

STAFF REPORT

TO: Board of Directors

FROM: Finance Department

SUBJECT: 2020 Statement of Financial Information

File No: 1830.2020

Date: May 19, 2021

RECOMMENDATION:

That the 2020 Statement of Financial Information be approved.

SUMMARY:

The Financial Information Act (FIA) is provincial legislation that requires corporations, including local governments, to prepare the following statements and schedules of financial information annually:

1. a statement of assets and liabilities;
2. an operational statement;
3. a schedule of debts;
4. a schedule of guarantee and indemnity agreements;
5. a schedule showing the total remuneration paid to and the total expenses paid on behalf of each member of the board;
6. a schedule showing the total remuneration paid to and the total expenses paid on behalf of each employee that exceeds \$75,000; and
7. a schedule showing the payments for each supplier of goods or services that exceeds \$25,000.

The requirements of the Financial Information Act filing are addressed in two stages. The first three requirements are met by the annual financial statements. The remaining requirements are covered by the schedules attached to this report.

The 2020 Financial Statements were approved by both the Audit Committee and the Board of Directors at their April 21, 2021 respective meetings.

The Financial Information Act, together with Section 168 of the Community Charter, stipulate that at least once a year a report is prepared showing the total remuneration and expenses for each board member, as well as any contracts with board members or former board members, including a general description of their nature.

The deadline for the Statement of Financial Information is June 30th each year. The due date was extended for the 2019 SOFI report to August 31, 2020 due to the COVID-19 pandemic.

DISCUSSION:

The remuneration amounts disclosed in the Statement of Financial Information (SOFI) report for employees (Schedule 4) includes salaries and wages, overtime pay, statutory holiday pay, payouts of vacation and sick time, as well as taxable benefits.

In 2020, there were 27 pay periods, rather than the usual 26 pay periods, resulting in a larger than normal increase in remuneration being reported in 2020 than in previous years. Since staff are paid bi-weekly, the additional pay period distorts the annual comparison. The additional pay period is a timing issue that occurs approximately once every eleven years. Staff still receive the same bi-weekly remuneration, but in 2020 received 54 weeks of pay as a result of how the pay days landed during 2020.

The following table is a year over year comparison of the changes in overall employee remuneration. This table does not include elected officials.

	Number of Employees			Total Remuneration		
	2020	2019	Change	2020	2019	Change
Employees >75,000	44	37	7	4,472,033	3,891,326	580,707
Employees <75,000	76	90	-14	2,819,552	3,067,855	(248,303)
Paid-on-Call Fire Fighters	76	83	-7	358,299	387,987	(29,688)
	196	210	-14	\$ 7,649,884	\$ 7,347,168	\$ 302,716

The decrease in the number of employees is more indicative of staffing changes, rather than an increase in the number of positions. The number of employees includes all full-time, part-time, casual and seasonal staff that received pay and a T4 income tax slip from the Regional District.

The increase in overall remuneration is attributed to two factors. First, the agreement with the Regional District's non-union staff included a 1.7% wage increase effective January 1, 2020. The collective agreement with the Regional District's union staff included a 2.0% wage increase effective January 1, 2020. New agreements were settled in 2020 for CUPE and 2021 for the District's non-union staff.

Second, as explained above, there were 27 pay periods in 2020, versus 26 in 2019. Excluding fire fighters, each pay period represents approximately \$270,000 in bi-weekly remuneration.

The decrease in volunteer fire fighter remuneration is directly related to fewer provincial emergency wildfire callouts in 2020 relative to 2019.

The FIA specifically states that expenses include travel, memberships, tuition, relocation and registration fees paid directly to an employee or to a third party on behalf of the employee. These expenses are shown separately on the attached schedules for the Board of Directors and employees, and are not included as remuneration. Expenses are not limited to expenses that are generally perceived as perquisites, or bestowing personal benefits. The expenses include expenditures required for employees to perform their job functions, such as mileage reimbursements, and exclude benefits of a general nature applicable to all employees, such as medical, dental, extended health care, life insurance and similar plans.

