

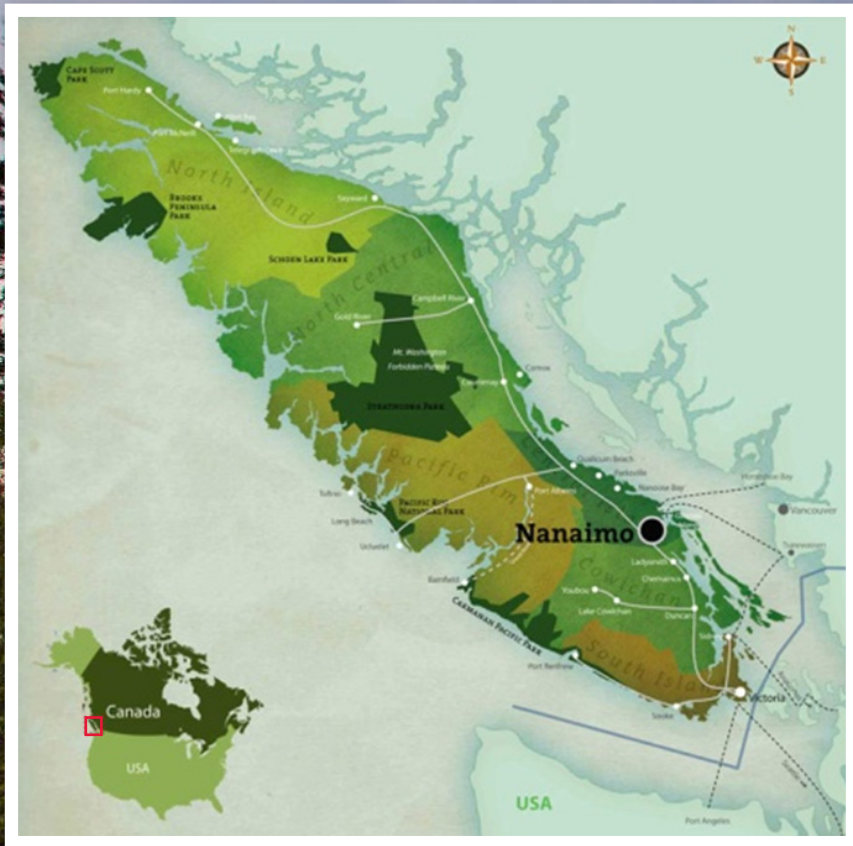
CITY OF NANAIMO



photo courtesy of Tourism Nanaimo and Cinnabar Vista Productions

2015 Annual Municipal Report
(Adopted by City Council on June 20, 2016)

Nanaimo



Nanaimo, BC is located on the east coast of Vancouver Island, 113 km north of Victoria, and 55 km across the Salish Sea (Strait of Georgia) from Vancouver. Nanaimo is referred to as the Harbour City due to its large protected natural harbour which has led to the City becoming a key transportation hub for the Island.

Table of Contents

Poem by Poet Laureate Naomi Beth Wakan.....	1
Mayor's Message.....	2
Chief Administrator Officer Message	3
Nanaimo City Council	4
City Profile	5-6
Nanaimo City Snapshot (stats Canada info)	7-10
Municipal Awards.....	11-12
City Department Descriptions	13-22
-Chief Administrator Office	
-Community Development	
-Culture and Heritage	
-Engineering and Public Works	
-Finance	
-Human Resources	
-Information Technology and Legislative Services	
-Parks, Recreation and Environment	
-Social and Protective Services	
Corporate Strategic Plan Pillars Progress Report.....	23-26
Corporate Strategic Plan Priorities Progress Report.....	27-32
Financial Statistics	33-48
Annual Financial Statements	49-82

For financial measures that relate to the items outlined in the Corporate Strategic Plan, click here to view the “Balanced Scorecard Performance Measures” found on the City of Nanaimo’s website.

Poem by Naomi Beth Wakan



Naomi Beth Wakan is Nanaimo's inaugural Poet Laureate. The role of the Poet Laureate is to serve as the "people's" poet and to raise awareness of poetry and the literary arts and the positive impact literature and poetry can have on community life. What is so wonderful about Ms. Wakan is her love to express herself through her poetry and essays and all the while passionate about inspiring others to discover their own creative talents.

Sounds from the Heart

I sit on my porch
writing poems about
the just emerging daffodils
and the just departing forsythia flowers;
and I request Nanaimo poets
write poems about places that
might go on our Nanaimo Poetry Map
or on panels in our excellent buses.
I also ask the youth of Nanaimo
to put their feelings down
about their hometown
in rhyming couplets,
or the blankest blank verse.
How can I justify all this flurry
of poetry-making when mouths
need to be fed, and
budgets to budgeted,
and children taught to read
and our elders cared for?
Yes, all this needs attention,
that's for sure, yet poetry
answers another need,
a need almost as urgent...
for without sounds from the heart,
what value has anything else?

Quick Fact

In 2015, Naomi Beth Wakan received a special honorary Ambassador Award from the Federation of British Columbia Writers (FBCW) in recognition of the dedicated and spirited way she has "made live poetry a rich and everyday component of civic life in Nanaimo."

Mayor's Message



2015 was another busy and productive year for the City of Nanaimo. On behalf of Council and Staff, I encourage you to take a moment to review the contents of this annual report. Within its pages you'll learn about our City's departments,

read about the projects our City completed and obtain important information concerning our City's finances and future plans.

The range of information contained in this report is made available each year as part of our City's responsibility to report out. Sharing details concerning what our City is doing, when it is doing it, with what impacts and at what cost are fundamental to Council's strategic priority of becoming an excellent municipal government.

This annual report represents just one of the many resources residents and business owners can access to stay informed. Other options include: regularly visiting our City's website, following the City on social media, subscribing to our automated news alerts, reading our various newsletters and blog, reviewing our weekly Council summaries or attending our weekly Council meetings in person or watching them live on TV or our website.

There has never been a time in our City's history where such a depth of information can be so readily accessed using such a varied selection of resources and tools. Whether you're looking up specific details on a recent decision, seeking information about the online services or are simply curious about upcoming activities in a local park, you'll no doubt find a handy source of City information to keep yourself informed, starting with this annual report!

A handwritten signature in black ink, appearing to read 'Bill McKay'.

Bill McKay



Chief Administrator Officer Message



Thank you for taking the time to read the City of Nanaimo's 2015 year in review. An Annual Report is an important document that tracks and tells the story of City operations in a given year and can be looked back upon at for years to come.

2015 was a year of change and growth for the City of Nanaimo. This report shows the positive steps the organization has taken to better serve the residents of this great City. I am excited to continue on this path with Council and staff in 2016.

At the end of 2015, the Core Services Review was launched. The findings, just like what you will read in this report, show the dedication and commitment of staff to serve the residents of Nanaimo. However, there are opportunities to improve and I will be working with Council, staff, the union, external stakeholders and the public to find more efficient and sustainable methods of delivering our services to the community.

We are up for the challenge. Staff worked closely with Mayor and Council on initiating cost-saving measures in hopes of keeping tax increases low. Those efforts resulted in a small 1 percent increase for 2015. This and other organizational goals are achieved through the creativity and innovation of the senior leadership team and the direction and priorities of Council.

Looking into the future, Council is working on a blueprint that will lay out their vision for the next 3 years. This blueprint will provide a strategic direction to staff on priority projects and initiatives to move Nanaimo forward.

I hope you enjoy reading about the successes the City accomplished in 2015. Thank you for allowing me and our great team to serve you!

A handwritten signature in black ink that reads "Tracy Samra".

Tracy Samra

Quick Fact

Nanaimo was declared "The Harbour City" on May 1, 1986 during the official visit of Prince Charles and Princess Diana to Nanaimo.

Nanaimo City Council

Nanaimo's elected 26th Council is comprised of a Mayor and eight Councillors who govern the City of Nanaimo. They were elected on November 15, 2014 and will serve a four-year term as per provincial legislation. Each member of Council represents the City at Large.

The Community Charter gives Council the authority to set budgets, levy taxes and establish policies to guide the

growth, development and operation of the municipality for the benefit and protection of its citizens.

The powers of the Mayor and Council are exercised through the adoption of resolutions or the enacting of bylaws at regularly scheduled Council meetings.



26th Council of the City of Nanaimo

(left to right)

Councillor Jerry Hong, Councillor Bill Yoachim, Councillor Ian Thorpe,
Mayor Bill McKay, Councillor Jim Kipp, Councillor Gord Fuller,
Councillor Bill Bestwick, Councillor Wendy Pratt, Councillor Diane Brennan

DECLARATIONS OF DISQUALIFIED COUNCIL MEMBERS:

No members of Council were disqualified in 2015

City Profile

Nanaimo...the beautiful Harbour City

Nanaimo is truly the beautiful Harbour City. This community of 88,000 and growing lies along the east coast of one of the world's top Island destinations and is the second largest urban centre on Vancouver Island. Visitors and residents often comment about how amazed they are by the natural beauty of the area, mild climate and the relaxed, yet energetic pace of the city.

Residents are very fortunate to enjoy the lifestyle that comes with living in this community. For example, this city of greenspace has over 1,400 hectares of protected open space offering an abundance of parks and trails to explore. In addition, Nanaimo is home to many cultural and recreational opportunities with the popular Nanaimo Aquatic Centre, The Port Theatre, world-class museum and art gallery. Not only that, a plethora of community arts, culture, sporting and

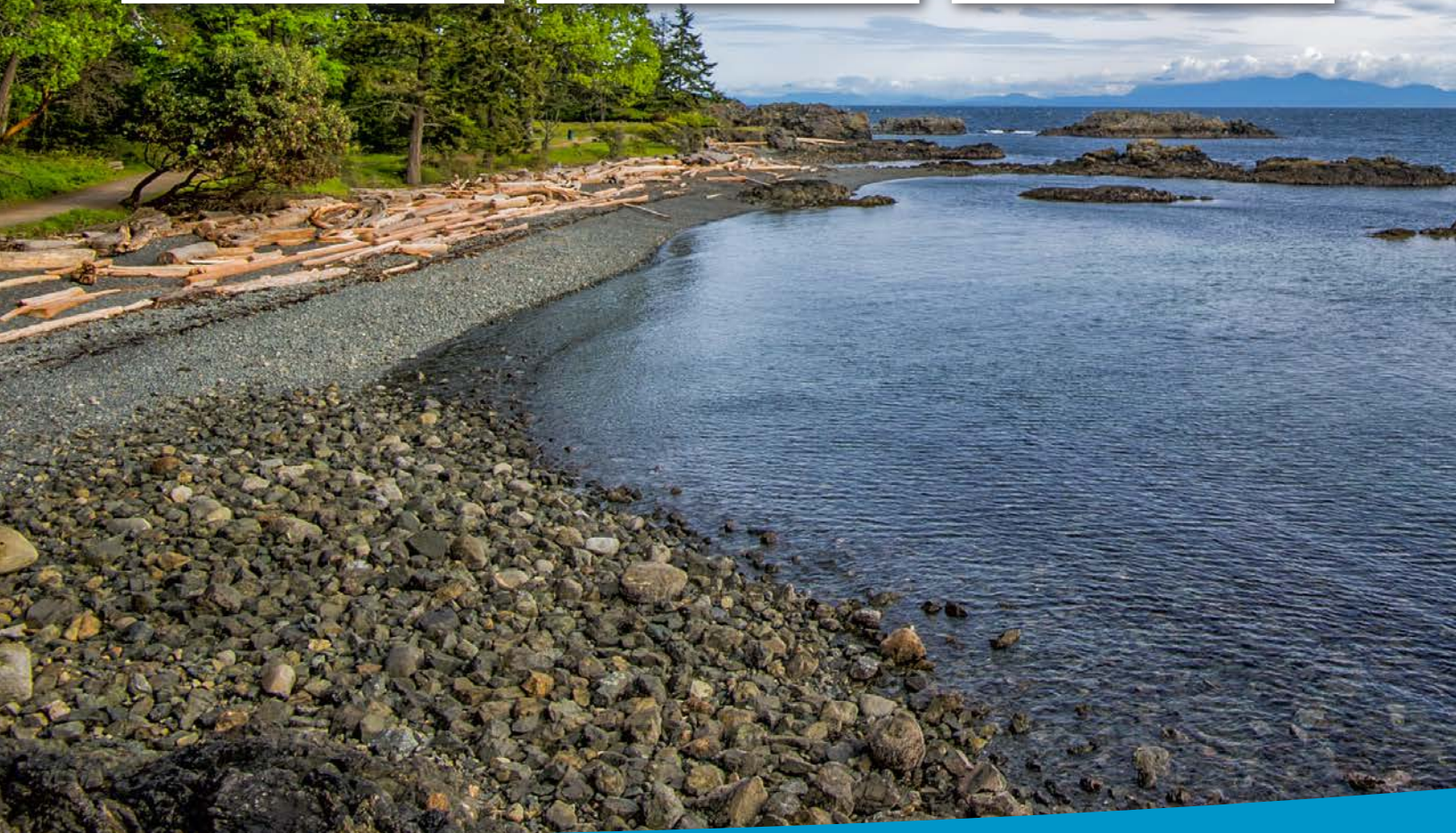
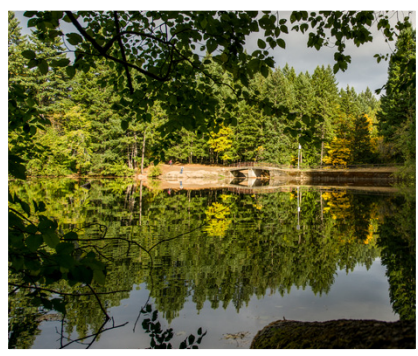
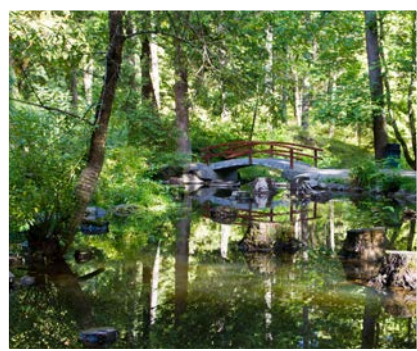
special interest groups contribute to the diversity that is so prevalent here.

The City of Nanaimo has pledged its commitment to enhanced environmental stewardship with increased educational endeavors like the invasive plants removal program and improved recycling opportunities and is in the final process of a Transportation Master Plan that will integrate improved mobility strategies.

With every imaginable amenity within its border, stunning natural beauty and the home of many world class festivals and events like the Dragon Boat Festival and Bathtub Races, Nanaimo is truly a place that evokes pride of place and offers a lifestyle that is second to none!



Nanaimo...it takes your breath away



Nanaimo City Snapshot

POPULATION IN 2011

	NANAIMO				BRITISH COLUMBIA			
	Male	Female	Total	Percentage	Male	Female	Total	Restated
	40,395	43,415	83,810	--	2,156,605	2,243,455	4,400,060	--
0-14 Years	6,150	5,855	12,005	14.3%	347,560	329,805	677,365	15.4%
15-64 Years	26,760	28,540	55,300	66.0%	1,492,285	1,541,695	3,033,980	69.0%
65 Years & Over	7,485	9,020	16,505	19.7%	316,760	371,955	688,715	15.7%

MEDIAN AGE IN 2011

	43.5	46.1	44.8	--	41.1	42.7	41.9	--
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POPULATION IN 2006

	NANAIMO				BRITISH COLUMBIA			
	Male	Female	Total	Percentage	Male	Female	Total	Restated
	37,965	40,730	78,695	--	2,013,985	2,099,495	4,113,480	--
0-14 Years	6,195	5,810	12,005	15.3%	348,740	330,860	679,600	16.5%
15-64 Years	23,385	27,150	52,535	66.8%	1,393,770	1,440,300	2,834,070	68.9%
65 Years & Over	6,385	7,770	14,155	18.0%	271,475	328,335	599,810	14.6%

CHANGE

	NANAIMO				BRITISH COLUMBIA			
	Male	Female	Total	Percentage	Male	Female	Total	Restated
	2,430	2,685	5,115	6.5%	142,620	143,960	286,580	7.0%
0-14 Years	(45)	45	--	--	(1,180)	(1,055)	(2,235)	--
15-64 Years	1,375	1,390	2,765	--	98,515	101,395	199,910	--
65 Years & Over	1,100	1,250	2,350	--	45,285	43,620	88,905	--

(Source: Stats Canada Census 2011)



Nanaimo City Snapshot

LANGUAGE (Mother Tongue)

	NANAIMO		BRITISH COLUMBIA	
TOTAL	82,705	--	4,356,205	--
English	72,615	87.8%	3,062,430	70.3%
French	1,170	1.4%	57,280	1.3%
Non Official Language	8,115	9.8%	1,154,220	26.5%
Multiple Responses	805	1.0%	82,275	1.9%

FAMILIES AND HOUSEHOLDS - 2011

	NANAIMO		BRITISH COLUMBIA	
TOTAL FAMILIES	23,880	--	1,238,155	--
Married Couple	15,945	66.8%	887,990	71.7%
Common Law Couple	3,695	15.5%	160,360	13.0%
Lone Parent	4,240	17.8%	189,805	15.5%

MARITAL STATUS - 15 YEARS & OLDER

	NANAIMO		BRITISH COLUMBIA	
TOTAL	71,790	--	3,722,690	--
Married	32,765	45.6%	1,832,605	49.2%
Common Law	7,435	10.4%	321,965	8.6%
Single	18,140	25.3%	1,014,270	27.2%
Separated	2,260	3.1%	102,035	2.7%
Divorced	6,115	8.5%	246,515	6.6%
Widowed	5,085	7.1%	205,300	5.5%

PRIVATE HOUSEHOLD TYPES

	NANAIMO		BRITISH COLUMBIA	
TOTAL	36,200	--	1,764,635	--
Couple Family with Children	7,035	19.4%	431,135	24.4%
Couple Family without Children	11,795	32.6%	532,995	30.2%
Lone Parent Family	3,950	10.9%	168,530	9.6%
One Person	10,920	30.2%	498,925	28.3%
Multiple Family	545	1.5%	50,410	2.9%
Other	1,965	5.4%	82,640	4.7%

STRUCTURAL TYPE OF DWELLING

	NANAIMO		BRITISH COLUMBIA	
TOTAL	36,200	--	1,764,635	--
Single Detached House	21,330	58.9%	842,120	47.7%
Semi-Detached House	1,725	4.8%	52,825	3.0%
Row House	1,605	4.4%	130,370	7.4%
Apartment (5 or more storeys)	1,110	3.1%	143,970	8.2%
Apartment (less than 5 storeys)	6,655	18.4%	361,150	20.4%
Apartment, Duplex	2,865	7.9%	184,355	10.4%
Other Single Attached House	80	0.2%	2,885	0.2%
Movable Dwelling	820	2.3%	46,960	2.7%

(Source: Stats Canada Census 2011)



Nanaimo City Snapshot

EDUCATION - 2011

	NANAIMO				BRITISH COLUMBIA			
	Male	Female	Total	Percentage	Male	Female	Total	Restated
	33,320	36,325	69,645	--	1,775,450	1,871,395	3,646,845	--
No certificate, diploma or degree	5,675	5,305	10,980	15.8%	305,040	302,620	607,660	16.7%
High School diploma or equivalent	9,280	10,715	19,995	28.7%	475,670	533,735	1,009,405	27.7%
Post Secondary certificate, diploma or degree								
Apprenticeship or trades certificate or diploma	5,720	3,050	8,770	12.6%	262,245	125,210	387,455	10.6%
College, CEGEP or other Non-non-university certificate or diploma	5,255	8,215	13,470	19.3%	260,580	367,535	628,115	17.2%
University certificate or diploma below bachelor level	1,795	2,650	4,445	6.4%	86,995	121,250	208,245	5.7%
University certificate, diploma or degree at bachelor level or above	5,595	6,390	11,985	17.2%	384,920	421,045	805,965	22.1%

(Source: Stats Canada Census 2011)



Nanaimo City Snapshot

INCOME - 2011 (INCOME OF FAMILIES)

Total Average Income of All Family Types

	NANAIMO	BRITISH COLUMBIA
Average Family Income	\$76,783	\$91,967
Average After Tax Family Income	\$67,338	\$78,580
Average Family Size	2.8	3.0

Couples Only

	NANAIMO	BRITISH COLUMBIA
Average Family Income	\$73,013	\$85,632
Average After Tax Family Income	\$63,995	\$72,795
Average Family Size	2.0	2.0

Couples with Children

	NANAIMO	BRITISH COLUMBIA
Average Family Income	\$88,870	\$110,555
Average After Tax Family Income	\$84,248	\$93,921
Average Family Size	3.9	4.0

Lone Parent

	NANAIMO	BRITISH COLUMBIA
Average Family Income	\$45,652	\$53,115
Average After Tax Family Income	\$41,911	\$47,588
Average Family Size	2.5	2.6

INCOME - 2011 (INCOME OF HOUSEHOLDS)

Total Average Income of All Family Types

	NANAIMO	BRITISH COLUMBIA
Average Household Total Income	\$64,189	\$77,378
Average After Tax Household Income	\$56,435	\$66,264

One-Person Private Household

	NANAIMO	BRITISH COLUMBIA
Average Household Total Income	\$34,268	\$40,265
Average After Tax Household Income	\$30,261	\$34,612

Two or More Persons Household

	NANAIMO	BRITISH COLUMBIA
Average Household Total Income	\$77,169	\$91,938
Average After Tax Household Income	\$67,789	\$78,681

(Source: Stats Canada Census 2011)

INCOME - 2011

(INCOME OF INDIVIDUALS 15 YRS +)

	NANAIMO			
	Male	Female	Total	Percentage
TOTAL POPULATION	33,310	36,320	69,630	--
Population Without Income	1,205	1,570	2,775	4.0%
Population With Income	32,105	34,750	66,855	96.0%
Average Income	\$41,166	\$28,842	\$34,760	--
Average After Tax Income	\$35,630	\$25,887	\$30,567	--

INCOME - 2011

(INCOME OF INDIVIDUALS 15 YRS +)

	BRITISH COLUMBIA			
	Male	Female	Total	Percentage
TOTAL POPULATION	1,775,445	1,871,395	3,646,840	--
Population Without Income	79,765	102,810	182,575	5.0%
Population With Income	1,695,680	1,768,585	3,464,265	95.0%
Average Income	\$47,480	\$31,683	\$39,415	--
Average After Tax Income	\$39,804	\$27,958	\$33,758	--



Municipal Awards & Grants

Nanaimo has always been a pioneer in leadership and innovation in best practices, and 2015 was no exception.

