

ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDING

DECEMBER 31
2016

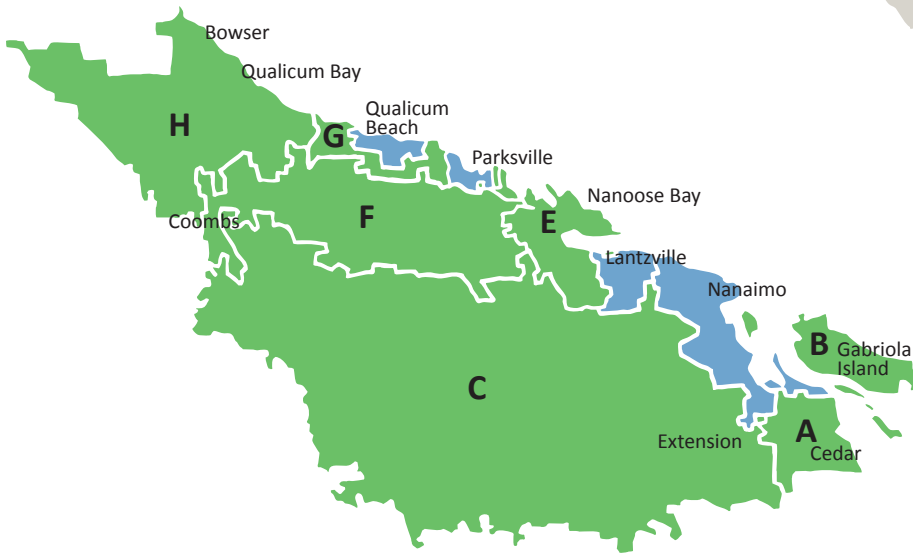




REGIONAL DISTRICT OF NANAIMO



Nanaimo



Regional District
of Nanaimo





TABLE OF CONTENTS

<u>INTRODUCTORY SECTION</u>	Page
Introduction	i-iv
Message from the Chair	v
Board of Directors	vi
Schedule of Committees	vii-ix
Board Strategic Priorities	x-xi
Organizational Chart	xii
RDN Departments and Services	xiii
Message from the Chief Administrative Officer	xiv
Departmental Highlights	xv-xxxviii
Financial Statements Discussion and Analysis	xxxix-xliv
<u>FINANCIAL STATEMENT SECTION</u>	
MANAGEMENT'S RESPONSIBILITY	1
AUDITORS' REPORT	2
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	3
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS	4
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS	5
CONSOLIDATED STATEMENT OF CASH FLOWS	6
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	7-23

<u>SUPPORTING SCHEDULES</u>	Page
CONSOLIDATED SCHEDULE OF REVENUES AND EXPENSES BY SEGMENT - NOTES	24
CONSOLIDATED SCHEDULE OF REVENUES AND EXPENSES BY SEGMENT	25
CHART - 2016 REVENUES AND EXPENDITURES	26
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS	27
SCHEDULE OF LONG-TERM DEBT- summary by function	28
SCHEDULE OF LONG-TERM DEBT - detailed	29-31
SCHEDULE OF STATUTORY RESERVE FUND ACTIVITIES AND FUND BALANCES	32-33
SCHEDULE OF DEVELOPMENT COST CHARGES AND PARKLAND ACQUISITION FUNDS	34
SCHEDULE OF RECEIPTS AND DISBURSEMENTS - GAS TAX REVENUE TRANSFER PROGRAMS	35
SCHEDULE OF GENERAL REVENUE FUND REVENUE AND EXPENDITURES	36
CHART - 2016 TAX REVENUES BY FUNCTION	37
GENERAL REVENUE FUND DIVISIONAL SUMMARIES	
CORPORATE SERVICES - SCHEDULES OF REVENUES AND EXPENDITURES	
A CORPORATE SERVICES OVERALL	38
STRATEGIC & COMMUNITY DEVELOPMENT - SCHEDULES OF REVENUES AND EXPENDITURES	
B STRATEGIC & COMMUNITY DEVELOPMENT OVERALL	39
B-1 BYLAW ENFORCEMENT	40
REGIONAL & COMMUNITY UTILITIES - SCHEDULES OF REVENUES AND EXPENDITURES	
C REGIONAL & COMMUNITY UTILITIES OVERALL	41
C-1 WASTEWATER MANAGEMENT	42
C-2 WATER SUPPLY MANAGEMENT	43
C-3 SEWERAGE COLLECTION	44
C-4 STREET LIGHTING	45
RECREATION & PARKS SERVICES	
D RECREATION & PARKS OVERALL	46
D-1 COMMUNITY PARKS	47
TRANSPORTATION & EMERGENCY SERVICES	
E TRANSPORTATION & EMERGENCY SERVICES OVERALL	48
E-1 PUBLIC SAFETY SYSTEMS	49
E-2 FIRE DEPARTMENTS	50

<u>FINANCIAL AND OPERATIONAL STATISTICS SECTION</u>	Page
REVENUES AND EXPENDITURE TRENDS 2012-2016	51
REVENUES, EXPENDITURES AND ACCUMULATED SURPLUS 2012-2016	52
TAX CONTRIBUTIONS BY PARTICIPATING AREA 2012-2016	52-53
ELECTORAL AREA CONSTRUCTION ACTIVITY 2012-2016	54
WASTEWATER - POPULATION AND FLOW 2011-2016	55
TRANSIT RIDERSHIP 2010 - 2016	56
SOLID WASTE MANAGEMENT: ANNUAL TONNES VS POPULATION 2011 - 2016	57
TOTAL PROPERTY ASSESSMENTS NET TAXABLE VALUES 2012 - 2016	58



INTRODUCTION

This Annual Financial Report provides readers with an overview of the financial results for the 2016 Fiscal Year, as well as the results of the range of RDN’s services carried out under the direction of the Board in compliance with the Board Strategic Plan and the adopted financial plan.

This Annual Financial Report is divided into four sections for convenience:

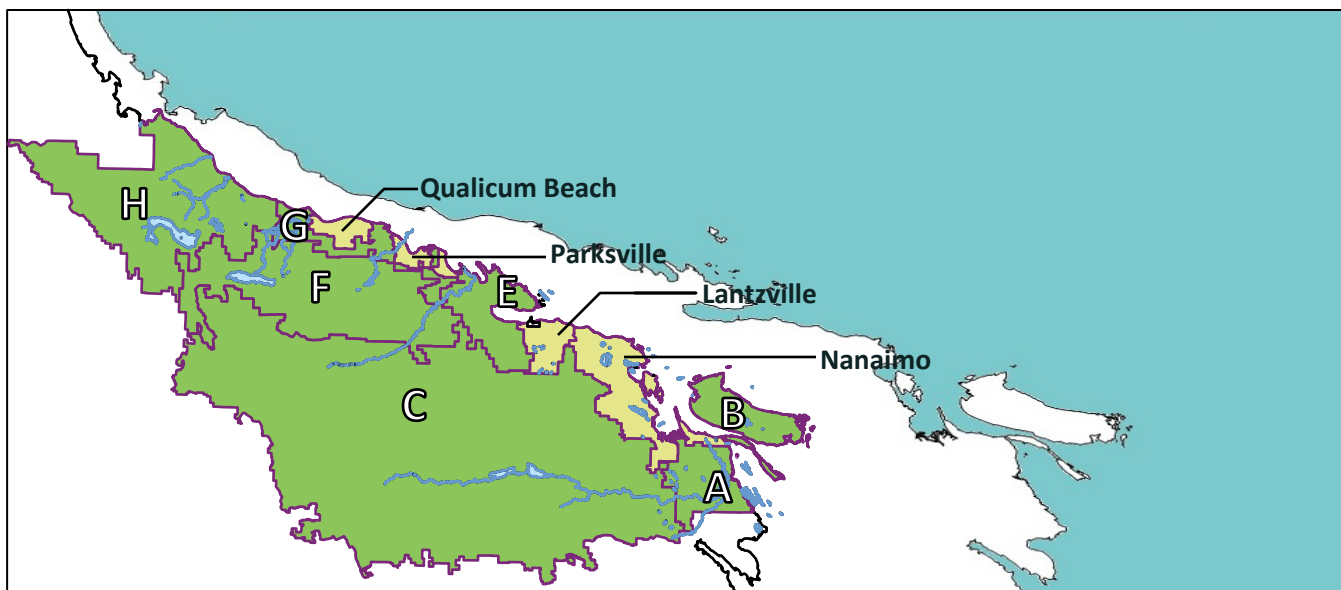
Introductory Section: Introduces the Board of Directors, outlines the structure of the organization, describes the Regional District of Nanaimo, and highlights 2016 departmental accomplishments.

Financial Statements Section: Contains the audited consolidated financial statements and notes to the financial statements for 2016.

Supporting Schedules Section: Contains schedules showing financial activities in more detail, including reserve fund transactions, overall operating revenues and expenditures and statements of revenues and expenditures for individual services provided by the Regional District.

The presentation of results in the supporting schedules conforms to the requirements of the *Local Government Act* for Regional Districts to account for revenues and expenditures at the service level.

Financial and Operational Statistics Section: Contains a number of statistical summaries about the Regional District as well as graphic representations of current and historic operating results.



REGIONAL DISTRICT OF NANAIMO – WHO WE ARE

The Regional District of Nanaimo is one of 29 regional governments in British Columbia. Regional Districts are governed by a Board of Directors whose members are appointed from member municipalities’ councils and elected from the Region’s Electoral Areas.

The Regional District of Nanaimo is situated within the traditional territory of several First Nations, including three that have villages and other lands under their jurisdiction within the region: Snuneymuxw, Snaw-Naw-As and Qualicum First Nation. The Board recognizes the rich cultural history of the region’s First Nations and is committed to developing positive working relationships to the benefit of all residents of the region.

As a local government, the Regional District of Nanaimo is a regional federation of four municipalities and seven electoral areas.

The four municipalities are the **City of Nanaimo**, the **City of Parksville**, the **Town of Qualicum Beach**, and the **District of Lantzville**.

The Electoral Areas are:

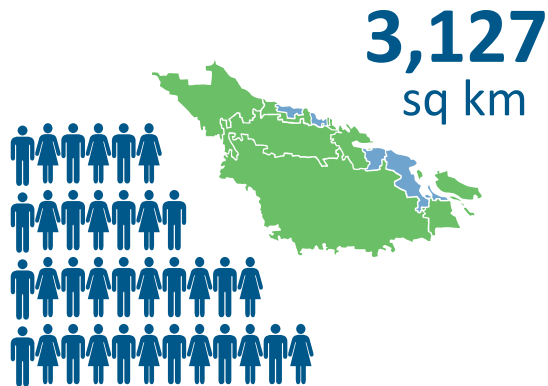
- A:** Cedar, South Wellington, Yellow Point, Cassidy
- B:** Gabriola, De Courcy, Mudge Islands
- C:** Extension, Nanaimo Lakes, East Wellington, Pleasant Valley
- E:** Nanoose Bay
- F:** Coombs, Hilliers, Errington, Whiskey Creek, Meadowood
- G:** French Creek, San Pareil, Little Qualicum
- H:** Bowser, Qualicum Bay, Deep Bay

Regional Districts are BC’s way of ensuring that all British Columbians have access to necessary services, regardless of where they live.

The RDN has a workforce of 292 full and part time staff, with another 123 temporary and casual employees. With this staff, the RDN provides and coordinates a range of services within member municipalities and unincorporated electoral areas.

In terms of financial scale, the RDN ranks fourth in total expenditures after Metro Vancouver, Capital Regional District, and the Peace River Regional District.

Regional District of Nanaimo at a Glance



Population 155,698
7th fastest growing regional district in BC

47.2 years

Average age

Demographics by age and gender



13.6%

0-14

12.1%

60%

15-64

60.3%

26.4%

65 -84

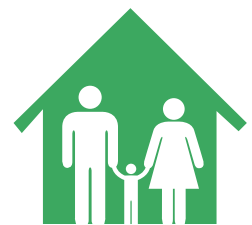
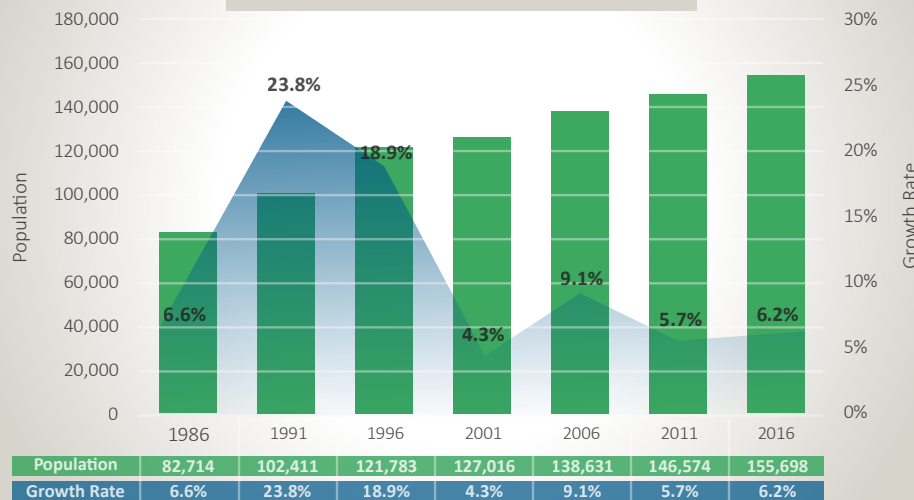
27.6%

2.7%

85 and over

4%

Regional District of Nanaimo
Population Growth 1986-2016



2.2

Average household size

The RDN grew by 6.2% between 2011 and 2016. That's 9,124 people.

< See graph

Who We Are

The following table shows the RDN's role as a local government service provider compared to that of its Member municipalities.

Service	Regional or Sub-Regional (provided by the RDN to a combination of members)	Provided by RDN to Electoral Areas Only	Municipal (provided by municipalities to their residents)
Wastewater Treatment	✓		
Sewer Collection		✓	✓
Water Services	✓	✓	✓
Street Lighting		✓	✓
Solid Waste Disposal	✓		
Solid Waste Collection and Recycling	✓		✓
Recreation	✓	✓	✓
Regional and Community Parks	✓	✓	
Public Transit	✓		
Emergency Preparedness	✓	✓	✓
Fire and Rescue Services		✓	✓
Community Planning		✓	✓
Regional Growth Management	✓		
Economic Development	✓		
Building Inspection		✓	✓
Bylaw Enforcement		✓	✓
General Government Administration	✓		✓



Bill Veenhof, Chairperson
Regional District of Nanaimo, Board of Directors

MESSAGE FROM THE CHAIR

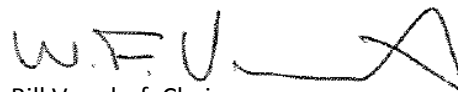
On behalf of the Regional District of Nanaimo Board of Directors, I am pleased to present the 2016 Annual Financial Report. The report provides a detailed description of the Regional District of Nanaimo's financial position which I'm happy to report remains very strong.

2016 was a year of progress for the Regional District Board of Directors and RDN staff. Several major initiatives moved forward including implementation of the Board's new Strategic Plan. The vision we set out in our Strategic Plan focuses on enhancing our region's environmental, social and economic health while remaining resilient to change. We were able to put this vision into action in 2016 and it will continue to guide us as we make decisions in the years ahead.

One of our largest and most visible accomplishments in 2016 was the replacement of the Greater Nanaimo Pollution Control Centre's marine outfall. In June, people in Nanoose, Lantzville and Nanaimo were able to watch as the 2 kilometre long replacement pipe was pulled into the Strait of Georgia and lowered into place on the ocean floor. The new marine outfall protects the surrounding environment and allows for future population growth which meets our Strategic Priority of focusing on the environment and recognizing that a healthy environment is key to economic development and a healthy community.

We also took important steps towards our Strategic Priority of focusing on relationships by strengthening ties with local First Nations. In July, the RDN and Qualicum First Nation (QFN) signed a Cooperation Agreement that will guide future and ongoing discussions on topics of mutual interest. This was the result of community-to-community forums where the QFN Chief and Council and the RDN Board of Directors met to discuss ways to build the political and working relationships between the two parties. This approach to relationship building is an example of how our Board is working to strengthen ties across our entire region.

In addition to these highlights, the RDN continued the daily work of collecting household waste, operating recreational facilities, and maintaining our extraordinary parks and trails system. We are advancing our long-term vision for the region on many fronts thanks to a solid foundation of sound fiscal management as outlined in this report.



Bill Veenhof, Chairperson



BOARD OF DIRECTORS

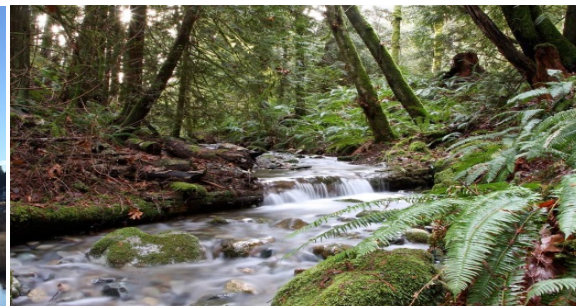
Board Structure

An elected Board of 17 Directors governs the Regional District of Nanaimo. One director is elected to the Board from each of the seven Electoral Areas A, B, C, E, F, G, and H. Seven directors are appointed from the City of Nanaimo municipal Council. One director is appointed from each of the remaining member municipal Councils: the District of Lantzville, the City of Parksville and the Town of Qualicum Beach.

The Regional District of Nanaimo 2016 Board of Directors was elected to office for the four year term from January 1, 2015 to December 31, 2018. Historically, local government elections have been held in November, every three years. This changed with the election held in November 2014, with the local government term of office increasing from three to four years.

2016 Board of Directors

Electoral Area A	Alec McPherson
Electoral Area B	Howard Houle
Electoral Area C	Maureen Young
Electoral Area E	Bob Rogers
Electoral Area F	Julian Fell
Electoral Area G	Joe Stanhope
Electoral Area H	Bill Veenhof, Chair
City of Nanaimo	Bill McKay
City of Nanaimo	Bill Bestwick
City of Nanaimo	Jerry Hong
City of Nanaimo	Jim Kipp
City of Nanaimo	Wendy Pratt
City of Nanaimo	Ian Thorpe
City of Nanaimo	Bill Yoachim
City of Parksville	Marc Lefebvre
Town of Qualicum Beach	Teunis Westbroek
District of Lantzville	Colin Haime
	(January - November 2016)
	Bob Colclough
	(December 2016)



SCHEDULE OF COMMITTEES

BOARD and COMMITTEE OF THE WHOLE

Bill Veenhof (Chair)	Ian Thorpe (Deputy Chair)			
Alec McPherson	Howard Houle	Maureen Young	Bob Rogers	Julian Fell
Joe Stanhope	Teunis Westbroek	Marc Lefebvre	Bob Colclough	Bill McKay
Bill Bestwick	Jerry Hong	Jim Kipp	Gord Fuller	Bill Yoachim

STANDING COMMITTEES

Electoral Area Services Committee

Joe Stanhope (Chair)				
Alec McPherson	Howard Houle	Maureen Young	Bob Rogers	Julian Fell
Bill Veenhof				

Executive Committee

Bill Veenhof (Chair)				
Ian Thorpe	Alec McPherson	Howard Houle	Joe Stanhope	Bill McKay
Marc Lefebvre	Bill Bestwick			

SELECT COMMITTEES

D69 Community Justice Select Committee

Marc Lefebvre (Chair)				
Bob Rogers	Julian Fell	Joe Stanhope	Teunis Westbroek	Bill Veenhof

SELECT COMMITTEES (cont'd)

Emergency Management Select Committee

Bob Rogers (Chair)

Alec McPherson	Howard Houle	Maureen Young	Julian Fell	Joe Stanhope
Bill Veenhof	Bob Colclough			

Nanaimo Regional Hospital District Select Committee

Ian Thorpe (Chair)

Alec McPherson	Joe Stanhope	Marc Lefebvre	Teunis Westbroek	Bill Bestwick
----------------	--------------	---------------	------------------	---------------

Solid Waste Management Select Committee

Alec McPherson (Chair)

Howard Houle	Maureen Young	Joe Stanhope	Marc Lefebvre	Teunis Westbroek
Bill McKay	Jim Kipp	Jerry Hong		

Sustainability Select Committee

Marc Lefebvre (Chair)

Alec McPherson	Howard Houle	Maureen Young	Julian Fell	Bill Veenhof
Bob Colclough	Teunis Westbroek	Jim Kipp	Gord Fuller	

Transit Select Committee

Teunis Westbroek (Chair)

Alec McPherson	Maureen Young	Bob Rogers	Joe Stanhope	Bill Veenhof
Marc Lefebvre	Bob Colclough	Bill McKay	Bill Bestwick	Jerry Hong
Bill Yoachim				

Regional Parks and Trails Select Committee

Howard Houle (Chair)

Alec McPherson	Maureen Young	Bob Rogers	Julian Fell	Joe Stanhope
Bill Veenhof	Jerry Hong	Gord Fuller	Ian Thorpe	Bill Yoachim
Marc Lefebvre	Teunis Westbroek	Bob Colclough		

Northern Community Economic Development Select Committee

Bob Rogers (Chair)

Marc Lefebvre	Teunis Westbroek	Julian Fell	Joe Stanhope	Bill Veenhof
---------------	------------------	-------------	--------------	--------------

COMMISSIONS

District 69 Recreation Commission

Julian Fell	Joe Stanhope (Alternate)
-------------	--------------------------

Electoral Area 'A' Parks, Recreation and Culture Commission

Alec McPherson

Schedule of Committees

ADVISORY COMMITTEES

Agricultural Advisory Committee

Howard Houle (Chair) Julian Fell Teunis Westbroek

Fire Services Advisory Committee

Bill Veenhof (Chair) Alec McPherson Maureen Young Bob Rogers Julian Fell
Joe Stanhope

Grants-In-Aid Advisory Committee

Maureen Young (Chair) Marc Lefebvre

Liquid Waste Management Plan Monitoring Committee

Ian Thorpe (Chair) Alec McPherson Bob Rogers Marc Lefebvre

Regional Solid Waste Advisory Committee

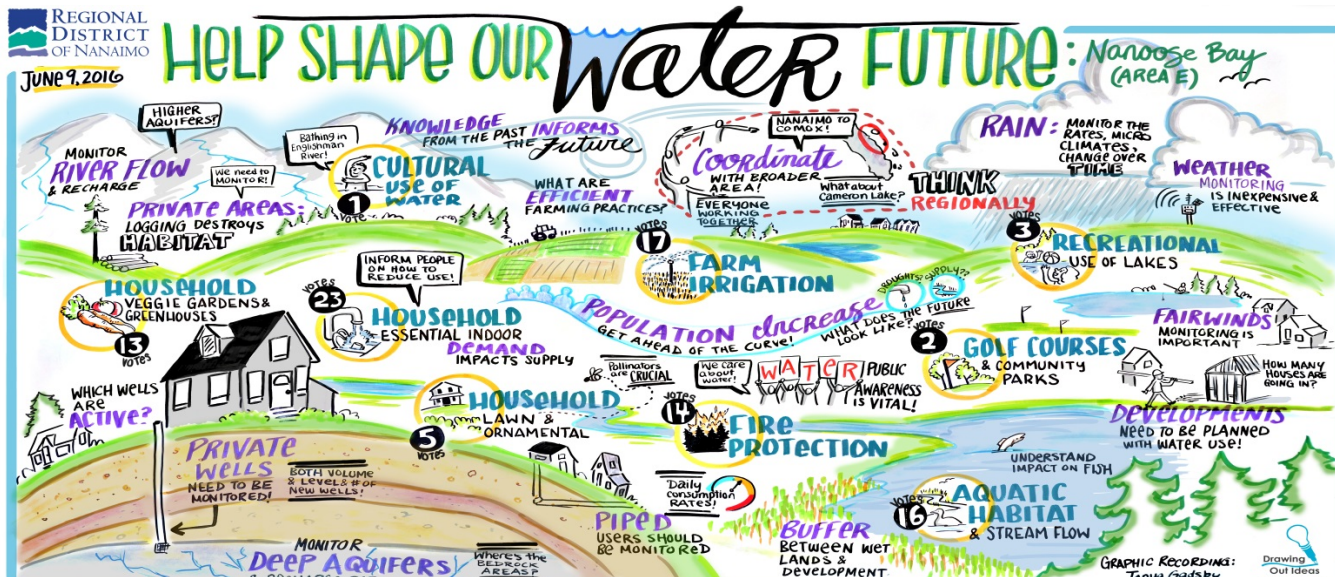
Alec McPherson (Chair) Bill McKay (Deputy Chair)

PARKS AND OPEN SPACE ADVISORY COMMITTEES

Electoral Area 'B'	Howard Houle	Electoral Area 'C'	Maureen Young
Electoral Area 'E'	Bob Rogers	Electoral Area 'F'	Julian Fell
Electoral Area 'G'	Joe Stanhope	Electoral Area 'H'	Bill Veenhof

SCHEDULED STANDING COMMITTEES

	Appointment	Alternate
Arrowsmith Water Service Management Board	Bob Rogers	Joe Stanhope
AVICC Special Committee on Solid Waste	Alec McPherson	Bill McKay
Central South RAC for Island Coastal Economic Trust	Bill Veenhof	
Englishman River Water Service Management Board	Joe Stanhope, Bob Rogers	
Island Corridor Foundation	Alec McPherson (Board Appointee) Bob Rogers (RDN Member)	
Mount Arrowsmith Biosphere Foundation	Julian Fell	
Municipal Finance Authority	Joe Stanhope	Alec McPherson
Municipal Insurance Association	Alec McPherson	Jim Kipp
Nanaimo Parks, Recreation and Wellness Select Committee	Alec McPherson ('A'), Howard Houle ('B'), Maureen Young ('C')	
North Island 911 Corporation	Joe Stanhope	Marc Lefebvre
Oceanside Homelessness Task Force	Bill Veenhof	
Oceanside Tourism Association	Bob Rogers	Joe Stanhope
Snuneymuxw First Nations/Regional District of Nanaimo Protocol Agreement Working Group	Bill Veenhof, Alec McPherson, Bill Yoachim, Howard Houle	
Te'Mexw Treaty Negotiations Committee	Julian Fell	Bob Colclough
Vancouver Island Regional Library Board	Howard Houle	Maureen Young



BOARD STRATEGIC PRIORITIES

The Regional District of Nanaimo Strategic Plan 2016 – 2020 identifies five strategic priorities for the current term of office: **Focus on Governance**, **Focus on Service and Organizational Excellence**, **Focus on Relationships**, **Focus on Economic Health** and **Focus on the Environment**. These priorities represent the overarching themes for the 2016 – 2020 period and highlight important issues that touch all aspects of the RDN’s work. Integral to these strategic priorities is the vision that: **Our Region is environmentally, socially, and economically healthy, resilient and adaptable to change. Residents of the Region meet their needs without compromising the ability of future residents to do the same.**

Focus on Governance: The RDN will cooperate and advocate as a Region while recognizing the uniqueness of each community.

- We will develop our governance structure to reflect our unique municipal/electoral area demographics.
- We will create an electoral area caucus to enhance regional governance.
- We will review our Board composition as our community changes and grows.

Focus on Service and Organizational Excellence: The RDN will deliver efficient, effective and economically viable services that meet the needs of the Region. The RDN will focus on organizational excellence in all aspects of our daily actions and service delivery to our customers.

- We view our emergency services as core elements of community safety.
- We will fund infrastructure in support of our core services employing an asset management focus.
- As we invest in regional services, we look at both costs and benefits – the RDN will be effective and efficient.
- We recognize community mobility and recreational amenities as core services.
- We recognize and plan for the impact of our aging population.
- We will advocate for transit improvements and active transportation.
- We will ensure our processes are as easy to work with as possible.

Board Strategic Priorities

Focus on Relationships: The RDN will continue to develop and encourage meaningful relationships.

- We value our First Nations relationships and will integrate their input in future planning and service delivery.
- We will focus on improved two-way communication within the Regional District and with our communities.
- We recognize all volunteers as an essential component of service delivery. We will support the recruitment and retention of volunteers.
- We look for opportunities to partner with other branches of government/community groups to advocate for our Region.
- We will facilitate/advocate for issues outside of our jurisdiction.

Focus on the Environment: The RDN recognizes that a healthy environment is key to economic development and a healthy community.

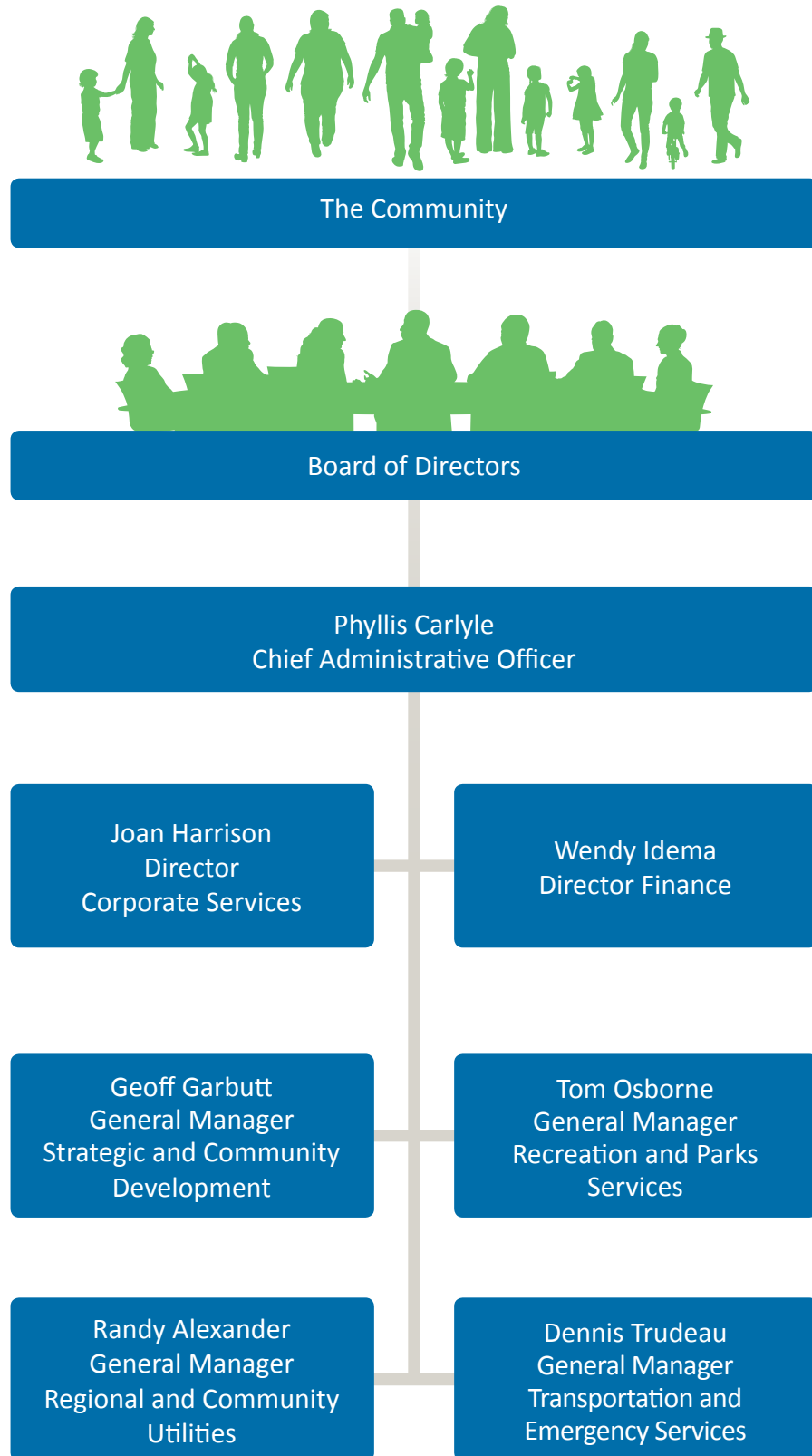
- We will have a strong focus on protecting and enhancing our environment in all decisions.
- We will evaluate air quality and climate impacts as factors in our infrastructure and services planning.
- We will prepare for and mitigate the impact of environmental events.
- We will include conservation of resources as a planning factor.