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:

The Financial Information Act requires various financial information be prepared annually in addition to the annual financial statements. The Statement of Financial Information must be approved by both the Board of Directors and the Financial Officer.

The Financial Information Regulation sets out the detailed requirements, as well as reporting thresholds for the schedules that accompany the financial statements. For instance, the regulation sets out the \$25,000 reporting threshold for suppliers and the \$75,000 reporting threshold for employees.

Section 377 of the Local Government Act sets out the requirements for Regional Districts to follow certain financial reporting sections of the Community Charter that are applicable to municipalities.

Section 168 of the Community Charter sets out the requirement to report on the Board of Directors remuneration and expenses, as well as any contracts that a Board member may have with the local government.

Approval of the Statement of Financial Information (SOFI) by the Board concludes the legislated requirements.

SCHEDULES:

Schedule 1 – 2020 Statement of Financial Information Approval

Schedule 2 – 2020 Schedule of Guarantee and Indemnity Agreements

Schedule 3 – 2020 Schedule of Board of Directors and Alternate Directors Remuneration & Expenses

Schedule 4 – 2020 Schedule of Employee Remuneration & Expenses

Schedule 5 – 2020 Schedule of Severance Agreements

Schedule 6 – 2020 Schedule of Payments Made for the Provision of Goods or Services

Submitted by:



Rose Bronswyk Kassa
Manager, Financial Services

Reviewed and Endorsed by:



Stephen Banmen
General Manager, Finance

Approved for Inclusion:



David Sewell
Chief Administrative Officer

SCHEDULE 1
REGIONAL DISTRICT OF NORTH OKANAGAN

2020 Statement of Financial Information Approval

(pursuant to BC Regulation 371/93 - Financial Information Regulation, Schedule 1, Section 9)


The Regional District of North Okanagan Financial Statements for year ended December 31, 2020 includes:

- 1) a statement of assets and liabilities;
- 2) an operational statement;
- 3) a schedule of debts; and
- 4) a management report.

The Regional District of North Okanagan Statement of Financial Information for the year ended December 31, 2020 includes the above and the following additional schedules:

- Schedule 1 - Statement of Financial Information Approval;
- Schedule 2 - Schedule of Guarantee and Indemnity Agreements;
- Schedule 3 - Schedule of Board of Directors and Alternate Directors Remuneration and Expenses;
- Schedule 4 - Schedule of Employee Remuneration and Expenses;
- Schedule 5 - Schedule of Severance Agreement; and
- Schedule 6 - Schedule of Payments Made for the Provision of Goods or Services

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, Section 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.



Stephen Banmen, MBA
General Manager, Finance

May 26/21
Date



Kevin Acton
Board Chair

May 26, 2021
Date

SCHEDULE 2
REGIONAL DISTRICT OF NORTH OKANAGAN

2020 Schedule of Guarantee and Indemnity Agreements

(pursuant to BC Regulation 371/93 - Financial Information Regulation, Schedule 1, Section 5)

The Regional District of North Okanagan has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation during the year ended December 31, 2020.

SCHEDULE 3

REGIONAL DISTRICT OF NORTH OKANAGAN

2020 Schedule of Board of Directors and Alternate Directors Remuneration and Expenses

(pursuant to Section 377 of the Local Government Act and BC Regulation 371/93 of the Financial Information Act)