Awarded

“2015 BC MUSEUMS ASSOCIATION - OUTSTANDING ACHIEVEMENT CORPORATE SERVICE AWARD” Cultural Managers Working Group (CMWG)

The City of Nanaimo’s Culture and Heritage Department was provincially recognized as an outstanding corporate leader in culture leadership. The award is given to a supporter who has been innovative in contributing to a museum, gallery or archives over an extended period of time.

Awarded

“SPIRIT OF INNOVATION” for the “CITY’S NEWS RELEASE CREATOR” by the Municipal Information Systems Association of British Columbia (MISA)

The City’s News Release Creator was recognized for its innovative and collaborative approach for preparing, approving and sharing information. Using any desktop or mobile device, the tool provides coordinated access to communication resources that staff can task to send announcements to both the media and the City’s nearly 10,000 Twitter followers, as well as posting all announcements to a dedicated newsroom on the City’s website.

Awarded

“ENGINEERING EXCELLENCE IN THE ENERGY & INDUSTRY CATEGORY” for “NANAIMO RESERVOIR NO. 1 & ENERGY RECOVERY FACILITY” by the Association of Consulting Engineering Companies of BC

Every year the consulting engineering community comes together to recognize outstanding work done by the member companies in categories defined as Buildings; Municipal & Civil Infrastructure; Transportation & Bridges; Energy & Industry; and Soft Engineering. This year the ACEC-BC Award of Excellence in the Energy & Industry Category was given for the Nanaimo Reservoir No. 1 and Energy Recovery Facility – a Clean Energy Project. The lead consultant for the work was Associated Engineering, supported by other local consultants. The Award consists of a plaque prepared by Haida artist, Bill Reid.



Municipal Awards & Grants

Awarded

“2015 TD GREEN STREETS GRANT”

This \$13,300 grant was given to plant trees in Hawthorne Park from TD Friends of the Environment Foundation and Tree Canada as part of the TD Green Streets program. Nanaimo was chosen out of 125 applicants for the grant, along with 22 other communities across Canada.

Hawthorne Park is a 1.5 hectare (3.7 acre) neighbourhood green space near Wakesiah Road. The park was designed to meet community recreational needs and serve as a catchment basin for the surrounding subdivision and features walking trails and a storm water retention pond.

Awarded

“RBC FOUNDATION GRANT”

For the second year in a row, The RBC Foundation awarded the City of Nanaimo a \$10,000 grant for its “Learn to Skate” program which allowed the city to teach school-aged children how to skate at a reduced cost to the participating schools. As a result, more children are learning to skate!

Awarded

“NANAIMO’S POET LAUREATE RECEIVES FBCW HONOURARY AMBASSADOR AWARD”

Nanaimo’s Inaugural Poet Laureate, Ms. Naomi Beth Wakan, received a special award from the Federation of British Columbia Writers (FBCW).

Naomi received the Honorary Ambassador Award in recognition of the dedicated and spirited way she has made live poetry a rich and everyday component of civic life in Nanaimo. She brings poetry to all kinds of venues, from art gallery shows, festival openings to city Council meetings and local literary cafes.

The Honorary Ambassador Award is a new award created by the FBCW to raise the profile of writers and the importance of writing that benefits everyone.



City Department Descriptions



Chief Administrator's Office

The Chief Administrator's Office is the primary liaison between Council and staff in the city's implementation of community priorities so that services and amenities are continuously being improved within the community.

Within its many roles, it provides direction for staff recommendations to Council that reflect relevant facts, options and professional opinion for issues that are being faced by them.

In addition, the Chief Administrator's Office takes a lead role in managing the implementation of the policy direction which has been established by Council and as a result, the Chief Administrator is the senior staff leader that provides managerial leadership, direction and guidance to all city departments in their operations.

As always, the City of Nanaimo's values and missions are kept in the forefront in all decision-making, and in 2015, the Chief Administrator's primary objective was in assisting Council and staff in implementing the Corporate Strategic Plan pillars and priorities and helping the newly elected Council gain an understanding of how the City of Nanaimo is organized and how it functions.

Quick Fact

In Nanaimo, winter temperatures are rarely below freezing. The average daily summer temperature is 24 degrees celsius which makes Nanaimo have one of the mildest climates in Canada.



Nanaimo's downtown harbour

Community Development

The Community Development Department is responsible for the drafting and administration of procedures and bylaws that direct the form and character of development within the City of Nanaimo. Such bylaws include the City's Zoning Bylaw, Official Community Plan and Design Guidelines that play an integral role in shaping the city's current and future development.

The department is committed to providing excellent customer service and, as such, works closely with committees of Council, the development community, neighbourhood associations and members of the general public to ensure our shared vision of the city is realized. Public input, as it pertains to proposed development, neighbourhood plans and/or changes to zoning is supported through various forums,

such as open houses, public hearings, an extensive and user-friendly online database and through public notifications.

Community Development supports all functions of long-term and current planning, real estate, subdivision, building inspections, business licensing, development engineering and tree management. Together, with the community, the department is working towards creating a vibrant , attractive and efficient city.

Quick Fact

In 2015, the City acquired 11,46 acres of land, and it sold \$237,900 worth of land.



Oliver Woods Park

Culture & Heritage

The Culture and Heritage Department has a mandate to promote and celebrate Nanaimo's shared cultural experiences, sense of belonging and cultural vitality as outlined in the City of Nanaimo 2012-2015 Corporate Strategic Plan and Nanaimo's Official Community Plan.

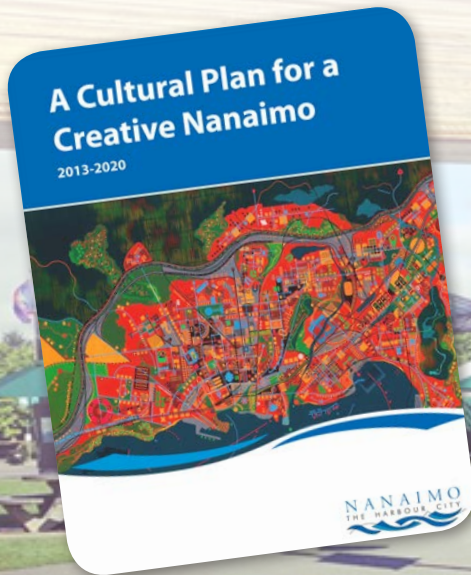
After completing its second year, the department focused on establishing baseline performance indicators with the culture and heritage sector and Nanaimo's neighbourhoods. Future years will see the department building on these relationships to create and celebrate Nanaimo's Culture and Heritage through implementing activities in collaboration with community-based and professional organizations providing the arts, culture, heritage and creative economy programs and services that contribute to Nanaimo's quality of life.

The department's role is that of convener, connector, facilitator, enabler and funder on behalf of the sector. It's a role that recognizes Nanaimo's cultural, heritage and creative organizations as being diverse and independent; united by a desire to realize the sector's potential and value as both a social and economic engine.

Guided by the 2013-2020 Cultural Plan for a Creative Nanaimo and by the Heritage Conservation Program (2002), the department's operating philosophy is grounded in the understanding that everything is based on mutually respectful and beneficial relationships and collaboration with aligned organizations.

Quick Fact

In 2015, nineteen, "Mini Libraries" were installed in neighbourhood throughout Nanaimo.



Engineering & Public Works

The Engineering and Public Works Department is responsible for the planning, design, construction, operation and maintenance of the city's water, sanitary sewer, storm drainage and transportation infrastructure.

The department sustains, improves, constructs and maintains, in a cost-effective and efficient manner, all municipal infrastructures and improves the service life of utilities infrastructure to meet the current and future needs of the community. This includes providing and maintaining an effective sanitary sewer collection system and storm water collection system that provides for public health and safety with minimal service disruption and impact to the environment and property.

A waterworks system is also managed and maintained providing clean and safe potable water to satisfy all anticipated consumption and fire protection needs.

A transportation network is maintained and improved to enhance the safety, livability and sustainability of the

community and to effectively manage traffic to support road user safety.

The department also maintains a safe and cost-effective fleet of vehicles for City of Nanaimo staff and works to improve fleet fuel efficiency and reduced fleet GHG emissions. It also provides cemetery services and sanitation and solid waste services to maintain a healthy and clean city.

The department utilizes GIS and GIS-based technologies to improve information, analysis and subsequent decisions aimed at improving internal and public services and products.

Quick Fact

The membranes at the Water Treatment Plant remove particles down to 0.1 micron – one ten-millionth of a metre which is smaller than most bacteria.



The South Fork Water Treatment Plant started delivering water to Nanaimo residents in December.

The Finance Department provides financial stewardship of the city's financial assets. This includes the implementation of financial management policies that ensure the city is able to meet Council's future service expectations. Financial information is provided to the public, Council, media and other city departments.

There are five divisions within the Finance Department. Accounting Services is responsible for the expenditures of the city processing over 30,000 invoices annually. This area prepares monthly financial reports for internal review, along with an annual financial statement that is available on the municipal website. Payroll provides bi-weekly pay cheques for approximately 850 employees, including full-time, part-time and casual employees. Financial Planning prepares

the city's financial plan annually for review and adoption by Council. The budget is modified during a public input and discussion period and adopted by bylaw. Purchasing and Stores manages the purchasing function for the city in addition to fleet and stores inventory and property insurance. Revenue Services is responsible for billing, collecting money and maintaining records for properties, water, sewer and garbage user fees and dog licences. Bills and reminders are mailed annually to 35,000 properties, and an annual tax sale is held for properties where property taxes are unpaid for three years.

Quick Fact

The City of Nanaimo owns 1,428 ha (3,528 acres) of land. There are 420 parks which encompass 866 ha (2,126 acres) of land within the City.

Westwood Lake

Human Resources

The Human Resources Department's mission is to provide professional human resources services and guide organizational planning initiatives to fulfill the goals of the municipality. The department's vision is to partner with customers to achieve excellence for the community, and its values are integrity, support, excellence, teamwork, respect and responsiveness.

There are four primary goals of the Human Resources Department: to provide human resources services and programs that are responsive, effective and efficient, to attract and maintain talented people, to contribute to the success of the corporate strategic plan and to promote and support a safe, healthy, harmonious and high performance workplace.

Each year the department develops strategies to advance these goals which are then implemented through the various functional areas of Human Resources, including recruitment and selection; training and employee development; employee and labour relations; job classification, compensation and benefits; health, safety and disability management, and organizational development.

The department also maintains HR information management, employee wellness, social activities, service recognition, access and ID cards and the recruitment, assignment and evaluation of temporary employees.

**Employee training is one of the many
functions of Human Resources**



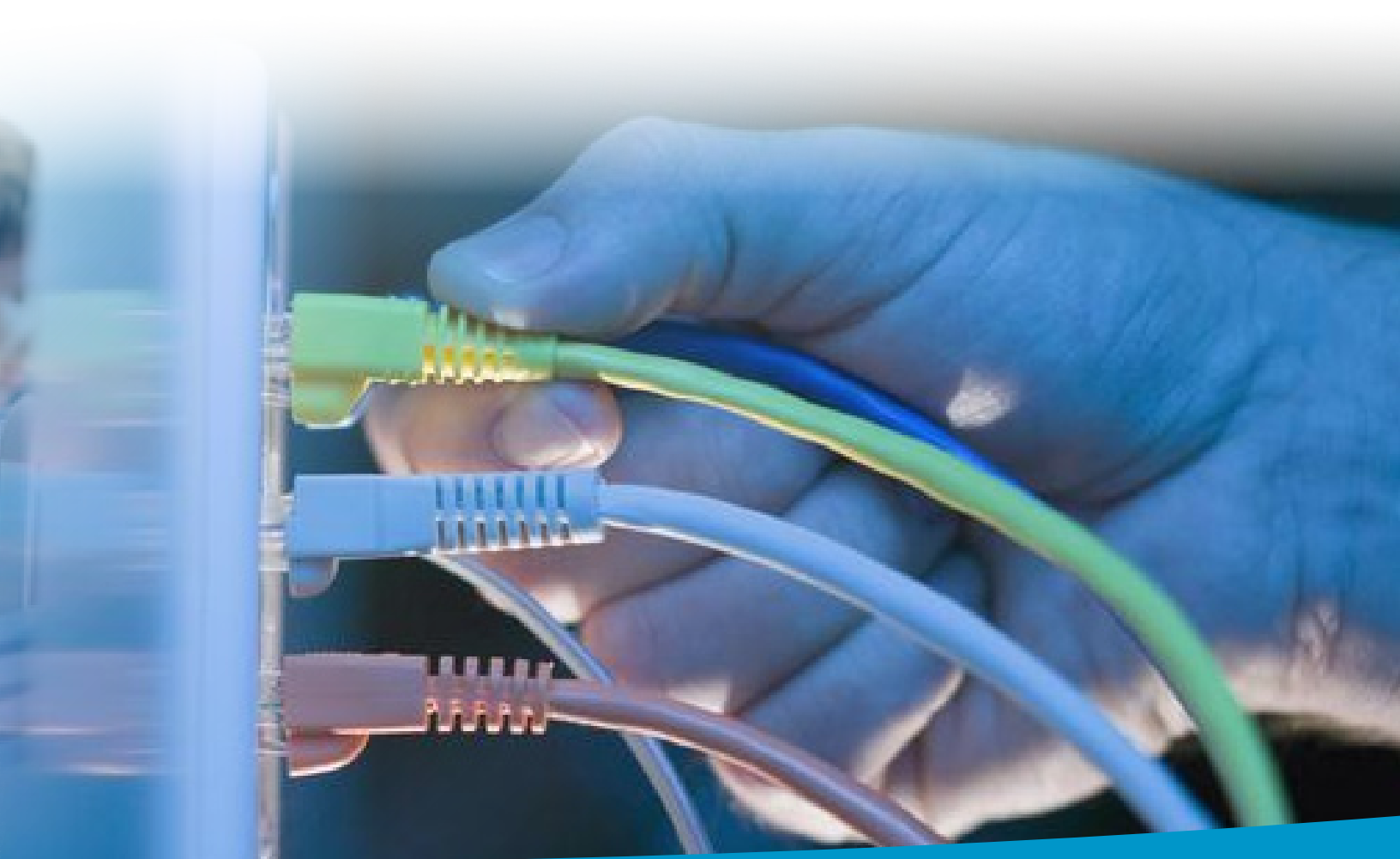
Information Technology & Legislative Services

The Information Technology and Legislative Services Department provides several important services to the public, Council and staff. The department provides support for Council through administrative and audio visual support for all scheduled Council and committee of the whole meetings and overseeing a combined Municipal and School District election every four years.

It is responsible for the management of the city's records policy, freedom of information requests and insurance claims. The department manages, maintains and provides

technical support and training for all computer hardware, software and the city's business information.

Information Technology and Legislative Services is also critical in improving business processes. Recent successes include enhanced transparency through release of in-camera information, streamlined freedom of information requests, improved agenda and minute distribution and the adoption of mobile technology for Council.



Parks, Recreation & Environment

The Parks, Recreation and Environment Department has many areas of responsibility. It works alongside community organizations to assist them in providing specialized local services and amenities. In addition to coordinating and overseeing recreation programming for all ages and abilities in several interest areas, including fitness, wellness, arts, crafts, cooking, sports, music, dance and language, the department plans and implements several special events and celebrations, such as Canada Day, Concerts in the Park, New Year's Eve Finale, Rivers Day and Winter Wonderland.

This area of the organization also maintains city-owned properties, including arenas, pools, community centres, civic buildings, as well as the amenities found at these locations

(tennis courts, lacrosse boxes, etc.) and administers the allocation of recreations facilities, parks and equipment.

Along with managing and maintaining 1,400 hectares (3,459 acres) of parks, trails and other protected open space (which makes up over 15 percent of Nanaimo), the department protects, conserves and enhances Nanaimo's natural environment by providing input into the development process and guiding environmental policy to support stewardship and outreach program efforts.

Through these areas of responsibility, the department aims to live up to its mission statement "to enhance the quality of life and leisure in Nanaimo".

Quick Fact

In 2015, RBC Foundation awarded the City of Nanaimo a \$10,000 grant for its "Learn to Skate" program which allowed the city to teach school-aged children how to skate at a reduced cost to the participating schools. As a result, more children are learning to skate!

Mountain Bike trails found near Westwood Lake Park - a partnership between the City of Nanaimo and the Nanaimo Mountain Bike Club

Social & Protective Services

The Social and Protective Services Department was established in December 2013 to bring together city services and staff who have a common goal of ensuring a safe and healthy community for all residents of Nanaimo.

The department consists of Fire, Police, Bylaw, Emergency Management and Social Planning. These sections work together on common initiatives, as well as providing specific services to ensure the community has excellent safety, emergency planning and protective services available at all times. The department's long-term planning and public engagement will be guided by the Social and Protective Services Committee, consisting of members of Council and citizens from the community.

During the past 10 years, staff from throughout the city have established many proactive initiatives to respond to community needs relating to safety, protective services, social issues and emergency planning. One of the primary goals in amalgamating these sections into one department is to build on previous successes and further develop a coordinated effort between the city and external agencies in proactively addressing safety issues in a supportive and cost-effective way. This includes educating citizens on matters relating to emergency and protective services to better enable a collaborative approach to issues, such as social equity, supportive housing, health, public safety and protective services.

Quick Fact

In 2015, Nanaimo Fire Rescue responded to 7,595 emergency incidents, conducted 2,718 life safety inspections and dispatched 14,373 incidents for 27 fire departments.



Corporate Strategic Plan Pillars Progress Report

The 2012-2015 Corporate Strategic Plan identified four pillars of sustainability and the goal of balancing social, environmental, economic and cultural perspectives as Nanaimo is improved for the generations to follow. These four pillars or focus areas have been and will continue to guide ongoing municipal commitment and decisions for years to come.

The following outlines the strategies that were set in accordance with the direction of the Corporate Strategic Plan and the progress that has been made in achieving these initiatives.

For financial measures that relate to the items outlined in the Corporate Strategic Plan, click [here](#) to view the “Balanced Scorecard Performance Measures” found on the City of Nanaimo’s website.

