT: Letter of support to the Nanaimo & District Track & Field Club for the Rotary Bowl Resurfacing Project.

PURPOSE:

To consider providing a letter of support to the Nanaimo & District Track & Field Club and School District 68 for the Rotary Bowl Resurfacing Project.

BACKGROUND:

At the February 26, 2008 Regional Board meeting correspondence from the Nanaimo & District Track & Field Club and School District 68 was received. The two agencies were requesting a letter of support from the Regional District for their Rotary Bowl Resurfacing Project. At the meeting the following resolution was then approved:

"That the letter from the Nanaimo & District Track & Field Club and School District 68 be referred back to the Nanaimo Parks and Recreation Commission's negotiating team for their recommendation to be sent back to the Regional District Board in consultation with Regional District staff."

The Rotary Bowl is located behind the Nanaimo and District Secondary School on lands owned by School District 68. By way of agreement with the School District the facility is principally developed and maintained by the Track and Field Club. The facility complex is used by track members, School District 68, Malaspina University-College, other local running and athletic clubs, and individuals for training, competition, fitness & recreation, subject to the rules and use agreed to by the Track and Field Club and the School District. There has however been some concern by the City that access to the facility can be somewhat limited and that the complex could be better used if made more multi-use for a wider cross section of sports.

The Club and the School District have initiated a fundraising campaign to raise \$300,000 in order to add 3 mm of synthetic material to the 100 metre sprint and 400 meter oval running tracks and jump areas.

At the March 26, 2008 City of Nanaimo Parks Recreation and Culture Commission meeting and later at City Council meeting on March 31, the letter of support request was considered and the following resolution was approved at both meetings:

"That Council approve, in principle, the fundraising campaign "Help Us Stay on Track" providing that Rotary Bowl becomes a multi-use facility."

Of note, School District 68 schedules, maintains and administers the use of School District fields and the City of Nanaimo Parks Recreation and Culture Department maintains and schedules the use of city owned fields. The RDN's southern electoral areas (A, B & C), District of Lantzville and the City of Nanaimo share operational costs for select fields based on usage as per the District 68 Sportsfield and Recreation Service Agreement. Currently each agency is responsible for capital development cost for fields in their respective jurisdiction.

In the northern portion of the RDN, all School District 69 fields, municipal fields, and RDN managed electoral area fields are scheduled through the RDN Recreation and Parks Department. Currently each agency is responsible for capital development cost for fields in their respective jurisdiction. The RDN's northern electoral areas (E, F, G & H), municipalities of Parksville and Qualicum Beach share operational costs for select fields based on usage as per the District 69 Sportsfield Service Agreement. In addition, a joint RDN / School District 69 track and field feasibility study is currently underway through the UBCM Community Connection program.

ALTERNATIVES:

1. That the Regional Board approve, in principle, the Nanaimo & District Track & Field Club and School District 68 fundraising campaign "Help Us Stay on Track" providing that Rotary Bowl becomes a multi-use facility.
2. That an alternate resolution be provided in regard to the letter of support to the Nanaimo & District Track & Field Club and School District 68 "Help Us Stay on Track" fundraising campaign.

FINANCIAL IMPLICATIONS:

Providing a letter of support for the fundraising campaign does not require a financial commitment from the Regional District.

CONCLUSION:

At the February 26, 2008 Regional Board meeting correspondence from the Nanaimo & District Track & Field Club and School District 68 was received. The two agencies were requesting a letter of support from the Regional District for their Rotary Bowl Resurfacing Project.

The request was then referred to the Nanaimo Parks and Recreation Commission for their recommendation to be sent back to the Regional District Board in consultation with Regional District staff.

At the March 31, 2008 City Council meeting, the letter of support request was considered and the following resolution was approved by Council as recommend by the City of Nanaimo Parks, Recreation and Culture Commission:


"That Council approve, in principle, the fundraising campaign "Help Us Stay on Track" providing that Rotary Bowl becomes a multi-use facility."

RECOMMENDATION:

That the Regional Board approve, in principle, the Nanaimo & District Track & Field Club and School District 68 fundraising campaign "Help Us Stay on Track" providing that Rotary Bowl becomes a multi-use facility.



Report Writer



C.A.O. Concurrence

COMMENTS:



IN REVIEW	
CAC APPROVAL <i>CMW</i>	
EAP	
COW	<input checked="" type="checkbox"/> <i>May 13th</i>
MAY 05 2008	
RHD	
BOARD	

MEMORANDUM

TO: Carey McIver
Manager of Solid Waste

DATE: May 1, 2008

FROM: Helmut Blanken
Superintendent Engineering
& Disposal Operations

FILE: 2240-20-BIRD

SUBJECT: Contract Extension for Bird Control at Regional Landfill

PURPOSE

To obtain Board approval to enter into a two year contract extension with Pacific Northwest Raptors to provide bird control services at the Regional Landfill.