Board Member	Position	Area	Remuneration	Expenses
ACTON, Kevin	Director/Chair	Village of Lumby	\$ 36,672	\$ 535
ANDERSON, Scott	Alt. Director	City of Vernon	204	-
CAMERON, Hank	Director	Electoral Area "E"	32,316	605
CUMMING, Victor	Director	City of Vernon	20,544	-
DELISLE, Denis	Director	Electoral Area "F"	30,861	1,300
FAIRBAIRN, Patrick	Director	Electoral Area "D"	37,524	294
FEHR, Kelly	Alt. Director	City of Vernon	5,280	-
FLEMING, Robert	Director	Electoral Area "B"	36,480	-
FOISY, Eugene	Alt. Director	Electoral Area "E"	-	-
FOWLER, Shirley	Director	City of Armstrong	14,784	-
FRASER, Christine	Director	Township of Spallumcheen	14,784	-
GARES, Kari	Alt. Director	City of Vernon	2,112	6
GARLICK, James	Director	District of Coldstream	20,544	-
HACKETT, Dwayne	Alt. Director	Electoral Area "D"	204	24
HALVORSON, Herman	Alt. Director	Electoral Area "F"	408	-
HOYTE, Ruth	Alt. Director	District of Coldstream	6,984	-
LEMAIRE, Christine	Alt. Director	Township of Spallumcheen	1,020	-
LIPPERT, Wayne	Alternate Director	Electoral Area "C"	-	-
MCCUNE, Gregory	Alt. Director	City of Enderby	-	-
MUND, Akbal	Director	City of Vernon	24,528	-
NAHAL, Dalvir	Director	City of Vernon	14,784	-
OSTAFICHUK, Robert	Alt. Director	Village of Lumby	1,596	-
PEDEN, Blair	Alt. Director	Electoral Area "B"	-	-
PIEPER, Chris	Alt. Director	City of Armstrong	-	-
QUIRING, Brian	Director	City of Vernon	14,784	-
SCHREINER, Brian	Director	City of Enderby	14,784	-
SHATZKO, Amanda	Director/Vice-Chair	Electoral Area "C"	42,591	885
Total			\$ 373,788	\$ 3,648

Director Brian Quiring through his company MQN Architects had architectural contracts with the Regional District for the Pat Duke Arena Upgrades.

SCHEDULE 4

REGIONAL DISTRICT OF NORTH OKANAGAN

2020 Schedule of Employee Remuneration & Expenses

(pursuant to BC Regulation 371/93 - Financial Information Regulation, Schedule 1, Section 6)

Employee	Position	Remuneration	Expenses
ARMSTRONG, Elaine	Payroll Coordinator	\$ 75,744	\$ 555
BANMEN, Stephen	General Manager, Finance	147,032	858
BEVAN, Ashley	Deputy Corporate Officer	81,419	1,056
BRETT, Tricia	Manager, Water Quality	91,113	4,332
BRONSWYK KASSA, Rosemary	Manager, Financial Services	108,303	1,977
CRICK, Alastair	Manager, Protective Services	98,414	431
DANALLANKO, Dale	Manager, DDF Operations	107,970	199
de PFYFFER, James	Manager, Small Utilities	111,671	20
EDWARDS, Alexander	Project Manager	108,303	584
FOX, Michael	General Manager, Community Services	147,418	625
FRANK, Laura	Regional Planning Project Manager	98,414	789
GANZ, Skyler	Engineering Technologist	75,446	1,201
GARDNER, David	Chief Building Inspector	107,756	8,668
GIBSON, Don	Water Supply & Treatment Operator III	90,124	158
GREGERSON, Ashley	Communications Officer	75,451	997
HARTWIG, Corey	Electrical Instrumentation Technician	101,385	293
HEIDT, Dustin	Lead Water Supply & Treatment Operator	119,729	317
IRELAND, Elizabeth	Financial Analyst	75,997	1,848
LAY, Paul	Distribution Operator / Mechanic	93,504	293
LIZOGUBOFF, Victor	Systems Analyst	95,284	62
LORD, John	Manager, Water Distribution	126,626	1,392
MARCOLIN, Zee	General Manager, Utilities	147,418	969
MAZZOTTA, Christopher	Manager, Information Technology	125,585	75
MELLOTT, Leah	General Manager, EA Administration	147,882	538
MILES, Jennifer A	Water Sustainability Coordinator	75,446	1,225
MINCHENKO, Ryan	Building Inspector II	75,607	9,427
MOYER, Mike	Bylaw Enforcement Officer	77,842	100
MYKYTUK, Becky	Water Supply & Treatment Operator II	94,894	830
NELSON, Tannis	Assistant Manager, Parks, Rec & Culture	98,414	3,164
PEDE, Gary	Systems Analyst (SCADA)	86,624	60
PHILLIPS, Michael	Engineering Technologist	76,035	419
RIEMER, Lance	Building Inspector II	82,798	8,486
ROBERTSON, Tyler	Water Supply & Treatment Operator II	88,302	293
ROSS, Gordon	Water Supply & Treatment Operator II	76,127	381
ROUTLEY, Greg	Deputy Planning Manager	108,644	936
SCHEPERS, Aaron	Electrical Instrumentation Technician	91,995	173
SEWELL, David	Chief Administrative Officer	219,350	8,152
SKOBALSKI, Marnie	Planner II	90,855	674
SKUBLEN, Dwayne	Building Inspector III	90,855	12,580