Pipers Lagoon Park


Pillar 1

ECONOMIC HEALTH

Strategy/Initiative	Progress
1 a. Support Nanaimo Economic Development Corporation objectives	<ul style="list-style-type: none"> - NEDC Board appointments were completed - Mayor McKay, Premier Clark and NEDC Chair, Andre Sullivan traveled to China in November to help boost local investment and tourism activity

Pillar 2

ENVIRONMENTAL RESPONSIBILITY

Strategy/Initiative	Progress
2 a. Update the Corporate Climate Change Plan	<ul style="list-style-type: none"> - Plan not updated; budget request to be made for 2017
2 b. Continue to update and refine the Community Sustainability Action Plan 	<ul style="list-style-type: none"> - Energy Efficient Existing Building Strategy <ul style="list-style-type: none"> • City participated in the BC Hydro EnergyStar appliance rebate offer • City participated in the Woodstove Changeout and Toilet Rebate Programs • Realtor Energy Efficiency Project completed in 2015 that is supported by BC Hydro and the Real Estate Foundation of BC <ul style="list-style-type: none"> * Six videos prepared and loaded onto REEP website * Eight training sessions held in 2015 * 60 realtors trained through the REEP program as of April 2015 * 28 Energuide home assessments completed - Alternative and Active Transportation Strategy <ul style="list-style-type: none"> • City coordinated 2015 Bike to Work and School Week with 447 riders participating • City worked with local developers to arrange for alternative transportation options, such two additional car share vehicles to be leased and operated by Nanaimo Carshare Co-op as part of a parking variance agreement • Expanded cycling network with 2.6 kilometres of new cycling facilities (bike lanes, cycle track, separated bike lanes) • Crosswalk improvements - pedestrian warning flashers (three locations), curb extensions (five locations) - Low Carbon Mobility Strategy - City adopted anti-idling policy for City fleet vehicles

Buttertubs Marsh

Pillar 2

ENVIRONMENTAL RESPONSIBILITY (continued)

Strategy/Initiative	Progress
2 c. Execute the Urban Forest Management Strategy	<ul style="list-style-type: none"> - An amendment package for the Maintenance and Protection of Trees Bylaw has been completed and will be presented to Council in 2016 - Approximately 100 street and boulevard trees planted in subdivisions and in the Old City Quarter
2 d. Review and update the Water Conservation Strategy	<ul style="list-style-type: none"> - Continued to implement Water Conservation Strategy as adopted by Council in June 2014



Pillar 3

SOCIAL EQUALITY

Strategy/Initiative	Progress
3 a. Update of the Social Development Strategy contained in the Official Community Plan	<ul style="list-style-type: none"> - Social Development Strategy was updated - A number of sub structures of the Health & Social Network were formed to address specific areas of the Social Development Strategy
3 b. Implement initiatives and opportunities consistent with Nanaimo's Community Plan to Reduce Homelessness and the Housing First Action Plan	<ul style="list-style-type: none"> - Construction of supported housing on Boundary Crescent was completed - Implemented the rent supplement program in partnership with the Nanaimo Region John Howard Society - Sex Trade Action Plan draft document and funding for specific aspects of the plan obtained and implemented



Pillar 4

CULTURE VITALITY

Strategy/Initiative	Progress
4 a. Develop an updated Cultural Strategy	<ul style="list-style-type: none"> - “A Cultural Plan for a Creative Nanaimo, 2013-2020” was adopted by City Council on March 10, 2014 and implementation of the plan commenced with the Culture and Heritage Department focused on strengthening Nanaimo Creative Sector, the Creative Economy, Connectivity and its Cultural Places through various operational and capital initiatives
4 b. Update the Parks, Recreation and Culture Master Plan	<ul style="list-style-type: none"> - On hold pending core review report
4 c. Continue to implement the Heritage Conservation Plan	<ul style="list-style-type: none"> - Continue to implement the Heritage Conservation Program - Update Heritage Registry - Held the annual Heritage Summit on February 18, 2015 - Heritage Facade Grants were given to 403 Fitzwilliam Street (S&W Apartments) and 37 Commercial Street (Hall Block) - Continued promotion and awareness of Nanaimo's heritage resources - Began work on the Heritage Conservation Program Review and update - \$261,689 total grants provides to 24 culture and heritage organizations leveraging \$4,335,198 in total grants, donations and revenues from other levels of government, corporations/foundations, individual donors and ticket sales to support organizations, groups and projects - Each year, artwork is installed on a temporary basis in City parks and public spaces. Seven public art pieces installed in 2015 (installed as part of Public Art Week) and promoted through a self-guided public art brochure



Corporate Strategic Plan Priorities Progress Report

The 2012-2015 Corporate Strategic Plan has set priorities for shaping the future of Nanaimo for many years to come. The six Strategic Priorities, however, are identified as shorter term initiatives that are needing special attention for the next three to five years. They were carefully chosen within the context of limited resources and ongoing economic challenges and recognize the high costs anticipated to address water supply, asset management and transportation/mobility requirements.

The following pages outline the specific strategic priority and the corresponding initiatives and progress made in that area over the last year.

For financial measures that relate to the items outlined in the Corporate Strategic Plan, click here to view the “Balanced Scorecard Performance Measures” found on the City of Nanaimo’s website.

Harewood Plains

Priority 1

ASSET MANAGEMENT

Strategy/Initiative	Progress
1 a. Develop a comprehensive Asset Management Plan	<ul style="list-style-type: none"> - Ongoing work continued on the infrastructure condition assessment - The City was chosen as 1 of 12 municipalities across Canada to participate in the Leadership in Asset Management Program (LAMP); municipalities will work together to create policy and strategy for local governments
1 b. Ensure the term of the financial plan is sufficient to encompass the major growth/expansion period in Nanaimo's history	<ul style="list-style-type: none"> - Asset management projects were highlighted in the new budget process - Financial Plan for 2015-2019 was approved which provides for 1.0% of taxes to be set aside for asset management - A DCC review is underway to identify infrastructure needed due to growth

Priority 2

COMMUNITY BUILDING PARTNERSHIPS

Strategy/Initiative	Progress
2. a Support and facilitate the development of a Nanaimo Social and Health Network	<ul style="list-style-type: none"> - The Nanaimo Social and Health Network Steering Committee reviewed the revised Social Development Strategy and proposed changes were made - A variety of sub-structures were developed to further the work of the Nanaimo Social and Health Network. These groups are actively addressing specific elements within the framework of the Social Development Strategy - a Child Poverty working group, a sex trade task force, a "vital Signs" partnership, a Youth Advisory Council and an update to the Community Plan to end Homelessness - Social issues identified by the Nanaimo Social and Health network were addressed by the Social Planning Advisory Committee in its allocation of Social Development Grant funding - Other substructures of the network continued to work on specific social issues, including prostitution and disposal of used syringes - There were 19 mini libraries installed in neighbourhoods throughout the City with an additional 11 distributed awaiting installation supporting social connectiveness at the neighbourhood level - Expansion of existing safe sharps disposal drop box program
2. b Participate in the Successful Cities workshops and collaborate with the Chamber of Commerce to evaluate, and where appropriate, to monitor existing and future actions	<ul style="list-style-type: none"> - Inspire Nanaimo focused on social enterprise and entrepreneurial excellency by supporting Start-Up Nanaimo's 2015 Unconference and the 2015 eCatalyst Conference - Inspire Nanaimo continued to collaborate with other organizations to support successful community opportunities, such as the Happy Cities discussion and planning work for the 2016 Royal Architectural Institute Conference
2. c Review and define municipal role in facilitation and maintenance of vibrant "community benefit sector" in Nanaimo	<ul style="list-style-type: none"> - Council approved this initiative as complete on October 27, 2014

Priority 3

TAKING RESPONSIBILITY

Strategy/Initiative	Progress
3 a. Commission an external Governance Policy, Structure and Processes Review and Audit	- Complete
3 b. Established a coordinated and consistent Current Service Summary across all departments	- Complete
3 c. Continue development of the Balanced Scorecard	- Complete
3 d. Develop a comprehensive Communications Policy and Strategy	- Complete
3 e. Explore options for "Town Hall Meetings"	- Complete
3 f. Adopt a Public Service Excellence Program	<ul style="list-style-type: none"> - Researched program models and drafted a report for Council on options for a Public Service Excellence Program - City Manager put this initiative on hold pending Council's determination of priorities
3 g. Continue to facilitate change and overall development and take actions steps to be a catalyst for investment in the city's future	<ul style="list-style-type: none"> - Demolition work was completed at 1 Port Drive for 1 Port Drive - Preparing a joint request for proposal with the Port of Nanaimo to find an operator for a daily foot passenger service to be issued in 2016 - Completed Detailed Risk Assessment for 1 Port Drive to enable future subdivision - Re-purchased 100 Gordon Street to ensure Conference Centre Hotel can be built in a timely manner - Issued RFP to obtain current market data on the Vancouver Island Conference Centre and the future hotel site



Priority 4

TRANSPORTATION AND MOBILITY

Strategy/Initiative	Progress
4 a. Complete comprehensive Sustainable Transportation Master Plan	- Transportation Master Plan adopted by Council on May 26, 2014
4 b. Continue efforts to integrate land use and mobility planning through the OCP process	- Created a Planning and Transportation Advisory Committee (PTAC) to review development applications in a more integrated manner
4 c. Review DCC rates to better consider cost to service different parts of city and encourage development within currently serviced areas to reduce infrastructure costs	- Development Cost Charge (“DCC”) Steering committee is currently working on confirming population and development projections and completing a project list for new infrastructure due to growth
4 d. Work with other organizations (e.g. NEDC, BCFC, Airport Authority, NPA, RDN) to advocate for and support improvement of external connections	- Prepared Letter of Intent with Nanaimo Port Authority to issue a joint call for a foot ferry operator - Worked with the RDN to explore conceptual plans for the downtown transportation hub
4 e. Work with the Island Corridor Foundation (ICF) to increase the viability of the E&N Rail line	- On hold pending further discussions with all parties involved

Participants of “Bike to Work/School Week”



Priority 5

WATER

Strategy/Initiative	Progress
5 a. Confirm preferred water supply option with detailed plans, designs and agreements	<ul style="list-style-type: none"> - Several technical studies were completed - Water consumption has declined significantly over the past 5 years which serves to delay future water source needs
5 b. Update of Water Conservation Strategy	<ul style="list-style-type: none"> - Water Conservation Strategy (targeted to reduce per capita water consumption in Nanaimo by 10 percent each decade) adopted by Council on June 9, 2014
5 c. Implement initiatives and opportunities consistent with the Blue Community designation	<ul style="list-style-type: none"> - Complete
5 d. Continued commitment to full-cost water pricing	<ul style="list-style-type: none"> - On hold - the review of the rate structure is to be completed in fall 2016
5 e. Enhance water billing information to encourage awareness and wise use of water	<ul style="list-style-type: none"> - On hold - the review of the water billing information is to be completed in fall 2016

Quick Fact

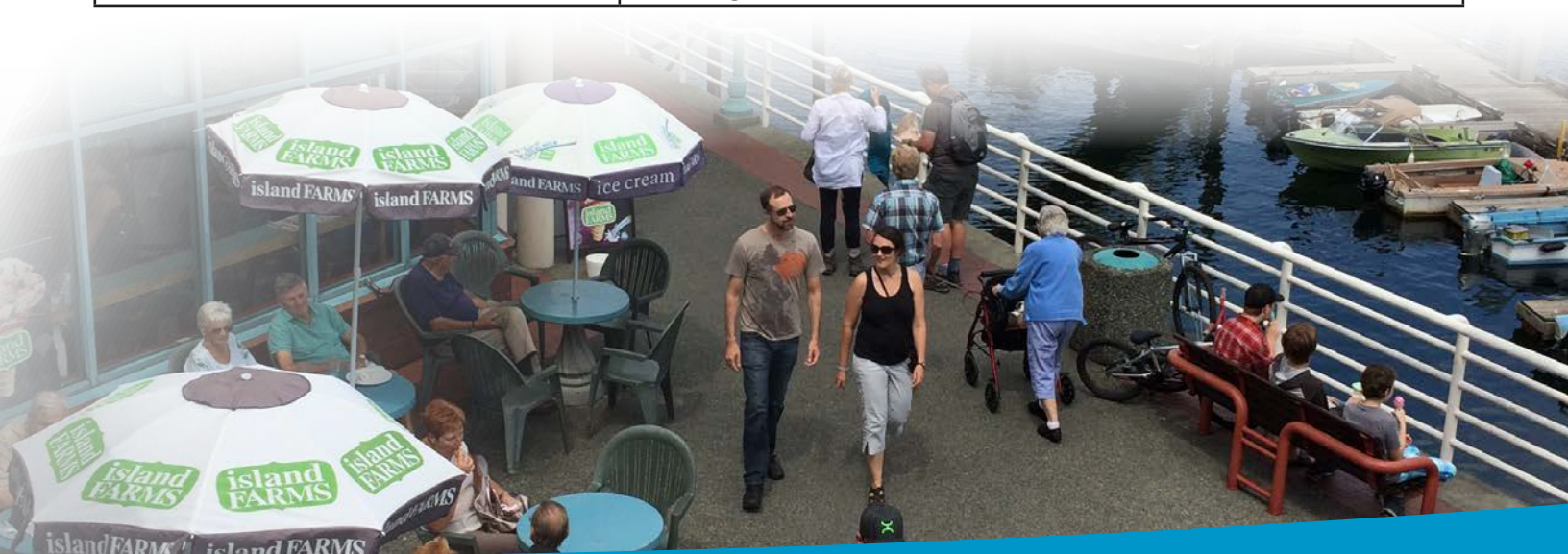
The City's water consumption has declined significantly over the past 5 years which serves to delay future water source needs.

Jump Creek

Priority 6

WATERFRONT ENHANCEMENT

Strategy/Initiative	Progress
6 a. Create a Waterfront Interdepartmental Staff Team (WIST) mandated to build partnerships and to identify and act on opportunities to create an uninterrupted waterfront trail and other priority outcomes	<ul style="list-style-type: none"> - Worked with Nanaimo Port Authority and tenants in Newcastle Channel to discuss future waterfront walkway options - Undertook archaeological study at 1 Port Drive with SFN - Removed former CP ferry dock from 1 Port Drive in advance of re-development - Issued request for proposal (RFP) for consultant to prepare a Master Plan for City-owned lands at 1 Port Drive; draft plan expected in summer 2016
6 b. Update Maffeo Sutton Park Improvement Plan	<ul style="list-style-type: none"> - Continuing to review options for Maffeo Sutton Park, including public input review and improvement priorities and phasing - Collaborating with SFN on options and park integration with 100 Comox Street - Hired a consultant to explore lagoon improvement opportunities - Designing playground improvement plan
6 c. Assess and address concerns related to aging infrastructure at Georgia Park	<ul style="list-style-type: none"> - Continuing to work through the Maffeo Sutton Master Plan update and with Hilton hotel development on design improvements - Hired engineering consultant to complete an analysis of the bridge structure and lifespan - Discussions with geotechnical engineers, DFO and biologists on park improvement options
6 d. Upgrade and improve existing Departure Bay section of the Waterfront Trail from Kin Hut to Hammond Bay Road	<ul style="list-style-type: none"> - Tender issued and upgrade work commenced
6 e. Work with SFN and BC Parks to explore options for improving access to Newcastle Island	<ul style="list-style-type: none"> - Consultant prepared business plan for Newcastle Island - Ongoing collaboration with SFN to improve park signage, circulation within the park and the interface between the dock and park picnic/waiting area



Financial Statistics

An aerial photograph of a rugged coastline. The foreground shows dark blue water with white foam from a small waterfall or rapids. A rocky shoreline runs diagonally across the middle of the frame, covered in dense green forest. A small, white, cylindrical structure, possibly a lighthouse or marker, stands on the rocks. The background is a dense forest of tall evergreen trees.

Joan Point Park

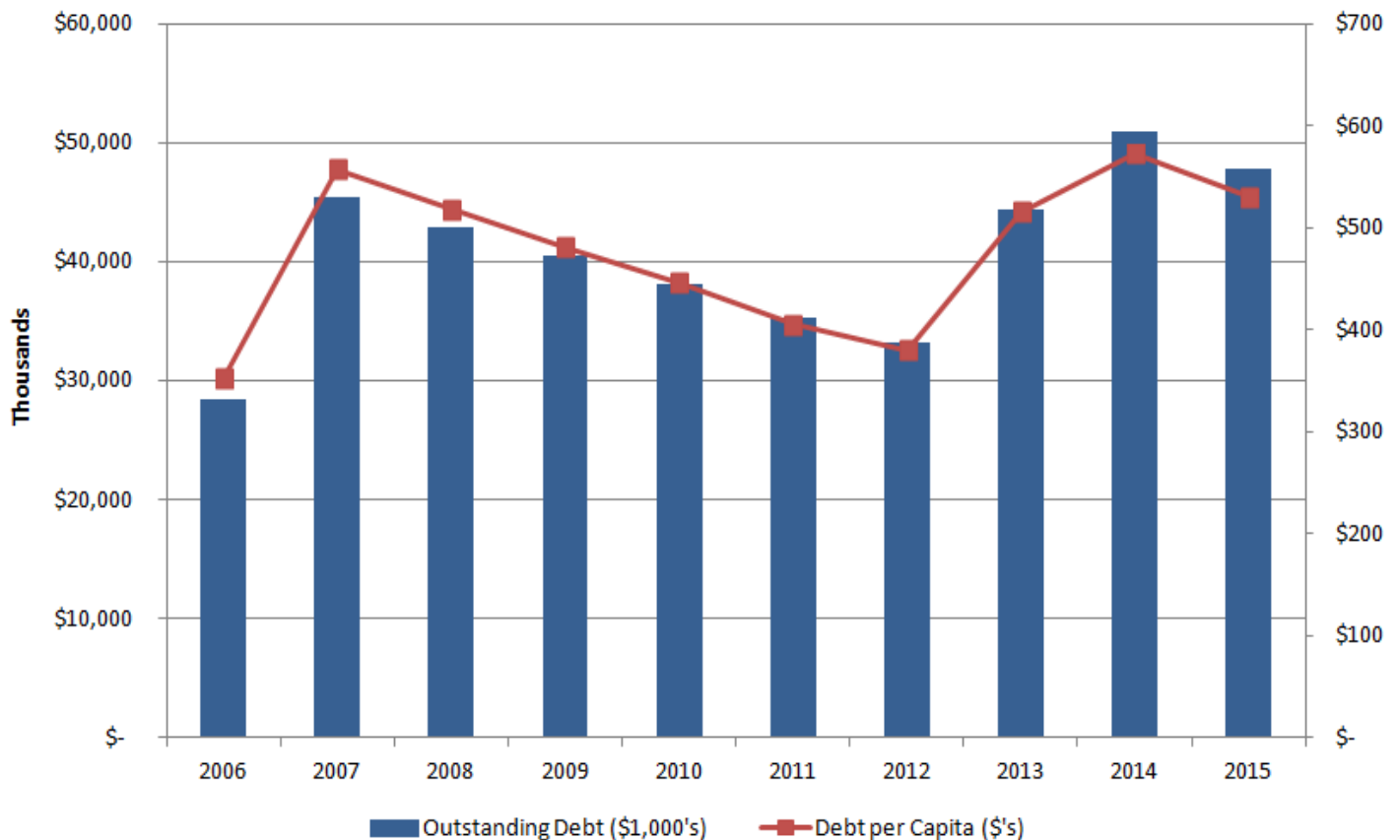
DEBT GRAPHS

Outstanding Debt by Function

(unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Works	\$986,200	\$681,467	\$361,499	\$203,427	\$128,642	\$84,333	\$64,621	\$44,021	\$22,495	\$--
Parks, Recreation & Environment	6,830,916	6,482,375	6,116,408	5,732,143	5,318,005	4,885,232	4,432,985	3,960,386	3,466,520	2,950,430
Social & Protective Services - Parking	2,469,637	2,298,239	2,118,622	1,929,190	1,729,776	1,409,497	1,298,645	1,181,127	1,056,997	925,896
Port of Nanaimo Centre	15,000,000	29,496,274	28,468,673	27,399,967	26,288,513	25,132,601	23,930,452	22,680,217	21,379,974	20,027,720
Fire	--	3,750,000	3,624,068	3,493,100	3,356,892	3,215,236	3,067,914	2,914,699	2,755,355	2,589,638
Water	3,136,208	2,689,409	2,220,269	1,770,708	1,318,081	466,520	358,282	13,544,632	22,178,662	21,279,909
Total Debt Outstanding by Function	\$28,422,961	\$45,397,764	\$42,909,539	\$40,528,535	\$38,139,909	\$35,193,419	\$33,152,899	\$44,325,082	\$50,860,003	\$47,773,593
Debt Per Capita (\$'s)	\$352	\$557	\$518	\$481	\$446	\$405	\$379	\$515	\$572	\$530