BACKGROUND

The Regional Landfill attracts a large number of nuisance birds, mostly seagulls and crows, due to the presence of food in the waste. These birds pose a health risk to landfill staff and the public from droppings, cause damage to equipment and facilities, and are safety hazards for aircraft using the nearby airport. Operational procedures such as minimizing the size of the working face and complete covering of waste each day reduces the number of birds populating the site, however these measures are not adequate to achieve the significant reduction of birds required to minimize these problems.

The use of trained raptors (hawks and falcons) at the Regional Landfill to discourage large numbers of nuisance birds has been used successfully since 1991. The predator birds have far greater impact on the nuisance birds' behaviour than any other means, including mechanical or auditory devices. Nuisance birds adapt quickly to noisemakers and netting and will eventually disregard these deterrents in their search for food.

In March 2006 the RDN awarded a two year contract to Pacific Northwest Raptors Ltd. (PNWR) for bird control services at the Regional Landfill at a cost of \$249,858. This was the second contract awarded to PNWR, who had been providing this service since 2002. Services under the current contract consist of provision of a trained bird control officer (BCO), suitable bird of prey and supporting equipment, seven days per week excluding statutory holidays.

The annual fee for service was \$124,929 based on a dedicated BCO for 9 hours per day for the period from April to October and 7.5 hours per day from November to March. No coverage for the breaks was included. Based on past experience, daily coverage of 9 hours in the summer and 7.5 hours in the winter was a sufficient level of service even though the site was operating for 10 hours.

However, the bird population at the landfill site is subject to annual and seasonal variations. During the contract period the number of birds populating the site has increased dramatically. This is largely due to the lack of availability of natural food sources outside of the landfill, weather conditions, and operational conditions. The 2007 annual report shows an average population ranging from 151 gulls in August (low season) to 1875 gulls in December (high season). In comparison the average population for December 2006 was 970 gulls.

Due to this significant increase, last January staff directed PNWR to increase the level of service to provide one extra bird control officer per day depending on conditions. The additional cost associated with this increased service level (12-16 hours per day) was \$25,920 for the period from January 15 to April 30, 2008.

The current contract with PNWR expired on April 30, 2008. Bird control is an essential requirement for the active and closed landfill areas. Experience over the last year indicates that continuous coverage including breaks during the operating hours appears to be necessary. However before issuing a new RFP at this higher service level, staff needs to investigate alternative measures to provide more efficient bird control.

This includes operational procedures such as the application of alternate daily cover systems, improvements to interim covers, minimizing the open work face and a review of waste handling which may reduce the level of service required for bird control. Consequently, while staff is investigating these methods, the bird control contractor must be able to be flexible with respect to increasing or decreasing the hours of service required.

Bird control may be reduced back down to 8 hours per day as per the existing contract, if alternate measures are efficient to reduce the bird population. However extended coverage of up to 16 hours per day may be applicable, during times when off-site food sources for the birds are low and/or areas of exposed waste are larger due to operational constraints such as starting a new cell.

Staff has negotiated a contract extension with PNWR that will provide the required flexibility. Based on discussions with staff, PNWR have submitted a proposal that contains an extension for one year or for two years with a basic coverage of 12 hours (two bird control officers) to provide full coverage over the operating time from 7:00 AM to 5:00 PM with the option to reduce or increase as required.

The table below shows the annual cost of the existing contract and PNWR's proposed contract extensions. The annual cost includes the provision of trained staff and birds, supporting equipment, reports and 6 site meetings per year.

Option	Service Hours	Annual Cost
Current Contract – Summer	9	\$124,929
Winter	7.5	
1 Year Extension	12	\$213,600
2 Year Extension – Year 1	12	\$196,512
2 Year Extension – Year 2	12	\$205,056

ALTERNATIVES

1. Award a one year contract extension to Pacific Northwest Raptors to provide bird control at the Regional Landfill.
2. Award a two year contract extension to Pacific Northwest Raptors to provide bird control at the Regional Landfill.
3. Do not extend the bird control contract and prepare a new Request for Proposals.

FINANCIAL IMPLICATIONS

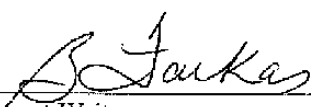
There are sufficient funds in the 2008 Solid Waste Budget to fund this essential service for either a one year extension (Alternative 1) at a cost of \$213,600 or a two year extension (Alternative 2) at a cost of \$196,512 for the first year. However due the cost savings, as well as the need to investigate alternative bird control measures over a longer time period, a two year contract extension would be the most cost-effective option. Under Alternative 3, although an RFP process may result in lower costs, staff does not recommend a change in contractors at this time given the need to retain experience while investigating alternative control methods.

