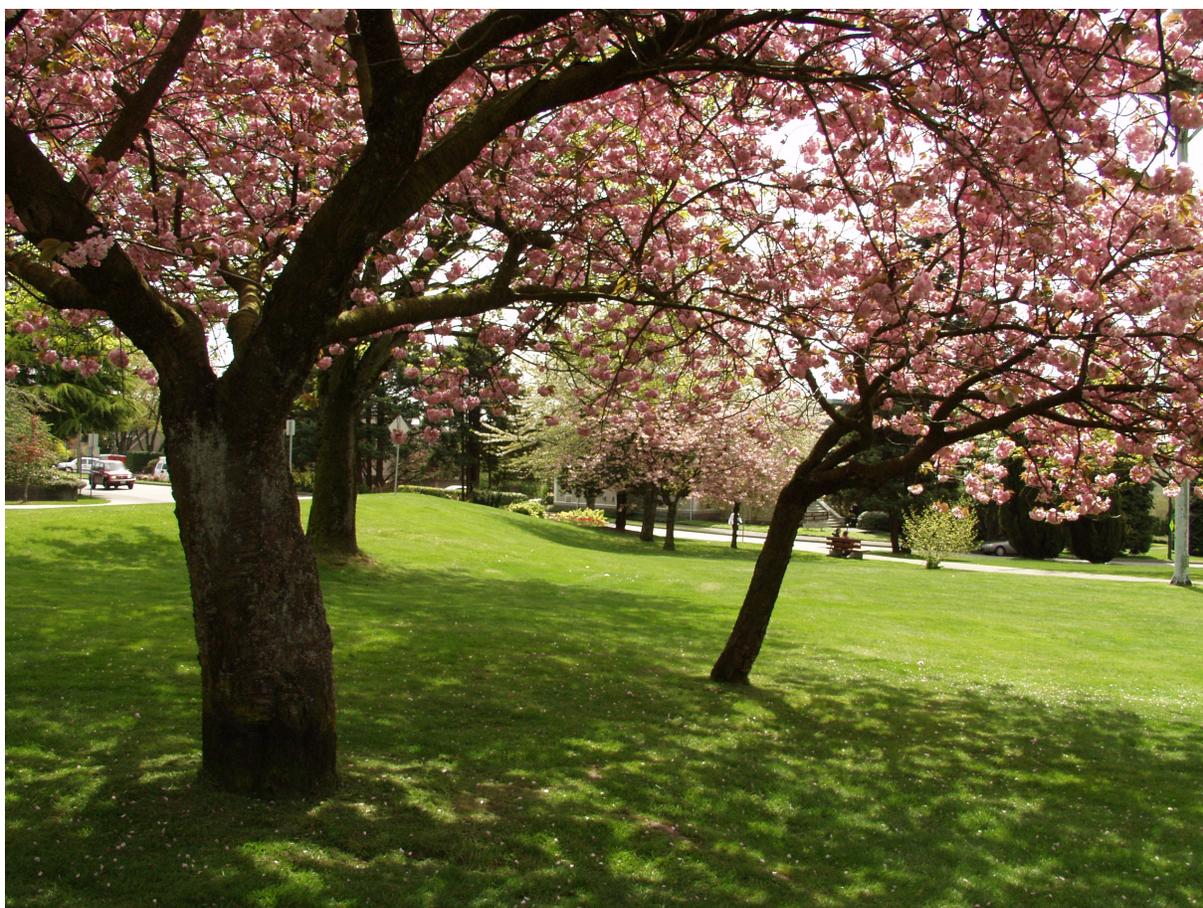


2017 Statement of Financial Information

JUNE 2018 | FINANCIAL INFORMATION REGULATION, SCHEDULE 1



**City of North Vancouver
2017 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]

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, 2017 Phone Number: (604) 990-4208

Date Submitted: June 20, 2018 E-mail: cfernandes@cnv.org

For the Ministry:

Ministry Name: _____ Reviewer: _____

Date Received: _____ Deficiencies:

Yes		No	
Yes		No	

Date Reviewed: _____ Deficiencies Addressed:

Yes		No	
Yes		No	

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 	✓ ✓			<p>See Consolidated Statement of Financial Position</p> <p>See Consolidated Statement of Operations and notes to the financial statements for changes in equity</p>
Operational Statement					
3 (1)	<p>Prepared in accordance with GAAP or stated accounting principles / policies and consists of:</p> <ul style="list-style-type: none"> • a Statement of Income or Statement of Revenue and Expenditures, and • a Statement of Changes in Financial Position 	✓ ✓			<p>See Consolidated Statement of Operations</p> <p>See Consolidated Statement of Cash Flows</p>
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)]	✓			
6 (2) (d)	Reconcile or explain any difference between total remuneration in this schedule and related information in	✓			

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
	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	✓			
7 (1) (c)	Reconcile or explain any difference between the consolidated total and related figures in the operational statement	✓			

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
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
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

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
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

2017 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, 2017

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, 2017, 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

April 23, 2018

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, 2017, 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, 2017, 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.

BDO Canada LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
April 23, 2018

**The Corporation of the City of North Vancouver
Consolidated Statement of Financial Position
As at December 31, 2017 with comparative figures for 2016
(in thousands of dollars)**

	<u>2017</u>	<u>2016</u>
		Recast (note 14)
FINANCIAL ASSETS		
Cash	\$ 7,747	\$ 6,716
Temporary investments (note 3(a))	44,888	43,548
Portfolio investments (note 3(b))	118,413	106,934
Investment in Lonsdale Energy Corp. (note 4)	1,534	734
Due from other governments	3,853	3,421
Accounts receivable	8,954	9,357
Loan to Lonsdale Energy Corp. (note 5)	19,242	15,045
Interest receivable	12,741	11,426
	<u>217,372</u>	<u>197,181</u>
LIABILITIES		
Accounts payable and accrued liabilities	19,098	23,447
Deferred revenue	27,724	23,740
Deferred development cost charges	19,266	18,357
Long-term debt (note 6)	1,098	1,293
Employee future benefits (note 7)	8,258	8,351
Advances and other liabilities	10,772	9,901
	<u>86,216</u>	<u>85,089</u>
	<u>131,156</u>	<u>112,092</u>
NET FINANCIAL ASSETS		
NON-FINANCIAL ASSETS		
Tangible capital assets (note 8)	381,939	359,066
Inventories	693	642
Prepaid expenses	1,480	2,334
	<u>384,112</u>	<u>362,042</u>
ACCUMULATED SURPLUS (note 9)	<u>\$ 515,268</u>	<u>\$ 474,134</u>

Commitments and contingencies (note 10)
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, 2017 with comparative figures for 2016
(in thousands of dollars)

