STAFF REPORT

TO: Committee of the Whole
FROM: Manvir Manhas
Manager, Capital Accounting & Financial Reporting

MEETING: June 11, 2019
FILE: 1870-20


RECOMMENDATION

That the 2018 Annual Financial Report and the Statement of Financial Information be approved as presented.

SUMMARY

The Board approved the 2018 consolidated financial statements of the Regional District of Nanaimo (RDN) at the May Special Board meeting. MNP LLP, the RDN’s external auditors, confirmed the Regional District remains in sound financial health with a good balance of assets to liabilities and highly liquid cash reserves to meet annual costs.

As the statements now have final audit approval, they are included in the Regional District's Annual Report and Statement of Financial Information (SOFI). The SOFI, including the board remuneration report, ensures the RDN complies with the requirements of the Local Government Act and the Financial Information Act.

BACKGROUND

The Regional District must prepare a Statement of Financial Information to comply with the Financial Information Act. The SOFI contains the audited consolidated financial statements, the schedule of Board expenses and remuneration, schedule of employee expenses and remuneration (over $75,000), a schedule of supplier payments (over $25,000) and information on community grants provided during the year.

The full edition of the annual report consisting of departmental highlights, approved consolidated financial statements, supplementary departmental revenue and expense schedules as well as statistical data is provided as a separate handout.

The annual report and SOFI will be posted to the Regional District’s web site for public access.
**Statement of Financial Information (Attachment 1)**

The *Financial Information Act* requires that the Statement of Financial Information be approved by the Board. Regional Districts are also required by Section 376 of the *Local Government Act* to report on Board and Committee member expenses and remuneration (*page 33 of Attachment 1*). Total 2018 remuneration for Board members and their alternates was $492,618. Board members’ expenses totalled $95,597 in 2018.

**ALTERNATIVES**


2. That alternate direction be provided to staff.

**FINANCIAL IMPLICATIONS**

The annual audit fee of $27,300 was included in the Finance Department’s 2018 budget.

**STRATEGIC PLAN IMPLICATIONS**

Regional Districts are required by the *Local Government Act* to present annually the results of its financial audit and to include a report on Board and Committee member expenses and remuneration in the Statement of Financial Information. Compliance with this requirement directly supports the Board governing value to *Be Transparent and Accountable*, which demands transparency in financial reporting and that Directors are accountable to the public.

Manvir Manhas  
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May 31, 2019

Reviewed by:  
- J. Bradburne, Director of Finance  
- D. Wells, General Manager, Corporate Services  
- P. Carlyle, Chief Administrative Officer

Attachments:  
1. 2018 Statement of Financial Information