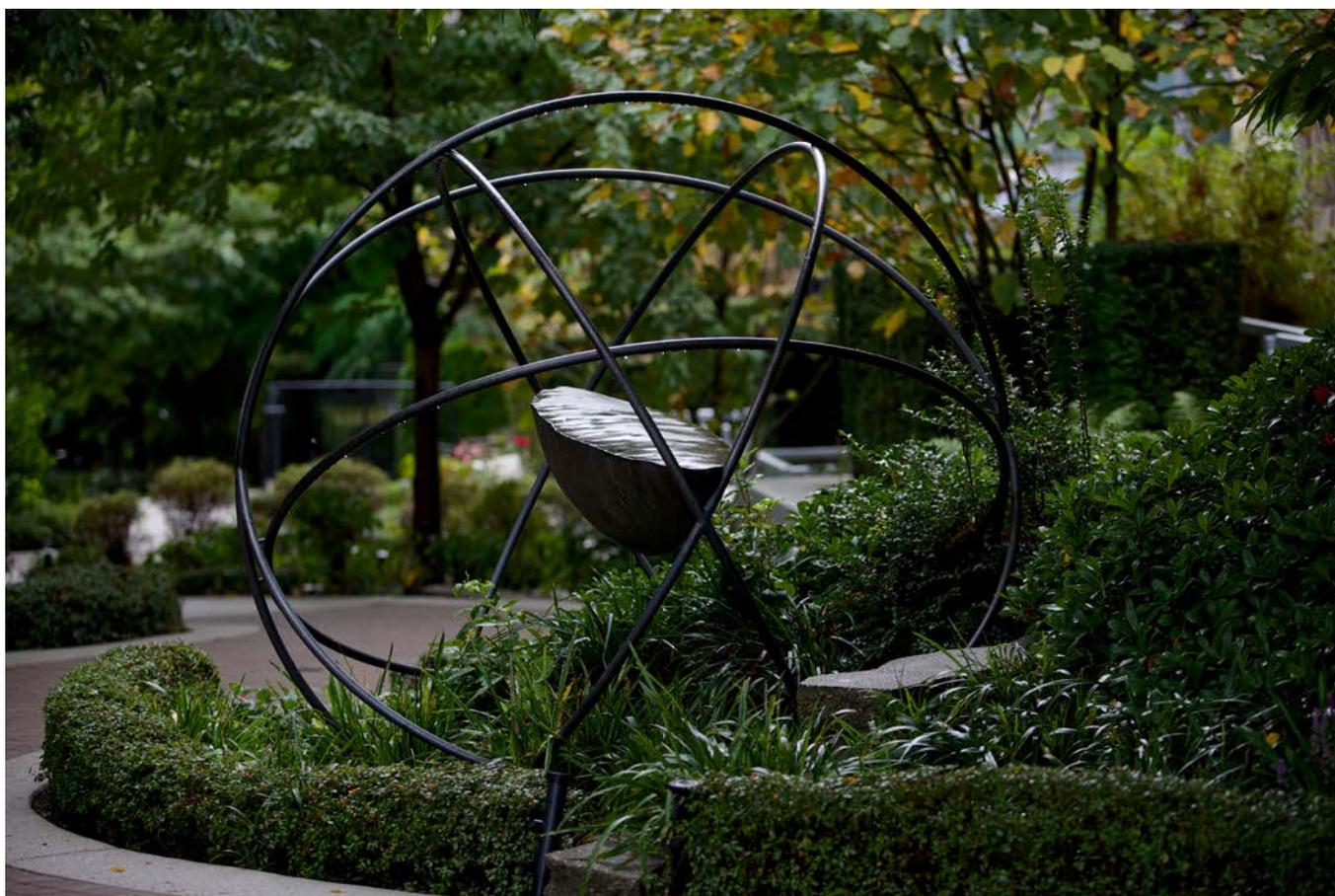


2016 Statement of Financial Information

JUNE 2017 | FINANCIAL INFORMATION REGULATION, SCHEDULE 1



**City of North Vancouver
2016 Statement of Financial Information**

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Financial Information Act
Financial Information Regulation (FIR), Schedule 1

Statement of Financial Information (SOFI)
Index to FIR Schedule 1 and the Checklist

Page 1: Corporation Information

Ministry Information

General: Section One

- 1(1)(a) Statement of assets and liabilities
- 1(1)(b) Operational statement
- 1(1)(c) Schedule of debts
- 1(1)(d) Schedule of guarantee and indemnity agreements
- 1(1)(e) Schedule of employee remuneration and expenses
- 1(1)(f) Schedule of suppliers of goods and services
- 1(2) [Explanatory information for reference]
- 1(3) Statements prepared on a consolidated basis or for each fund
- 1(4) & (5) Notes to the statements and schedules in section 1(1)

Page 2: Statement of Assets & Liabilities: Section Two

- 2 Balance sheet
- Changes in equity and surplus or deficit

Operational Statement: Section Three

- 3(1) Statement of Income / Statement of Revenue and Expenditures
- Statement of Changes in Financial Position
- 3(2) & (3) Omission of Statement of Changes in Financial Position, with explanation
- 3(4) Requirement for community colleges, school districts and municipalities

Statement of Debts: Section Four

- 4(1)(a) & 4(2) List and detail the schedule of long-term debts
- 4(1)(b) Identify debts covered by sinking funds / reserves
- 4(3) & (4) Omission of schedule, with explanation

Page 3: Schedule of Guarantee and Indemnity Agreements: Section Five

- 5(1) List agreements under the Guarantees and Indemnities Regulation
- 5(2) State the entities and amounts involved
- 5(3) & (4) Omission of schedule, with explanation

Page 3 & 4: Schedule of Remuneration and Expenses: Section Six

- 6(1) [Definitions for reference]
- 6(2)(a) List remuneration / expenses for each elected official, member of board, Cabinet appointees
- 6(2)(b) List each employee with remuneration exceeding \$75,000, plus expenses
- 6(2)(c) Consolidated total for all employees with remuneration of \$75,000 or less
- 6(2)(d) Reconcile difference in total remuneration above with operational statement
- 6(3) Exclude personal information other than as required

Page 3 & 4: Schedule of Remuneration and Expenses: Section Six (continued)

- 6(4) & (5) [Explanatory information for reference]
- 6(6) Report employer portion of EI and CPP as a supplier payment
- 6(7)(a) & (b) Statement of severance agreements
- 6(8) Explain an omission of statement of severance agreements
- 6(9) [Statement of severance agreements to minister – not required unless requested]

Page 4: Schedule of Suppliers of Goods or Services: Section Seven

- 7(1)(a) List suppliers receiving payments exceeding \$25,000
- 7(1)(b) Consolidated total of all payments of \$25,000 or less
- 7(1)(c) Reconcile difference in total above with operational statement
- 7(2)(a) [Explanatory information for reference]
- 7(2)(b) Statement of payments of grants or contributions
- 7(2)(c) [Explanatory information for reference]

Page 5: Inactive Corporations: Section Eight

- 8(1) Ministry to report for inactive corporations
- 8(2)(a) Contents of report – statements and schedules under section 1(1) to extent possible
- 8(2)(b) Contents of report – operational status of corporation

Approval of Financial Information: Section Nine

- 9(1) Approval of SOFI for corporations (other than municipalities)
- 9(2) Approval of SOFI for municipalities
- 9(3) Management report
- 9(4) Management report must explain roles and responsibilities
- 9(5) Signature approval is for all contents of the SOFI

Access to the Financial Information: Section Ten

- 10(1) to (3) [Explanatory information for reference]

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Financial Information Regulation, Schedule 1

Checklist – Statement of Financial Information (SOFI)

For the Corporation:

Corporate Name: The Corporation of the City of North Vancouver Contact Name: Carlos Fernandes

Fiscal Year End: December 31, 2016 Phone Number: 604-990-4208

Date Submitted: June 19, 2017 E-mail: cfernandes@cnv.org

For the Ministry:

Ministry Name: _____ Reviewer: _____

Date Received: _____ Deficiencies:

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

Date Reviewed: _____ Deficiencies Addressed:

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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Approved (SFO): _____ Further Action Taken: _____

Distribution: Legislative Library Ministry Retention

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
General					
1 (1) (a)	Statement of assets and liabilities	✓			See Schedule 1, Section 2
1 (1) (b)	Operational statement	✓			See Schedule 1, Section 3(1)
1 (1) (c)	Schedule of debts	✓			See Schedule 1, Section 4(4)
1 (1) (d)	Schedule of guarantee and indemnity agreements	✓			See Schedule 1, Section 5(4)
1 (1) (e)	Schedule of employee remuneration and expenses	✓			See Schedule 1, Section 6(2)
1 (1) (f)	Schedule of suppliers of goods and services	✓			See Schedule 1, Section 7(1) & 7(2)
1 (3)	Statements prepared on a consolidated basis or for each fund, as appropriate	✓			
1 (4) 1 (5)	Notes to the financial statements for the statements and schedules listed above	✓			

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Statement of Assets & Liabilities					
2	<ul style="list-style-type: none"> • A balance sheet prepared in accordance with GAAP or stated accounting principles / policies, and • Show changes in equity and surplus or deficit due to operations 	✓			See Consolidated Statement of Financial Position
		✓			See Consolidated Statement of Operations and notes to the financial statements for changes in equity
Operational Statement					
3 (1)	Prepared in accordance with GAAP or stated accounting principles / policies and consists of: <ul style="list-style-type: none"> • a Statement of Income or Statement of Revenue and Expenditures, and • a Statement of Changes in Financial Position 	✓			See Consolidated Statement of Operations
		✓			See Consolidated Statement of Cash Flows
3 (2) 3 (3)	<ul style="list-style-type: none"> • The Statement of Changes in Financial Position may be omitted if it provides no additional information • The omission must be explained in the notes 			✓	
				✓	
3 (4)	Community colleges, school districts, and municipalities must prepare a Statement of Changes in Financial Position for the Capital Fund		✓		
Schedule of Debts					
4 (1) (a) 4 (2)	List each long-term debt (secured by debentures, mortgages, bonds, etc.), stating the amount outstanding, the interest rate, and the maturity date			✓	
4 (1) (b)	Identify debts covered by sinking funds or reserves and amounts in these accounts			✓	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
4 (3) 4 (4)	<ul style="list-style-type: none"> The schedule may be omitted if addressed under section 2 or 5 and it provides no additional information The omission must be explained in a note to the schedule 	✓		✓	See attached schedule.
Schedule of Guarantee and Indemnity Agreements					
5 (1)	List financial agreements that required government approval prior to being given (see Guarantees and Indemnities Regulation in FIA Guidance Package)			✓	
5 (2)	State the entities involved, and the specific amount involved if known			✓	
5 (3) 5 (4)	<ul style="list-style-type: none"> The schedule may be omitted if addressed under section 2 or 4 and it provides no additional information The omission must be explained in a note to the schedule 	✓		✓	See attached schedule
Schedule of Remuneration and Expenses (See Guidance Package for suggested format)					
6 (2) (a)	List separately, by name and position, the total remuneration and the total expenses for each elected official, member of the board of directors, and employee appointed by Cabinet	✓			
6 (2) (b)	List alphabetically each employee whose total remuneration exceeds \$75,000 and the total expenses for each [excluding the persons listed under 6 (2) (a)]	✓			
6 (2) (c)	Include a consolidated total for employees whose remuneration is \$75,000 or less [excluding the persons listed under 6 (2) (a)]	✓			