	2017 Budget	2017	2016
	(notes 2(h) and 13)		Recast (note 14)
REVENUE			
Property value tax	\$ 56,169	\$ 56,218	\$ 53,684
Parcel taxes	2,774	2,811	2,526
Licences and permits	3,588	5,797	4,209
Fines and fees	4,234	5,102	5,024
Rent	1,652	2,100	1,560
Interest and penalties	2,114	5,315	5,248
Sale of services	25,500	26,996	25,456
Rebate and recoveries	85	118	179
Grants and other	6,797	9,261	11,205
Developer contributions and other transfers	257	29,263	14,917
Gains (losses) on disposition of assets	-	2,733	(827)
Lonsdale Energy Corp. income (note 4)	-	800	19
	<u>103,170</u>	<u>146,514</u>	<u>123,200</u>
EXPENSES			
General government	16,213	16,821	21,221
Transportation and transit	5,494	7,161	6,448
Health, social services and housing	2,520	2,718	2,399
Development services	5,134	5,216	4,520
Protective services	25,926	24,617	23,878
Parks, recreation and culture	26,400	26,489	24,407
Water utilities	9,532	10,009	9,208
Sewer utilities	8,163	8,404	8,418
Solid waste	4,488	3,945	3,529
	<u>103,870</u>	<u>105,380</u>	<u>104,028</u>
Total expenses (note 12)	<u>103,870</u>	<u>105,380</u>	<u>104,028</u>
Annual surplus (deficit)	(700)	41,134	19,172
Accumulated surplus beginning of year	<u>474,134</u>	<u>474,134</u>	<u>454,962</u>
Accumulated surplus end of year	<u>\$ 473,434</u>	<u>\$ 515,268</u>	<u>\$ 474,134</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, 2017 with comparative figures for 2016
(in thousands of dollars)

	2017 Budget	2017	2016
	(notes 2(h) and 13)		Recast (note 14)
Annual surplus (deficit)	\$ (700)	\$ 41,134	\$ 19,172
Acquisition of tangible capital assets	(74,911)	(27,488)	(27,419)
Non-cash developer contributed assets and found assets	-	(15,747)	(10,968)
Proceeds on sale of tangible capital assets	-	9,128	256
Depreciation of tangible capital assets	13,600	13,967	13,464
Loss (gain) on disposition of tangible capital assets	-	(2,733)	827
	<u>(61,311)</u>	<u>(22,873)</u>	<u>(23,840)</u>
Acquisition of inventories	-	(1,123)	(1,126)
Acquisition of prepaid expenses	-	(1,983)	(2,310)
Use of inventories	-	1,072	991
Use of prepaid expenses	-	2,837	1,473
	<u>-</u>	<u>803</u>	<u>(972)</u>
Increase (decrease) in net financial assets	(62,011)	19,064	(5,640)
Net financial assets, beginning of year	<u>112,092</u>	<u>112,092</u>	<u>117,732</u>
Net financial assets, end of year	<u>\$ 50,081</u>	<u>\$ 131,156</u>	<u>\$ 112,092</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, 2017 with comparative figures for 2016
(in thousands of dollars)

	<u>2017</u>	<u>2016</u>
		Recast (note 14)
Cash provided by (used for):		
Operating Transactions		
Annual surplus	\$ 41,134	\$ 19,172
Items not involving cash:		
Depreciation expense	13,967	13,464
(Gain) loss on disposal of tangible capital assets	(2,733)	827
Non-cash developer contributed assets and found assets	(15,747)	(10,968)
Lonsdale Energy Corp. income	(800)	(19)
Changes in non-cash operating items:	-	
(Increase) decrease in due from other governments	(432)	696
Decrease (increase) in accounts receivable	403	(275)
Increase in loan to Lonsdale Energy Corp.	(4,197)	(1,394)
Increase in interest receivable	(1,315)	(1,040)
(Decrease) increase in accounts payable and accrued liabilities	(4,349)	9,041
Increase (decrease) increase in deferred revenue	3,984	(2,446)
Increase (decrease) in deferred development cost charges	909	(5,384)
(Decrease) increase in accrued employee future benefits	(93)	186
Decrease in advances and other liabilities	871	2,020
Increase in inventories	(51)	(135)
Decrease (increase) in prepaid expenses	854	(837)
	<u>32,405</u>	<u>22,908</u>
Capital Transactions		
Cash used to acquire tangible capital assets	(27,488)	(27,419)
Proceeds from sale of tangible capital assets	9,128	256
	<u>(18,360)</u>	<u>(27,163)</u>
Investing Transactions		
Increase in temporary investments	(1,340)	(918)
Decrease (increase) in portfolio investments	(11,479)	6,227
	<u>(12,819)</u>	<u>5,309</u>
Financing Transactions		
Repayment of long-term debt	(195)	(187)
Increase in cash	1,031	867
Cash, beginning of year	<u>6,716</u>	<u>5,849</u>
Cash, end of year	<u>\$ 7,747</u>	<u>\$ 6,716</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, 2017
(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% (2016 – 33%) by the City and 67% (2016 – 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% (2016 – 50%) by the City and 50% (2016 – 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, 2017
(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. The effects of these adjustments on taxes are recognized at the time they are awarded. 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 April 10, 2017.

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2017
(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 sinking fund 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
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(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 related to expenses. See note 12.

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2017
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2. SIGNIFICANT ACCOUNTING POLICIES (con't)

(o) Contaminated Sites

A liability for contaminated sites is recognized when a site is not in productive use or an unexpected event has occurred 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, 2017
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3. INVESTMENTS

(a) Temporary Investments

The fair value of temporary investments at December 31, 2017 was \$45,656,327 (2016 - \$44,179,066). These investments range in maturity date from January 5, 2018 to December 11, 2018, and range in yield from 1.20% to 5.91%.

(b) Portfolio Investments

The fair value of portfolio investments at December 31, 2017 was \$130,643,198 (2016 - \$120,305,984). These investments range in maturity from March 21, 2019 to May 15, 2031, 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:

	2017	2016
Cash and accounts receivable	\$ 2,701	\$ 1,001
Tangible capital assets	26,517	22,654
Other assets	520	461
Total assets	<u>\$ 29,738</u>	<u>\$ 24,116</u>
Accounts payable and accrued liabilities	\$ 1,496	\$ 1,284
Deferred contributions	6,368	5,760
Debt	20,340	16,338
Total liabilities	<u>\$ 28,204</u>	<u>\$ 23,382</u>
Shareholder's equity	<u>\$ 1,534</u>	<u>\$ 734</u>
Total revenue	\$ 4,300	\$ 3,127
Total expenses	3,500	3,108
Net income	<u>\$ 800</u>	<u>\$ 19</u>

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
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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 \$1,534,000 (2016 - \$734,000) 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 \$416,000 (2016 - \$332,000).

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

The loan receivable balance of \$19,241,926 (2016 - \$15,045,195) 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 funding was fully used in the year and LEC has made a first re-payment of \$450,000 on the term loan. The balance owing at December 31, 2017 is \$11,550,000 (2016 - \$11,983,000).

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. Both notes were fully drawn. During the year LEC issued additional promissory notes, that have been partially drawn upon, to the City with a balance owing at December 31, 2017 of \$5,080,000 (2016 - \$3,062,000).

All loans are due on demand and bear interest at 2.1%. Interest revenue of \$351,790 (2016 - \$296,900) 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. 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 other long-term debt. The total debt issued and outstanding as at December 31, 2017 was \$1,097,739 (2016 - \$1,292,616).

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2017
(tabular amounts in thousands of dollars)**

6. LONG-TERM DEBT (con't)

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

	<u>2017</u>
2018	\$ 202,672
2019	210,779
2020	219,210
2021	227,979
2022	<u>237,099</u>
	<u>\$ 1,097,739</u>

Interest expense of \$6,000 (2016 - \$6,000) has been included in the Consolidated Statement of Operations. The interest rate on long-term debt is 0.3% per annum.

7. 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, 2017.