Focus on Economic Health: The RDN will look at all our activities through an economic lens.

- We will support our traditional industries: forestry, tourism, manufacturing, fishing, knowledge-based and technology-based industries.
- We recognize the importance of water in supporting our economic and environmental health.
- We will foster economic development.
- We see eco-tourism as a key economic opportunity in our Region.
- We recognize the importance of agriculture and aquaculture in our Region.



Organizational Chart





RDN DEPARTMENTS AND SERVICES

The RDN’s management and operations are divided into six service areas:

Corporate Services

- General Government Administration
- Corporate Communications
- Information Technology and Mapping
- Human Resources
- Electoral Areas Administration

Finance

- Accounting Services
- Financial Reporting
- Procurement
- Nanaimo Regional Hospital District

Community and Strategic Development

- Current Planning – Subdivision, Zoning and Development Applications
- Long Range Planning – Regional Growth and Official Community Plans
- Economic Development
- Building Permits and Inspections
- Bylaw Enforcement

Recreation and Parks Services

- Recreation Programming
- Oceanside Place Multiplex Arena
- Ravensong Aquatic Centre
- Regional Parks and Trails
- Community Parks

Regional and Community Utilities

- Wastewater Treatment Planning, Management and Operations
- Water, Sewer and Street Lighting - Local Services
- Drinking Water and Watershed Protection
- Solid Waste Disposal Management, Planning, Collection and Recycling

Transportation and Emergency Planning

- Conventional Bus Operations
- HandyDart Bus Operations
- Transit Planning, Fleet Maintenance and Management
- Emergency Preparedness Coordination
- Fire Services Administration



*Phyllis Carlyle, Chief Administrative Officer
Regional District of Nanaimo*

MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

The Chief Administrative Officer (CAO) provides recommendations and general advice to the Regional District Board on new initiatives and emerging issues. The CAO oversees coordination of the RDN's seven functional departments, ensuring effective service delivery.

Under the leadership of the Regional District of Nanaimo's Board of Directors, the 2016 Annual Report sets out the RDN's excellent financial position and its extensive services. The past year was a year of positive growth and change for the organization. We saw important infrastructure projects completed, relationship-building opportunities advanced and exciting community-driven initiatives come to fruition. I am proud to be part of such a diverse organization providing front line services to the citizens we work for.

I wish to express my gratitude to the employees of the RDN who ensure that the needs of the public are acknowledged, understood and acted upon. Every day brings new challenges and opportunities which the employees are pleased to embrace. Whether staff are providing transit service or receiving waste at the landfill, the knowledge of the high level of service that the public expects is behind everything they do. The over 800 volunteers who assist with RDN initiatives are crucial to the well-being of our communities and we acknowledge that we could not achieve what we have without their continuing support.

As you review the Annual Report, the fiscally responsible management by the Board has set the stage for the future large capital projects such as the Nanaimo Pollution Control Centre Secondary Treatment facility and the Bowser Sewer project. The new fleet of CNG buses continues to receive positive reviews from the public with enhanced transit service to a number of communities slated for the fall of 2017.

Under the direction of the Board's new Strategic Plan 2016-2020, a detailed operational plan for 2017 has been implemented including an accountability framework for the delivery of services. Also in 2017, the Board has requested a Regional Services Review of the Regional Parks and Trails funding allocation which will see an enhanced focus on this well used and enjoyed service. On that note, we are very proud of the most recent addition to our parks and trails network: the Coombs to Parkville Rail Trail. The trail has deepened the links amongst our communities and is another local success story that we are honoured to be part of.

As we look forward to the challenges and opportunities that 2017 will bring, we will to continue to seek new and improved ways to deliver excellent services to the public.



Phyllis Carlyle, CAO



REGIONAL AND COMMUNITY UTILITIES

Randy Alexander, General Manager

Sean De Pol, Manager, Wastewater Services

Chris Midgley, Manager, Water Services and Asset Management

Larry Gardner, Manager, Solid Waste Services

Wastewater Services

The Regional District owns and operates four wastewater treatment facilities, twenty-two pump stations and two septage receiving sites between Qualicum Beach and the Duke Point peninsula. These facilities treat wastewater from approximately 123,100 residents.

The **Greater Nanaimo Pollution Control Centre** is a primary treatment plant located on Hammond Bay Road in the City of Nanaimo. It is the largest of the four facilities operated by the Regional District, serving properties within the City of Nanaimo, portions of the District of Lantzville and some Snuneymuxw First Nations lands. In total, this facility treats wastewater from about 94,500 residents.

The second largest wastewater treatment facility within the Regional District is located on Lee Road

in French Creek (Electoral Area 'G'). The **French Creek Pollution Control Centre** is a secondary treatment plant serving a population of about 27,200 people living in French Creek, the City of Parksville, the Town of Qualicum Beach and smaller areas north of Qualicum (Surfside) and south of Parksville (Pacific Shores).

The **Nanoose Bay Pollution Control Centre** in Electoral Area 'E' (Fairwinds) is a primary treatment plant serving about 1,450 residents.

A small secondary treatment plant is located in the Duke Point Industrial Park at the southern end of the City of Nanaimo. The **Duke Point Pollution Control Centre** treats wastewater from the industrial park and from about 37 properties located in the Cedar Village Centre (Electoral Area 'A').

Departmental Highlights

All of the Regional District’s wastewater treatment facilities have excellent operating results – consistently meeting discharge permit levels assigned by the provincial and federal governments. Major upgrades are scheduled for the three larger facilities over the next ten years. Such projects include an expansion at the French Creek plant and the provision of secondary treatment at the Nanaimo and Nanoose plants. The Nanaimo plant outfall was also replaced in 2016 to continue to protect the environment. Development cost charge bylaws for all three areas are in place to help pay for future treatment capacity requirements.

Community Sewer Systems

Sewer collection systems are located in Electoral Areas ‘A’ (Cedar Village), ‘E’ (Fairwinds/Pacific Shores) and ‘G’ (French Creek/Barclay Crescent/Surfside). Sewage is conveyed to the Duke Point plant in Electoral Area ‘A’, the Nanoose Bay (Fairwinds) treatment plant in Electoral Area ‘E’ and the French Creek treatment plant in Electoral Area ‘G’.

The RDN completed an agreement in 2015 to extend sewer services to Snuneymuxw First Nations lands. Sewage from these properties will be conveyed to the Nanaimo plant.

The RDN is dedicating \$350,000 from the federal Gas Tax Fund transfer to complete Sewer Servicing Studies for Bowser Village and Cedar Village. Studies began in 2013 and completion is targeted for 2017.

The Wastewater and Water Services departments work closely together to ensure the proper treatment and disposal of wastewater.

Liquid Waste Management Plan

The Minister of Environment approved the RDN’s Liquid Waste Management Plan Amendment in October 2014. The plan represents the RDN’s long term strategy for wastewater management and

treatment. The review involved a broad range of stakeholders who participated in evaluating wastewater treatment options, facility upgrades, regulatory and educational programs, and operational goals. By balancing environmental, economic, operational and social considerations, wastewater management planning contributes to the sustainability and livability of the region. The RDN is now implementing the plan. Secondary treatment upgrades at the Nanaimo (completion by 2018/2019) and Nanoose (completion by 2023) plants and replacement of the Nanaimo plant outfall (completed in 2016) are among projects embedded in the plan. More information is posted at www.rdnLWMP.ca.



LIQUID WASTE MANAGEMENT PLAN

Septic Smart

Private onsite (e.g. septic) systems provide wastewater treatment to properties not connected to community sewer. The Septic Smart education program was launched in 2008 to help residents recognize the importance of monitoring and maintaining their septic systems and to help reduce the number of failing onsite systems in the region. To date more than 1,340 residents have attended Septic Smart workshops across the region.

SepticSmart



Since 2014, this program has given residents more than \$80,000 in rebates to help them maintain their septic systems. Get more information at www.SepticSmart.ca.

Source Control

Source control means reducing the level of contaminants and the amount of wastewater flowing to the treatment plants. Preventing pollution from entering the treatment systems reduces the frequency and cost of upgrades and improves the quality of effluent and biosolids. Source control protects the health and safety of the environment, the public, the employees, and the integrity of the wastewater collection and treatment infrastructure. The RDN's Get Involved website arose from the Source Control program and was developed in collaboration with other RDN departments. Check it out at RDNGetInvolved.ca.

Environmental Management System

Since 2005, the Wastewater Services Department has been ISO 14001 certified for excellence in environmental management. The ISO standard is an internationally recognized protocol that focuses on an integrated systems approach to ensure facilities are operated safely and effectively. To maintain its certification, the department is audited annually for compliance with the ISO 14001 standard.

Biosolids

Biosolids are nutrient-rich, humus-like materials that are produced through the wastewater treatment process. The Regional District's wastewater facilities produced approximately 1,150 dry tonnes of biosolids in 2016. The RDN currently has an innovative partnership with Vancouver Island University and SYLVIS Environmental to manage biosolids in a forest fertilization program which meets the conditions of the Provincial Organic Matter Recycling Regulation. This use of biosolids is an economically and environmentally sustainable opportunity to provide essential nutrients safely back to the natural environment. Visit our biosolids partner page at www.nanaimobiosolids.ca to learn more about our award winning biosolids program.

Benchmarking

The Wastewater Services Department participates in the National Water and Wastewater Benchmarking Initiative. This initiative is a partnership of 55 Canadian municipalities and Regional Districts who measure, track and report on the operation of their facilities. Through consultation and workshops, participants identify best practices to continually improve facility performance and cost effectiveness.

Water Services & Asset Management

The Regional District operates and manages the supply and distribution of water, the collection of wastewater, and the provision of streetlighting services to approximately 4,600 properties outside of municipal boundaries. In 2016, the RDN also formalized an Asset Management program to support long-term infrastructure planning for sustainable service delivery.

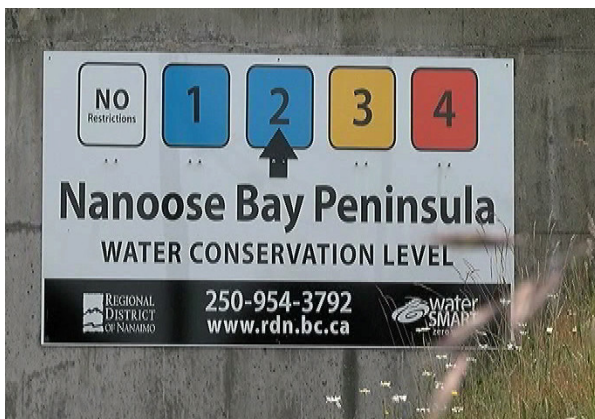
Departmental Highlights

Community Water Systems

Water systems are located in Electoral Areas ‘A’ (Decourcey), ‘E’ (Nanoose Bay Peninsula), ‘F’ (Melrose Terrace/Whiskey Creek/ Westurne Heights) and ‘G’ (French Creek/Englishman River/San Pareil/Surfside). The Westurne Heights Water Service Area was taken over and upgraded in 2016, bringing the total number of RDN water service areas to nine.

Most Regional District water service areas rely on groundwater year round. In the summer months, additional water from Englishman River is provided to the Nanoose Peninsula system through a connection to the City of Parksville. This connection is possible because the Nanoose Bay Bulk Water Service, which covers the Nanoose Bay Peninsula Water Service area, is a partner in the Arrowsmith Water Service and Englishman River Water Service Joint Venture (see *Arrowsmith/ Englishman River Water Service Joint Venture* description below). The Parksville connection will be replaced by a permanent water intake and treatment plant scheduled to be in service by September 2018.

The Water and Utility Services Department is entering the fourth year of a 5 year, \$2.6 million, capital upgrade project to replace aging distribution infrastructure in the Nanoose Bay Peninsula Water Service Area.



Drinking Water & Watershed Protection

The Drinking Water and Watershed Protection Service (www.dwwp.ca) carries out initiatives intended to increase the knowledge base for water resources so that we can help protect surface and ground water resources. Several initiatives are underway, including but not limited to:

- The second phase of a Water Budget Project which expands data collection and monitoring of water availability and use in high priority areas identified in the first phase of the project. Specifically, Phase 2 includes further groundwater, streamflow and climate monitoring;
- Stronger collaboration with Strategic and Community Planning to ensure planning processes and decision-making reflect the best available information about local water resources;
- Through the Community Watershed Monitoring Network, the RDN works with the Ministry of Environment and community stewardship groups to monitor surface water quality in 17 watersheds across the region. This program helps identify rivers and streams that may be showing signs of stress, allowing for further actions to improve their ecological health;
- A region-wide rebate program that encourages residents to invest in rainwater harvesting, well protection and, new for 2017, efficient outdoor watering systems; and
- The successful Team WaterSmart outreach and education program provides information and organizes learning events to assist residents in protecting and conserving our water resources.



Departmental Highlights

Arrowsmith/Englishman River Water Service Joint Venture

The RDN, the City of Parksville and the Town of Qualicum Beach are members in the Arrowsmith Water Service joint venture which was established to provide a secure, long-term supply of surface water for the two municipalities, as well as Electoral Areas ‘E’ (NanOOSE Bay) and ‘G’ (French Creek).

In the late 1990’s, the joint venture constructed a dam and reservoir on Arrowsmith Lake, west of the City of Parksville. In 2000, the Regional District’s NanOOSE Bay Bulk Water Service constructed a distribution main along Northwest Bay Road to provide water from the dam via the Englishman River.

Approximately 50% of the water stored in the Arrowsmith Lake reservoir is allocated to support the fisheries in the Englishman River. This water, along with amounts released for domestic purposes, creates better conditions for spawning and migration of salmon, steelhead and other fish in the river. The joint venture works cooperatively with federal and provincial fisheries departments to manage the river flows and releases from the Arrowsmith Reservoir, particularly during critical low flow periods. Design for the next phase of work, which includes a new river intake and a water treatment plant, was largely completed in 2016 and construction is now underway.



The Town of Qualicum Beach and French Creek have determined they do not require additional water at this time and will not participate in the next phase. As a result, the City of Parksville and the Regional District (NanOOSE Bay) formed a second joint venture known as the Englishman River Water Service. The new joint venture agreement allows the Town of Qualicum Beach to purchase a share of the partnership at a later date should they need access to additional water.

The total cost of the current river intake and treatment project is \$35.5 million. As of May 2017, over \$6 million in grants have been received to support the project.



Asset Management

In 2016, the RDN formalized an organization-wide asset management program to establish consistent asset management principles and practices for the purpose of optimizing asset lifecycle costs and realizing strategic objectives related to service delivery.

The aim of the Asset Management program is to ensure that regional service delivery is sustained at expected service levels, that assets reach optimal service lives, and that appropriate mechanisms are in place to develop and implement a strategic approach to asset renewal and replacement.

Solid Waste Management

Solid Waste Services is responsible for planning, regulating and operating solid waste disposal facilities as well as programs for the collection, recycling and diversion of solid waste.

Solid Waste plans, policies, programs and facility management are guided by a Provincial Ministry of Environment approved Solid Waste Management Plan (SWMP). The first SWMP was prepared in 1988 and was last amended in 2009. The plan reflects a long-term vision of how the Regional District will promote Zero Waste and manage residual waste disposal.

A review of the SWMP is currently underway. Stage 1, a review of the existing waste management system, was completed in 2013. Stage 2 began in 2014 with the establishment of a new Regional Solid Waste Advisory Committee made up of public representatives as well as a Select Committee made up of Board members who guide the process. Stage 2 is nearing completion and will provide the preferred options for managing waste in the future with the goal of further advancing Zero Waste.

Stage 3, the final stage, which sets out the plan implementation schedule, adoption of the plan, and Provincial approval, is expected to take place in late 2017. Public engagement is a key component of the review process and will increase as proposed concepts are refined.

Adherence to the policies and goals of the current SWMP has resulted in the RDN achieving a diversion rate of 68% and a per capita disposal (landfilled) rate of 347 kg per year, one of the lowest rates in Canada. A jurisdictional scan carried out in 2016 showed that waste tracking varies considerably throughout the world making direct comparisons of waste disposal rates difficult. Nevertheless, the review concluded that the RDN has one of the lowest disposal rates within the developed nations of the world.

Zero Waste Initiatives

The theme of Zero Waste focuses on reducing the region's environmental footprint. The Regional District has made a long-term commitment to achieving Zero Waste by diverting garbage to conserve resources and landfill space. Limiting landfill disposal reduces greenhouse gases.



Making it Happen

In addition to disposal bans, and a program for licensing private recycling facilities, the Zero Waste Program includes supporting educational outreach to local schools through a funding partnership between the RDN and the City of Nanaimo.

Residential Curbside Collection

Residential collection services within the RDN are provided by a mix of municipal crews (Nanaimo and Qualicum Beach for the Town's residential garbage) and a private contractor who collects all three material streams in Parksville, Lantzville and the RDN Electoral Areas as well as the food waste and recycling in Qualicum Beach. Curbside collection service includes weekly collection of household food waste and alternating every-other-week collection of garbage and recyclables. More than 28,240 single family homes receive this service from the RDN.

Departmental Highlights

Following the 2014 changes to curbside recycling regulations, 2016 saw steady improvement in the



quality of recyclable materials collected at the curb. Through various information and outreach activities, collection staff and residents became more comfortable with (and therefore compliant with) the rule changes around acceptable recyclable items.

Looking for ways to empower residents and their recycling, while continuing to drive diversion, the RDN introduced the “What Goes Where?” digital look up tool to the RDN Curbside Collection App and website. This tool lets residents search a material to determine if it is recyclable at the curb or needs to be returned to a depot. Since its inception, the sorting tool has been used 4,000 times.

Use of the collection day reminder service continues to expand with 4,745 residents signing on for reminders via their personal devices (smart phones and tablets).

Illegal Dumping Prevention

The Illegal Dumping Prevention Program is operated in partnership between Solid Waste and Bylaw Enforcement staff to coordinate illegal dumping prevention activities, investigate



complaints, and work with concerned communities and agencies.

In 2016, all complaints were resolved by having the responsible individuals undertake the cleanup, hiring a contractor to do so, or by requesting the landowner or agency responsible for managing the land to take action.

Tipping fees were waived for community organized clean ups with 10 organized community clean ups happening in 2016. The RDN waived tipping fees for over 35 tonnes of illegally dumped material throughout the region with over 4 tonnes removed by community clean ups.

Solid Waste Disposal Facilities

The Regional Landfill located on Cedar Road in Nanaimo and the Church Road Transfer Station near Parksville both provide region-wide solid waste disposal facilities and process approximately 135 tonnes of material per day. Tipping fees have remained unchanged since January 2014 at \$125 per tonne for mixed solid waste.

The landfill North Berm was constructed in 2016. This is critical infrastructure to stabilize the landfill should there be a significant seismic event in the area. The North Berm also provides the benefit of an estimated ten years of additional space giving the landfill a total projected capacity to serve the region until approximately 2040. These capital projects are the culmination of 10 years of planning and development. In 2017, the aging scale facilities at the landfill will be replaced.



Departmental Highlights

Policy and Inter-Jurisdictional Liaison

Solid Waste Services staff continue to be actively involved with a number of industry based organizations. These include having memberships with, and in some cases sitting on the Boards of, the Recycling Council of BC, the Coast Waste Management Association, Solid Waste Association of North America, the Association of Vancouver Island Coastal Communities, the National Zero Waste Council, and the BC Product Stewardship Council. Involvement with these associations helps develop and influence policies to improve waste diversion and increase the effectiveness of local government in sustainably managing solid waste.



Departmental Highlights



RECREATION AND PARKS

Tom Osborne, General Manager

Dean Banman, Manager, Recreation Services

Wendy Marshall, Manager, Parks Services

The Recreation and Parks Department is responsible for creating and coordinating recreation programs, operating recreation facilities, and acquiring, managing and planning the development of regional and community park lands. The department pays particular attention to youth leadership development, assisting people with disabilities and families with lower incomes in attaining their sport and recreation goals.

The members of the Regional District collaborate in a variety of creative ways to provide their residents with high quality recreational opportunities.

The Regional District owns and operates two recreation facilities: Oceanside Place, a multiplex/arena located in Parksville, and the Ravensong Aquatic Centre in Qualicum Beach. Both facilities are funded by residents living in these municipalities as well as the four surrounding

electoral areas ('E*', 'F', 'G' and 'H'). These sub-regional facilities provide residents with high quality amenities to utilize in the important pursuit of active and healthy living. The four northern Electoral Areas also contribute funding to the maintenance and operations of municipal sports fields. As well, Regional District staff schedule sports field use on behalf of Qualicum School District, City of Parksville and Town of Qualicum Beach.

Recreation Services

The Northern Community Recreation Service, which is supported by Parksville, Qualicum Beach and Electoral Areas 'E', 'F', 'G' and 'H', supplements regional programming with additional programming in Electoral Areas 'F' and 'H'. Decentralizing some program delivery to more locally based entities creates opportunities closer to home. In Electoral

* Electoral Area 'E' funds Oceanside Place but not the Ravensong Aquatic Centre

Departmental Highlights

Area ‘F’, residents can also contact the Arrowsmith Community Recreation Association, while the department does support residents in Electoral Area ‘H’ with some direct programming.

In 2016, as part of a multi-year agreement with Qualicum Beach, Parksville and School District #69 (Qualicum), recreation services staff coordinated over 3,390 sports field and court bookings.

The department had close to 4,100 registrations for adult, youth, children and preschool programs in 2016 and provided over 119 program opportunities. In addition, the Financial Assistance Program provided 234 households free access to RDN recreation services, 22 individuals received close to 860 hours of support for inclusion services. As well 44 community recreation projects were supported with \$62,000 in grant funding.

Residents in Electoral Areas ‘A’ and ‘B’ fund local recreation services specific to their communities. Additionally, they participate in funding with Electoral Area ‘C’ and the District of Lantzville for regionally significant recreation facilities and sports fields located in the City of Nanaimo.

The Gabriola Recreation Society coordinates recreation opportunities on Gabriola Island. In Electoral Area ‘A’, the Recreation and Culture Commission oversees grant programs and facility planning in the Cedar/Yellow Point/Cassidy areas.

Ravensong Aquatic Centre

The Ravensong Aquatic Centre is located at the Civic Centre in the Town of Qualicum Beach and is supported by the City of Parksville, Town of Qualicum Beach and Electoral Areas ‘F’, ‘G’ and ‘H’.

The swimming pool was constructed in 1994/1995 and underwent a major exterior retrofit and equipment upgrade in 2010/2011.

In 2016, the Aquatic Centre had attendance of 98,993 visitors and saw close to 4,800 hours of use.

Oceanside Place

The multiplex arena facility opened in 2003 and is attached to Wembley Centre located at the north end of the City of Parksville on Highway 19A.

Oceanside Place is funded by the municipalities of Parksville and Qualicum Beach, as well as Electoral Areas ‘E’, ‘F’, ‘G’ and ‘H’ – a wonderful example of the strength of cooperation in bringing high quality recreational opportunities to smaller communities.

Oceanside Place houses two NHL regulation sized ice sheets named after local hockey hero Howie Meeker and ice skating athlete Victor Kraatz. One of the more unique aspects of the facility is the circular ice sheet named the Oceanside Pond. The facility, with its three ice sheets and open-air atmosphere, is a popular attraction for residents of Oceanside as well as visitors to the area.

Multipurpose rooms, a meeting room, a concession, skate shop and the main office for the Recreation Services arm of the department are all centrally located at Oceanside Place.

Oceanside Place 2016 Usage

**8,215 hours
of facility
usage**

**22,055
Attendance at
public sessions**



In contrast to the Ravensong Aquatic Centre where the majority of use is admissions and registrations in department swim sessions and programs, operating hours at the multiplex are mostly occupied by organized groups renting hours for their use.

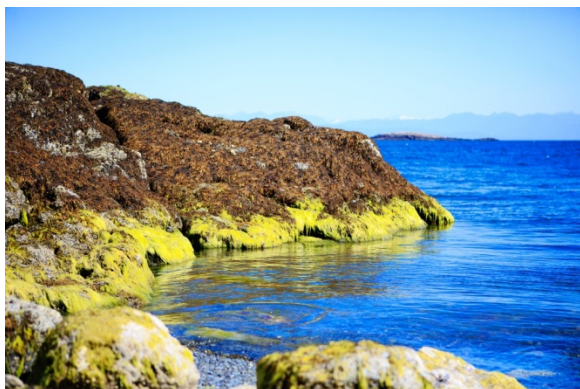
Departmental Highlights

Community Parks

Each Electoral Area supports the purchase, development and maintenance of neighbourhood parks through an individual Community Parks budget. The Regional District obtains much of its neighbourhood parkland through dedications during the subdivision approval process but it may also accept cash in lieu and purchase land that is desirable to the community.

There are 202 community parks totaling in excess of 611 hectares of land, most of them in a natural state.

In recent years, some community parks have been developed to a higher level including the Cedar Skate Park (EA 'A'), Extension Miners Park (EA 'C'), Meadow Drive Park (EA 'C'), Meadowood Way (EA 'F'), and Henry Morgan Community Park (EA 'H').



Other popular community parks include Rollo McClay sports field and Joyce Lockwood on Gabriola Island, Brickyard (EA 'E'), and Errington Park (EA 'F').

Community parks and trails design projects undertaken in 2016 include the concept design for Dunsmuir Community Park (EA 'H'), the concept design for Beach Access stairs at Driftwood Road (EA 'A') and the design for the first phase of the Stanhope Trail (EA 'G').

Construction projects undertaken include the Tipple Kiosk structure at the Cedar Plaza (EA 'A') and a picnic shelter at Meadow Drive Community Park (EA 'C'). In Area 'E', design and construction of parking facilities and trails were completed at the newly acquired park at the end of Oak Leaf Drive. On Mudge Island (EA 'B'), a new Community Park was purchased at the end of Ling Cod Lane.

Through the use of Community Works Funds, work continued on the design of the Village Trail along North Road on Gabriola Island (EA 'B'), park upgrades were completed at the Blueback and Claudet community parks (EA 'E') and final trail construction was completed at the Arrowsmith Community Trail in the Cranswick Road allowance (EA 'F').



Regional Park and Trails

The Regional Parks and Trails system comprises 2,129 hectares of land and more than 70 kilometres of trails. Since 2005, the Regional Parks and Trails plan has guided the acquisition and operation of regional park lands. The Regional Parks and Trails Select Committee will review the 2005 plan in 2017/2018 and then advise the Regional Board on updates that reflect where we have been and our aspirations for parks and trails in the future.

Departmental Highlights

The Regional Parks system includes 12 parks, two of which are campgrounds (one at Horne Lake in Electoral Area ‘H’ and a second at Descanso Bay on Gabriola Island).

Our trail network includes a portion of the Trans Canada Trail south of the City of Nanaimo, the Morden Colliery Regional Trail in Electoral Area ‘A’, the Top Bridge Trail on the outskirts of the City of Parksville, the historic Arrowsmith CPR Trail in Electoral Areas ‘C’ and ‘F’, the Lighthouse Country Trail in Electoral Area ‘H’ and the Coombs to Parksville Rail Trail.

The construction of the Coombs to Parksville Rail Trail was undertaken in 2016. Substantial completion was achieved in December and the trail opened for public use. Final construction elements will be finished in 2017 followed by an opening event. This project has funding support from the Federal Gas Tax program in the amount of \$2.6 million and from Community Works Funds for Electoral Area ‘F’ (\$400,000) and Electoral Area ‘G’ (\$125,000).

In 2016, the management planning process was undertaken for Beachcomber Regional Park. Studies were carried out and an open house held. The final plan will be completed in 2017. A 30 year lease was received from the Province for Benson Creek Falls Regional Park. With the lease in place, work will proceed on studies and designs for infrastructure within the park. Work continued on approvals for the proposed bridge crossing at Nanaimo River along the Morden Colliery Regional Trail. At Moorecroft Regional Park, Kennedy Hall and the caretaker’s residence were removed. Staff will plan for infrastructure upgrades to the park in 2017.

Regional Parks are acquired and financed in many ways. Over the years, the Regional District has partnered with the Nature Trust of BC, Ducks Unlimited and the Nanaimo Area Land Trust, as well as securing Provincial land grants and dedication of land under development proposals.





TRANSPORTATION AND EMERGENCY SERVICES

Dennis Trudeau, General Manager
 Daniel Pearce, Manager, Transit Operations
 Darren Marshall, Manager, Fleet and Projects
 Jon Wilson, Manager, Emergency Services

Transportation Services

Transportation Services is responsible for the planning and delivery of conventional and custom (handyDART) transit operations within the Regional District of Nanaimo. Transportation Services is also responsible for a wharf on Gabriola Island which is used for emergency evacuations.

Transit services are paid for by taxpayers in the City of Nanaimo, the District of Lantzville, Electoral Areas 'A', 'C' (handyDART only), the City of Parksville, the Town of Qualicum Beach, and Electoral Areas 'E', 'G' and 'H'.

Residents in the Extension Area of Electoral Area 'C' and in Electoral Area 'F' do not have transit routes in their areas, nor do they contribute through property taxes for transit service – however,



residents in those areas can use the transit system by commuting to a nearby centre.

Funding for transportation services comes from a combination of local property taxes, transit fares and partnership funding from BC Transit. While the funding of transit services is complex, the service itself is seamlessly integrated, providing connections to get people to work, educational institutions, medical appointments and recreational facilities between Deep Bay and Cedar.



RDN Transit Admin Building

Departmental Highlights

In 2014, the Transit department, in conjunction with BC Transit, completed a 25-year Transit plan titled the 'RDN Future Plan' which prioritizes transit investments and provides an implementation strategy to transform today's network into the future network. The plan forecasts that a fleet of 160 buses and 400,000 service hours will be required to operate transit services by 2039.

Conventional Transit

There are 49 conventional transit buses and 16 custom vehicles in the fleet, delivering just over 144,000 operating hours of service annually.

Conventional transit services run seven days per week from 6:00 am to 12:00 am on weekdays with modified hours on weekends and statutory holidays. In 2016, the system provided an estimated 2.73 million rides – the projection for 2017 is 2.9 million rides.



In September 2017, the conventional transit system will be increased by 5,000 annual hours. As a result of this expansion, two new routes will be added to the Town of Qualicum Beach, called the #98 – Qualicum Beach and the #97 – Eaglecrest. These routes will serve as a community run for residents and visitors of Qualicum Beach, increasing accessibility throughout the area.

This expansion also encompasses added runs to the #91 Intercity bus which connects Nanaimo to Nanoose, Parksville and Qualicum Beach. The #99 – Deep Bay route will also see an improvement to

service, moving from one day per week (Tuesday) to 5 days per week.

Custom Transit (handyDART)

The Custom Transit service has a fleet of 16 ARBOC low floor accessible mini-buses offering maximum flexibility to persons with disabilities. The custom system provided over 61,000 rides in 2016 using approximately 26,500 hours of service.

About 90% of custom transit hours are provided to customers who live in the City of Nanaimo, District of Lantzville and Electoral Areas 'A' (Cedar) and 'C' (Pleasant Valley). Some custom transit service is available on Saturdays and Sundays in the southern part of the region – mainly within the City of Nanaimo.

In 2016, Custom Transit service in southern communities was extended to 9 p.m. on weekdays to address changing demands.

In the Nanoose Bay, Parksville, French Creek and Qualicum Beach areas, there are 50 hours a week of service.



