



ANNUAL REPORT

2021

FISCAL YEAR ENDING DECEMBER 31, 2021



A decorative graphic on the left side of the page features several raspberries hanging from a vine with stylized leaves and swirls. The background is a solid teal color.

2021 ANNUAL REPORT

Fiscal year ending December 31, 2021. Prepared by the City of Abbotsford, B.C.

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2021 MESSAGE FROM THE MAYOR

On behalf of City Council, I am pleased to present the 2021 City of Abbotsford Annual Report to our community. In providing this Annual Report, it goes without saying that 2021 has been a year unlike any other. The ongoing impacts of the COVID-19 pandemic continued to be felt across our country, across our Province and within our community, and with fluctuating case numbers and the changing public health orders, virtually every sector of our community was impacted. Then came the ‘Flood of the Century’ in November. This year has been a lot for our community to deal with and it has taken a significant toll on many.

So, as you read through the updates included in this Annual Report, it’s important to remember that each of these highlights continues to form part of a larger story – the story of our community and how we are moving to accomplish Council’s vision of building Abbotsford as the Hub of the Fraser Valley. Each achievement is connected to one of the four cornerstones in Council’s Strategic Plan: Vibrant Economy, Complete Community, Fiscal Discipline and Organizational Alignment. As always, the priorities set out in the Strategic Plan provide the foundation for aligning all of our municipal planning decisions; they provide the direction for our municipal business plans and budgets; and, they enable City staff to continually monitor our collective progress toward our overall vision. We continued to work toward accomplishing our Strategic Plan priorities in 2021 – many of which are well underway or complete – and this year, we have taken a careful look at what additional work needs to be done to ensure our community remains resilient through the balance of the pandemic.

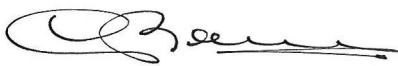
While City operations in 2021 were subject to the same COVID-19 guidelines as other businesses, the work never stopped. With our ongoing focus on fiscal responsibility for our City, we saw new operators for the Abbotsford Centre and the arrival of the Abby Canucks. We saw the opening of the new Ledgeview Clubhouse and we’ve been happy to see the revitalization in travel with a steady recovery in passenger numbers at Abbotsford International Airport. We also saw the implementation of an automated garbage, recycling and compost curbside collection program. We welcomed the opening of the brand new Transit Maintenance Facility, which allows us to expand our transit fleet. We also created and implemented Abbotsford’s first ever 25-year Financial Plan as well as an Asset Management Strategy following an assessment of the condition of every building the City owns.

We have seen an ever-increasing total of land development applications and building permits compared to previous years. In 2021, instream residential applications for single-family lots, townhouses and apartment units saw a 35 per cent increase compared to 2020, reaching a record total of nearly seven thousand units. We also saw Abbotsford host 71 film productions, with 334 film days using 242 locations. From Hallmark to Netflix, you'll be seeing Abbotsford on the big and small screen and we're proud to see the film industry continuing to expand their work in our area.

In November, we endured consecutive atmospheric river events which brought all-time record rainfall coupled with extraordinarily warm weather. At the same time, the Nooksack River breached its banks and overflow waters headed straight for Abbotsford. This forced the evacuation of more than 3,000 people from more than 1,100 properties. Some residents remain unable to return home. Within such a short time, the devastation had created recovery work that will take us years to complete. Of the 300 or so damaged City infrastructure sites, City crews and contractors have now completed repairs to more than half of them. Our estimated response and recovery costs will be at least \$150 million. While this work is underway and as we turned to 2022, we started looking at long-term flood mitigation planning and protection and we continue to request funding and support for our long-term solutions and infrastructure needs as we expect these costs to be in the billions.

This past year was one of continuous change, heartbreaking devastation, and exciting growth. In many ways, the achievements are a clear reflection of how we are making progress and moving in the right direction. You can see these reflections of our progress taking shape throughout the community. The driving force behind all of this work is you – the residents and businesses of our community. While the flood events devastated Sumas Prairie and impacted our entire city, they also revealed the true heart and resilience of our community.

As a Council, we are incredibly grateful for all of the support our community and our residents received and is still receiving, and we are committed to continuing to improve the quality of life for all of our residents and to building an inclusive, resilient and sustainable Abbotsford for current and future generations. It is a privilege for us to serve this diverse and vibrant community, and we look forward to continuing to support everyone in Abbotsford as we work toward a brighter future.



Henry Braun

Mayor



FIND OUT MORE

Flood recovery information and updates are available on the City of Abbotsford's website at abbotsford.ca/returnhome.

2021 FLOOD RECOVERY

INFRASTRUCTURE IMPACTS:

- 165 kilometres of City roads inspected — 84 sites with damage
- 31 bridges inspected — 13 damaged
- 21 landslides across the City (Mt. Lehman to Majuba Hill)
- 1,100 properties placed on Evacuation Order
- 1 Cemetery and 19 City parks/trails damaged
- Debris such as hay bales, tires, scrap metal and sediment strewn across the Sumas Prairie, on road right-of-ways, in ditches and watercourses
- 9 dyke breach and erosion sites
- 1,100 metres of watermain damage sustained along South Parallel and No. 4 Roads



ELECTED OFFICIALS

Abbotsford City Council was sworn in on November 5, 2018 and will serve the community of Abbotsford until the next municipal election, which will be held on October 15, 2022.

Members of Council are elected at large, meaning they each represent the community as a whole, rather than only a specific geographic portion.

The City of Abbotsford, pursuant to the Community Charter, operates on a Committee-of-the-Whole system, whereby all members of Council sit at the Executive Committee in an open meeting, prior to each Regular Council Meeting. The Executive Committee has authority to deal with all matters with the exception of bylaws, tenders and approval of budgets, which are addressed at Regular Council meetings. Council makes decisions by either passing a resolution or a bylaw. Council votes only once to adopt a resolution, whereas bylaws require four readings.