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>2017</u>	<u>2016</u>
Benefit obligation - beginning of the year	\$ 7,380	\$ 7,867
Add: Current service costs	607	607
Interest on accrued benefit obligation	254	246
Less: Actuarial (gain) loss	495	(665)
Benefits paid	<u>(874)</u>	<u>(675)</u>
Benefit obligation - end of the year	\$ 7,862	\$ 7,380
Add: Unamortized actuarial gain	<u>396</u>	<u>971</u>
Accrued benefit liability - end of the year	<u>\$ 8,258</u>	<u>\$ 8,351</u>

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
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7. EMPLOYEE FUTURE BENEFITS (con't)

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

	2017	2016
Discount rates	2.90%	3.30%
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 10.06% of the individual's total indemnity received subsequent to 2002. These amounts are accrued as earned and recorded in accounts payable and accrued liabilities.

8. TANGIBLE CAPITAL ASSETS

2017	Land	Land Improvements	Parks	Buildings	Machinery & Equipment	Vehicles	Infrastructure	Library Materials	Work in Progress	Total
Costs										
Balance beginning of year	\$ 30,251	\$ 50,259	\$ 38,822	\$ 116,849	\$ 17,476	\$ 9,241	\$ 223,757	\$ 943	\$ 34,443	\$ 522,041
Additions	5,685	5,554	4,515	11,352	2,317	2,044	6,123	211	36,402	74,203
Disposals	571	-	571	5,144	568	203	2,313	218	30,971	40,559
Balance end of year	<u>\$ 35,365</u>	<u>\$ 55,813</u>	<u>\$ 42,766</u>	<u>\$ 123,057</u>	<u>\$ 19,225</u>	<u>\$ 11,082</u>	<u>\$ 227,567</u>	<u>\$ 936</u>	<u>\$ 39,874</u>	<u>\$ 555,685</u>
Accumulated Depreciation										
Balance beginning of year	\$ -	\$ 8,934	\$ 11,438	\$ 47,719	\$ 11,441	\$ 5,476	\$ 77,496	\$ 471	\$ -	\$ 162,975
Depreciation	-	1,524	1,447	4,657	1,554	542	4,025	218	-	13,967
Disposals	-	-	372	24	568	159	1,855	218	-	3,196
Balance end of year	<u>\$ -</u>	<u>\$ 10,458</u>	<u>\$ 12,513</u>	<u>\$ 52,352</u>	<u>\$ 12,427</u>	<u>\$ 5,859</u>	<u>\$ 79,666</u>	<u>\$ 471</u>	<u>\$ -</u>	<u>\$ 173,746</u>
Net Book Value	<u>\$ 35,365</u>	<u>\$ 45,355</u>	<u>\$ 30,253</u>	<u>\$ 70,705</u>	<u>\$ 6,798</u>	<u>\$ 5,223</u>	<u>\$ 147,901</u>	<u>\$ 465</u>	<u>\$ 39,874</u>	<u>\$ 381,939</u>
2016 Recast (note 14)										
2016 Recast (note 14)	Land	Land Improvements	Parks	Buildings	Machinery & Equipment	Vehicles	Infrastructure	Library Materials	Work in Progress	Total
Costs										
Balance beginning of year	\$ 27,530	\$ 49,874	\$ 38,254	\$ 110,982	\$ 16,758	\$ 9,024	\$ 210,578	\$ 949	\$ 23,805	\$ 487,754
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	<u>\$ 30,251</u>	<u>\$ 50,259</u>	<u>\$ 38,822</u>	<u>\$ 116,849</u>	<u>\$ 17,476</u>	<u>\$ 9,241</u>	<u>\$ 223,757</u>	<u>\$ 943</u>	<u>\$ 34,443</u>	<u>\$ 522,041</u>
Accumulated Depreciation										
Balance beginning of year	\$ -	\$ 7,559	\$ 10,158	\$ 43,431	\$ 10,456	\$ 5,126	\$ 75,316	\$ 483	\$ -	\$ 152,529
Depreciation	-	1,375	1,359	4,288	1,558	523	4,137	221	-	13,461
Disposals	-	-	79	-	573	173	1,957	233	-	3,015
Balance end of year	<u>\$ -</u>	<u>\$ 8,934</u>	<u>\$ 11,438</u>	<u>\$ 47,719</u>	<u>\$ 11,441</u>	<u>\$ 5,476</u>	<u>\$ 77,496</u>	<u>\$ 471</u>	<u>\$ -</u>	<u>\$ 162,975</u>
Net Book Value	<u>\$ 30,251</u>	<u>\$ 41,325</u>	<u>\$ 27,384</u>	<u>\$ 69,130</u>	<u>\$ 6,035</u>	<u>\$ 3,765</u>	<u>\$ 146,261</u>	<u>\$ 472</u>	<u>\$ 34,443</u>	<u>\$ 359,066</u>

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2017
(tabular amounts in thousands of dollars)**

8. TANGIBLE CAPITAL ASSETS (con't)

(a) Work in Progress

Work in progress having a value of \$ 39,874,000 (2016 - \$34,443,000) has not been amortized. Amortization of these assets will commence when the asset is in service.

(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 \$15,747,000 (2016 - \$10,968,000) 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.

9. ACCUMULATED SURPLUS

	2017 Actual	Recast 2016 Actual
Current Funds - general, water and sewer	\$ 30,826	\$ 27,435
Reserve fund	91,918	79,047
Capital fund	392,524	367,652
Accumulated surplus, end of year	<u>\$ 515,268</u>	<u>\$ 474,134</u>

The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2017
(tabular amounts in thousands of dollars)

9. ACCUMULATED SURPLUS (con't)

(a) Current Funds - general, water and sewer

	2017	2016
Appropriated:		
General funds	\$ 11,781	\$ 12,075
Water fund	761	61
Sewer fund	9,197	8,287
Unappropriated:		
General funds	8,273	6,198
Sewer fund	814	814
	<u>\$ 30,826</u>	<u>\$ 27,435</u>

(b) Reserve Funds

	Balance December 31, 2016	Contributions & Transfers	Earnings	Less Expenditures	Balance December 31, 2017
Machinery and Equipment					
Engineering	\$ 3,274	\$ 400	\$ 123	\$ 220	\$ 3,577
Fire	1,211	350	20	1,406	175
General	188	-	8	93	103
Computer	1,886	42	44	893	1,079
Building	1,491	-	34	705	820
Local Improvements	759	5	23	5	782
Affordable Housing	2,907	1,298	105	11	4,299
Tax Sale Lands	30,450	-	5,551	2,333	33,668
Waterworks	6,484	-	186	441	6,229
Parking	243	-	246	84	405
Civic Amenity	23,874	12,684	5,556	6,153	35,961
Justice Administration Accomodation	155	-	4	8	151
Streets DCC	-	234	-	234	-
Parks DCC	4	840	(3)	841	-
Lower Lonsdale Amenity	1,823	-	38	1,315	546
Lower Lonsdale Legacy	2,584	-	77	-	2,661
Infrastructure	336	66	205	534	73
Public Art	342	143	11	59	437
Marine Drive Community Amenity	326	-	10	-	336
Sustainable Transportation	341	88	8	153	284
Carbon Fund	369	91	10	138	332
Water DCC	-	-	-	-	-
Sanitary DCC	-	-	-	-	-
Drainage DCC	-	-	-	-	-
Total	<u>\$ 79,047</u>	<u>\$ 16,241</u>	<u>\$ 12,256</u>	<u>\$ 15,626</u>	<u>\$ 91,918</u>

(c) Capital Fund

	2017	Recast 2016
Capital fund		
Invested in tangible capital assets	\$ 381,939	\$ 359,066
Appropriated Capital funds	10,585	8,586
	<u>\$ 392,524</u>	<u>\$ 367,652</u>

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2017
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10. 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 bodies	2017	2016
Provincial Government - Schools	\$ 34,368	\$ 32,707
Greater Vancouver Regional District	1,152	1,094
Greater Vancouver Transportation Authority	7,572	7,344
British Columbia Assessment Authority	1,300	1,225
Municipal Finance Authority	5	4
BIA Lower Lonsdale Society	507	-
	<u>\$ 44,904</u>	<u>\$ 42,374</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, 2016, the plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 38,000 contributors from local governments.