Emergency Services

The Regional District of Nanaimo's Emergency Management Program encompasses mitigation, preparedness, response, and recovery. The Program plans and prepares communities and staff to respond to and recover from emergencies and major disasters.

Departmental Highlights

Notable Emergency Management response

projects and initiatives undertaken in 2016 included:

- Implemented EOC automated notification system and performed notification drills;
- Emergency Preparedness Week events around the region included Emergency Preparedness Expo, community displays and media events;
- Rapid Damage Assessment and First Aid training;
- Conducted EOC section-specific staff training;
- Hosted an EMBC – EOC Logistics training course;
- Seasonal Hazard Awareness meetings held for winter preparations in flood and landslide prone areas and collaboration with fire departments to promote FireSmart in the summer;
- ESS level 1 callouts and ongoing volunteer recruitment and retention of ESS and Emergency Communications in all Electoral Areas and Lantzville;
- Trained and appointed alternate emergency coordinators;
- Attended several public outreach events, educating public about personal and household preparedness; and
- Submitted National Disaster Mitigation Program (NDMP) application (in collaboration with Qualicum Beach) for Stream 1: Risk Assessment project.



Fire Departments

Communities in the Regional District’s Electoral Areas support six volunteer fire departments:

Extension Fire	Electoral Area ‘C’
Nanoose Bay	Electoral Areas ‘E’, ‘F’, ‘G’
Errington	Electoral Areas ‘F’, ‘G’
Coombs-Hilliers	Electoral Area ‘F’
Dashwood	Electoral Areas ‘F’, ‘G’, ‘H’
Bow Horn Bay	Electoral Area ‘H’

The volunteer fire departments are operated by Societies to make day to day operational decisions and recommend capital improvements to the buildings and equipment. Most of the fire departments operate in areas that do not have fire hydrants and depend on tankers and above ground water tank installations to carry and store water.

Maintenance of rigorous training standards and ongoing volunteer participation in these departments are key components of the success of, but also the areas of most challenge for, local fire departments.

The Regional District also has fire protection contracts with the City of Nanaimo for East Wellington/Pleasant Valley (Electoral Area ‘C’), the City of Parksville and Town of Qualicum Beach for French Creek/San Pareil (Electoral Area ‘G’) and the Cranberry Fire District for Cassidy/Spruston/ Timberlands Road (Electoral Areas ‘A’ and ‘C’).

Departmental Highlights

During 2015, the Regional District undertook a review of rural fire service delivery in response to the updated requirements of the Office of the Fire Commissioner's Structure Firefighters Competency and Training Playbook. The results of this review will be implemented by the newly hired Fire Coordinator (November 2016) over the 2017 and 2018 years. New engine truck purchases were completed for the Nanoose Bay and Coombs-Hilliers Fire Departments and construction plans are underway for upgrades or new halls in other parts of the District including the Dashwood and Bow Horn Bay areas.





STRATEGIC AND COMMUNITY DEVELOPMENT

Geoff Garbutt, General Manager

Jeremy Holm, Manager, Current Planning

Paul Thompson, Manager, Long Range Planning, Energy and Sustainability

Tom Armet, Manager, Building and Bylaw Services

Current Planning

Current Planning is responsible for the review and processing of all development related applications within six of the Electoral Areas ('A', 'C', 'E', 'F', 'G' and 'H') and provides advice to the Board and its committees with respect to planning related issues. Planning and development for Electoral Area B is overseen by the Islands Trust. The department responds to enquiries from the general public, external agencies and developers regarding application and evaluation processes, policies and procedures. Current Planning also provides advice and administrative support to the Board of Variance and the Agricultural Advisory Committee.

In 2016, the department processed the following development applications (2015 comparative figures are included in brackets):

- 8 Rezoning/OCP (9 - 2015)
- 86 Development Permit/Variance (77 - 2015)
- 9 Board of Variance appeal (11 - 2015)
- 12 Agricultural Land Reserve (5 - 2015)
- 31 Subdivision (29 - 2015)

The department continues to provide accurate information in a timely manner to the Board and the general public and to complete applications within established processing timelines.

RDN 2017 Operational Plan items for Current Planning include:

- Delegation Bylaw Review
- Targeted Bylaw 500 review
- Rural area signage consultation

Departmental Highlights

Long Range Planning

The Long Range Planning department coordinates the review and implementation of Official Community Plans for the Electoral Areas and the Regional Growth Strategy, which is the guiding master planning document for the whole Regional District.



The Regional Growth Strategy (RGS) contains the vision for maintaining the region’s quality of life and includes goals and policies regarding where to encourage urban development and at the same time protect the natural environment. The most recent version of the strategy is found in Bylaw No. 1615, which was adopted by the Regional Board in November 2011.

Accomplishments for 2016 include: the initiation of a process to update the Official Community Plan in Electoral Area ‘H’ - the area residents were engaged, changes to the OCP were identified and drafting of a new OCP was started; an annual progress report on RGS implementation; adoption of changes to zoning bylaws to better support agriculture; an amendment to the Regional Growth Strategy to clarify what qualifies as a minor amendment; participation in the Oceanside Health and Wellness network; and completion of publication of resources on housing and agriculture.

Some of the focus areas for the department over the next three years include:

- Bylaw changes and other actions to support agriculture;
- Addressing the issue of sea level rise;
- Completing updates to the Electoral Area ‘H’ OCP; and
- Review of Development Permit Areas for consistency and efficiency.

Energy and Sustainability

Energy and Sustainability transitioned into the responsibilities of Long Range Planning in 2016. The role is to coordinate initiatives that enhance community and corporate sustainability by taking strategic approaches to climate change, energy management and community self-sufficiency.

Highlights for 2016 include: continued delivery of the successful green building incentive program and workshop series, with \$46,470 in incentives provided to residents over the course of the year and over 100 attendees to green building workshop events, including a Passive House training session; and completing an assessment to identify energy saving enhancements for RDN fire halls.



Departmental Highlights

Economic Development

In 2016, Regional District of Nanaimo Electoral Areas ‘A’, ‘B’ and ‘C’ contributed \$177,000 to the Nanaimo Economic Development Corporation (NEDC) to provide economic development services. The NEDC will not be operating in 2017 and a new model of service delivery will be considered in 2017.

The District 69 members administer the Northern Community Economic Development Program, allocating nearly \$52,000 in 2016 toward economic development projects in Electoral Areas ‘E’, ‘F’, ‘G’ and ‘H’, and the communities of Parksville and Qualicum Beach.

Projects and organizations supported through the Northern Community Economic Development program in 2016 were:

- BladeRunners Youth Employment – CVIJOBS;
- Mid Island Growers Guide – Coombs Farmers Institute
- Film Sector Development – North Island Film Commission
- Tidal Treasures – Oceanside Community Arts Council
- Bowser Village Signage – Lighthouse Country Business Association
- Airport Land Use Design Concepts – Town of Qualicum Beach
- Qualicum Beach Museum Interactive Display – Qualicum Beach Historical and Museum Society
- Parksville Museum Digital Heritage Exhibition – Parksville and District Historical Society



Building and Bylaw

Building Inspection

In addition to advising on the issuing of building permits and inspecting construction within the Electoral Areas of the Regional District, the department also provides building permit and inspection services under contract to the District of Lantzville.

The development climate was again quite steady in 2016, recovering considerably from the 2008/2009 slow down. Construction in the Regional District’s Electoral Areas consists mostly of single-family dwellings, with a small number of multi-family, commercial and industrial projects.

In 2016, the department issued 595 permits with a construction value of \$92.3 million, generating \$1.25 million in permit revenues. By comparison, 593 permits were issued in 2015 with a construction value of \$86.6 million and permit revenues of \$1.2 million.



The department’s web page provides information on permit requirements, owner-builder links, zoning and related information that assists in streamlining the permit application process. The public can also access building permit statistics online and submit some documents by email, reducing the need to mail or personally deliver permit documentation.

Departmental Highlights

Bylaw Enforcement

Bylaw Enforcement staff respond to noise, nuisance and a range of land use complaints as well as concerns regarding dangerous dogs at large in the Electoral Areas and the District of Lantzville. Bylaw Enforcement Officers investigated approximately 500 individual complaints in 2016.

The investigation of Regional District bylaw contraventions can be complex and often requires staff to assume a coordinating role with other agencies such as the RCMP, Agricultural Land Commission, and Federal Fisheries and Conservation Officers. To promote positive working relationships with these agencies, Bylaw Enforcement staff regularly participate in inter-agency training and meetings. Bylaw Enforcement staff also provide support to the Regional District’s Emergency Program.

The Bylaw Services component of the Regional District’s website includes comprehensive information on Regional District regulations and allows the public to submit complaints online.

Intergovernmental Liaison

In 2016, intergovernmental relations was officially added to the Strategic and Community Development Department portfolio with the creation of the Intergovernmental Liaison position. The position assists RDN Staff and Directors with coordination of their activities with external governments and agencies.

In July, the RDN and Qualicum First Nation signed a Cooperation Agreement that will guide future and ongoing discussions on topics of mutual interest. In November, the RDN Board hosted a daylong relationship-building seminar with representatives in attendance from Snaw-Naw-As First Nation, Qualicum First Nation and Snuneymuxw First Nation.

Other departmental accomplishments for 2016 include:

- the development of a Telecommunication Antenna System Consultation and Information Policy for the RDN’s Electoral Areas;
- the execution of a memorandum of understanding with Vancouver Island University (VIU) for the purpose of reducing child poverty in the region; and
- assisting VIU to bring the Witness Blanket to Vancouver Island; an art piece constructed from hundreds of items reclaimed from Residential Schools, churches, government buildings and traditional and cultural structures including Friendship Centres, band offices, treatment centres and universities from across Canada.





CORPORATE SERVICES

Joan Harrison, Director

Jacque Hill, Manager, Administrative Services

Mike Moody, Manager, Information Services

Kelli Dolan, Manager, Human Resources

The Corporate Services department liaises with citizens, external agencies, staff of the member municipalities and other Regional District staff to strengthen and support the regional federation. This department is often the first point of contact for citizens seeking information and assistance from the Regional District.

Corporate Services oversees and coordinates the legislative business of the Regional District, Corporate Communications services, Human Resources management, Information Technology and Geographic Information Services. Corporate Services is one of the most diverse service departments in the Regional District.

Administrative Services

Administrative Services provides general support



to the Board, oversees preparation of Board and Committee agendas and minutes, manages all aspects of referendums, elector approval and general elections, and coordinates records management including bylaws and agreements. This department also processes requests made under the *Freedom of Information and Protection of Privacy Act* and administers updates to the Regional District’s website.

In 2016, the Administrative Services Department was responsible for conducting a referendum in Electoral Area ‘B’ for the “Gabriola Island Transit Contribution Service Establishment Bylaw No. 1734, 2015” and an Alternative Approval Process for Parksville, Qualicum Beach, and Electoral Areas ‘E’, ‘F’, ‘G’, and ‘H’ for the “Northern Community Search and Rescue Contribution Service Establishment Bylaw No. 1736, 2015”.

Departmental Highlights

Corporate Communications

The Communications Coordinator oversees production of RDN corporate publications including the *Perspectives* newsletter, *Electoral Area Updates*, special publications (such as elections and budget), news releases and website content. The Communications Coordinator is also the key liaison with local media, is responsible for media event coordination and regularly works with communications officers from other agencies.

Highlights from 2016 include the launch of the new region-wide watering restrictions framework, the announcement of federal funding for the Greater Nanaimo Pollution Control Centre marine outfall replacement and the signing of the Cooperation Protocol Agreement with Qualicum First Nations.

Human Resources

Human Resources staff are responsible for providing advice, consultation and assistance to the organization on all aspects of personnel management including health and safety, employee benefit plans, employee wellness, recruitment and selection, employee and labour relations, corporate training and development, job evaluation and employee orientation.

In 2016, 101 employment opportunities were posted and successfully filled at the RDN.

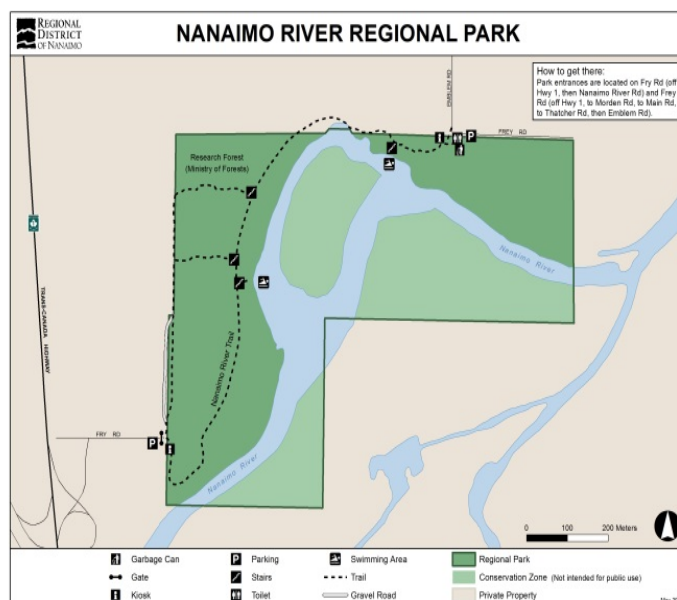
Information Technology & GIS

The Information Technology and GIS department oversees and provides technology and telecommunication support and delivers geographic information services. The Regional District has computing resources in 21 facilities with approximately 284 personal computers, application servers and related peripheral equipment, including PDAs, cellphones and tablets.

2016 saw the implementation of a new Server Backup System allowing Virtual Server and Data recovery speeds that previously took hours, now to be measured in minutes. IT is now hosting FirePro2,

the Unified Management System for the Dashwood, Errington, Coombs-Hilliers and Bow Horn Bay Fire Departments in our Head Office Data Centre. New phone systems were installed in the French Creek Treatment Plant and Parks facilities. The Cedar Landfill phone systems, networking and fiber services were updated when new facilities were constructed. All historical building records previously stored on Microfiche and paper have now been scanned and are available on SharePoint for digital retrieval.

One of the most popular parts of the Regional District's website is the RDN Map section which allows citizens, property developers and real estate agents to find property information without staff assistance. In 2016, the GIS department acquired and published new aerial imagery of the Regional District which is used on both our public and in-house web map services. GIS also played a key role in acquiring coastal based LiDAR data for Sea Level Rise analysis. GPS data collection was 80% complete in 2016 for the Area 'H' Crown Land Trails network. Also in 2016, GIS staff created a publicly available interactive Parks & Trails mapping application and complemented that product with downloadable georeferenced PDF files of Parks and Trails for navigational purposes for mobile users.





FINANCE SERVICES

Wendy Idema, Director

Tiffany Moore, Manager, Accounting Services

Manvir Manhas, Manager, Capital Accounting and Financial Reporting

The twelve member finance team develops financial management policies, performs financial forecasting services and maintains accounting systems necessary to assist departments in achieving capital and operational targets.

The Accounting Services section maintains over 17,900 Utility accounts generating upwards of 21,000 customer invoices annually. Staff process 19,000 vendor invoices annually and provide payroll services for all RDN employees issuing approximately 550 T4s annually.

The department relies on technology to achieve its goal of providing accurate and timely information to staff and the public.

Customers can go online through the Web Customer Services Access Point to view their account transactions. This Access Point also contains general property information, including assessments, and lawyers and notaries are able to

generate online certificates of outstanding utility charges. As an example of how technology has helped the department, 76% of account payments are received electronically, eliminating the need for customers to make a trip to our offices. Our goal is to continue to increase electronic payments and to increase the number of customers receiving email delivery of their invoices by 0.5% per year.

Staff in the Financial Reporting section coordinate and prepare the Regional District's five-year financial plan, the audited financial statements and the annual financial report. The financial plan quantifies current year work plans and forecasts activities for the next five years. There are over 100 service areas within the RDN each with its own tax requisition and budget. Examples include Southern and Northern Community Transit, Community Planning and various water and sewer services.

Departmental Highlights



The 2016 Financial Plan included approximately \$87 million for operational and \$45 million for capital spending funded through a combination of taxes, user fees, grants and transfers from reserves held.

The annual financial report includes the results of the annual independent audit of the Regional District’s activities and transactions and assures the Board and the public that revenues and expenditures are accounted for properly.

The full text of the financial plan and the annual report are available on the Regional District’s website at www.rdn.bc.ca.

Departmental accomplishments for 2016 include:

- 2016 to 2020 Financial Plan bylaws completed for the Regional District of Nanaimo and Nanaimo Regional Hospital District;
- Regional District of Nanaimo and Nanaimo Regional Hospital District audited financial statements completed with clean audit opinion provided by MNP LLP;
- All statutory reporting requirements and deadlines met for provincial legislation and Gas Tax agreements; and
- Introduced e3Vadim Software Platform for financial systems and reporting.

Nanaimo Regional Hospital District



The Nanaimo Regional Hospital District (NRHD) shares the same boundaries, directors and administrative staff as the Regional District of Nanaimo. The NRHD provides capital funding for these designated healthcare facilities:

- Nanaimo Regional General Hospital
- Dufferin Lodge
- Eagle Park Lodge
- Trillium Lodge
- Oceanside Health Centre

Capital funding is cost-shared with the province on a 60/40 basis with the NRHD’s portion being 40 per cent. Health care services on Vancouver Island are delivered by Island Health. Island Health pools both Provincial and NRHD funding, along with other sources such as foundations to maintain, improve and build health care facilities.

The finance department administers the NRHD including the preparation of five-year financial plans, managing the accounting systems and preparation of financial statements as well as coordinating the funding for the NRHD’s capital projects.



FINANCIAL STATEMENTS

DISCUSSION AND ANALYSIS

The following analysis provides an overview of the consolidated financial statements, notes and supporting schedules of the Regional District of Nanaimo (RDN) for the year ended December 31, 2016, which can be found on Pages 3 to 50. These consolidated statements incorporate the activities of our Operating, Capital and Reserve funds and are completed using CPA Canada Public Sector Accounting Board standards including the elimination of all interdepartmental and interfund transactions. MNP LLP has provided the RDN an unqualified audit opinion stating in their opinion the Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of the RDN as at December 31, 2016.

Consolidated Statement of Financial Position

The Consolidated Statement of Financial Position (Page 3) outlines the financial assets, liabilities, non-financial assets and accumulated surplus values for the RDN. A five year summary of these amounts is provided below.

Financial assets of \$168.2 million (2015: \$164.9 million) represent the cash, investments and receivables of the RDN including debt receivable from other jurisdictions of \$64.9 million (2015: \$69.1 million). The municipalities within the RDN borders (Nanaimo, Parksville, Lantzville and Qualicum Beach) as well as the Vancouver Island Regional Library (VIRL) borrow through the RDN for long-term capital financing.

Summary Table of Financial Position: RDN 2012-2016

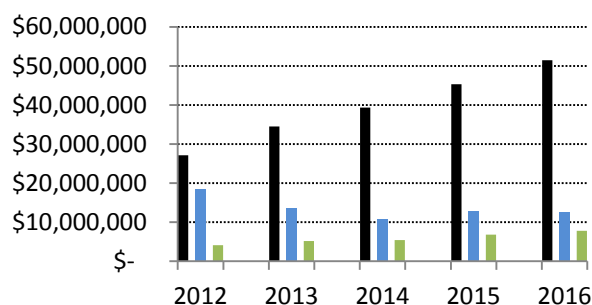
	2012	2013	2014	2015	2016
Financial Assets	\$113,915,100	\$138,002,495	\$154,634,442	\$164,902,749	\$168,170,292
Liabilities	<u>97,774,609</u>	<u>113,271,087</u>	<u>124,116,520</u>	<u>127,487,908</u>	<u>130,895,058</u>
Net Financial Assets	16,140,491	24,731,408	30,517,922	37,414,841	37,275,234
Non-financial Assets	<u>173,453,447</u>	<u>176,024,689</u>	<u>176,978,321</u>	<u>179,071,458</u>	<u>199,685,425</u>
Accumulated Surplus	\$189,593,938	\$200,756,097	\$207,496,243	\$216,486,299	\$236,960,659

Financial Statements – Discussion and Analysis

Cash and investments totaling \$97 million in 2016 largely represent the deferred revenue (Gas Tax funding) and reserve funds held for future infrastructure purchases in the wastewater, water, fire services, parks and other services managed by the RDN. Schedules of Statutory Reserve and Development Cost Charge (DCC) Reserve funds are provided on Pages 32 to 34.

Reserve fund increases of \$3.8 million from 2015 reflect the significant capital plans for future wastewater, solid waste, transit and fire services infrastructure where a combination of debt financing and reserve funding will be required. Over the 2017 to 2021 period, it is anticipated that \$34 million will be added to reserves and up to \$74 million will be utilized for capital projects.

Summary Graph: Reserve and DCC Balances



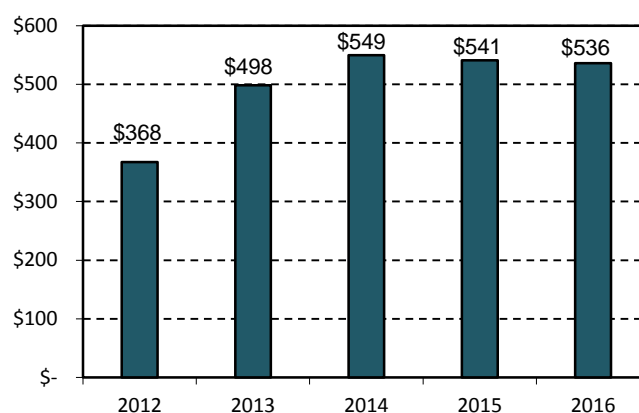
Statutory Reserves
 DCC Reserves
 Deferred Revenue

Liabilities of \$130.9 million (2015: \$127.5 million) represent the short and long-term debt and unfunded liabilities of the RDN. Unfunded liabilities at \$12.8 million (2015: \$12.6 million) include the estimated value of future closure and post-closure monitoring costs for the regional landfill (\$13.2 million) and the estimated cost of future retirement benefit obligations for staff. The retirement benefit obligation (\$1.7 million) is currently at a fully funded status. Closure of the landfill is estimated to occur in 2039 and monitoring costs are estimated for 200 years post closure per provincial regulations. These amounts are largely based on estimates and are essentially unchanged from 2015.

Long-term debt amounts for the RDN at \$84.5 million (2015: \$83.6 million) are detailed on Pages 28 to 31 of the financial statements and include

\$64.9 million in debt issued for other jurisdictions (\$15.2 million for VIRL, \$1.6 million for City of Parksville, \$4.2 million for Town of Qualicum Beach and \$43.9 million for City of Nanaimo). Long-term debt in the amount of \$19.5 million relates to borrowing for RDN services such as wastewater treatment, Oceanside Place Arena, regional and community parks, fire services and water and sewer utilities. Ongoing low interest rates obtained through the Municipal Finance Authority (2.1% to 2.6% debt issue rates for 2016) have reduced the cost of debt servicing for several years.

Summary Graph: Total Outstanding Debt Per Capita



As shown in the chart above, debt per capita for the RDN as a whole including member municipalities and VIRL has decreased to \$536 as a result of projected population growth and debt principal reductions offset by new RDN long-term debt for the Marine Outfall project at the Greater Nanaimo Pollution Control Centre (\$5 million borrowed). Future debt levels will be impacted by the anticipated borrowing requirements around water and wastewater services. There are significant capital projects valued at an estimated \$175 million planned across Regional District services over the next few years with anticipated borrowing of up to \$79 million to help fund the projects. The largest of these are at the Southern & Northern Communities Wastewater Treatment Plants (\$121 million total capital). It should be noted that only those residents who are included in an RDN service area that has incurred debt actually contribute to the debt repayment; not all residents of the RDN are responsible for all of the RDN debt.

Financial Statements – Discussion and Analysis

Net Financial Assets, as shown on Page 3, represents the RDN’s ability to meet future spending requirements. A ratio of financial assets to liabilities that is greater than one indicates resources are available to pay for past transactions. The RDN’s ratio has ranged from 1.17 (2012) to the current 2016 value of 1.28 and our audit review has indicated we show good sustainability in this area. Maintaining this ratio will be challenging over the next few years as aging infrastructure is replaced and upgraded to support future growth and legislated requirements. The RDN, along with its member municipalities, will need to manage the funding of this infrastructure through the development of reserve funds, pursuit of grant funding and future borrowing.

Non-financial assets are largely made up of the capital infrastructure held by the RDN valued at \$198.2 million (2015: \$178.2 million).

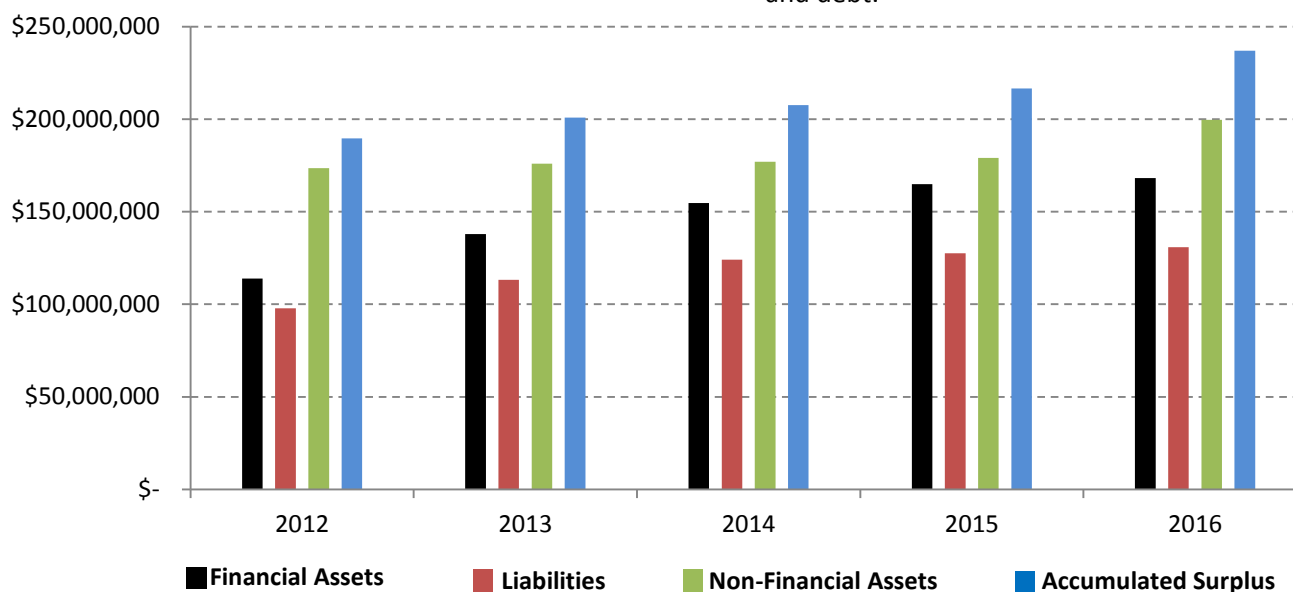
This value represents the historic cost of assets net of amortization and includes additions in 2016 of \$27.3 million. Since 2012, the investment in capital held by the RDN has increased by a total of \$25.2 million net of depreciation. These assets represent a wide range of capital items including wastewater treatment plant, water and sewer infrastructure,

regional and community parks, Oceanside Place Arena, Ravensong Aquatic Centre, fire halls and fire trucks, vehicles and equipment as well as our transit and administration operations buildings. Of particular note for 2016 was the completion of the new marine outfall for the Greater Nanaimo Pollution Control Centre valued at \$14.2 million and the work on French Creek to Coombs E&N Rail Trail Project at \$3 million.

The chart below shows the five year history for the rolled up values of assets and liabilities as well as the accumulated surplus for the RDN since 2012. The accumulated surplus represents the sum of the current and prior years’ operating results as well as value of reserves held and net capital assets. At December 31, 2016, the accumulated surplus was \$236.9 million, an increase of \$20.4 million from 2015 (\$216.5 million) of which \$178.4 million is made up of net investment in capital assets and \$55.2 million is statutory reserves.

The ratio of total assets to liabilities for an organization is an indicator of the extent to which a government has financed its operations with debt. Since 2012, this ratio for the RDN has been consistent at a range of 2.7 to 2.9 with a current value of 2.8 which is a healthy indicator that the RDN has more assets than debt and has funded infrastructure through a combination of reserves and debt.

Summary Graph: Statement of Financial Position



Financial Statements – Discussion and Analysis

Consolidated Statement of Operations

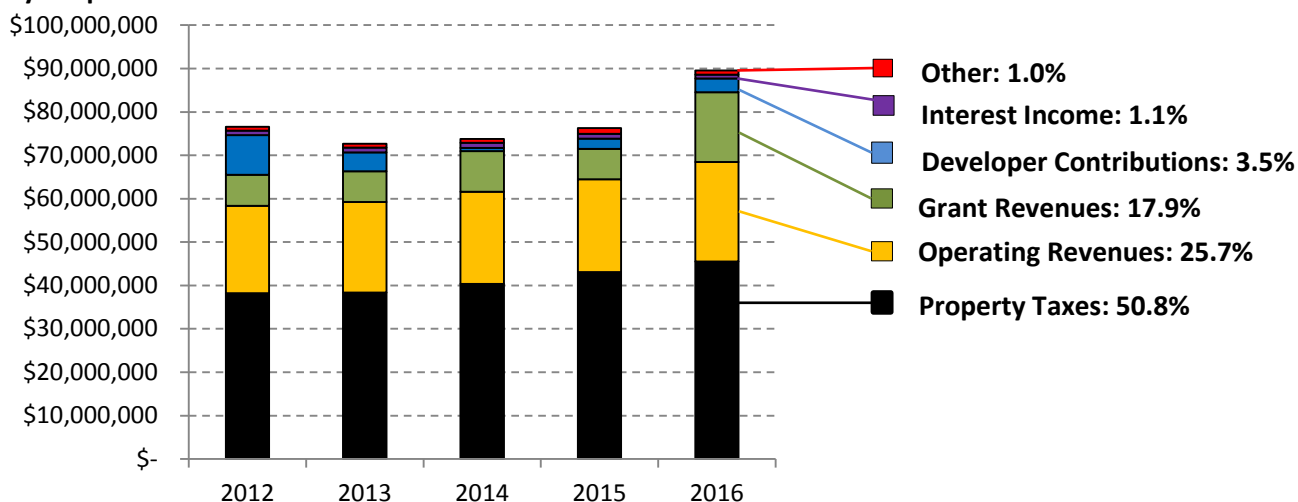
The Consolidated Statement of Operations and Accumulated Surplus found on Page 4 of the financial statements provides information on a government’s sources of revenue and an understanding of the impact of a government’s spending on the economy, the government’s allocation and use of resources and the cost of government programs.

The following table shows a summary of the sources of revenues since 2012. Consolidated revenues increased \$13.3 million in 2016 as a result of significant grant revenues received along with increases in developer contributions and taxation utilized for capital.

The increase to developer contributions and to grant funding largely reflects work at the Southern Community Wastewater Treatment Facility for the outfall replacement and upgrade to secondary treatment. Page 34 of the financial statements includes detailed information on Development Cost Charge activities for the year.

Almost 51% of the \$89.5 million in consolidated revenues was raised through taxation in 2016 and 26% comes from operating revenues such as building permits and garbage and recycling fees. Local governments are heavily reliant on taxation and service fees for funding operations which creates some risk related to trends in the general economy particularly in relation to the industrial activity and housing sectors for the area.