The Mayor and Councillors also serve as members of various Committees, Boards and Commissions and provide input and direction on sectors ranging from agriculture to arts, to economic development and regional issues.



MAYOR HENRY BRAUN

Henry Braun was elected to serve his second term as Mayor of Abbotsford in 2018. In 2014 he was elected as Mayor after serving on City Council from 2011 – 2014.

Henry has been an Abbotsford resident for most of his life and was the co-owner, president and CEO of Abbotsford-based Pacific Northern Rail Contractors Corporation up until his retirement in 2003.

As a long-time Abbotsford businessman, he is enjoying the opportunity to put his years of business experience to work for the City and people of Abbotsford. Henry believes that great communities are built when residents are engaged and involved, and he has served on many boards and associations.

Henry's family is his inspiration for making sure Abbotsford remains a wonderful place in which to grow up and grow old, well into the future.

Current Committees/Boards/ Commission Appointments

- Chair, Abbotsford Police Board
- Chair, Abbotsford Airport Authority
- Joint Shared Services Committee (Abbotsford/Mission)
- BC Urban Mayors' Caucus

FIND OUT MORE

Full Council biographies are available on the City of Abbotsford's website at abbotsford.ca/citycouncil.



ELECTED OFFICIALS



COUNCILLOR

**LES
BARKMAN**

Les Barkman was elected as an Abbotsford City Councillor in 2008.

Les' history with the City goes back to 1974 when he started working in the Parks and Recreation Department and eventually became Supervisor of the Roads and Sanitation Department, operating snow plows, street sweepers, and all sanitation related equipment. Les believes that it is important to give back to the community; he has coached kids' fastball, officiated basketball for 40 years, and has fundraised and volunteered for a variety of local charities. Les and his wife, Elaine, love interacting with other cultures and have travelled to the Philippines, Hong Kong, and to La Paz, Mexico.

Current Committees/Boards/Commission Appointments

- Joint Shared Services Committee (Abbotsford/Mission)
- Fraser Valley Regional Library Board



COUNCILLOR

**SANDY
BLUE**

Sandy Blue was elected as an Abbotsford City Councillor in 2014.

Sandy's diverse career includes administration, marketing and economic development in the private and public sectors. A lifelong learner, Sandy is internationally certified as both an economic developer (IEDC Washington, DC), a business communicator (IABC - San Francisco, CA); and in 2018 she honed her governance skills by earning credentials from the Institute of Corporate Directors. She is passionate about helping communities innovate and thrive, and envisions Abbotsford as a preferred destination: a place where young people choose to pursue their post-secondary education, and build their careers and families. Sandy currently serves on the Abbotsford Police Foundation and enjoys her grandchildren, interior design, gourmet cooking, golf, travel and gardening.

Current Committees/Boards/Commission Appointments

- Chair, Development, Transportation and Infrastructure Advisory Committee
- Fraser Valley Regional District Board
- Fraser Valley Regional District Hospital Board
- Fraser Valley Regional District Regional and Corporate Services Committee



COUNCILLOR
**KELLY
CHAHAL**

Kelly Chahal was elected as an Abbotsford City Councillor in 2014.

Kelly has her MA in Criminal Justice; she currently works for the Ministry of Justice, is appointed as an Independent Chairperson for Correctional Service Canada and is a guest lecturer at various UFV and SFU Criminology classes. With a passion for social justice and intercultural relations, Kelly has served on the UFV Senate, the Advisory Board for the Centre for Indo-Canadian Studies, and is a director of the Fraser Valley Indo-Canadian Association. Kelly raised her son and daughter in Abbotsford and now enjoys spending time with her grandsons.

Current Committees/Boards/Commission Appointments

- Fraser Valley Regional District Board
- Fraser Valley Regional District Hospital Board
- Fraser Valley Regional District Internal Affairs Committee
- Steering Committee Member of UFV Peace and Reconciliation Centre



COUNCILLOR
**BRENDA
FALK**

Brenda Falk was elected as an Abbotsford City Councillor in 2014.

The owner of Tanglebank Gardens and Brambles Bistro, Brenda is a farmer, entrepreneur and business woman. With a commitment to community involvement and horticulture, she is especially excited to be involved in Abbotsford's Communities in Bloom, a national competition that helps to create a safer, more engaged community while encouraging environmental responsibility. Brenda also serves on the Fraser Basin Council. Brenda enjoys reading, gardening, and spending time with her family and friends; she is expecting grandchild number 12 this year.

Current Committees/Boards/Commission Appointments

- Chair, Business, Innovation and Public Affairs Advisory Committee
- Fraser Valley Regional District Board
- Fraser Valley Regional District Hospital Board

ELECTED OFFICIALS



COUNCILLOR
**DAVE
LOEWEN**

Dave Loewen was elected as an Abbotsford City Councillor in 2005.

Dave is a retired educator, with 37 years of experience teaching in Australia, Manitoba, Abbotsford and Chilliwack. Born and raised in Abbotsford, Dave has watched Abbotsford grow from a small town into a vibrant, multicultural community with a rich heritage and strong economic base, and he is proud to serve the community's residents. Dave also serves the broader community through the Rotary Club and is a Paul Harris Fellow. Dave enjoys travelling, history, genealogy and outdoor activities like cycling, snowshoeing and canoeing.

Current Committees/Boards/Commission Appointments

- Chair, Community, Culture and Environment Advisory Committee
- Fraser Valley Regional Indigenous Relations Committee
- Community Health and Social Innovation Hub (UFV)
- Fraser Valley Regional District Board
- Fraser Valley Regional District Hospital Board



COUNCILLOR
**PATRICIA
ROSS**

Patricia Ross was elected as an Abbotsford City Councillor in 1994.

Patricia is a Fellow of Leadership for Environment and Development International, a research and training institute committed to fostering leadership in sustainability worldwide. She has given presentations on sustainability issues all over the world and incorporates these principles in her work here at home. She is currently the chair of GroYourBiz Fraser Valley, an advisory and mentoring board for women in business. She is grateful for a supportive family and community that inspires her every day.