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

The most recent valuation 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. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The City paid \$3,895,000 (2016 - \$3,784,000) for employer contributions to the plan in fiscal 2017.

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

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
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(b) Pension Liability (con't)

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.

(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 \$62,000 per month (\$740,000 annually).

11. 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 \$2,750,000 (2016 - \$2,584,000), which is administered by the City, has not been included with the City's accounts.

**The Corporation of the City of North Vancouver
Notes to Consolidated Financial Statements
Year ended December 31, 2017
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12. 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.

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.

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12. SEGMENTED INFORMATION (con't)

Solid Waste

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

	Revenues	Expenses					Total	Annual Surplus(Deficit)
		Wages & Benefits	Goods & Supplies	Services	Depreciation	Capitalized		
General government	\$ 99,468	\$ 11,619	\$ 3,771	\$ 7,050	\$ 4,243	\$ (9,862)	\$ 16,821	\$ 82,647
Transportation and transit	2,165	2,865	659	5,322	2,642	(4,327)	7,161	(4,996)
Health, social services and housing	423	432	81	2,237	-	(32)	2,718	(2,295)
Development services	6,846	4,326	24	866	-	-	5,216	1,630
Protective services	1,583	16,670	2,071	6,774	591	(1,489)	24,617	(23,034)
Parks, recreation and culture	9,150	13,206	1,235	18,139	4,915	(11,006)	26,489	(17,339)
Water utilities	11,666	1,995	7,399	2,090	817	(2,292)	10,009	1,657
Sewer utilities	10,799	1,527	304	7,605	710	(1,742)	8,404	2,395
Solid waste	4,414	1,408	71	2,417	49	-	3,945	469
2017	\$ 146,514	\$ 54,048	\$ 15,615	\$ 52,500	\$ 13,967	\$ (30,750)	\$ 105,380	\$ 41,134
2016	\$ 123,200	\$ 53,287	\$ 20,484	\$ 47,792	\$ 13,464	\$ (30,999)	\$ 104,028	\$ 19,172

The Corporation of the City of North Vancouver
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13. 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 2017 to 2026 Bylaw, 2017, No. 8547 April 10, 2017. The table below reconciles the approved budget to the budget figures reported.

		Financial Plan Bylaw
		<u> </u>
Revenue per Statement of Operations		\$ 103,170
Less:		
Budget Adjustments for Consolidation	\$ (955)	
Budget Adjustments	(329)	
Transfers from Reserve	(1,429)	
Interagency Funds	<u>(4,519)</u>	(7,232)
Revenue per financial plan bylaw 8547		<u>95,938</u>
Expenses per Statement of Operations		103,870
Add:		
Transfer to other funds		(1,906)
Less:		
Budget Adjustments	(329)	
Budget Adjustments for Consolidation	2,063	
Interagency payments	<u>(4,519)</u>	(2,785)
Expenses per financial plan bylaw 8547		<u>99,179</u>
Deficit for the year		(3,241)
Reserves and capital:		
Capital expenditures		(74,911)
Depreciation		13,600
Equity		(7,544)
Transfers from reserves		53,076
External contributions		<u>19,020</u>
Annual budgeted Surplus per financial plan bylaw		<u>\$ -</u>

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Notes to Consolidated Financial Statements
Year ended December 31, 2017
(tabular amounts in thousands of dollars)

14. PRIOR PERIOD RECAST

During 2017, the City revised its valuations for its sidewalks assets included in the infrastructure and land improvements categories of tangible capital assets. As a result the following amounts have been recast to reflect these immaterial adjustments:

	<u>As at January 1, 2016</u>	
	<u>Accumulated Surplus</u>	
As previously reported	\$	445,900
Adjustment to tangible capital asset cost at January 1, 2016		13,770
Adjustment to accumulated depreciation at January 1, 2016		(4,708)
As recast	<u>\$</u>	<u>454,962</u>

	<u>As at December 31, 2016</u>			
	<u>Accumulated Surplus</u>		<u>Tangible Capital Assets</u>	
As previously reported	\$	465,312	\$	350,244
Adjustment to tangible capital asset cost at January 1, 2016		13,770		13,770
Adjustment to accumulated depreciation at January 1, 2016		(4,708)		(4,708)
Adjustment to depreciation expense		(240)		(240)
As recast	<u>\$</u>	<u>474,134</u>	<u>\$</u>	<u>359,066</u>

	<u>Year Ended December 31, 2016</u>			
	<u>Depreciation Expense</u>		<u>Annual Surplus</u>	
As previously reported	\$	13,224	\$	19,412
Adjustment to depreciation expense		240		(240)
As recast	<u>\$</u>	<u>13,464</u>	<u>\$</u>	<u>19,172</u>

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The Corporation of the City of North Vancouver

2017 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)
2017**

Information on the City of North Vancouver's debt is included in note 6 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)
2017

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)
2017**

Elected Official	Remuneration	Benefits¹	Car Allowance	Subtotal	Expenses	Total
Back, Holly	\$ 39,085	\$ 3,153	\$ -	\$ 42,238	\$ 9,892	\$ 52,130
Bell, Don	39,085	863	-	39,948	13,528	53,476
Bookham, Pamela	39,085	1,342	-	40,427	531	40,958
Buchanan, Linda	39,085	1,342	-	40,427	1,204	41,631
Clark, Rod	39,085	2,247	-	41,332	2,298	43,630
Keating, Craig	39,085	3,153	-	42,238	4,442	46,680
Mussatto, Darrell	105,320	4,005	9,552	118,877	10,541	129,418
Total	\$ 339,830	\$ 16,105	\$ 9,552	\$ 365,487	\$ 42,436	\$ 407,923

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)
2017**

Last Name	Initial	Remuneration	One-Time Payments	Subtotal	Expenses	Total
Adin	E	\$ 158,340	\$ 706	\$ 159,046	\$ 4,228	\$ 163,274
Anderson	T	67,946	10,642	78,588	274	78,862
Antoniali	S	119,523	918	120,441	910	121,351
Apperley	M	99,086	-	99,086	1,120	100,206
Arnold	D	88,428	13,853	102,281	553	102,834
Ashley	J	99,637	-	99,637	3,479	103,116
Askraba	G	80,608	2,304	82,912	141	83,053
Bartleman	A	104,672	-	104,672	1,304	105,976
Beaupre	L	84,919	2,901	87,820	594	88,414
Beckett	D	115,522	130	115,652	810	116,462
Bench	C	86,279	1,271	87,550	1,717	89,267
Biggin	D	95,484	918	96,402	2,450	98,852
Bjarnason	E	117,289	-	117,289	-	117,289
Boivin	L	92,716	1,155	93,871	883	94,754
Bond	J	89,603	1,252	90,855	228	91,083
Boone	W	81,757	291	82,048	1,065	83,113
Borland	J	97,376	1,309	98,685	2,329	101,014
Bosa	S	98,578	-	98,578	509	99,087
Bovill	J	103,944	23	103,967	915	104,882
Bradley	T	124,300	5,055	129,355	7,119	136,474
Braithwaite	J	79,829	7,589	87,418	607	88,025
Brini	A	71,563	34,825	106,388	47	106,435
Brodtrick	J	95,991	503	96,494	3,593	100,087
Brown	S	101,625	537	102,162	54	102,216
Browne	R	90,784	1,273	92,057	4,595	96,652
Brownie	R	91,397	1,102	92,499	-	92,499
Budgell	J	76,263	5,168	81,431	2,198	83,629
Buitenhuis	J	90,776	2,293	93,069	3,532	96,601
Burak	R	104,213	5	104,218	-	104,218
Burgess	B	74,228	3,519	77,747	-	77,747
Buric	T	92,641	735	93,376	951	94,327
Caldwell	A	76,983	1,015	77,998	1,080	79,078
Cameron	D	82,172	1,221	83,393	319	83,712
Chan	K	108,529	49	108,578	6,044	114,622
Chand	N	154,290	4,141	158,431	1,670	160,101
Charlton	R	140,070	621	140,691	-	140,691
Chong	L	92,869	1,160	94,029	818	94,847
Chu	K	83,943	1,212	85,155	-	85,155
Chu	D	82,815	1,701	84,516	-	84,516
Clarke	R	87,246	2,064	89,310	943	90,253