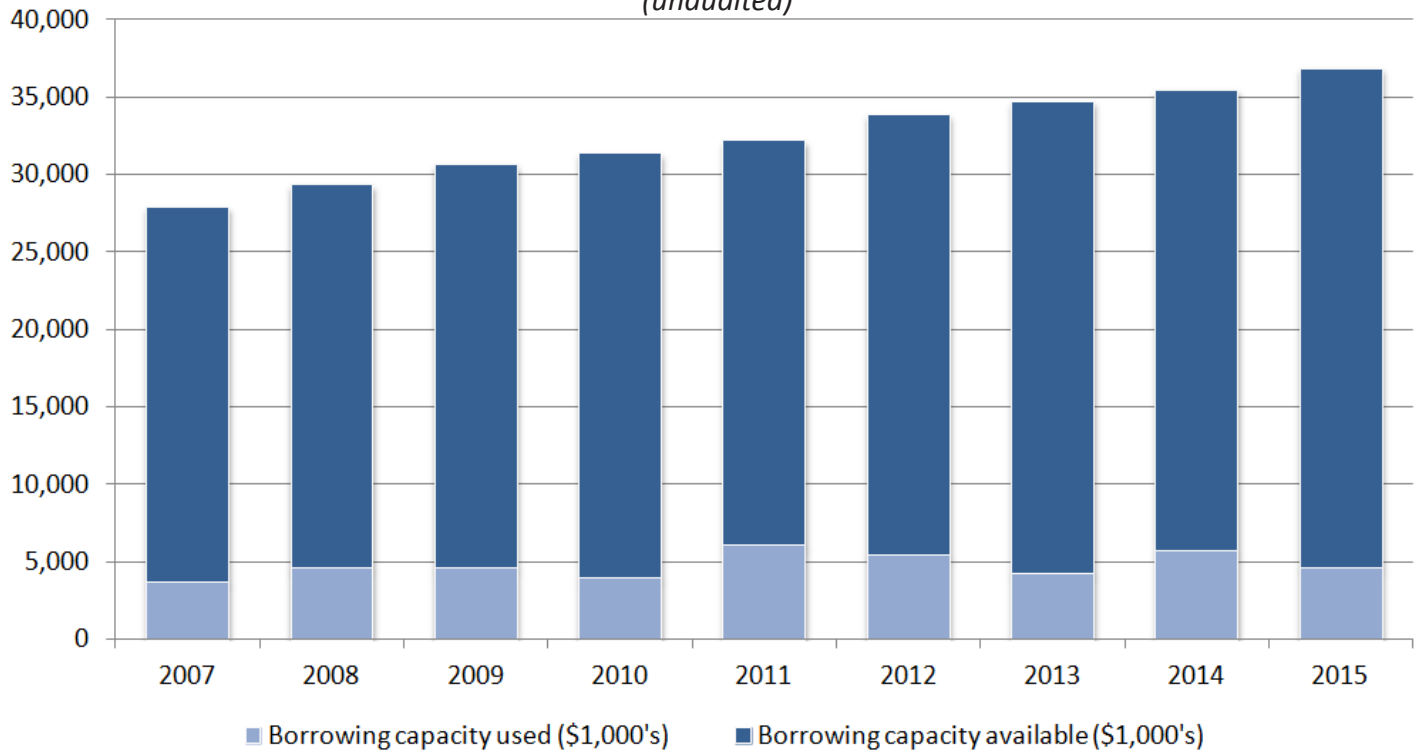
Debt Outstanding and Per Capita



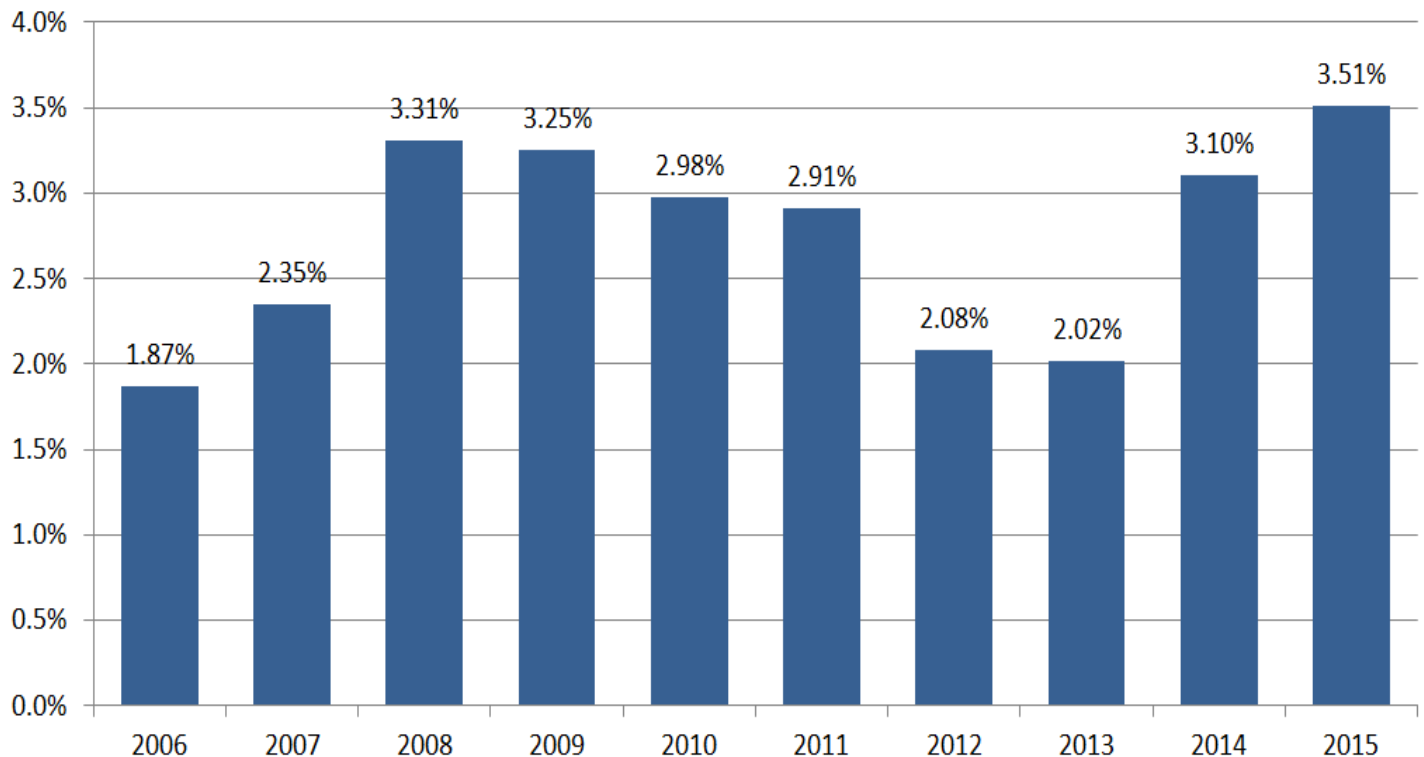
DEBT GRAPHS

Debt Servicing Limit Used and Available

(unaudited)



Debt Servicing as a Percentage of Expenditures*



*Includes operating and capital expenses but excludes amortization

WHERE DO YOUR TAX DOLLARS GO?

For a residential property with an assessed value of \$331,000

Municipal Taxes & User Rates

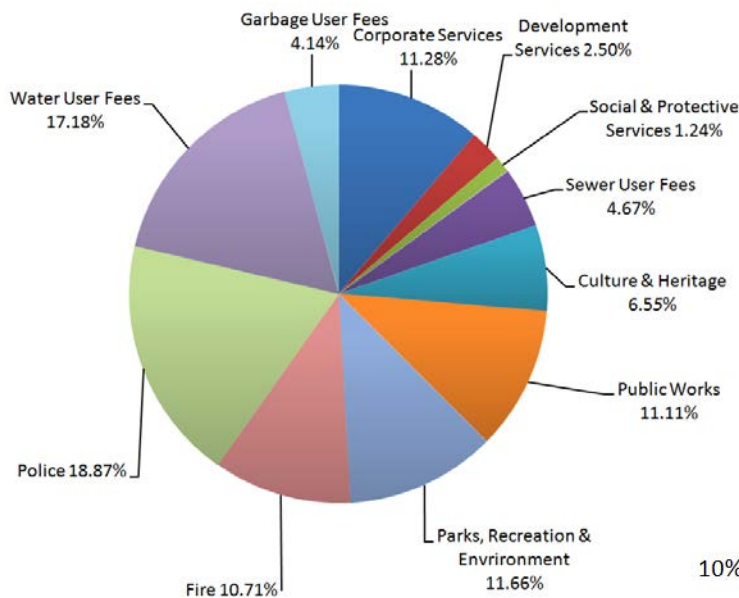
Corporate Services	\$ 271.48
Development Services	60.07
Fire	257.71
Police	454.11
Parks, Recreation & Environment	280.61
Culture & Heritage	159.94
Public Works	267.46
Strategic Relationships	29.86
Sewer User Fees	112.28
Water User Fees	413.36
Garbage User Fees	99.75

Total Municipal Taxes and User Fees

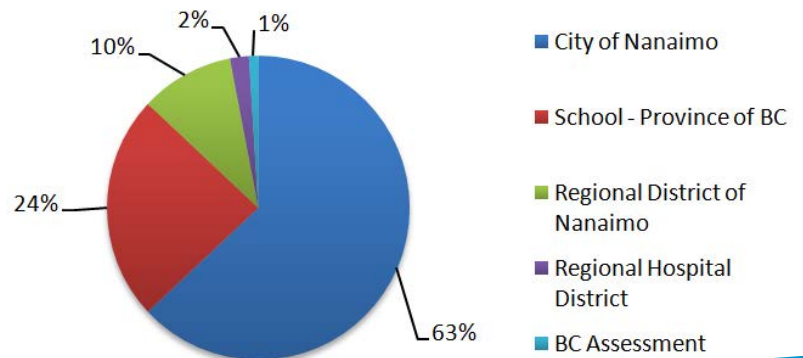
\$2,406.63

NOTE: School taxes, regional levies and the Home Owner Grant are not included in the above.

2015 Municipal Taxes and User Fees for a Residential Property with an Assessed Value of \$331,000



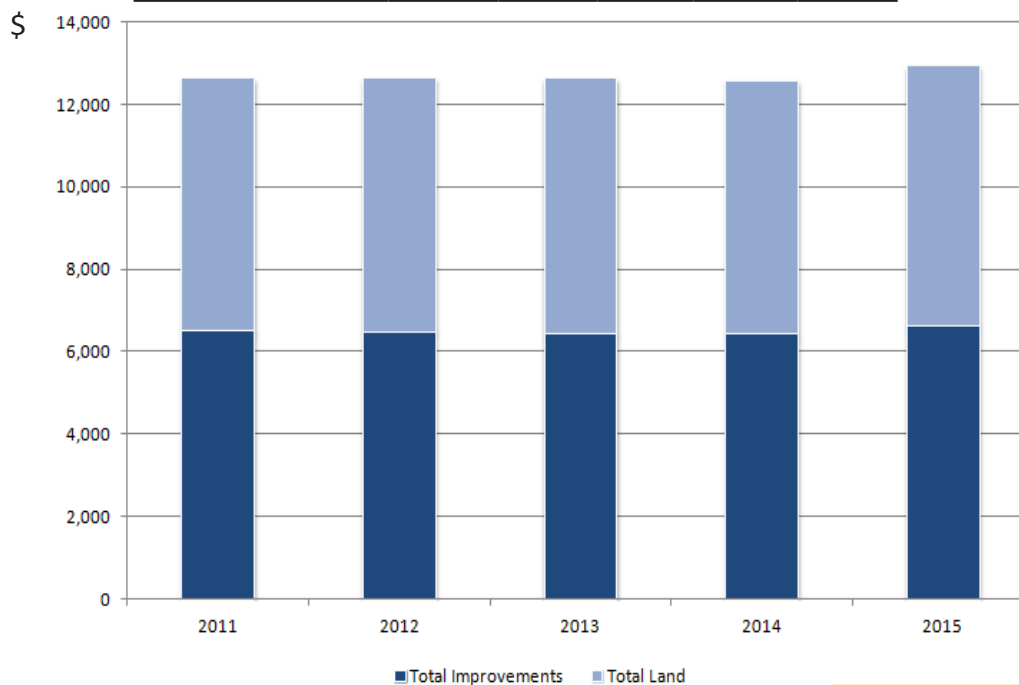
Breakdown of 2015 Residential Tax Bill



ASSESSED VALUES FOR GENERAL MUNICIPAL PURPOSES

(unaudited)

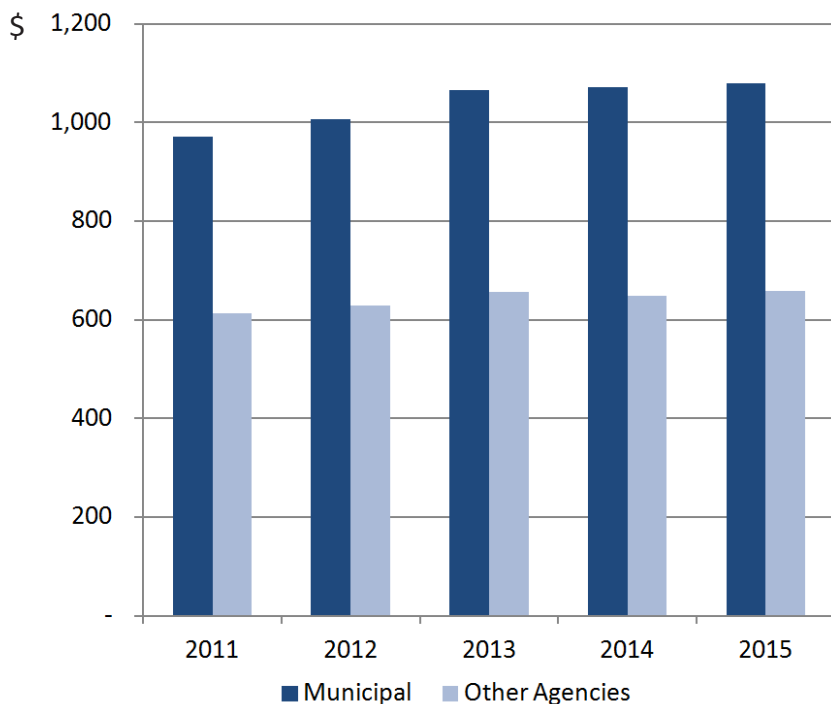
	2011	2012	2013	2014	2015
Total Land	6,120	6,159	6,180	6,138	6,300
Total Improvements	6,525	6,506	6,465	6,448	6,647
Total Value	12,645	12,665	12,645	12,586	12,947



Dollars (000,000)

Source: BC Assessment Authority

TAX LEVY & PENALTIES PER CAPITA



TAX LEVY STATISTICS

2015 Tax Rates

	City of Nanaimo	School - Province of BC	Regional District of Nanaimo	Regional District Hospital	BC Assessment	Municipal Finance Authority	Total Tax Levy
Residential*	5.9206	2.3064	0.9633	0.2243	0.0596	0.0002	9.4744
Utilities*	46.3200	13.6000	5.0803	0.7850	0.5030	0.0007	66.2890
Major Industry*	14.7573	2.3200	2.9165	0.7626	0.5030	0.0007	21.2601
Light Industry*	14.7573	5.8000	2.9165	0.7626	0.1679	0.0007	24.4050
Business/Other*	14.7573	5.8000	2.3769	0.5495	0.1679	0.0005	23.6521
Managed Forest Land*	24.2670	2.2000	3.3241	0.6729	0.3380	0.0006	30.8026
Recreational/Non-Profit*	9.9342	3.3000	1.2312	0.2243	0.0596	0.0002	14.7495
Farm Land*	0.5000	3.4500	0.6015	0.2243	0.0596	0.0002	4.8356
Parcel Tax**			\$13.00				

*Rate per 1.00 of Assessed Value

**Rate Per Property

2015 General Assessment & Taxation by Property Class (in \$000's)

	Assessment	% of Assessment by Class	Taxation	% of Taxation by Class
Residential	\$10,845,523	83.77%	\$102,656	66.77%
Utilities	9,961	0.08%	2,041	1.33%
Major Industry	101,337	0.78%	2,114	1.37%
Light Industry	81,817	0.63%	2,070	1.35%
Business/Other	1,877,619	14.50%	44,417	28.89%
Managed Forest Land	150	0.00%	4	0.00%
Recreational/Non-Profit	30,168	0.23%	452	0.29%
Farm Land	418	0.00%	2	0.00%
TOTAL	\$12,946,993	100.00%	\$153,756	100.00%



TAX LEVY STATISTICS

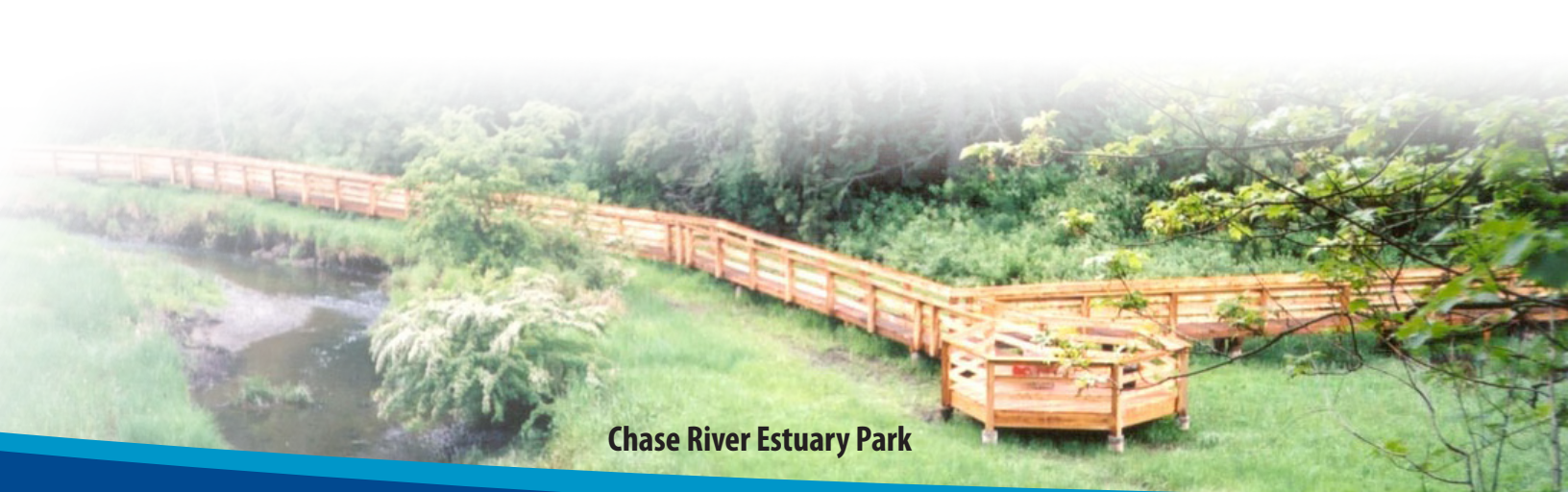
Taxes Collected on Behalf of All Taxing Authorities (in \$000's)***

	2011	2012	2013	2014	2015
City of Nanaimo	\$82,397	\$85,859	\$89,379	\$96,961	\$98,188
School Board	36,988	37,279	37,849	37,932	38,339
Regional District of Nanaimo	12,267	13,292	14,054	14,994	16,257
Regional Hospital District	3,347	3,445	3,554	3,585	3,675
BC Assessment	1,081	1,060	1,074	1,074	1,064
Municipal Finance Authority	3	3	3	3	3
	\$136,083	\$140,938	\$145,913	\$153,549	\$157,526

***Includes: 1% Taxes in Lieu, BIA Levy, Local Improvement Levies, Parcel Tax Levy
Amounts are less supplementary adjustments

2011-2015 General Assessment by Property Class (in \$000's)

	2011	2012	2013	2014	2015
Residential	\$10,791,094	\$10,753,913	\$10,664,056	\$10,554,959	\$10,845,523
Utilities	14,231	10,195	10,268	10,533	9,961
Major Industry	98,278	102,099	101,775	100,632	101,337
Light Industry	64,534	71,526	71,283	74,227	81,817
Business/Other	1,659,766	1,706,707	1,765,943	1,815,288	1,877,619
Managed Forest Land	139	129	149	140	150
Recreational/Non-Profit	16,457	20,303	31,017	30,005	30,168
Farm Land	468	429	429	420	418
	\$12,644,967	\$12,665,301	\$12,644,920	\$12,586,204	\$12,946,993