Current Committees/Boards/Commission Appointments:

- Chair, Agriculture Advisory Committee
- Vice Chair, Fraser Valley Regional District Board
- Fraser Valley Regional District Hospital Board



COUNCILLOR
**DAVE
SIDHU**

Dave Sidhu was elected as an Abbotsford City Councillor in 2021.

Dave is the General Manager for The Patrika, North America’s first Punjabi-English newspaper. Outside of his duties at the newspaper, Dave is an active philanthropist and has served the Fraser Valley Indo-Canadian Business Association for over six years as a director, vice-president, and now president. Dave sits on the board of the Fraser Valley Healthcare Foundation Board where he is the chair of the Board Development Committee and is a past director of the Abbotsford Chamber of Commerce. Born and raised in Abbotsford, Dave, his wife Ranjna and daughter Arianna are proud to call Abbotsford home and enjoy spending time with loved ones, being outdoors and around animals, and taking family trips.



COUNCILLOR
**ROSS
SIEMENS**

Ross Siemens was elected as an Abbotsford City Councillor in 2014.

Ross previously served on the District of Abbotsford Council from 1986 to 1990. Ross runs his family’s business, Hub Motor Service, established by his grandfather in 1954 in Downtown Abbotsford. Ross understands the unique role that small businesses play in building a strong and engaged locally based economy and is excited about opportunities to help these businesses continue to thrive. He is also passionate about refugee relief work, welcoming refugees in the community, and helping them to succeed. Ross enjoys hiking, skiing and snowshoeing with his family; he is also an avid runner.

Current Committees/Boards/Commission Appointments

- Joint Shared Services Committee (Abbotsford/Mission)
- Fraser Valley Regional District Board
- Fraser Valley Regional District Hospital Board
- Community Advisory Board (Reaching Home: Canada’s Homelessness Strategy)



2021 MESSAGE FROM THE CITY MANAGER

As an essential service, our municipal operations continued to be delivered in 2021 despite the ongoing impacts of the global pandemic and later in the year the flood. We remained very proud to serve the residents, businesses and visitors of Abbotsford throughout this year.

The information contained in this Annual Report reflects all of the services that we continued to provide to the community and includes the consolidated financial information for the 2021 calendar year. In addition, it provides a snapshot of how we continued to progress toward Council's priorities over their 4-year mandate and an overview of the work that is currently taking place.

Abbotsford City Council's updated 2019-2022 Strategic Plan provides us with solid direction on how we will continue to support the community through the ongoing resilience and recovery stages of the pandemic and the flood event, and how we will continue to make it easy for our customers to access, learn about and use all of our services. The Vision of our Strategic Plan sees Abbotsford as the Hub of the Fraser Valley, a regional centre for centralized services and agencies. We are diverse, inclusive, and connected; we are green, prosperous and healthy; we are a vibrant and beautiful community. This, coupled with our Mission to "continually improve the quality of life within our community by delivering key services for current and future generations" provides us with the foundation for how we continue to support Abbotsford.

All of our City staff are committed to this mission and vision. It means we will continue to provide those essential services that are necessary for our community to operate successfully – from delivering clean water to homes and businesses and improving roads, to processing development applications and providing recreational programs and opportunities for all of our residents. At the same time, we also have our eyes on tomorrow, working to prepare for growth and optimism the future brings.

Underpinning all of our efforts at the City is our commitment to our community, to our residents, businesses, and visitors who work, live, play, learn and dream here. We know our employees are our most important resource in delivering on that commitment, and in service of supporting our employees in continuing to deliver excellence in service delivery, we updated our annual Employee Engagement Survey once again this year. The results of this Engagement Survey are translated each year into an Employee Engagement Strategy with an ongoing commitment to continuing to ensure we support our employees in delivering on our commitments to the community.

As City Manager, I look forward to continuing to work closely with everyone here at the City of Abbotsford in 2022 to achieve Council's priorities and provide efficient and effective delivery of services across our city.

Peter Sparanese
City Manager

2021

THE CITY OF ABBOTSFORD

is responsible for providing relevant and timely community services and infrastructure in support of a sustainable, liveable city.

Each day, City staff endeavor to provide efficient and effective municipal services within an accountable and sustainable fiscal framework.

Abbotsford City services are organized into eight key service departments:

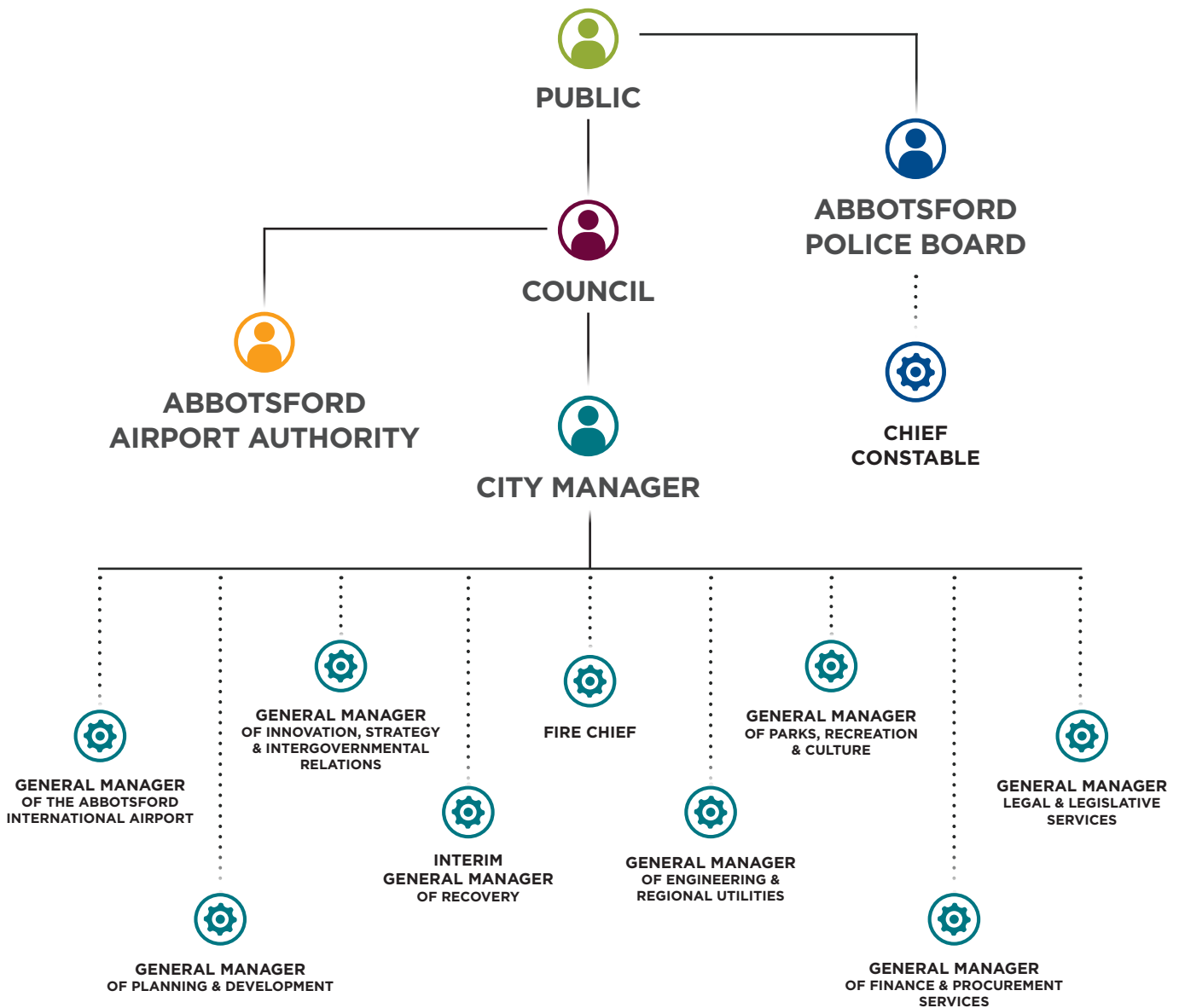
- City Manager's Office
- Engineering & Regional Utilities
- Finance and Procurement Services
- Fire Rescue Services
- Innovation, Strategy & Intergovernmental Relations
- Legal and Legislative Services
- Parks, Recreation & Culture
- Planning & Development Services



ORGANIZATIONAL STRUCTURE

Mayor and Council are responsible for setting the direction and establishing the policies and priorities for leading the community. This direction is then carried out by the City's administration.

The Abbotsford International Airport and the Abbotsford Police Department report to independent Boards. All other Departments report directly to the City Manager, who is appointed by, and reports directly to, City Council. The City Manager is the Chief Administrative Officer for the City of Abbotsford.



2021 REVENUE SOURCES

Municipal Taxation	50%
Fees & Charges	27%
Grants	11%
Contributed Tangible Capital Assets	4%
Investment Income	3%
Airport Revenue	3%
Developer Charges Earned	1%
Rent	1%

2021 EXPENSES

Police	27%
General Government	15%
Parks, Recreation & Culture	10%
Fire Rescue	9%
Engineering	8%
Transit	5%
Solid Waste	5%
Waterworks	4%
Sanitary Sewer	4%
Planning & Development	3%
Abbotsford Centre	3%
Library Services	2%
Airport	2%
Storm Drainage	2%
Dyking, Drainage & Irrigation	1%



FIND OUT MORE

Complete financial information is contained within the Financial Section of this report starting on **page 44.**



OUR VISION

The City of Abbotsford is the Hub of the Fraser Valley.

OUR MISSION

We strive to continually improve the quality of life within our community by delivering key services for current and future generations.



2021 STRATEGIC GOALS & ACHIEVEMENTS

In 2021, the City of Abbotsford continued to work towards the vision of becoming the Hub of the Fraser Valley. This vision sees Abbotsford as a preferred destination for businesses and residents alike.

As the Hub of the Fraser Valley, the City of Abbotsford will be the regional center for communities in the Fraser Valley. Abbotsford will be home to regionally centralized services and agencies including health care, BC Supreme and Provincial courts, transportation, the university, airport, provincial and federal government, entertainment and cultural facilities, and commerce.

To achieve this vision, four Strategic Plan Cornerstones were created in 2015 to support and focus the work of Council and the City:



**VIBRANT
ECONOMY**



**ORGANIZATIONAL
ALIGNMENT**



**COMPLETE
COMMUNITY**



**FISCAL
DISCIPLINE**

In late 2018, City Council updated the Strategic Plan for 2019-2022 to build on the Vision that was first established in 2015. The Strategic Plan sets the direction and framework for the work the City of Abbotsford will undertake over the next four years. The Strategic Plan will:

1. Align all municipal planning decisions: All City activities will be guided by the four Cornerstones in the Strategic Plan.
2. Provide direction for departmental business plans and budgets: The strategies, actions, initiatives and budgets of departments will be aligned to achieve the Cornerstones of the Strategic Plan.
3. Continually monitor progress towards desired outcomes. Each Cornerstone has a statement of desired outcome, a listing of principles and corresponding Council direction. Performance results will evaluate our progress and inform Council's cycle of decision-making. Key performance indicators and targets will be established to measure success.

COMPLETE COMMUNITY



OUR GOAL

The City of Abbotsford is a community of inclusive, safe and green neighbourhoods, connected to convenient and affordable transportation and vibrant commercial centres, built on the foundation of our cultural heritage and natural beauty.