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)
2017**

Last Name	Initial	Remuneration	One-Time Payments	Subtotal	Expenses	Total
Cohan	J	79,979	2,796	82,775	-	82,775
Colwell	V	73,954	1,248	75,202	3,537	78,739
Cook	T	80,342	1,166	81,508	-	81,508
Cooper	D	78,179	7,109	85,288	1,077	86,365
Craig	R	75,201	35,033	110,234	202	110,436
Cullen	R	98,687	87	98,774	-	98,774
Curtin	M	97,570	-	97,570	701	98,271
Dale	A	86,405	397	86,802	254	87,056
Danks	G	119,721	14,861	134,582	1,484	136,066
Danks	M	116,585	746	117,331	520	117,851
Day	K	102,979	1,117	104,096	496	104,592
Day	J	88,084	182	88,266	1,460	89,726
De La Cruz Polanco	J	80,647	1,805	82,452	-	82,452
de Roy Van Zuydewijn	J	82,667	2,488	85,155	6,384	91,539
De Ruiter	J	140,070	650	140,720	6,591	147,311
Dempster	A	80,481	1,559	82,040	1,111	83,151
Di Spirito	D	114,203	945	115,148	995	116,143
Dickson	D	120,673	54	120,727	2,715	123,442
Dickson	S	108,169	2,196	110,365	1,020	111,385
Dodge	C	92,953	1,585	94,538	89	94,627
Dorey	D	118,723	-	118,723	520	119,243
Drobny	M	104,507	407	104,914	520	105,434
Easton	A	119,862	297	120,159	995	121,154
Easton	S	106,380	6,650	113,030	520	113,550
Elliott	G	84,201	3,052	87,253	4,038	91,291
Epp	M	146,495	942	147,437	5,075	152,512
Evans	H	93,989	484	94,473	1,199	95,672
Fabert	U	105,381	2,118	107,499	1,058	108,557
Farrally	M	99,333	-	99,333	1,077	100,410
Fernandes	C	106,045	675	106,720	6,743	113,463
Ficocelli	J	119,664	586	120,250	1,915	122,165
Finlayson	A	95,823	1,559	97,382	66	97,448
Foldi	D	119,538	455	119,993	1,070	121,063
Fraser	S	128,409	611	129,020	1,274	130,294
Fudge	N	77,567	872	78,439	180	78,619
Garber	L	119,243	596	119,839	2,784	122,623
Garden	S	102,207	26	102,233	1,028	103,261
Gilfoil	R	81,617	5,321	86,938	-	86,938
Gill	R	71,364	8,795	80,159	350	80,509
Graham	K	153,248	3,003	156,251	4,086	160,337

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)
2017**

Last Name	Initial	Remuneration	One-Time Payments	Subtotal	Expenses	Total
Green	K	98,524	-	98,524	2,972	101,496
Greenlees	R	111,695	796	112,491	75	112,566
Gusdal	G	126,243	6,276	132,519	1,986	134,505
Hallaway	M	99,727	10,056	109,783	721	110,504
Hanlon	R	58,998	26,223	85,221	-	85,221
Harrison	M	80,058	1,493	81,551	-	81,551
Harrison	A	72,970	3,017	75,987	-	75,987
Hart	F	83,865	1,282	85,147	-	85,147
Hathaway	R	88,608	37	88,645	2,623	91,268
Hawkshaw	D	107,941	672	108,613	2,833	111,446
Head	J	76,399	1,109	77,508	264	77,772
Hennigar	K	89,884	240	90,124	156	90,280
Hickey	P	76,032	3,172	79,204	100	79,304
Hodgins	J	89,446	2,455	91,901	79	91,980
Hofilena	G	103,621	1,552	105,173	-	105,173
Howard	R	86,849	1,165	88,014	178	88,192
Hudson	J	98,842	328	99,170	1,785	100,955
Hunter	M	143,406	669	144,075	3,181	147,256
Hurd	L	116,157	1,463	117,620	745	118,365
Jackson	C	107,644	501	108,145	1,025	109,170
Jefferson	M	153,363	-	153,363	3,487	156,850
Johnson	B	102,685	1,624	104,309	1,551	105,860
Johnson	D	98,295	1,361	99,656	210	99,866
Johnson	M	88,057	6,349	94,406	-	94,406
Kelso	M	104,185	2,502	106,687	1,415	108,102
Kilmartin	T	96,741	-	96,741	3,085	99,826
Kirkpatrick	N	112,716	522	113,238	2,607	115,845
Klochnyk	J	126,730	567	127,297	1,759	129,056
Ko	N	80,357	1,121	81,478	1,241	82,719
Lamb	S	81,633	3,137	84,770	-	84,770
Lemanski	C	101,987	170	102,157	355	102,512
Lentsch	T	102,738	6	102,744	-	102,744
Lindsay	S	75,977	5,489	81,466	1,511	82,977
Low	W	81,420	1,890	83,310	-	83,310
Mackay	M	106,847	615	107,462	3,690	111,152
Maillie	D	117,620	919	118,539	520	119,059
Majano	A	120,195	1,972	122,167	401	122,568
Mara	R	115,736	166	115,902	978	116,880
Mason	W	80,461	15,115	95,576	346	95,922
Matsubara	D	120,916	559	121,475	2,333	123,808

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
Schedule of Employee Remuneration and Expenses
FIR Schedule 1, Section 6 (2) (b) and 6 (2) (c)
2017**