Chase River Estuary Park

PROPERTY OWNERS WITH GROSS TAXES EXCEEDING \$250,000 IN 2015

Rank	Property Owner	Primary Property	Total Taxes Levied (all agencies)	% of current tax levy
1	IVANHOE CAMBRIDGE I INC	Woodgrove Centre	\$ 4,792,367.17	3.07%
2	1854 HOLDINGS LTD	Nanaimo North Town Centre	\$ 2,331,826.24	1.50%
3	COUNTRY CLUB CENTRE LTD	Country Club Centre	\$ 1,564,554.48	1.00%
4	NANAIMO FOREST PRODUCTS LTD	Harmac Pulp Mill	\$ 1,461,473.92	0.94%
5	FIRST CAPITAL CORPORATION	Port Place / VICC	\$ 1,002,230.35	0.64%
6	BC FERRY SERVICES INC	BC Ferries	\$ 908,524.85	0.58%
7	LOBLAW PROPERTIES WEST INC	Real Canadian Superstore	\$ 746,638.84	0.48%
8	0807593 BC LTD	Longwood Station	\$ 720,385.01	0.46%
9	NORED DEVELOPMENTS INC	Nored Plaza / Apple Cross Centre / Various Properties	\$ 714,198.52	0.46%
10	BROOKS LANDING CENTRE INC	Brooks Landing	\$ 693,163.84	0.44%
11	TELUS COMMUNICATIONS & BC TELEPHONE CO	Telus (excludes 1% grant)	\$ 669,768.73	0.43%
12	FERNCO DEV LTD / LENCO DEV LTD / NORCO DEV LTD	Terminal Park (part) / Mostar Strip Mall	\$ 655,556.86	0.42%
13	416382 BC LTD	Dickinson Crossing	\$ 640,251.71	0.41%
14	ARTIS AULDS CORNER NANAIMO LTD	Milano's / Valhalla / Island Natural / HSBC	\$ 630,498.58	0.40%
15	COSTCO WHOLESALE CORP	Costco	\$ 578,874.49	0.37%
16	BRITISH COLUMBIA HYDRO & POWER AUTH	BC Hydro (excludes 1% grant)	\$ 555,592.20	0.36%
17	HOME DEPOT HOLDINGS INC	Home Depot	\$ 552,384.16	0.35%
18	NPR GP INC	Various Residential	\$ 542,661.68	0.35%
19	FORTIS ENERGY (VANCOUVER ISLAND) INC	Fortis (excludes 1% grant)	\$ 529,383.36	0.34%
20	INSIGHT HOLDINGS LTD	Various Residential	\$ 468,997.57	0.30%
21	SOPHIE INVESTMENTS INC	Rock City Centre / Country Club Manor / Various Properties	\$ 463,396.34	0.30%
22	DUKE POINT PROPERTY COMPANY	Duke Point	\$ 460,829.40	0.30%
23	DOVER POINTE CENTRE LTD	Home Outfitters / Home Sense / PetSmart	\$ 431,285.39	0.28%
24	MID ISLAND CONSUMER SERVICES CO OP	Co-op Centre and Various Properties	\$ 430,392.70	0.28%
25	HAREWOOD INVESTMENTS LTD	University Village	\$ 418,218.82	0.27%
26	WESTERN FOREST PRODUCTS INC	Duke Point Mill / Mill @ Nanaimo Warf	\$ 417,538.49	0.27%
27	WTF INVESTMENTS CO LTD	Metral Place Shopping Centre (Staples, etc)	\$ 414,329.19	0.27%
28	SPIRE LP (WOODGROVE CROSSING) LTD	Woodgrove Crossing	\$ 407,538.72	0.26%
29	NANAIMO SENIORS VILLAGE HOLDINGS LTD	Nanaimo Seniors Village	\$ 384,844.19	0.25%
30	SHAW CABLESYSTEMS LTD	Shaw (excludes 1% grant)	\$ 369,791.18	0.24%
31	HOPEPLACE HOLDINGS INC	Country Grocer and other (Bowen Road)	\$ 347,746.18	0.22%
32	NANAIMO BASTION HOTEL CORP	Coast Bastion Hotel	\$ 341,751.16	0.22%
33	B-250 HOLDINGS INC	Hammond Bay Plaza	\$ 334,240.82	0.21%
34	MALAVIEW DEVELOPMENT LTD	Slegg Lumber	\$ 326,161.56	0.21%
35	MAPLE GLEN HOLDINGS LTD	Southgate Mall	\$ 308,862.12	0.20%
36	2080 LABIEUX ROAD HOLDINGS LTD	Government Offices	\$ 280,550.55	0.18%
37	ELDORADO DEVELOPMENT CORP LTD	Bowen Centre	\$ 277,050.06	0.18%
38	WELLINGTON COURT HOLDINGS CORP	Wholesale Sports	\$ 266,075.48	0.17%
39	ISLAND TIMBERLANDS GP LTD	Various Properties	\$ 258,363.76	0.17%
			<u>\$ 27,698,298.67</u>	
Total Tax Levy			<u>\$ 155,865,999.48</u>	

2015 PERMISSIVE TAX EXEMPTIONS

Bylaws # 7100, 7153, 7201

Organization	Municipal Taxes Exempt Portion
ANGLICAN SYNOD DIOCESE OF B C	10,653
B C CONFERENCE OF THE MENNONITE BRETHREN THE	12,120
B C CORP SEVENTH DAY ADVENTIST	2,931
BC MUSLIM ASSOCIATION THE	1,291
B C S P C A	6,118
BENEDICTINES OF NANAIMO THE	3,837
BISHOP OF VICTORIA	19,094
BOYS AND GIRLS CLUBS OF CENTRAL VANCOUVER ISLAND	10,254
BRITISH COLUMBIA OLD AGE PENSIONERS BRANCH 4 INC	1,673
CANADIAN MENTAL HEALTH ASSOCIATION	5,239
CENTENNIAL MUSEUM	42,636
CENTRAL VANCOUVER ISLAND MULTICULTURAL SOCIETY	14,211
CHRIST COMMUNITY CHURCH	8,921
CHRISTIAN AND MISSIONARY ALLIANCE-CANADIAN PACIFIC DISTRICT	3,547
CHRISTIAN SCIENCE SOC OF NANAIMO	489
CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS IN CANADA	3,010
CHURCH OF THE NAZARENE CANADA PACIFIC DISTRICT	3,380
COLUMBIAN CENTRE SOCIETY	7,413
CRIMSON COAST DANCE SOCIETY	452
CRISIS PREGNANCY CENTRE OF NANAIMO SOCIETY	4,171
DEPARTURE BAY CONGREGATION OF JEHOVAH'S WITNESSES TRUSTEES	4,590
DUCKS UNLIMITED CANADA	4,215
FIRST BAPTIST CHURCH NANAIMO BC	3,735
FOURSQUARE GOSPEL CHURCH OF CANADA	7,232
G S M P D SIKH TEMPLE INC	872
GEORGE R PEARKES SENIOR CITIZEN HSG	20,076
GOOD SAMARITAN CANADA (A LUTHERAN SOCIAL SERVICE ORGANIZATION)	103,764
GOVERNING COUNCIL OF THE SALVATION ARMY CANADA WEST THE	19,038
HABITAT FOR HUMANITY MID-VANCOUVER ISLAND	12,131
HAMMOND BAY BAPTIST CHURCH	1,609
HARBOUR CITY THEATRE ALLIANCE SOCIETY	3,076
HOPE LUTHERAN CHURCH	4,321
ISLAND CORRIDOR FOUNDATION	123,310
ISLAND CRISIS CARE SOCIETY	7,568
KINGS TEMPLE MISSIONARY SOCIETY THE	1,401
LIGHTHOUSE BIBLE BAPTIST CHURCH OF NANAIMO SOCIETY	623
LOAVES & FISHES FOOD BK FOUNDATION	3,192
MCGIRR SPORTS SOCIETY THE	41,090

2015 PERMISSIVE TAX EXEMPTIONS

Bylaws # 7100, 7153, 7201

Organization	Municipal Taxes Exempt Portion
MID-ISLAND INTERGROUP SOCIETY	409
MID-ISLAND METIS NATION ASSOCIATION	370
MT BENSON (PAC BR 256) ROYAL CAN LEGION	8,444
MT BENSON SENIOR CITIZENS HGS SOC	37,673
NANAIMO & DISTRICT EQUESTRIAN ASSOC / VANCOUVER ISLAND EXHIBITION ASSOC	9,631
NANAIMO & DISTRICT MUSEUM SOCIETY	6,577
NANAIMO 7-10 CLUB	3,248
NANAIMO AFFORDABLE HOUSING SOCIETY	2,558
NANAIMO ART GALLERY	12,426
NANAIMO ASSOCIATION FOR COMMUNITY LIVING	20,409
NANAIMO BMX ASSOCIATION	2,593
NANAIMO BRAIN INJURY SOCIETY	3,610
NANAIMO BRANCH OF THE RED CROSS SOCIETY	8,524
NANAIMO BRANCH ROYAL CANADIAN LEGION (BRANCH 10)	2,352
NANAIMO CANOE & KAYAK CLUB/NANAIMO ROWING CLUB	561
NANAIMO CHILD DEVELOPMENT CENTRE SOCIETY	28,496
NANAIMO CHRISTIAN SCHL (1988) SOC	9,268
NANAIMO CHURCH OF CHRIST	1,927
NANAIMO CITIZEN ADVOCACY ASSOCIATION	1,952
NANAIMO COMMUNITY ARCHIVES	4,830
NANAIMO COMMUNITY HOSPICE SOCIETY	6,390
NANAIMO CONSERVATORY OF MUSIC	7,541
NANAIMO CURLING CLUB	11,850
NANAIMO DISTRICT SENIOR CITIZENS' HOUSING DEVELOPMENT SOCIETY	121,247
NANAIMO F O S NON-PROFIT HOUSING SOCIETY	11,865
NANAIMO FAMILY LIFE ASSOCIATION	3,735
NANAIMO FOODSHARE NETWORK SOCIETY	3,807
NANAIMO FULL GOSPEL ASSEMBLY	1,917
NANAIMO MARINE RESCUE SOCIETY	911
NANAIMO MINOR HOCKEY ASSOCIATION	3,731
NANAIMO RECYCLING EXCHANGE	10,199
NANAIMO REGIONAL JOHN HOWARD SOCIETY	7,543
NANAIMO SEARCH & RESCUE SOCIETY	3,255
NANAIMO SQUASH CLUB	3,483
NANAIMO THEATRE GROUP	3,491
NANAIMO TRAVELLERS LODGE SOCIETY	27,779
NANAIMO WOMEN'S RESOURCE SOCIETY	10,463
NANAIMO YOUTH SERVICES ASSOCIATION	10,581
NATURE TRUST OF BC	163,785
NAVY LEAGUE OF CANADA NAN BRANCH	4,781
OPTIONS FOR SEXUAL HEALTH	2,556
PACIFIC CHILD AND FAMILY ENRICHMENT SOCIETY	7,804
PENTECOSTAL ASSEMBLIES OF CANADA	14,454
PLEASANT VALLEY SOCIAL CENTRE	5,702

2015 PERMISSIVE TAX EXEMPTIONS

Bylaws # 7100, 7153, 7201

Organization	Municipal Taxes Exempt Portion
PORT THEATRE SOCIETY THE	285,923
PRIESTLY SOCIETY OF ST PIUS	1,421
PROTECTION ISLAND LIONS CLUB	12,381
PROTECTION ISLAND NEIGHBOURHOOD ASSOCIATION	4,178
REDEEMED CHRISTIAN CHURCH OF GOD	992
ROYAL CANADIAN AIRFORCE ASSOC 808 (THUNDERBIRD) WING	3,497
ST JOHN'S AMBULANCE	16,233
ST PAUL'S LUTHERAN CHURCH OF NANAIMO	3,080
THEATER ONE	1,228
TILlicum HAUS SOCIETY	9,858
TILlicum LELUM ABORIGINAL SOCIETY	27,166
TRUSTEES OF ST ANDREWS PRESBYTERIAN CHURCH CANADA	4,172
TRUSTEES OF THE CHASE RIVER CONGREGATION OF JEHOVAH'S WITNESSES	3,394
TRUSTEES OF THE CONGREGATION OF BRECHIN UNITED CHURCH	2,563
TRUSTEES OF THE CONGREGATION OF DEPARTURE BAY BAPTIST CHURCH	2,424
TRUSTEES OF THE CONGREGATION OF ST ANDREWS UNITED CHURCH	8,128
TRUSTEES OF THE NANAIMO CHRISTADELPHIANS (MINTER MICHAEL/DANIEL KEVIN/ALEXANDER THOMAS E)	1,282
TRUSTEES OF THE WOODGROVE CONGREGATION OF JEHOVAH'S WITNESSES	1,619
UKRAINIAN CATHOLIC EPARCHY OF NW	1,848
UNITARIAN FOUNDATION OF NANAIMO	1,841
UNITED WAY CENTRAL & NORTHERN VANCOUVER ISLAND	3,121
VANCOUVER ISLAND AIDS SOCIETY	865
VANCOUVER ISLAND HAVEN SOCIETY	21,166
VANCOUVER ISLAND KHALSA DIWAN SOCIETY	4,214
VANCOUVER ISLAND MILITARY MUSEUM	15,362
VANCOUVER ISLAND SYMPHONY	1,098
WAKESIAH GOSPEL CHAPEL	2,768
WELLINGTON COMMUNITY ASSOCIATION	6,986
	<hr/>
	1,586,817



OPERATIONAL COMPARATIVE STATISTICS

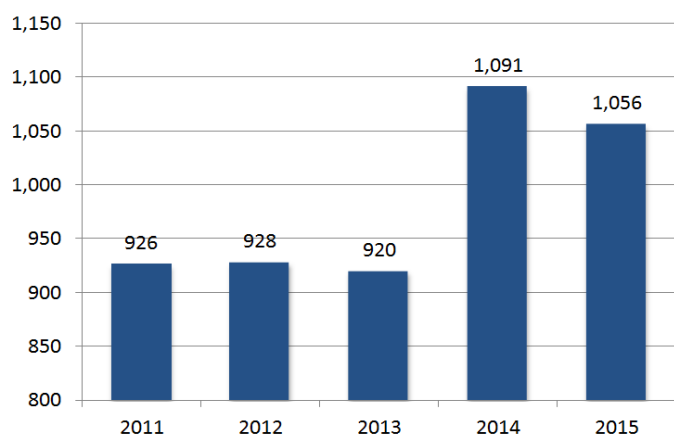
(unaudited)

Municipal Government Form: Mayor and 8 Council Members Incorporated December 24, 1874

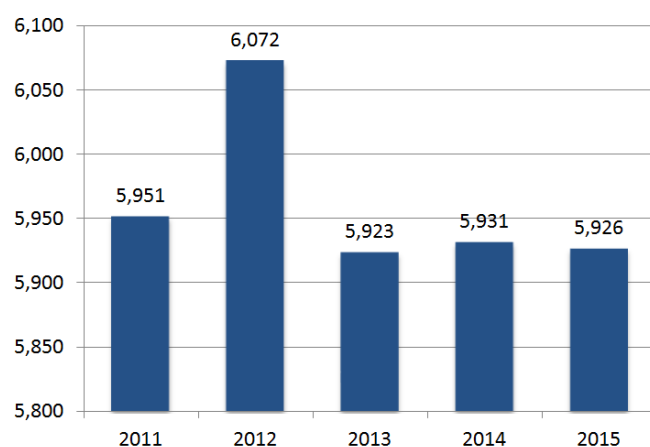
	2010	2011	2012	2013	2014	2015
Population *	85,487	86,961	87,515	86,057	88,869	90,059
Registered Voters	62,687	63,383	63,383	63,383	62,673	93,975
No. of Properties (Folios)	34,698	35,010	35,333	35,852	36,152	36,446
Paved Roads in km	603	605	608	610	612	616
Sanitary Sewer Lines in km	652	656	659	662	666	667
Storm Sewer Lines in km	528	532	536	539	543	545
Water Lines in km	620	624	629	635	641	648
Municipal Full-Time Employees	590	603	604	608	605	607
Police Protection						
Number of Stations	1	1	1	1	1	1
Number of Police Officers	135	135	140	140	140	140
Number of Criminal Code Offences	14,299	13,124	12,784	9,882	10,453	9,206
Fire Protection						
Number of Stations	6	6	5	5	5	5
Number of Full-Time Personnel	105	105	105	103	103	103
Paid On Call Firefighters	60	53	58	60	55	38
Number of Call Received	6,297	6,494	6,628	6,915	7,067	7,595
Number of Fire Hydrants	2,881	2,933	2,952	3,015	3,049	3,066
Value of Building Permits Issued	\$175,406,152	\$188,222,526	\$162,417,519	\$119,988,214	\$230,428,039	\$205,365,569

*Population data is estimated

2015 Building Permits Issued



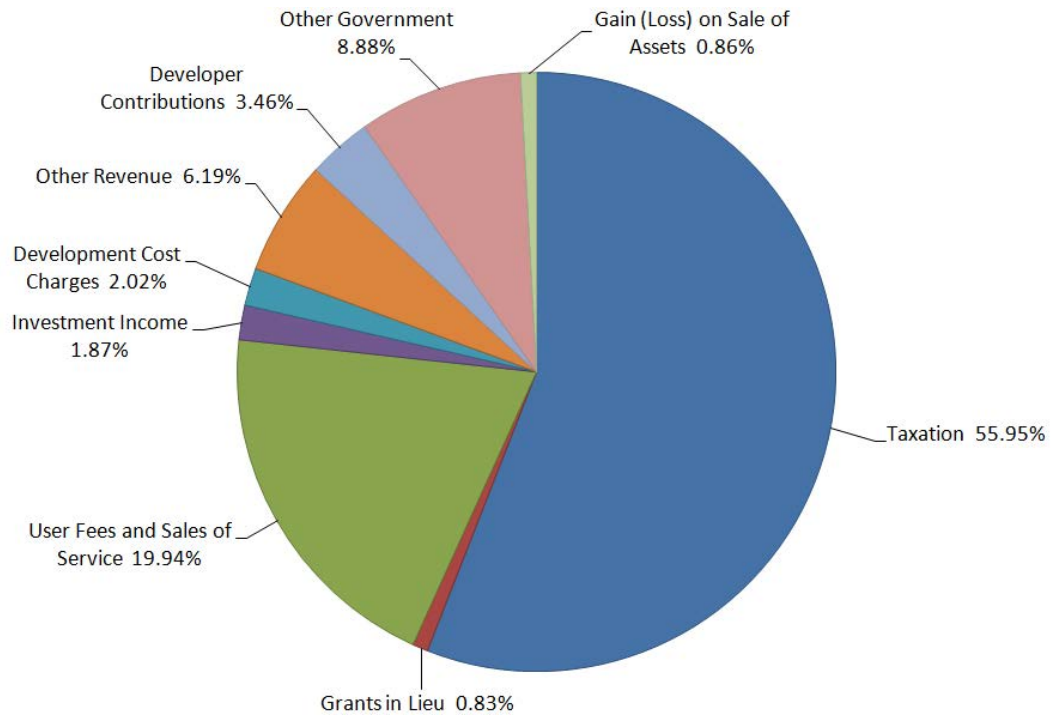
2015 Business Licenses Issued



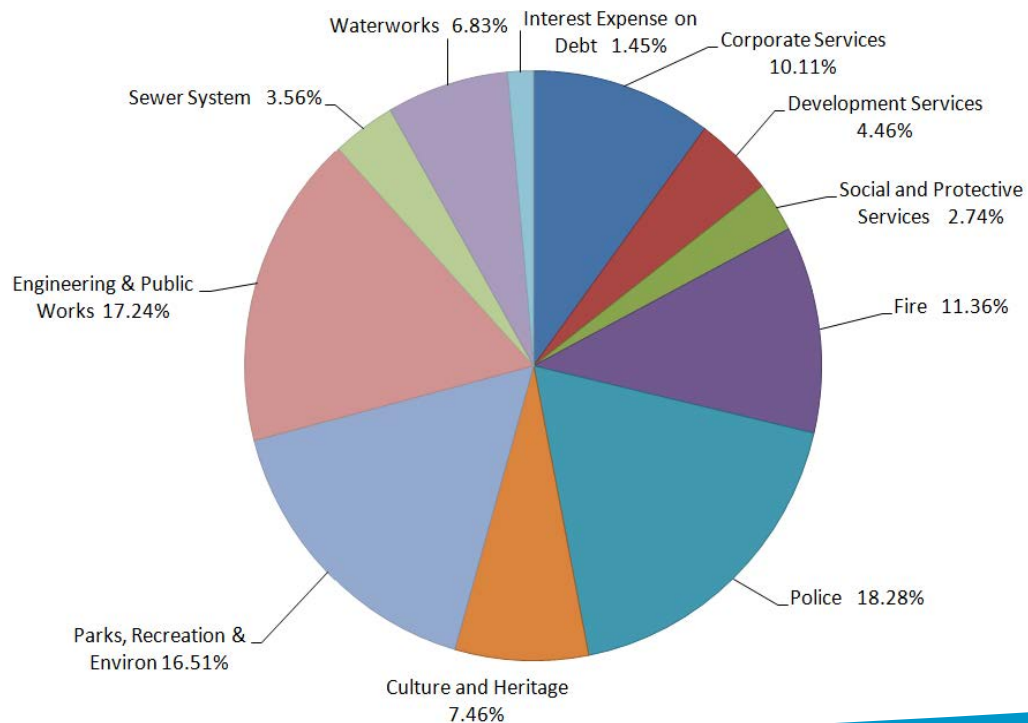
2015 OPERATING REVENUES AND EXPENSES

(unaudited)