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
6 (2) (d)	Reconcile or explain any difference between total remuneration in this schedule and related information in the operational statement	✓			
6 (3)	Exclude personal information other than name, position, function or remuneration and expenses of employees	✓			
Schedule of Remuneration and Expenses (See Guidance Package for suggested format)					
6 (6)	Report the employer portion of EI and CPP as a supplier payment to the Receiver General for Canada rather than as employee remuneration	✓			Employer share of CPP for elected officials was shown under the heading "Benefits" on FIR Schedule 1, Section 6(2)(a)
6 (7) (a) 6 (7) (b)	Include a statement of severance agreements providing: <ul style="list-style-type: none"> • the number of severance agreements under which payment commenced in the fiscal year being reported on for non-union employees, and • the range of equivalent months' compensation for them (see Guidance Package for suggested format)	✓			
6 (8)	Provide the reason for omitting a statement of severance agreements in a note to the schedule of remuneration and expenses			✓	
Schedule of Suppliers of Goods or Services (See Guidance Package for suggested format)					
7 (1) (a)	List in alphabetical order all suppliers of goods and services who received aggregate payments exceeding \$25,000	✓			
7 (1) (b)	Include a consolidated total of all payments to suppliers who received \$25,000 or less	✓			

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
7 (1) (c)	Reconcile or explain any difference between the consolidated total and related figures in the operational statement	✓			
7 (2) (b)	Include a statement of payments for the purposes of grants or contributions	✓			

Inactive Corporations

8 (1)	The ministry reports for the corporation if the corporation is not operating to the extent required to produce a SOFI			✓	
8 (2) (a)	The ministry's report contains the statements and schedules required under section 1 (1), to the extent possible			✓	
8 (2) (b)	The ministry's report contains a statement of the operational status of the corporation (see Guidance Package regarding what to include)			✓	

Approval of Financial Information

9 (1)	Corporations other than municipalities – the SOFI is signed as approved by the board of directors or the governing body (see Guidance Package for example)			✓	
9 (2)	Municipalities – the SOFI is approved by its council and by the officer assigned responsibility for financial administration (see Guidance Package for example)	✓			
9 (3)	A management report is included, signed by the head and chief financial officer, or by the municipal officer assigned responsibility for financial administration (see examples in annual report at http://www.gov.bc.ca/cas/popt/)	✓			See Consolidated Financial Statements – Statement of Management Responsibility

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
9 (4)	The management report explains the roles and responsibilities of the board of directors or governing body, audit committee, management, and the auditors	✓			See Consolidated Financial Statements – Statement of Management Responsibility
9 (5)	Signature approvals required in section 9 are for each of the statements and schedules of financial information, not just the financial statements	✓			

The Corporation of the City of North Vancouver

2016 Statement of Financial Information

Financial Information Regulation, Schedule 1

Section 1 (1) (a), 1 (1) (b), 1 (4) & 1 (5)

Section 2

Section 3 (1)

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**The Corporation of the City of
North Vancouver
Consolidated Financial Statements
For the year ended December 31, 2016**

Statement of Management Responsibility

The Council of the Corporation of the City of North Vancouver (“City”) has delegated the responsibility for the integrity and objectivity of the financial information contained in the consolidated financial statements to the management of the City. The consolidated financial statements which, in part, are based on informed judgments and estimates, have been prepared by management in accordance with Canadian public sector accounting standards, which have been applied on a basis consistent with that of the preceding year.

To assist in carrying out their responsibility, management maintains an accounting system and internal controls to provide reasonable assurance that transactions are executed and recorded in accordance with authorization, and that financial records are reliable for preparation of financial statements.

The Mayor and Council oversee management’s responsibilities for the financial reporting and internal control systems. Council annually reviews and approves the consolidated financial statements.

The City’s independent auditors, BDO Canada LLP, are engaged to express an opinion as to whether the City’s consolidated financial statements present fairly in all material respects the financial position of the City as at December 31, 2016, and the results of operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian generally accepted auditing standards.

The consolidated financial statements have, in management’s opinion, been properly prepared within reasonable limits of materiality and in accordance with Canadian public sector accounting standards.



Director of Finance

May 1, 2017



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BDO Canada LLP
600 Cathedral Place
925 West Georgia Street
Vancouver BC V6C 3L2 Canada

Independent Auditor's Report

To the Mayor and Council of the Corporation of the City of North Vancouver

We have audited the accompanying consolidated financial statements of the Corporation of the City of North Vancouver, which comprise the Consolidated Statement of Financial Position as at December 31, 2016, and the Consolidated Statements of Operations, Changes in Net Financial Assets and Cash Flows 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.

Auditor's 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 auditor's 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 Corporation of the City of North Vancouver as at December 31, 2016, and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matters

The consolidated financial statements of the Corporation of the City of North Vancouver for the year ended December 31, 2015 were audited by other auditors who expressed an unqualified opinion on those financial statements on May 2, 2016.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia

May 1, 2017

**The Corporation of the City of North Vancouver
Consolidated Statement of Financial Position
As at December 31, 2016 with comparative figures for 2015
(in thousands of dollars)**

	<u>2016</u>	<u>2015</u>
FINANCIAL ASSETS		
Cash	\$ 6,716	\$ 5,849
Temporary investments (note 3(a))	43,548	42,630
Portfolio investments (note 3(b))	106,934	113,161
Investment in Lonsdale Energy Corp. (note 4)	734	715
Due from other governments	3,421	4,117
Accounts receivable	9,357	9,082
Loan to Lonsdale Energy Corp. (note 5)	15,045	13,651
Interest receivable	11,426	10,386
	<u>197,181</u>	<u>199,591</u>
LIABILITIES		
Accounts payable and accrued liabilities (note 6)	23,447	14,406
Deferred revenue	23,740	26,186
Deferred development cost charges	18,357	23,741
Long-term debt (note 7)	1,293	1,480
Employee future benefits (note 8)	8,351	8,165
Advances and other liabilities	9,901	7,881
	<u>85,089</u>	<u>81,859</u>
NET FINANCIAL ASSETS	<u>112,092</u>	<u>117,732</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (note 9)	350,244	326,164
Inventories	642	507
Prepaid expenses	2,334	1,497
	<u>353,220</u>	<u>328,168</u>
ACCUMULATED SURPLUS (note 10)	<u>\$ 465,312</u>	<u>\$ 445,900</u>

Commitments and contingencies (note 11)
See accompanying notes to the consolidated financial statements



Director of Finance

The Corporation of the City of North Vancouver
Consolidated Statement of Operations
Year ended December 31, 2016 with comparative figures for 2015
(in thousands of dollars)

	2016 Budget	2016	2015
	(notes 2(h) and 14)		
REVENUE			
Property value tax	\$ 53,792	\$ 53,684	\$ 51,114
Parcel taxes	2,493	2,526	2,459
Licences and permits	3,550	4,209	4,863
Fines and fees	4,593	5,024	5,020
Rent	1,303	1,560	1,266
Interest and penalties	2,124	5,248	5,523
Sale of services	24,966	25,456	24,139
Rebate and recoveries	81	179	404
Grants and other	6,242	11,205	7,589
Developer contributions and other transfers	269	14,917	4,874
(Losses) gains on disposition of assets	-	(827)	63,089
Lonsdale Energy Corp. income (loss)	-	19	(987)
	<u>99,413</u>	<u>123,200</u>	<u>169,353</u>
EXPENSES			
General government	16,514	21,221	17,113
Transportation and transit	4,908	6,208	5,876
Health, social services and housing	2,415	2,399	2,336
Development services	4,497	4,520	4,626
Protective services	25,006	23,878	23,412
Parks, recreation and culture	25,037	24,407	24,626
Water utilities	9,239	9,208	8,206
Sewer utilities	7,753	8,418	7,791
Solid waste	4,397	3,529	4,127
	<u>99,766</u>	<u>103,788</u>	<u>98,113</u>
Total expenses (note 13)			
Annual surplus (deficit)	(353)	19,412	71,240
Accumulated surplus beginning of year	<u>445,900</u>	<u>445,900</u>	<u>374,660</u>
Accumulated surplus end of year	<u>\$ 445,547</u>	<u>\$ 465,312</u>	<u>\$ 445,900</u>

See accompanying notes to the consolidated financial statements

The Corporation of the City of North Vancouver
Consolidated Statement of Change in Net Financial Assets
Year ended December 31, 2016 with comparative figures for 2015
(in thousands of dollars)

	2016 Budget	2016	2015
	(notes 2(h) and 14)		
Annual surplus (deficit)	\$ (353)	\$ 19,412	\$ 71,240
Acquisition of tangible capital assets	(80,434)	(27,419)	(20,840)
Non-cash developer contributed assets	-	(10,968)	(347)
Proceeds on sale of tangible capital assets	-	256	84
Depreciation of tangible capital assets	12,500	13,224	12,084
Loss (gain) on disposition of tangible capital assets	-	827	(63,089)
	<u>(67,934)</u>	<u>(24,080)</u>	<u>(72,108)</u>
Acquisition of inventories	-	(1,126)	(848)
Acquisition of prepaid expenses	-	(2,310)	(1,350)
Use of inventories	-	991	910
Use of prepaid expenses	-	1,473	1,731
	<u>-</u>	<u>(972)</u>	<u>444</u>
Increase (decrease) in net financial assets	(68,287)	(5,640)	(425)
Net financial assets, beginning of year	<u>117,732</u>	<u>117,732</u>	<u>118,157</u>
Net financial assets, end of year	<u>\$ 49,445</u>	<u>\$ 112,092</u>	<u>\$ 117,732</u>

See accompanying notes to the consolidated financial statements

**The Corporation of the City of North Vancouver
Consolidated Statement of Cash Flows
Year ended December 31, 2016 with comparative figures for 2015
(in thousands of dollars)**

	<u>2016</u>	<u>2015</u>
Cash provided by (used for):		
Operating Transactions		
Annual surplus	\$ 19,412	\$ 71,240
Items not involving cash:		
Depreciation expense	13,224	12,084
Loss (gain) on disposal of tangible capital assets	827	(63,089)
Non-cash developer contributed assets	(10,968)	(347)
Lonsdale Energy Corp. (income) loss	(19)	987
Changes in non-cash operating items:		
Decrease (increase) in due from other governments	696	(272)
(Increase) decrease in accounts receivable	(275)	1,142
Increase in promissory note receivable	(1,394)	(2,987)
Increase in interest receivable	(1,040)	(675)
Increase in accounts payable and accrued liabilities	9,041	1,399
(Decrease) increase in deferred revenue	(2,446)	1,899
Increase in deferred development cost charges	(5,384)	3,016
Increase in accrued employee future benefits	186	1,168
Decrease in advances and other liabilities	2,020	(216)
Increase in inventories	(135)	58
Increase in prepaid expenses	(837)	385
	<u>22,908</u>	<u>25,792</u>
Capital Transactions		
Cash used to acquire tangible capital assets	(27,419)	(20,840)
Proceeds from sale of tangible capital assets	256	84
	<u>(27,163)</u>	<u>(20,756)</u>
Investing Transactions		
Decrease (increase) in temporary investments	(918)	938
Decrease (increase) in portfolio investments	6,227	(6,012)
	<u>5,309</u>	<u>(5,074)</u>
Financing Transactions		
Repayment of long-term debt	(187)	(180)
	<u>867</u>	<u>(218)</u>
Increase in cash	867	(218)
Cash, beginning of year	<u>5,849</u>	<u>6,067</u>
Cash, end of year	<u>\$ 6,716</u>	<u>\$ 5,849</u>

See accompanying notes to the consolidated financial statements

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)

1. OPERATIONS

The City of North Vancouver (the "City") was incorporated in 1907 and operates under the provisions of the Community Charter and the Local Government Act of British Columbia. The City's principal activity is the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water and sanitary services.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the City have been prepared in accordance with Canadian public sector accounting standards, as prescribed by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants Canada. The significant accounting policies are summarized below:

(a) Basis of Presentation

The consolidated financial statements include the accounts of all the funds of the City, the accounts of the North Vancouver City Library, which is controlled by the City, the City's 33% proportionate share of the operations of the North Vancouver Recreation Commission, and the City's 50% proportionate share of the operations of the North Vancouver Museum and Archives Commission. The City's investment in Lonsdale Energy Corporation ("LEC"), a wholly owned government business enterprise, is accounted for using the modified equity method.