SUMMARY

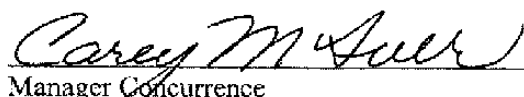
The Regional Landfill attracts a large number of nuisance birds due to the nature of the operation. The use of trained raptors at the landfill to discourage the birds has been used successfully since 1991. In March 2006 the RDN awarded a two year contract to Pacific Northwest Raptors Ltd. (PNWR) for bird control services at the Regional Landfill at a cost of \$249,858. During the contract period the number of birds populating the site has increased dramatically requiring additional bird control services. The current contract with PNWR expired on April 30, 2008. Staff believe that due to the significant increase in the bird population at the site, a change of contractor is not advisable at this time; therefore issuing a new RFP is not recommended. Consequently staff has negotiated a two year contract extension with PNWR that will allow staff to investigate alternative measures for bird control while keeping the experience of the current bird control officer and predator birds.

RECOMMENDATION

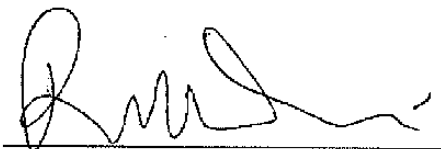
That the Board award a two year contract extension to Pacific Northwest Raptors for bird control services at the Regional Landfill effective May 1, 2008 at a cost of \$401,568.00.

for 


Report Writer



Manager Concurrence



General Manager Concurrence



CAO Concurrence

COMMENTS:



CAO APPROVAL <input checked="" type="checkbox"/>	
EAP	
CoW	<input checked="" type="checkbox"/> May 13th
MAY 05 2008	
RHD	
BOARD	

MEMORANDUM

TO: Dennis Trudeau.
General Manager of Transportation and Solid Waste Services

DATE: May 2, 2008

FROM: Carey McIver
Manager Solid Waste

FILE: 5330-20-RLCOR

SUBJECT: **Regional Landfill Cell One Remediation Project
Approval to Proceed to Tender and Award of Consulting Services**

PURPOSE

To obtain Board approval to proceed to tender for the remediation of the storm water management and leachate collection systems on the closed portion of the Regional Landfill (Cell One) and award the associated engineering services to XCG Consultants Ltd.

BACKGROUND

The Regional Landfill consists of two distinct areas: Cell One, the unlined natural control landfill which was closed in 1996 and Cell Two, the lined engineered landfill which began receiving RDN waste in 1991. Engineering controls were established in Cell One with the installation of a leachate interceptor system along the northern and southern limit of waste in 1991 and 1992. Cell One was progressively closed with a 1-metre clay cap between 1992 and 1996.

The 2008 capital plan for the Regional Landfill includes funds for upgrading the stormwater management and leachate collection systems installed in Cell One. The need for this project was identified in 2004 when monitoring results from landfill gas wells installed in 2003 indicated leachate mounding in Cell One. Although funds were allocated in successive budgets to install a new leachate collection system to reduce this mounding and facilitate the construction of a Nature Park, the project was delayed until a detailed geological and hydrogeological assessment of the site was completed in May 2007.

The objectives of the Hydrogeological Study were to: characterize the hydrogeological setting; define leachate migration paths; undertake an environmental impact/compliance assessment; and identify hydrogeologic/leachate management issues. Although not confirmed by the quarterly groundwater monitoring program, the study identified the potential for leachate migration from Cell One. This potential for leachate impacted groundwater to migrate off-site will be reduced through the remediation of the storm water management and leachate collection systems in Cell One.

In September 2007, based on the results of an RFP process, staff engaged XCG Consultants Ltd. (XCG) to prepare a comprehensive Design & Operations (D&O) Plan for the Regional Landfill. The draft Plan, completed in March 2008, is based on an integrated development strategy that incorporates surface water, leachate and landfill gas management controls into the landfill development plan to mitigate landfill derived impacts. In particular the draft plan has been developed to serve as a remedial action plan which addresses the issues and concerns outlined in the 2007 Hydrogeological Study, and provides timelines for expedited and effective implementation of all remedial action measures including the installation of new monitoring wells.

Staff is currently discussing the draft D&O Plan with the Ministry of Environment and plan to submit the final plan and associated long-term capital infrastructure cost estimates to the Board for approval within the next few months. The D&O Plan identifies remediation of the Cell One storm water management and leachate collection systems as an essential project for completion in 2008.

ALTERNATIVES

1. Proceed to tender for the remediation of storm water management and leachate collection systems in Cell One of the Regional Landfill and award the associated engineering services to XCG Consultants Ltd.
2. Do not proceed to tender for the remediation of storm water management and leachate collection systems in Cell One of the Regional Landfill.