COMPLETE COMMUNITY

- Awarded 13 Reaching Home community sub-projects to address homelessness in our community at a value of \$1.3M.
- Installed public Wi-Fi at various facilities and sites within Abbotsford Exhibition Park.
- Installed 10 new fleet charging stations to meet Council's GHG emission reduction targets for the City's corporate fleet.
- Fire crews responded to, and mitigated, over 239 structure fires including significant responses to very large fires at the Delair Residences and the Fraserway RV storage facility.
- Facilitated several innovative event plans for drive-thru, drive-in and virtual events that enabled the community to gather and stay connected through more than 100 opportunities, including a drive-thru Canada Day event and Remembrance Day hybrid event combining livestreaming with in-person representation.
- Awarded 30 Responsive Neighbourhood Grants for community-level projects aimed at reducing social isolation and connecting residents.
- Successfully implemented a fully automated curbside collection program for 26,500 households.
- Completed the planning and design work for the new Mill Lake Fountain project, which will be an attractive feature in Mill Lake Park and will perform an important aeration function to improve water quality in the lake.
- Completed upgrades to Albert Dyck Park which included a clean-up of the shoreline, updated bathroom facilities, enlarging the public swimming area, installing a new delineator line between the public swimming area and the water-ski area and major upgrades to the slopes surrounding the beach area to prevent run-off, beach rutting and loss of sand.
- Reintroduced 10,000 hours of transit service for Abbotsford, which increased the frequency of buses on major routes, especially Route #1 and improving the reliability across all other routes.
- Hosted "Stranger Days" the Artist in Residence Exhibition across multiple accessible sites including bus shelters, the MCA and Kariton Art Gallery.
- Completed six new signalized intersections improving traffic efficiency and safety and upgraded three pedestrian crossings, which support the "Safe Route to School" and other active transportation modes.

- Installed green road markings in bike lanes to further enhance safety and visibility of cyclists at seven urban intersections.
- Installed 1,400 LED Streetlights as part of the LED Streetlight Replacement program, which will dramatically improve the lighting of the roadways and enhance safety for all modes of travel, as well as save costs in electrical usage.
- Facilitated a successful “Go Play Outside” summer program at 14 sites across the City and distributed 300 Culture Kits to connect residents to art and culture.





ORGANIZATIONAL ALIGNMENT

OUR GOAL

The City of Abbotsford has strong, consistent governance and aligned operations.



ORGANIZATIONAL ALIGNMENT

- Launched a rebranded City website with new accessibility and translation features ensuring all residents can easily access City information.
- Launched the Good Neighbour Guide to raise awareness of key bylaws in our community and help neighbours find solutions to common neighbourhood concerns.
- Fire Rescue Service provided Incident Support of Provincial Wildfire Incidents.
- Introduced new technologies and measures to strengthen the City's IT Cyber security.
- Successfully conducted a local by-election introducing mail-in ballot opportunities and significantly increased advance-voting opportunities.
- Extended Bylaw Enforcement service hours to 7 days a week to provide residents with quicker and more efficient service.
- Completed 3rd Employee Engagement Survey to gain feedback from our employees toward making the City of Abbotsford a great place to work.
- Managed the recruitment process for more than 272 positions.





FISCAL DISCIPLINE

OUR GOAL

The City of Abbotsford is transparent and accountable to citizens, information is easily accessible and residents are well informed on Council's priorities.



FISCAL DISCIPLINE

- 5,765 active volunteers contributed 79,925 volunteer hours to various programs and events through the City's Volunteer Program.
- Activated the Volunteer Centre at ARC to ensure easy access to Volunteer Services for the public.
- Updated the Parks, Recreation and Culture Fees and Charges Bylaw.
- Completed the repair and reinstallation of Dickson and Cannell Lake raft pumps to ensure the emergency water supply system is fully functional.
- Received \$6.511M of government funding for the Barrowtown Pump Station Backup Power Generator ensuring this vital piece infrastructure is protected and operational.
- Updated the City's Development Cost Charge (DCC) Bylaw and received Provincial approval.
- Developed and delivered a custom Energy Step Code educational series in partnership with BCIT, to help the local building sector better understand the requirements around energy efficiency and the Step Code requirements.





VIBRANT ECONOMY

OUR GOAL

The City of Abbotsford is a regional hub of creativity and innovation where talent, investment and business thrive.



VIBRANT ECONOMY

- Coordinated the Open for Business COVID-19 support program for local businesses whose operations were impacted by pandemic restrictions
- Coordinated timely, multi-department approvals and extensions for 20 temporary outdoor patios, and supported businesses impacted by COVID-19 by providing a simple way to increase outdoor patio area on a temporary basis.
- Abbotsford Airport completed the expansion of 24,310 square feet of additional hangar space.
- Completed the \$8.5M bag/luggage room expansion project at the Abbotsford Airport to provide more efficient passengers service.
- 2021 Building Permit construction value was \$427M, compared to \$389M in 2020, which shows strong investment and development in our community.
- Awarded the construction contract for the Fraser Highway Improvement Project (Phase 1 of 3), which will help to reduce traffic congestion and public safety on this important traffic corridor.
- Abbotsford Airport hosted a successful drive-in Airshow and Girls Fly Too events and welcomed a new national airline, Flair Air in 2021.
- Developed and launched an online film permit application process to ensure a streamlined approach for film organizations to film in Abbotsford.
- Successfully negotiated a contract with the Vancouver Canucks organization to relocate their farm team to Abbotsford providing enhanced opportunities for Abbotsford residents to enjoy AHL hockey in their hometown. Welcome to our community, Abbotsford Canucks!
- Approved and coordinated Filming Permits with a total of 72 productions, 301 film days, 252 locations and a total economic impact of \$3.8M.