The City participates with the District of North Vancouver in the operation and management of the North Vancouver Recreation Commission, and the City includes its proportionate share in the City's consolidated financial statements. The current agreement specifies that the operating costs shall be paid 33% (2015 – 33%) by the City and 67% (2015 – 67%) by the District of North Vancouver. Each municipality is responsible for its own facilities and pays 100% of all capital costs relating to improvement, expansion and replacement of buildings or facility equipment.

The City also participates with the District of North Vancouver in the operation and management of the North Vancouver Museum and Archives Commission, and the City includes its proportionate share in the City's consolidated financial statements. The current agreement specifies that the operating costs shall be paid 50% (2015 – 50%) by the City and 50% (2015 – 50%) by the District of North Vancouver. Each municipality is responsible for its own facilities and pays 100% of all capital costs relating to improvement, expansion and replacement of buildings or facility equipment.

(b) Basis of Accounting

Revenue is recorded on an accrual basis and recognized when earned. Expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services.

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)**

2. SIGNIFICANT ACCOUNTING POLICIES (con't)

(c) Revenue Recognition

Taxes are recognized as revenue in the year they are levied. Through the British Columbia Assessments appeal process, taxes may be adjusted by way of supplementary roll adjustments. Estimates are made of potential adjustments to taxes. Any additional adjustments required over that estimated are recognized at the time they are awarded. Levies imposed by other taxing authorities are not included as taxes for municipal purposes. Levies imposed for Regional District services and other taxing authorities are not included.

Charges for sewer, water and solid waste usage are recorded as user fees. Connection fees revenues are recognized when the connection has been established.

Sale of service and other revenue are recognized on an accrual basis.

(d) Deferred Revenue

Deferred revenue consists of prepaid property taxes, prepaid business licenses, and fees paid in advance for services yet to be provided.

(e) Development Cost Charges

Development cost charges collected to pay for future capital projects are deferred upon receipt and recognized as revenue when the capital costs for which they were collected are incurred.

(f) Temporary Investments

Temporary investments include bank issued notes and bonds and provincial bonds and debentures maturing in the subsequent year and are valued at the lower of cost or market value.

(g) Portfolio Investments

Portfolio investments include bank issued notes and bonds and provincial bonds and debentures maturing after the subsequent year end. Securities are recorded at their cost and written down to reflect losses in value that are other than temporary.

(h) Budget Figures

The budget figures are based on the ten year financial plan adopted on May 2, 2016.

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)**

2. SIGNIFICANT ACCOUNTING POLICIES (con't)

(i) Government Transfers

Unrestricted government transfers are recognized as revenue in the year that the transfer is authorized by the issuing government and any eligibility criteria have been met. Restricted government transfers, in the way of grants or other transfers, are recognized as revenue in the year in which any stipulations that create liabilities are met.

(j) Employee Future Benefits

The City and its employees make contributions to the Municipal Pension Plan. As this plan is a multi-employer plan, contributions are expensed as incurred.

Sick leave and post-employment benefits also accrue to the City's employees. The liabilities related to these benefits are actuarially determined based on services and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefits plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(k) Long-term Debt

Long-term debt is recorded in the consolidated financial statements net of repayments and actuarial adjustments.

(l) Non-Financial Assets

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

(i) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost less residual value of the tangible capital assets, excluding land, is amortized on a straight line basis over their estimated useful lives as follows:

Land improvements	Straight line over useful life of each asset unit	10 – 100 years
Parks	Straight line over useful life of each asset unit	10 – 75 years
Buildings	Straight line over useful life of each asset unit	10 – 100 years
Machinery & equipment	Straight line over useful life of each asset unit	3 – 25 years
Vehicles	Straight line over useful life of each asset unit	6 – 25 years
Infrastructure	Straight line over useful life of each asset unit	7 – 100 years
Library materials	Straight line over useful life of each asset unit	2 – 5 years
Work in progress	Not depreciated until put into use	

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)**

(l) Non-Financial Assets (cont'd)

(ii) Contributions of Tangible Capital Assets

Tangible capital assets received as contributions or transfers from developers are recorded at their estimated fair value at the date of receipt and also are recorded as revenue.

(iii) Works of Art and Historic Assets

Works of art and historic assets are not recorded as assets in these consolidated financial statements.

(iv) Natural Resources

Horticultural assets such as treed areas, grassy areas and gardens are not recognized as assets in the consolidated financial statements.

(v) Interest Capitalization

The City does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(vi) Leased Tangible Capital Assets

Leases that transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the payments are charged to expenses as incurred.

(vii) Inventories

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

(m) Estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and the disclosure of contingent liabilities. Areas requiring significant estimation are post-employment benefits, compensated absences and termination benefits and estimated useful life of tangible capital assets. Actual results could differ from these estimates.

(n) Segment Disclosure

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information (note 13).

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)**

2. SIGNIFICANT ACCOUNTING POLICIES (con't)

(o) Contaminated Sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- i) An environmental standard exists;
- ii) Contamination exceeds the environmental standard;
- iii) The City is directly responsible or accepts responsibility;
- iv) It is expected that future economic benefits will be given up; and
- v) A reasonable estimate of the amount can be made

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)

3. INVESTMENTS

(a) Temporary Investments

The fair value of temporary investments at December 31, 2016 was \$44,179,066 (2015 - \$43,559,045). These investments range in maturity date from January 6, 2017 to October 04, 2017, and range in yield from 1.5% to 5.75%.

(b) Portfolio Investments

The fair value of portfolio investments at December 31, 2016 was \$120,305,984 (2015 - \$126,705,811). These investments range in maturity from March 28, 2018 to September 28, 2026, and range in yield from 1.82% to 7.52%.

4. INVESTMENT IN LONSDALE ENERGY CORPORATION ("LEC")

The City owns all the issued and outstanding shares of LEC, which was incorporated under the British Columbia Company Act on July 7, 2003. LEC operates a district energy system providing hydronic energy to residential, institutional and commercial buildings in the Lonsdale and Marine Drive – Harbourside areas of the City of North Vancouver.

Summarized financial information relating to LEC is as follows:

	2016	2015
Cash and accounts receivable	\$ 1,001	\$ 911
Tangible capital assets	22,654	20,480
Other assets	461	411
Total assets	<u>\$ 24,116</u>	<u>\$ 21,802</u>
Accounts payable and accrued liabilities	\$ 1,284	\$ 884
Deferred contributions	5,497	4,836
Loans and notes payable	16,601	15,367
Total liabilities	<u>\$ 23,382</u>	<u>\$ 21,087</u>
Shareholder's equity	<u>\$ 734</u>	<u>\$ 715</u>
Total revenue	\$ 3,127	\$ 2,907
Total expenses	3,108	2,863
Net income	<u>19</u>	<u>44</u>
Extraordinary Revenue (Expenses)	<u>-</u>	<u>(1,031)</u>
Net income (loss)	<u>\$ 19</u>	<u>\$ (987)</u>

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)**

4. INVESTMENT IN LONSDALE ENERGY CORPORATION (“LEC”) (con’t)

Included in the City’s consolidated statement of financial position is “Investment in Lonsdale Energy Corp.” in the amount of \$734,000 (2015 - \$715,000) and a loan receivable, see note 5. Also, included in accounts receivable in the City’s consolidated statement of financial position are receivables from LEC in the amount of \$332,000 (2015 - \$268,000).

In 2015, LEC recognized a one-time expense related to an agreement (the “Agreement”) between LEC and Corix Utilities Inc. (“Corix”) that expired on December 31, 2013. Under the terms of the Agreement, Corix provided, installed and maintained the boilers, central control system and energy meters that form part of LEC’s hydronic heat distribution system in the Lower Lonsdale Service Area. LEC recorded a non-recurring expense of \$1,031,000 made up of interest, loss on disposal of obsolete asset and legal charges related to the Agreement. No further costs related to the Agreement were incurred in 2016 and none are expected to be incurred by LEC subsequent to December 31, 2016.

5. LOAN TO LONSDALE ENERGY CORPORATION (“LEC”)

The loan receivable balance of \$15,045,195 (2015 - \$13,651,000) consists of the following interest bearing promissory notes:

On December 16, 2013, the City converted amounts due from LEC to a 5-year demand term loan bearing interest at 2.1%. Additional funding may be made available to LEC under the terms of the agreement to a maximum of \$12,000,000. The balance owing at December 31, 2016 is \$11,983,000 (2015 - \$11,039,000).

On July 8, 2015, LEC issued a promissory note to the City in the amount of \$2,000,000. On November 25, 2015, LEC issued a promissory note to the City in the amount of \$612,000. On November 18, 2016 LEC issued a promissory note to the City in the amount of \$1,600,000, of which only \$450,000 had been drawn by LEC at year end. The balance owing at December 31, 2016 is \$3,062,000 (2015 - \$2,612,000).

All loans are due on demand and bear interest at 2.1%. Interest revenue of \$296,900 (2015 - \$247,300) has been included in the consolidated statement of operations.

At the maturity date of the loan to LEC, the City may, at its discretion, extend the terms of the loan in whole or in part or LEC may repay the loan in whole or in part using either internal or external financing.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

In connection with the redevelopment of the Shipyards – Lot 5, the City has accrued \$3,471,798 in estimated site remediation costs based on contracts and purchase orders in place at year end. The remediation work is expected to be completed in 2017.

7. LONG-TERM DEBT

The City has financed the expansion of LEC by assuming debt on behalf of LEC through the Municipal Finance Authority in accordance with the Community Charter. Debt principal is reported net of repayments and actuarial adjustments. The City carries no debt for others. The total debt issued and outstanding as at December 31, 2016 was \$1,292,616 (2015 - \$1,479,998).