Revenues



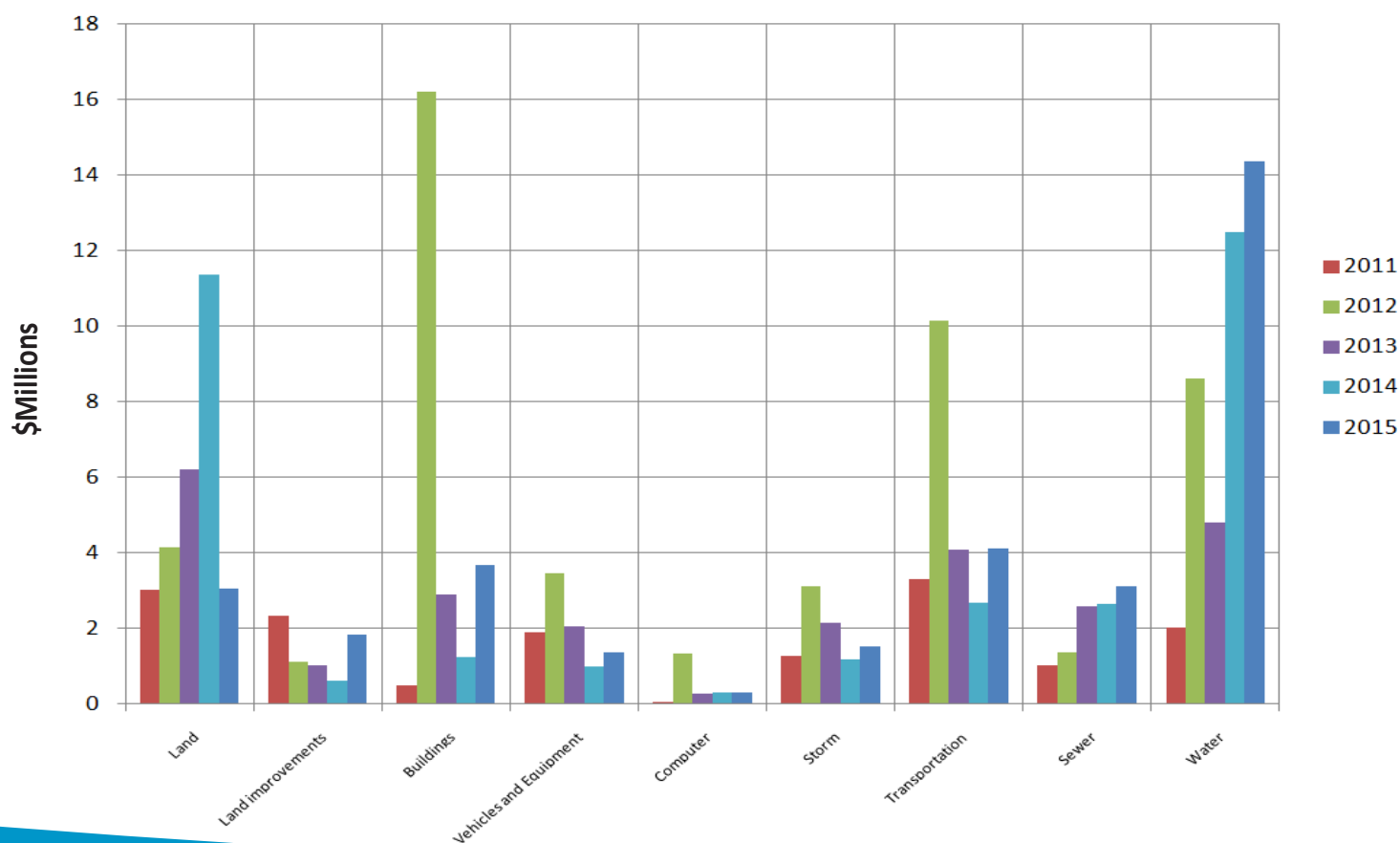
Expenses



CAPITAL EXPENDITURES AND SOURCES OF FUNDING

	2011	2012	2013	2014	2015
CAPITAL EXPENDITURES					
Acquisition of Tangible Capital Assets	\$15,295,482	\$49,399,713	\$26,001,444	\$33,463,745	\$33,243,076
SOURCES OF FUNDING					
Recoveries and Private Contributions	4,949,506	9,663,491	5,317,369	6,153,401	5,349,383
Sale of Assets	93,732	115,324	84,866	78,777	16,581
Provincial and Federal Grants	189,601	121,110	62,530	5,846,000	120,000
Reserve Funds	1,766,364	23,861,260	10,653,291	9,353,305	9,484,796
General Operating	2,580,103	3,916,281	4,853,294	1,768,798	1,457,991
Development Cost Charges	3,112,141	7,326,561	729,684	2,178,009	7,262,993
Statutory Reserve Funds	2,604,035	4,394,538	4,297,839	8,009,392	9,545,168
Other	--	1,148	2,571	76,062	6,164
	\$15,295,482	\$49,399,713	\$26,001,444	\$33,463,745	\$33,243,076

Acquisition of Tangible Capital Assets by Asset Class

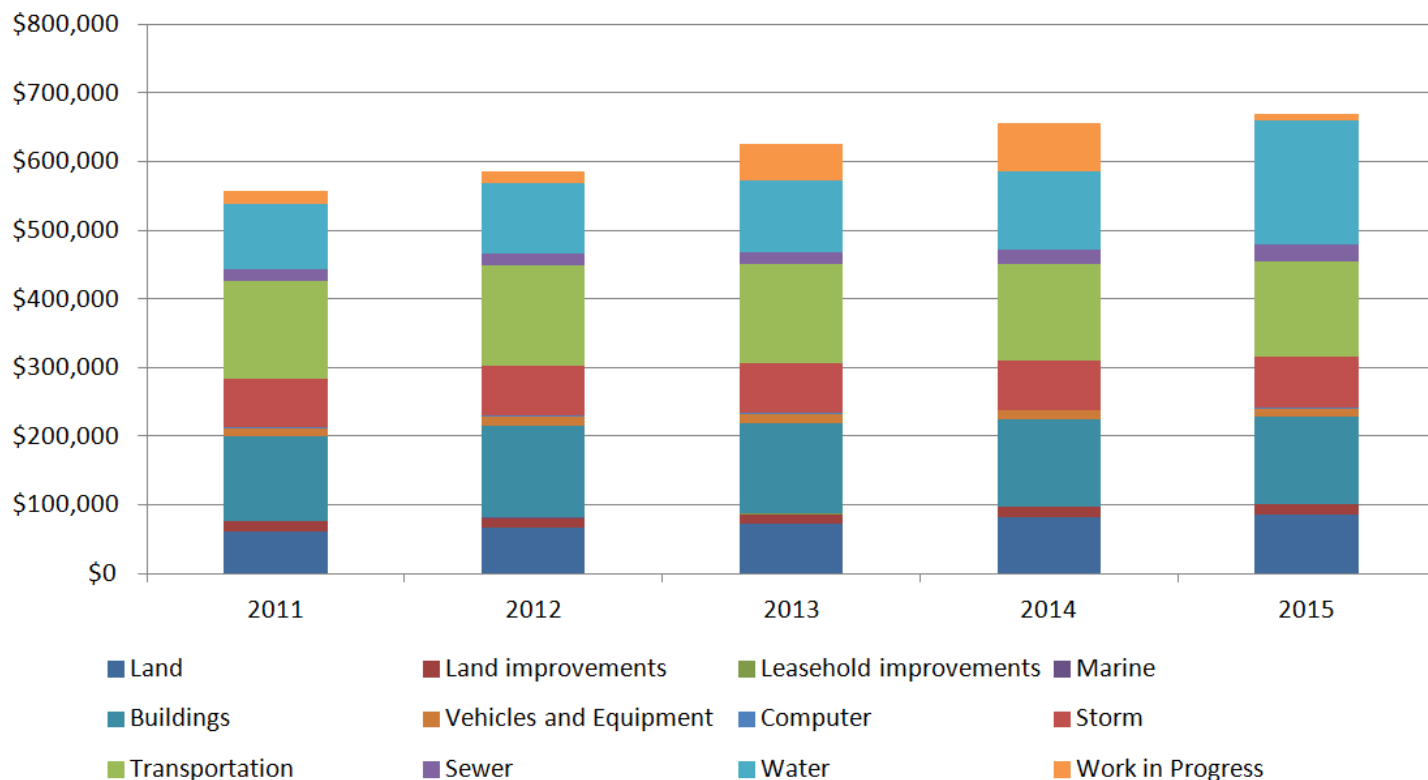


CAPITAL EXPENDITURES BY FUNCTION/TANGIBLE CAPITAL ASSETS

Tangible Capital Assets (Net Book Value) by Asset Category (\$'000's)

	2011	2012	2013	2014	2015
Land	\$61,860	\$65,986	\$71,988	\$82,935	\$85,701
Lease Improvements	14,490	14,561	14,451	13,977	15,359
Leasehold Improvements	579	479	460	387	309
Marine	298	258	227	196	165
Buildings	122,314	133,750	131,312	127,338	126,713
Vehicles and Equipment	12,373	13,602	13,454	12,365	12,191
Computer	1,537	2,150	1,699	1,463	1,225
Storm	70,593	71,999	72,607	72,194	73,726
Transportation	142,550	146,021	143,603	139,797	138,455
Sewer	15,909	16,752	18,801	20,883	24,587
Water	96,251	102,231	104,279	113,783	181,853
Work in Progress	17,723	18,322	53,088	70,038	9,298
Total Capital Assets by Category	\$556,477	\$586,111	\$625,969	\$655,356	\$669,582

2010-2015 Tangible Assets by Asset Category



2016 - 2020 PROVISIONAL CAPITAL PLAN AND FUNDING

	2016	2017	2018	2019	2020	Total	General Revenue	Statutory Reserves	General Reserves	Borrowing	Other Sources *	Total
IT and Legislative Services	839,000	150,000	294,500	298,000	442,000	2,023,500	-	-	2,023,500	-	-	2,023,500
Financial Services and Purchasing	50,000	33,000	76,000	15,000	13,000	187,000	-	-	187,000	-	-	187,000
Community Development	600,000	600,000	600,000	600,000	600,000	3,000,000	3,000,000	-	-	-	-	3,000,000
Port of Nanaimo Centre	-	-	252,000	-	-	252,000	-	-	252,000	-	-	252,000
Culture and Heritage	5,100,000	6,966,000	260,000	-	84,700	12,410,700	410,700	-	-	-	12,000,000	12,410,700
Parks, Recreation and Environment	882,310	3,218,725	4,476,000	1,875,000	650,000	11,102,035	2,295,735	7,506,300	50,000	-	1,250,000	11,102,035
Engineering and Public Works	7,081,960	8,690,500	16,576,900	6,462,400	5,843,700	44,655,460	17,021,560	21,633,900	-	6,000,000	-	44,655,460
Fire Services and Emergency Measures	267,000	1,104,167	792,000	1,531,500	1,303,500	4,998,167	349,167	4,499,000	150,000	-	-	4,998,167
Police Services	65,000	834,000	6,000,000	325,000	-	7,224,000	390,000	234,000	-	6,600,000	-	7,224,000
Parking	325,000	450,000	391,550	575,000	575,000	2,316,550	775,000	1,541,550	-	-	-	2,316,550
	15,210,270	22,046,392	29,718,950	11,681,900	9,511,900	88,169,412	24,242,162	35,414,750	2,662,500	12,600,000	13,250,000	88,169,412
Sanitary Sewer Utility	5,771,700	2,915,600	6,698,000	2,712,000	4,171,602	22,268,902	-	9,534,400	12,734,502	-	-	22,268,902
Water Utility	7,744,000	14,834,550	6,938,606	6,984,400	6,217,700	42,719,256	-	10,605,950	32,113,306	-	-	42,719,256
	28,725,970	39,796,542	43,355,556	21,378,300	19,901,202	153,157,570	24,242,162	55,555,100	47,510,308	12,600,000	13,250,000	153,157,570

Quick Fact

Over 50 percent of Home Owner Grants in Nanaimo were claimed electronically in 2015.



City of Nanaimo



ANNUAL FINANCIAL STATEMENTS

2015

Annual Financial Statements

CITY OF NANAIMO, BRITISH COLUMBIA, CANADA FINANCIAL REPORT

for the year ended December 31, 2015

<u>INDEX</u>	<u>PAGE</u>
Management Report.....	1
Auditors' Report.....	2
Consolidated Financial Statements	
Statement of Financial Position.....	3
Statement of Operations.....	4
Statement of Changes in Net Financial Assets.....	5
Statement of Cash Flows.....	6
Notes to the Financial Statements.....	7 - 28
Schedule of Operations by Segment.....	29 - 30
Schedule of Tangible Capital Assets.....	31 - 32

Annual Financial Statements

CITY OF NANAIMO MANAGEMENT REPORT

For the Year Ended December 31, 2015

The Council of the City of Nanaimo has delegated the responsibility for the integrity and objectivity of the financial information contained in the financial statements to the management of the City of Nanaimo. The 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 properly authorized and recorded in compliance with legislative and regulatory requirements and that financial records are reliable for preparation of financial statements. These systems are monitored and evaluated by management.

The City of Nanaimo's independent auditors, KPMG LLP, are engaged to express an opinion as to whether these financial statements present fairly the City of Nanaimo's financial position and operating results in accordance with Canadian public sector accounting standards. Their opinion is based on procedures they consider sufficient to support such an opinion.

The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and in accordance with Canadian public sector accounting standards. These statements present, in all significant respects, the financial position of the City of Nanaimo as at December 31, 2015.



Tracy Samra, LL.B., LL.M.
Chief Administrative Officer



Victor Mema, CPA, CMA
Director of Finance

Annual Financial Statements



KPMG LLP
Po Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council

We have audited the accompanying consolidated financial statements of the City of Nanaimo, which comprise the consolidated statement of financial position as at December 31, 2015 and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information, including the schedules of operations by segment and tangible capital assets.

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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 an 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 our 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, we consider 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 consolidated financial position of the City of Nanaimo as at December 31, 2015, and its consolidated results of operations, its changes in net consolidated financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants
May 2, 2016
Vancouver, Canada

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.
KPMG International provides services to KPMG LLP.

Annual Financial Statements

CITY OF NANAIMO

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at December 31, 2015, with comparative figures for 2014

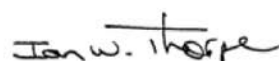
	2015	2014
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 66,205,116	\$ 60,839,567
Accounts receivable and other assets (Note 2)	18,065,818	20,109,818
Development cost charges receivable (Note 3)	768,904	498,609
Portfolio investments (Note 4)	100,726,222	104,590,313
	185,766,060	186,038,307
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	26,580,762	31,028,130
Compensated absences and termination benefits (Note 6)	6,824,923	6,637,594
Deferred revenue and other liabilities (Note 7)	16,526,003	15,125,738
Deferred development cost charges (Note 8)	38,658,888	41,398,345
Debt (Note 10)	47,773,593	50,860,003
	136,364,169	145,049,810
NET FINANCIAL ASSETS	49,401,891	40,988,497
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 11)	669,581,917	655,356,252
Prepaid expenses	1,980,822	1,726,148
Inventories of supplies	665,746	642,632
	672,228,485	657,725,032
ACCUMULATED SURPLUS (Note 12)	\$ 721,630,376	\$ 698,713,529

Commitments and contingencies (Note 13)

Approved on behalf of the Council



William B. McKay
Mayor



Ian Thorpe
Councillor

Annual Financial Statements

CITY OF NANAIMO CONSOLIDATED STATEMENT OF OPERATIONS

for the year ended December 31, 2015, with comparative figures for 2014

	2015 Budget (Note 14)	2015	2014
REVENUES			
Taxes	\$ 97,015,095	\$ 96,670,960	\$ 94,551,269
Payments in lieu of taxes	1,381,391	1,517,802	1,409,584
Taxation and payments in lieu (Note 15)	98,396,486	98,188,762	95,960,853
User fees and sales of services (Note 16)	34,711,760	34,809,133	33,699,231
Investment income	2,924,888	3,021,276	3,154,310
Other revenue	6,694,795	10,608,631	7,483,213
Development cost charges (Note 8)	14,429,190	7,762,983	3,421,649
Donations and contributions-capital	1,878,900	1,359,744	577,601
Transfers from other governments-capital (Note 17)	5,275,105	3,604,561	12,674,788
Transfers from other governments-operating (Note 17)	4,706,680	5,396,544	4,728,655
Municipal Finance Authority refunds and debt forgiven	-	22,283	-
Developer assets received (Note 11)	-	4,234,016	5,850,960
(Loss) gain on disposal of assets	-	(1,363,185)	1,450,650
	169,017,804	167,644,748	169,001,910
EXPENSES			
Corporate services	17,603,397	16,242,666	14,965,648
Development services	7,122,891	6,073,590	6,104,472
Social and protective services	4,378,026	4,026,427	3,809,581
Fire	14,975,420	16,213,123	15,713,517
Police	28,331,002	27,030,831	25,032,728
Culture and heritage	10,878,536	11,160,777	10,224,787
Parks, recreation and environment	26,141,553	24,701,879	22,572,863
Engineering and public works	25,827,234	24,096,551	23,616,399
Sewer System	4,712,757	4,409,251	4,873,137
Waterworks	12,143,999	10,772,806	10,061,433
	152,114,815	144,727,901	136,974,565
ANNUAL SURPLUS	16,902,989	22,916,847	32,027,345
ACCUMULATED SURPLUS - BEGINNING OF YEAR	698,713,529	698,713,529	666,686,184
ACCUMULATED SURPLUS - END OF YEAR	\$ 715,616,518	\$ 721,630,376	\$ 698,713,529

Annual Financial Statements

CITY OF NANAIMO

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

for the year ended December 31, 2015 , with comparative figures for 2014

	2015 Budget (Note 14)	2015	2014
ANNUAL SURPLUS	\$ 16,902,989	\$ 22,916,847	\$ 32,027,345
Acquisition of tangible capital assets	(54,419,600)	(31,665,508)	(42,368,519)
Developer contributed capital assets	-	(4,234,016)	(5,851,614)
	(54,419,600)	(35,899,524)	(48,220,133)
Amortization of tangible capital assets	20,851,198	20,288,865	20,199,518
(Loss) gain on disposal of tangible capital assets	-	1,363,185	(1,450,650)
Proceeds on sale of tangible capital assets	-	21,809	84,210
	(33,568,402)	(14,225,665)	(29,387,055)
Acquisition of inventories of supplies	-	(3,235,705)	(3,088,591)
Acquisition of prepaid expenses	-	(2,018,028)	(1,707,121)
Consumption of inventories of supplies	-	3,212,591	3,166,893
Use of prepaid expenses	-	1,763,354	1,179,739
	-	(277,788)	(449,080)
CHANGE IN NET FINANCIAL ASSETS	(16,665,413)	8,413,394	2,191,210
NET FINANCIAL ASSETS - BEGINNING OF YEAR	40,988,497	40,988,497	38,797,287
NET FINANCIAL ASSETS - END OF YEAR	\$ 24,323,084	\$ 49,401,891	\$ 40,988,497

Annual Financial Statements

CITY OF NANAIMO

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended December 31, 2015, with comparative figures for 2014

	2015	2014
CASH PROVIDED BY (USED FOR)		
OPERATING TRANSACTIONS		
Annual Surplus	\$ 22,916,847	\$ 32,027,345
Non-cash items		
Amortization of tangible capital assets	20,288,865	20,199,518
Developer assets received	(4,234,016)	(5,851,614)
(Gain) loss on disposal of tangible capital assets	1,363,185	(1,450,650)
Development cost charges recognized as revenue	(7,762,983)	(3,421,649)
Actuarial adjustments	(719,319)	(613,910)
Change in non-cash operating assets and liabilities		
Accounts Receivable	1,773,705	842,079
Accounts payable	(4,260,039)	3,230,215
Deferred revenue	1,400,265	(6,484,895)
Inventories of supplies	(23,114)	78,302
Prepaid expenses	(254,674)	(527,382)
Net change in cash from operating transactions	30,488,722	38,027,359
CAPITAL TRANSACTIONS		
Cash used to acquire tangible capital assets	(31,665,508)	(42,368,519)
Proceeds from the sale of tangible capital assets	21,809	84,210
Net change in cash from capital transactions	(31,643,699)	(42,284,309)
INVESTING TRANSACTIONS		
Change in investments	3,864,091	(10,556,575)
FINANCING TRANSACTIONS		
Debt repayment	(2,367,091)	(2,051,169)
Deferred development cost charges	5,023,526	6,538,033
Proceeds from long term borrowing	-	9,200,000
Net change in cash from financing transactions	2,656,435	13,686,864
CHANGE IN CASH AND CASH EQUIVALENTS	5,365,549	(1,126,661)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	60,839,567	61,966,228
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 66,205,116	\$ 60,839,567

Annual Financial Statements

CITY OF NANAIMO **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** for the year ended December 31, 2015

The City of Nanaimo (the City) was incorporated December 24, 1874 under a statute of the Province of British Columbia now known as the *Community Charter*. The principal activities of the City are preservation, protection and enhancement of the quality of life in Nanaimo through the facilitation of municipal services in an equitable, efficient and effective manner.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The City prepares its consolidated financial statements in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. The following include significant policies that have been adopted by the City:

(a) Basis of Consolidation

The City's resources and operations are segregated into general, water, sewer, capital and reserve funds. The consolidated financial statements reflect the assets, liabilities, revenues and expenses of these funds.

(i) Consolidated Entities

The reporting entity is comprised of all organizations controlled by the City. These organizations include the Nanaimo Economic Development Corporation and the Vancouver Island Conference Centre.

(b) Basis of Accounting

The City follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of the delivery of goods or services and/or upon the creation of a legal obligation to pay. Expenses paid in the current period and attributable to a future period are recorded as prepaid.

(c) Government Transfers

Government transfers without stipulations restricting their use are recognized in the financial statements as revenue in the period in which the transfers are authorized, any eligibility criteria met, and reasonable estimates of the amounts can be made. Government transfers with stipulations restricting their use are recognized in the financial statements as revenues in the period in which eligible expenses are incurred provided they are authorized and eligible criteria are met.

Annual Financial Statements

CITY OF NANAIMO **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** for the year ended December 31, 2015

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Cash and Cash Equivalents

Cash equivalents include short-term highly liquid investments with a term to maturity of 90 days or less at acquisition. Cash equivalents also include investments in the Municipal Finance Authority of British Columbia (MFA) Money Market Funds which are recorded at cost plus earnings reinvested in the funds.

(e) Portfolio Investments

Portfolio investments consist of term deposits and debentures which are expected to be held for a term exceeding 90 days. Investments are recorded at cost. When, in the opinion of management, there is a decline in value, other than a temporary decline, investments are written down to their net realizable value.

(f) Accounts Receivable

Accounts receivable are presented net of an allowance for doubtful accounts and therefore represent amounts expected to be collected.