2021 AT A GLANCE

- Completed the AgRefresh Project providing new policies and guidelines to enhance and protect agricultural integrity.
- Worked with Matsqui First Nation to negotiate an updated Servicing Agreement.
- Completed the Ledgeview Golf Course Clubhouse, providing a significant community asset.
- Completed the Transit Maintenance Facility located at 3032 Gladys Avenue, which is part of the larger Central Fraser Valley Transit Future Plan that aims to make transit a reliable alternative to personal vehicles, to reduce the community's impact on the environment, and to improve service for Abbotsford and Mission transit users.
- Completed a Tree Permit Process Review to improve the process for residents.
- Continued working with the Province and Sumas First Nation on Fraser River bank stabilization and flood mitigation.
- Continued with implementation of Abbotsford's Reaching Home program aimed at preventing and reducing homelessness by providing direct support and funding to community service agencies.
- Continued work towards the Culture Strategy, which will provide a clear direction and long-term vision to support culture in Abbotsford.
- Developed an Asset Management Strategy to support sustainable service and program delivery.
- Developed a 25-year, long-term Financial Plan to provide a road map for funding long term infrastructure projects.
- Updated our COVID-19 Operational Plans to ensure a safe workplace and facilities for staff and our community during a global pandemic.
- Continued the implementation of the Customer Culture Strategy to ensure that we provide service excellence and meet the diverse needs of our residents.
- Updated our Employee Engagement Strategy to ensure we are promoting an engaged workforce by fostering an organizational culture of diversity, inclusion, continuous improvement, service, leadership and open communication.

A large, detailed bronze sculpture of a tree stands in a garden. The trunk of the tree is intricately carved to resemble a human figure, with a face visible in the upper part of the trunk. The branches are thick and spread out, with many green leaves attached. The sculpture is set in a garden with other green plants and a stone wall in the background.

FINANCIAL SECTION

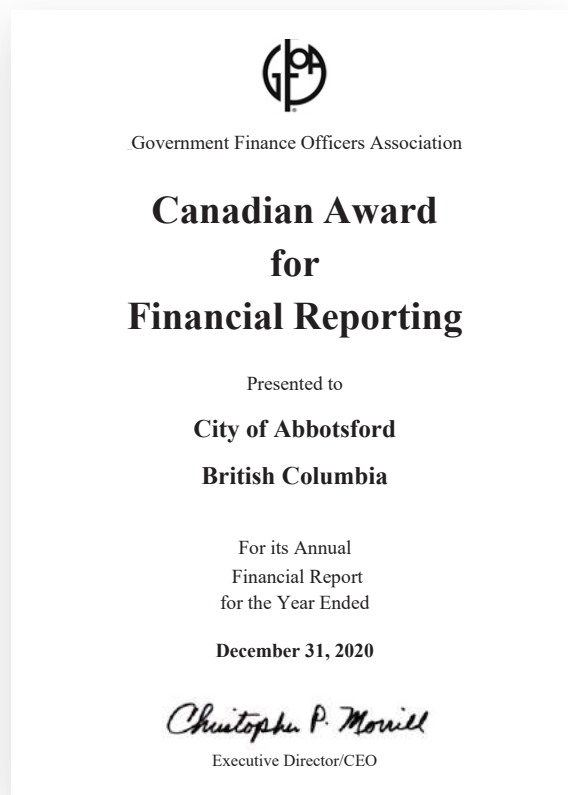
2021 ANNUAL REPORT

*Canadian Award
for Financial
Reporting*

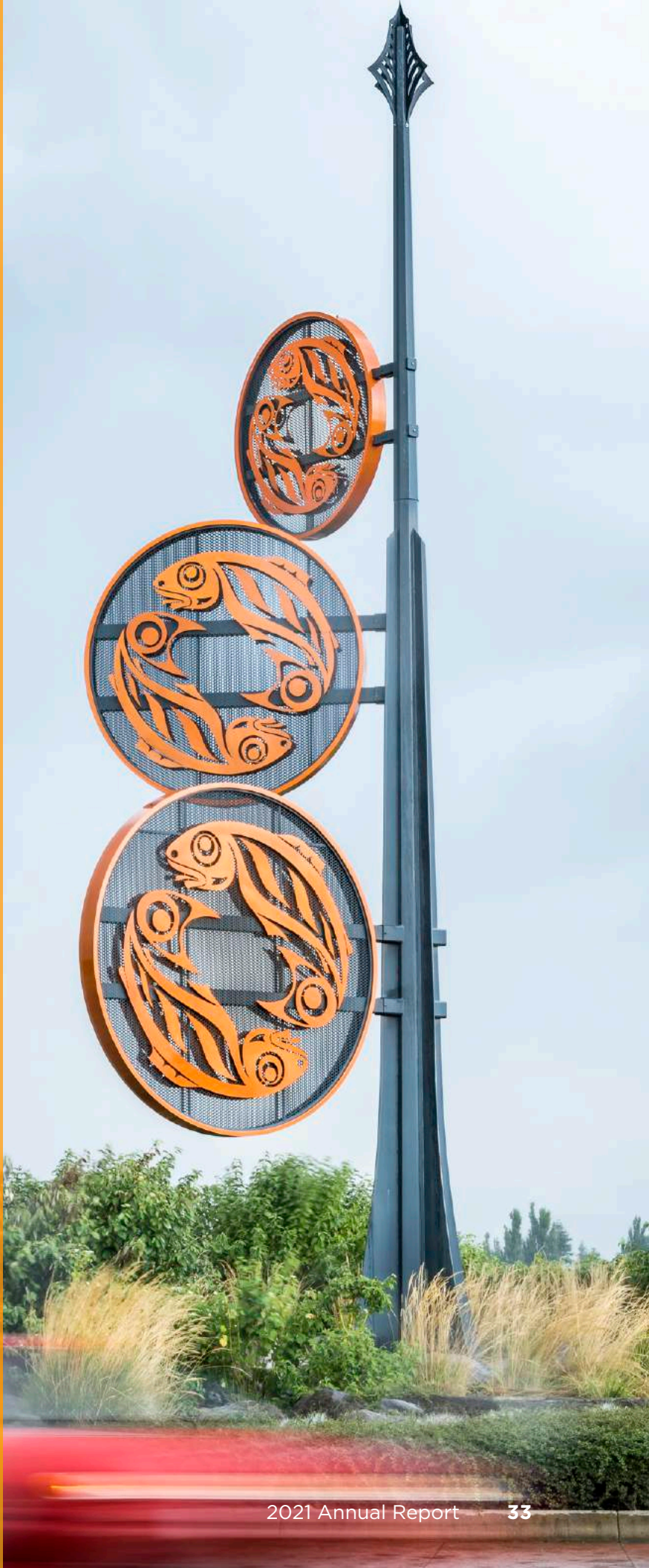
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the City of Abbotsford for its Annual Report of the fiscal year ended December 31, 2020. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.


