

DATE OF MEETING June 18, 2018

AUTHORED BY LAURA MERCER, MANAGER OF ACCOUNTING SERVICES

SUBJECT **2017 STATEMENT OF FINANCIAL INFORMATION**

OVERVIEW

Purpose of Report

To present the 2017 Statement of Financial Information for acceptance by Council.

Recommendation

That Council approve the City of Nanaimo 2017 Statement of Financial Information for filing with the Ministry of Community, Sports and Cultural Development.

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 Community, Sports and Cultural Development. 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 2016, the 2017 employee listing for salaries greater than \$75,000 shows an increase in 15 staff. The chart below provides a summary by the employee group:

	2017	2016	Change
Management	63	62	1
IAFF members	92	87	5
CUPE members	120	111	9
Total	275	260	15

OPTIONS

1. Council approve the City of Nanaimo 2017 Statement of Financial Information for filing with the Ministry of Community, Sports and Cultural Development.
 - **Implications:** The City would become non-compliant with the Province of BC's reporting requirements if the report was not approved.
2. Council could request further information pertaining to the 2017 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 Community, Sports and Cultural Development.
- 275 Employees were listed as earning over \$75,000 in the 2017 Statement of Financial Information.

ATTACHMENTS

Attachment A: 2017 Statement of Financial Information

Submitted by:

Laura Mercer
Manager, Accounting Services