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)**

7. LONG-TERM DEBT (con't)

Future principal re-payments and actuarial adjustments on net outstanding debt over the next five years and thereafter are as follows:

2017	\$	194,877
2018		202,672
2019		210,779
2020		219,210
2021		227,979
Thereafter		237,099
	\$	<u>1,292,616</u>

Interest expense of \$6,000 (2015 - \$6,000) has been included in the Consolidated Statement of Operations. The interest rate on long-term debt is 0.3% per annum.

8. EMPLOYEE FUTURE BENEFITS

(a) Sick and Severance

Employees of the City are entitled to payments related to unused sick leave and severance upon retirement or resignation after ten years of service. The amount recorded for these benefits is based on an actuarial valuation done by an independent firm of actuaries using a projected benefit actuarial valuation method pro-rated on services. The most recent actuarial valuation of the City's future benefits was completed as at December 31, 2016.

Information regarding the City's obligations for these benefits, including its proportionate share of the North Vancouver City Library, North Vancouver Recreation Commission, and North Vancouver Museum and Archives Commission, is as follows:

	<u>2016</u>	<u>2015</u>
Benefit obligation - beginning of the year	\$ 7,867	\$ 7,011
Add: Current service costs	607	517
Interest on accrued benefit obligation	246	215
Transfer of liabilities	0	77
Less: Actuarial (gain) loss	(665)	519
Benefits paid	<u>(675)</u>	<u>(472)</u>
Benefit obligation - end of the year	\$ 7,380	\$ 7,867
Add: Unamortized actuarial gain	<u>971</u>	<u>298</u>
Accrued benefit liability - end of the year	<u>\$ 8,351</u>	<u>\$ 8,165</u>

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)

8. EMPLOYEE FUTURE BENEFITS (con't)

The significant actuarial assumptions adopted in measuring the City's accrued benefit liability are as follows:

	2016	2015
Discount rates	3.30%	3.10%
Expected future inflation rates	2.50%	2.50%
Expected wage and salary increases	2.58% to 4.63%	2.58% to 4.63%

The unamortized actuarial gain is amortized over a period equal to the employees' average remaining service lifetime of eleven years for the City.

(b) Council Retirement Stipend

Starting 2005, Council Members are entitled to a retirement stipend based on 9.9% of the individual's total indemnity received subsequent to 2002. These amounts are accrued as earned.

9. TANGIBLE CAPITAL ASSETS

2016	Land	Land Improvements	Parks	Buildings	Machinery & Equipment	Vehicles	Infrastructure	Library Materials	Work in Progress	Total
Costs										
Balance beginning of year	\$ 27,530	\$ 49,909	\$ 38,254	\$ 110,982	\$ 16,758	\$ 9,024	\$ 196,773	\$ 949	\$ 23,805	\$ 473,984
Additions	2,722	385	675	5,867	1,291	420	16,161	227	34,443	62,191
Disposals	1	-	107	-	573	203	2,982	233	23,805	27,904
Balance end of year	\$ 30,251	\$ 50,294	\$ 38,822	\$ 116,849	\$ 17,476	\$ 9,241	\$ 209,952	\$ 943	\$ 34,443	\$ 508,271
Accumulated Depreciation										
Balance beginning of year	\$ -	\$ 7,563	\$ 10,158	\$ 43,431	\$ 10,456	\$ 5,126	\$ 70,603	\$ 483	\$ -	\$ 147,820
Depreciation		1,376	1,359	4,288	1,558	523	3,899	221		13,224
Disposals		-	79	-	573	173	1,959	233		3,017
Balance end of year	\$ -	\$ 8,939	\$ 11,438	\$ 47,719	\$ 11,441	\$ 5,476	\$ 72,543	\$ 471	\$ -	\$ 158,027
Net Book Value	\$ 30,251	\$ 41,355	\$ 27,384	\$ 69,130	\$ 6,035	\$ 3,765	\$ 137,409	\$ 472	\$ 34,443	\$ 350,244
2015										
Costs										
Balance beginning of year	\$ 22,608	\$ 15,516	\$ 34,151	\$ 110,552	\$ 16,548	\$ 8,981	\$ 173,350	\$ 973	\$ 11,488	\$ 394,167
Additions	4,950	34,393	4,366	525	840	653	26,709	209	23,805	96,450
Disposals	28	-	263	95	630	610	3,286	233	11,488	16,633
Balance end of year	\$ 27,530	\$ 49,909	\$ 38,254	\$ 110,982	\$ 16,758	\$ 9,024	\$ 196,773	\$ 949	\$ 23,805	\$ 473,984
Accumulated Depreciation										
Balance beginning of year	\$ -	\$ 6,446	\$ 9,107	\$ 39,173	\$ 9,486	\$ 5,117	\$ 70,290	\$ 492	\$ -	\$ 140,111
Depreciation		1,117	1,214	4,282	1,600	529	3,118	224		12,084
Disposals		-	163	24	630	520	2,805	233		4,375
Balance end of year	\$ -	\$ 7,563	\$ 10,158	\$ 43,431	\$ 10,456	\$ 5,126	\$ 70,603	\$ 483	\$ -	\$ 147,820
Net Book Value	\$ 27,530	\$ 42,346	\$ 28,096	\$ 67,551	\$ 6,302	\$ 3,898	\$ 126,170	\$ 466	\$ 23,805	\$ 326,164

(a) Work in Progress

Work in progress having a value of \$34,443,000 (2015 - \$23,805,000) has not been amortized. Amortization of these assets will commence when the asset is in service.

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)**

9. TANGIBLE CAPITAL ASSETS (con't)

(b) Developer Contributed Tangible Capital Assets and Other Transfers

Developer contributed tangible capital assets and other transfers have been recognized at their estimated fair value at the date of contribution. Developer contributed tangible capital assets and other transfers of \$10,968,000 (2015 - \$1,816,800) have been recognized during the year.

(c) Works of Art and Historic Assets

The City manages and controls various works of art and non-operational historic assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded in the consolidated financial statements of the City.

(d) Write-Down of Tangible Capital Assets

There were no write-downs of tangible capital assets during the current or prior year.

10. ACCUMULATED SURPLUS

	2016 Actual	2015 Actual
Current Funds - general, water and sewer	\$ 27,435	\$ 24,917
Reserve fund	79,047	86,067
Capital fund	358,830	334,916
Accumulated surplus, end of year	<u>\$ 465,312</u>	<u>\$ 445,900</u>

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)

10. ACCUMULATED SURPLUS (con't)

(a) Current Funds - general, water and sewer

	<u>2016</u>	<u>2015</u>
Appropriated:		
General funds	\$ 12,075	\$ 9,710
Water fund	61	103
Sewer fund	8,287	8,598
Unappropriated:		
General funds	6,198	5,692
Sewer fund	814	814
	<u>\$ 27,435</u>	<u>\$ 24,917</u>

(b) Reserve Funds

	Balance December 31, 2015	Contributions & Transfers	Earnings	Less Expenditures	Balance December 31, 2016
Machinery and Equipment					
Engineering	\$ 3,395	\$ 506	\$ 148	\$ 775	\$ 3,274
Fire	257	890	158	94	1,211
General	332	-	20	164	188
Computer	1,561	640	49	364	1,886
Building	2,256	-	60	825	1,491
Local Improvements	747	14	21	23	759
Affordable Housing	2,837	94	93	117	2,907
Tax Sale Lands	30,803	2,092	1,116	3,561	30,450
Waterworks	6,377	-	207	100	6,484
Parking	468	-	21	246	243
Civic Amenity	27,911	2,027	1,118	7,182	23,874
Justice Administration Accomodation	311	-	7	163	155
Streets DCC	303	(303)	-	-	-
Parks DCC	61	7,311	-	7,368	4
Lower Lonsdale Amenity	4,121	-	100	2,398	1,823
Lower Lonsdale Legacy	2,593	-	83	92	2,584
Infrastructure	341	450	208	663	336
Public Art	325	85	11	79	342
Marine Drive Community Amenity	316	-	10	-	326
Sustainable Transportation	358	88	11	116	341
Carbon Fund	394	82	12	119	369
Total	<u>\$ 86,067</u>	<u>\$ 13,976</u>	<u>\$ 3,453</u>	<u>\$ 24,449</u>	<u>\$ 79,047</u>

(c) Capital Fund

	<u>2016</u>	<u>2015</u>
Invested in tangible capital assets	\$ 350,244	\$ 326,164
Appropriated Capital funds	8,586	8,752
	<u>\$ 358,830</u>	<u>\$ 334,916</u>

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)**

11. COMMITMENTS AND CONTINGENCIES

(a) Property Taxes

The City is obliged to levy, collect and remit property taxes on behalf of, and to finance the arrears of property taxes of, other bodies as follows:

Collections for and remittances to other governments	2016	2015
Provincial Government - Schools	\$ 32,707	\$ 32,374
Greater Vancouver Regional District	1,094	1,068
Greater Vancouver Transportation Authority	7,344	7,389
British Columbia Assessment Authority	1,225	1,197
Municipal Finance Authority	4	4
	<u>\$ 42,374</u>	<u>\$ 42,032</u>

(b) Pension Liability

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

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

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

The City paid \$3,784,000 (2015 - \$3,490,000) for employer contributions to the plan in fiscal 2016.

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

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

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)**

(c) Contingent Liabilities

The City is currently engaged in or party to certain legal actions, assessment appeals and other existing conditions involving uncertainty which may result in material loss. A reasonable estimate of these future liabilities has been made where possible and is recorded in the financial statements as a liability. Where the outcomes of amounts or losses are uncertain, no amounts have been recorded.

(d) E-Comm

The City is a member of Emergency Communications for British Columbia, Incorporated ("E-Comm"), an organization comprised predominately of member municipalities, for the purpose of providing emergency dispatch services. The City is represented on the board and as a class "A" shareholder has voting rights should the organization want to incur additional debt.

The E-Comm facility was constructed using debt as a financing mechanism and members are liable for a proportionate share of that debt. This debt is repaid by members through annual fees charged by E-Comm. Should E-Comm dissolve, the members would be liable for a proportionate share of any residual debt. Alternatively, should members choose to opt out of E-Comm they would be liable for a proportionate share of debt at the time of withdrawal.

The City holds 2 class "A" shares and one class "B" share.

(e) Contractual Obligations

During 2014 the City, in conjunction with the District of North Vancouver and the District of West Vancouver, entered into a new contract for recyclables collection for a period of five years commencing July 1, 2015. The City's portion of the annual contract costs is expected to be approximately \$1,100,000 for the years 2015 to 2020. The City is also eligible to receive an incentive from Multi-Materials BC (MMBC) of approximately \$55,000 per month (\$660,000 annually).

12. TRUST FUNDS

Certain assets have been conveyed or assigned to the City to be administered as directed by an agreement or statute. The City holds the assets for the benefit of, and stands in a fiduciary relationship to, the beneficiary. The Cemetery Trust Fund, totaling \$2,584,000 (2015 - \$2,435,000), which is administered by the City, has not been included with the City's accounts.