Employee	Position	Remuneration	Expenses
SMAILES, Rob	General Manager, Planning & Building	142,285	881
STEVENS, Jennifer	Water Supply & Treatment Operator II	88,656	298
STOLTZ, Tanis	Manager, Human Resources	98,421	4,750
WALKER, Caren	Planning and Development Officer	75,451	92
ZOORKAN, Warren	GIS Technologist	75,446	16
	SUBTOTAL	4,472,033	81,179
Employees Under \$75,000		3,296,796	46,956
Employer portion of CPP and EI premiums		-	378,927
	TOTAL	\$ 7,768,829	\$ 507,062

Any differences between this schedule and the financial statements are attributable to payroll overhead, benefits and timing. Remuneration is reported based on the year it is paid pursuant to Canada Revenue Agency regulations, whereas it is accounted for in the financial statements based on the year it is earned.

There were 27 bi-weekly pay periods in 2020.

SCHEDULE 5
REGIONAL DISTRICT OF NORTH OKANAGAN

2020 Schedule of Severance Agreements

(pursuant to BC Regulation 371/93 - Financial Information Regulation, Schedule 1, Section 6)

There were no severance agreements made between the Regional District of North Okanagan and its non-unionized group of employees during fiscal year 2020.

SCHEDULE 6

REGIONAL DISTRICT OF NORTH OKANAGAN

2020 Schedule of Payments Made for the Provision of Goods or Services

(pursuant to BC Regulation 371/93 - Financial Information Regulation, Schedule 1, Section 7)

Suppliers Exceeding \$25,000	Total
1 & 2 ELECTRIC	33,217
557969 B.C. LTD.	184,148
ABERDEEN ELECTRIC	196,912
AECOM CANADA LTD.	57,608
ALS CANADA LTD.	27,383
ANDREW SHERET LTD.	545,448
AQUA-BILITY PROJECTS LTD.	29,560
ARC RIDGE LTD.	38,773
ASPHALT VALLEY	26,250
ASSOCIATED ENGINEERING (B.C.) LTD.	120,452
AWC WATER SOLUTIONS LTD.	147,870
B.C. HYDRO & POWER AUTHORITY	1,178,417
B.C. TRANSIT	649,800
BDO CANADA LLP	25,043
BEAR PAW EARTHWORKS LTD.	230,170
BG MACDONALD SERVICES LTD.	238,045
BLACK PRESS GROUP LTD.	61,954
BMO BANK OF MONTREAL	66,473
BRENNTAG CANADA INC.	44,526
BRENTWELL CONSTRUCTION LTD.	35,496
BX SWAN LAKE FIRE DEPT	28,565
CABIN RESOURCE MANAGEMENT LTD.	359,240
CAPRICMW INSURANCE SERVICES LTD.	310,126
CARE SYSTEMS SERVICES LTD.	36,697
CARO ANALYTICAL SERVICES	124,785
CARVER CONSTRUCTION LTD.	328,089
CDW CANADA INC.	141,408
CENTRIX CONTROL SOLUTIONS LIMITED PARTNERSHIP	36,961
C.G.L. CONTRACTING LTD.	866,017
CHAPMAN INDUSTRIES LTD.	575,841
CHERRYVILLE COMMUNITY CLUB	32,500
COLDSTREAM DISTRICT OF	2,092,346
COLLIERS PROJECT LEADERS INC.	126,269
COLUMBIA SHUSWAP REG. DISTRICT	87,031
CORMAC PROJECTS INC.	2,605,390
DAN'S BOBCAT SERVICES	98,382
DAVEY TREE EXPERT CO. OF CANADA LIMITED	48,601
DOUBLE T DIRTWORX	493,836
E.B. HORSMAN & SON LTD.	133,251