FINANCIAL IMPLICATIONS

Alternative 1

Cell One Remediation Project Costs

The budget estimate included in the 2008 capital plan for the construction and engineering costs to remediate Cell One is \$990,000. This pre-design estimate was prepared by XCG in October 2008 prior to completing the D&O Plan. In March 2008, staff engaged XCG to complete the preliminary design for the project. The revised cost estimates for the project are indicated in the following Table 1

Table 1: Cell One Remediation Project Cost Estimates

	<i>Pre-Design Estimate</i>	<i>Preliminary Design Estimate</i>
<i>Leachate Collection</i>		
Construction	\$390,000	\$288,132
Engineering	\$65,000	\$53,670
Contingency	\$0	\$64,192
<i>Sub-total</i>	<i>\$455,000</i>	<i>\$405,994</i>
<i>Surface Water Management</i>		
Construction	\$455,000	\$587,143
Engineering	\$80,000	\$108,330
Contingency	\$0	\$130,808
<i>Sub-total</i>	<i>\$535,000</i>	<i>\$826,281</i>
Total	\$990,000	\$1,232,275

The cost estimate to remediate the surface water management system has increased as a result of a geotechnical assessment which concluded that the excavation will be deeper than the original estimate, dewatering will be required, more bedrock will need to be excavated and some blasting will be necessary. The size of the stormwater pipe has also been increased based on the results of the draft D&O Plan, which concluded that climate change will result in significant increases in the short duration rainfall events and that the current stormwater piping system was inadequate to handle these events.

Staff has reviewed the budget implications of this cost increase and has concluded that there are sufficient funds in the 2008 budget to fund this essential project. In particular staff proposes that \$242,000 of the \$1.5 million allocated to the upgrade and expansion of the Church Road Transfer Station (CRTS) be re-directed to this project. As reported to the Board in March 2008, staff re-submitted an application to the Gas Tax Revenue Transfer Program on April 30, 2008. Given that funding approvals will not be completed for four to six months, staff does not plan to begin construction on this project until January 2009.

Staff has incorporated the revised cost estimate for the Cell One Remediation Project, the deferral of the CRTS Upgrade & Expansion to 2009, as well as the long-term infrastructure projects identified in the draft D&O Plan into the 2008-2013 Financial Plan and there are sufficient funds available to complete all proposed projects.

Project Consultant

XCG's senior project manager has been providing integrated leachate, stormwater and landfill gas engineering services at the Regional Landfill since 2002. All projects have been within budget and completed in a timely manner. Given that this project is weather dependent and must be completed by October, staff has engaged XCG to complete the preliminary and detailed design work on the project at a cost of \$80,500. Given the consultant's experience with the project and performance to date staff believe that it is appropriate to engage them for the balance of the project. The cost to complete the engineering for this project is \$81,500.

Alternative 2

The Cell One Remediation project is an essential component of the remedial action plan identified in the draft D&O Plan to address the issues and concerns outlined in the 2007 Hydrogeological Study. If the Board does not proceed with this project in the 2008 construction season, the project will need to be constructed in 2009.

ENVIRONMENTAL IMPLICATIONS

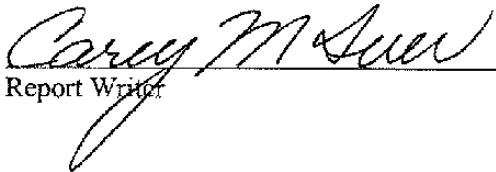
The Regional Landfill must be operated in accordance with the design, performance and operational requirements of the Operational Certificate (OC) for the site issued by the Ministry of Environment in 2004. The OC requires that leachate must be collected and conveyed to a municipal sewage treatment system. Now that the 2007 Hydrogeological Study has confirmed the potential for off-site impacts from the leachate mounding in Cell One, it is incumbent upon the RDN to show due diligence and expedite the remediation of the Cell One storm water management and leachate collection systems.

CONCLUSIONS


The 2008 capital plan for the Regional Landfill includes funds for upgrading the stormwater management and leachate collection systems installed in Cell One, the unlined natural control landfill. The pre-design estimate for this project, prepared in October 2007, was \$990,000. The April 2008 preliminary design estimate is \$1,232,275, based on the results of a geotechnical assessment which concluded that the excavation will be deeper than the original estimate, dewatering will be required, more bedrock will need to be excavated and some blasting will be necessary. The size of the stormwater pipe has also been increased since the current stormwater piping system is inadequate to handle the significant increases in the short duration rainfall events predicted as a result of climate change. Staff has reviewed the budget implications of this cost increase and has concluded that there are sufficient funds in the 2008 budget to fund this essential project.

RECOMMENDATION

That the Board proceed to tender for the remediation of storm water management and leachate collection systems in Cell One of the Regional Landfill and award the associated engineering services to XCG Consultants Ltd.