13. SEGMENTED INFORMATION

The City is a diversified municipal government entity in the Province of British Columbia that provides a wide range of services to its citizens. Certain functional areas have been combined and separately disclosed in the segmented information. The segments and the services they provide are as follows:

General Government

General Government provides the administrative and legislative services that support the various sectors of the City. Functions include financial planning and reporting, economic development and legislative services.

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)**

13. SEGMENTED INFORMATION (con't)

Transportation and Transit

The Transportation department aims to provide enhanced access to public transit, safe pedestrian and cyclist routes, enable accessible transportation for people with limited mobility and maintain existing infrastructure. These goals are achieved through street design, traffic signals and signs, street lighting and road maintenance activities.

Health, Social Services and Housing

Health, Social Services and Housing encompasses a wide variety of City funded initiatives aimed at supporting the social structure and sustainability of the community. Included are cemetery operations, youth and family support services, seniors programs and homeless prevention initiatives.

Development Services

Development Services' focus is community planning, which includes land use guidelines, the management of City owned lands, heritage planning and development of the City's official community plan.

Protective Services

Protective Services is comprised of the North Vancouver RCMP detachment, the North Vancouver City Fire Department and bylaw enforcement. The North Vancouver RCMP detachment plays an integral role in the protection of North Vancouver residents and their property through crime prevention and detection, emergency response and victim services. The North Vancouver City Fire Department is responsible to provide fire suppression service, fire prevention services and fire safety education.

Parks, Recreation and Culture

Parks, Recreation and Culture provides access to recreation facilities, the operation and maintenance of the City's many parks and trails, the North Vancouver City Library and the City's participation in the North Vancouver Museum and Archives and the North Vancouver Office of Cultural Affairs.

Water Utilities

The Water Utility, in conjunction with Metro Vancouver, provides safe, clean, reliable water to the residents and businesses of the City of North Vancouver.

Sewer Utilities

The Sewer Utility collects waste water and transports it to trunk water mains and wastewater treatment plants operated by Metro Vancouver. In addition to the collection of wastewater, the Sewer Utility also manages the City's 150km storm sewerage system which diverts rainfall runoff from private property with an emphasis on flood prevention.

Solid Waste

The Solid Waste department provides curbside garbage, recycling and yard trimmings collection to the residents of the City of North Vancouver.

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)

13. SEGMENTED INFORMATION (con't)

	Revenues	Expenses					Total	Annual Surplus(Deficit)
		Wages & Benefits	Goods & Supplies	Services	Depreciation	Capitalized		
General government	\$ 77,121	\$ 11,917	\$ 10,852	\$ 6,979	\$ 3,312	\$ (11,839)	\$ 21,221	\$ 55,900
Transportation and transit	4,119	2,732	573	4,833	2,455	(4,385)	6,208	(2,089)
Health, social services and housing	380	420	71	1,910	-	(2)	2,399	(2,019)
Development services	5,333	3,817	36	667	-	-	4,520	813
Protective services	1,811	16,473	713	5,678	1,167	(153)	23,878	(22,067)
Parks, recreation and culture	9,749	12,880	954	15,759	4,640	(9,826)	24,407	(14,658)
Water utilities	10,332	2,083	6,827	1,763	878	(2,343)	9,208	1,124
Sewer utilities	9,711	1,554	419	8,195	701	(2,451)	8,418	1,293
Solid waste	4,644	1,411	39	2,008	71	-	3,529	1,115
2016	<u>\$ 123,200</u>	<u>\$ 53,287</u>	<u>\$ 20,484</u>	<u>\$ 47,792</u>	<u>\$ 13,224</u>	<u>\$ (30,999)</u>	<u>\$ 103,788</u>	<u>\$ 19,412</u>
2015	<u>\$ 169,353</u>	<u>\$ 52,356</u>	<u>\$ 12,777</u>	<u>\$ 40,179</u>	<u>\$ 12,084</u>	<u>\$ (19,283)</u>	<u>\$ 98,113</u>	<u>\$ 71,240</u>

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2016
(tabular amounts in thousands of dollars)

14. BUDGET FIGURES

The budget figures presented in these consolidated financial statements are based upon the financial plan approved by Council as the Financial Plan for the Years 2016 to 2025 Bylaw, 2016, No. 8478 May 2, 2016. The table below reconciles the approved budget to the budget figures reported.

		<u>Financial Plan Bylaw</u>
Revenue per Statement of Operations		\$ 99,413
Less:		
Budget Adjustments for Consolidation	\$ (1,516)	
Transfers from Reserve	(529)	
Interagency Funds	<u>(4,422)</u>	(6,467)
Revenue per financial plan bylaw 8478		<u>92,946</u>
Expenses per Statement of Operations		99,766
Add:		
Capital Expenditures	(2,824)	
Reserves for Non-Capital Projects	2,204	
Transfer to other funds		(620)
Less:		
Budget Adjustments for Consolidation	774	
Interagency payments	<u>(4,422)</u>	(3,648)
Expenses per financial plan bylaw 8478		<u>95,498</u>
Deficit for the year		(2,552)
Reserves and capital:		
Capital expenditures		(80,434)
Depreciation		12,500
Equity		(6,903)
Transfers from reserves		58,557
External contributions		<u>18,832</u>
Annual budgeted Surplus per financial plan bylaw		<u>\$ -</u>

The Corporation of the City of North Vancouver

2016 Statement of Financial Information

Financial Information Regulation, Schedule 1

Section 4 (4)

Section 5 (4)

Section 6 (2) (a)

Sections 6 (2) (b) & 6 (2) (c)

Section 6 (2) (d)

Sections 6 (7) (a) & 6 (7) (b)

Section 7 (1) (a)

Section 7 (1) (b)

Section 7 (1) (c)

Section 7 (2) (b)

Section 9 (2)

Sections 9 (3) & 9 (4)

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**The Corporation of the City of North Vancouver
Schedule of debts
FIR Schedule 1, Section 4 (4)
2016**

Information on the City of North Vancouver's debt is included in note 4 to the audited consolidated financial statements.

The Corporation of the City of North Vancouver
Schedule of guarantee and indemnity agreements
FIR Schedule 1, Section 5 (4)
2016

The City of North Vancouver's Bylaw 7714 authorizes the borrowing of Two Million Dollars (\$2,000,000) for the purpose of lending funds to the Lonsdale Energy Corporation, a municipal environment project providing heat energy and domestic hot water.

There is a loan agreement with the City of North Vancouver, Federation of Canadian Municipalities (FCM) and Municipal Finance Authority (MFA).

The Corporation of the City of North Vancouver
Schedule of Remuneration and Expenses paid to Elected Officials
FIR Schedule 1, Section 6 (2) (a)
2016

Elected Official	Remuneration	Benefits¹	Car Allowance	Subtotal	Expenses	Total
Back, Holly	\$ 39,224	\$ 3,151	\$ -	\$ 42,375	\$ 5,026	\$ 47,401
Bell, Don	40,904	900	-	41,804	2,973	44,777
Bookham, Pamela	40,904	1,479	-	42,383	8	42,391
Buchanan, Linda	40,904	3,368	-	44,272	1,586	45,858
Clark, Rod	40,904	2,423	-	43,327	5,438	48,765
Keating, Craig	40,904	3,206	-	44,110	6,592	50,702
Mussatto, Darrell	110,215	4,224	9,552	123,991	10,438	134,429
Total	\$ 353,959	\$ 18,751	\$ 9,552	\$ 382,262	\$ 32,061	\$ 414,323

1. Includes taxable and the employer's portion of CPP.

**The Corporation of the City of North Vancouver
Schedule of Employee Remuneration and Expenses
FIR Schedule 1, Section 6 (2) (b) and 6 (2) (c)
2016**

Last Name	Initial	Remuneration	One-Time Payments	Subtotal	Expenses	Total
Adin	E	\$ 149,666	\$ -	\$ 149,666	\$ 5,100	\$ 154,766
Anderson	T	68,577	6,501	75,078	26	75,104
Antoniali	S	105,797	-	105,797	533	106,330
Apperley	M	86,641	11,248	97,889	1,000	98,889
Arnold	D	85,897	8,488	94,385	631	95,016
Ashley	J	95,960	21,496	117,456	-	117,456
Bartleman	A	94,543	18,413	112,956	534	113,490
Beaupre	L	74,096	5,903	79,999	1,762	81,761
Beckett	D	118,035	26,010	144,045	3,500	147,545
Beier	W	101,856	-	101,856	475	102,331
Bench	C	85,262	28	85,290	1,996	87,286
Biggin	D	89,039	13,717	102,756	831	103,587
Bjarnason	E	114,002	27,096	141,098	40	141,138
Boivin	L	90,252	49	90,301	748	91,049
Bond	J	86,774	-	86,774	1,237	88,011
Borland	J	86,606	5,963	92,569	586	93,155
Bosa	S	95,132	15,382	110,514	80	110,594
Bovill	J	99,859	21,765	121,624	16	121,640
Bradley	T	119,383	26,308	145,691	3,412	149,103
Braithwaite	J	76,480	8,062	84,542	344	84,886
Brodtrick	J	94,840	25,586	120,426	91	120,517
Brown	S	93,904	-	93,904	1,265	95,169
Browne	R	87,676	406	88,082	8,540	96,622
Brownie	R	85,834	-	85,834	-	85,834
Budgell	J	73,552	3,436	76,988	2,630	79,618
Buitenhuis	J	83,237	761	83,998	430	84,428
Burak	R	98,740	21,344	120,084	-	120,084
Cameron	D	81,369	-	81,369	331	81,700
Chand	N	144,930	6,282	151,212	2,881	154,093
Charlton	R	131,449	-	131,449	96	131,545
Chong	L	90,701	360	91,061	1,218	92,279
Chu	K	81,819	480	82,299	416	82,715
Chu	D	81,161	-	81,161	-	81,161
Clarke	T	86,868	-	86,868	6,066	92,934
Clarke	R	76,835	-	76,835	1,061	77,896
Cohan	J	78,497	9,812	88,309	-	88,309
Collins	M	77,854	-	77,854	300	78,154
Cook	T	83,009	-	83,009	-	83,009
Cooper	D	83,814	7,339	91,153	250	91,403
Craig	R	68,872	16,618	85,490	195	85,685

Notes:

1. Per FIR, Schedule 1, subsection 6(1), remuneration is defined as "any form of salary, wages, bonuses, gratuities, taxable benefits, payment into trust or any form of income deferral paid by the corporation to the employee or on behalf of the employee during the fiscal year being reported upon, whether or not such remuneration is reported under the Income Tax Act (Canada), but does not include anything payable under a severance agreement. Excludes one-time payments referenced in Note 2.

