

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: <u>North Coast Regional District</u>	Contact Name: <u>Sukhraj Gill</u>
Fiscal Year End: <u>December 31, 2017</u>	Phone Number: <u>2506242002</u>
Date Submitted: <u>June 21, 2017</u>	E-mail: <u>treasurer@ncrdbc.com</u>

For the Ministry:

Ministry Name: _____	Reviewer: _____										
Date Received: _____	Deficiencies: <table style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 100px; text-align: right;">Yes</td> <td style="width: 40px; text-align: center;"><input type="checkbox"/></td> <td style="width: 100px; text-align: right;">No</td> <td style="width: 40px; text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Date Reviewed: _____</td> <td>Deficiencies Addressed: <table style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 100px; text-align: right;">Yes</td> <td style="width: 40px; text-align: center;"><input type="checkbox"/></td> <td style="width: 100px; text-align: right;">No</td> <td style="width: 40px; text-align: center;"><input type="checkbox"/></td> </tr> </table> </td> </tr> </table>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	Date Reviewed: _____	Deficiencies Addressed: <table style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 100px; text-align: right;">Yes</td> <td style="width: 40px; text-align: center;"><input type="checkbox"/></td> <td style="width: 100px; text-align: right;">No</td> <td style="width: 40px; text-align: center;"><input type="checkbox"/></td> </tr> </table>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>								
Date Reviewed: _____	Deficiencies Addressed: <table style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 100px; text-align: right;">Yes</td> <td style="width: 40px; text-align: center;"><input type="checkbox"/></td> <td style="width: 100px; text-align: right;">No</td> <td style="width: 40px; text-align: center;"><input type="checkbox"/></td> </tr> </table>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>						
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>								
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (b)	Operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (c)	Schedule of debts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (d)	Schedule of guarantee and indemnity agreements	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
1 (1) (e)	Schedule of employee remuneration and expenses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (f)	Schedule of suppliers of goods and services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (3)	Statements prepared on a consolidated basis or for each fund, as appropriate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (4) 1 (5)	Notes to the financial statements for the statements and schedules listed above	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

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 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
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 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
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 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3 (4)	Community colleges, school districts, and municipalities must prepare a Statement of Changes in Financial Position for the Capital Fund	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4 (1) (b)	Identify debts covered by sinking funds or reserves and amounts in these accounts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
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 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
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)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
5 (2)	State the entities involved, and the specific amount involved if known	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
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 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
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)]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (2) (c)	Include a consolidated total for employees whose remuneration is \$75,000 or less [excluding the persons listed under 6 (2) (a)]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (2) (d)	Reconcile or explain any difference between total remuneration in this schedule and related information in the operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (3)	Exclude personal information other than name, position, function or remuneration and expenses of employees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
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)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
6 (8)	Provide the reason for omitting a statement of severance agreements in a note to the schedule of remuneration and expenses	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (1) (b)	Include a consolidated total of all payments to suppliers who received \$25,000 or less	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (1) (c)	Reconcile or explain any difference between the consolidated total and related figures in the operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (2) (b)	Include a statement of payments for the purposes of grants or contributions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Inactive Corporations					
8 (1)	The ministry reports for the corporation if the corporation is not operating to the extent required to produce a SOFI	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8 (2) (a)	The ministry's report contains the statements and schedules required under section 1 (1), to the extent possible	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8 (2) (b)	The ministry's report contains a statement of the operational status of the corporation (see Guidance Package regarding what to include)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
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)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9 (2)	Municipalities – the SOFI is approved by its council and by the officer assigned responsibility for financial administration (see Guidance Package for example)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
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/)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (4)	The management report explains the roles and responsibilities of the board of directors or governing body, audit committee, management, and the auditors	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (5)	Signature approvals required in section 9 are for each of the statements and schedules of financial information, not just the financial statements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



Staff Report – Regular Meeting

Date: June 15, 2018

To: D. Chapman, Chief Administrative Officer

From: S. Gill, Treasurer

Subject: 2017 Statements of Financial Information/Audited Financial Statements

Recommendation:

THAT the Board receives the staff report “2017 Statement of Financial Information”;

AND THAT the Board approves the Statement of Financial Information as presented;

AND FURTHER THAT the 2017 Audited Financial Statements be adopted as presented.