Report Writer


General Manager Concurrence


CAO Concurrence

COMMENTS:

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE ELECTORAL AREA 'A' PARKS AND GREEN SPACE ADVISORY
REGULAR COMMITTEE MEETING
THURSDAY, MARCH 20, 2008

Attendance: Frank Garnish, Chair
Joe Burnett, Director RDN Board
Barbara Metcalf
Jim Fiddick
Lynne Aldcroft, Secretary
Margaret Johnson
Joe Materi

Staff: Elaine McCulloch, RDN Parks Planner

Absent: Gay Cunningham

CALL TO ORDER

1 Chair Garnish called the meeting to order at 7:34pm.

MINUTES

3 Committee members noted the Minutes of the January 17, 2008, meeting should be amended under the heading Minutes item 4.1, to read meeting held November 15, 2007.

MOVED J. Fiddick, SECONDED J. Materi, that the Minutes of the Electoral Area 'A' Parks and Green Space Advisory Committee Meeting held January 17, 2008, be approved as amended.

CARRIED

BUSINESS ARISING FROM THE MINUTES

4 The access to Holden Lake via Bean Road has not yet been addressed by staff.

COMMUNICATIONS/CORRESPONDENCE

5 MOVED M. Johnson, SECONDED J. Burnett that the following Correspondence be received:

- K. Segie, South Wellington and Area Community Association Re: Foot Under Pass Tunnel Cleaning
- M. Pearse to L. Aldcroft Re: Appointment EA 'A' Parks and Green Space Advisory Committee

CARRIED

BUSINESS ARISING FROM COMMUNICATIONS/CORRESPONDENCE

7 MOVED J. Burnett, SECONDED J. Fiddick, that the correspondence received from K. Seggie, South Wellington and Area Community Association, regarding foot under pass tunnel cleaning, be referred to the Regional Parks and Trails Advisory Committee, as the Morden Colliery Trail would fall under their jurisdiction.

CARRIED

REPORTS

8.1 Director's Report

Mr. Burnett presented a verbal report highlighting the following items:

- A Drinking Water -- Watershed Protection Action Plan will be presented in November to residents in all seven electoral areas regarding the establishment of a single service area for this purpose.
- The EA 'A' Recreation and Culture Commission is in the process of reviewing two options for service delivery. One would be a partnership with School District 68 to expand the role of the Community School Coordinator, the second would be to retain a Coordinator through the Regional District and develop and deliver programs directly.
- A Grant In Aid Program will also be established under the Recreation and Culture Commission.
- With regard to fire protection Electoral Areas, 'A' and 'C' are reviewing boundary changes.
- The Official Community Plan is scheduled for review later this year.
- The Regional District has completed a land inventory of the existing and potential commercial floor area under the current zoning.
- The Regional Growth Strategy is under review. New concerns are climate change, food security and affordable housing.

8.2 Cedar South Wellington Community Trail Group

Mr. Materi highlighted the following items:

- One footbridge was damaged by winter flooding and has been removed. It will be replaced by a culvert.
- The signage looks very good.
- The 350kg of broom which was cut in the summer has been removed.
- Horse Club members have contacted the Parks Department regarding access to horse trails in Hemer Park.

A Morden Colliery Trail work party will be held Sunday, March 30, 2008. They will work on the trail in from Wobank.

Mr. Garnish suggested the need for a gate at the Morden Colliery site to discourage dumping of garbage. Mr. Garnish and Mr. Materie will investigate a possible site for the gate.

8.3 Staff Update

Ms. McCulloch presented a verbal Staff Update Report noting the following items:

- Community members have been very supportive volunteering time and equipment with regard to the development of Thelma Griffiths Park. Construction on the park will begin in April. It is expected the park will be completed in May.
- A cost estimate of \$665 plus taxes has been received with regard to improving the access at Ridden Road.
- The Skate Park Application has been sent to the ALC.
- A Regional Committee will be formed to establish a parks acquisitions priority list. Currently Area A has \$536,000 in the Parks Acquisition Fund. A list of possible parks in

Area A which could be placed on the list should be prepared. Mr. Garnish noted a parks acquisition list has already been prepared for Area A.

- Park directional signage is complete. Highway signage will also be installed soon, as well a kiosk.

Mr. Burnett requested that a garbage can be installed at Nelson Road for the summer.

MOVED J. Materi, SECONDED J. Fiddick, that the Electoral Area 'A' Parks and Green Space Advisory Committee review and update the Park Acquisition Priority List at the next meeting.

CARRIED

MOVED F. Garnish, SECONDED B. Metcalf, that an In Camera meeting be scheduled for every Electoral Area 'A' Parks and Green Space Advisory Committee meeting.

CARRIED

MOVED J. Fiddick, SECONDED M. Johnson, that Director Burnett investigate the legality and feasibility of selling dedicated park land.

