

DATE OF MEETING July 6, 2020

AUTHORED BY DAN BAILEY, MANAGER, ACCOUNTING SERVICES

SUBJECT 2019 STATEMENT OF FINANCIAL INFORMATION

OVERVIEW

Purpose of Report

To present the 2019 Statement of Financial Information for acceptance by Council. |

Recommendation

That Council approve the City of Nanaimo 2019 Statement of Financial Information for filing with the Ministry of Municipal Affairs and Housing.

BACKGROUND

The *Financial Information Act* requires municipalities to prepare a Statement of Financial Information (SOFI) by June 30 each succeeding year to be filed with the Ministry of Municipal Affairs and Housing. As a result of the COVID-19 Pandemic, the Province of BC made changes to the submission dates relating to the SOFI. The deadline for submission of the SOFI has been extended to August 31 in the event that a municipality does not have the resources to complete it. As the SOFI is now complete, it is ready to be approved by Council.

Within the SOFI, the Schedule of Remuneration & Expenses includes information which must be considered annually by Council under section 168 of the *Community Charter*.

The SOFI contains information not found in the City of Nanaimo's financial statements:

- Schedule of Guarantee or Indemnity
- Schedule of Remuneration & Expenses
- Schedule of Severance Agreements
- Schedule of Goods and Services

The *Financial Information Regulation* provides some detail on what should be included in these schedules, including specific definitions of "remuneration" and "expenses". For example, while "remuneration" specifically includes salary, wages, and taxable benefits, it specifically excludes anything payable under a severance agreement.

The Schedule of Severance Agreements must include the number of severance agreements and the range of equivalent months' compensation represented by those agreements.

“Expenses” specifically must exclude benefits of a general nature applicable to all employees, such as medical, dental, counseling, insurance and similar plans. It includes travel expenses, memberships, tuition, relocation expense and registration fees. It is not limited to expenses that are generally perceived to be perquisites and may include expenditures required for employees to perform their job functions.

When compared to 2018, the 2019 employee listing for salaries greater than \$75,000 shows an increase in 9 staff. The chart below provides a summary by the employee group:

	2019	2018	Change
Management	62	54	8
IAFF members	86	91	(5)
CUPE members	164	158	6
Total	312	303	9

OPTIONS

1. That Council approve the City of Nanaimo 2019 Statement of Financial Information for filing with the Ministry of Municipal Affairs and Housing.
 - The disadvantages of this option: The City would become non-compliant with the Province of BC’s reporting requirements if the report is not approved.
2. That Council request further information pertaining to the 2019 Statement of Financial Information.

SUMMARY POINTS

- The *Financial Information Act* requires municipalities to prepare a Statement of Financial Information (SOFI) by June 30 each year to be filed with the Ministry of Municipal Affairs and Housing.
- Due to the COVID-19 Pandemic, this deadline has been extended to August 31.
- 312 Employees were listed as earning over \$75,000 in the 2019 Statement of Financial Information.

ATTACHMENTS:

Attachment A: 2019 Statement of Financial Information

Submitted by:

Dan Bailey
Manager, Accounting Services

Concurrence by:

Laura Mercer
Director, Finance

Shelley Legin
General Manager, Corporate Services