DISCUSSION:

As required under the Local Government Act *Section 376*, the North Coast Regional District is required to prepare the Statement of Financial Information (SOFI) as well as present the audited financial statements of the previous year. Public notice was given that the SOFI report and the audited financial statements are available for public viewing. To this date, no public comments have been received. These two reports must be approved by the Board before June 30th each year.

Most of the information that must be presented in the SOFI report is contained in the Audited Financial Statements (Attachment 3); however, additional information required includes:

- A Schedule showing the remuneration and expenses incurred on behalf of all elected officials (Attachment 1);
-

- A Schedule showing the salaries and expenses incurred on behalf of all employees earning \$75,000 or more (Attachment 1); and,
- A Schedule showing the payments made to all vendors who were paid \$25,000 or more (Attachment 2).

NORTH COAST REGIONAL DISTRICT

MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.


Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control.

The corporation's internal auditor has the responsibility for assessing the management systems and practices of the corporation.

The external auditors, CARLYLE SHEPHERD & CO, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Audit Committee of the Board and meet with it on a regular basis.

On behalf of the North Coast Regional District


Sukhraj Gill, Treasurer


Date

Attachment 1:

NORTH COAST REGIONAL DISTRICT			
2017			
SCHEDULE SHOWING THE REMUNERATION AND EXPENSES			
PAID TO OR ON BEHALF OF EACH EMPLOYEE			
As Required by Section 2(3)(a) of the Financial Information Act			

1. Elected Officials and Members of the Board of Directors

NAME	POSITION	REMUNERATION	EXPENSES
Pages, Barry	Chair	21,352	16,422
Nobels, Des	Vice Chair	17,154	5,643
Beldessi, Bill	Member, Board	17,454	7,501
Bergman, Karl	Member, Board	16,980	7,413
Racz, Michael	Member, Board	17,280	7,416
Kinney, Nelson	Member, Board	13,678	0
Brain, Lee	Member, Board	13,507	1,185
Franzen, Dan	Member, Board	13,333	1,033
Thomas, Urs	Member, Board	8,901	3,102
Daugert, Douglas	Member, Board	6,006	2,547
Martin, Greg	Member, Board	13,630	4,100
Budde, Lutz	Alternate Member, Board	174	301
Cunningham, Barry	Alternate Member, Board	1,220	945
MacKenzie, Christine	Alternate Member, Board	697	0
MacMullin, Joanne	Alternate Member, Board	697	694
TOTAL:		162,066	58,302

2. Employees

NAME	REMUNERATION	EXPENSES
Chapman, Doug	146,601	10,836
DesChamp, Timothy	95,481	6,544
Fish, Daniel	100,252	8,905
Gill, Sukhraj	105,398	5,180
Kidd, Robert	95,557	3,886
Consolidated Total of other employees with remuneration and expenses of \$75,000 or less	713,015	12,843
TOTAL:	1,256,304	48,195

3. Reconciliation

	REMUNERATION	EXPENSES
Total Remuneration - Elected Officials and Members of the Board of Directors	162,066	58,302
Total Remuneration - Other Employees	1,256,304	48,195
SUB-TOTAL	1,418,370	106,496
Reconciling Items	0	0
TOTAL per Statement of Revenue and Expenditure	1,418,370	106,496
Variance	0	0

Attachment 2:

NORTH COAST REGIONAL DISTRICT
2017
SCHEDULE SHOWING PAYMENTS
MADE FOR THE PROVISION OF GOODS OR SERVICES

1. Alphabetical list of suppliers who received aggregate payments exceeding \$25,000

Supplier Name	Aggregate amount paid to supplier
Aggressive Transport Ltd.	30,294
BC Hydro	35,614
Big Red Enterprises Ltd.	207,059
C. and C. Beachy Contracting Ltd.	41,624
City of Prince Rupert	65,936
CUETS Financial	51,027
Fast Fuels Ltd	25,778
Municipal Pension Plan	155,853
Munro Thompson Communications Inc.	52,277
Pacific Blue Cross	74,397
Prudhomme, Bob	37,370
Receiver General	295,980
Ticker's Hauling and Storage	146,886
Upanup Studios Inc.	51,701
Urban Systems Ltd.	32,459
Total aggregate amount paid to suppliers	1,304,255

2. Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less

Consolidated total <\$25,000	673,035
--	----------------

3. Total of payments to suppliers for grants and contributions exceeding \$25,000

Consolidated total of grants exceeding \$25,000	401,537
Consolidated total of contributions exceeding \$25,000	0
Consolidated total of all grants and contributions exceeding \$25,000	401,537

4. Reconciliation

Total of aggregate payments exceeding \$25,000 paid to suppliers	1,304,255
Consolidated total of payments of \$25,000 or less paid to suppliers	673,035
Consolidated total of all grants and contributions exceeding \$25,000	401,537
Consolidated total of all grants under \$25,000	45,988
TOTAL Cheques	2,424,816

Reconciling Items *

Total Cheques carried forward from page 1	2,424,816
Less Benefits:	
Pacific Blue Cross/BC Life	-74,397
Municipal Pension Plan	-155,853
Medical Services Plan	-14,400
WCB	-18,700
Receiver General for Canada	-295,980
Revised Total:	1,865,485
Total per Statement of Revenue and Expenditures (Note 9. Expenditures by Type-Purchased services, grants and supplies)	1,865,485
Variance *	0

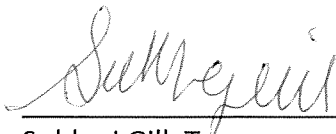
* Note: If you cannot provide reconciling items, please provide an explanation of the variance.

☐ Prepared under the Financial Information Regulation, Schedule 1, Section 7 and the *Financial Information Act*, Section 2.

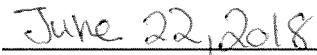
NORTH COAST REGIONAL DISTRICT

STATEMENT OF FINANCIAL INFORMATION APPROVAL

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*.



Suhkraj Gill, Treasurer



Date



Barry Pages, Chairperson



Date

NORTH COAST REGIONAL DISTRICT

FINANCIAL STATEMENTS

DECEMBER 31, 2017

NORTH COAST REGIONAL DISTRICT

INDEX TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

INDEPENDENT AUDITOR'S REPORT

- A STATEMENT OF FINANCIAL POSITION**
- B STATEMENT OF FINANCIAL ACTIVITIES**
- C STATEMENT OF CASH FLOWS**
- D STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**

NOTES

SCHEDULES

- 1 STATEMENT OF SURPLUS**
- 2 STATEMENT OF RESERVE FUNDS**
- 3 STATEMENT OF CHANGES IN EQUITY IN PHYSICAL ASSETS**
- 4 STATEMENT OF PHYSICAL ASSETS**

INDEPENDENT AUDITOR'S REPORT

**To the Directors
North Coast Regional District**

Report on the Financial Statements

We have audited the accompanying statement of financial position of North Coast Regional District as at December 31, 2017 and the statements of financial activities, cash flows and changes in net financial assets for the year then ended and a summary of significant accounting policies.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for 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 financial statements.

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Regional District as at December 31, 2017 and the results of its operations, cash flows and changes in net financial assets for the year then ended in accordance with Canadian public sector accounting standards.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Regional District taken as a whole. The current year's supplementary information included in Schedules one to four is presented for purposes of additional analysis. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects, in relation to the financial statements taken as a whole.