CARRIED

MOVED L. Aldcroft, SECONDED B. Metcalf, that staff investigate the possibility of a connection from Roper Road to the new park at Whiting Way.

CARRIED

8.4 **Monthly Update of Community Parks and Regional Parks and Trail Project January 2008.**

Ms. McCulloch reviewed the Community Parks and Regional Parks and Trail Project Report.

Mr. Metcalf requested staff prepare a timeline with regard to the remedial work to be done at Nanaimo River Regional Park.

MOVED J. Fiddick, SECONDED M. Johnson, that the Reports be received.

CARRIED

ADJOURNMENT

12 MOVED J. Fiddick that the meeting be adjourned.

Chair

REGIONAL DISTRICT OF NANAIMO

**MINUTES OF THE ELECTORAL AREA 'H' PARKS AND OPEN SPACE ADVISORY
REGULAR COMMITTEE MEETING
THURSDAY, MARCH 27, 2008**

Attendance: Michael Procter, Chair
Patty Biro, Secretary
Barry Ellis
Brenda Wilson
Val Weismiller
David Bartram, Director RDN Board

Staff: Jonathan Lobb, Parks Operations Coordinator

Absent: Marguerite Little

CALL TO ORDER

1 Chair Procter called the meeting to order at 9:00am.

DELEGATIONS

2 MOVED D. Bartram, SECONDED B. Wilson, that the late delegation Diane Eddy and Anne Copas, of the Mapleguard Ratepayers Association, be received.

CARRIED

Ms. Eddy addressed the Committee with regard to the park dedication at the Pearl Road subdivision. Ms. Eddy requested the Committee consider "edible landscaping" when reviewing park use and allocation of park lands, noting existing parks in the Deep Bay area are not large enough in size for a community gathering. Ms. Eddy stated she understood that the responsibility of the POSAC was to increase the amount of useable parkland in the Deep Bay area and felt expanding Pearl Park, for use as a community garden, would have been a better option.

MINUTES

3 MOVED D. Bartram, SECONDED V. Weismiller, that the Minutes of the Electoral Area 'H' Parks and Open Space Advisory Committee Meeting held February 15, 2008, be approved.

CARRIED

COMMUNICATIONS/CORRESPONDENCE

5 MOVED D. Bartram, SECONDED B. Ellis, that the Correspondence T. Osborne to Lighthouse Community Centre Society Re: Lighthouse Community Centre Funding Agreement 2008 – 2010, be received.

CARRIED

MOVED D. Bartram, SECONDED B. Ellis, that the following late Correspondence be received:

- D. Eddy to D. Backhouse Re: Right of Way and Trail Corridors
- D. Eddy to G. Garbutt Re: Gainsberg Road Parkland Dedication
- G. Taylor to POSAC Area Re: Gainsberg Road Parkland Dedication

CARRIED

BUSINESS ARISING FROM DELEGATIONS

- 6 Ms. Biro informed the delegation from Mapleguard Ratepayers Association, the Area 'H' Parks and Open Space Advisory Committee had considered the application for the Pearl Road Subdivision with considerable care. After consulting with both RDN Planning and Parks Department staff, the Committee made a recommendation for land allocation which they felt was both useful and suitable for the neighbourhood.

Mr. Bartram agreed the need for community gardens is valid issue and there may be opportunity, in the near future, for flat park land which would be suitable for such a use in Area 'H'.

REPORTS

8.1 Director's Report

Mr. Bartram noted the following items:

- Randal Arndt's presentation review regarding subdivision of Lots A and B, DL1, off Gainsberg Road.
- Staff to investigate the possibility of a community park at Buccancer Beach.
- A petition is being circulated regarding the installation of street lights at Nile and Bovanis Roads. The street lights should help deter crime and vandalism in the area. Local residents have indicated they are willing to cover the cost of the installation.

MOVED B. Wilson, SECONDED B. Ellis, that the Reports be received.

CARRIED

COMMITTEE ROUND TABLE

- 10 Ms. Biro highlighted the following programs offered in the Area:
- Belly dancing begins early April and will run for six weeks.
 - T-Ball, for 4 to 7 year olds, begins late April and will run until June. Games will be held at both the hall and the school.
 - Badminton is winding down for the season and will resume in the fall.
 - Efforts are being made to offer dance classes, at the hall, in the fall.

Ms. Biro noted a thank you will be going to the Community Club and the Lighthouse Recreation Commission for hosting an Easter Event for children in Area 'H'. The event was so popular it will become an annual event.

Mr. Ellis expressed his thanks to Ms. Biro for her continued efforts on behalf of the Community.

COMMITTEE INFORMATION

- 11 Committee members were reminded about the upcoming public meeting regarding Solid Waste Management issues and were encouraged to attend.