Suppliers Exceeding \$25,000	Total
ELECTRIC MOTOR & PUMP SERVICE	47,057
CITY OF ENDERBY	737,531
ESRI CANADA LIMITED	190,237
FLETCHER PAINE ASSOCIATES LTD.	36,300
FORMA CONSTRUCTION LTD.	200,907
FORTISBC - NATURAL GAS	46,983
FRANK'S CLEANING SERVICE	34,077
FRASER VALLEY REGIONAL DISTRICT	36,061
FRONTLINE OPERATIONS GROUP	87,940
FULTON & COMPANY LLP	245,753
GENTECH ENGINEERING INC.	67,900
G. EPEL CONSTRUCTION LTD.	309,330
GFL ENVIRONMENTAL INC	2,137,520
GHD LIMITED	47,888
GOLDER ASSOCIATES LTD.	131,220
GREEN ROOTS PLAY EQUIPMENT INC.	71,235
GREYBACK CONSTRUCTION LTD	372,223
HACH SALES & SERVICE CANADA LTD.	81,843
ICONIX WATERWORKS LP	26,846
INSURANCE CORPORATION OF BRITISH COLUMBIA	42,436
INTERIOR FREIGHT & BOTTLE DEPOT LTD.	30,381
INTERCITY RECYCLE LTD.	111,897
INTERCONTINENTAL TRUCK BODY	156,046
IRL INTERNATIONAL TRUCK CENTRES LTD.	39,677
ITRON CANADA INC.	30,828
JS FERGUSON	351,579
K-9 SYSTEMS CONTROL	143,676
KEMIRA WATER SOLUTIONS CANADA INC. MI MUNICIPAL	448,093
KENDRICK EQUIPMENT (2003) LTD.	28,176
KERR WOOD LEIDAL ASSOCIATES LTD.	313,840
KLL CONSTRUCTION INC.	774,378
LANDMARK SOLUTIONS LTD.	111,906
LUMBY VILLAGE OF	915,410
LUMBY & DISTRICT CHAMBER OF COMMERCE	30,051
MCFARLANE CONTRACTING LTD.	99,462
MEARL'S MACHINE WORKS LTD.	158,912
METTLER-TOLEDO INC.	77,691
MINISTER OF FINANCE & CORPORATE RELATIONS	296,879
MONAGHAN ENGINEERING & CONSULTING LTD.	201,388
MONASHEE LAND SURVEYING AND GEOMATICS LTD.	38,536
MOUNTAIN SIDE EARTHWORKS LTD.	85,761
MOYER BRAD	27,357
MQN ARCHITECTS LTD.	193,671
MUNICIPAL INSURANCE ASSOCIATION OF B.C.	90,374
MUNICIPAL PENSION PLAN	1,097,395
OKANAGAN BASIN WATER BOARD	635,790
OKANAGAN REGIONAL LIBRARY	777,690