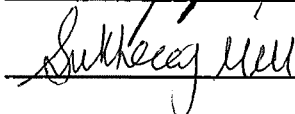
Prince Rupert, BC
June 15, 2018

Carlyle Shepherd & Co.

NORTH COAST REGIONAL DISTRICT
STATEMENT OF FINANCIAL POSITION
DECEMBER 31
STATEMENT A

	2017	2016
	\$	\$
FINANCIAL ASSETS		
Cash and investments (note 1)	3,863,296	3,578,517
Trade and other receivables (note 2)	451,380	469,882
MFA deposit (note 3)	309,417	311,049
Due from Municipalities	<u>14,129,576</u>	<u>14,945,025</u>
	<u>18,753,669</u>	<u>19,304,473</u>
LIABILITIES		
Accounts payable and accruals (note 4)	344,922	391,221
Landfill closure costs accrual (note 5)	335,240	291,196
Deferred revenue (note 6)	1,690,802	1,513,610
MFA debt reserve (note 3)	309,417	311,049
MFA loans for Regional District (note 7)	27,898	69,449
Debentures issued for Municipalities (note 8)	<u>14,129,576</u>	<u>14,945,025</u>
	<u>16,837,855</u>	<u>17,521,550</u>
NET FINANCIAL ASSETS	1,915,814	1,782,923
Physical assets (note 1 and schedule 4)	3,070,508	3,177,619
Prepaid expenses	<u>6,399</u>	<u>8,623</u>
NET POSITION	<u>4,992,721</u>	<u>4,969,165</u>
REGIONAL DISTRICT POSITION		
Operating surplus (schedule 1)	1,318,566	1,239,338
Reserve funds (schedule 2)	631,545	621,657
Equity in Physical Assets (note 1 and schedule 3)	<u>3,042,610</u>	<u>3,108,170</u>
	<u>4,992,721</u>	<u>4,969,165</u>

APPROVED BY THE BOARD

 Chair
 Treasurer

NORTH COAST REGIONAL DISTRICT
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED DECEMBER 31
STATEMENT B

	Unaudited Budget 2017 \$	Actual 2017 \$	Actual 2016 \$
REVENUE			
Taxation	1,453,530	1,453,534	1,444,177
Grants in lieu	60,760	148,031	141,948
Sales, fees and other	1,524,770	1,672,818	1,661,995
Provincial, federal and other grants	303,095	259,388	440,845
Municipal debt payments	1,311,842	1,175,441	1,497,539
	<u>4,653,997</u>	<u>4,709,212</u>	<u>5,186,504</u>
EXPENDITURE			
Administration	752,380	888,196	721,117
Electoral areas	197,430	161,018	156,637
Grant-in-aid	15,085	5,763	2,770
Municipal debt service	1,311,842	1,175,441	1,497,539
Sandspit fire protection	28,600	41,390	15,470
Emergency programming	20,470	1,172	26,388
Islands solid waste	940,930	965,154	932,491
Regional recycling	671,400	637,918	691,219
Planning	67,250	45,213	168,500
Economic development	77,370	42,941	28,915
Prince Rupert Regional Archives	85,980	90,340	88,505
North Pacific Cannery	95,620	102,100	102,000
Haida Gwaii Museum	75,980	77,100	76,500
Vancouver Island Regional Library	44,160	48,280	44,156
Haida Gwaii recreation	129,810	142,955	122,530
Sandspit hall	18,100	10,322	10,381
Mainland recreation	11,620	13,025	11,818
Sandspit water utility	106,200	86,558	102,185
Feasibility Studies	15,540	3,968	-
Amortization / loss on disposal	-	146,802	153,527
	<u>4,665,767</u>	<u>4,685,656</u>	<u>4,952,648</u>
REVENUE OVER EXPENDITURE	- 11,770	23,556	233,856
OPENING REGIONAL DISTRICT POSITION	<u>4,969,165</u>	<u>4,969,165</u>	<u>4,735,309</u>
CLOSING REGIONAL DISTRICT POSITION	<u>4,957,395</u>	<u>4,992,721</u>	<u>4,969,165</u>