ADJOURNMENT

12 MOVED B. Ellis, that the meeting be adjourned at 10:05am.

CARRIED

NEXT MEETING

Thursday, May 22, 2008
9:00am, Lighthouse Community Centre

Chair

**Draft Minutes for the Meeting held:
Wednesday, April 9, 2008 @ 9:00AM
Regional District of Nanaimo – Board Room
6300 Hammond Bay Road, Nanaimo, BC**

Present:

- Paul Thompson, RDN
- Gayle Jackson, Parksville
- Paul Butler, Qualicum Beach
- Laura Tate, Ministry of Community Services
- Roger Cheetham, ALC
- David Edgar, Ministry of Transportation
- Pam Shaw, Lantzville
- Cheryl Fortin, Ministry of Economic Development
- Ron Bronstein, Ministry of Energy, Mines and Petroleum Resources
- Wayne Haddow, Ministry of Agriculture and Lands
- Terra Kaethler, ALC
- Bruce Anderson, Nanaimo
- Frank Ullmann, Ministry of Tourism, Sports and the Arts
- Bill Zinovich, ILMB
- Hans Anderssen, Ministry of Energy, Mines and Petroleum Resources

Item

1. Call to order.

P. Thompson called the meeting to order at 9:00AM

2. New Business

a) Role of Intergovernmental Advisory Committee

L. Tate reviewed the role and purpose of the IAC, which is required under Section 867 of the *Local Government Act*. The function of the IAC is to provide advice on the content and implementation of the RGS, and to facilitate coordination of provincial and local governments as the RGS is updated and implemented. Membership on the IAC includes senior staff from provincial ministries and agencies and local government.

b) Update on Regional Growth Strategy Review

P. Thompson reported on the current status of the RGS review. He explained the purpose of the RGS to ensure that urban growth is being contained. Population forecasts and a land capacity analysis to determine the availability of land within the existing urban containment boundaries for future development have been completed as part of the review. The current phase of the review considers incorporating sustainability challenges into the RGS. Discussion ensued about including prescriptive policies in the RGS, and the use of targets for local governments to achieve. The role of the IAC would be to make recommendations on appropriate targets for RGS goals and to educate elected officials of the required changes to the RGS. It was pointed out that the Comox First Nation's traditional territory extends into the RDN.

c) Provincial Interests in the RGS

C. Fortin provided an overview of the regional economic analysis for the Vancouver Island region. The analysis is intended to encourage sustainable development in the region, such as

through higher density development. The analysis focused on 20 sectors of interest including alternative energy, economic diversity, transportation, aquaculture, bioenergy, and agriculture. Modeling is necessary to show the difference between the 'business as usual' scenario and alternative development scenarios. She also requested that provincial organizations be informed of future local government plans.

W. Haddow identified the need to maintain opportunities for agriculture. Obstacles to maintaining viable agricultural lands include water shortages, protection of streams by provincial and local government regulations, ability to maintain a working farm, farmers access to markets and hobby farms. The policies of the RGS support maintaining agricultural lands through urban containment, but are the policies being implemented?

B. Zinovich emphasized the importance of maintaining sensitive ecosystems and lands for forestry. The RDN contains very little Crown land to preserve sensitive ecosystems. Efforts of government organizations should be to encourage private land owners to preserve forest lands and watersheds. First Nations should also be involved from the beginning of the review process, due to the amount of Crown land that is subject to treaty negotiations. He also suggested that there are issues over water, such as control over watersheds or the connection between growth areas and servicing. RDN should also consider water supply capacity and security.

II. Anderssen explained that aggregate resources within the region need to be secured. Aggregate resources closer to market or the location of processing will reduce greenhouse gas emissions. The processing of aggregate resources, such as limestone or cement, is the largest producer of carbon dioxide emissions and is also a high energy user. He suggested that he would like to see policies in the RGS that would support aggregate extraction.

R. Cheetham expressed his concerns for preserving agricultural land. If development were to occur close to land within the ALR, it should be compatible. He does have two concerns regarding development within the ALR. The first is that the parcel size is not the ideal size. The second is that in zones that permit second dwellings, the ALC does not want second dwellings. Land within the UCB is also not being used efficiently, effectively creating more pressure to take land out of the ALR. He would like to see targets in the RGS, and more work at achieving the targets. It is difficult to encourage people to live within higher density areas. Several areas in the Lower Mainland have had some success with achieving high densities, such as Newport Village in Port Moody and examples of infill in Metro Vancouver.

D. Edgar identified the proposed development in Deep Bay as land use related to road building. The problems of sprawl cannot be solved by building more roads. Development needs to be built at a density that promotes alternative transportation choices and transit.