Summary Graph: RDN Revenues 2012-2016



Summary Table: RDN Revenues 2012-2016

	2012	2013	2014	2015	2016	2016 % of total
Property taxes	\$36,572,915	\$38,357,564	\$40,355,182	\$43,103,564	\$45,498,181	50.8%
Operating revenues	20,149,347	20,891,235	21,227,537	21,339,433	22,975,645	25.7%
Grant revenues	7,170,938	7,098,405	9,390,568	7,050,056	16,054,530	17.9%
Developer contributions	9,117,231	4,356,188	739,951	2,330,833	3,162,137	3.5%
Other	907,467	887,904	831,593	1,280,487	923,198	1.0%
Interest income	<u>1,025,738</u>	<u>1,070,287</u>	<u>1,188,036</u>	<u>1,140,991</u>	<u>924,812</u>	1.1%
	\$74,943,636	\$72,661,583	\$73,732,867	\$76,245,364	\$89,538,503	

Financial Statements – Discussion and Analysis

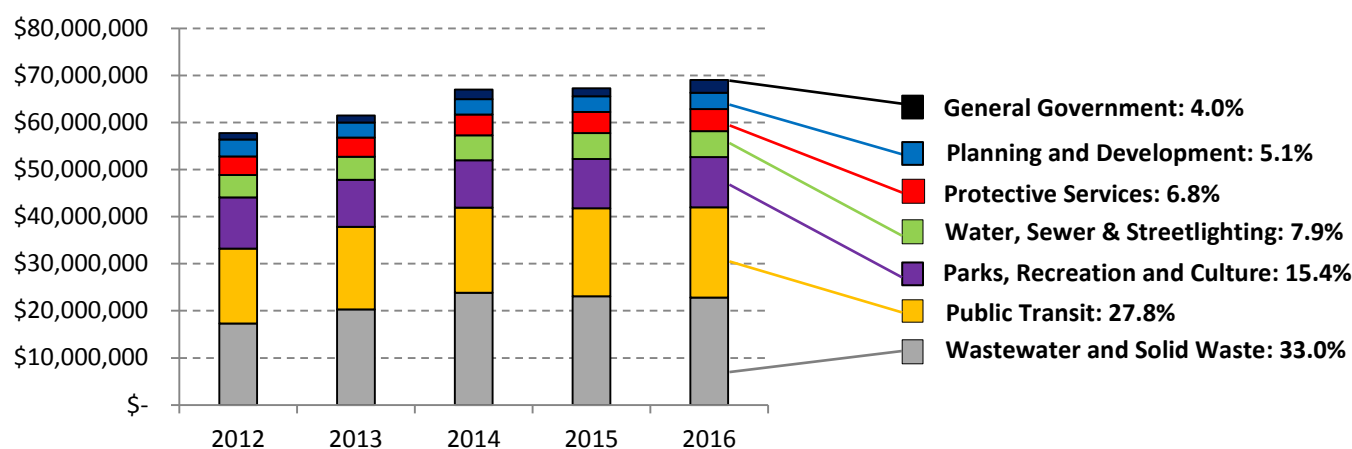
Expense by function shown below provides a summary of the major areas of government spending and the changes in spending over the last five years. Consolidated expenses do not include capital expenditures and spending on capital has no impact on the annual surplus. Instead, capital assets are included in the investment in non-financial assets on the Statement of Financial Position with only the amortization expense related to the assets included as expense on an annual basis. This allocates the cost of the capital infrastructure over its expected service life.

In 2016, over 75% of the RDN’s operating expense was allocated to public transit, wastewater treatment, solid waste services (garbage & recycling and landfill operations) and to parks, recreation and culture services.

Protective Services include fire services, emergency preparedness, 911 services, animal and noise control and account for 6.8% of costs.

The \$1.8 million increase in consolidated spending from 2015 to 2016 is the result of multiple factors. Additional community grants funded by the Federal Government’s Gas Tax transfer program reflect over \$600,000 in annual spending. Although there were lower operating costs for the Transit Service as a result of the conversion to a CNG fleet, expansions to transit services and BC Transit’s development of a reserve for future inflation costs resulted in \$500,000 in additional spending. Impacts of the year-end adjustments made for the future liabilities for landfill closure and post-closure costs as well as post-retirement benefits resulted in a \$520,000 adjustment to expenses.

Summary Graph: RDN Expenditures 2012-2016



Summary Table: RDN Expenditures 2012-2016

	2012	2013	2014	2015	2016	2016 % of total
General Government	\$1,340,401	\$1,515,275	\$2,003,596	\$1,693,015	\$2,734,694	4.0%
Strategic & Community Development	3,566,228	3,199,919	3,320,302	3,299,141	3,481,604	5.1%
Wastewater & Solid Waste	17,311,785	20,331,212	23,864,939	23,096,142	22,796,558	33.0%
Water, Sewer & Street Lighting	4,737,210	4,906,528	5,349,418	5,551,953	5,484,414	7.9%
Public Transit	15,907,321	17,476,189	18,031,571	18,696,991	19,218,611	27.8%
Protective Services	3,973,328	4,047,770	4,357,647	4,494,052	4,708,898	6.8%
Parks, Recreation & Culture	9,240,641	10,022,531	10,065,248	10,424,014	10,639,364	15.4%
	\$56,076,914	\$61,499,424	\$66,992,721	\$67,255,308	\$69,064,143	

OUTLOOK

The Vancouver Island Real Estate Board reports 2016 as a “banner year for real estate” with annual sales volumes 24% higher than 2015 for the Nanaimo area. BC continued to lead the country in economic growth with a 3.4% increase in 2016 GDP. This trend is expected to continue in 2017 and is reflected in improved operating revenues at the RDN for building permits and recreation programs. As noted on the RDN at a Glance (Page iii), the area continues to experience population growth with an increase of 6.2% from 2011 to 2016.

Financial health for a government is measured by sustainability, vulnerability and flexibility in the context of the overall economic and financial environment. The Regional District remains in sound financial health with good balances of assets to liabilities and liquid cash reserves sufficient to meet annual costs and, in the unlikely event, an emergency. An ongoing challenge to the RDN is the need to finance significant infrastructure projects over the coming years and to maintain and enhance services such as recreation facilities and transit within the means of a relatively high proportion of fixed income families. Continued economic growth for BC and for the RDN will help to offset those costs.

The Regional District of Nanaimo’s main exposure to risks and uncertainties arises from variables not

directly in its control. These include economic factors such as inflation, population growth and demographics, unexpected shocks from earthquakes, forest fires or floods, interest rate and dollar value fluctuations and changes to provincial and federal transfers, programs and legislation. Changes in legislation at the provincial and federal level for the water, wastewater and solid waste regulatory framework can have a significant effect on our programs. Well defined, accessible and stable federal and provincial infrastructure funding programs may also be an alternate source of funding for capital thereby reducing future borrowing requirements.

Although the RDN is unable to directly control these variables, strategies to mitigate risk are incorporated in our plans. Long-term asset management plans and the use of reserve funds to offset future borrowing costs as well as the ongoing pursuit of grant funding will assist. Use of financial and regulatory policy that supports our Strategic Plan goals to develop an environmentally, socially and economically healthy area that is resilient and adaptable to change will help to improve the Region’s attractiveness to investors and will contribute to our residents’ ability to meet their needs without compromising the ability of future residents to do the same.





FINANCIAL STATEMENTS

MANAGEMENT’S RESPONSIBILITY

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

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

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

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

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

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

April 20th, 2017



Director of Finance

Independent Auditors' Report

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

We have audited the accompanying consolidated financial statements of the Regional District of Nanaimo, which comprise the consolidated statement of financial position as at December 31, 2016 and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows and related schedules on pages 25 and 27 to 34 for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Regional District of Nanaimo as at December 31, 2016 and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

The supplementary information on pages 26 and 35 to 50 have been presented for purposes of additional analysis and are unaudited. We do not express an opinion on these schedules because our examination did not extend to the detailed information therein.

Nanaimo, British Columbia

May 9, 2017

MNP LLP

Chartered Professional Accountants

**REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016**

		<u>2016</u>	<u>2015</u>
Financial Assets			
Cash and short-term deposits	(Note 2)	\$ 65,426,660	\$ 64,587,923
Accounts receivable	(Note 3)	\$ 6,145,802	5,055,066
Investments	(Note 4)	\$ 31,559,740	26,133,266
Other jurisdictions debt receivable	(Note 12)	\$ 64,943,861	69,103,355
Other assets	(Note 5)	\$ 94,229	23,139
		<u>\$ 168,170,292</u>	<u>164,902,749</u>
Financial Liabilities			
Short-term loans	(Note 6)	\$ 371,107	293,141
Accounts payable	(Note 7)	\$ 6,294,470	6,030,009
Other liabilities	(Note 8)	\$ 4,529,854	4,422,319
Unfunded liabilities	(Note 9)	\$ 12,797,451	12,566,913
Deferred revenue	(Note 10)	\$ 22,453,326	20,376,391
Obligation under capital lease	(Note 13)	\$ -	211,227
Long-term debt	(Note 11)	\$ 84,448,850	83,587,908
		<u>\$ 130,895,058</u>	<u>127,487,908</u>
Net Financial Assets		<u>\$ 37,275,234</u>	<u>37,414,841</u>
Non-financial Assets			
Tangible capital assets	(Note 14)	\$ 198,227,258	178,169,261
Prepaid expenses		\$ 1,414,768	861,430
Inventories		\$ 43,399	40,767
		<u>\$ 199,685,425</u>	<u>179,071,458</u>
Accumulated Surplus	(Note 15)	<u>\$ 236,960,659</u>	<u>\$ 216,486,299</u>

APPROVED:



W. Idema, CPA, CGA
Director of Finance

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budget</u> (Note 18)	<u>2016</u>	<u>2015</u>
Revenue			
Property taxes	\$ 45,498,183	\$ 45,498,181	\$ 43,103,564
Operating revenues	21,444,852	22,975,645	21,339,433
Grant revenues	13,147,353	15,735,117	6,740,947
Developer contributions	4,039,254	3,162,137	2,330,833
Other	949,491	918,080	1,117,461
Interest on investments	150,000	924,812	1,140,991
Grants in lieu of taxes	149,645	319,413	309,109
MFA debt surplus refunds	-	5,118	163,026
	<hr/> 85,378,778	<hr/> 89,538,503	<hr/> 76,245,364
Expenses			
General Government	2,186,677	2,734,694	1,693,015
Strategic & Community Development	3,933,221	3,481,604	3,299,141
Wastewater & Solid Waste management	20,111,980	22,796,558	23,096,142
Water, Sewer & Street lighting	4,755,550	5,484,414	5,551,953
Public Transportation	20,017,671	19,218,611	18,696,991
Protective Services	4,324,611	4,708,898	4,494,052
Parks, Recreation & Culture	10,734,273	10,639,364	10,424,014
	<hr/> 66,063,983	<hr/> 69,064,143	<hr/> 67,255,308
Surplus for the year	\$ 19,314,795	\$ 20,474,360	\$ 8,990,056
Accumulated surplus, Beginning of the year	216,486,299	216,486,299	207,496,243
Accumulated surplus, End of the year (Note 15)	<hr/> \$ 235,801,094	<hr/> \$ 236,960,659	<hr/> \$ 216,486,299

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Budget</u> (Note 18)	<u>2016</u>	<u>2015</u>
Surplus for the year	\$ 19,314,795	\$ 20,474,360	\$ 8,990,056
Acquisition of tangible capital assets	(44,814,373)	(27,275,629)	(8,623,513)
Amortization of tangible capital assets	-	6,846,859	6,745,606
Proceeds on disposal of tangible capital assets	-	413,977	13,109
Loss (Gain) on disposal of tangible capital assets	-	(43,204)	209,723
Change in prepaid expenses	-	(553,338)	(436,428)
Change in inventories	-	(2,632)	(1,634)
Increase (decrease) in Net Financial Assets	(25,499,578)	(139,607)	6,896,919
Net Financial Assets, Beginning of the year	37,414,841	37,414,841	30,517,922
Net Financial Assets, End of the year (Pg. 3)	<u>\$ 11,915,263</u>	<u>\$ 37,275,234</u>	<u>\$ 37,414,841</u>

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>2016</u>	<u>2015</u>
Operating Transactions		
Surplus for the year	\$ 20,474,360	\$ 8,990,056
Non-cash items included in surplus		
Amortization of tangible capital assets	6,846,859	6,745,606
Contributed tangible capital assets	(1,867,000)	(322,000)
Loss (Gain) on disposal of tangible capital assets	(43,204)	209,723
Debt actuarial adjustments	(310,997)	(464,576)
Change in non-cash working capital balances related to operations		
(Increase) Decrease in accounts receivable	(1,090,735)	1,043,686
(Increase) Decrease in other assets	(71,090)	2,125
Increase in accounts payable	264,462	3,234,927
Increase in deferred revenues	2,076,935	651,985
Increase (Decrease) in other liabilities	107,535	(693,668)
Increase in prepaid expenses	(553,338)	(436,428)
Increase in inventory	(2,632)	(1,634)
Increase in unfunded liabilities	230,538	568,647
	26,061,693	19,528,449
Capital Transactions		
Acquisition of tangible capital assets	(25,408,629)	(8,301,513)
Proceeds on disposal of tangible capital assets	413,977	13,109
	(24,994,652)	(8,288,404)
Investment Transactions		
Cash provided by (used in) investment transactions	(5,426,474)	(6,109,844)
Financing Transactions		
Short and long term debt issued	6,309,389	544,650
Decrease in capital lease obligation	(211,229)	(471,450)
Repayment of short and long-term debt	(899,990)	(931,397)
	5,198,170	(858,197)
Net change in cash and short-term deposits	838,737	4,272,004
Cash and short-term deposits, Beginning of the year	64,587,923	60,315,919
Cash and short-term deposits, End of the year (Pg. 3)	(Note 2) \$ 65,426,660	\$ 64,587,923

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2016

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

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Principles of Consolidation

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

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

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

Arrowsmith Water Service	22.4%
Englishman River Water Service	26.0%

Any inter-entity transactions are eliminated on consolidation.

(b) Short-term deposits

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

(c) Long-term investments

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

(d) Non-Financial Assets

i. Tangible capital assets

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

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

ii. Contributions of tangible capital assets

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

iii. Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of a property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

iv. Inventories

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

(e) Debt servicing cost

Interest is recorded on an accrual basis.

(f) Financial Instruments

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

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Revenue recognition

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

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

The Regional District recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Regional District recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

(h) Expense recognition

Operating expenses are recorded on an accrual basis.

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

(i) Contingent liabilities

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

(j) Use of Estimates

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

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Regional District is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2016.

At each financial reporting date, the Regional District reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Regional District continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

(l) Recent accounting pronouncements

PS 2200 Related Party Disclosures

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

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

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

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

PS 3210 Assets

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

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

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

PS 3320 Contingent Assets

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

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

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

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

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

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

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

PS 3380 Contractual Rights

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

PS 3430 Restructuring Transactions

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

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

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

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

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

Restructuring-related costs are recognized as expenses when incurred.

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

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

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

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

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

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2016

2. CASH AND SHORT-TERM DEPOSITS

In 2016, all cash and short-term deposits were held by the General Revenue Fund including \$37,343,820 held by the Municipal Finance Authority. Interest income has been allocated to restricted receipt accounts (development cost charges), reserve accounts/funds and unexpended loan proceeds for capital projects based on the relative equity.

3. ACCOUNTS RECEIVABLE

	<u>2016</u>	<u>2015</u>
Province of British Columbia	\$ 10,917	\$ 24,972
Government of Canada	480,916	510,581
Regional and local governments	299,688	578,831
Gas Tax Revenue Transfer program	1,966,894	603,977
BC Transit Annual Operating Agreement	1,049,568	951,827
Accrued investment interest	92,658	223,839
Solid Waste commercial accounts	559,942	627,116
Utility services customers	431,533	401,399
Developer DCC instalments	183,967	328,010
Other trade receivables	1,069,719	804,514
	<u>\$ 6,145,802</u>	<u>\$ 5,055,066</u>

4. INVESTMENTS

	<u>2016</u>	<u>2015</u>
Investments at cost less amortized premium	\$ 31,559,740	\$ 26,133,266

As at December 31, 2016, the following investments were held by the Regional District:

	Investment	Amortized Purchase Price	Accrued Interest	Total Book Value	Market Value at December 31, 2016
TD	0.8% deposit note	\$191,558	-	\$191,558	\$191,558
BNS	1.53% deposit note	\$5,000,000	\$5,240	\$5,005,240	\$5,005,240
TD	1.21% deposit note	\$5,000,000	\$4,475	\$5,004,475	\$5,000,000
CCCU	1.65% deposit note	\$3,049,533	\$12,098	\$3,061,631	\$3,049,533
CCAP	1.60% deposit note	\$3,000,000	\$13,414	\$3,013,414	\$3,000,000
VANC	1.20% deposit note	\$3,000,000	\$10,257	\$3,010,257	\$3,000,000
CCAP	1.50% deposit note	\$2,966,649	\$3,048	\$2,969,697	\$2,966,649
BMO	1.50% extendible note	\$2,802,000	\$7,370	\$2,809,370	\$2,802,213
VANC	1.30% deposit note	\$2,500,000	\$2,226	\$2,502,226	\$2,500,000
BMO	1.50% extendible note	\$2,050,000	\$5,981	\$2,055,981	\$2,027,806
BMO	2.00% extendible note	\$2,000,000	\$1,644	\$2,001,644	\$2,008,434
		<u>\$ 31,559,740</u>	<u>\$ 65,753</u>	<u>\$ 31,625,493</u>	<u>\$ 31,551,433</u>

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2016

5. OTHER ASSETS

	<u>2016</u>	<u>2015</u>
Security deposits for building or development permit applications	\$ 94,229	\$ 23,139

6. SHORT-TERM LOANS

During 2016, the Regional District entered into two additional short-term loan agreements totalling \$202,190 with the Municipal Finance Authority. In 2016, principal payments of \$124,223 were made. The maturity dates of the loans range between 1 to 5 years. The interest rates for these loans are variable, which at December 31 was 1.44%.

	<u>2016</u>	<u>2015</u>
Compactor	\$ 168,917	\$ 293,141
Land - Community Parks EA B	188,000	-
Trailer and Kubota	14,190	-
	<u>\$ 371,107</u>	<u>\$ 293,141</u>

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

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>TOTAL</u>
\$168,790	\$48,314	\$3,603	-	\$150,400	<u>\$371,107</u>

7. ACCOUNTS PAYABLE

	<u>2016</u>	<u>2015</u>
Payable to Federal Government	\$ 184,852	\$ 179,392
Payable to Provincial Government	649,643	599,718
Payable to other local governments	344,667	333,231
Trade and other payables	5,115,308	4,917,668
	<u>\$ 6,294,470</u>	<u>\$ 6,030,009</u>

8. OTHER LIABILITIES

	<u>2016</u>	<u>2015</u>
Wages and benefits payable	\$ 1,415,977	\$ 1,221,031
Retirement benefits payable - see note 9(a) i	2,429,167	2,673,985
Other benefits payable	281,437	153,288
Permit deposits	403,273	374,015
	<u>\$ 4,529,854</u>	<u>\$ 4,422,319</u>

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2016

9. UNFUNDED LIABILITIES

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

(a) Employee Benefits

- i. Retirement Benefits - The Regional District provides vested sick leave benefits to its employees who retire where they can qualify for a one time payout of up to 60 days of their accumulated unused sick leave. The amount recorded for these benefits is based on an actuarial evaluation done by an independent firm using a projected benefit actuarial valuation method prorated on service. The actuarial valuation was calculated at December 31, 2016.

The accrued post-employment benefits are as follows:

	<u>2016</u>	<u>2015</u>
Balance, beginning of year	\$ 1,789,202	\$ 1,733,207
Current service costs	146,529	143,052
Benefits paid	(181,278)	(109,663)
Interest cost	50,889	47,549
Amortization of Net Actuarial Loss/ (Gain)	(27,868)	(24,943)
Balance, end of year	<u>\$ 1,777,474</u>	<u>\$ 1,789,202</u>

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

	<u>2016</u>	<u>2015</u>
Discount Rate	3.30%	3.10%
Expected Inflation Rate and Wage & Salary Increases	2.50%	2.50%
Balance reported in Note 8		
Retirement benefits payable	\$ 2,429,167	\$ 2,673,985
Consolidation adjustment for actuarial valuation	(651,693)	(884,783)
Accrued benefit balance, end of year	<u>\$ 1,777,474</u>	<u>\$ 1,789,202</u>

- ii. Other – Includes vacation pay adjustments and statutory and other benefits provided for in the collective agreement and which are paid in the normal course of business in the following year. The vacation pay liability at December 31, 2016 is \$112,303 (2015, \$165,877). The statutory benefits liability at December 31, 2016 is \$145,318 (2015, \$115,444).

(b) Landfill Closure and Post Closure Maintenance Costs

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

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2016

9. UNFUNDED LIABILITIES (CONTINUED)

i. Landfill Closure costs - are estimated based on the open area of the remaining unused capacity of the landfill site. In 2009, a revised design and operations plan was approved for the landfill which provides additional airspace for future needs. This plan extended the estimated life of the landfill to 2030 which has since been updated to 2038 based on most recent usage data. The plan includes remediation and reuse of previously filled areas as well as extending perimeter berms for the development of new airspace.

At December 31, 2016, there were approximately 1,697,987 cubic meters of airspace available for waste and daily cover. Landfill Closure costs are estimated at \$8,721,122 (2015, \$8,495,688). As at December 31, 2016, \$1,494,261 (2015, \$1,472,802) has been set aside in reserves for this purpose. The balance of Landfill Closure costs are expected to be funded by a combination of future reserve account contributions, operating budgets and/or borrowing.

ii. Post Closure Maintenance costs – are costs estimated to manage the closed landfill for a statutory period of 200 years (increased from 25 years in 2015). Post Closure Maintenance costs are estimated using a number of factors including the percentage of landfill capacity already filled, the probable closure date, the regulated monitoring period, the estimated annual maintenance costs and a present value discount rate which is the difference between the long-term MFA borrowing rate and the 5 year average Consumer Price Index. The current estimate for annual Post Closure Maintenance costs are \$575,000 for year 1-5; \$475,000 for year 6-10; \$275,000 for year 11-25; and \$100,000 for year 26-200 (2015, \$575,000 per year for 25 years). Total Post Closure Maintenance costs are estimated to be \$4,470,400 (2015, \$4,674,687) based on 64% of the total landfill capacity being filled at this date, a 22 year lifespan to 2038, final closure in 2039, and a discount rate of 1.92%. Post Closure Maintenance costs are expected to be funded by annual budget appropriations in the years in which they are incurred.

<u>Unfunded Liability Balances</u>	<u>2016</u>	<u>2015</u>
Employee Retirement Benefits	\$ (651,693)	\$ (884,783)
Employee Other Benefits	257,622	281,321
Landfill Closure Costs	8,721,122	8,495,688
Post Closure Maintenance Costs	4,470,400	4,674,687
Unfunded Liability	<u>\$ 12,797,451</u>	<u>\$ 12,566,913</u>
Reserves On Hand	<u>\$ 1,494,261</u>	<u>\$ 1,472,802</u>

10. DEFERRED REVENUE

	<u>2016</u>	<u>2015</u>
Parkland Cash-in-Lieu receipts	\$ 1,716,243	\$ 1,691,619
Development Cost Charges	<u>12,070,854</u>	<u>10,837,478</u>
Subtotal (Pg. 34)	13,787,097	12,529,097
Gas Tax Revenue Transfer program – Community Works Fund	8,097,324	7,331,503
General Revenue Fund	568,905	515,791
	<u>\$ 22,453,326</u>	<u>\$ 20,376,391</u>

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2016

10. DEFERRED REVENUE (CONTINUED)

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

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

Community Works Fund - is a program component of the federal government's "New Building Canada Fund" 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. 35.

11. LONG-TERM DEBT

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

Details of long-term debt, including debt issue numbers, maturity dates, interest rates and outstanding amounts, are summarized in the Schedule of Long-Term Debt on pages 28 to 31.

	<u>2016</u>	<u>2015</u>
Long-term debt - Regional District services	\$ 19,504,989	\$ 14,484,553
Vancouver Island Regional Library	15,192,042	15,582,525
Member municipalities	49,751,819	53,520,830
Total Long-Term Debt	<u>\$ 84,448,850</u>	<u>\$ 83,587,908</u>

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

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>TOTAL</u>
\$1,353,550	\$1,353,655	\$1,311,203	\$1,307,167	\$1,307,280	<u>\$6,632,855</u>

12. OTHER JURISDICTIONS DEBT RECEIVABLE

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

	<u>2016</u>	<u>2015</u>
Town of Qualicum Beach	\$ 4,166,428	\$ 4,629,364
City of Parksville	1,660,091	2,043,770
City of Nanaimo	43,925,300	46,847,696
Vancouver Island Regional Library	15,192,042	15,582,525
	<u>\$ 64,943,861</u>	<u>\$ 69,103,355</u>

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2016

13. OBLIGATION UNDER CAPITAL LEASE

There were no outstanding obligation balances for leased capital assets as at December 31, 2016 (2015, \$211,227). The 2016 capital lease principal payments totalled \$211,227 (2015, \$471,450).

All capital leases had been held by the MFA Leasing Corporation. While payments were fixed for the term of the lease, interest rates were variable daily based upon the Canadian prime rate minus 1.0%. An interest adjustment may be made at the time of the final payment. In 2016, interest expenditures related to lease liabilities were \$3,494 (2015, \$10,839).

14. TANGIBLE CAPITAL ASSETS

Net Book Value	<u>2016</u>	<u>2015</u>
Land	\$ 40,194,826	\$ 38,418,795
Land improvements	5,625,050	5,649,256
Buildings	32,623,629	31,446,591
Engineered structures	99,823,719	87,955,159
Equipment, furniture and vehicles	8,775,919	8,265,091
Assets under construction	11,184,115	6,434,369
	<u>\$ 198,227,258</u>	<u>\$ 178,169,261</u>
 Owned tangible capital assets	 \$ 198,227,258	 \$ 177,991,917
Leased assets	-	177,344
	<u>\$ 198,227,258</u>	<u>\$ 178,169,261</u>

In 2016, parkland dedications and a wharf on Gabriola Island valued at \$1,867,000 were accepted and recorded as contributed assets. During 2015, parkland dedications and land used as a site for a community water supply well valued at \$322,000 were accepted and recorded as contributed assets.

The Consolidated Schedule of Tangible Capital Assets (Pg. 27) provides details of acquisitions, disposals and amortization for the year.

15. ACCUMULATED SURPLUS

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

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

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

Reserves - represents that portion of the accumulated operating surplus that has been set aside to fund future 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.

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2016

15. ACCUMULATED SURPLUS (CONTINUED)

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

	<u>2016</u>	<u>2015</u>
Surplus		
General Revenue Fund Net Operating Surplus (Note 16)	\$ 12,328,194	\$ 11,970,660
Net investment in Tangible capital assets (Note 17)	178,351,162	163,180,340
Capital Fund advances	(97,812)	(991,006)
Unfunded liabilities	<u>(12,797,451)</u>	<u>(12,566,913)</u>
	<u>177,784,093</u>	<u>161,593,081</u>
General Revenue Fund Reserve Accounts		
Landfill expansion	281,522	277,479
Landfill closure	1,494,261	1,472,802
Property insurance deductible-fire departments	31,240	31,429
Liability insurance deductible	151,675	149,497
Regional Sustainability Initiatives	22,275	75,298
Island Corridor Foundation	799,000	809,000
Dashwood Fire	7,516	-
San Pareil Boundary Amendment	10,000	-
Regional parks and trails donations	57,174	39,487
Vehicle fleet replacement (various departments)	<u>1,097,949</u>	<u>583,942</u>
	<u>3,952,612</u>	<u>3,438,934</u>
Statutory Reserve Funds (Pg. 33)	\$ 55,223,954	\$ 51,454,284
Total Reserves	<u>\$ 59,176,566</u>	<u>\$ 54,893,218</u>
Accumulated Surplus (Pg. 3)	<u>\$ 236,960,659</u>	<u>\$ 216,486,299</u>

16. CONSOLIDATION ADJUSTMENTS

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

	<u>2016</u>	<u>2015</u>
Net Operating Surplus (Pg. 36)	\$ 12,163,068	\$ 11,826,779
Add: Water User Fee Revenue year end accrual (billed May 2017)	165,126	143,881
Net Operating Surplus adjusted for statement presentation (Note 15)	<u>\$ 12,328,194</u>	<u>\$ 11,970,660</u>

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2016

17. NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

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

	<u>2016</u>	<u>2015</u>
Tangible capital assets (Pg. 3)	\$ 198,227,258	\$ 178,169,261
Short-term loans (Pg. 3)	(371,107)	(293,141)
Obligation under capital lease (Pg. 3)	-	(211,227)
Long-term debt - Regional District only (Note 11)	(19,504,989)	(14,484,553)
Net investment in Tangible capital assets (Note 15)	<u>\$ 178,351,162</u>	<u>\$ 163,180,340</u>

18. BUDGET FIGURES

Budget figures represent the Financial Plan Bylaw adopted by the Board on March 22, 2016. The financial plan includes capital expenditures but does not include amortization expense. The financial plan forms the basis for taxation and fees and charges rates which may be required for a particular year. The following reconciliation of the budgeted "Surplus for the year" shown on Pg. 4 is provided to show which items must be added or removed to reflect to the budgeted financial plan values which are shown compared to actual expenditures on Pg. 36 (General Revenue Fund Schedule of Revenue and Expenditures).

	<u>2016 Budget</u>
Budgeted Surplus for the year (Pg. 4)	\$ 19,314,795
Add:	
Transfers from reserves	16,030,923
Proceeds of borrowing	14,974,713
Prior year operating surplus	11,826,779
Less:	
Capital expenditures	(44,814,373)
Prior Year consolidation adjustments	(344,293)
Debt principal repayments/actuarial adjustments	
Budgeted principal payments	4,787,627
Add: Actuarial Adjustments	310,997
Less: Principal payments for member municipalities	<u>(3,185,994)</u>
Capital lease principal payments included in equipment operating expenditure	(88,059)
Transfer to reserves	<u>(8,456,997)</u>
Consolidated Budgeted Surplus, per Regional District of Nanaimo Financial Plan Bylaw No.1740 (Pg. 33)	<u>\$ 6,530,858</u>

19. 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, 2016, the Regional District had debt reserve funds of \$360,247 (2015, \$294,128).

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2016

20. NORTH ISLAND 9-1-1 CORPORATION

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

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

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

21. 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 based on a formula. The Plan has about 189,000 active members and approximately 85,000 retired members. Active members include approximately 324 contributors from the Regional District of Nanaimo.

The most recent actuarial valuation as at December 31, 2015 indicated a \$2.224 billion funding surplus for basic pension benefits. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The Regional District of Nanaimo paid \$1,947,226 (2015, \$2,051,074) for employer contributions to the Plan in fiscal 2016.

22. CONTINGENT LIABILITIES

Contingent liabilities are recognized by the Regional District in accordance with PS 3300.15. As at December 31, 2016, there were outstanding claims against the Regional District, however, no liability has been accrued because amounts are undeterminable and the likelihood of the Regional District having to make payment is uncertain.

23. 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.

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2016

24. EXPENDITURES BY OBJECT

	<u>Budget</u>	<u>2016</u>	<u>2015</u>
Operating goods and services	\$ 34,380,544	\$ 31,956,377	\$ 30,566,062
Wages and benefits	30,665,186	29,012,116	28,219,036
Debt interest	1,018,253	1,018,253	1,155,957
Amortization expense	-	6,846,859	6,745,606
Unfunded expenditures (Note 9)	-	230,538	568,647
Total Expenditures by Object	<u>\$ 66,063,983</u>	<u>\$ 69,064,143</u>	<u>\$ 67,255,308</u>

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

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

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

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

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

	Arrowsmith Water Service <u>2016</u>	Englishman River Water Service <u>2016</u>
Non-financial assets (tangible capital assets)	\$ 6,457,416	\$ 6,083,174
Accumulated surplus	<u>6,457,416</u>	<u>6,083,174</u>
Revenues		
Joint venturer contributions	\$ 155,697	\$ 2,873,154
Capital grant	-	828,854
	<u>155,697</u>	<u>3,702,008</u>
Expenses		
Operating	137,227	9,714
Capital	-	828,854
Transfer of land to partners	-	1,233,797
	<u>\$ 137,227</u>	<u>\$ 2,072,365</u>
Annual surplus (deficit)	<u>\$ 18,470</u>	<u>\$ 1,629,643</u>

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2016

26. CONTAMINATED SITES

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

27. COMPARATIVE FIGURES

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

28. SUBSEQUENT EVENT

Subsequent to the year end, the Regional District received a parkland dedication valued at \$1,837,000 in Electoral Area F.