2. Includes one-time payments such as prior year vacation for exempt (non union) employees as part of Council's policy.

**The Corporation of the City of North Vancouver
Schedule of Employee Remuneration and Expenses
FIR Schedule 1, Section 6 (2) (b) and 6 (2) (c)
2016**

Last Name	Initial	Remuneration	One-Time Payments	Subtotal	Expenses	Total
Cullen	R	94,308	24,622	118,930	376	119,306
Curtin	M	92,341	20,763	113,104	-	113,104
Dale	A	84,985	-	84,985	-	84,985
Danks	G	114,746	25,232	139,978	2,456	142,434
Danks	M	105,090	23,863	128,953	-	128,953
Day	K	102,372	157	102,529	4,023	106,552
De Lopez	M	75,925	27	75,952	-	75,952
De Ruiter	J	137,550	-	137,550	929	138,479
Dempster	A	75,064	-	75,064	299	75,363
Di Spirito	D	113,231	24,125	137,356	190	137,546
Dickson	D	113,037	22,772	135,809	1,250	137,059
Dickson	S	100,051	24,099	124,150	1,150	125,300
Dodge	C	93,628	306	93,934	238	94,172
Dorey	D	117,045	29,131	146,176	81	146,257
Drobny	M	106,830	22,512	129,342	80	129,422
Easton	A	117,895	25,299	143,194	2,861	146,055
Easton	S	104,915	23,543	128,458	80	128,538
Elliott	G	81,356	-	81,356	-	81,356
Epp	M	130,466	171	130,637	1,725	132,362
Farrally	M	88,968	15,682	104,650	1,625	106,275
Fernandes	C	91,225	1,024	92,249	967	93,216
Fevrier	S	66,373	13,430	79,803	5,230	85,033
Ficocelli	J	114,770	-	114,770	-	114,770
Finlayson	A	94,730	-	94,730	4,508	99,238
Fraser	S	126,243	-	126,243	1,524	127,767
Garber	L	91,142	-	91,142	2,467	93,609
Garden	S	95,628	22,629	118,257	-	118,257
Graham	K	150,483	-	150,483	4,158	154,641
Granger	P	109,693	26,099	135,792	-	135,792
Green	K	85,121	11,353	96,474	1,340	97,814
Greenlees	R	102,894	13,804	116,698	969	117,667
Grossman	K	72,971	3,785	76,756	17	76,773
Gusdal	G	119,002	7,039	126,041	3,388	129,429
Hallaway	M	98,316	19,196	117,512	-	117,512
Hanlon	R	99,457	24,067	123,524	32	123,556
Harrison	A	94,836	21,558	116,394	2,825	119,219
Hart	F	87,523	-	87,523	-	87,523
Hathaway	R	76,069	5,184	81,253	2,853	84,106
Hawkshaw	D	108,129	23,396	131,525	80	131,605
Head	J	77,824	-	77,824	-	77,824

Notes:

1. Per FIR, Schedule 1, subsection 6(1), remuneration is defined as "any form of salary, wages, bonuses, gratuities, taxable benefits, payment into trust or any form of income deferral paid by the corporation to the employee or on behalf of the employee during the fiscal year being reported upon, whether or not such remuneration is reported under the Income Tax Act (Canada), but does not include anything payable under a severance agreement. Excludes one-time payments referenced in Note 2.

2. Includes one-time payments such as prior year vacation for exempt (non union) employees as part of Council's policy.

**The Corporation of the City of North Vancouver
Schedule of Employee Remuneration and Expenses
FIR Schedule 1, Section 6 (2) (b) and 6 (2) (c)
2016**

Last Name	Initial	Remuneration	One-Time Payments	Subtotal	Expenses	Total
Hickey	P	77,607	1,084	78,691	-	78,691
Higgs	B	113,189	26,220	139,409	282	139,691
Hilton	D	42,763	67,589	110,352	417	110,769
Hodgins	J	89,522	-	89,522	43	89,565
Hofilena	G	96,251	77	96,328	40	96,368
Howard	R	80,719	506	81,225	33	81,258
Hunter	M	140,403	-	140,403	1,542	141,945
Hurd	L	120,166	-	120,166	2,787	122,953
Jackson	C	105,511	185	105,696	3,932	109,628
Johnson	B	98,462	107	98,569	1,255	99,824
Johnson	D	95,652	-	95,652	-	95,652
Johnson	M	86,157	-	86,157	-	86,157
Johnson	P	22,736	59,771	82,507	226	82,733
Kelso	M	105,154	25,044	130,198	1,967	132,165
Kilmartin	T	95,654	19,254	114,908	-	114,908
Kirkpatrick	N	110,665	-	110,665	1,401	112,066
Klochnyk	J	121,805	-	121,805	610	122,415
Ko	N	78,841	-	78,841	1,178	80,019
Kumicki	A	97,542	1,878	99,420	3,193	102,613
Lamb	S	74,609	523	75,132	-	75,132
Lemanski	C	101,191	20,865	122,056	325	122,381
Lentsch	T	98,750	21,091	119,841	6	119,847
Low	W	78,835	1,679	80,514	130	80,644
Mackay	M	105,207	23,329	128,536	-	128,536
Maillie	D	112,665	25,064	137,729	2,941	140,670
Majano	A	119,618	1,539	121,157	2,058	123,215
Mason	W	74,434	7,079	81,513	226	81,739
Matsubara	D	119,617	-	119,617	1,129	120,746
McCutcheon	J	82,568	9,893	92,461	-	92,461
McEachern	K	85,030	-	85,030	29	85,059
Mcnaughton	G	69,081	7,121	76,202	575	76,777
Miller	C	89,346	3,321	92,667	2,297	94,964
Mitic	D	132,645	-	132,645	3,692	136,337
Moberg	B	102,468	22,465	124,933	4,149	129,082
Moore	A	10,298	68,656	78,954	-	78,954
Murphy	K	87,358	225	87,583	2,912	90,495
Naab	K	85,608	4,311	89,919	716	90,635
Navratil	P	158,121	-	158,121	1,247	159,368
Negenman	A	77,814	1,145	78,959	631	79,590
Nelson	L	95,823	19,247	115,070	498	115,568

Notes:

1. Per FIR, Schedule 1, subsection 6(1), remuneration is defined as "any form of salary, wages, bonuses, gratuities, taxable benefits, payment into trust or any form of income deferral paid by the corporation to the employee or on behalf of the employee during the fiscal year being reported upon, whether or not such remuneration is reported under the Income Tax Act (Canada), but does not include anything payable under a severance agreement. Excludes one-time payments referenced in Note 2.

2. Includes one-time payments such as prior year vacation for exempt (non union) employees as part of Council's policy.

**The Corporation of the City of North Vancouver
Schedule of Employee Remuneration and Expenses
FIR Schedule 1, Section 6 (2) (b) and 6 (2) (c)
2016**

Last Name	Initial	Remuneration	One-Time Payments	Subtotal	Expenses	Total
Ney	S	161,390	256	161,646	903	162,549
Nichols	C	118,717	8,683	127,400	2,188	129,588
Orr	L	137,755	-	137,755	621	138,376
Owens	D	139,326	2,386	141,712	2,057	143,769
Pacheco	J	77,800	7,360	85,160	255	85,415
Pakulak	D	131,655	-	131,655	436	132,091
Parker	L	98,665	3	98,668	2,895	101,563
Payne	A	105,054	22,843	127,897	-	127,897
Pearce	B	173,370	-	173,370	1,058	174,428
Peel	M	94,997	861	95,858	937	96,795
Pellatt	M	101,725	20,523	122,248	3,750	125,998
Penner	P	68,639	19,605	88,244	577	88,821
Penway	G	178,898	-	178,898	1,522	180,420
Perry	C	93,537	4,537	98,074	95	98,169
Piechota	K	80,091	-	80,091	1,670	81,761
Pistilli	D	183,089	23,342	206,431	1,079	207,510
Pollock	B	92,056	-	92,056	1,372	93,428
Polman	J	117,301	25,483	142,784	6,237	149,021
Poole	R	139,658	4,323	143,981	71	144,052
Pope	D	182,599	762	183,361	1,293	184,654
Price	D	73,453	2,675	76,128	1,968	78,096
Priestley	D	81,766	3,646	85,412	361	85,773
Rabold	C	118,687	2,339	121,026	5,213	126,239
Rasmussen	D	90,421	-	90,421	-	90,421
Rawlings	F	84,568	14	84,582	-	84,582
Reinhold	H	132,107	312	132,419	1,693	134,112
Richards	P	88,008	1,000	89,008	598	89,606
Ring	D	79,302	-	79,302	-	79,302
Rippon	D	90,468	-	90,468	2,019	92,487
Roberts	A	94,673	15,759	110,432	-	110,432
Rohan	C	81,966	167	82,133	-	82,133
Rozairo	G	90,534	-	90,534	131	90,665
Ryce	T	122,287	-	122,287	4,006	126,293
Savage	R	77,849	110	77,959	345	78,304
Schalk	G	119,115	34,375	153,490	551	154,041
Schmidt	T	87,341	-	87,341	1,159	88,500
Schreiner	R	152,578	-	152,578	393	152,971
Sellars	J	101,072	481	101,553	3,899	105,452
Shaughnessy	M	104,787	22,187	126,974	-	126,974
Sheel	J	112,831	25,367	138,198	160	138,358

Notes:

1. Per FIR, Schedule 1, subsection 6(1), remuneration is defined as "any form of salary, wages, bonuses, gratuities, taxable benefits, payment into trust or any form of income deferral paid by the corporation to the employee or on behalf of the employee during the fiscal year being reported upon, whether or not such remuneration is reported under the Income Tax Act (Canada), but does not include anything payable under a severance agreement. Excludes one-time payments referenced in Note 2.

2. Includes one-time payments such as prior year vacation for exempt (non union) employees as part of Council's policy.

**The Corporation of the City of North Vancouver
Schedule of Employee Remuneration and Expenses
FIR Schedule 1, Section 6 (2) (b) and 6 (2) (c)
2016**

Last Name	Initial	Remuneration	One-Time Payments	Subtotal	Expenses	Total
Sherwood	D	71,462	9,678	81,140	473	81,613
Siddoo	L	89,166	17	89,183	-	89,183
Siegmann	R	120,208	25,716	145,924	551	146,475
Siegmann	H	115,097	24,139	139,236	259	139,495
Siemens	J	89,909	-	89,909	1,018	90,927
Skene	R	131,746	-	131,746	76	131,822
Smith	S	95,877	1,265	97,142	1,905	99,047
So	E	100,754	-	100,754	1,594	102,348
Sommers	J	95,617	20,919	116,536	2,825	119,361
Stevenson	M	109,044	21,825	130,869	1,714	132,583
Steward	I	88,833	171	89,004	478	89,482
Stirling	L	92,523	-	92,523	294	92,817
Strubin	C	99,369	23,654	123,023	-	123,023
Sutherland	S	83,766	-	83,766	2,775	86,541
Svancara	J	73,526	2,956	76,482	936	77,418
Sweeney	E	106,623	-	106,623	1,179	107,802
Tang	B	93,887	19,052	112,939	1,042	113,981
Tang	I	103,722	366	104,088	1,596	105,684
Themens	B	179,166	14,735	193,901	4,319	198,220
Theroulde	J	79,781	283	80,064	-	80,064
Tollstam	K	269,868	20,632	290,500	9,015	299,515
Townsend	T	98,820	17,514	116,334	3,306	119,640
Trinkl	M	85,916	6,451	92,367	633	93,000
Trinkl	G	80,801	-	80,801	556	81,357
Tse	W	80,799	-	80,799	2,138	82,937
Turner	D	123,852	-	123,852	805	124,657
Urbani	J	84,029	2,817	86,846	4,108	90,954
Van Born	S	113,289	24,941	138,230	649	138,879
Vanderhoek	S	95,480	14,994	110,474	548	111,022
Walsoff	L	84,535	-	84,535	-	84,535
Warawa	B	78,170	414	78,584	530	79,114
Ward	A	97,710	18,869	116,579	1,000	117,579
Waugh	M	89,758	13,636	103,394	-	103,394
Weeks	K	88,743	-	88,743	17	88,760
White	D	94,206	9,692	103,898	283	104,181
Wilkes	K	91,282	1,626	92,908	1,475	94,383
Wilkinson	C	87,981	2,419	90,400	2,917	93,317
Wilkinson	B	86,655	15	86,670	217	86,887
Williams	D	86,167	4,009	90,176	431	90,607
Willock	B	127,233	-	127,233	2,661	129,894

Notes:

1. Per FIR, Schedule 1, subsection 6(1), remuneration is defined as "any form of salary, wages, bonuses, gratuities, taxable benefits, payment into trust or any form of income deferral paid by the corporation to the employee or on behalf of the employee during the fiscal year being reported upon, whether or not such remuneration is reported under the Income Tax Act (Canada), but does not include anything payable under a severance agreement. Excludes one-time payments referenced in Note 2.