F. Ullmann suggested that public greenspace may be scarce since the region does not have much Crown land, and the little which is available could be used for treaty settlements. Access to waterfront and Crown land has often been prevented by private property owners. Local government must make sure access is maintained before development occurs. In the provincial marine trails strategy, there are large gaps between Victoria and Campbell River.

Comments from M. Henigman were read by Laura Tate. She stated that the RDN should take a broader view of the carrying capacity of the watershed and look at opportunities for preserving and enhancing environmentally sensitive areas, such as the Coastal Douglas Fir Ecosystem. She requested that the RDN do some more studies on climate change and reducing greenhouse gas emissions.

L. Tate stated that the RGS is a valuable tool to manage urban growth and reduce greenhouse gas emissions. She suggested that the IAC also consider initiatives now which could facilitate future implementation of the RGS now, including additional means of encouraging infill developments which would take pressure off of Greenfield sites. She expressed the need to use the IAC for

input into the regional growth strategy review process. She suggested that there is more work to ensure that provincial interests are considered as part of RGS updating and approval.

3. Other Business

None

4. Adjournment.

P. Thompson adjourned the meeting at 11:45 AM.

Chair, P. Thompson

REGIONAL DISTRICT OF NANAIMO

MINUTES OF A MEETING OF THE GRANTS-IN-AID COMMITTEE
HELD ON TUESDAY, MAY 6, 2008 AT 10:00 AM
IN THE REGIONAL DISTRICT OFFICES

Present:

M. Young	Chairperson
F. Van Eynde	Citizen Advisory Group
B. Erickson	Citizen Advisory Group
N. Randall	Citizen Advisory Group
L. Burgoyne	Administrative Assistant

DISTRICT 68

Funds available: \$ 2,925.00

MOVED F. Van Eynde SECONDED N. Randall, that the following grants be awarded:

Name of Organization	Amount Requested	Amount Recommended
Cedar Community Policing	\$ 1,505	\$ 1,175
Cedar Schools & Community Enhancement Society	\$ 800	\$ 800
Jonanco Hobby Workshop	\$ 1,000	\$ 450
Nature Trust of BC	\$ 500	\$ 500
		<u>\$ 2,925</u>

CARRIED

The Committee agreed that the following comments be conveyed to the applicants:

Cedar Community Policing – grant to be used to purchase armbands and supplies for the organization's pedestrian safety awareness program to educate pedestrians and parents of school children regarding night visibility.

Cedar Schools & Community Enhancement Society – grant to be used to purchase art supplies for the Society's summer children's program.

Jonanco Hobby Workshop – grant funding to be used to purchase a replacement grinding wheel for the organization's lapidary equipment.

Nature Trust of BC – funds to be used towards the costs of organizing the 2008 Brant Wildlife Festival. Festival activities were held in both District 68 and 69. Funding provided under District 68 GIA funding will be used towards costs incurred for the Voices of Nature Children's Concert. See District 69 approvals for further funding details.

DISTRICT 69

Funds available: \$8,976.00

MOVED F. Van Eynde, SECONDED N. Randall, that the following grants be awarded:

Name of Organization	Amount Requested	Amount Recommended
Building Learning Together – Project Literacy	\$ 1,700	\$ 1,200
Forward House Community Society	\$ 2,177	\$ 1,000
Lighthouse Country Marine Rescue Society	\$ 5,000	\$ 3,500
Nature’s Trust	\$ 500	\$ 500
Oceanside Volunteer Association	\$ 1,000	\$ 1,000
Parksville & District Association for Community Living	\$ 1,700	\$ 1,700
		<u>\$ 8,900</u>

CARRIED

The Committee agreed that the following comments be conveyed to:

Building Learning Together Project Literacy – grant funds were approved to purchase storytelling aprons, kits and classic books for their children’s literacy program.

Forward House Community Society – funding to be used to purchase a button hole machine, artwork and film supplies to be used to produce buttons and t-shirts for their anti-stigma campaign for compassion for adults in District 69 who have chronic or acute mental health and addiction issues.

Lighthouse Country Marine Rescue Society – grant funds were approved to the marine search and rescue society to purchase decking and hardware for their new float and training facility building.

Nature Trust of BC – grant to be used towards the costs of organizing the 2008 Brant Wildlife Festival. Festival activities were held in both District 68 and 69. Funding provided under District 69 will be used towards costs incurred for the Hamilton Marsh Tours during the festival.

Oceanside Volunteer Association – funding will be used to present three workshops that will assist and provide support to Oceanside non profit organizations. Workshop topics include fund development, grant applications and board member development.

Parksville & District Association for Community Living – this organization provides day programs to adults with development disabilities. Grant funds to be used towards two events, hosting a community Christmas Party and to host a track and field barbecue event for all adults with disabilities in the Oceanside area.

ADJOURNMENT

The meeting adjourned at 10:45 AM.

CHAIRPERSON