NORTH COAST REGIONAL DISTRICT
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31
STATEMENT C

	2017	2016
	\$	\$
OPERATING ACTIVITIES		
Revenue over expenditure	23,556	233,856
Amortization / loss on disposal	146,802	153,527
Landfill closure costs accrual	44,044	43,418
Accounts payables and accruals	- 46,299	78,393
Trade and other receivables	18,502	- 162,728
Deferred revenue	177,192	129,585
Prepaid expenses	2,224	14,814
	<u>366,021</u>	<u>490,865</u>
FINANCING ACTIVITIES		
Debt repayment	<u>- 41,551</u>	<u>- 75,228</u>
INVESTING ACTIVITIES		
Purchase of physical assets	- 39,691	- 45,061
Sale of physical assets	<u>-</u>	<u>6,000</u>
	<u>- 39,691</u>	<u>- 39,061</u>
CHANGE IN CASH	284,779	376,576
OPENING CASH AND INVESTMENTS	<u>3,578,517</u>	<u>3,201,941</u>
CLOSING CASH AND INVESTMENTS	<u>3,863,296</u>	<u>3,578,517</u>

NORTH COAST REGIONAL DISTRICT
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
YEAR ENDED DECEMBER 31
STATEMENT D

	2017	2016
	\$	\$
Revenue over expenditure	23,556	233,856
Amortization of physical assets	146,802	153,527
Purchase of physical assets	- 39,691	- 45,061
Sale of physical assets	-	6,000
Prepaid expenses	<u>2,224</u>	<u>14,814</u>
Increase in net financial assets	132,891	363,136
Opening net financial assets	<u>1,782,923</u>	<u>1,419,787</u>
Closing net financial assets	<u>1,915,814</u>	<u>1,782,923</u>

NORTH COAST REGIONAL DISTRICT

NOTES

DECEMBER 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Regional District has adopted the reporting format from the recommendations by the Public Sector Accounting Board.

The Regional District maintains the following funds that are combined in the financial statements:

- Operating fund reports the general activities of the Regional District.
- Capital fund reports the physical assets of the Regional District together with the related financing.
- Reserve fund reports the activities of the funds established by bylaw for specific purposes.

Basis of accounting

Revenue and expenditures are reported on an accrual basis.

Revenue recognition

Taxation revenues are recognized when requisitioned from the Province of British Columbia and member Municipalities. Sale of services and user fee revenues are recognized when the service or product is provided by the Regional District. Grant revenues are recognized when the commitments are met.

Financial instruments

The Regional District measures financial assets and liabilities at market value at the date of acquisition except for those investments quoted in an active market, which are reported as market value.

It is management's opinion that the Regional District's financial instruments are not exposed to significant interest rate, liquidity, market or other price risks.

Cash and investments

Cash and investments are reported at market value.

NORTH COAST REGIONAL DISTRICT

NOTES

DECEMBER 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Physical assets

Physical assets are recorded at cost and are amortized using the straight-line method as follows:

Buildings	40 years
Automotive	10 and 20 years
Equipment	10 and 20 years
Infrastructure	40 years

Equity in Physical Assets

Equity in Physical Assets reports the accumulated funded historical cost of physical assets less accumulated amortization.

Use of estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the amounts reported. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

2. TRADE AND OTHER RECEIVABLES

	2017	2016
Provincial and Federal governments	\$ 102,982	\$ 190,492
Regional and local governments	132,381	157,510
Trade receivables and other	216,017	121,880
	<u>\$ 451,380</u>	<u>\$ 469,882</u>

3. MFA DEPOSIT AND DEBT RESERVE

A condition of MFA borrowings stipulates that a portion of the debenture proceeds be withheld as a security deposit and a debt reserve fund.