SUPPORTING SCHEDULES

REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED SCHEDULE OF REVENUE AND EXPENSES BY SEGMENT
as at December 31, 2016

PS2700 requires that governments define and disclose additional information related to its activities, by segment. Regional Districts are required by the Local Government Act to charge or allocate all expenses directly or reasonably attributable to a service, to that service. The information in these financial statements conforms in all respects to the requirements of the Local Government Act.

For the purposes of PS2700 the segmented information above corresponds to the classification of expenses shown on the Consolidated Statement of Operations. The expense classifications on the Consolidated Statement of Operations represent the major activities provided by the Regional District of Nanaimo.

The following activities are included in the segments shown on Pg. 25:

General Government includes overall administration, legislative services including elections and feasibility studies. These services are paid for by multiple member jurisdictions of the Regional District and affect most taxpayers residing in the Regional District of Nanaimo. Schedule A on Pg. 38 of this report provides additional details with respect to revenues and expenditures for services falling under General Government.

Planning & Development includes community and regional land use planning, house numbering and building inspection. Planning & Development services are largely paid for by Electoral Areas of the Regional District of Nanaimo. Schedules B and B-1 on Pgs. 39-40 of this report provide additional details with respect to revenues and expenditures for each of these services.

Wastewater & Solid Waste includes sewage treatment plants and solid waste disposal activities, including programs for garbage collection and recycling. The Regional District operates two treatment plants in both the northern and southern portions of the Regional District. A solid waste landfill and transfer station are funded at a regional level, with garbage collection & recycling services provided in areas outside of the City of Nanaimo. Detailed revenue and expenditure information on wastewater treatment plants is found on Schedule C-1, Pg. 42 of this report. Detailed revenue and expenditure information on solid waste management is found on Schedule C, Pg. 41.

Water, Sewer & Street lighting includes neighbourhood water supply, sewage collection systems and street lights. Only taxpayers within these areas pay for the service. Detailed revenue and expenditure information on these services can be found on Schedules C-2, C-3 and C-4 (Pgs. 43-45) of this report.

Public Transportation includes conventional and HandyDart bus service. Public transit services are available to the City of Nanaimo, City of Parksville, Town of Qualicum Beach, Electoral Area G and portions of Electoral Areas A, E and C. Detailed revenue and expenditure information on transportation services is found on Schedule E, Pg. 48 of this report.

Protective Services includes volunteer and contract fire protection services, emergency planning, bylaw enforcement and the Regional District's participation in E911 services. Detailed revenue and expenditure information on protective services is found on Schedules E-1 and E-2, Pgs. 49-50 of this report.

Parks, Recreation & Culture includes operations and development of community and regional parks, provision of recreation programming, operation of a multiplex arena and aquatic centre and includes some services provided by agreement with municipalities within the Regional District of Nanaimo. Detailed revenue and expenditure information on parks, recreation & culture services is found on Schedules D and D-1, Pgs. 46-47 of this report.

REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED SCHEDULE OF REVENUE AND EXPENSES BY SEGMENT
as at December 31, 2016

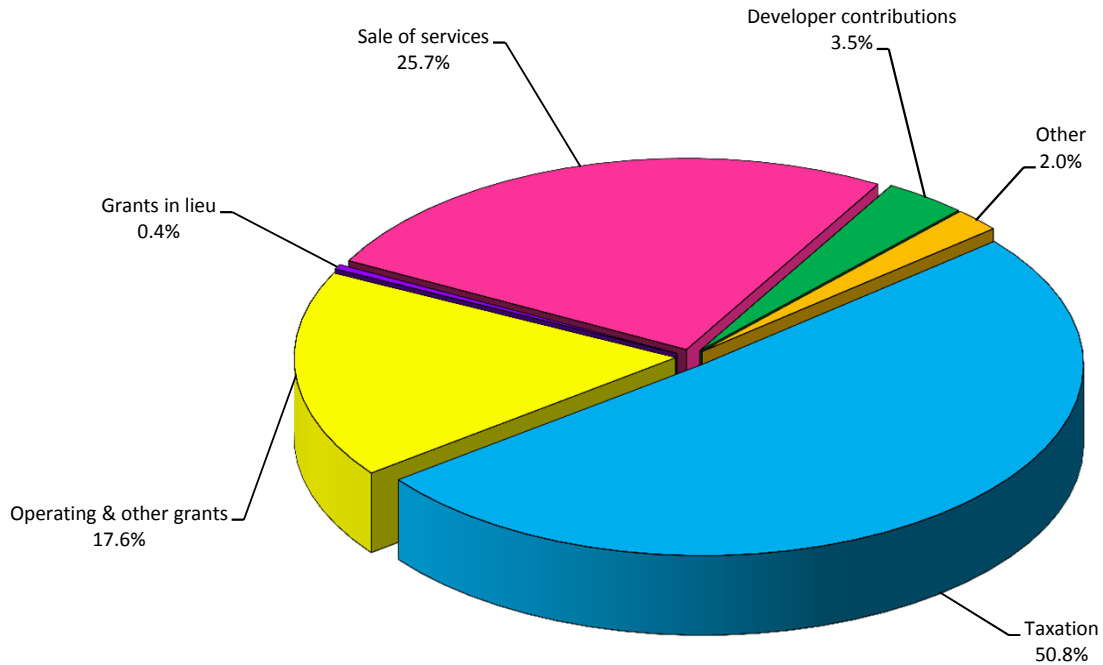
	General Government	Planning & Development	Wastewater & Solid Waste	Water, Sewer & Street lighting	Public Transportation	Protective Services	Parks, Recreation & Culture	2016 Total	2015 Total
Revenues									
Property taxes	\$ 1,631,088	\$ 2,177,613	\$ 11,946,073	\$ 4,429,388	\$ 9,693,968	\$ 4,918,301	\$ 10,701,750	\$ 45,498,181	\$ 43,103,564
Operating revenues	-	1,371,068	13,841,601	1,496,210	4,519,347	54,095	1,693,324	22,975,645	21,339,433
Grant revenues	536,459	191,645	6,306,355	249,634	5,619,280	(635)	2,832,379	15,735,117	6,740,947
Developer contributions	-	-	1,242,235	52,902	100,000	-	1,767,000	3,162,137	2,330,833
Other	247,985	3,273	41,615	169,963	265,190	43,875	151,297	923,198	1,280,487
Interest on investments	236,733	10,758	462,664	57,972	44,687	47,520	64,478	924,812	1,140,991
Grants in lieu	69,394	7,903	95,351	73	111,541	12,912	22,239	319,413	309,109
	<u>2,721,659</u>	<u>3,762,260</u>	<u>33,935,894</u>	<u>6,456,142</u>	<u>20,354,013</u>	<u>5,076,068</u>	<u>17,232,467</u>	<u>89,538,503</u>	<u>76,245,364</u>
Expenses									
Operating goods & services	(1,888,767)	1,502,697	13,214,035	2,774,725	7,844,005	3,670,127	4,839,555	31,956,377	30,566,062
Wages and benefits	4,059,482	1,957,213	5,647,054	1,530,178	11,036,728	385,624	4,395,837	29,012,116	28,219,036
Debt interest	-	-	91,396	300,843	-	167,777	458,237	1,018,253	1,155,957
Amortization expense	354,588	21,694	3,822,926	878,668	337,878	485,370	945,735	6,846,859	6,745,606
Unfunded expenses	209,391	-	21,147	-	-	-	-	230,538	568,647
	<u>2,734,694</u>	<u>3,481,604</u>	<u>22,796,558</u>	<u>5,484,414</u>	<u>19,218,611</u>	<u>4,708,898</u>	<u>10,639,364</u>	<u>69,064,143</u>	<u>67,255,308</u>
Surplus for the year	<u>\$ (13,035)</u>	<u>\$ 280,656</u>	<u>\$ 11,139,336</u>	<u>\$ 971,728</u>	<u>\$ 1,135,402</u>	<u>\$ 367,170</u>	<u>\$ 6,593,103</u>	<u>\$ 20,474,360</u>	<u>\$ 8,990,056</u>

REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED SCHEDULE OF REVENUE AND EXPENSES BY SEGMENT
as at December 31, 2015

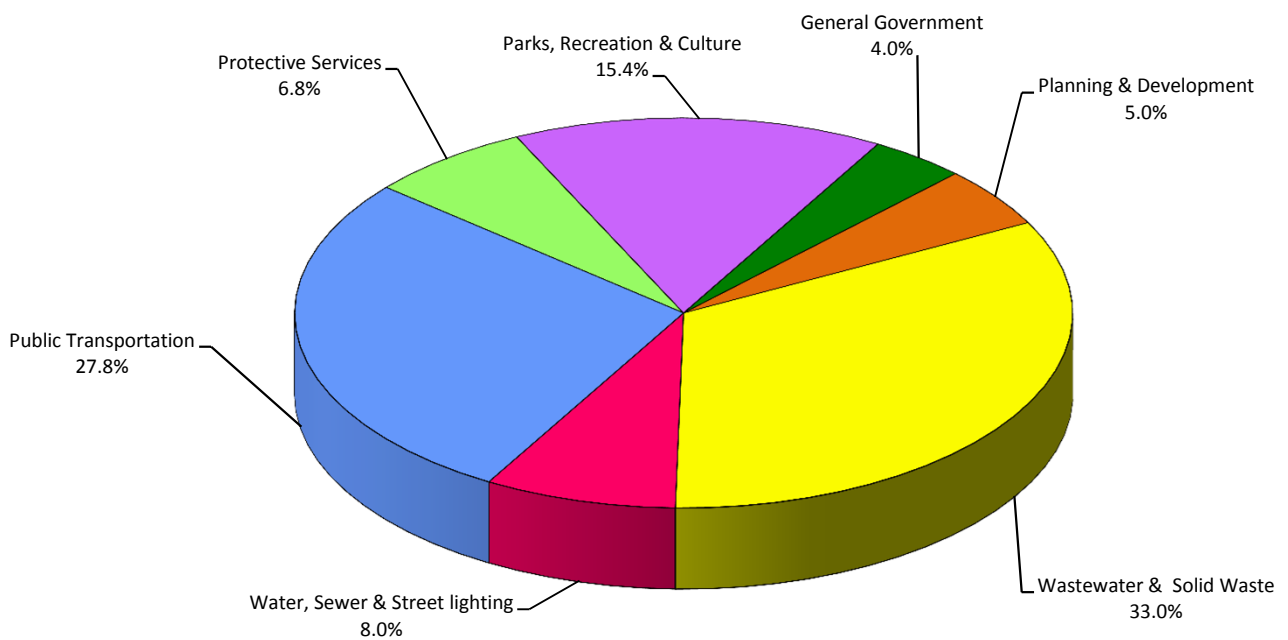
	General Government	Planning & Development	Wastewater & Solid Waste	Water, Sewer & Street lighting	Public Transportation	Protective Services	Parks, Recreation & Culture	2015 Total	2014 Total
Revenues									
Property taxes	\$ 1,869,125	\$ 2,102,806	\$ 10,936,188	\$ 4,170,414	\$ 9,140,632	\$ 4,667,817	\$ 10,216,582	\$ 43,103,564	\$ 40,355,182
Operating revenues	-	1,316,616	12,521,588	1,370,637	4,420,194	16,800	1,693,598	21,339,433	21,227,537
Grant revenues	192,827	24,195	504,335	8,356	5,566,235	-	444,999	6,740,947	9,110,177
Developer contributions	-	-	1,845,389	296,385	-	-	189,059	2,330,833	739,951
Other	205,267	3,884	133,465	159,394	192,381	91,584	494,512	1,280,487	831,593
Interest on investments	330,755	10,689	583,119	62,275	41,595	56,338	56,220	1,140,991	1,188,036
Grants in lieu	72,522	8,181	93,777	76	108,174	14,011	12,368	309,109	280,391
	<u>2,670,496</u>	<u>3,466,371</u>	<u>26,617,861</u>	<u>6,067,537</u>	<u>19,469,211</u>	<u>4,846,550</u>	<u>13,107,338</u>	<u>76,245,364</u>	<u>73,732,867</u>
Expenses									
Operating goods & services	(2,194,936)	1,259,474	13,048,860	2,894,593	7,525,907	3,445,282	4,586,882	30,566,062	29,426,565
Wages and benefits	3,841,826	2,015,514	5,508,991	1,486,202	10,801,311	363,074	4,202,118	28,219,036	27,148,660
Debt interest	-	-	639	304,187	-	167,174	683,957	1,155,957	1,211,746
Amortization expense	340,633	24,153	3,674,497	866,971	369,773	518,522	951,057	6,745,606	6,752,591
Unfunded expenses	(294,508)	-	863,155	-	-	-	-	568,647	2,453,159
	<u>1,693,015</u>	<u>3,299,141</u>	<u>23,096,142</u>	<u>5,551,953</u>	<u>18,696,991</u>	<u>4,494,052</u>	<u>10,424,014</u>	<u>67,255,308</u>	<u>66,992,721</u>
Surplus for the year	<u>\$ 977,481</u>	<u>\$ 167,230</u>	<u>\$ 3,521,719</u>	<u>\$ 515,584</u>	<u>\$ 772,220</u>	<u>\$ 352,498</u>	<u>\$ 2,683,324</u>	<u>\$ 8,990,056</u>	<u>\$ 6,740,146</u>

See notes to consolidated financial statements

CONSOLIDATED REVENUES



CONSOLIDATED EXPENDITURES



**REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
AS AT DECEMBER 31, 2016**

	Land	Land Improvements	Buildings	Engineered Structures	Equipment, Furniture & Vehicles	Assets Under Construction	Total 2016	Total 2015
COST								
Balance, beginning of year	\$ 38,418,795	\$ 7,495,474	\$ 48,539,224	\$ 143,677,066	\$ 21,936,629	\$ 6,434,369	\$ 266,501,557	\$ 258,657,710
Add:								
Additions	2,096,818	260,784	2,712,117	15,373,534	2,082,630	4,749,746	27,275,629	8,623,513
Less:								
Disposals	320,787	-	-	-	356,577	-	677,364	779,666
Balance, end of year	40,194,826	7,756,258	51,251,341	159,050,600	23,662,682	11,184,115	293,099,822	266,501,557
ACCUMULATED AMORTIZATION								
Balance, beginning of year	\$ -	\$ 1,846,219	\$ 17,092,633	\$ 55,721,908	\$ 13,671,538	\$ -	\$ 88,332,298	\$ 82,143,524
Add:								
Amortization	-	284,989	1,535,079	3,504,973	1,521,818	-	6,846,859	6,745,606
Less:								
Accumulated amortization on disposals	-	-	-	-	306,593	-	306,593	556,834
Balance, end of year	-	2,131,208	18,627,712	59,226,881	14,886,763	-	94,872,564	88,332,296
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS								
	\$ 40,194,826	\$ 5,625,050	\$ 32,623,629	\$ 99,823,719	\$ 8,775,919	\$ 11,184,115	\$ 198,227,258	\$ 178,169,261
					Owed capital assets		\$ 198,227,258	\$ 177,991,917
					Leased assets		0	177,344
							<u>\$ 198,227,258</u>	<u>\$ 178,169,261</u>

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
LONG-TERM DEBT SUMMARY BY FUNCTION
DECEMBER 31, 2016

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
REGIONAL DISTRICT					
RAVENSONG AQUATIC CENTRE	895,635	611,532	313,224	-	\$ -
OCEANSIDE PLACE ARENA	4,659,501	4,314,003	3,954,686	3,580,996	3,192,358
REGIONAL PARKS	-	2,053,653	1,984,688	1,912,964	1,838,371
COMMUNITY PARKS	356,256	333,617	310,004	285,373	259,679
WASTEWATER MANAGEMENT					
- Northern Community (District 69)	255,536	-	-	-	-
- Southern Community (District 68)	-	-	-	-	5,000,000
FIRE PROTECTION	1,747,681	1,656,878	4,352,441	4,160,535	4,189,644
SEWER SERVICES	2,004,725	1,915,450	1,822,604	1,956,994	1,848,406
WATER SUPPLY SERVICES	2,272,174	2,030,455	2,891,369	2,587,690	3,176,528
VANCOUVER ISLAND REGIONAL LIBRARY	<u>7,857,359</u>	<u>16,319,013</u>	<u>15,957,989</u>	<u>15,582,525</u>	<u>15,192,042</u>
TOTAL REGIONAL DISTRICT	20,048,868	29,234,601	31,587,005	30,067,078	34,697,031
MEMBER MUNICIPALITIES	<u>34,948,088</u>	<u>45,903,812</u>	<u>52,213,097</u>	<u>53,520,830</u>	<u>49,751,819</u>
TOTAL LONG-TERM DEBT (Pg. 3)	<u><u>54,996,956</u></u>	<u><u>75,138,413</u></u>	<u><u>83,800,102</u></u>	<u><u>83,587,908</u></u>	<u><u>\$ 84,448,850</u></u>

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF LONG-TERM DEBT
DECEMBER 31, 2016**

FUNCTION	ISSUER	FUNDS	BYLAW NUMBER	MATURITY DATE	INTEREST RATE	ORIGINAL VALUE	2016 DEBT O/S	2015 DEBT O/S
OCEANSIDE PLACE ARENA								
	MFA 97	CDN	1365	Apr 19,2023	4.830	6,470,646	3,192,358	3,580,996
TOTAL OCEANSIDE PLACE ARENA						<u>6,470,646</u>	<u>3,192,358</u>	<u>3,580,996</u>
REGIONAL PARKS								
	MFA 126	CDN	1629	Sep 26,2033	3.850	2,053,653	1,838,371	1,912,964
TOTAL REGIONAL PARKS						<u>2,053,653</u>	<u>1,838,371</u>	<u>1,912,964</u>
COMMUNITY PARKS ELECTORAL AREA B								
	MFA 78	CDN	1299	Dec 03, 2022	5.250	100,000	40,729	46,431
	MFA 79	CDN	1303	Jun 03, 2023	5.250	80,000	37,145	41,490
	MFA 81	CDN	1304	Apr 22, 2024	4.900	80,000	41,490	45,628
	MFA 93	CDN	1305	Apr 06, 2025	5.100	80,000	41,001	45,010
	MFA 97	CDN	1306	Apr 19, 2026	4.660	80,000	47,745	51,569
	MFA 101	CDN	1307	Apr 11, 2027	4.520	80,000	51,569	55,246
TOTAL COMMUNITY PARKS						<u>500,000</u>	<u>259,679</u>	<u>285,374</u>
FIRE PROTECTION SERVICES								
MEADOWOOD FIRE								
	MFA 110	CDN	1587	Apr 08, 2030	4.500	1,773,410	1,378,388	1,450,845
NANAIMO RIVER FIRE								
	MFA 99	CDN	1488	Apr 19,2027	4.430	20,761	12,390	13,383
NANOOSE BAY FIRE								
	MFA 130	CDN	1617	Oct 14, 2034	3.000	2,790,000	2,598,866	2,696,307
COOMBS-HILLIERS FIRE								
	MFA 139	CDN	1538	Oct 5, 2026	2.100	200,000	200,000	-
TOTAL FIRE PROTECTION SERVICES						<u>4,784,171</u>	<u>4,189,644</u>	<u>4,160,535</u>
SEWER SERVICES								
BARCLAY CRESCENT SEWER								
	MFA 102	CDN	1486	Dec 01, 2027	4.820	895,781	577,431	618,599
CEDAR SEWER								
	MFA 106	CDN	1571	Oct 13, 2029	4.130	926,180	680,521	719,876
	MFA 106	CDN	1572	Oct 13, 2029	4.130	27,200	19,986	21,141
	MFA 106	CDN	1573	Oct 13, 2029	4.130	108,800	79,942	84,565
	MFA 106	CDN	1574	Oct 13, 2029	4.130	61,200	44,967	47,568
	MFA 110	CDN	1584	Apr 08, 2030	4.500	232,286	180,545	190,036
	MFA 117	CDN	1626	Oct 12, 2031	3.250	51,620	42,231	44,259
						<u>1,407,286</u>	<u>1,048,192</u>	<u>1,107,445</u>
HAWTHORNE RISE SEWER								
	MFA 131	CDN	1696	Apr 8, 2035	2.200	173,300	167,172	173,300
REID ROAD SEWER								
	MFA 133	CDN	1709	Oct 2, 2035	2.750	57,650	55,611	57,650
TOTAL SEWER SERVICES						<u>\$ 2,534,017</u>	<u>\$ 1,848,406</u>	<u>\$ 1,956,994</u>

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF LONG-TERM DEBT
DECEMBER 31, 2016**

FUNCTION	ISSUER	FUNDS	BYLAW NUMBER	MATURITY DATE	INTEREST RATE	ORIGINAL VALUE	2016 DEBT O/S	2015 DEBT O/S
WATER - SAN PAREIL								
	MFA 74	CDN	1221	Jun 01, 2016	5.900	193,979	-	17,798
	MFA 81	CDN	1367	Apr 22, 2019	4.900	89,476	23,475	30,567
	MFA 97	CDN	1395	Apr 19, 2021	4.660	40,000	16,016	18,859
	MFA 106	CDN	1395	Oct 13, 2024	4.130	94,439	57,188	63,155
	MFA 117	CDN	1395	Oct 12, 2026	3.250	49,056	35,786	38,653
						<u>466,950</u>	<u>132,465</u>	<u>169,033</u>
WATER - SAN PAREIL FIRE IMPROVEMENTS								
	MFA 127	CDN	1689	Apr 07, 2034	3.300	1,114,600	1,038,242	1,077,170
						<u>1,114,600</u>	<u>1,038,242</u>	<u>1,077,170</u>
WATER - DRIFTWOOD								
	MFA 80	CDN	1301	Oct 03, 2023	4.900	100,614	46,716	52,181
						<u>100,614</u>	<u>46,716</u>	<u>52,181</u>
WATER - MELROSE TERRACE								
	MFA 103	CDN	1539	Apr 23, 2018	4.650	14,349	3,337	4,909
						<u>14,349</u>	<u>3,337</u>	<u>4,909</u>
BULK WATER - FRENCH CREEK								
	MFA 69	CDN	1127	Sep 24, 2018	4.650	503,655	75,147	110,059
						<u>503,655</u>	<u>75,147</u>	<u>110,059</u>
BULK WATER - NANOOSE								
	MFA 69	CDN	1128	Sep 24, 2018	4.650	864,095	128,926	188,822
	MFA 74	CDN	1226	Jun 01, 2021	5.900	2,195,223	762,639	894,085
	MFA 80	CDN	1239	Oct 03, 2023	4.900	176,295	81,856	91,431
						<u>3,235,613</u>	<u>973,421</u>	<u>1,174,338</u>
NANOOSE BAY PENINSULA WATER								
	MFA 139	CDN	1723	Oct 05, 2036	2.100	350,000	350,000	-
	MFA 139	CDN	1750	Oct 05, 2036	2.100	557,200	557,200	-
						<u>907,200</u>	<u>907,200</u>	<u>-</u>
TOTAL WATER SUPPLY MANAGEMENT						<u>6,342,981</u>	<u>3,176,528</u>	<u>2,587,690</u>
WASTEWATER SERVICES								
SOUTHERN COMMUNITY WASTEWATER								
	MFA 139	CDN	1742	Oct 05, 2036	2.100	5,000,000	5,000,000	-
TOTAL WASTEWATER MANAGEMENT						<u>5,000,000</u>	<u>5,000,000</u>	<u>-</u>
DEBT HELD FOR OTHER JURISDICTIONS								
VANCOUVER ISLAND REGIONAL LIBRARY								
	MFA 117	CDN	1634	Oct 12, 2041	3.250	8,000,000	7,227,411	7,394,281
	MFA 126	CDN	1674	Sep 26, 2038	3.850	8,610,000	7,964,631	8,188,244
TOTAL - VANCOUVER ISLAND REGIONAL LIBRARY						<u>\$ 16,610,000</u>	<u>\$ 15,192,042</u>	<u>\$ 15,582,525</u>
TOTAL LONG-TERM DEBT - REGIONAL DISTRICT						<u>\$ 44,295,468</u>	<u>\$ 34,697,031</u>	<u>\$ 30,067,078</u>

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF LONG-TERM DEBT
DECEMBER 31, 2016**

FUNCTION	ISSUER	FUNDS	BYLAW NUMBER	MATURITY DATE	INTEREST RATE	ORIGINAL VALUE	2016 DEBT O/S	2015 DEBT O/S	
CITY OF PARKSVILLE									
	MFA68	CDN	1109	Mar 24, 2018	4.650	1,200,000	179,045	262,225	
	MFA69	CDN	1129	Sep 24, 2018	4.650	1,970,000	293,932	430,485	
	MFA74	CDN	1227	Jun 01, 2021	5.900	290,000	100,748	118,113	
	MFA75	CDN	1238	Dec 01, 2021	5.690	1,050,000	364,779	427,651	
	MFA78	CDN	1283	Dec 03, 2022	5.250	765,000	311,574	355,200	
	MFA93	CDN	1420	Apr 06, 2025	5.100	800,000	410,013	450,096	
	TOTAL CITY OF PARKSVILLE						<u>6,075,000</u>	<u>1,660,091</u>	<u>2,043,770</u>
TOWN OF QUALICUM BEACH									
	MFA136	CDN	1729	Nov 30, 2025	2.750	4,629,364	4,166,428	4,629,364	
	TOTAL TOWN OF QUALICUM BEACH						<u>4,629,364</u>	<u>4,166,428</u>	<u>4,629,364</u>
CITY OF NANAIMO									
	MFA72	CDN	1197	Jun 01, 2020	6.450	4,500,000	1,261,630	1,543,830	
	MFA73	CDN	1219	Dec 01, 2020	6.360	4,100,000	1,149,486	1,406,600	
	MFA99	CDN	1489	Oct 19, 2026	4.430	15,000,000	8,952,209	9,669,168	
	MFA101	CDN	1489	Apr 11, 2027	4.520	15,000,000	9,669,168	10,358,552	
	MFA 102	CDN	1530	Dec 01, 2027	4.820	3,750,000	2,417,292	2,589,638	
	MFA 126	CDN	1688	Sep26, 2033	3.850	13,300,000	11,905,777	12,388,860	
	MFA 127	CDN	1694	Apr 07, 2034	3.300	9,200,000	8,569,738	8,891,048	
	TOTAL CITY OF NANAIMO						<u>64,850,000</u>	<u>43,925,300</u>	<u>46,847,696</u>
TOTAL LONG-TERM DEBT - MEMBER MUNICIPALITIES						<u>\$ 75,554,364</u>	<u>\$ 49,751,819</u>	<u>\$ 53,520,830</u>	
TOTAL LONG-TERM DEBT						<u>\$ 119,849,832</u>	<u>\$ 84,448,850</u>	<u>\$ 83,587,908</u>	

See notes to consolidated financial statements

RESERVE ACCOUNT ACTIVITY - 2016
SCHEDULE OF STATUTORY RESERVE FUND ACTIVITY AND FUND BALANCES
AS AT DECEMBER 31, 2016

	Balance January 1, 2016	Interest Income	Contributions by Developers & Others	MFA surplus and refunds	Contributions from/(to) Operating Fund	Transfers to Capital Funds	Feasibility, legal & other costs or transfers	Balance December 31, 2016
2016 ACTIVITY								
Feasibility Studies	\$ 13,460	-	-	-	(2,652)	-	-	\$ 10,808
Administration Information Systems/Building	\$ 1,930,317	28,551	-	-	182,945	(16,026)	-	\$ 2,125,787
Local Government Elections	\$ 53,289	777	-	-	-	-	-	\$ 54,066
Regional Growth Strategy	\$ 72,396	1,182	-	-	50,000	-	-	\$ 123,578
Building Inspection	\$ 326,730	4,948	-	-	10,000	-	-	\$ 341,678
Community Planning	\$ 172,159	2,704	-	-	75,000	-	-	\$ 249,863
Carbon Action Revenue Incentive Program	\$ 310,116	4,447	105,553	-	-	(121,913)	-	\$ 298,203
Carbon Neutral	\$ 52,757	769	-	-	-	-	-	\$ 53,526
	\$ 2,931,224	\$ 43,378	\$ 105,553	\$ -	\$ 315,293	\$ (137,939)	\$ -	\$ 3,257,509
Wastewater & Solid Waste Management								
Solid Waste Management	\$ 4,598,700	53,845	-	-	700,000	(3,289,305)	-	\$ 2,063,240
Solid Waste Collection & Recycling	\$ 160,684	2,785	-	-	170,000	-	-	\$ 333,469
Nanoose Wastewater	\$ 790,685	11,447	-	-	115,000	-	-	\$ 917,132
Northern Community Wastewater	\$ 7,847,065	118,478	20,457	-	1,543,886	-	-	\$ 9,529,886
Southern Community Wastewater	\$ 20,779,182	300,264	-	-	1,945,115	(1,718,502)	-	\$ 21,306,059
Duke Point Wastewater	\$ 174,161	2,600	-	-	25,000	-	-	\$ 201,761
	\$ 34,350,477	489,419	20,457	-	4,499,001	(5,007,807)	-	\$ 34,351,547
Water, Sewer & Street lighting								
Surfside Sewer	\$ 1,000	-	-	-	5,000	-	-	\$ 6,000
Pacific Shores Sewer	\$ 43,353	635	-	-	5,000	-	-	\$ 48,988
French Creek Sewer	\$ 476,434	6,951	7,137	-	(10,000)	-	-	\$ 480,522
Cedar Sewer Collection	\$ 15,995	294	-	-	40,000	-	-	\$ 56,289
Barclay Cres Sewer DCCs	\$ 4,250	39	1,059	-	-	-	-	\$ 5,348
Cedar Estates Stormwater	\$ 13,408	186	-	-	4,000	-	-	\$ 17,594
Englishman River Stormwater	\$ 19,753	291	-	-	3,000	-	-	\$ 23,044
French Creek Water	\$ 154,681	2,283	-	-	20,000	-	-	\$ 176,964
Madrona Water	\$ 209,842	3,057	-	-	-	-	-	\$ 212,899
Surfside Water	\$ 14,297	187	-	-	1,000	(7,877)	-	\$ 7,607
West Bay Estates Water	\$ 42,381	587	-	-	-	(42,968)	-	\$ -
Decourcy Water	\$ 12,973	176	-	-	3,000	-	-	\$ 16,149
Melrose Water	\$ 6,014	64	-	-	5,000	-	-	\$ 11,078
Nanoose Bay Peninsula Water	\$ 589,974	8,721	-	-	100,000	-	-	\$ 698,695
Nanoose Bay Water	\$ 218,748	3,187	-	-	-	-	-	\$ 221,935
Englishman River Water	\$ 243,725	3,589	-	-	20,000	-	-	\$ 267,314
San Pareil Water	\$ 15,206	217	-	5,118	5,000	-	-	\$ 25,541
Whiskey Creek Water	\$ 7,644	155	-	-	25,000	-	-	\$ 32,799
Nanoose AWS Bulk Water	\$ 944,962	14,270	-	-	645,290	(248,707)	-	\$ 1,355,815