2. Includes one-time payments such as prior year vacation for exempt (non union) employees as part of Council's policy.

**The Corporation of the City of North Vancouver
Schedule of Employee Remuneration and Expenses
FIR Schedule 1, Section 6 (2) (b) and 6 (2) (c)
2016**

Last Name	Initial	Remuneration	One-Time Payments	Subtotal	Expenses	Total
Wilson	S	78,440	-	78,440	-	78,440
Wong	N	43,377	56,875	100,252	699	100,951
Zander	S	93,313	93	93,406	602	94,008
Subtotal		20,201,570	1,832,161	22,033,731	245,945	22,279,676
Consolidated total of employees earning \$75,000 or less		15,852,525	579,113	16,431,638	80,988	16,512,626
Total		\$ 36,054,095	\$ 2,411,274	\$ 38,465,369	\$ 326,933	\$ 38,792,302

Notes:

1. Per FIR, Schedule 1, subsection 6(1), remuneration is defined as "any form of salary, wages, bonuses, gratuities, taxable benefits, payment into trust or any form of income deferral paid by the corporation to the employee or on behalf of the employee during the fiscal year being reported upon, whether or not such remuneration is reported under the Income Tax Act (Canada), but does not include anything payable under a severance agreement. Excludes one-time payments referenced in Note 2.

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The Corporation of the City of North Vancouver
Reconciliation between total remuneration & financial statements
FIR Schedule 1, Section 6 (2) (d)
2016

FIR Schedule 1, Section 6 (2) (a) - Remuneration paid to elected officials	\$	382,262
FIR Schedule 1, Section 6 (2) (b) and 6 (2) (c) - Employee Remuneration		38,465,369
		38,847,631

Reconciling items

Add:

Related Party Salaries and Benefits:

City of North Vancouver Library		2,789,676
North Vancouver Recreation Commission		6,202,492
City of North Vancouver non-taxable benefits		6,603,821
Salary, retro wages accruals		(598,043)
Post employment benefits		691,100
Other net adjustments		3,588
Workers' Compensation Board net of recoveries		413,219

Subtract:

Recoveries:

District of North Vancouver share of Museum and Archives Commission		(382,459)
District of North Vancouver for share of Police Support Services Salaries & Benefits		(116,993)
Staff recoveries		(1,167,032)

Wages and Benefits per consolidated financial statements note 13	\$	53,287,000
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**The Corporation of the City of North Vancouver
Statement of Severance Agreements
FIR Schedule 1, Section 6 (7)(a) & (b)
2016**

There were two severance agreements under which payment commenced between The Corporation of the City of North Vancouver and its non-unionized employees during fiscal year 2016.

- Three to six months' lump sum payment

The severance agreement payment was determined on salary only. The Statement of Severance Agreements reflects the full amount of payments for City employees who are cost shared with external parties.

**The Corporation of the City of North Vancouver
Schedule of Suppliers of Goods and Services
FIR Schedule 1, Section 7 (1) (a) and (b)
2016**

Vendor	Payment
0698283 BC LTD.	128,583
A.A. BESTPRO GARDEN SERVICES LTD.	39,539
ACURA EMBEDDED SYSTEM INC.	26,564
AGILE42 CONSULTING LTD.	56,446
ALLWEST INSURANCE SERVICES LTD	197,544
ANDREW SHERET LTD	195,858
AON REED STENHOUSE INC	546,194
APEX WESTERN HOMES LTD	54,586
ARROW EQUIPMENT LTD	26,425
ASSOCIATED ENGINEERING (B.C.) LTD.	42,204
ATS SCIENTIFIC INC.	48,980
AVENUE MACHINERY CORP	65,306
AXIOM BUILDERS INC.	25,884
AXIS TECHNICAL SERVICES CORP.	64,979
B&B HEAVY CIVIL CONSTRUCTION LTD	694,903
BA BLACKTOP LTD	5,635,292
BALES PAINTING	59,359
BC HYDRO	778,289
BEL CONTRACTING	1,147,560
BELL MOBILITY INC.	107,243
BEYOND THE TURF LTD	25,788
BIRDSEYE OFFICE	62,389
BRIGHT SIDE ENTERPRISES	31,593
BROOKS CORNING COMPANY	186,365
BULL HOUSSER & TUPPER LLP	318,737
CANADA POST CORPORATION	37,288
CANADIAN DEWATERING LP	26,888
CANADIAN LINEN AND UNIFORM SERVICE	33,426
CANADIAN NATIONAL RAILWAY	71,136
CANSEL SURVEY EQUIPMENT INC.	53,150
CARMICK INTERIORS INC	32,679
CDW CANADA	159,516
CEDAR CREST LANDS (B.C.) LTD	2,178,268
CHAPMAN BURNER & HEATING SERVICES LTD	27,144
CHEVRON CANADA LTD	285,232
CITY OF NORTH VANCOUVER	42,664
CITY OF SURREY	228,809
CITY OF VANCOUVER	50,113
COBRA ELECTRIC	439,553
COMMISSIONAIRES BC	127,811

**The Corporation of the City of North Vancouver
Schedule of Suppliers of Goods and Services
FIR Schedule 1, Section 7 (1) (a) and (b)
2016**

Vendor	Payment
CONVERGINT TECHNOLOGIES LTD.	26,321
COQUITLAM CONCRETE (1993) LTD	92,090
CORIX WATER PRODUCTS LP	282,684
CRAGAR WELDING INC	70,455
CREATIVE DOOR SERVICES LTD	75,749
CROWN CONTRACTING LTD.	143,741
CYNTECH CONSTRUCTION LTD.	601,598
DAN-EX CONTRACTING LTD.	59,047
DAN-U-TEC INDUSTRIES LTD.	29,675
DAVAN GROUP	323,568
DIAMOND PRE-CAST CONCRETE LTD	41,123
DIRECT COMMUNICATIONS MARKETING LTD.	35,077
DIRECT EQUIPMENT WEST LTD	31,869
DISTRICT OF NORTH VANCOUVER	708,434
DISTRICT OF WEST VANCOUVER	531,264
DOMINION SELF-PARK SYSTEMS LTD	70,646
DONALD FLOORING CONTRACT SALES LTD.	237,214
DOUBLE V CONSTRUCTION LTD	193,525
E-COMM	282,745
E-CUBED MEDIA SYNTHESIS	34,366
ELTEC ELEVATOR	32,942
ENTIRE BUILDING SERVICES LTD.	117,666
EOS LIGHTMEDIA	26,970
ESC AUTOMATION INC	101,810
ESRI CANADA LTD	37,519
EST ENVIRONMENTAL TECHNOLOGIES	30,019
EVERGREEN	30,540
EXECUTIVE AIR CONDITIONING &	51,357
FASKEN MARTINEAU DUMOULIN LLP	26,236
FIELDTURF INC.	32,100
FINE-LINE AUTO GRAPHICS & SIGNS INC.	27,078
FLOCOR INC.	31,767
FORSYTH, IAN	25,000
FORTIS BC ENERGY INC.	108,005
FRED SURRIDGE LTD	149,433
GEORGE THIRD & SON	52,500
GOLDER ASSOCIATES LTD	81,625
GOWLING WLG, IN TRUST	25,000
GRAVITY CONSTRUCTION INC.	96,521
GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT	5,458,764

**The Corporation of the City of North Vancouver
Schedule of Suppliers of Goods and Services
FIR Schedule 1, Section 7 (1) (a) and (b)
2016**

Vendor	Payment
GREATER VANCOUVER WATER DISTRICT	5,704,204
GREGG DISTRIBUTORS	46,063
GUILLEVIN INTERNATIONAL CO	73,235
HABITAT SYSTEMS INC	50,954
HAPA LANDSCAPE ARCHITECTURE	85,494
HEADWATER MANAGEMENT LTD.	62,449
INFOR (CANADA), LTD.	519,275
INFO-TECH RESEARCH GROUP	40,075
INSURANCE CORPORATION OF BC	26,433
ION UNITED	35,377
ISL ENGINEERING & LAND SERVICES LTD.	421,697
JIM WILES AND SON LTD	120,111
KAL TIRE	51,511
KERR WOOD LEIDAL ASSOCIATES LTD	247,257
KPMG LLP	36,697
LAFARGE CANADA INC	168,191
LASER VALLEY TECHNOLOGIES CORP.	58,341
LEHIGH MATERIALS	180,084
LEITNER POMA CANADA INC.	31,565
LMLTD HOLDINGS CORP	68,410
LONG VIEW SYSTEMS	153,901
LONSDALE CREEK DAYCARE CENTRE SOCIETY	69,741
LONSDALE ENERGY CORP	260,841
MAINROAD MAINTENANCE PRODUCTS	109,167
MANCORN INDUSTRIAL SALES LTD	36,013
MANULIFE FINANCIAL	34,384
MAR-TECH UNDERGROUND SERVICES LTD	442,153
MCMILLAN LLP, IN TRUST	6,664,108
MCRAE'S ENVIRONMENTAL SERVICES LTD	371,347
METRO MOTORS LTD	679,805
MICHAEL ROBINSON CONSULTING	30,000
MICROSERVE	109,592
MICROSOFT LICENSING GP:WRC-CA	162,711
MILLS PRINTING PRODUCT - 604-254-7211, BC CAN	107,546
MINISTER OF FINANCE	26,573
MK ILLUMINATION CANADA WEST INC.	26,709
MODERN DRAINAGE	95,275
MUNICIPAL PENSION PLAN	3,578,518
NORTH BY NORTHWEST VENTURES INC	198,052
NORTH CONSTRUCTION LTD	73,087

**The Corporation of the City of North Vancouver
Schedule of Suppliers of Goods and Services
FIR Schedule 1, Section 7 (1) (a) and (b)
2016**