(g) Development Cost Charges

Deferred development cost charges are restricted by legislation to expenditures on capital infrastructure and related debt servicing costs and operating projects. These amounts are deferred upon receipt and recognized as revenue when the expenditures are incurred in accordance with the restrictions.

(h) Deferred Revenue

The City defers a portion of the revenue collected from permits, licenses and other fees and recognizes this revenue in the year in which related inspections are performed or other related expenditures are incurred.

Annual Financial Statements

CITY OF NANAIMO **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** for the year ended December 31, 2015

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Compensated Absences and Termination 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. Compensated absences and termination benefits also accrue to the City's employees. The liabilities related to these termination benefits and earned sick leave are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefit plans are accrued based on projected benefits prorated as employees render services necessary to earn the future benefits. Actuarial gains and losses on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The net accumulated actuarial gains and losses are amortized over the average remaining service period of the active employees.

(j) Debt

Debt is presented net of related sinking fund balances.

(k) 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 to be sold in the ordinary course of operations.

(i) Tangible Capital Assets

Tangible capital assets are comprised of capital assets and capital works in progress, and are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the assets. The cost of the tangible capital assets, excluding land, are amortized on a straight-line basis over the estimated useful lives of the assets, commencing at the time the assets are available for use.

Annual Financial Statements

CITY OF NANAIMO NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Non-Financial Assets (continued)

(i) Tangible Capital Assets (continued)

Estimated useful lives are as follows:

Asset	Useful Life-Years
Land Improvements	10-60
Leasehold Improvements	15-30
Marine Structures	15-35
Buildings	10-40
Vehicles and Equipment	2-25
IT Infrastructure	4-10
Drainage	2-75
Transportation - Linear Infrastructure, Lighting and Signals	2-80
Sewer - Linear Infrastructure and Equipment	25-60
Water - Linear Infrastructure and Equipment	8-80

Tangible capital assets are written down to their residual value when conditions indicate that they no longer contribute to the City's ability to provide goods and services, or when the value of the future economic benefits associated with the asset are less than the book value of the asset.

(ii) Contribution of Tangible Capital Assets

Subdivision streets, lighting, sidewalks, drainage and other infrastructure assets are required to be provided by subdivision developers. Tangible capital assets received from developers are recorded at their fair value at the date of receipt and also recorded as revenue. The City is not involved in the construction and does not budget for assets received from developers.

(iii) Natural Resources

Natural Resources are not recognized as assets in the financial statements.

(iv) Works of Art and Cultural and Historical Assets

Works of art and cultural and historical assets are not recognized as assets in the financial statements.

Annual Financial Statements

CITY OF NANAIMO **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** for the year ended December 31, 2015

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Non-Financial Assets (continued)

(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 which 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 related payments are charged to expenses as incurred.

(vii) Inventories of Supplies

Inventories of supplies are recorded at cost, net of an allowance for obsolete stock. Cost is determined on a weighted average basis.

(l) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of compensated absences and termination benefits, collectability of accounts receivable, useful lives of tangible assets for calculation of amortization and provisions for contingencies. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

Annual Financial Statements

CITY OF NANAIMO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended December 31, 2015

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Adoption of Accounting Policy

(i) Contaminated Sites

The City of Nanaimo adopted the Public Sector Accounting Board Standard (PS) 3260 Liability for Contaminated Sites effective January 1, 2015. Under PS 3260, contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard. This Standard relates to sites that are not in productive use or where an unexpected event resulted in contamination. The City of Nanaimo adopted this standard on a retroactive basis and there were no adjustments to opening accumulated surplus as a result of the adoption of this standard.

NOTE 2 - ACCOUNTS RECEIVABLE

	<u>2015</u>	<u>2014</u>
Property Taxes	\$ 4,437,849	\$ 5,199,630
Other Governments	3,741,578	4,816,958
Trade and Other	9,886,391	10,093,230
	<u>\$ 18,065,818</u>	<u>\$ 20,109,818</u>

NOTE 3 - DEVELOPMENT COST CHARGES RECEIVABLE

	<u>2015</u>	<u>2014</u>
Installments Receivable:		
2015	\$ -	\$ 258,496
2016	418,548	240,113
2017	350,356	-
	<u>\$ 768,904</u>	<u>\$ 498,609</u>

Development cost charges are collected on the approval of a subdivision or the issuance of a building permit. These funds assist the City in the cost of development, including constructing capital improvements, operating projects and the related debt servicing costs. Installments receivable represent funds due from developers within two years and are secured by irrevocable standby letters of credit and/or cash on deposit. No interest is charged on these outstanding installments.

Annual Financial Statements

CITY OF NANAIMO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended December 31, 2015

NOTE 4 - PORTFOLIO INVESTMENTS

	<u>2015</u>		<u>2014</u>	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Term Deposits	\$ 100,726,222	\$ 101,214,712	\$ 99,590,313	\$ 100,124,761
Debentures	-	-	5,000,000	5,000,000
	<u>\$ 100,726,222</u>	<u>\$ 101,214,712</u>	<u>\$ 104,590,313</u>	<u>\$ 105,124,761</u>

NOTE 5 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2015</u>	<u>2014</u>
Trade and Other	\$ 11,943,227	\$ 12,492,078
RCMP Contract	6,049,632	6,462,088
Deposits	4,136,976	3,370,058
Accrued wages and benefits	3,631,343	4,679,806
Colliery dam remediation	-	3,000,000
Contaminated sites	110,000	-
Other governments	709,584	1,024,100
	<u>\$ 26,580,762</u>	<u>\$ 31,028,130</u>

Annual Financial Statements

CITY OF NANAIMO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended December 31, 2015

NOTE 6 - COMPENSATED ABSENCES AND TERMINATION BENEFITS

The City provides certain post-employment benefits, non-vested sick leave, compensated absences and termination benefits to its employees. An actuarial valuation for these benefits was performed to determine the City's accrued benefit obligation as at December 31, 2013 and the results are extrapolated to December 31, 2015. Significant assumptions used in the valuation include a discount rate of 4.75%, inflation of 2% and compensation increases, excluding merit and promotion, of 3%. There are unamortized actuarial gains of \$153,663 (2014— \$160,813).

	<u>2015</u>	<u>2014</u>
Actuarial Benefit Obligation, beginning of year	\$ 6,476,781	\$ 6,335,314
Unamortized Actuarial Losses, beginning of year	160,813	167,963
	<u>6,637,594</u>	<u>6,503,277</u>
Current Service Cost	457,118	427,832
Interest Costs	305,022	297,228
Benefits Paid	(567,661)	(583,593)
Amortization of Actuarial (Gain)	(7,150)	(7,150)
	<u>6,824,923</u>	<u>6,637,594</u>
Actuarial Benefit Obligation, end of year	6,671,260	6,476,781
Unamortized Actuarial Gain, end of year	153,663	160,813
Accrued Benefit Liability, end of year	<u>\$ 6,824,923</u>	<u>\$ 6,637,594</u>

Actuarial gains and losses are amortized over 12 – 14 years, being the expected average remaining service period of the related employee groups, commencing the year after the gain or loss arises. The total expense recorded in the financial statements in respect of obligations under this plan amounts to \$601,836 (2014 - \$606,652).

Annual Financial Statements

CITY OF NANAIMO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended December 31, 2015

NOTE 7 - DEFERRED REVENUE AND OTHER LIABILITIES

	<u>2015</u>	<u>2014</u>
Tax Prepayments	\$ 11,559,862	\$ 10,769,629
Other Prepayments	4,966,141	4,356,109
	<u>\$ 16,526,003</u>	<u>\$ 15,125,738</u>

NOTE 8 - DEFERRED DEVELOPMENT COST CHARGES

	<u>2015</u>	<u>2014</u>
Deferred Development Cost Charges - beginning of year	\$ 41,398,345	\$ 38,281,961
Additions	4,298,709	5,772,539
Interest Earned	724,817	765,494
Revenue Recognized	(7,762,983)	(3,421,649)
Deferred Development Cost Charges - end of year	<u>\$ 38,658,888</u>	<u>\$ 41,398,345</u>

NOTE 9 - CEMETERY CARE FUND

The City operates the cemetery and maintains a cemetery perpetual care fund in accordance with the *Cremation, Interment and Funeral Services Act*. The trust fund assets and liabilities are not included in the consolidated financial statements.

NOTE 10 - DEBT, NET OF MUNICIPAL FINANCE AUTHORITY (MFA) SINKING FUND DEPOSITS

The City issues debt instruments through the MFA pursuant to security issuing bylaws under authority of the *Community Charter* to finance certain capital expenditures.

\$46,847,697 (2014 – \$49,803,006) of debt is with the MFA. Payments of \$19,889,831 on the gross amount borrowed of \$66,737,528 are held in a sinking fund by the MFA. The remaining \$925,896 (2014 – \$1,056,997) is with the Royal Bank. The rates of interest on the principal amount of the MFA debentures vary between 1.6% and 4.82% per annum. The rate of interest on the Royal Bank debt is 5.48%.

	<u>2015</u>	<u>2014</u>
Total Outstanding Debt - beginning of year	\$ 50,860,003	\$ 44,325,082
Reduction of Long-term Debt	(3,086,410)	(2,665,079)
Proceeds from long-term borrowing	-	9,200,000
Total Outstanding Debt - end of year	<u>\$ 47,773,593</u>	<u>\$ 50,860,003</u>

Annual Financial Statements

CITY OF NANAIMO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended December 31, 2015

NOTE 10 - DEBT, NET OF MUNICIPAL FINANCE AUTHORITY (MFA) SINKING FUND DEPOSITS (CONTINUED)

Future payments on net outstanding debt over the next five years and thereafter are as follows:

<u>Year</u>	<u>General</u>	<u>Water</u>	<u>Total</u>
2016	\$ 3,043,900	\$ 804,393	\$ 3,848,293
2017	2,205,420	836,569	3,041,989
2018	2,296,455	870,032	3,166,487
2019	2,391,258	904,833	3,296,091
2020	2,489,986	941,026	3,431,012
Thereafter	14,066,666	16,923,055	30,989,721
	<u>\$ 26,493,685</u>	<u>\$ 21,279,908</u>	<u>\$ 47,773,593</u>

The \$925,896 (2014 – \$1,056,997) loan from the Royal Bank has been secured by a collateral mortgage in the amount of \$4,000,000 covering the Harbourfront Parkade and lot located on the Gordon Street site.

					<u>Balance Outstanding</u>	
<u>Bylaw #</u>	<u>MFA Issue #</u>		<u>Interest Rate %</u>	<u>Year Matures</u>	<u>2015</u>	<u>2014</u>
<u>General Fund - Tax Supported</u>						
5456	73	Local Improvement, 2000	1.60	2015	\$ -	\$ 22,495
5425	72	Leisure and Aquatic Centre	2.10	2020	1,543,830	1,813,877
5457	73	Leisure and Aquatic Centre	1.60	2020	1,406,600	1,652,643
Royal Bank	-	Harbourfront Parkade	5.48	2016	925,896	1,056,997
5750	99	Port of Nanaimo Centre	4.43	2026	9,669,168	10,358,552
5750	101	Port of Nanaimo Centre	4.52	2027	10,358,552	11,021,422
7050	102	Fire Station #4	4.82	2027	2,589,638	2,755,355
					<u>26,493,684</u>	<u>28,681,341</u>
<u>Waterworks Fund - User Fee Supported</u>						
50	61	North Nanaimo Reservoir	3.00	2015	-	125,299
7127	126	Water Treatment Plant	3.85	2033	12,388,861	12,853,363
7127	127	Water Treatment Plant	3.30	2034	8,891,048	9,200,000
					<u>21,279,909</u>	<u>22,178,662</u>
Total Outstanding Debt					<u>\$ 47,773,593</u>	<u>\$ 50,860,003</u>

Annual Financial Statements

CITY OF NANAIMO NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015

NOTE 11 - TANGIBLE CAPITAL ASSETS

<u>Net Book Value</u>	<u>2015</u>	<u>2014</u>
Land	\$ 85,701,341	\$ 82,935,268
Land Improvements	15,359,117	13,977,208
Leasehold Improvements	308,912	387,287
Marine Structures	164,575	195,635
Buildings	126,713,242	127,337,633
Vehicles and Equipment	12,191,028	12,365,575
IT Infrastructure	1,224,538	1,463,228
Drainage	73,726,125	72,193,612
Transportation	138,454,679	139,797,013
Sewer	24,587,060	20,882,963
Water	181,853,194	113,782,818
	660,283,811	585,318,240
Work In Progress	9,298,106	70,038,012
	<u>\$ 669,581,917</u>	<u>\$ 655,356,252</u>

See schedule of tangible capital assets (page 31) for more information. There were no write downs of tangible capital assets for 2014 and 2015. Developer contributed assets recognized in 2015 were \$4,234,016 (2014 - \$5,851,614) recorded at fair market value at the time of receipt. These include transportation, drainage, sewer and water infrastructure and the land under these assets.

Annual Financial Statements

CITY OF NANAIMO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended December 31, 2015

NOTE 12 - ACCUMULATED SURPLUS

	<u>2015</u>	<u>2014</u>
Reserve Accounts (Note 22)	\$ 65,292,759	\$ 63,328,611
Surplus - General	3,752,211	2,343,849
Surplus - Sewer System	6,695,163	6,569,167
Surplus - Waterworks	5,356,715	5,167,765
Investment in Tangible Capital Assets (Note 18)	621,808,324	604,496,249
Community Works Reserve Fund (Gas Tax Agreement)	2,490,950	3,609,979
Equipment Depreciation Reserve	5,590,647	4,172,501
Facility Development (Recreation) Reserve	1,680,653	1,359,985
Property Sales Reserve	1,331,516	1,074,208
Local Improvement Reserve	-	1,585,200
Knowles Estate Reserve	430,717	437,651
Parkland Dedication Reserve	211,565	50,215
Old City Neighborhood Parking Reserve	85,647	84,098
General Asset Management Reserve	4,863,087	2,524,998
Sewer Asset Management Reserve	512,605	746,650
Water Asset Management Reserve	1,225,984	943,649
Regional Emissions Reduction Reserve	301,833	218,754
	<u>\$ 721,630,376</u>	<u>\$ 698,713,529</u>

NOTE 13 - COMMITMENTS AND CONTINGENCIES

(a) Liability Claims

In the ordinary course of business, various claims and lawsuits are brought against the City. The City records an accrual in respect of legal claims that are likely to be successful and for which a liability amount is reasonably determinable. The remaining claims, should they be successful as a result of litigation, will be recorded when a liability is likely and determinable. Liability insurance is carried by the City, subject to a deductible of \$25,000 per claim. Effective January 1, 2002, the City no longer has insurance coverage for claims filed after that date resulting from construction deficiencies related to building envelope failure.

Annual Financial Statements

CITY OF NANAIMO **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** for the year ended December 31, 2015

NOTE 13 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

(b) BC Assessment Authority Appeals

As at December 31, 2015, there were various assessment appeals pending with respect to properties. The outcome of those appeals may result in adjustments to property taxes receivable for the current and prior years. The City makes a provision against property taxes receivable for the impact of appeals where the losses are likely and the amounts are reasonably determinable.

(c) Joint and Several Liabilities

The City has a contingent liability with respect to debentures of the Regional District of Nanaimo and the Regional Hospital District of Nanaimo, to the extent provided for in their respective Acts of Incorporation. Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.

The City issues its debt instruments primarily through the MFA. Demand notes are executed in connection with each debenture whereby the City may be required to pay certain amounts to the Regional District of Nanaimo. These demand notes of \$1,871,727 (2014 – \$1,956,891) are contingent in nature and given the low likelihood of payment are not reflected in the accounts.

The City is a participant in the Municipal Insurance Association of British Columbia (the Association). Should the Association pay out claims in excess of premiums received, it is possible that the City, along with other participants, would be required to contribute towards the deficit.

Annual Financial Statements

CITY OF NANAIMO **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** for the year ended December 31, 2015

NOTE 13 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

(d) Colliery Dams

No liability has been recorded in the financial statements relating to the remediation of the Colliery Dams. In 2014, the provincial government of British Columbia directed the City of Nanaimo to remediate the Colliery Dams, resulting in construction of the Lower Colliery Dam Auxiliary Spillway commencing in September 2015. Construction is scheduled to be completed in April 2016. Commitments of \$1,203,395 related to the remediation are included in the amounts disclosed in Note 13 (g), and costs incurred to December 31, 2015 total \$2,221,576.

(e) Subsidence of Mines

Continued existence of abandoned underground mines has resulted in risk to private land and public roads due to potential collapse or instability. The full impact of the abandoned mines and any potential liabilities are unknown at this time and a partnership with the Province of BC to complete studies to address any potential risks has been requested. No determination of the City's liability, if any, has been made and no estimate of potential loss can be made or recorded at this time. A liability will be recorded if remediation costs are determined to be likely and the amounts are reasonably determinable.

(f) Credit Facilities

The City has adopted a revenue anticipation borrowing bylaw to support a credit facility in the amount of \$6,000,000 with an interest rate of Royal Bank Prime Rate less 0.5%. This facility creates a floating charge on certain assets and undertakings of the City. At December 31, 2015, no amounts were drawn against this facility.

(g) Commitments

The City has \$7.8 million in open purchase orders at year end which have not been recorded in the financial statements. The funding for the majority of these obligations has been set aside in reserves for future expenditures. These amounts will be recorded in the period that the goods and services, to which they relate, are received.

(h) Guarantees

The City has guaranteed the amount of a \$2 million line of credit for the Port Theatre Society. Management considers the likelihood of payment on the guarantee to be low.

Annual Financial Statements

CITY OF NANAIMO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended December 31, 2015

NOTE 14 - ANNUAL BUDGET

These financial statements include the Annual Budget as approved by Council on May 4, 2015. No amendments subsequent to this date have been included. The following is a reconciliation of the budget presentation required for the financial statements and the annual financial plan bylaw:

	<u>2015</u>
Annual Budgeted Surplus - Statement of Operations	\$ 16,902,989
Cemetery Care Fund - not in reporting entity	7,500
Development Cost Charges - change from restricted revenue presentation	<u>(9,766,222)</u>
Annual Surplus from the 2015 Financial Plan	7,144,267
Amortization, not funded	20,851,198
Capital Expenditures	(54,419,600)
Proceeds from Borrowing	134,646
Principal Repayment of Debt	(3,086,275)
Transfers from Accumulated Surplus	<u>29,375,764</u>
Net Annual Budget - as approved	<u><u>\$ -</u></u>

NOTE 15 - TAXATION AND PAYMENTS IN LIEU

	<u>Municipal</u>	<u>Other</u>	<u>2015 Total</u>	<u>2014 Total</u>
Property Taxes	\$ 95,031,493	\$ 58,827,746	\$ 153,859,239	\$ 150,026,259
Local Improvements Frontage Fees	18,985	-	18,985	20,627
Business Improvement Area Levies	229,631	-	229,631	226,941
Taxes in Lieu of Licenses	1,390,851	-	1,390,851	1,382,234
Payments in Lieu of Taxes	1,517,802	510,150	2,027,952	1,892,769
	<u>\$ 98,188,762</u>	<u>\$ 59,337,896</u>	<u>\$ 157,526,658</u>	<u>\$ 153,548,830</u>
			<u>2015</u>	<u>2014</u>
Less Collections for Other Governments:				
Province of British Columbia (School Tax)			\$ 38,338,515	\$ 37,932,257
Regional District of Nanaimo			16,256,554	14,993,887
Nanaimo Regional Hospital District			3,675,389	3,584,991
Other Agencies			1,067,438	1,076,842
			<u>59,337,896</u>	<u>57,587,977</u>
Taxation and Payments in Lieu			<u><u>\$ 98,188,762</u></u>	<u><u>\$ 95,960,853</u></u>

Annual Financial Statements

CITY OF NANAIMO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended December 31, 2015

NOTE 16 - USER FEES AND SALES OF SERVICES

	<u>2015</u>	<u>2014</u>
Waterworks	\$ 14,163,855	\$ 14,575,628
Recreation Programs	6,410,086	6,091,796
Sewer System	5,973,772	5,539,616
Garbage Collection	3,766,514	3,409,237
Vancouver Island Conference Centre	1,835,151	1,562,048
Public Works	710,545	644,435
Parking	1,420,363	1,303,404
Other	333,169	370,480
Community Safety	195,678	202,587
	<u>\$ 34,809,133</u>	<u>\$ 33,699,231</u>

NOTE 17 - TRANSFERS FROM OTHER GOVERNMENTS

	<u>2015</u>	<u>2014</u>
<u>Federal</u>		
Capital	\$ -	\$ 1,000,000
Gas Tax	3,471,100	11,674,788
Other	-	46,350
	<u>3,471,100</u>	<u>12,721,138</u>
<u>Provincial</u>		
Casino Gaming	2,485,884	2,392,585
Revenue Sharing	1,373,272	970,275
Other	631,748	101,366
	<u>4,490,904</u>	<u>3,464,226</u>
<u>Regional District of Nanaimo</u>		
Recreation Services, Sports Field and Other	1,039,101	1,218,079
	<u>1,039,101</u>	<u>1,218,079</u>
Total Transfers from Other Governments	<u>\$ 9,001,105</u>	<u>\$ 17,403,443</u>
Transfers from Other Governments - Capital	\$ 3,604,561	\$ 12,674,778
Transfers from Other Governments - Operating	5,396,544	4,728,655
Total Transfers from Other Governments	<u>\$ 9,001,105</u>	<u>\$ 17,403,433</u>

Annual Financial Statements

CITY OF NANAIMO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended December 31, 2015

NOTE 18 - INVESTMENT IN TANGIBLE CAPITAL ASSETS

	<u>2015</u>	<u>2014</u>
Investment in Tangible Capital Assets - beginning of year	\$ 604,496,249	\$ 581,644,115
Add:		
Capital Additions	36,024,857	50,427,870
Reductions in Long-term Debt	3,086,410	2,665,079
Less:		
Proceeds from long-term borrowing	-	(9,200,000)
Amortization	(20,288,865)	(20,199,518)
Net Book Value of Asset Disposals	(1,510,327)	(841,297)
Investment in Tangible Capital Assets - end of year	<u>\$ 621,808,324</u>	<u>\$ 604,496,249</u>

NOTE 19 - MUNICIPAL PENSION PLAN

The City and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee 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 185,000 active members and approximately 80,000 retired members. Active members include approximately 37,000 contributors from Local Government.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. 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 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. Contributions to the plan were:

	<u>2015</u>	<u>2014</u>
Employer Portion	\$ 5,048,233	\$ 4,441,111
Employee Portion	4,272,288	3,718,409
	<u>\$ 9,320,521</u>	<u>\$ 8,159,520</u>

Annual Financial Statements

CITY OF NANAIMO **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** for the year ended December 31, 2015

NOTE 20 - FINANCIAL INSTRUMENTS

(a) Financial Risk and Fair Market Values

The City's financial instruments consist of cash and cash equivalents, portfolio investments, development cost charges receivable, accounts receivable and other assets, accounts payable and accrued liabilities and debt. The City does not hold any asset-backed commercial paper or hedge funds. The financial risk is the risk to the City's earnings that arises from fluctuations in interest rates, foreign exchange rates, and the degree of volatility of these rates. The City does not use derivative instruments to reduce its exposure to interest rate risk nor foreign exchange risk as management does not consider the risks material. Based on available market information, the carrying value of the City's financial instruments approximates their fair value with the exception of Portfolio investments for which market values are disclosed in Note 4.