See notes to consolidated financial statements

RESERVE ACCOUNT ACTIVITY - 2016
SCHEDULE OF STATUTORY RESERVE FUND ACTIVITY AND FUND BALANCES
AS AT DECEMBER 31, 2016

	Balance January 1, 2016	Interest Income	Contributions by Developers & Others	MFA surplus and refunds	Contributions from/(to) Operating Fund	Transfers to Capital Funds	Feasibility, legal & other costs or transfers	Balance December 31, 2016
French Creek AWS Bulk Water	\$ 810,797	11,433	-	-	31,833	-	-	\$ 854,063
Drinking Water/Watershed Protection	\$ 10,023	154	-	-	10,000	-	-	\$ 20,177
Englishman River Street lighting	\$ 7,669	94	-	-	500	-	-	\$ 8,263
Fairwinds Street lighting	\$ 24,005	358	-	-	5,000	-	-	\$ 29,363
Morningstar Street lighting	\$ 16,816	231	-	-	(4,000)	-	-	\$ 13,047
Rural EA E & G Street lighting	\$ 10,231	139	-	-	2,500	-	-	\$ 12,870
	\$ 3,914,181	57,298	8,196	5,118	914,623	(299,552)	-	\$ 4,602,364
Public Transportation								
Transit	\$ 2,874,170	43,798	-	-	781,589	-	-	\$ 3,699,557
Descanso Bay Emergency Wharf	\$ 10,719	135	-	-	1,764	-	-	\$ 12,618
Green's Landing Wharf	\$ -	754	-	-	200,000	-	-	\$ 200,754
	\$ 2,884,889	44,687	-	-	983,353	-	-	\$ 3,912,929
Protective Services								
Coombs Hilliers Fire	\$ 453,130	6,770	-	-	120,183	(42,499)	-	\$ 537,584
Errington Fire	\$ 631,943	9,354	-	-	142,634	(32,097)	-	\$ 751,834
Extension Fire	\$ 425,651	6,348	-	-	63,597	-	-	\$ 495,596
Nanoose Fire	\$ 386,883	4,714	-	-	93,346	(257,232)	-	\$ 227,711
Dashwood Fire	\$ 422,658	6,201	-	-	99,778	(75,224)	-	\$ 453,413
Bow Horn Bay Fire	\$ 307,273	4,595	-	-	51,106	-	-	\$ 362,974
Nanaimo River Fire	\$ 120,221	1,792	-	-	16,175	-	-	\$ 138,188
Cassidy Waterloo Fire	\$ 135,064	2,134	-	-	65,440	-	-	\$ 202,638
Emergency Planning	\$ 55,549	843	-	-	13,000	-	-	\$ 69,392
Bylaw Enforcement	\$ 94,209	1,141	-	-	7,000	-	-	\$ 102,350
District 68 911 Service	\$ 134,528	1,959	-	-	-	-	-	\$ 136,487
	\$ 3,167,109	45,851	-	-	672,259	(407,052)	-	\$ 3,478,167
Parks, Recreation & Culture								
Area A Recreation & Culture	\$ 364,460	5,477	-	-	65,000	-	-	\$ 434,937
Area B Recreation	\$ 65,249	930	-	-	(17,449)	-	-	\$ 48,730
Extension Recreation	\$ 35,716	509	-	-	-	-	(576)	\$ 35,649
Community Parks	\$ 966,909	13,979	-	-	74,390	(85,079)	-	\$ 970,199
Regional Parks Capital	\$ 2,071,216	32,239	-	-	811,760	(1,154)	(10,675)	\$ 2,903,386
Regional Parks Development	\$ 48,909	727	-	-	10,000	-	-	\$ 59,636
Recreation & Culture	\$ 653,945	10,617	-	-	515,180	(10,841)	-	\$ 1,168,901
	\$ 4,206,404	64,478	-	-	1,458,881	(97,074)	(11,251)	\$ 5,621,438
TOTAL ALL RESERVE FUNDS	\$ 51,454,284	\$ 745,111	134,206	\$ 5,118	\$ 8,843,410	(\$ 5,949,424)	(\$ 11,251)	\$ 55,223,954

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF DEVELOPMENT COST CHARGES AND PARKLAND ACQUISITION FUNDS
RESERVE ACCOUNT BALANCES-DEC 31, 2016

ACTIVITY	Northern	Southern	Bulk	Duke Point	Parkland	Total
	Wastewater DCCs	Wastewater DCCs	Water DCCs	Sewer DCCs	Acquisition FUNDS	
	(1)	(2)	(3)	(4)	(5)	2015
Due from Revenue Fund	\$ 7,522,756	\$ 3,290,193	\$ 768,477	\$ 375,954	\$ 1,716,243	\$ 13,673,623
Developer Installments Receivable	61,956	51,518	-	-	-	113,474
DEFERRED REVENUE BALANCE (Note 10)	7,584,712	3,341,711	768,477	375,954	1,716,243	13,787,097
ACTIVITY:						
Balance, Beginning of the year	6,676,763	3,070,899	757,441	332,375	1,691,619	12,913,324
Add:						
Contribution by developers & others	828,034	1,430,329	44,574	38,416		2,341,353
Interest earned	101,131	41,045	11,168	5,163	24,624	217,703
Less:						
Transfer DCCs to Revenue Fund	(21,216)	(1,200,562)	(44,706)	-	-	(1,266,484)
BALANCE, End of the year	\$ 7,584,712	\$ 3,341,711	\$ 768,477	\$ 375,954	\$ 1,716,243	\$ 13,787,097

(1) Northern Wastewater DCC collection areas include the City of Parksville, Town of Qualicum Beach, portions of Electoral Area G and portions of Electoral Area E.

(2) Southern Wastewater DCC collection areas include the City of Nanaimo and the District of Lantzville.

(3) Bulk Water service areas have been established in the French Creek area of Electoral Area G and the Nanoose Bay Peninsula in Electoral Area E.

(4) Duke Point Sewer DCC collection area includes properties in Electoral Area A (Cedar).

(5) Parkland acquisition funds consist of payments received from developers in lieu of parkland for each electoral area in the Regional District plus interest earned on these funds. The funds are reserved for future parkland purchases.

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
GAS TAX REVENUE TRANSFER PROGRAMS
DECEMBER 31, 2016
(UNAUDITED)

	COMMUNITY WORKS PROGRAM²	OTHER GAS TAX PROGRAMS³	TOTAL 2016	TOTAL 2015
Opening balance of unspent (spent) funds	\$ 7,331,503	\$ (603,977)	\$ 6,727,526	\$ 3,758,865
Add:				
Amount received during the year	1,676,566	7,226,940	8,903,506	3,897,080
Interest earned	95,925	-	95,925	96,993
Less:				
Amount spent on projects (Notes 2 & 3)	(1,006,670)	(8,589,857)	(9,596,527)	(1,025,412)
Closing balance of unspent (spent) funds	<u>\$ 8,097,324</u>	<u>\$ (1,966,894)</u>	<u>\$ 6,130,430</u>	<u>\$ 6,727,526</u>
	(see note 10)	(see note 3)		

Notes to Schedule:

1. Gas Tax Revenue Transfer Programs

The Government of Canada, through the Union of BC Municipalities (UBCM), transfers Gas Tax Revenue funds to local governments in British Columbia. The use of funding is established by agreements between the local government and the UBCM. Funding may be used towards public transit, disaster mitigation, recreational, water, wastewater and solid waste infrastructure and asset management or capacity building projects, as specified in the agreements.

2. Community Works Program 2016 Activity

The Regional District applied \$402,300 towards capital upgrades at the following Community Halls: Cedar; Lighthouse; Cranberry; Nanoose Place; Rollo Centre; Gabriola Museum and the Bowser Legion. \$376,000 was expended on trail projects at Claudet Community Park, Blueback Community Park, Oakleaf Community Park, E&N Regional Trail, Cranswick Trail and the Gabriola Village Trail. In addition, \$55,000 was spent on community plan projects in Electoral Area H and \$128,600 was applied towards engineering and capital upgrades for the Nanoose Bay Water Quality/Quantity Monitoring Program, Nanoose Bay Interceptor, Westurne Heights Water System and Whiskey Creek Water System.

3. Other Gas Tax Programs 2016 Activity

Under this portion of the program, expenditures are reimbursed on a claims made basis. In 2016, the following projects were either under construction, in progress or completed during the year:

<u>Project</u>	<u>Year Approved</u>	<u>Total Project value</u>	<u>Approved Grant</u>	<u>Grant Amount Expended to date</u>	<u>Amount Received to date</u>
Strategic Priorities Fund					
a. Southern Community Wastewater Marine Outfall - Marine Section	2016	14,196,070	6,000,000	6,000,000	6,000,000
Regionally Significant Priorities Fund					
a. Regional Trail System - RDN E&N Rail Trail Project	2014	3,873,206	2,676,489	2,676,489	770,419
b. Rural Village Centre Sewer Servicing Projects	2014	350,000	350,000	317,344	256,520
c. Northern Community Wastewater Treatment Plant - Roof Replacement	2014	587,250	200,000	200,000	200,000
Total Other Gas Tax Program Activity		<u>\$ 19,006,526</u>	<u>\$ 9,226,489</u>	<u>\$ 9,193,833</u>	<u>\$ 7,226,939</u>

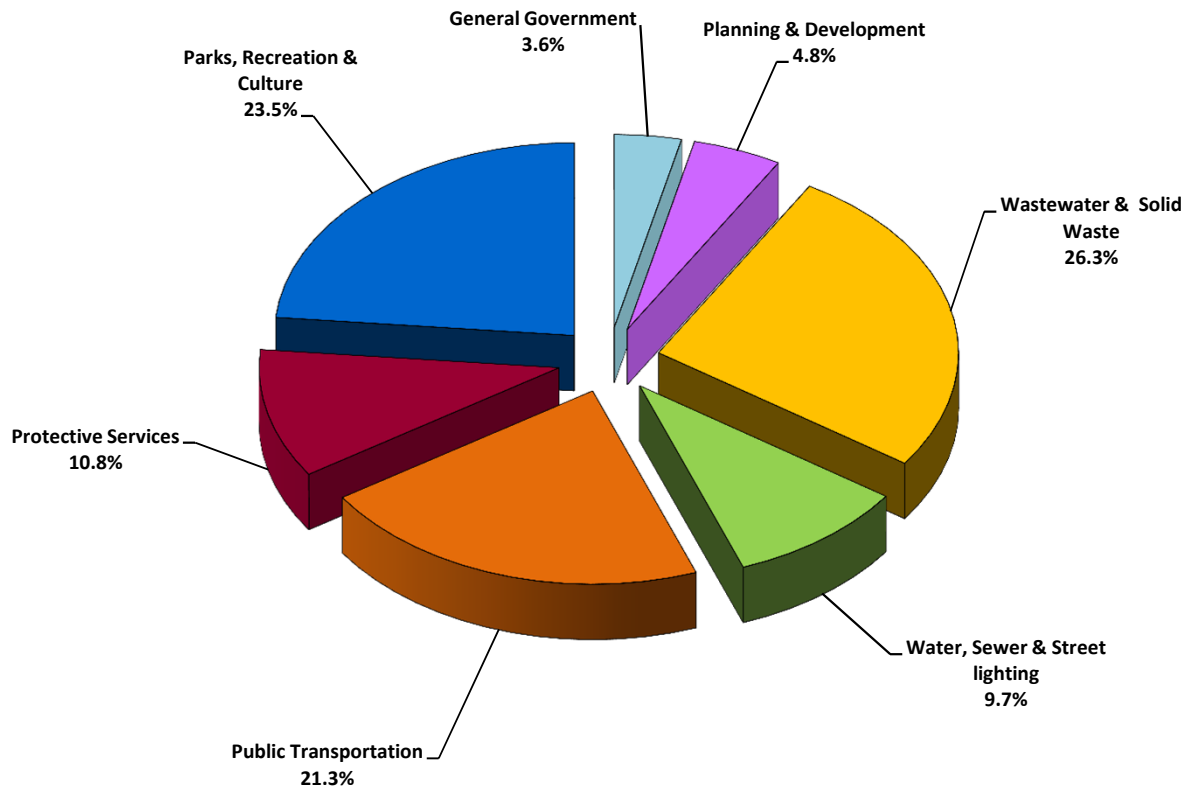
See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
GENERAL REVENUE FUND
SCHEDULE OF REVENUE AND EXPENDITURES
as at December 31, 2016
(UNAUDITED)

	Corporate Services (Schedule A)	Strategic & Community Development (Schedule B)	Regional & Community Utilities (Schedule C)	Recreation & Parks Services (Schedule D)	Transportation & Emergency Services (Schedule E)	Actual 2016	Budget 2016	Actual 2015
REVENUES								
Tax requisition	\$ 3,781,836	\$ 2,386,528	\$ 16,375,461	\$ 10,701,750	\$ 14,243,554	\$ 47,489,129	\$ 47,489,131	\$ 45,032,665
Grants	536,459	191,645	6,555,989	2,832,379	5,618,645	15,735,117	13,055,788	6,740,947
Grants in Lieu	69,394	8,411	95,424	22,239	123,945	319,413	241,210	309,109
Interest	194,279	-	-	-	-	194,279	150,000	283,255
Permit fees & other	-	344,849	3,448,927	385,869	1,613,912	5,793,557	9,090,931	2,791,041
Operating revenues	-	1,428,663	6,777,360	1,693,324	4,519,347	14,418,694	13,705,863	13,859,037
Disposal fees	-	-	8,554,506	-	-	8,554,506	7,741,024	7,494,219
Other	11,315,020	-	9,462,711	-	667,646	21,445,377	40,597,840	17,773,362
	15,896,988	4,360,096	51,270,378	15,635,561	26,787,049	113,950,072	132,071,787	94,283,635
EXPENDITURES								
General administration	158,548	370,020	1,796,688	581,697	1,321,041	4,227,994	4,411,984	4,036,011
Professional fees	279,014	240,505	1,054,629	104,701	43,798	1,722,647	2,522,668	1,435,932
Community grants	65,022	-	-	-	-	65,022	56,528	46,012
Legislative	456,127	-	-	-	-	456,127	498,394	474,474
Program costs	-	141,537	157,924	585,300	-	884,761	925,870	839,844
Vehicle and Equip operating	161,517	77,715	1,894,259	181,055	4,624,522	6,939,068	7,878,995	6,984,636
Building operating	325,443	37,313	1,439,338	743,700	426,141	2,971,935	3,232,607	2,801,921
Other operating	644,693	675,662	9,699,892	810,154	3,319,171	15,149,572	16,861,605	14,921,193
Wages & benefits	4,059,482	2,195,643	7,177,232	4,395,837	11,183,922	29,012,116	30,665,186	28,219,289
Capital expenditures	256,349	65,765	21,396,782	3,375,043	1,055,415	26,149,354	44,816,373	9,270,481
	6,406,195	3,804,160	44,616,744	10,777,487	21,974,010	87,578,596	111,870,210	69,029,793
OPERATING SURPLUS	9,490,793	555,936	6,653,634	4,858,074	4,813,039	26,371,476	20,201,577	25,253,842
Debt retirement								
- interest	3,436,929	-	392,239	458,237	167,777	4,455,182	4,664,168	4,548,388
- principal	3,185,990	-	440,772	1,004,376	153,944	4,785,082	4,787,627	4,431,322
Contingency	-	-	-	-	-	-	-	25
Reserve contributions	184,140	171,054	6,142,851	1,484,940	1,658,806	9,641,791	8,456,997	9,303,636
Transfers to other govts	2,559,623	277,350	-	1,707,332	2,608,827	7,153,132	7,244,413	6,424,623
	9,366,682	448,404	6,975,862	4,654,885	4,589,354	26,035,187	25,153,205	24,707,994
CURRENT YEAR SURPLUS (DEFICIT)	124,111	107,532	(322,228)	203,189	223,685	336,289	(4,951,628)	545,848
Prior year's surplus applied	1,244,851	1,206,105	4,832,295	1,522,595	3,020,933	11,826,779	11,826,779	11,280,931
NET OPERATING SURPLUS	\$ 1,368,962	\$ 1,313,637	\$ 4,510,067	\$ 1,725,784	\$ 3,244,618	\$ 12,163,068	\$ 6,875,151	\$ 11,826,779

See notes to consolidated financial statements

2016 TAX REVENUES BY FUNCTION



**REGIONAL DISTRICT OF NANAIMO
CORPORATE SERVICES
SCHEDULE OF REVENUE AND EXPENDITURES BY SERVICE
as at December 31, 2016
(UNAUDITED)**

	Administration	Electoral Areas	Community Justice	Regional Library	House Numbering	Feasibility Studies	Municipal Debt Transfers	Community Works Projects	Actual 2016	Budget 2016	Actual 2015
REVENUES											
Tax requisition	\$ 1,183,157	\$ 447,931	\$ 138,300	\$ 1,990,948	\$ 21,500	\$ -	\$ -	\$ -	\$ 3,781,836	\$ 3,781,837	\$ 4,070,088
Grants	49,950	68,705	-	-	-	-	-	417,804	536,459	108,000	192,827
Grants in Lieu	69,394	-	-	-	-	-	-	-	69,394	50,890	72,522
Interest	194,279	-	-	-	-	-	-	-	194,279	150,000	283,255
Other	4,482,473	206,977	-	940,869	-	2,651	5,682,050	-	11,315,020	11,492,934	10,560,591
	5,979,253	723,613	138,300	2,931,817	21,500	2,651	5,682,050	417,804	15,896,988	15,583,661	15,179,283
EXPENDITURES											
General administration	103,999	53,049	-	-	1,500	-	-	-	158,548	209,603	147,334
Professional fees	220,491	44,196	-	-	-	8,479	-	5,848	279,014	375,550	193,831
Community grants	65,022	-	-	-	-	-	-	-	65,022	56,528	46,012
Legislative	327,859	128,268	-	-	-	-	-	-	456,127	496,894	474,474
Vehicle & Equip operating	158,338	3,179	-	-	-	-	-	-	161,517	175,062	138,457
Building operating	305,864	19,579	-	-	-	-	-	-	325,443	340,946	331,060
Other operating	463,660	156,912	-	-	20,000	4,121	-	-	644,693	761,966	667,731
Wages & benefits	3,829,511	229,971	-	-	-	-	-	-	4,059,482	4,176,160	3,841,826
Capital expenditures	199,332	42,354	-	-	-	-	-	14,663	256,349	549,500	280,228
	5,674,076	677,508	-	-	21,500	12,600	-	20,511	6,406,195	7,142,209	6,120,953
OPERATING SURPLUS	305,177	46,105	138,300	2,931,817	-	(9,949)	5,682,050	397,293	9,490,793	8,441,452	9,058,330
Debt retirement	-	-	-	591,485	-	-	2,845,444	-	3,436,929	3,438,815	3,392,431
- interest	-	-	-	349,384	-	-	2,836,606	-	3,185,990	3,185,994	2,783,991
- principal	182,945	1,195	-	-	-	-	-	-	184,140	187,550	538,640
Reserve contributions	33,082	-	138,300	1,990,948	-	-	-	397,293	2,559,623	2,207,331	2,234,190
Transfers to other govts/orgs	216,027	1,195	138,300	2,931,817	-	-	5,682,050	397,293	9,366,682	9,019,690	8,949,252
CURRENT YEAR SURPLUS (DEFICIT)	89,150	44,910	-	-	-	(9,949)	-	-	124,111	(578,238)	109,078
Prior year's surplus applied	1,062,614	167,307	-	-	-	14,930	-	-	1,244,851	1,244,851	1,135,773
ENDING SURPLUS	\$ 1,151,764	\$ 212,217	\$ -	\$ -	\$ -	\$ 4,981	\$ -	\$ -	\$ 1,368,962	\$ 666,613	\$ 1,244,851

**REGIONAL DISTRICT OF NANAIMO
STRATEGIC & COMMUNITY DEVELOPMENT
SCHEDULE OF REVENUE AND EXPENDITURES BY SERVICE
as at December 31, 2016
(UNAUDITED)**

	Community Planning	Community Works Fund SCD	Regional Growth Management	Community Wellness Grant	VIHA Health Network Funding	Economic Development Southern	Economic Development Northern	Building Inspection	Bylaw Enforcement	Actual 2016	Budget 2016	Actual 2015
REVENUES									(Schedule B-1)			
Tax requisition	\$ 1,495,256	\$ -	\$ 433,857	\$ -	\$ -	\$ 177,000	\$ 50,000	\$ -	\$ 230,415	\$ 2,386,528	\$ 2,386,528	\$ 2,300,577
Grants	4,000	54,992	-	100,350	20,903	-	-	11,400	-	191,645	200,717	24,195
Grants in lieu	4,650	-	3,253	-	-	-	-	-	508	8,411	8,411	8,691
Other	8,273	-	-	-	-	-	-	48,355	288,221	344,849	382,385	297,975
Operating revenues	113,440	-	-	-	-	-	4,530	1,256,598	54,095	1,428,663	1,213,763	1,333,416
	1,625,619	54,992	437,110	100,350	20,903	177,000	54,530	1,316,353	573,239	4,360,096	4,191,804	3,964,854
EXPENDITURES												
General administration	289,217	-	29,423	-	-	-	-	34,431	16,949	370,020	398,735	366,152
Professional fees	90,003	-	65,527	-	19,957	-	-	40,349	24,669	240,505	331,100	143,917
Program costs	-	-	-	-	-	-	51,900	46,470	43,167	141,537	173,284	114,082
Vehicle and Equip operating	34,448	-	6,673	-	-	-	-	23,769	12,825	77,715	74,766	78,799
Building operating	37,313	-	-	-	-	-	-	-	-	37,313	40,813	39,313
Other operating	133,706	54,992	68,252	-	946	-	1,678	199,793	216,295	675,662	694,746	606,060
Wages & benefits	930,639	-	296,001	-	-	-	-	730,573	238,430	2,195,643	2,418,274	2,250,643
Capital expenditures	5,568	-	2,291	-	-	-	4,530	24,773	28,603	65,765	72,500	22,634
	1,520,894	54,992	468,167	-	20,903	-	58,108	1,100,158	580,938	3,804,160	4,204,218	3,621,600
OPERATING SURPLUS(DEFICIT)	104,725	-	(31,057)	100,350	-	177,000	(3,578)	216,195	(7,699)	555,936	(12,414)	343,254
Reserve contributions	75,000	-	50,000	-	-	-	-	39,054	7,000	171,054	156,375	137,000
Transfers to other govts/orgs	-	-	-	100,350	-	177,000	-	-	-	277,350	376,628	164,000
CURRENT YEAR SURPLUS (DEFICIT)	75,000	-	50,000	100,350	-	177,000	-	39,054	7,000	448,404	533,003	301,000
Prior year's surplus applied	29,725	-	(81,057)	-	-	-	(3,578)	177,141	(14,699)	107,532	(545,417)	42,254
ENDING SURPLUS	422,163	-	251,121	-	-	-	7,838	493,303	31,680	1,206,105	1,206,105	1,163,851
	\$ 451,888	\$ -	\$ 170,064	\$ -	\$ -	\$ -	\$ 4,260	\$ 670,444	\$ 16,981	\$ 1,313,637	\$ 660,688	\$ 1,206,105

**REGIONAL DISTRICT OF NANAIMO
STRATEGIC & COMMUNITY DEVELOPMENT
BYLAW ENFORCEMENT
SCHEDULE OF REVENUE AND EXPENDITURES BY SERVICE
as at December 31, 2016
(UNAUDITED)**

	Enforcement Administration	Animal Control		Area E,G&H	Nuisance Properties			Noise Control			Area G	Actual 2016	Budget 2016	Actual 2015
		Area A,B,C & Lantzville	Area F		Area	Area	Area	Area	Area	Area				
REVENUES														
Tax requisition	\$0	\$67,482	\$18,595	\$83,252	\$22,352	\$7,271	\$8,575	\$7,068	\$7,496	\$8,324	\$ 230,415	\$ 230,415	\$ 219,271	
Grants in lieu	-	-	-	-	-	-	508	-	-	-	508	-	510	
Permit fees & other	288,221	-	-	-	-	-	-	-	-	-	288,221	297,885	251,841	
Operating revenues	7,383	500	-	10,045	36,167	-	-	-	-	-	54,095	76,483	16,800	
	295,604	67,982	18,595	93,297	58,519	7,271	9,083	7,068	7,496	8,324	573,239	604,783	488,422	
EXPENDITURES														
General administration	-	5,363	1,261	6,643	1,060	527	527	526	519	523	16,949	17,449	16,660	
Professional fees	51	1,144	-	-	23,474	-	-	-	-	-	24,669	8,100	5,877	
Program costs	-	-	-	-	43,167	-	-	-	-	-	43,167	67,296	2,500	
Building operating	-	-	-	-	-	-	-	-	-	-	-	-	2,000	
Vehicle and Equip operating	12,825	-	-	-	-	-	-	-	-	-	12,825	8,400	12,871	
Other operating	15,710	57,605	14,686	82,179	13,657	6,654	6,528	6,460	6,408	6,408	216,295	221,623	211,726	
Wages & benefits	238,430	-	-	-	-	-	-	-	-	-	238,430	248,757	234,876	
Capital expenditures	28,603	-	-	-	-	-	-	-	-	-	28,603	30,000	-	
	295,619	64,112	15,947	88,822	81,358	7,181	7,055	6,986	6,927	6,931	580,938	601,625	486,510	
OPERATING SURPLUS(DEFICIT)	(15)	3,870	2,648	4,475	(22,839)	90	2,028	82	569	1,393	(7,699)	3,158	1,912	
Reserve contributions	-	-	2,000	2,000	500	-	1,000	-	500	1,000	7,000	7,000	9,500	
	-	-	2,000	2,000	500	-	1,000	-	500	1,000	7,000	7,000	9,500	
CURRENT YEAR SURPLUS (DEFICIT)	(15)	3,870	648	2,475	(23,339)	90	1,028	82	69	393	(14,699)	(3,842)	(7,588)	
Prior year's surplus applied	16	4,024	11,492	4,088	2,403	699	3,624	1,124	1,494	2,716	31,680	31,680	39,268	
ENDING SURPLUS (DEFICIT)	\$ 1	\$ 7,894	\$ 12,140	\$ 6,563	\$ (20,936)	\$ 789	\$ 4,652	\$ 1,206	\$ 1,563	\$ 3,109	\$ 16,981	\$ 27,838	\$ 31,680	

**REGIONAL DISTRICT OF NANAIMO
REGIONAL & COMMUNITY UTILITIES
SCHEDULE OF REVENUE AND EXPENDITURES BY SERVICE
as at December 31, 2016
(UNAUDITED)**

	Community Works Fund RCU	Wastewater Management (Sch C-1)	Water Supply Management (Sch C-2)	Sewerage Collection (Sch C-3)	Street Lighting (Sch C-4)	Solid Waste Management	Garbage Collection/ Recycling	Actual 2016	Budget 2016	Actual 2015
REVENUES										
Tax requisition	\$ -	\$ 11,367,985	\$ 2,756,226	\$ 1,588,373	\$ 84,789	\$ 578,088	\$ -	\$ 16,375,461	\$ 16,375,461	\$ 15,106,602
Grants	95,998	6,210,357	249,232	-	402	-	-	6,555,989	1,729,601	512,691
Grants in lieu	-	91,431	-	-	73	3,920	-	95,424	95,424	93,853
Operating revenues	-	777,735	919,754	555,211	-	56,618	4,468,042	6,777,360	6,374,099	6,411,829
Disposal fees	-	-	-	-	-	8,554,506	-	8,554,506	7,741,024	7,494,219
Permit fees & other	-	-	-	-	-	3,424,882	24,045	3,448,927	6,888,296	740,104
Other	-	8,713,307	727,336	18,068	4,000	-	-	9,462,711	26,194,754	6,399,940
	95,998	27,160,815	4,652,548	2,161,652	89,264	12,618,014	4,492,087	51,270,378	65,398,659	36,759,238
EXPENDITURES										
General administration	-	576,625	221,815	67,552	1,375	600,876	328,445	1,796,688	1,858,322	1,693,040
Professional fees	-	568,141	120,323	24,711	-	341,054	400	1,054,629	1,410,078	914,214
Program costs	-	52,004	105,920	-	-	-	-	157,924	189,300	115,096
Building operating	-	1,001,391	196,020	59,467	-	179,779	2,681	1,439,338	1,568,859	1,343,019
Vehicle and Equip operating	-	1,006,779	136,168	93,574	-	656,790	948	1,894,259	1,798,939	1,873,402
Facility operating	140	1,647,048	539,318	1,119,885	84,988	2,453,253	3,855,260	9,699,892	10,849,394	9,618,644
Wages & benefits	-	2,578,404	1,183,917	345,301	960	2,878,049	190,601	7,177,232	7,937,130	6,995,193
Capital expenditures	95,858	15,558,088	1,034,795	36,296	-	4,670,318	1,427	21,396,782	35,251,642	7,355,690
	95,998	22,988,480	3,538,276	1,746,786	87,323	11,780,119	4,379,762	44,616,744	60,863,664	29,908,298
OPERATING SURPLUS	-	4,172,335	1,114,272	414,866	1,941	837,895	112,325	6,653,634	4,534,995	6,850,940
Debt retirement										
- interest	-	88,119	193,741	107,102	-	3,277	-	392,239	594,436	304,826
- principal	-	-	231,041	85,508	-	124,223	-	440,772	443,392	331,407
Contingency	-	-	-	-	-	-	-	-	-	25
Reserve contributions	-	3,596,133	937,818	181,700	8,000	1,249,200	170,000	6,142,851	5,215,586	6,423,111
Transfers to other govts/orgs	-	-	-	-	-	-	-	-	-	75,000
	-	3,684,252	1,362,600	374,310	8,000	1,376,700	170,000	6,975,862	6,253,414	7,134,369
CURRENT YEAR SURPLUS (DEFICIT)	-	488,083	(248,328)	40,556	(6,059)	(538,805)	(57,675)	(322,228)	(1,718,419)	(283,429)
Prior year's surplus applied	-	2,148,140	851,089	376,419	16,596	1,121,901	318,150	4,832,295	4,832,295	5,115,724
ENDING SURPLUS	\$ -	\$ 2,636,223	\$ 602,761	\$ 416,975	\$ 10,537	\$ 583,096	\$ 260,475	\$ 4,510,067	\$ 3,113,876	\$ 4,832,295

**REGIONAL DISTRICT OF NANAIMO
REGIONAL & COMMUNITY UTILITIES
WASTEWATER MANAGEMENT
SCHEDULE OF REVENUE AND EXPENDITURES BY SERVICE
as at December 31, 2016
(UNAUDITED)**

	Wastewater Management Plan	Duke Point	Southern Community	Northern Community	Actual 2016	Budget 2016	Actual 2015
REVENUES							
Tax requisition	\$ 168,366	\$ 226,779	\$ 6,107,395	\$ 4,865,445	\$ 11,367,985	\$ 11,367,985	\$ 10,473,718
Grants	210,357	-	6,000,000	-	6,210,357	234,636	309,554
Grants in lieu	1,230	-	83,788	6,413	91,431	5,470	90,535
Operating revenues	56,720	48,546	378,360	294,109	777,735	589,600	678,275
Other	-	18,666	8,672,659	21,982	8,713,307	23,116,609	5,209,689
	436,673	293,991	21,242,202	5,187,949	27,160,815	35,314,300	16,761,771
EXPENDITURES							
General administration	19,103	15,912	330,905	210,705	576,625	598,252	558,397
Professional fees	227,388	11,851	119,515	209,387	568,141	641,441	398,392
Program costs	52,004	-	-	-	52,004	60,000	38,134
Building operating	-	14,492	645,596	341,303	1,001,391	1,084,079	897,654
Vehicle and Equip operating	193	41,389	598,869	366,328	1,006,779	877,007	955,274
Facility operating	10,481	56,330	1,116,171	464,066	1,647,048	2,169,431	1,717,695
Wages & benefits	141,825	77,892	1,392,068	966,619	2,578,404	2,647,980	2,422,631
Capital expenditures	182	36,066	15,037,089	484,751	15,558,088	23,936,513	5,349,825
	451,176	253,932	19,240,213	3,043,159	22,988,480	32,014,703	12,338,002
	(14,503)	40,059	2,001,989	2,144,790	4,172,335	3,299,597	4,423,769
OPERATING SURPLUS							
Debt retirement	-	-	88,119	-	88,119	233,033	-
- interest	-	-	-	-	-	-	-
- principal	-	-	-	-	-	-	-
Reserve contributions	-	59,442	1,997,505	1,539,186	3,596,133	3,562,966	4,441,691
	-	59,442	2,085,624	1,539,186	3,684,252	3,795,999	4,441,691
CURRENT YEAR SURPLUS (DEFICIT)	(14,503)	(19,383)	(83,635)	605,604	488,083	(496,402)	(17,922)
Prior year's surplus applied	219,520	181,527	1,051,634	695,459	2,148,140	2,148,140	2,166,062
	\$ 205,017	\$ 162,144	\$ 967,999	\$ 1,301,063	\$ 2,636,223	\$ 1,651,738	\$ 2,148,140