In order to be awarded a Canadian Award for Financial Reporting, a government organization must publish an easily readable and efficiently organized annual financial report whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles, and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year.



2021
MANAGEMENT
DISCUSSION
AND ANALYSIS





I am pleased to present the Financial Section of the Annual Report for the City of Abbotsford, for the fiscal year ending December 31, 2021. The purpose of this report is to publish the City's audited Consolidated Financial Statements, pursuant to Section 167 of the Community Charter. The preparation of the financial statements is the responsibility of management and have been prepared in accordance with reporting standards as prescribed by the Chartered Professional Accountants (CPA) and the Canada Public Sector Accounting Board (PSAB).

KPMG LLP, Chartered Professional Accountants have audited these financial statements. As external auditors, KPMG is responsible for examining the City's financial statements in accordance with general accepted accounting standards and expressing their opinion on whether the statements are presented accurately. Based on their independent audit, the auditors' opinion is expressed in the Auditors' Report which is enclosed.

Financial results in 2021 are aligned closely with the budget and met the Council Cornerstone of Fiscal Discipline. A key indicator in assessing the financial health of a local government is its Net Financial Assets. It is a measurement of the available financial resources that the City has to finance future operations. The City's Net Financial Assets increased by \$36.2 million in 2021 to a total of \$349.1 million. This increase is mainly due to reduced long-term debt and higher reserve balances.

The City continues to reduce its debt obligations, with total debt repayments of \$3.8 million made in 2021. As a result, total long term debt at the end of the year was \$44.0 million as compared to \$47.8 million in 2020.

We continue to sustain and enhance our infrastructure by setting aside funds in reserves for future growth and infrastructure replacement. In 2021, capital and operating reserves balances increased in total by \$25.0 million and \$7.3 million respectively. The value of our infrastructure assets in 2021, was approximately \$1.45 billion (net book value).

Throughout 2021, the City continued apprehending the operational and financial impact of COVID-19. Fees and charges revenues in Parks, Recreation & Culture, Abbotsford Centre, Abbotsford Airport and Gaming grant revenue were still significantly lower in 2021 compared to pre-COVID years.

As we continue to be guided by an inspiring City Council approved strategic plan and well-grounded financial plan, the City will remain in good financial health during these challenging times.

Komal Basatia, CPA, CGA

Chief Financial Officer

General Manager, Finance and Procurement Services

May 9, 2022

2021 REPORT FROM THE CHIEF FINANCIAL OFFICER

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

This Management Discussion and Analysis report provides readers with an overview of the City's financial performance with clear insight into the financial results for the City for the fiscal year ended December 31, 2021. The City is responsible for the fairness and completeness of the presentation and all disclosures, and the accuracy of the data. City administration strives to ensure this report fairly represents the financial position of the City.

The following financial section includes management reporting and control, financial highlights and the audited financial statements (including the independent auditors' report on the financial statements, the basic financial statements, the notes to the financial statements, and the exhibits and schedules). The exhibits and schedules support and provide financial context to the consolidated financial statements by means of segmenting the financial information. The statistical section includes selected financial and demographic information presented on a multi-year basis. This financial report should be read in conjunction with the audited consolidated financial statements and their accompanying notes and schedules.

COVID-19 IMPACT

The COVID-19 pandemic continued to impact the City's operations and revenue this year. Transit revenues, Abbotsford Centre, recreation centres and Solid Waste revenue were impacted in 2021.

The City received COVID-19 Safe Restart Grant funding of \$8.3M during 2020 which was used to cover COVID-19 related increases in operating costs and decreases in revenue. In 2020, the City utilized \$6.2 million of the grant with the remaining \$2.1 million utilized in 2021.

FLOODING EVENT

The City was faced with a once in a century flooding event in November, 2021. The heavy rainfall came with unseasonably warm temperatures which caused snow melt and additional runoff to local rivers and tributaries. After several localized landslides and flooding events, a state of local emergency was declared on November 15, 2021.

By December 31, 2021, the City incurred \$11.5 million in emergency response costs and \$560,000 in recovery costs related to the flooding event. It is anticipated that \$9.7 million of the emergency costs will be recovered through Emergency Management British Columbia (EMBC) and \$448,000 of the recovery costs will be recovered through Disaster Financial Assistance.

FINANCIAL GOVERNANCE

FINANCIAL PLANNING & REPORT PROCESS

ACCOUNTING PROCESS

MANAGEMENT REPORTING AND CONTROL

While the City's management is responsible for the preparation of the financial statements, the municipality's governance structure provides for Council to receive and approve various quarterly reporting, financial policies, and audit findings. Council is ultimately responsible for approving the City's budget, appointing the auditor, and providing general financial authority and oversight.

Based on input from Council, staff, residents, and other stakeholders, Council establishes a five year financial plan each year as required by Section 165 of the Community Charter. The Financial Plan includes the required revenues to fund the City's delivery of desired programs and services to the community and represents Council's priorities as identified in their Strategic Plan.

From year to year, services may be altered when Council identifies a clear need. The operating budget is prepared on a modified accrual basis where revenues are recognized in the period they are deemed available and measurable to meet or pay for liabilities. The operating budget does not include revenue from contributed assets, gains or losses on disposal of tangible capital assets, or amortization expense. Council also establishes an annual capital budget as part of the five year financial plan. Capital items for the current year are carefully reviewed on a project basis and funded through DCCs, Government grants, Community Works Funds (Gas Tax funding), reserve transfers, taxation and other sources.