Last Name	Initial	Remuneration	One-Time Payments	Subtotal	Expenses	Total
McCutcheon	J	94,101	-	94,101	434	94,535
McEachern	K	87,013	397	87,410	-	87,410
Mcnaughton	G	68,389	9,751	78,140	75	78,215
Mitic	D	134,185	624	134,809	4,418	139,227
Moberg	B	104,131	-	104,131	-	104,131
Moon	J	110,426	255	110,681	1,395	112,076
Munro	G	128,686	1,299	129,985	6,559	136,544
Murphy	K	89,725	1,256	90,981	6,655	97,636
Naab	K	89,829	7,367	97,196	1,960	99,156
Navratil	P	101,266	21,604	122,870	703	123,573
Negenman	A	79,985	3,251	83,236	207	83,443
Nelson	L	100,196	-	100,196	3,357	103,553
Nichols	C	122,379	8,137	130,516	1,112	131,628
Oliver	J	81,922	1,800	83,722	1,030	84,752
Orr	L	140,436	650	141,086	1,470	142,556
Owens	D	141,860	1,423	143,283	2,040	145,323
Pacheco	J	89,042	6	89,048	1,837	90,885
Pakulak	D	133,695	623	134,318	216	134,534
Parker	L	108,596	1,043	109,639	3,158	112,797
Payne	A	106,420	223	106,643	1,000	107,643
Pearce	B	177,208	830	178,038	1,431	179,469
Peel	M	90,272	4,113	94,385	6,282	100,667
Penway	G	141,845	108,628	250,473	3,352	253,825
Perry	C	102,379	2,491	104,870	-	104,870
Peters	J	71,969	5,706	77,675	2,172	79,847
Pichler	E	78,335	6,536	84,871	236	85,107
Piechota	K	82,194	1,164	83,358	1,416	84,774
Pistilli	D	186,979	21,290	208,269	5,511	213,780
Pollock	B	95,048	1,171	96,219	1,825	98,044
Polman	J	118,634	1,192	119,826	661	120,487
Pope	D	187,525	872	188,397	2,547	190,944
Price	D	75,156	1,082	76,238	100	76,338
Priestley	D	87,616	18,831	106,447	5,242	111,689
Rabold	C	138,666	5,044	143,710	4,320	148,030
Rasmussen	D	91,836	1,149	92,985	-	92,985
Rawlings	F	85,743	1,237	86,980	190	87,170
Reinhold	H	138,629	1,523	140,152	2,741	142,893
Richards	P	90,377	1,262	91,639	61	91,700
Ring	D	81,101	1,167	82,268	-	82,268
Rippon	D	92,930	1,150	94,080	800	94,880

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)
2017**

Last Name	Initial	Remuneration	One-Time Payments	Subtotal	Expenses	Total
Roberts	A	97,668	7,039	104,707	-	104,707
Rohan	C	85,783	7,067	92,850	-	92,850
Rozairo	G	99,052	1,290	100,342	8,232	108,574
Ryce	T	124,383	576	124,959	1,532	126,491
Savage	R	79,906	1,104	81,010	345	81,355
Schalk	G	133,066	3,391	136,457	10,772	147,229
Schmidt	T	88,228	1,606	89,834	-	89,834
Schreiner	R	46,513	45,104	91,617	302	91,919
Sellars	J	100,795	1,526	102,321	3,884	106,205
Shaughnessy	M	107,417	4,571	111,988	520	112,508
Sheel	J	122,453	619	123,072	3,575	126,647
Sherwood	D	72,630	11,167	83,797	2,604	86,401
Siegmann	R	120,021	-	120,021	6,724	126,745
Siegmann	H	115,410	74	115,484	389	115,873
Siemens	J	92,178	1,150	93,328	-	93,328
Skene	R	134,151	618	134,769	31	134,800
Smith	S	98,549	1,380	99,929	991	100,920
So	E	102,662	473	103,135	2,136	105,271
Sommers	J	95,557	4,143	99,700	226	99,926
Stalberg	S	71,078	6,136	77,214	60	77,274
Stevenson	M	112,871	97	112,968	512	113,480
Steward	I	87,632	1,207	88,839	1,006	89,845
Stirling	L	93,653	4,435	98,088	114	98,202
Strubin	C	103,113	26	103,139	3,085	106,224
Sutherland	S	86,375	1,198	87,573	2,318	89,891
Svancara	J	85,312	1,090	86,402	1,394	87,796
Sweeney	E	113,356	569	113,925	4,125	118,050
Tang	I	111,826	3,243	115,069	1,562	116,631
Tang	B	98,050	10,056	108,106	2,615	110,721
Themens	B	182,326	11,810	194,136	2,278	196,414
Tollstam	K	275,174	1,449	276,623	9,657	286,280
Townsend	T	99,449	-	99,449	4,231	103,680
Trinkl	M	89,793	13,496	103,289	1,278	104,567
Trinkl	G	83,064	1,166	84,230	1,102	85,332
Tse	W	87,012	6,109	93,121	2,460	95,581
Turner	D	126,114	584	126,698	3,660	130,358
Urbani	J	96,787	162	96,949	4,364	101,313
VanBorn	S	123,330	365	123,695	3,999	127,694
Vanderhoek	S	94,495	7,039	101,534	509	102,043
Vanderhoek	M	78,283	5,028	83,311	-	83,311

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)
2017**

Last Name	Initial	Remuneration	One-Time Payments	Subtotal	Expenses	Total
Vargas	L	116,933	142	117,075	910	117,985
Vasilevich	A	98,171	680	98,851	2,862	101,713
Walsoff	L	78,801	1,139	79,940	25	79,965
Warawa	B	76,129	1,108	77,237	2,780	80,017
Ward	A	99,274	10,056	109,330	1,120	110,450
Watson	D	79,127	5,492	84,619	148	84,767
Waugh	M	99,341	6,536	105,877	-	105,877
Wen	V	105,437	949	106,386	2,370	108,756
White	D	98,891	26,362	125,253	267	125,520
Wilkinson	B	87,514	2,026	89,540	-	89,540
Willock	B	133,177	700	133,877	1,310	135,187
Wilson	C	82,957	1,482	84,439	5,410	89,849
Wilson	S	79,031	1,115	80,146	139	80,285
Zander	S	103,970	694	104,664	1,450	106,114
Zhang	E	75,993	340	76,333	1,463	77,796
Subtotal		21,897,932	805,655	22,703,587	353,784	23,057,371
Consolidated total of employees earning \$75,000 or less		15,912,270	699,057	16,611,327	113,703	16,725,030
Total		37,810,202	1,504,712	39,314,914	467,487	39,782,401

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)
2017

FIR Schedule 1, Section 6 (2) (a) - Remuneration paid to elected officials	\$ 365,487
FIR Schedule 1, Section 6 (2) (b) and 6 (2) (c) - Employee Remuneration	39,314,914
Total City of North Vancouver Remuneration	39,680,401

Reconciling items

Add:

Related Party Salaries and Benefits:	
City of North Vancouver Library	2,774,827
North Vancouver Recreation Commission	6,425,836
City of North Vancouver non-taxable benefits	6,678,420
Salary, retro wages accruals	(773,578)
Post employment benefits	654,400
Other net adjustments	(124,042)
Workers' Compensation Board net of recoveries	398,513

Subtract:

Recoveries:	
District of North Vancouver share of Museum and Archives Commission	(391,718)
District of North Vancouver for share of Police Support Services Salaries & Benefits	(85,003)
Staff recoveries	(1,190,056)

Wages and Benefits per consolidated financial statements note 12	\$ 54,048,000
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**The Corporation of the City of North Vancouver
Statement of Severance Agreements
FIR Schedule 1, Section 6 (7)(a) & (b)
2017**

There were no severance agreements under which payment commenced between The Corporation of the City of North Vancouver and its non-unionized employees during fiscal year 2017.