Vendor	Payment
NORTH SHORE NEWS	73,754
NORTH VANCOUVER CHAMBER OF COMMERCE	32,750
NORTHWEST BOARDING KEN - VANCOUVER, BC CAN	29,063
NOVACOM CONST LTD	163,937
OMB OFFICE OF MCFARLANE BIGGAR	105,995
OPENTEXT	48,730
ORACLE CANADA ULC	119,295
ORGANIZED CRIME AGENCY OF BC (OCABC)	25,964
PACIFIC BLUE CROSS	1,124,654
PACIFIC FLOW CONTROL - LANGLEY, BC CAN	28,439
PALADIN SECURITY GROUP LTD	43,359
PIKA PUMP AND COMPRESSOR SERVICES LTD	37,079
PITNEYWORKS	41,782
POTTINGER GAHERTY ENVIRONMENTAL	285,468
POWER FLAGGIN & TRAFFIC CONTROL	25,565
PRECISION GREENS	75,466
PREMIER PACIFIC SEEDS LTD	25,030
PRESENTATION HOUSE THEATRE	30,134
PROSCENIUM ARCHITECTURE & INTERIORS INC.	59,863
RAY CONTRACTING LTD	26,480
RECEIVER GENERAL FOR CANADA	10,566,166
RF BINNIE AND ASSOCIATES LTD	323,802
RFS CANADA	27,932
RICOH CANADA INC	65,548
ROGERS WIRELESS INC	32,592
ROLLINS MACHINERY LTD	56,722
ROLLO ASSOCIATES	36,004
ROSE SECURITY SERVICES INC	65,513
ROSS MORRISON ELECTRICAL LTD	94,521
SCALAR DECISIONS INC.	396,173
SHAW TELECOM GP - CALGARY, AB CAN	27,905
SIRSIDYNIX (CANADA) INC.	73,422
SOFTCHOICE LP.	36,779
SQUAMISH FIRST NATION	389,400
STABURN LOWER LONSDALE WEST GP LTD	65,000
STANDARD BUILDING SUPP - NORTH VANCOUV, BC CAN	37,065
STONE POWER LTD.	30,818
SUPER SAVE DISPOSAL INC	46,697
SUPERIOR CITY SERVICES LTD	25,195
TANDUS CENTIVA GP	54,553

**The Corporation of the City of North Vancouver
Schedule of Suppliers of Goods and Services
FIR Schedule 1, Section 7 (1) (a) and (b)
2016**

Vendor	Payment
TDS WEST SYSTEMS INC.	65,795
TELUS COMMUNICATIONS INC	105,616
TETRA TECH EBA INC.	34,690
TRANSTAR SANITATION SUPPLY LTD.	42,013
TREEN SAFETY (WORKSAFE) INC.	60,914
TRIPLE M TRANSPORT LTD.	28,086
TRUEPOINT SOLUTIONS, LLC	187,642
TUPPER LANDSCAPING INC	32,492
TVL INC	50,485
TWILIGHT MARKETS LTD	77,700
TWIN ISLAND EXCAVATING LTD.	132,000
URBAN ARTS ARCHITECTURE	81,644
URBAN SAWING AND SCANNING CO LTD	80,925
URBAN SYSTEMS	85,938
VADIM COMPUTER MANAGEMENT GROUP LTD	36,435
VANCOUVER LED SOLUTIONS	28,407
VANCOUVER PILE DRIVING LTD.	262,808
VAN-KEL IRRIGATION	27,426
VANPORT ENTERPRISES LTD	214,486
WESCLEAN EQUIPMENT & CLEANING	26,542
WEST COAST GROUTING LTD.	38,604
WHITELAW TWINING LAW CORPORATION	79,292
WHOLESALE FIRE AND RESCUE LTD	882,865
WORKER'S COMPENSATION BOARD	480,025
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Section 7 (1) (a) - Vendors over \$25,000	64,028,720
Section 7 (1) (b) - Vendors \$25,000 or less	4,774,371
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Grand Total Sections 7 (1) (a) and 7 (1) (b)	\$ 68,803,091

**The Corporation of the City of North Vancouver
Schedule of Grants & Contributions
FIR Schedule 1, Section 7 (2) (b)
2016**

Listing of contributions exceeding \$25,000

NORTH SHORE EMERGENCY MANAGEMENT OFFICE	185,766
NORTH SHORE NEIGHBOURHOOD HOUSE	715,306
NORTH VANCOUVER CITY LIBRARY	3,690,142
NORTH VANCOUVER MUSEUM & ARCHIVES COMMISSION	602,775
NORTH VANCOUVER RECREATION COMMISSION	5,445,190
SCHOOL DISTRICT NO.44 (NORTH VANCOUVER)	122,300

Total contributions exceeding \$25,000	10,761,479
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Listing of grants exceeding \$25,000

BC PHOTOGRAPHY AND MEDIA ARTS SOCIETY	3,346,513
CAPILANO COMMUNITY SERVICES SOCIETY	81,900
FAMILY SERVICES OF THE NORTH SHORE	46,947
FILLIPINO COMMUNITY CENTRE	32,190
LOOKOUT EMERGENCY AID SOCIETY	35,700
NAVY LEAGUE OF CANADA	71,500
NORTH SHORE COMMUNITY RESOURCES	44,832
NORTH SHORE NEIGHBOURHOOD HOUSE	182,750
NORTH SHORE RESTORATIVE JUSTICE SOCIETY	30,000
NORTH VANCOUVER CHAMBER OF COMMERCE	70,000
NORTH VANCOUVER MUSEUM & ARCHIVES COMMISSION	40,375
NORTH VANCOUVER RECREATION COMMISSION	109,983
QUEEN MARY COMMUNITY SERVICES ASSOCIATION	44,785
SILVER HARBOUR CENTRE SOCIETY	151,500

Total of grants exceeding \$25,000	4,288,975
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Total of all grants and contributions exceeding \$25,000	15,050,454
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Consolidated total of grants and contributions less than \$25,000	342,377
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Grand total of all grants and contributions	\$ 15,392,831
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The Corporation of the City of North Vancouver
Reconciliation between total payments to suppliers & financial statements
FIR Schedule 1, Section 7 (1) (c)
2016

FIR Schedule 1, Section 7(1)(a) & (b) - Payments to Suppliers of Goods and Services	\$ 68,803,091
FIR Schedule 1, Section 7(2)(b) - Grants and Contributions	15,392,831
Subtotal - Payments to Suppliers	\$ 84,195,922

Reconciliation Items

FIR Schedule 1, Section 6(2)(a) - remuneration paid to elected officials	\$ 382,262
FIR Schedule 1, Section 6(2)(b) and 6(2)(c) - employee remuneration	38,465,369
FIR Schedule 1, Section 6(2)(a) - elected officials expenses	32,061
FIR Schedule 1, Section 6(2)(b) and 6(2)(c) - employee and Board expenses	326,933
Post Employment Benefits	691,100
Sick and severance	55,094
Workers' Compensation Board net of recoveries	413,219

Related Parties

City of North Vancouver Library	
City of North Vancouver remuneration	2,789,676
Remove City of North Vancouver grant to Library	(3,690,142)
FIR Schedule 1, Section 6(2) - Employee and Board Expenses	23,836
FIR Schedule 1, Section 7(1) (a) & (b) - Payments to Suppliers of Goods and Services	719,007
Other net adjustments (includes depreciation)	408,415

North Vancouver Recreation Commission

Add City of North Vancouver share of NVRC expenses (includes salaries and benefits)	8,217,238
Remove City of North Vancouver share of City grant to NVRC	(1,479,521)
Other net adjustments	(293,349)

North Vancouver Museum and Archives

DNV's share of expenses (includes salaries and benefits)	(568,921)
City's share of grant to Museum	(262,163)

Recoveries

Recovery from District of North Vancouver for DNV share of Police operating/capital costs	(4,132,792)
Recovery from Lonsdale Energy Corp.	(866,843)
Net of other allocations and recoveries	(357,046)
Recovery from District of North Vancouver for DNV share of Police salaries and benefits	(116,993)
Staff recoveries	(1,167,032)

Other Financial Statement Items

Decrease in accrued payable and other expenses	(799,965)
Bank fees journalized	124,729
Interest on pre-authorized payments	15,884
Holdbacks and holdback deficiencies	(974,155)
Expenditures transferred to tangible capital assets	(30,999,960)
Depreciation expense (excluded Library)	13,003,227
Prior period capital adjustments	92,457
Change in Inventories from December 31, 2015 to 2016	(135,278)
Change in prepaid expenses from December 31, 2015 to 2016	(837,088)
City portion of prior years taxes refunded in 2016 due to changes in property assessment	94,530
Other net adjustments	417,952

Total expenses per Consolidated Statement of Financial Activities	<u>\$ 103,787,663</u>
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The schedule of payments for the provision of goods and services is based on actual payments processed through the City's Accounts Payable system. This provides assurance on completeness as the reported amounts are reconciled to the payment register and electronic funds transfer records. The schedule of payments is a "cash basis" listing, and therefore may differ from the expenditures in the financial statements which are reported on an accrual basis. In addition, there are payments issued by the City which are not considered payments for the provision of goods and services, such as payments made to other taxing authorities, employee payroll deductions, debt repayments and deposit refunds.

**The Corporation of the City of North Vancouver
Statement of Financial Information Approval
FIR Schedule 1, Section 9(2)
2016**

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

Ben Themens
Director of Finance
Date_____

Darrell R. Mussatto
Mayor
Date_____

**The Corporation of the City of North Vancouver
Management Report
FIR Schedule 1, Sections 9 (3) & 9 (4)
2016**

Information on the City of North Vancouver's Management Report is included in the management representation letter with the audited consolidated financial statements.

Community Charter Section 107(1)

Disclosure of contracts with council members and former council members

107 (1) If a municipality enters into a contract in which

(a) a council member, or

(b) a person who was a council member at any time during the previous 6 months,

has a direct or indirect pecuniary interest, this must be reported as soon as reasonably practicable at a council meeting that is open to the public.

(2) In addition to the obligation under section 100 [*disclosure of conflict*], a council member or former council member must advise the corporate officer, as soon as reasonably practicable, of any contracts that must be reported under subsection (1) in relation to that person.

(3) A person who contravenes subsection (2) is disqualified from holding an office described in, and for the period established by, section 110 (2), unless the contravention was done inadvertently or because of an error in judgment made in good faith.

Community Charter Section 168(1)
Reporting of council remuneration, expenses and contracts

- 168 (1)** At least once a year, a council must have prepared a report separately listing the following for each council member by name:
- (a) the total amount of remuneration paid to the council member for discharge of the duties of office, including any amount specified as an expense allowance;
 - (b) the total amount of expense payments for the council member made to the council member as reimbursement for expenses incurred by the council member or as an allowance that is not reported under paragraph (a);
 - (c) the total amount of any benefits, including insurance policies and policies for medical or dental services, provided to the council member or the member's dependants;
 - (d) any contracts reported under section 107 [*disclosure of contracts with council members and former council members*], including a general description of their nature.
- (2) If applicable, the report under this section must also list contracts referred to in subsection (1) (d) for each former council member.