Suppliers Exceeding \$25,000	Total
OKANAGAN KOOTENAY STERILE INSECT RELEASE PROGRAM	435,977
OKANAGAN DEMOLITION LTD.	28,613
OK EXCAVATING	132,520
PAUL DICK LOGGING LTD	277,885
POSTILL NIXON EARTHWORKS	66,951
PRACTICA LTD	27,197
PRSI CLEAN GREEN ENVIRO SOLUTIONS	44,725
QUESTICA INC.	52,031
RC STRATEGIES INC	82,567
RECEIVER GENERAL FOR CANADA	1,737,613
REGIONAL DISTRICT OF CENTRAL OKANAGAN	129,517
RICHARD WHITE PLANNING ADVISORY SERVICES LTD.	92,637
ROLLINS MACHINERY LTD.	49,916
SAPPHIRE SOUND INC.	26,801
SAWCHUK DEVELOPMENT CO. LTD.	786,471
SCV CONTRACTORS CORPORATION	73,366
SPATIAL TECHNOLOGIES	45,820
SPECTRUM RESOURCE GROUP INC	53,100
SPEEDPRO SIGNS	84,811
SPERLING HANSEN ASSOCIATES	25,407
STANTEC CONSULTING LTD.	35,102
SUEZ WATER TECHNOLOGIES & SOLUTIONS CANADA	35,840
SUNCOR ENERGY PRODUCTS PARTNERSHIP	39,040
SUN LIFE ASSURANCE COMPANY OF CANADA	268,312
SUPER SAVE DISPOSAL INC.	91,032
TELUS	56,128
TELUS MOBILITY	44,379
TELUS CUSTOM SECURITY SYSTEMS	25,521
TEMPEST DEVELOPMENT GROUP	27,282
TERRAPURE ENVIRONMENTAL	91,703
TETRA TECH CANADA INC.	46,110
THE BRIDGE EDUCATIONAL SOCIETY	25,500
THE GROUNDS GUYS LANDSCAPE MANAGEMENT	101,312
TONI PAUL'S CONTRACTING	49,060
TRANSCENDENT MINING AND MOBILIZATION	276,459
TRUE CONSULTING GROUP - KELOWNA	87,485
UNIVAR CANADA LTD.	156,691
THE UNIVERSITY OF BRITISH COLUMBIA	28,484
URBAN SYSTEMS LTD.	117,000
VADIM COMPUTER MGMT. GROUP LTD.	31,351
VERNON CITY OF	6,466,198
VERNON & DIST. ASSOC. FOR COMMUNITY LIVING	36,011
VERNON & DISTRICT PERFORMING ARTS CENTRE	319,137
WASTE CONNECTIONS OF CANADA	44,948
WATERHOUSE ENVIRONMENTAL SERVICES CORP.	168,376
WESTERN WATER ASSOCIATES LTD	59,572
WHITEVALE BACKHOE SERVICE	25,153

Suppliers Exceeding \$25,000	Total
WORKSAFEBC	82,350
WSP CANADA INC.	61,181
Total Paid to Suppliers Exceeding \$25,000, Excluding Grants	37,831,655
Total Paid to All Suppliers \$25,000 or less	2,761,201
Subtotal	40,592,856
Payments for Grants Exceeding \$25,000	
ARTS COUNCIL OF NORTH OKANAGAN	149,950
COMMUNITY FUTURES DEVELOPMENT CORPORATION	65,000
FRIENDS OF OKANAGAN RAIL TRAIL SOCIETY	30,000
GREATER VERNON MUSEUM & ARCHIVES	250,150
LUMBY CURLING CLUB	38,750
MONASHEE ARTS COUNCIL	29,750
OKANAGAN BOYS & GIRLS CLUB	180,750
OKANAGAN FILM COMMISSION	43,000
VERNON PUBLIC ART GALLERY	207,250
VERNON SCIENCE AND DISCOVERY SOCIETY	33,250
Total of All Grants Exceeding \$25,000	1,027,850
TOTAL OF ALL SUPPLIERS	\$ 41,620,706

Any differences between this schedule and the financials statements are related to the following. First, this schedule is prepared on a cash basis of accounting versus the accrual basis used to prepare the financial statements. Also, the schedule includes the full GST paid to the suppliers, while the financial statements are net of the GST rebate.