**REGIONAL DISTRICT OF NANAIMO
REGIONAL & COMMUNITY UTILITIES
WATER SUPPLY MANAGEMENT
SCHEDULE OF REVENUE AND EXPENDITURES BY SERVICE
as at December 31, 2016
(UNAUDITED)**

	Surfside	French Creek	Whiskey Creek	Driftwood	Decourcy	San Pareil	San Pareil	Englishman River	Melrose Place	Nanose Peninsula	Drinking Water Protection	Westurne Heights	Nanose Bulk Water	French Creek Bulk Water	Actual 2016	Budget 2016	Actual 2015
REVENUES																	
Tax requisition	\$ 14,083	\$ 72,243	\$ 89,824	\$ 5,458	\$ 7,871	\$ 133,480	\$ 74,212	\$ 37,602	\$ 22,597	\$ 851,881	\$ 505,237	\$ -	\$ 937,418	\$ 4,320	\$ 2,756,226	\$ 2,756,226	\$ 2,588,194
Grants	-	-	-	-	-	-	-	-	-	735	-	32,676	215,821	-	249,232	824,052	7,954
Operating revenues	11,530	54,332	26,624	-	1,468	72,170	-	63,711	4,288	685,631	-	-	-	-	919,754	796,823	830,988
Other	8,366	2,996	1,581	-	44	12,513	-	1,313	355	101,823	-	24,008	444,350	129,987	727,336	2,648,288	1,078,775
	33,979	129,571	118,029	5,458	9,383	218,163	74,212	102,626	27,240	1,640,070	505,237	56,684	1,597,589	134,307	4,652,548	7,025,389	4,505,911
EXPENDITURES																	
General administration	2,834	11,799	8,593	-	823	15,198	-	9,278	1,935	113,117	40,849	-	16,176	1,213	221,815	238,251	206,028
Professional fees	14,040	2,987	2,411	-	52	19,550	-	4,050	3	14,539	58,830	-	1,528	2,333	120,323	297,389	143,168
Program costs	-	-	-	-	-	-	-	-	-	-	105,920	-	-	-	105,920	129,300	76,962
Building operating	749	5,749	12,154	-	614	5,371	-	4,008	895	150,000	2,500	16	13,964	-	196,020	210,169	207,084
Vehicle and Equip operating	4,617	5,990	3,533	-	998	12,047	-	5,175	867	99,305	1,615	-	1,930	91	136,168	108,321	90,763
Facility operating	6,500	36,046	34,774	-	3,028	52,672	-	20,264	10,960	303,617	28,658	920	30,753	11,126	539,318	707,513	615,584
Wages & benefits	9,849	60,419	31,877	-	1,330	73,070	-	39,805	7,156	625,471	228,567	107	105,839	427	1,183,917	1,223,340	1,150,579
Capital expenditures	8,213	2,064	1,089	-	46	2,496	-	1,361	244	334,497	308	56,694	626,305	1,478	1,034,795	3,475,715	1,061,783
	46,802	125,054	94,431	-	6,891	180,404	-	83,941	22,060	1,640,546	467,247	57,737	796,495	16,668	3,538,276	6,389,998	3,551,951
	(12,823)	4,517	23,598	5,458	2,492	37,759	74,212	18,685	5,180	(476)	37,990	(1,053)	801,094	117,639	1,114,272	635,391	953,960
OPERATING SURPLUS (DEFICIT)																	
Debt retirement	-	-	586	2,415	-	11,163	36,782	-	667	23,569	-	45	95,094	23,420	193,741	231,364	194,236
- interest	-	-	-	3,043	-	22,300	37,430	-	1,195	-	-	-	151,841	15,232	231,041	233,313	231,753
- principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserve contributions	1,000	22,000	30,000	-	3,000	10,118	-	25,000	5,500	105,000	10,000	-	645,290	80,910	937,818	615,895	450,220
	1,000	22,000	30,586	5,458	3,000	43,581	74,212	25,000	7,362	128,569	10,000	45	892,225	119,562	1,362,600	1,080,572	876,209
CURRENT YEAR SURPLUS (DEFICIT)	(13,823)	(17,483)	(6,988)	-	(508)	(5,822)	-	(6,315)	(2,182)	(129,045)	27,990	(1,098)	(91,131)	(1,923)	(248,328)	(445,181)	77,751
Prior year's surplus (deficit)	15,108	35,695	12,146	-	3,531	22,783	(2)	34,341	14,202	373,566	170,870	(2,190)	169,331	1,708	851,089	851,089	773,338
ENDING SURPLUS (DEFICIT)	\$ 1,285	\$ 18,212	\$ 5,158	\$ -	\$ 3,023	\$ 16,961	\$ (2)	\$ 28,026	\$ 12,020	\$ 244,521	\$ 198,860	\$ (3,288)	\$ 78,200	\$ (215)	\$ 602,761	\$ 405,908	\$ 851,089

**REGIONAL DISTRICT OF NANAIMO
REGIONAL & COMMUNITY UTILITIES
SEWERAGE COLLECTION
SCHEDULE OF REVENUE AND EXPENDITURES BY SERVICE
as at December 31, 2016
(UNAUDITED)**

	Pacific Shores	Surfside	Cedar	French Creek	Fairwinds	Stormwater	Englishman River	Cedar Estates	Barclay Cr	Hawthorne Rise Debt	Reid Rd Debt	Pump & Haul	Actual 2016	Budget 2016	Actual 2015	
REVENUES																
Tax requisition	\$ 66,638	\$ 21,209	\$ 133,979	\$ 635,083	\$ 557,798	\$ 5,014	\$ 4,725	\$ 150,473	\$ 8,138	\$ 5,316	\$ -	\$ -	\$ 1,588,373	\$ 1,588,373	\$ 1,500,596	
Operating revenues	-	4,650	56,147	335,441	96,297	-	-	60,637	-	-	-	2,039	555,211	528,472	530,672	
Other	477	105	206	14,665	2,003	-	-	612	-	-	-	-	18,068	41,812	111,476	
	67,115	25,964	190,332	985,189	656,098	5,014	4,725	211,722	8,138	5,316	2,039	2,161,652	2,158,657	2,142,744		
EXPENDITURES																
General administration	1,256	956	3,613	17,949	39,630	248	248	3,527	-	-	125	-	67,552	73,421	64,384	
Professional fees	2,504	1	2,503	154	19,541	-	-	8	-	-	-	-	24,711	43,255	18,386	
Building operating	731	30	4,303	10,814	41,514	-	-	2,075	-	-	-	-	59,467	78,906	57,428	
Vehicle and Equip operating	820	2,041	5,093	13,673	57,208	-	-	14,739	-	-	-	-	93,574	118,206	99,979	
Facility operating	49,377	14,459	23,914	800,486	128,101	985	-	100,649	-	-	1,914	-	1,119,885	1,216,468	1,062,865	
Wages & benefits	9,650	2,124	6,263	139,652	166,801	1,100	1,100	18,611	-	-	-	-	345,301	361,477	334,703	
Capital expenditures	329	73	214	4,806	30,240	-	-	634	-	-	-	-	36,296	114,169	199,140	
	64,667	19,684	45,903	987,534	483,035	2,333	1,348	140,243	-	-	2,039	-	1,746,786	2,005,902	1,836,885	
OPERATING SURPLUS (DEFICIT)	2,448	6,280	144,429	(2,345)	173,063	2,681	3,377	71,479	8,138	5,316	-	-	414,866	152,755	305,859	
Debt retirement	-	-	58,526	-	-	-	-	43,177	3,813	1,586	-	-	107,102	107,105	109,951	
- interest	-	-	47,259	-	-	-	-	30,082	6,128	2,039	-	-	85,508	85,514	79,043	
- principal	5,000	5,000	45,000	-	115,000	3,000	4,000	4,700	-	-	-	-	181,700	158,925	168,700	
Reserve contributions	5,000	5,000	150,785	-	115,000	3,000	4,000	77,959	9,941	3,625	-	-	374,310	351,544	357,694	
CURRENT YEAR SURPLUS (DEFICIT)	(2,552)	1,280	(6,356)	(2,345)	58,063	(319)	(623)	(6,480)	(1,803)	1,691	-	-	40,556	(198,789)	(51,835)	
Prior year's surplus (deficit)	13,954	10,229	56,611	8,495	228,300	6,368	7,202	45,149	1,803	(1,692)	-	-	376,419	376,419	428,254	
ENDING SURPLUS (DEFICIT)	\$ 11,402	\$ 11,509	\$ 50,255	\$ 6,150	\$ 286,363	\$ 6,049	\$ 6,579	\$ 38,669	\$ -	\$ (1)	\$ -	\$ -	\$ 416,975	\$ 177,630	\$ 376,419	

**REGIONAL DISTRICT OF NANAIMO
REGIONAL & COMMUNITY UTILITIES
STREET LIGHTING
SCHEDULE OF REVENUE AND EXPENDITURES BY SERVICE
as at December 31, 2016
(UNAUDITED)**

	Sandpiper	Fairwinds	French Creek Village	Morningstar	Englishman River	Rural EA E&G	Highway #4	Highway Intersections	Actual 2016	Budget 2016	Actual 2015
REVENUES											
Tax requisition	\$ 11,962	\$ 23,500	\$ 6,851	\$ 15,300	\$ 5,797	\$ 16,356	\$ 3,850	\$ 1,173	\$ 84,789	\$ 84,789	\$ 81,624
Grants	-	73	-	-	-	-	-	402	475	536	478
Other	-	-	-	4,000	-	-	-	-	4,000	14,200	-
	11,962	23,573	6,851	19,300	5,797	16,356	3,850	1,575	89,264	99,525	82,102
EXPENDITURES											
General administration	175	175	175	175	175	175	175	150	1,375	1,375	1,375
Professional fees	-	-	-	-	-	-	-	-	-	15,000	-
Facility operating	13,017	17,588	8,053	18,159	6,223	16,176	3,650	2,122	84,988	81,909	83,995
Wages & Benefits	120	120	120	120	120	120	120	120	960	960	920
	13,312	17,883	8,348	18,454	6,518	16,471	3,945	2,392	87,323	99,244	86,290
OPERATING SURPLUS (DEFICIT)	(1,350)	5,690	(1,497)	846	(721)	(115)	(95)	(817)	1,941	281	(4,188)
Reserve contributions	-	5,000	-	-	500	2,500	-	-	8,000	5,500	2,500
	-	5,000	-	-	500	2,500	-	-	8,000	5,500	2,500
CURRENT YEAR SURPLUS (DEFICIT)	(1,350)	690	(1,497)	846	(1,221)	(2,615)	(95)	(817)	(6,059)	(5,219)	(6,688)
Prior year's surplus applied	4,457	502	2,018	91	2,057	3,008	279	4,184	16,596	16,596	23,284
ENDING SURPLUS	\$ 3,107	\$ 1,192	\$ 521	\$ 937	\$ 836	\$ 393	\$ 184	\$ 3,367	\$ 10,537	\$ 11,377	\$ 16,596

**REGIONAL DISTRICT OF NANAIMO
RECREATION & PARKS SERVICES
SCHEDULE OF REVENUE AND EXPENDITURES BY SERVICE
as at December 31, 2016
(UNAUDITED)**

	Regional Parks	Community Parks	Northern Community Recreation	Oceanside Place	Ravensong Aquatic Centre	Area A Recreation	Gabriola Island Recreation	Southern Community Recreation	Community Works Fund Rec & Parks	Actual 2016	Budget 2016	Actual 2015
REVENUES												
Tax requisition	\$ 2,275,096	\$ 1,100,610	\$ 1,382,118	\$ 1,878,543	\$ 2,524,505	\$ 188,171	\$ 111,876	\$ 1,240,831	\$ -	\$ 10,701,750	\$ 10,701,750	\$ 10,216,582
Grants	2,646,567	90,143	8,996	20,500	500	-	-	-	65,673	2,832,379	4,114,095	444,999
Grants in lieu	11,682	483	-	-	-	-	572	9,502	-	22,239	1,150	12,368
Other revenues	20,166	298,761	-	25,883	15,000	-	26,059	-	-	385,869	1,507,942	129,009
Operating revenues	944	1,646	364,902	618,548	707,284	-	-	-	-	1,693,324	1,608,515	1,693,598
	4,954,455	1,491,643	1,756,016	2,543,474	3,247,289	188,171	138,507	1,250,333	65,673	15,635,561	17,933,452	12,496,556
EXPENDITURES												
General administration	98,163	70,161	108,864	133,888	158,356	9,145	2,620	500	-	581,697	597,498	542,598
Professional fees	39,365	18,852	4,255	4,984	33,289	1,133	2,582	241	-	104,701	311,200	140,077
Legislative	-	-	-	-	-	-	-	-	-	-	1,500	-
Program costs	-	-	487,159	29,028	66,245	2,868	-	-	-	585,300	563,286	610,666
Vehicle and Equip operating	28,479	47,396	19,260	57,676	27,879	56	309	-	-	181,055	236,827	205,706
Building operating	51,271	27,208	12,914	348,448	249,691	10,291	-	43,877	-	743,700	806,539	702,453
Other operating	282,088	241,771	79,397	68,295	130,043	2,347	1,667	4,546	-	810,154	1,165,282	715,290
Wages & benefits	569,689	495,880	729,912	1,097,694	1,456,068	26,243	20,351	-	-	4,395,837	4,619,652	4,202,118
Capital expenditures	2,724,081	413,045	4,056	129,837	43,123	125	62	-	60,714	3,375,043	5,602,994	737,473
	3,793,136	1,314,313	1,445,817	1,869,850	2,164,694	52,208	27,591	49,164	60,714	10,777,487	13,904,778	7,856,381
OPERATING SURPLUS(DEFICIT)	1,161,319	177,330	310,199	673,624	1,082,595	135,963	110,916	1,201,169	4,959	4,858,074	4,028,674	4,640,175
Debt retirement												
- interest	79,080	14,235	-	312,532	52,390	-	-	-	-	458,237	459,224	683,957
- principal	68,965	17,244	-	273,052	645,115	-	-	-	-	1,004,376	1,004,287	1,128,230
Reserve contributions	821,760	74,390	-	50,180	465,000	65,000	8,610	-	-	1,484,940	1,485,660	992,138
Transfers to other govts/orgs	42,000	32,000	345,238	-	-	-	99,500	1,183,635	4,959	1,707,332	2,001,992	1,612,362
	1,011,805	137,869	345,238	635,764	1,162,505	65,000	108,110	1,183,635	4,959	4,654,885	4,951,163	4,416,687
CURRENT YEAR SURPLUS (DEFICIT)	149,514	39,461	(35,039)	37,860	(79,910)	70,963	2,806	17,534	-	203,189	(922,489)	223,488
Prior year's surplus applied	505,977	310,607	64,551	190,648	316,567	117,276	8,479	8,490	-	1,522,595	1,522,595	1,299,107
ENDING SURPLUS	\$ 655,491	\$ 350,068	\$ 29,512	\$ 228,508	\$ 236,657	\$ 188,239	\$ 11,285	\$ 26,024	\$ -	\$ 1,725,784	\$ 600,106	\$ 1,522,595

**REGIONAL DISTRICT OF NANAIMO
RECREATION & PARKS SERVICES
COMMUNITY PARKS
SCHEDULE OF REVENUE AND EXPENDITURES BY SERVICE
as at December 31, 2016
(UNAUDITED)**

	Electoral Area A	Electoral Area B	Electoral Area C	Electoral Area D	Electoral Area E	Electoral Area F	Electoral Area G	Electoral Area H	Actual 2016	Budget 2016	Actual 2015
REVENUES											
Tax requisition	\$ 186,000	\$ 188,828	\$ 66,161	\$ 85,409	\$ 126,000	\$ 148,800	\$ 114,739	\$ 184,673	\$ 1,100,610	\$ 1,100,610	\$ 977,312
Grants	-	18,000	-	-	72,143	-	-	-	90,143	50,000	14,109
Grants in lieu	-	-	-	-	-	-	-	483	483	-	504
Permit fees & other	25,993	205,993	497	40,395	21,174	2,723	993	993	298,761	192,546	75,086
Operating revenues	-	-	-	-	-	100	1,546	-	1,646	10,000	2,464
	211,993	412,821	66,658	125,804	219,317	151,623	117,278	186,149	1,491,643	1,353,156	1,069,475
EXPENDITURES											
General administration	11,379	11,687	4,405	6,706	8,133	9,430	7,993	10,428	70,161	77,836	68,071
Professional fees	6,471	5,451	-	-	-	6,596	-	334	18,852	86,500	21,684
Vehicle and Equip operating	12,227	4,875	2,440	2,440	10,730	4,875	4,866	4,943	47,396	46,103	47,914
Building operating	2,420	4,152	1,146	1,172	3,784	8,401	3,976	2,157	27,208	22,706	19,154
Other operating	42,575	67,569	9,723	15,844	17,121	27,808	25,523	35,608	241,771	399,532	193,097
Wages & benefits	70,796	70,792	35,452	35,454	70,984	70,800	70,803	70,799	495,880	534,980	446,915
Capital expenditures	27,518	237,343	1,057	40,955	94,436	2,112	7,512	2,112	413,045	263,878	80,049
	173,386	401,869	54,223	102,571	205,188	130,022	120,673	126,381	1,314,313	1,431,535	876,884
OPERATING SURPLUS(DEFICIT)	38,607	10,952	12,435	23,233	14,129	21,601	(3,395)	59,768	177,330	(78,379)	192,591
Debt retirement											
- interest	-	14,215	-	-	20	-	-	-	14,235	15,238	15,392
- principal	-	17,244	-	-	-	-	-	-	17,244	17,155	17,145
Reserve contributions	22,390	10,000	5,000	10,000	-	10,000	5,000	12,000	74,390	74,390	47,751
Transfers to other govts/orgs	12,000	-	-	-	-	-	-	20,000	32,000	48,000	42,000
	34,390	41,459	5,000	10,000	20	10,000	5,000	32,000	137,869	154,783	122,288
CURRENT YEAR SURPLUS (DEFICIT)	4,217	(30,507)	7,435	13,233	14,109	11,601	(8,395)	27,768	39,461	(233,162)	70,303
Prior year's surplus applied	50,126	71,185	33,121	32,736	23,435	35,689	34,688	29,627	310,607	310,607	240,304
ENDING SURPLUS	\$ 54,343	\$ 40,678	\$ 40,556	\$ 45,969	\$ 37,544	\$ 47,290	\$ 26,293	\$ 57,395	\$ 350,068	\$ 77,445	\$ 310,607

**REGIONAL DISTRICT OF NANAIMO
TRANSPORTATION & EMERGENCY SERVICES
SCHEDULE OF REVENUE AND EXPENDITURES BY SERVICE
as at December 31, 2016
(UNAUDITED)**

	Area B Emergency Wharf	Southern Community	Public Transportation Northern Community	Gabriola Transit Cont'n	Gabriola Taxi Saver	Public Safety & Fire Protection	Emergency Planning & Search & Rescue	Actual 2016	Budget 2016	Actual 2015
REVENUES										
Tax requisition	\$ 5,913	\$ 8,565,785	\$ 1,012,665	\$ 97,665	\$ 11,940	\$ 4,190,466	\$ 359,120	\$ 14,243,554	\$ 14,243,555	\$ 13,338,816
Grants	-	5,113,143	506,137	-	-	-	(635)	5,618,645	6,903,375	5,566,235
Grants in lieu	-	111,541	-	-	-	11,909	495	123,945	85,335	121,675
Permit fees & other	200,000	1,413,907	-	-	-	-	5	1,613,912	2,202,635	1,611,734
Operating revenues	-	4,270,687	248,660	-	-	-	-	4,519,347	4,509,486	4,420,194
Other	-	-	-	-	-	667,646	-	667,646	1,019,825	825,050
	205,913	19,475,063	1,767,462	97,665	11,940	4,870,021	358,985	26,787,049	28,964,211	25,883,704
EXPENDITURES										
General administration	150	1,093,411	98,268	14,580	440	79,827	34,365	1,321,041	1,347,826	1,286,887
Professional fees	3,319	18,935	-	1,420	-	15,657	4,467	43,798	94,740	43,893
Vehicle and Equip operating	-	4,491,083	-	-	-	121,161	12,278	4,624,522	5,593,401	4,688,272
Building operating	-	311,370	-	-	-	90,685	24,086	426,141	475,450	386,076
Other operating	377	1,977,499	813,549	-	-	490,941	36,805	3,319,171	3,390,217	3,313,468
Wages & benefits	-	10,261,339	775,389	-	-	-	147,194	11,183,922	11,513,970	10,929,509
Capital expenditures	-	425,856	-	-	-	626,906	2,653	1,055,415	3,339,737	874,456
	3,846	18,579,493	1,687,206	16,000	440	1,425,177	261,848	21,974,010	25,755,341	21,522,561
OPERATING SURPLUS(DEFICIT)	202,067	895,570	80,256	81,665	11,500	3,444,844	97,137	4,813,039	3,208,870	4,361,143
Debt retirement	-	-	-	-	-	-	-	-	-	-
- interest	-	-	-	-	-	167,777	-	167,777	171,693	167,174
- principal	-	-	-	-	-	153,944	-	153,944	153,954	187,694
Reserve contributions	201,764	781,589	-	-	-	659,113	16,340	1,658,806	1,411,826	1,212,747
Transfers to other govts/orgs	-	-	-	81,665	3,506	2,468,181	55,475	2,608,827	2,658,462	2,339,071
	201,764	781,589	-	81,665	3,506	3,449,015	71,815	4,589,354	4,395,935	3,906,686
CURRENT YEAR SURPLUS (DEFICIT)	303	113,981	80,256	-	7,994	(4,171)	25,322	223,685	(1,187,065)	454,457
Prior year's surplus applied	-	2,240,655	428,224	-	-	316,389	35,665	3,020,933	3,020,933	2,566,476
ENDING SURPLUS	\$ 303	\$ 2,354,636	\$ 508,480	\$ -	\$ 7,994	\$ 312,218	\$ 60,987	\$ 3,244,618	\$ 1,833,868	\$ 3,020,933

**REGIONAL DISTRICT OF NANAIMO
TRANSPORTATION & EMERGENCY SERVICES
PUBLIC SAFETY SYSTEMS
SCHEDULE OF REVENUE AND EXPENDITURES BY SERVICE
as at December 31, 2016
(UNAUDITED)**

	District 68 E911	District 69 E911	Actual 2016	Budget 2016	Actual 2015
REVENUES					
Tax requisition	\$ 151,278	\$ 605,464	\$ 756,742	\$ 756,742	\$ 718,112
	151,278	605,464	756,742	756,742	718,112
EXPENDITURES					
General administration	2,500	2,500	5,000	5,000	5,000
Vehicle and Equip operating	5,123	-	5,123	5,375	4,537
Other operating	8,199	6,000	14,199	15,570	13,643
	15,822	8,500	24,322	25,945	23,180
OPERATING SURPLUS(DEFICIT)	135,456	596,964	732,420	730,797	694,932
Transfers to other govts/orgs	114,187	604,638	718,825	740,745	716,791
	114,187	604,638	718,825	740,745	716,791
CURRENT YEAR SURPLUS (DEFICIT)	21,269	(7,674)	13,595	(9,948)	(21,859)
Prior year's surplus (deficit)	(3,833)	57,588	53,755	53,755	75,614
ENDING SURPLUS	\$ 17,436	\$ 49,914	\$ 67,350	\$ 43,807	\$ 53,755

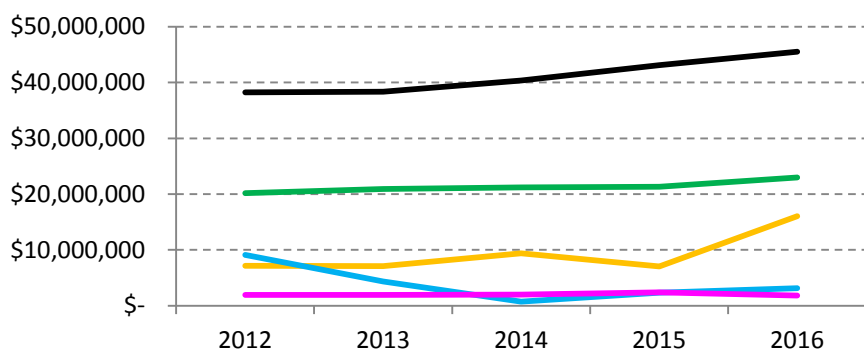
**REGIONAL DISTRICT OF NANAIMO
TRANSPORTATION & EMERGENCY SERVICES
FIRE DEPARTMENTS
SCHEDULE OF REVENUE AND EXPENDITURES BY SERVICE
as at December 31, 2016
(UNAUDITED)**

	Coombs	Hilliers	Errington	Nanose	Dashwood	Meadowood	Extension	Nanaimo River	French Creek	Parksville	Bow Horn Bay	Cassidy Waterloo	Wellington	Actual 2016	Budget 2016	Actual 2015
REVENUES																
Tax requisition	\$ 406,318	\$ 452,901	\$ 644,095	\$ 527,960	\$ 139,358	\$ 157,736	\$ 17,792	\$ 425,542	\$ 94,172	\$ 333,448	\$ 158,758	\$ 75,644	\$ 3,433,724	\$ 3,277,247	\$ 3,433,724	\$ 3,277,247
Grants in Lieu	-	-	10,865	836	-	-	208	-	-	-	-	-	-	11,909	12,200	13,032
Other	244,688	36,932	274,480	96,060	-	7,018	-	-	-	6,445	2,023	-	667,646	1,019,824	812,831	
	651,006	489,833	929,440	624,856	139,358	164,754	17,792	425,750	94,172	339,893	160,781	75,644	4,113,279	4,465,748	4,103,110	
EXPENDITURES																
General administration	6,266	7,239	26,899	6,465	-	4,011	-	9,917	2,907	5,789	4,488	846	74,827	74,834	23,375	
Professional fees	2,189	4,835	-	2,148	-	2,189	-	-	-	2,274	2,023	-	15,658	3,070	630	
Vehicle and Equip operating	6,533	6,687	37,132	16,830	-	26,840	-	-	-	9,274	12,741	-	116,037	164,160	145,171	
Building operating	1,722	3,872	33,186	22,622	-	19,058	-	-	-	5,916	4,310	-	90,686	104,670	80,334	
Other operating	1,451	964	320,284	2,496	-	40,869	-	97,842	-	1,068	8,681	3,086	476,741	469,156	425,767	
Capital expenditures	242,499	32,097	267,258	80,224	-	4,829	-	-	-	-	-	-	626,907	1,016,187	805,566	
	260,660	55,694	684,759	130,785	-	97,796	-	107,759	2,907	24,321	32,243	3,932	1,400,856	1,832,077	1,480,843	
OPERATING SURPLUS	390,346	434,139	244,681	494,071	139,358	66,958	17,792	317,991	91,265	315,572	128,538	71,712	2,712,423	2,633,671	2,622,267	
Debt retirement																
- interest	3,465	-	83,700	-	79,803	-	808	-	-	-	-	-	-	167,776	171,693	167,174
- principal	-	-	93,693	-	59,554	-	697	-	-	-	-	-	-	153,944	153,954	187,694
Reserve contributions	120,183	142,634	92,700	107,278	-	63,597	16,175	-	-	51,106	65,440	-	659,113	641,677	626,394	
Transfers to other govts/orgs	266,698	291,505	-	386,794	-	-	-	334,869	89,233	264,465	43,500	72,292	1,749,356	1,768,752	1,698,259	
	390,346	434,139	270,093	494,072	139,357	63,597	17,680	334,869	89,233	315,571	108,940	72,292	2,730,189	2,736,076	2,679,521	
CURRENT YEAR SURPLUS (DEFICIT)	-	-	(25,412)	(1)	1	3,361	112	(16,878)	2,032	1	19,598	(580)	(17,766)	(102,405)	(57,254)	
Prior year's surplus (deficit)	(1)	-	55,198	2	-	35,779	3	72,697	82,796	(1)	12,782	3,379	262,634	262,634	319,888	
ENDING SURPLUS (DEFICIT)	\$ (1)	\$ -	\$ 29,786	\$ 1	\$ 1	\$ 39,140	\$ 115	\$ 55,819	\$ 84,828	\$ -	\$ 32,380	\$ 2,799	\$ 244,868	\$ 160,229	\$ 262,634	



FINANCIAL AND OPERATIONAL STATISTICS

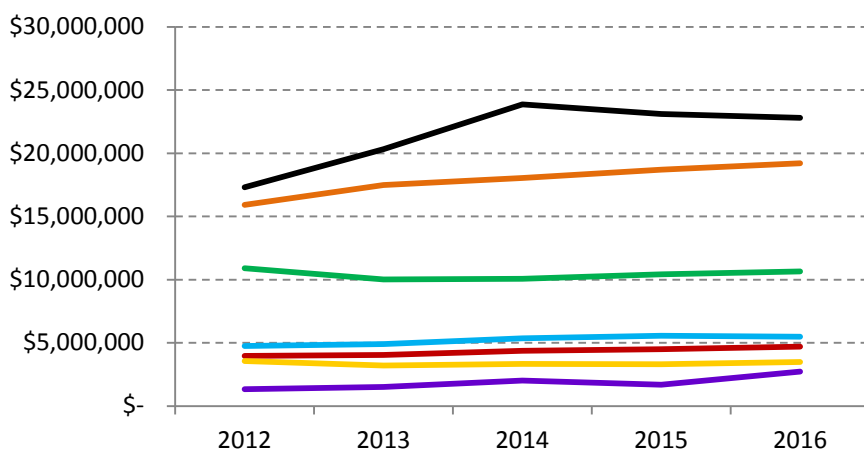
REVENUES: TREND 2012-2016



2016 Revenues

Property Tax:	\$45,498,181
Operating Revenues:	\$22,975,645
Grant Revenues:	\$16,054,530
Developer Contributions:	\$3,162,137
Interest & Other Income:	\$1,848,010
Total 2016 Revenue:	\$89,538,503