(b) Credit Risk

The City is not exposed to significant risk from its accounts receivables. The City's tax base has a significant number of participants which reduces the concentration of credit risk. Credit risk is further minimized as the City has the ability to expropriate land in the event of non-payment of property tax receivables.

NOTE 21 - COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

Annual Financial Statements

CITY OF NANAIMO NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015

NOTE 22 - RESERVES

	Work in Progress	Available for Future Commitments	2015	2014
<u>General Revenue Fund Reserve Accounts</u>				
Corporate Services	\$ -	\$ -	\$ -	\$ 254,059
Social & Protective Services	430,797	1,276,881	1,707,678	1,572,463
Parks, Recreation & Environment	35,813	241,451	277,264	1,968,187
Engineering & Public Works	-	-	-	3,844,469
Community Services Operations	-	250,000	250,000	-
Culture & Heritage	-	-	-	11,072
General Capital	1,430,000	5,409,897	6,839,897	4,886,454
Prior Year Carry Forwards	5,551,321	-	5,551,321	-
Housing Legacy Reserve	47,584	2,713,989	2,761,573	2,874,365
Uncollected Taxes	-	2,472,037	2,472,037	2,803,848
Uninsured Claims	-	2,580,995	2,580,995	2,568,624
Allowance for Bad Debts	10,000	40,000	50,000	50,000
RCMP Contract	-	3,290,903	3,290,903	2,507,115
Information Technology Infrastructure	1,835,560	-	1,835,560	1,977,131
Sustainability Initiatives	333,781	456,689	790,470	1,135,966
Parking Reserve	97,356	890,855	988,211	883,276
Conference Centre	-	700,682	700,682	600,682
Snow Removal	-	400,000	400,000	400,000
Property Acquisition	12,430	1,322,403	1,334,833	376,056
Colliery Dam Reserve	778,423	194,056	972,479	372,685
Photocopier Reserve	66,000	229,639	295,639	326,556
Casino Funds	-	256,613	256,613	170,728
	10,629,065	22,727,090	33,356,155	29,583,736
<u>Sewer Revenue Reserve Accounts</u>				
General Capital	4,542,919	6,396,058	10,938,977	10,528,532
Growth Related Projects	-	916	916	850,916
	4,542,919	6,396,974	10,939,893	11,379,448
<u>Waterworks Revenue Fund Reserve Accounts</u>				
General Capital	10,264,611	9,222,439	19,487,050	20,365,766
Growth Related Projects	-	1,410,000	1,410,000	1,500,000
User Rate Leveling	-	-	-	400,000
Local Improvement Projects	-	99,661	99,661	99,661
	10,264,611	10,732,100	20,996,711	22,365,427
Total Reserve Accounts	\$ 25,436,595	\$ 39,856,164	\$ 65,292,759	\$ 63,328,611

Annual Financial Statements

CITY OF NANAIMO **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** for the year ended December 31, 2015

NOTE 23 - SEGMENT REPORTING

The City's operations and activities are organized and reported by Fund. City services are provided by departments and their activities are reported in these funds. See Schedule of Operations by Segment (page 29).

GENERAL REVENUE FUND

Certain departments have been separately disclosed in the segmented information, along with the services they provide as follows:

Corporate Services

Consists of the City Manager's Office and the Corporate Services Department. The City Manager's Office assists Council to establish its strategic direction for the City and takes the lead role in managing the implementation of policy direction established by Council. The Office also provides managerial leadership and direction to all City departments and operations.

Providing service to both the internal organization and the community, the Corporate Services Department is responsible for five key areas – Legislative Services, Human Resources and Organizational Planning, Information Technology, Financial Services and Purchasing, and Community Development Administration. The Corporate Services Department is also the liaison to the Nanaimo Economic Development Corporation, the Vancouver Island Conference Centre, the Nanaimo Port Authority and Snuneymuxw First Nation.

Development Services

Development Services is responsible for a variety of tasks relating to planning and development. This includes processing development applications and developing related policies and regulations.

Social and Protective Services

The Social and Protective services department is responsible for the City's regulatory services, including the bylaw, animal control, and parking functions. Protective services include emergency management, planning and coordination functions.

Annual Financial Statements

CITY OF NANAIMO **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** for the year ended December 31, 2015

NOTE 23 - SEGMENT REPORTING (CONTINUED)

Fire

The Fire Department has the responsibility of protecting the City's citizens and infrastructure through prevention and quick and high quality response to fire, medical and other emergency incidents in the most effective and responsive manner possible.

Police

The City contracts the Royal Canadian Mounted Police to provide top quality policing services in Nanaimo. With administrative support services provided by City employees, the detachment provides all standard policing services, including response to emergency and non-emergency calls, criminal investigations and traffic safety measures.

Culture and Heritage

The Culture and Heritage department fosters the importance and visibility of cultural vitality in Nanaimo. This department facilitates cultural planning and development and also focuses on heritage conservation.

Parks, Recreation and Environment

The Parks, Recreation and Environment department manages, facilitates and maintains a system of services, facilities, parks and open spaces and works to enhance the quality of life for the citizens of Nanaimo.

Engineering and Public Works

Engineering and Public Works is responsible for the planning, design, construction, operation and maintenance of the City's infrastructure including the City's water, sanitary sewer, drainage and transportation infrastructure. Department operations also include maintenance of the City's fleet, cemeteries, solid waste collection and recycling.

SEWER SYSTEM

The City Sanitary Sewer Utility is a self-funded entity that operates and maintains a sewer collection system that serves the City.

Annual Financial Statements

CITY OF NANAIMO **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** for the year ended December 31, 2015

NOTE 23 - SEGMENT REPORTING (CONTINUED)

WATERWORKS

The City Waterworks Utility is a self-funded entity that delivers water to residential, commercial and industrial premises in Nanaimo. The Utility operates and maintains a supply system consisting of dams, transmission mains, reservoirs and treatment facilities as well as a distribution system.

RESERVE FUNDS

These funds have been created to hold assets for specific future requirements pursuant to the Community Charter. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Taxes, grants in lieu of taxes and any revenues not directly attributable to a segment are apportioned to the General Revenue Fund services based on the net annual budget.

Annual Financial Statements

CITY OF NANAIMO SCHEDULE OF OPERATIONS BY SEGMENT

for the year ended December 31, 2015

	Corporate Services	Development Services	Social and Protective Services	Fire	Police	Culture and Heritage	Parks, Recreation and Environment	Engineering and Public Works	Sewer System	Waterworks	Reserve Funds	Consolidated
Revenues												
Taxes	\$14,426,927	\$ 3,271,478	\$ 1,626,249	\$14,035,497	\$24,731,792	\$ 8,710,524	\$15,282,631	\$14,585,862	\$ -	\$ -	\$ -	96,670,960
Payments in lieu of taxes	228,370	51,314	25,508	220,152	387,927	136,628	239,714	228,189	-	-	-	1,517,802
User fees	220,496	96,222	1,435,919	93,775	101,903	1,836,046	6,410,086	4,477,059	5,973,772	14,163,855	-	34,809,133
Investment income	295,124	66,315	32,964	284,507	501,326	176,567	309,786	304,860	-	7,140	1,042,687	3,021,276
Other revenue	920,697	3,582,710	528,844	1,206,654	1,709,658	127,675	793,479	2,034,189	7,464	93,360	(396,099)	10,608,631
DCC revenue	-	-	-	-	-	-	127,640	967,151	42,833	6,625,359	-	7,762,983
Donations - capital	502,987	-	-	-	-	-	29,653	703,700	-	123,404	-	1,359,744
Gov't capital transfers	-	-	-	-	-	-	-	133,461	-	3,471,100	-	3,604,561
Gov't operating transfers	400,590	37,696	112,358	138,133	2,078,878	1,062,980	1,416,152	149,757	-	-	-	5,396,544
MFA refunds	-	-	-	-	-	-	2,973	-	-	19,310	-	22,283
Developer assets	-	-	8,036	-	-	-	1,096,577	2,416,349	421,593	291,461	-	4,234,016
Gain (loss) on disposal	(2,654)	(264,165)	(25,458)	(18,797)	(26,633)	-	(314,514)	(444,423)	(104,397)	(162,144)	-	(1,363,185)
	16,992,537	6,841,570	3,744,420	15,959,921	29,484,851	12,050,420	25,394,177	25,556,154	6,341,265	24,632,845	646,588	167,644,748
Expenses												
Wages and salaries	10,219,963	4,527,964	1,549,303	13,861,592	5,394,729	455,597	12,800,025	9,079,438	1,051,365	2,329,772	-	61,269,748
Contracted services	4,482,711	1,051,238	1,414,539	862,573	21,054,990	3,215,903	6,116,374	6,425,651	638,843	941,443	-	46,204,265
Amortization	824,910	233,403	395,522	576,978	326,119	2,180,875	3,130,763	9,045,748	584,167	2,990,380	-	20,288,865
Materials and supplies	726,437	147,273	89,130	640,119	83,546	91,378	1,729,064	2,446,971	277,727	705,575	-	6,937,220
Other	1,270,003	113,712	584,366	646,554	171,447	5,217,024	978,955	1,943,551	1,857,149	3,041,765	-	15,824,526
Interest payments on debt	984,942	-	54,657	140,307	-	-	(53,302)	(6,236)	-	763,871	-	1,884,239
	18,508,966	6,073,590	4,087,517	16,728,123	27,030,831	11,160,777	24,701,879	28,935,123	4,409,251	10,772,806	-	152,408,863
Interprogram credits	(2,266,300)	-	(61,090)	(515,000)	-	-	-	(4,838,572)	-	-	-	(7,680,962)
	16,242,666	6,073,590	4,026,427	16,213,123	27,030,831	11,160,777	24,701,879	24,096,551	4,409,251	10,772,806	-	144,727,901
ANNUAL SURPLUS	749,871	767,980	(282,007)	(253,202)	2,454,020	889,643	692,298	1,459,603	1,932,014	13,860,039	646,588	22,916,847
Capital projects	\$ 1,341,221	\$ -	\$ 295,108	\$ 480,745	\$ -	\$ -	\$ 2,708,463	\$ 8,124,085	\$ 3,249,549	\$ 18,184,935	\$ -	\$ 34,384,106

Annual Financial Statements

CITY OF NANAIMO SCHEDULE OF OPERATIONS BY SEGMENT

for the year ended December 31, 2014

	Corporate Services	Development Services	Social and Protective Services	Fire	Police	Culture and Heritage	Parks, Recreation and Environment	Engineering and Public Works	Sewer System	Waterworks	Reserve Funds	Consolidated
Revenues												
Taxes	\$13,448,723	\$ 3,109,814	\$ 1,816,386	\$14,265,876	\$23,043,921	\$ 8,044,684	\$15,237,822	\$15,584,043	\$ -	\$ -	\$ -	94,551,269
Payments in lieu of taxes	197,631	46,483	27,150	213,236	344,443	120,246	227,764	232,631	-	-	-	1,409,584
User fees	229,667	120,750	1,323,034	89,345	113,242	1,562,481	6,091,796	4,053,672	5,539,616	14,575,628	-	33,699,231
Investment income	274,840	64,643	37,757	296,544	479,012	167,441	316,748	333,862	-	7,224	1,176,239	3,154,310
Other revenue	384,639	3,172,337	635,999	1,001,039	600,248	222,765	859,463	498,397	6,170	75,616	26,540	7,483,213
DCC revenue	-	-	-	-	-	-	1,298,028	1,212,042	451,375	460,204	-	3,421,649
Donations - capital	353	-	-	-	-	-	343,671	145,228	56,786	31,563	-	577,601
Gov't capital transfers	-	-	-	-	-	-	-	-	-	12,674,788	-	12,674,788
Gov't operating transfers	344,748	28,983	107,035	132,954	1,580,942	978,014	1,407,342	148,637	-	-	-	4,728,655
Developer assets	-	-	-	-	-	-	2,718,061	2,348,979	384,554	399,366	-	5,850,960
Gain (loss) on disposal	(327,999)	965,730	(346)	(9,851)	-	-	1,083,598	(31,272)	(16,460)	(212,750)	-	1,450,650
	14,552,602	7,508,740	3,947,015	15,989,143	26,161,808	11,095,631	29,584,293	24,526,219	6,422,041	28,011,639	1,202,779	169,001,910
Expenses												
Wages and salaries	9,686,120	4,497,352	1,420,180	13,303,153	5,083,433	429,729	12,365,856	9,060,987	1,036,317	1,992,989	-	58,876,116
Contracted services	3,930,520	1,009,036	1,319,993	993,648	19,349,990	3,063,847	3,967,924	5,905,801	1,092,185	837,797	-	41,470,741
Amortization	983,655	289,263	401,295	570,374	327,924	1,649,205	3,706,810	8,753,321	592,708	2,924,963	-	20,199,518
Materials and supplies	796,511	180,967	88,035	562,040	98,850	124,875	1,524,545	2,702,673	312,397	571,377	-	6,962,270
Other	775,961	127,854	577,571	632,595	172,531	4,957,131	972,079	2,462,679	1,839,530	3,025,132	-	15,543,063
Interest payments on debt	1,037,442	-	61,628	146,707	-	-	35,649	(1,422)	-	709,175	-	1,989,179
	17,210,209	6,104,472	3,868,702	16,208,517	25,032,728	10,224,787	22,572,863	28,884,039	4,873,137	10,061,433	-	145,040,887
Interprogram credits	(2,244,561)	-	(59,121)	(495,000)	-	-	-	(5,267,640)	-	-	-	(8,066,322)
	14,965,648	6,104,472	3,809,581	15,713,517	25,032,728	10,224,787	22,572,863	23,616,399	4,873,137	10,061,433	-	136,974,565
ANNUAL SURPLUS	(413,046)	1,404,268	137,434	275,626	1,129,080	870,844	7,011,430	909,820	1,548,904	17,950,206	1,202,779	32,027,345
Capital projects	\$ 2,802,853	\$ -	\$ 121,978	\$ 119,272	\$ -	\$ 140,454	\$13,204,665	\$ 6,813,511	\$ 3,440,038	\$23,785,099	\$ -	50,427,870

Annual Financial Statements

CITY OF NANAIMO SCHEDULE OF TANGIBLE CAPITAL ASSETS

for the year ended December 31, 2015

	ASSETS				ACCUMULATED AMORTIZATION					NET BOOK VALUE
	Balance December 31, 2014	Additions	Disposals	Transfers	Balance December 31, 2015	Balance December 31, 2014	Additions	Disposals	Balance December 31, 2015	
Land	\$ 82,935,268	\$ 3,088,859	\$ 322,786	\$ -	\$ 85,701,341	\$ -	\$ -	\$ -	\$ -	\$ 85,701,341
Land improvements	26,681,742	1,827,677	193,713	647,946	28,963,652	12,704,534	1,083,102	183,101	13,604,535	15,359,117
Leasehold improvements	2,174,294	-	-	-	2,174,294	1,787,007	78,375	-	1,865,382	308,912
Marine structures	867,490	-	-	-	867,490	671,855	31,060	-	702,915	164,575
Buildings	188,457,593	3,659,739	753,651	1,129,705	192,493,386	61,119,960	5,101,660	441,476	65,780,144	126,713,242
Vehicles and equipment	30,066,205	1,359,404	913,280	300,771	30,813,100	17,700,630	1,790,416	868,974	18,622,072	12,191,028
IT Infrastructure	8,844,062	290,930	58,409	15,841	9,092,424	7,380,834	542,806	55,754	7,867,886	1,224,538
Drainage	98,501,700	3,095,421	400,000	302,666	101,499,787	26,308,088	1,593,308	127,734	27,773,662	73,726,125
Transportation	293,282,933	4,094,258	967,474	1,416,866	297,826,583	153,485,920	6,570,046	684,062	159,371,904	138,454,679
Sewer	32,170,274	3,100,547	356,600	1,286,465	36,200,686	11,287,311	578,836	252,521	11,613,626	24,587,060
Water	171,339,130	14,366,991	389,511	56,780,677	242,097,287	57,556,312	2,919,256	231,475	60,244,093	181,853,194
Work In Progress	70,038,012	1,141,031	-	(61,880,937)	9,298,106	-	-	-	-	9,298,106
	\$ 1,005,358,703	\$ 36,024,857	\$ 4,355,424	\$ -	\$ 1,037,028,136	\$ 350,002,451	\$ 20,288,865	\$ 2,845,097	\$ 367,446,219	\$ 669,581,917

Annual Financial Statements

CITY OF NANAIMO SCHEDULE OF TANGIBLE CAPITAL ASSETS

for the year ended December 31, 2014

	ASSETS				ACCUMULATED AMORTIZATION					NET BOOK VALUE
	Balance December 31, 2013	Additions	Disposals	Transfers	Balance December 31, 2014	Balance December 31, 2013	Additions	Disposals	Balance December 31, 2014	
Land	\$ 71,988,215	\$ 11,359,681	\$ 412,628	\$ -	\$ 82,935,268	\$ -	\$ -	\$ -	\$ -	\$ 82,935,268
Land improvements	26,123,592	308,801	43,300	292,649	26,681,742	11,672,188	1,075,206	42,860	12,704,534	13,977,208
Leasehold improvements	2,160,400	13,894	-	-	2,174,294	1,700,548	86,459	-	1,787,007	387,287
Marine structures	867,490	-	-	-	867,490	640,795	31,060	-	671,855	195,635
Buildings	188,967,895	1,145,550	1,754,425	98,573	188,457,593	57,655,340	5,139,896	1,675,276	61,119,960	127,337,633
Vehicles and equipment	30,891,692	745,506	1,818,917	247,924	30,066,205	17,437,189	1,962,241	1,698,800	17,700,630	12,365,575
IT Infrastructure	8,570,982	306,880	33,800	-	8,844,062	6,872,341	542,293	33,800	7,380,834	1,463,228
Drainage	97,425,140	1,104,580	91,605	63,585	98,501,700	24,818,174	1,543,795	53,881	26,308,088	72,193,612
Transportation	290,881,356	2,630,232	266,490	37,835	293,282,933	147,278,740	6,463,981	256,801	153,485,920	139,797,013
Sewer	29,620,617	1,851,475	81,176	779,358	32,170,274	10,819,268	532,749	64,706	11,287,311	20,882,963
Water	160,017,162	4,390,929	1,169,148	8,100,187	171,339,130	55,738,542	2,821,838	1,004,068	57,556,312	113,782,818
Work In Progress	53,087,781	26,570,342	-	(9,620,111)	70,038,012	-	-	-	-	70,038,012
	\$960,602,322	\$ 50,427,870	\$ 5,671,489	\$ -	\$1,005,358,703	\$ 334,633,125	\$ 20,199,518	\$ 4,830,192	\$ 350,002,451	\$ 655,356,252

2015 City of Nanaimo Annual Report

For more information on this report,
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www.nanaimo.ca*