**The Corporation of the City of North Vancouver
Schedule of Suppliers of Goods and Services
FIR Schedule 1, Section 7 (1) (a) and (b)
2017**

Vendor	Payment
ACME VISIBLE FILING SYSTEMS LTD.	101,114
AGILE42 CONSULTING LTD.	29,817
ANDREW SHERET LTD	243,227
ANSAN INDUSTRIES LTD	136,744
AON REED STENHOUSE INC	541,348
AOYS FIRE TRAINING LTD.	29,633
APEX WESTERN HOMES LTD	43,866
APPLIED COATINGS & RESTORATION INC.	56,013
ASSOCIATED ENGINEERING (B.C.) LTD.	82,987
AVENUE MACHINERY CORP	35,592
BA BLACKTOP LTD	5,926,849
BC HYDRO	756,151
BDO CANADA LLP	39,668
BEL CONTRACTING	338,838
BELL MOBILITY INC.	111,260
BIBLIOTHECA CANADA INC.	49,878
BIRDSEYE OFFICE	76,797
BOLD EVENT CREATIVE INC.	49,064
BOYDEN VANCOUVER	45,604
BRIGHT SIDE ENTERPRISES	28,475
BROOKS CORNING COMPANY	238,218
BUNZL CANADA	26,574
CANADA POST CORPORATION	35,802
CANADIAN LINEN AND UNIFORM SERVICE	31,299
CANADIAN TURNER CONSTRUCTION COMPANY	90,917
CDW CANADA	80,409
CEDAR CREST LANDS (B.C.) LTD	866,117
CENTAUR PRODUCTS INC	34,015
CHAPMAN BURNER & HEATING SERVICES LTD	32,065
CHEVRON CANADA LTD	236,913
CITY OF NORTH VANCOUVER	72,976
CITY OF SURREY	235,836
CITY OF VANCOUVER	40,000
COBRA ELECTRIC	327,398
COMMISSIONAIRES BC	101,122
COQUITLAM CONCRETE (1993) LTD	112,111
CORIX WATER PRODUCTS LP	234,198
CRAGAR WELDING INC	30,660
CREATIVE DOOR SERVICES LTD	25,351
CUBEX LTD	213,420

**The Corporation of the City of North Vancouver
Schedule of Suppliers of Goods and Services
FIR Schedule 1, Section 7 (1) (a) and (b)
2017**

Vendor	Payment
CYNTECH CONSTRUCTION LTD.	907,693
DAN-EX CONTRACTING LTD.	46,085
DAVAN GROUP	246,432
DIAMOND PRE-CAST CONCRETE LTD	36,907
DIRECT COMMUNICATIONS MARKETING LTD.	33,622
DIRECT EQUIPMENT WEST LTD	48,900
DISTRICT OF NORTH VANCOUVER	502,170
DISTRICT OF WEST VANCOUVER	1,060,611
DOMINION SELF-PARK SYSTEMS LTD	50,449
DONNELLY & ASSOCIATES EVENT MARKING INC.	26,938
DOUBLE V CONSTRUCTION LTD	127,068
DS TACTICAL	31,469
E-COMM	295,672
ELTEC ELEVATOR	29,291
ELWORTHY ELECTRICAL SERVICES LTD.	40,648
ENTIRE BUILDING SERVICES LTD.	26,650
ESC AUTOMATION INC	43,209
ESRI CANADA LTD	38,353
EVERGREEN	30,480
FINE-LINE AUTO GRAPHICS & SIGNS INC.	34,607
FORTIS BC ENERGY INC.	79,129
FRED SURRIDGE LTD	117,527
GOLDER ASSOCIATES LTD	139,361
GREAT NORTHERN ENGINEERING CONSULTANTS	30,478
GREATER VANCOUVER SEWERAGE AND	420,375
GREATER VANCOUVER WATER DISTRICT	6,049,237
GRET'S PROJECTS INC.	26,400
GUILLEVIN INTERNATIONAL CO	453,906
HABITAT SYSTEMS INC	59,303
HAEBLER CONSTRUCTION PROJECTS INC.	2,219,491
HAPA COLLABORATIVE	221,964
INFOR (CANADA), LTD.	188,042
ISL ENGINEERING & LAND SERVICES LTD.	577,270
ISLAND KEY COMPUTER LTD	113,658
JIM WILES AND SON LTD	103,322
KAL TIRE	51,559
KEI SPACE	148,243
KERR WOOD LEIDAL ASSOCIATES LTD	69,373
KINGFISHER DOCKS LTD.	101,113
KRAUS TRUCKING	47,128

**The Corporation of the City of North Vancouver
Schedule of Suppliers of Goods and Services
FIR Schedule 1, Section 7 (1) (a) and (b)
2017**

Vendor	Payment
LASER VALLEY TECHNOLOGIES CORP.	50,027
LEHIGH MATERIALS	105,779
LIDSTONE & COMPANY	111,969
LIONS GATE FABRICARE C	25,256
LMLTD HOLDINGS CORP	74,333
LONSDALE ENERGY CORP	257,362
MAINROAD MAINTENANCE PRODUCTS	154,953
MANCORP INDUSTRIAL SALES LTD	45,855
MANULIFE FINANCIAL	36,575
MAR-TECH UNDERGROUND SERVICES LTD	201,780
MCRAE'S ENVIRONMENTAL SERVICES LTD	446,958
METRO MOTORS LTD	276,747
METRO RESTORATION SERVICES LTD.	25,608
METRO VANCOUVER	5,323,401
MICROSOFT LICENSING GP:WRC-CA	163,996
MILLS PRINTING PRODUCT	70,052
MODERN DRAINAGE	34,132
MODUS PLANNING, DESIGN & ENGAGEMENT INC	37,336
MORNEAU SHEPELL LTD.	30,844
MORRISON HERSHFIELD	26,990
MUNICIPAL PENSION PLAN	3,692,156
MURRIN CONSTRUCTION LTD	50,579
NAPA NORTH VANCOUVER #	46,335
NEPTUNE TECHNOLOGY GROUP	195,864
NORTH SHORE NEWS	57,269
NORTH VANCOUVER CHAMBER OF COMMERCE	33,334
NORTON ROSE FULBRIGHT CANADA LLP	212,235
NOVACOM CONST LTD	877,522
OMB OFFICE OF MCFARLANE BIGGAR	109,129
OPENTEXT	88,284
ORACLE CANADA ULC	108,790
PACIFIC BLUE CROSS	1,163,522
PACIFIC FLOW CONTROL LTD.	31,565
PARKLAND REFINING (B.C.) LTD.	85,967
PFS STUDIO	63,922
PINNACLE INT'L REALTY GROUP II INC.	84,162
PJS SYSTEMS INC.	75,328
POLYGON CONSTRUCTION MANAGEMENT LTD	122,614
POWER FLAGGIN & TRAFFIC CONTROL	34,391
PRECISION GREENS	44,472

**The Corporation of the City of North Vancouver
Schedule of Suppliers of Goods and Services
FIR Schedule 1, Section 7 (1) (a) and (b)
2017**