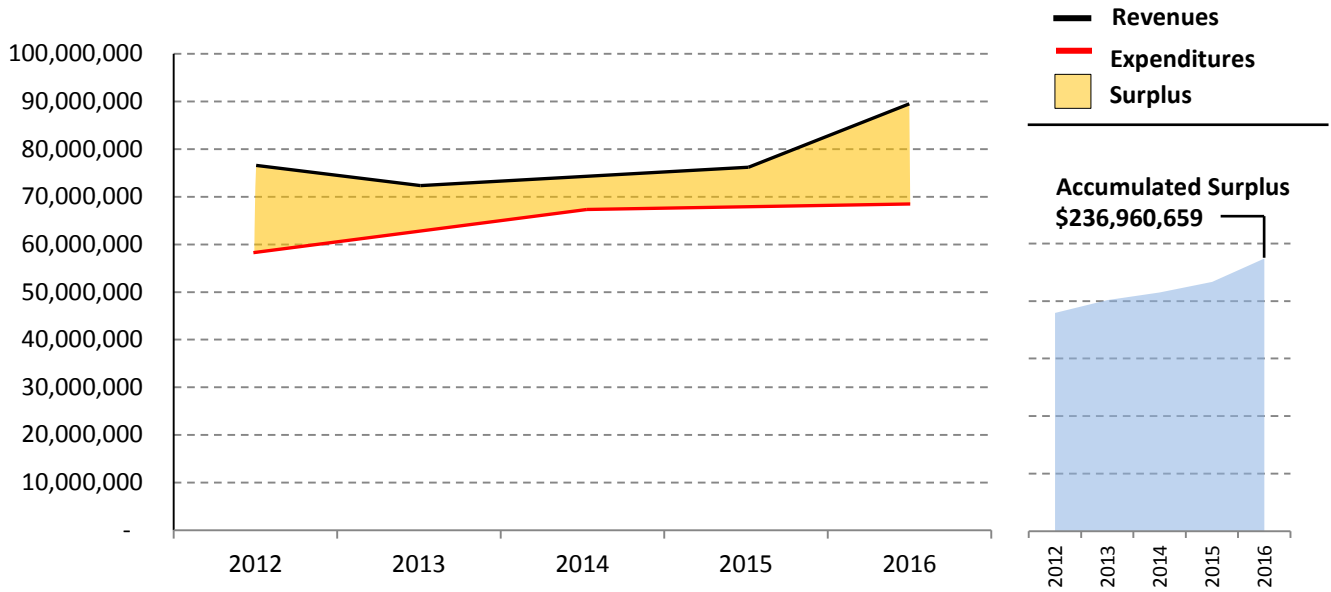
EXPENDITURES: 2012-2016



2016 Expenditures

Wastewater + Solid Waste:	\$22,796,558
Public Transit:	\$19,218,611
Parks, Rec. + Culture:	\$10,639,364
Water, Sewer + St. Light:	\$5,484,414
Protective Services:	\$4,708,898
Planning and Dev't:	\$3,481,604
General Gov't:	\$2,734,694
2016 Expenditures:	\$69,064,143










REVENUES, EXPENDITURES AND ACCUMULATED SURPLUS - 2012-2016



TAX CONTRIBUTION BY PARTICIPATING AREA - 2012-2016

Jurisdiction	2012	2013	2014	2015	2016	Proportion of Tax Contribution	Proportion of Regional Population
ELECTORAL AREAS							
Area A	\$1,313,777	\$1,390,260	\$1,483,770	\$1,556,027	\$1,598,599		
Area B	\$765,878	\$800,699	\$799,418	\$857,843	\$958,957		
Area C	\$759,336	\$791,504	\$807,517	\$880,532	\$974,651		
Area E	\$1,249,969	\$1,371,514	\$1,378,078	\$1,410,769	\$1,435,608		
Area F	\$1,479,843	\$1,553,103	\$1,529,604	\$1,625,299	\$1,677,355		
Area G	\$1,865,382	\$2,018,535	\$2,021,204	\$2,102,409	\$2,199,115		
Area H	\$1,236,795	\$1,265,711	\$1,265,897	\$1,294,188	\$1,304,327		

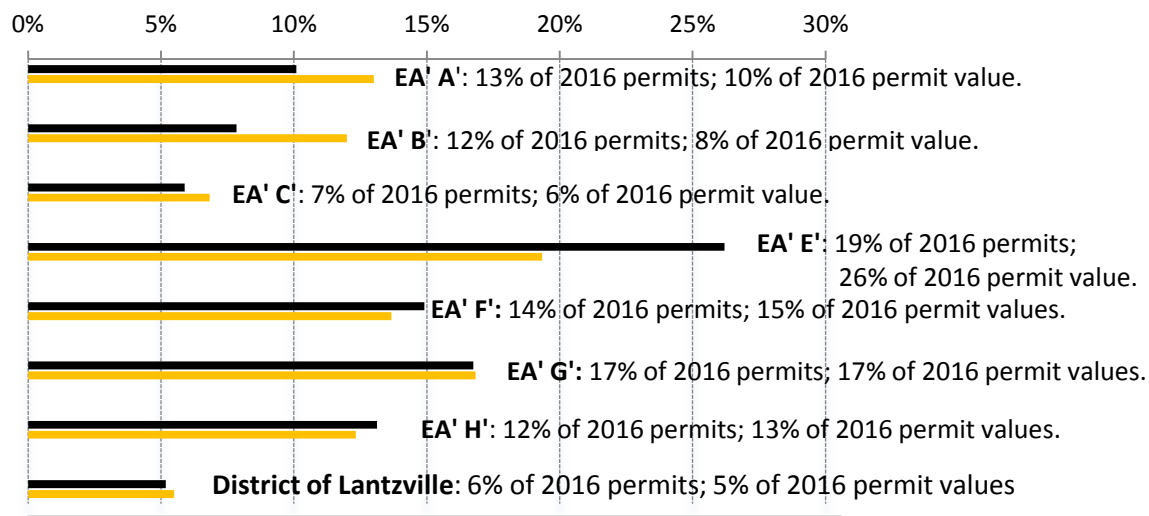
TAX CONTRIBUTION BY PARTICIPATING AREA - 2012-2016 (cont'd)

Jurisdiction	2012	2013	2014	2015	2016	Proportion of Tax Contribution	Proportion of Regional Population
MEMBER MUNICIPALITIES							
Nanaimo	\$13,165,618	\$14,022,584	\$14,992,530	\$16,239,802	\$17,363,556		
Lantzville	\$639,222	\$629,933	\$723,919	\$770,865	\$806,401		
Parksville	\$3,771,365	\$3,965,785	\$4,221,087	\$4,825,137	\$5,062,663		
Qualicum Beach	\$3,051,088	\$3,136,162	\$3,216,054	\$3,371,322	\$3,477,959		
Local and Defined Services Areas	\$6,414,106	\$7,080,222	\$7,156,472	\$7,617,559	\$8,638,990		-
Total Taxation	\$34,452,324	\$36,572,915	\$38,357,564	\$40,355,182	\$45,498,181		

ELECTORAL AREA CONSTRUCTION ACTIVITY (incl. Lantzville) – 2012 – 2016

		2012	2013	2014	2015	2016
Area A	Building Permits Issued - (Actual #)	80	75	81	84	81
	Building Permit Values - (\$000's)	\$7,598	\$9,122	\$7,243	\$16,356	\$9,455
Area B	Building Permits Issued - (Actual #)	110	79	89	87	72
	Building Permit Values - (\$000's)	\$10,805	\$7,086	\$8,765	\$7,906	\$7,349
Area C	Building Permits Issued - (Actual #)	39	33	51	36	41
	Building Permit Values - (\$000's)	\$5,680	\$4,918	\$18,182	\$9,825	\$5,519
Area E	Building Permits Issued - (Actual #)	105	101	87	108	116
	Building Permit Values - (\$000's)	\$17,659	\$17,612	\$18,743	\$14,609	\$24,536
Area F	Building Permits Issued - (Actual #)	61	60	67	79	82
	Building Permit Values - (\$000's)	\$6,039	\$7,241	\$9,207	\$12,539	\$13,958
Area G	Building Permits Issued - (Actual #)	113	120	127	116	101
	Building Permit Values - (\$000's)	\$18,170	\$23,981	\$17,545	\$21,056	\$15,686
Area H	Building Permits Issued - (Actual #)	49	43	47	43	74
	Building Permit Values - (\$000's)	\$7,959	\$4,483	\$7,124	\$5,789	\$12,296
Lantz.	Building Permits Issued - (Actual #)	39	34	40	41	33
	Building Permit Values - (\$000's)	\$3,428	\$3,339	\$5,011	\$3,770	\$4,858
Total	Total Building Permits Issued	596	545	589	594	600
	Total Building Permit Value	\$76,576	\$91,046	\$83,463	\$86,863	\$93,657

2016 ELECTORAL AREA BUILDING PERMITS AND PERMIT VALUE (% BY AREA)

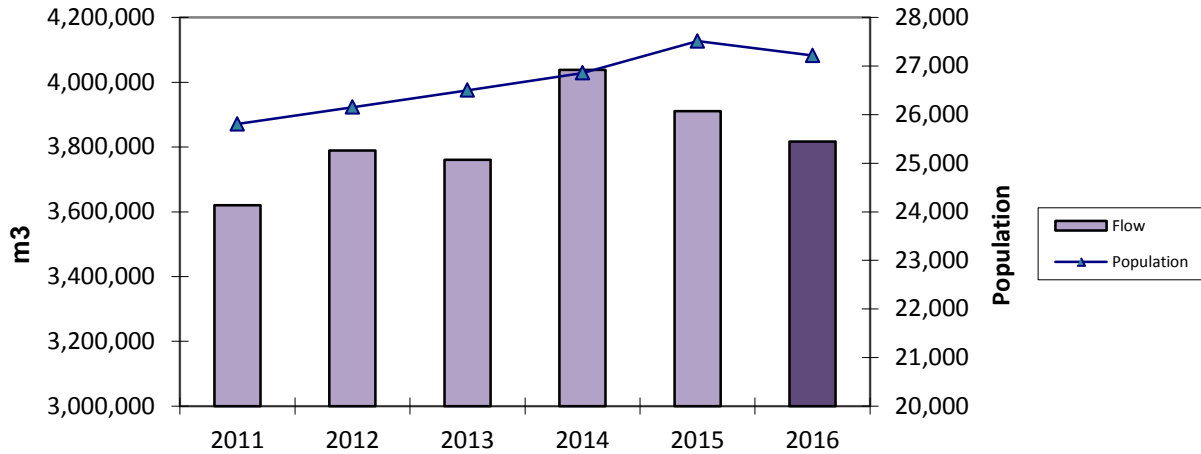


Percent of RDN Permits Issued in 2016
 Percent of RDN Permit Value in 2016

WASTEWATER TREATMENT –NORTHERN COMMUNITY

Northern Community Sewerage Service Area (Parksville, Qualicum Beach, Electoral Areas E, F and G)

Population vs Sewage effluent flow - French Creek Pollution Control Centre

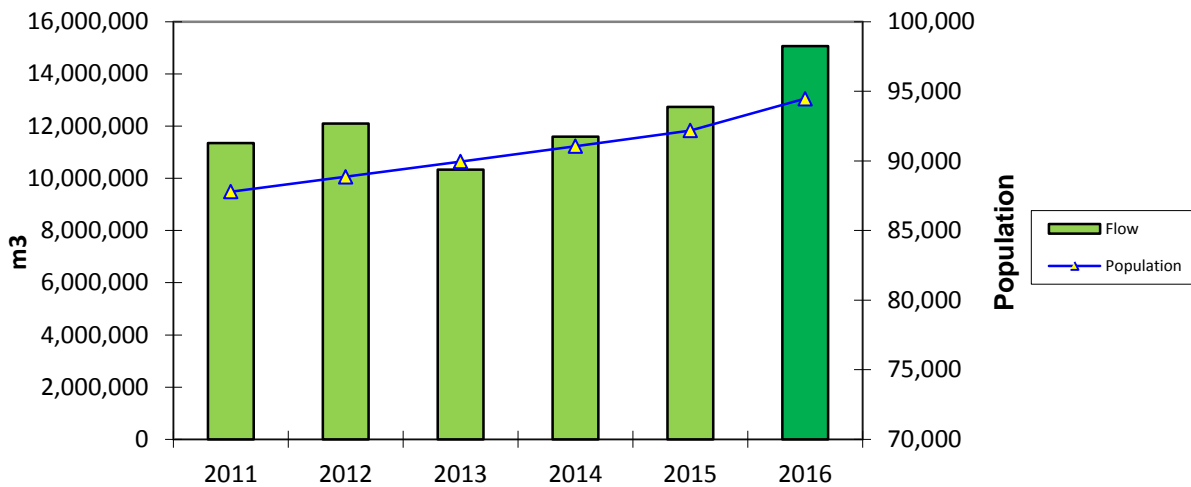


Note: At present flows are generated from the City of Parksville, the Town of Qualicum Beach and sewer collection areas within Electoral Areas E & G. Electoral Areas E (portion), F, G (portion) and H dispose of septic tank waste at the plant.

WASTEWATER TREATMENT –SOUTHERN COMMUNITY

Southern Community Sewerage Service Area (Nanaimo, Lantzville, Electoral Area C)

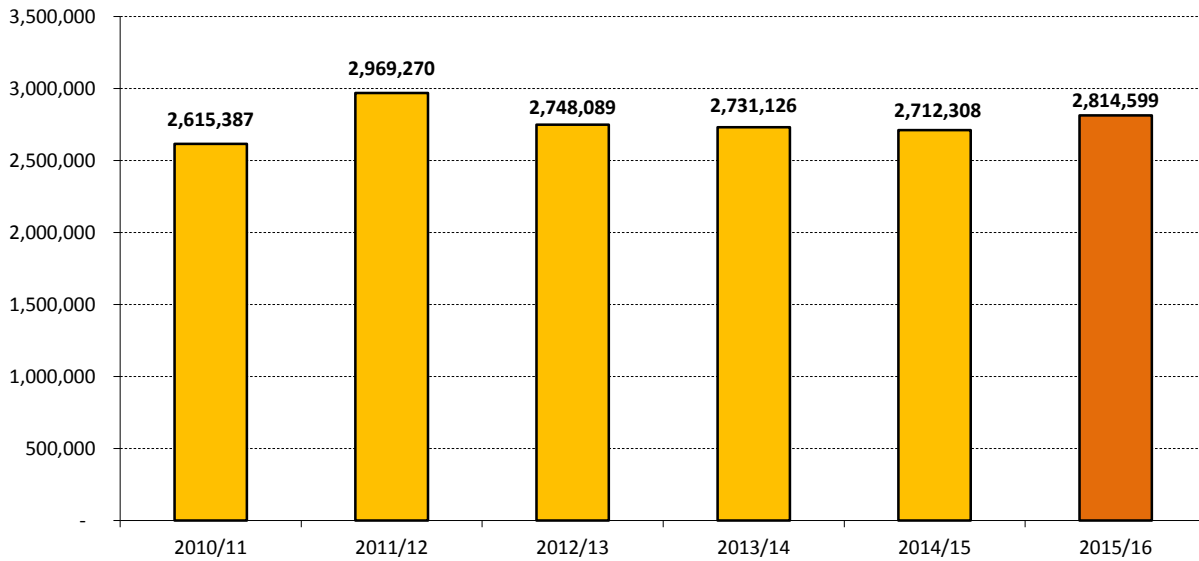
Population vs Sewage effluent flow – Greater Nanaimo Pollution Control Centre



Note: At present direct flows are generated from the City of Nanaimo and the District of Lantzville, which began connecting properties to the plant in 2008.

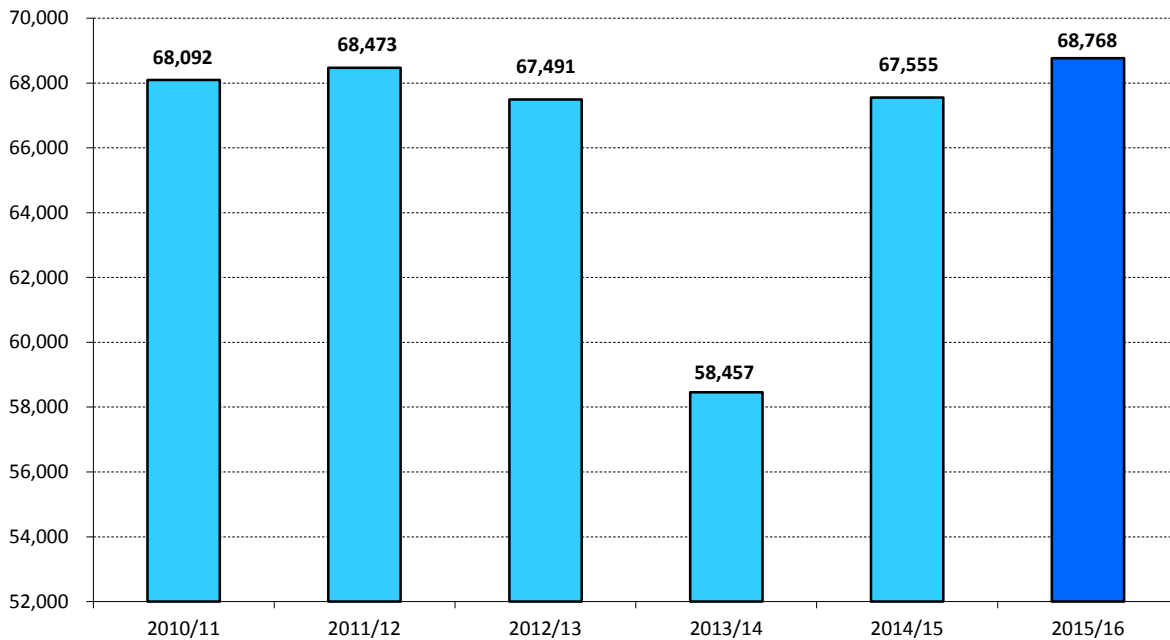
TRANSIT RIDERSHIP – CONVENTIONAL TRANSIT SYSTEM

CONVENTIONAL TRANSIT SYSTEM – PASSENGERS CARRIED



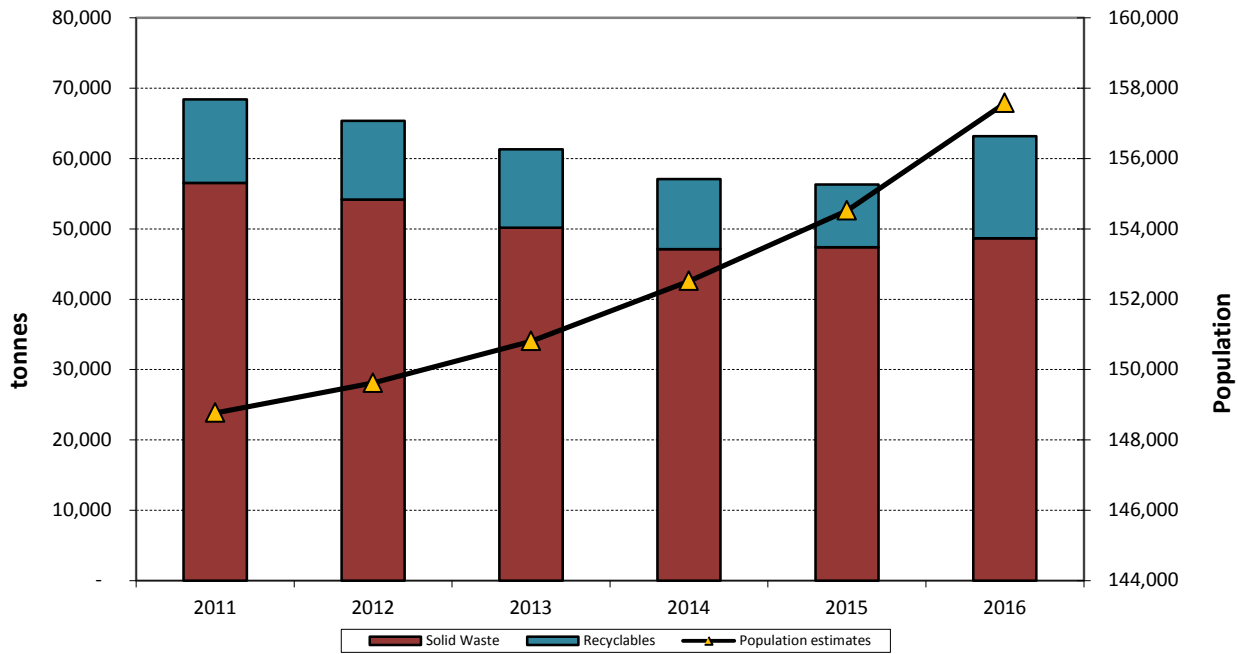
TRANSIT RIDERSHIP – CUSTOM HandyDart TRANSIT SYSTEM

HandyDART SYSTEM - PASSENGERS CARRIED

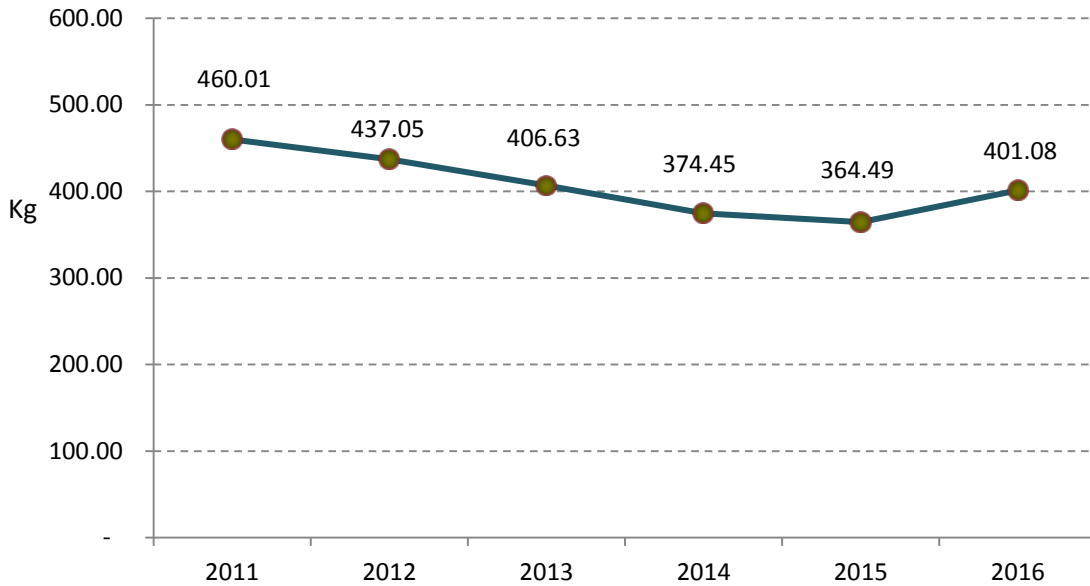


SOLID WASTE MANAGEMENT

Solid Waste Annual Tonnages vs. Population



Solid Waste and Recyclables – Kilograms per Capita 2011- 2016



TOTAL PROPERTY ASSESSMENTS NET TAXABLE VALUES (2012-2016)

		2012	2013	2014	2015	2016
City of Nanaimo	Land	6,153,958,375	6,174,656,548	6,133,061,991	6,294,963,680	6,545,041,856
	Improvements	6,561,213,828	6,520,550,677	6,502,146,030	6,702,464,270	7,149,016,461
		12,715,172,203	12,695,207,225	12,635,208,021	12,997,427,950	13,694,058,317
District of Lantzville	Land	413,281,146	385,493,351	399,980,980	398,883,009	445,178,640
	Improvements	324,522,300	312,756,775	306,014,900	308,042,250	316,986,875
		737,803,446	698,250,126	705,995,880	706,925,259	762,165,515
City of Parksville	Land	1,206,853,060	1,170,585,533	1,161,497,891	1,197,905,493	1,267,350,044
	Improvements	1,012,160,359	985,665,436	975,108,569	984,902,169	1,034,465,650
		2,219,013,419	2,156,250,969	2,136,606,460	2,182,807,662	2,301,815,694
Town of Qualicum Beach	Land	1,065,008,218	1,034,443,479	1,017,321,841	1,047,763,542	1,085,172,126
	Improvements	842,629,730	845,237,374	828,803,564	860,481,461	929,802,708
		1,907,637,948	1,879,680,853	1,846,125,405	1,908,245,003	2,014,974,834
Area A	Land	585,600,214	562,253,338	576,733,692	550,601,886	553,676,115
	Improvements	499,742,600	504,457,187	510,479,198	514,365,148	536,312,187
		1,085,342,814	1,066,710,525	1,087,212,890	1,064,967,034	1,089,988,302
Area B	Land	796,721,722	746,376,418	679,171,259	653,170,122	628,581,218
	Improvements	423,124,200	431,958,397	436,167,535	443,553,676	481,155,869
		1,219,845,922	1,178,334,815	1,115,338,794	1,096,723,798	1,109,737,087
Area C	Land	350,021,665	361,874,280	354,607,391	373,879,734	401,194,695
	Improvements	235,002,408	240,482,644	243,838,372	249,919,463	268,775,744
		585,024,073	602,356,924	598,445,763	623,799,197	669,970,439
Area E	Land	994,451,034	941,941,087	922,997,481	936,505,978	952,950,255
	Improvements	775,128,164	784,356,911	803,074,703	802,839,998	859,000,333
		1,769,579,198	1,726,297,998	1,726,072,184	1,739,345,976	1,811,950,588
Area F	Land	497,561,384	469,090,173	437,090,317	480,025,867	455,230,717
	Improvements	536,710,482	514,799,960	494,453,607	520,082,393	565,652,426
		1,034,271,866	983,890,133	931,543,924	1,000,108,260	1,020,883,143
Area G	Land	820,988,639	825,872,316	798,701,799	806,701,391	853,017,767
	Improvements	673,361,715	677,200,473	674,193,000	695,824,397	761,024,743
		1,494,350,354	1,503,072,789	1,472,894,799	1,502,525,788	1,614,042,510
Area H	Land	632,984,917	566,875,848	528,161,615	537,986,327	537,943,860
	Improvements	317,956,729	322,549,210	343,755,771	354,282,707	395,701,980
		950,941,646	889,425,058	871,917,386	892,269,034	933,645,840
TOTAL MUNICIPAL		17,579,627,016	17,429,389,173	17,323,935,766	17,795,405,874	18,773,014,360
TOTAL ELECTORAL AREAS		8,176,691,851	8,139,355,873	7,950,088,242	7,803,425,740	7,919,739,087
TOTAL ALL		25,718,982,889	25,379,477,415	27,127,361,506	25,715,144,961	27,023,232,269

Regional Parks (Twelve Parks - 2129 hectares)

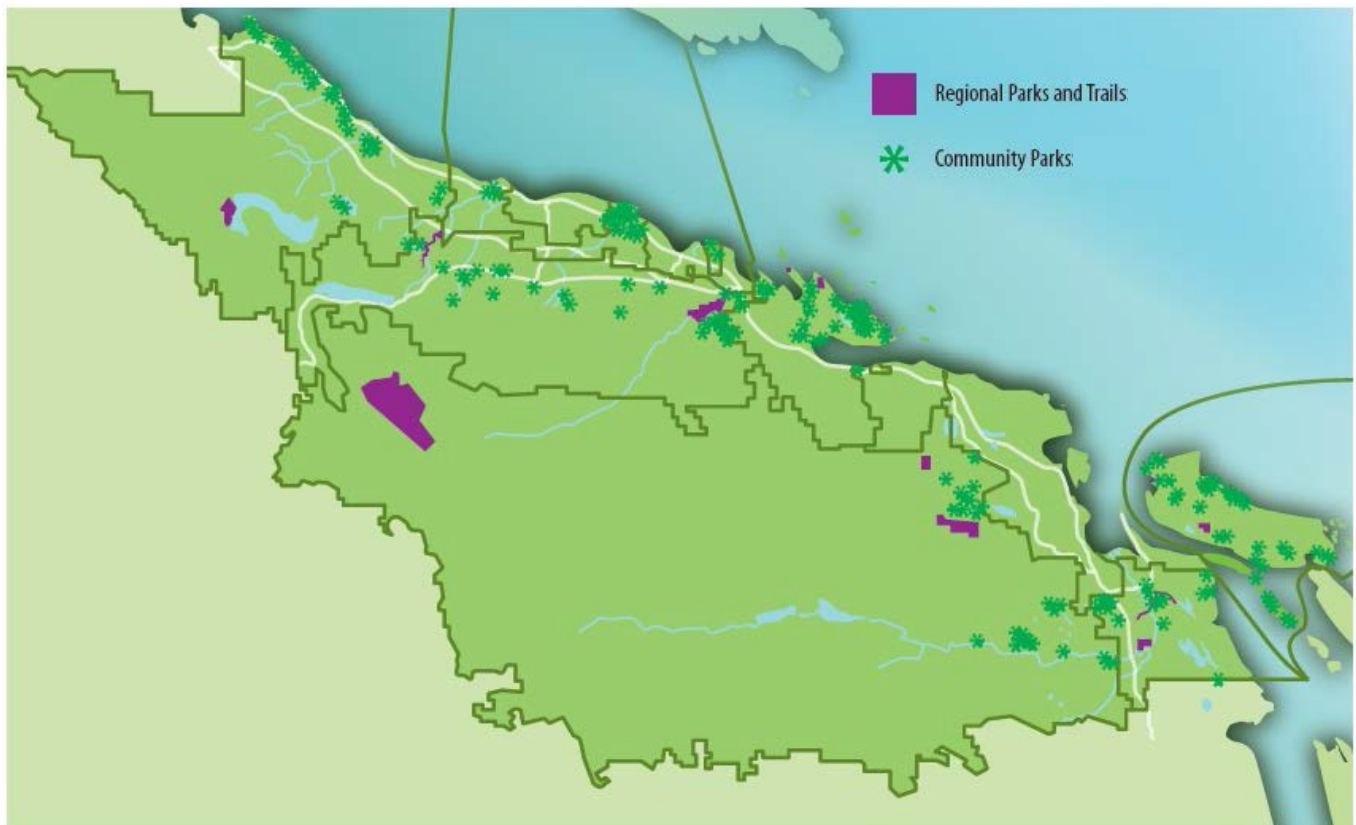
- Beachcomber Regional Park - Electoral Area E
- Benson Creek Falls Regional Park - Electoral Area C
- Little Qualicum River Regional Park - Electoral Area F
- Nanaimo River Regional Park - Electoral Area A
- Horne Lake Regional Park - Electoral Area H
- Descanso Bay Regional Park (Gabriola Island) - Electoral Area B
- Little Qualicum River Estuary Regional Conservation Area - Electoral Area G
- Englishman River Regional Park - Electoral Area G
- Mount Benson Regional Park – Electoral Area C
- Mount Arrowsmith Massif Regional Park – Electoral Area C
- Coats Marsh Regional Park (Gabriola Island) – Electoral Area B
- Moorecroft Regional Park – Electoral Area E

Regional Trails (Ten Trails - 78 kilometres):

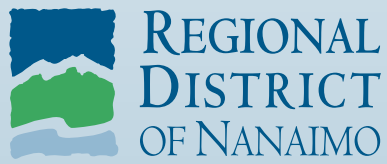
- Morden Colliery Regional Trail – Electoral Area A
- Top Bridge Regional Trail – Electoral Area G and City of Parksville
- Lighthouse Country Regional Trail – Electoral Area H
- Parksville-Qualicum Links – Electoral Area G
- Trans Canada Trail – Electoral Area C
- Arrowsmith CPR Regional Trail – Electoral Areas C & F
- Big Qualicum River Regional Trail – Electoral Area H
- Witchcraft Lake Regional Trail – Electoral Area C
- Ammonite Falls Trail – Electoral Area C
- Coombs to Parksville Rail Trail – Electoral Areas F & G and the City of Parksville

Community Parks (202 Parks > 608 hectares)

- Electoral Area A 34 hectares
- Electoral Area B 356 hectares
- Electoral Area C 35 hectares
- Electoral Area E 31 hectares
- Electoral Area F 40 hectares
- Electoral Area G 55 hectares
- Electoral Area H 57 hectares



Please visit the Regional District of Nanaimo website at www.rdn.bc.ca for more information about regional and community parks and trails.



6300 Hammond Bay Road
Nanaimo, BC, V9T 6N2
Phone 250 390 4111
www.rdn.bc.ca