NORTH COAST REGIONAL DISTRICT

NOTES

DECEMBER 31, 2017

4. ACCOUNTS PAYABLE AND ACCRUALS

	2017	2016
Provincial and Federal governments	\$ 15,482	\$ 10,825
Regional and local governments	36,285	84,764
Payroll	135,792	137,653
Trade payables and other	157,363	157,979
	<u>\$ 344,922</u>	<u>\$ 391,221</u>

5. LANDFILL CLOSURE COSTS ACCRUAL

The Regional District is responsible for closing a landfill on Haida Gwaii in accordance with Ministry of Environment regulations. Management has prepared its estimates using a provisional phased closure plan.

6. DEFERRED REVENUE

Revenues received in advance of expenses that will be incurred in a later period are deferred until they are matched against those expenses.

	2017	2016
Gas tax	\$ 1,681,195	\$ 1,456,161
Other	9,607	57,449
	<u>\$ 1,690,802</u>	<u>\$ 1,513,610</u>

7. MFA LOANS FOR REGIONAL DISTRICT

Loans are with the Municipal Finance Authority and are being repaid in accordance with approved bylaws and agreements.

8. DEBENTURES ISSUED FOR MUNICIPALITIES

When a member municipality within the Regional District wishes to issue debenture debt through the Municipal Finance Authority of BC (MFA), the borrowing is done through the Regional District. The Regional District is therefore responsible for repayment of the debt to MFA. When payments (principal and interest) are made on this debt, the Regional District pays MFA and is reimbursed by the municipality.

NORTH COAST REGIONAL DISTRICT

NOTES

DECEMBER 31, 2017

8. DEBENTURES ISSUED FOR MUNICIPALITIES (continued)

The Regional District reports the outstanding debt borrowed on behalf of the member municipalities as both a financial asset and financial liability. Municipal debt payments are shown as revenue and offsetting expenditure.

9. EXPENDITURES BY TYPE

	2017	2016
Director remuneration	\$ 162,066	\$ 155,475
Director travel	41,433	39,893
Staff remuneration and benefits	1,256,304	1,248,140
Staff travel and education	37,305	39,173
Interest	820	21,809
Purchased services, grants and supplies	1,865,485	1,797,092
Municipal debt payments	1,175,441	1,497,539
Amortization / loss on disposal	146,802	153,527
	<u>\$ 4,685,656</u>	<u>\$ 4,952,648</u>

10. PENSION INFORMATION

The Regional District and its employees contribute to the Municipal Pension Plan (the Plan), a jointly-trusted pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 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 is then adjusted to the extent there is amortization of any funding deficit.

The most recent actuarial valuation as at December 31, 2015 indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2018 with results available in 2019.

NORTH COAST REGIONAL DISTRICT

NOTES

DECEMBER 31, 2017

10. PENSION INFORMATION (continued)

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

The Regional District paid \$81,463 (2016 - \$82,229) for employer contributions to the plan in fiscal 2017.

11. PURPOSE OF ORGANIZATION

The North Coast Regional District is a partnership of four electoral areas and five municipalities that provide local government services to approximately 20,000 residents living on the North Coast of British Columbia and Haida Gwaii.

The Regional District administers services ranging from solid waste management and recycling to land use planning, water supply and public safety.

NORTH COAST REGIONAL DISTRICT
STATEMENT OF SURPLUS
YEAR ENDED DECEMBER 31
SCHEDULE 1

	2017	2016
	\$	\$
Administration	161,739	229,477
Electoral areas	226,904	186,308
Grant-in-aid	23,157	18,637
Sandspit fire protection	-	12,768
Emergency programming	95,291	75,233
Islands solid waste	157,645	222,788
Regional recycling	225,644	127,910
Planning	142,242	120,951
Economic development	64,451	43,729
Prince Rupert Regional Archives	21,462	18,858
North Pacific Cannery	44,282	35,259
Haida Gwaii Museum	10,212	8,638
Vancouver Island Regional Library	3,864	6,563
Haida Gwaii recreation	16,700	25,363
Sandspit hall	25,222	16,987
Mainland recreation	786	1,338
Sandspit water utility	87,050	77,833
Feasibility studies	11,915	10,698
	<u>1,318,566</u>	<u>1,239,338</u>