Vendor	Payment
PREMIER PACIFIC SEEDS LTD	31,225
PRESENTATION HOUSE THEATRE	215,891
PROSCENIUM ARCHITECTURE & INTERIORS INC.	35,210
RAY CONTRACTING LTD	28,062
RECEIVER GENERAL FOR CANADA	11,756,663
RECTEC INDUSTRIES INC.	37,774
RF BINNIE AND ASSOCIATES LTD	115,513
RFS CANADA	25,779
RICHMOND CHRYSLER	51,322
RICOH CANADA INC	69,730
RITE-WAY FENCING INC	36,202
ROLLINS MACHINERY LTD	45,697
ROSE SECURITY SERVICES INC	86,527
ROSS MORRISON ELECTRICAL LTD	38,357
SATRAP HVAC SERVICES INC.	25,715
SCALAR DECISIONS INC.	216,613
SHERINE INDUSTRIES LTD	28,909
SIRSIDYNIX (CANADA) INC.	53,016
SOFTCHOICE LP.	93,419
SOLIDCAD	27,488
SQUAMISH FIRST NATION	2,382,971
STANDARD BUILDING SUPPLY	37,074
SUPER SAVE DISPOSAL INC	49,171
SUPERIOR CITY SERVICES LTD	176,101
SYMMETRY LIGHTING LTD.	137,943
T&T DEMOLITION LTD.	150,255
TECH LOGIC CORP	63,966
TELUS COMMUNICATIONS INC	99,754
TELUS MOBILITY	34,619
THE FLOW COMMUNICATION GROUP INC.	33,930
THE SALVATION ARMY NORTH SHOR	36,650
THE SHIPYARDS DEVELOPMENT LTD.	3,265,114
TOMKO SPORTS SYSTEMS INC.	41,647
TRANSTAR SANITATION SUPPLY LTD.	38,675
TRANS-WESTERN ELECTRIC LTD	25,806
TREEN SAFETY (WORKSAFE) INC.	35,285
TRIPLE M TRANSPORT LTD.	26,496
TRIPLE THREE TRADING LTD	36,420
TRUEPOINT SOLUTIONS, LLC	519,398
TUPPER LANDSCAPING INC	49,752

**The Corporation of the City of North Vancouver
Schedule of Suppliers of Goods and Services
FIR Schedule 1, Section 7 (1) (a) and (b)
2017**

Vendor	Payment
TWILIGHT MARKETS LTD	69,300
TWIN ISLAND EXCAVATING LTD.	102,750
URBAN ARTS ARCHITECTURE	118,982
URBAN FORUM ASSOCIATES	29,287
URBAN SAWING AND SCANNING CO LTD	71,852
URBAN SYSTEMS	247,386
VADIM COMPUTER MANAGEMENT GROUP LTD	39,485
VALKYRIE LAW GROUP LLP	51,839
VAN-KEL IRRIGATION	62,506
VANPORT ENTERPRISES LTD	110,926
WEST COAST GROUTING LTD.	34,689
WEST COAST MACHINERY LTD	25,175
WESTERRA EQUIPMENT LP	75,875
WESTLAND INSURANCE GROUP LTD.	209,457
WESTVIEW SALES LTD	29,973
WHITELAW TWINING LAW CORPORATION	36,374
WHOLESALE FIRE AND RESCUE LTD	66,922
WOLSELEY WATERWORKS GROUP - BC REGION	45,010
WORKER'S COMPENSATION BOARD	518,565
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Section 7 (1) (a) - Vendors over \$25,000	63,546,344
Section 7 (1) (b) - Vendors \$25,000 or less	5,829,632
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Grand Total Sections 7 (1) (a) and 7 (1) (b)	69,375,976
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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)
2017

FIR Schedule 1, Section 7(1)(a) & (b) - Payments to Suppliers of Goods and Services	\$ 69,375,976
FIR Schedule 1, Section 7(2)(b) - Grants and Contributions	12,350,212
Subtotal - Payments to Suppliers	\$ 81,726,188

Reconciliation Items

FIR Schedule 1, Section 6(2)(a) - remuneration paid to elected officials	\$ 365,487
FIR Schedule 1, Section 6(2)(b) and 6(2)(c) - employee remuneration	39,314,914
FIR Schedule 1, Section 6(2)(a) - elected officials expenses	42,436
FIR Schedule 1, Section 6(2)(b) and 6(2)(c) - employee and Board expenses	467,487
Post Employment Benefits	654,400
Sick and severance	(31,158)
Workers' Compensation Board net of recoveries	398,513

Related Parties

City of North Vancouver Library	
City of North Vancouver Library remuneration	2,774,827
Remove City of North Vancouver grant to Library	(3,684,970)
FIR Schedule 1, Section 6(2) - Employee and Board Expenses	47,806
FIR Schedule 1, Section 7(1) (a) & (b) - Payments to Suppliers of Goods and Services	1,234,187
Other net adjustments (includes depreciation)	(22,971)
North Vancouver Recreation Commission	
Add City of North Vancouver share of NVRC expenses (includes salaries and benefits)	8,677,419
Remove City of North Vancouver share of City grant to NVRC	(1,518,607)
Other net adjustments	(654,867)
North Vancouver Museum and Archives	
DNV's share of expenses (includes salaries and benefits)	(599,459)
City's share of grant to Museum	(270,783)

Recoveries

Recovery from District of North Vancouver for DNV share of Police operating/capital costs	(4,164,734)
Recovery from Lonsdale Energy Corp.	(940,738)
Net of other allocations and recoveries	(559,497)
Recovery from District of North Vancouver for DNV share of Police salaries and benefits	(85,003)
Staff recoveries	(1,190,056)

Other Financial Statement Items

Change in accrued payable and other expenses	871,771
Bank fees journalized	183,647
Interest on pre-authorized payments	20,919
Holdbacks and holdback deficiencies	(892,707)
Expenditures transferred to tangible capital assets	(30,748,676)
Depreciation expense (excluded Library)	13,749,160
Prior period capital adjustments	(223,723)
Change in Inventories from December 31, 2016 to 2017	(50,864)
Change in prepaid expenses from December 31, 2016 to 2017	854,076
City portion of prior years taxes refunded in 2017 due to changes in property assessment	8,504
Other net adjustments	(372,927)

Total expenses per Consolidated Statement of Financial Activities	\$ 105,380,000
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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
Schedule of Grants & Contributions
FIR Schedule 1, Section 7 (2) (b)
2017**

Listing of contributions exceeding \$25,000

NORTH SHORE EMERGENCY MANAGEMENT OFFICE	241,690
NORTH SHORE NEIGHBOURHOOD HOUSE	732,252
NORTH VANCOUVER CITY LIBRARY	3,684,970
NORTH VANCOUVER MUSEUM & ARCHIVES COMMISSION	541,566
NORTH VANCOUVER RECREATION COMMISSION	5,665,697
SCHOOL DISTRICT NO.44 (NORTH VANCOUVER)	113,800

Total contributions exceeding \$25,000	10,979,975
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Listing of grants exceeding \$25,000

CAPILANO COMMUNITY SERVICES SOCIETY	80,400
FAMILY SERVICES OF THE NORTH SHORE	53,947
FILLIPINO COMMUNITY CENTRE	32,190
LOOKOUT HOUSING AND HEALTH SOCIETY	35,700
NAVY LEAGUE OF CANADA	71,500
NORTH SHORE COMMUNITY RESOURCES	46,332
NORTH SHORE NEIGHBOURHOOD HOUSE	182,750
NORTH SHORE RESCUE TEAM	37,125
NORTH SHORE RESTORATIVE JUSTICE SOCIETY	35,000
NORTH VANCOUVER CHAMBER OF COMMERCE	70,000
NORTH VANCOUVER MUSEUM & ARCHIVES COMMISSION	40,375
NORTH VANCOUVER RECREATION COMMISSION	109,983
SILVER HARBOUR CENTRE SOCIETY	155,500
THE SALVATION ARMY NORTH SHORE	35,700

Total of grants exceeding \$25,000	986,502
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Total of all grants and contributions exceeding \$25,000	11,966,477
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Consolidated total of grants and contributions less than \$25,000	383,735
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Grand total of all grants and contributions	\$ 12,350,212
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**The Corporation of the City of North Vancouver
Statement of Financial Information Approval
FIR Schedule 1, Section 9(2)
2017**

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)
2017**

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

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 office as described in section 108.1 [disqualification for contravening conflict rules] unless the contravention was done inadvertently or because of an error in judgment made in good faith.

Community Charter Section 168
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.