NORTH COAST REGIONAL DISTRICT
STATEMENT OF RESERVE FUNDS
YEAR ENDED DECEMBER 31
SCHEDULE 2

	2017	2016
	\$	\$
Opening balance	621,657	635,550
Interest	9,888	15,852
Transfer to Operating Fund	<u>-</u>	<u>- 29,745</u>
Closing balance	<u>631,545</u>	<u>621,657</u>

Represented by the following reserve funds

Bylaw 486 Sandspit Water	91,542	90,108
Bylaw 561 Electoral Area Administration	39,895	39,270
Bylaw 566 General Administration	86,442	85,087
Bylaw 567 Feasibility Studies	27,091	26,667
Bylaw 568 Regional Recycling - Other	37,308	36,723
Bylaw 568 Regional Recycling - Building	118,904	117,051
Bylaw 569 Island Solid Waste	230,280	226,670
Bylaw 602 Haida Gwaii Recreation	<u>83</u>	<u>81</u>
	<u>631,545</u>	<u>621,657</u>

NORTH COAST REGIONAL DISTRICT
STATEMENT OF CHANGES IN EQUITY IN PHYSICAL ASSETS
YEAR ENDED DECEMBER 31
SCHEDULE 3

	2017	2016
	\$	\$
Opening balance	<u>3,108,170</u>	<u>3,147,409</u>
Increase (decrease) in equity		
Contribution from operations	39,691	45,061
Sale of physical assets	-	- 6,000
Debt repayment	41,551	56,756
Actuarial additions	-	18,471
Amortization / loss on disposal	<u>- 146,802</u>	<u>- 153,527</u>
	<u>- 65,560</u>	<u>- 39,239</u>
Closing balance	<u>3,042,610</u>	<u>3,108,170</u>

NORTH COAST REGIONAL DISTRICT
STATEMENT OF PHYSICAL ASSETS
YEAR ENDED DECEMBER 31
SCHEDULE 4

	COST				ACCUMULATED AMORTIZATION				NET BOOK VALUE	
	Opening Balance \$	Additions \$	Disposals \$	Closing Balance \$	Opening Balance \$	Annual Amortization \$	Disposals \$	Closing Balance \$	Total 2017 \$	Total 2016 \$
Land	279,748	-	-	279,748	-	-	-	-	279,748	279,748
Buildings	1,556,043	-	-	1,556,043	378,538	38,901	-	417,439	1,138,604	1,177,505
Automotive	244,758	-	-	244,758	102,420	22,114	-	124,534	120,224	142,338
Equipment	507,403	39,691	-	547,094	255,815	40,048	-	295,863	251,231	251,588
Infrastructure	1,829,571	-	-	1,829,571	503,131	45,739	-	548,870	1,280,701	1,326,440
	<u>4,417,523</u>	<u>39,691</u>	<u>-</u>	<u>4,457,214</u>	<u>1,239,904</u>	<u>146,802</u>	<u>-</u>	<u>1,386,706</u>	<u>3,070,508</u>	<u>3,177,619</u>

Resolution from the June 15, 2018 Regular Meeting of the North Coast Regional District Board

**272-2018
&
273-2018**

MOVED by Director Franzen, SECONDED by Director Racz, that the staff report entitled "2017 Statements of Financial Information/Audited Financial Statements" be received;

AND THAT the 2017 audited financial statements be approved as presented.

MOVED by Director Racz, SECONDED by Director Franzen, that the 2017 statement of financial information be approved as presented.

CARRIED

I hereby certify that this is a true and correct copy of
Resolution Nos. 272-2018 and 273-2018 made by the
Board of the North Coast Regional District
on the 15th day of June, 2018.

Dated at Prince Rupert, BC this 26th day of June, 2018.



Daniel Fish
Corporate Officer