The City is organized into various departments, each providing specific services to the City and its residents. Every department is responsible for the delivery of services in accordance with the resources allocated to the programs they deliver. All departments share a common accounting and reporting system which is administered across the City by the Finance Department. The Finance Department is responsible for managing, recording, reporting and forecasting the City's financial activities. To aid in decision making, the Finance Department provides Council with regular quarterly and ad-hoc financial reports. The preparation of the annual financial reports for audit is also the responsibility of the Finance Department.

MANAGEMENT DISCUSSION AND ANALYSIS

AUDIT PROCESS

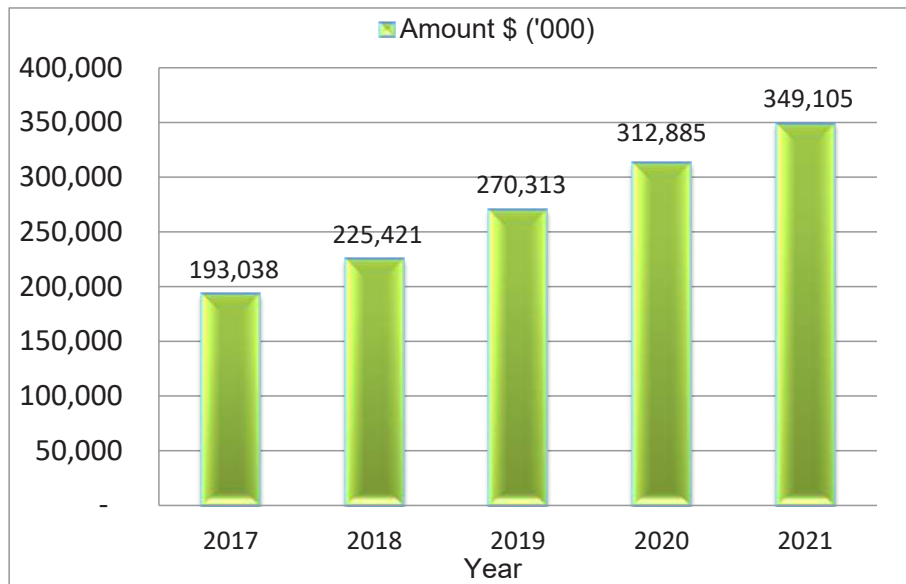
As per Section 169 of the Community Charter, which requires City Council to appoint an independent auditor, the City's 2021 Financial Statements have been audited by KPMG LLP. The goal of the independent audit is to provide assurance that the financial statements of the City for the fiscal year ended December 31, 2021 are free from any material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, assessing significant estimates made by management, and evaluating the overall financial statement presentation. Following a comprehensive audit process, working closely with management, the auditor issued an unqualified opinion that the City financial statements for the year ended December 31, 2021 are fairly presented in conformity with Canadian generally accepted accounting principles and the reporting standards as prescribed by the Chartered Professional Accountants (CPA) and the Canada Public Sector Accounting Board (PSAB). The independent auditors' report is presented as the first component of the audited financial statement section of this report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Consolidated Statement of Financial Position (\$ millions)	2021 Actual	2020 Actual	Difference (\$)
Financial Assets	666.1	596.0	70.1
Financial Liabilities	(273.1)	(235.4)	(37.7)
Long-term Debt	(44.0)	(47.8)	3.8
Net Financial Assets	349.0	312.8	36.2
Tangible Capital Assets	1,451.5	1,435.1	16.4
Inventories and Prepaid Expenses	2.7	2.3	0.4
Non-Financial Assets	1,454.2	1,437.4	16.8
Accumulated Surplus	1,803.2	1,750.2	53.0

NET FINANCIAL ASSETS

A key indicator in assessing the financial health of a local government is its Net Financial Assets (financial assets less liabilities). It is a measurement of the available financial resources that the City has to finance future operations. This ratio increased by \$36.2 million during the year, to \$349.0 million in net financial assets at the end of 2021. This was mainly due to increased balances in capital reserves for sustaining and enhancing City infrastructure and reduced long-term debt.



Cash and Portfolio Investments

CASH & PORTFOLIO INVESTMENTS

Cash and portfolio investments increased by \$59.2 million during 2021. This was mainly due to lower than expected cash outflow for capital projects in 2021. The majority of the portfolio investments are made up of short-term investments, as investment maturities are being kept short in anticipation of gradually increasing yields over the next few years.

MANAGEMENT DISCUSSION AND ANALYSIS

LONG-TERM DEBT

Total debt repayments of \$3.8 million were made in 2021. Total long-term debt at the end of the year was \$44.0 million (2020 - \$47.8 million) and it belongs to the general fund. Exhibit 5 provides more detailed information on debt currently held by the City.

NON-FINANCIAL ASSETS

Non-financial assets are comprised of capital assets, inventory and pre-paid expenses. The net book value of non-financial assets increased by \$16.8 million in 2021 to \$1,454.2 million.

Category	2021 Change \$ (in millions)	Dec. 31, 2021 \$ (in millions)
Land & land improvements	\$2.8	\$457.0
Park improvements	(0.0)	17.4
Buildings	4.5	110.3
Machinery & equipment	2.0	7.8
Vehicles	1.3	16.7
Airport	(0.9)	22.0
Water	0.6	227.4
Sewer	(0.9)	154.5
Transportation	(9.2)	181.7
Storm drainage	0.0	186.4
Dyking, drainage & irrigation	(0.6)	17.8
Assets under construction	16.8	52.5
Inventory and pre-paid expenses	0.4	2.7
Total non-financial assets	\$16.8	\$1,454.2

FINANCIAL

TANGIBLE CAPITAL ASSETS & OTHER NON-FINANCIAL ASSETS

REVENUE

ACCUMULATED SURPLUS

Equity in financial assets is determined by the amount of financial assets less liabilities (excluding long-term debt). Financial equity for the year ended December 31, 2021 increased by \$32.4 million to \$393.1 million. This increase was mainly due to cash flow timing differences related to project schedules and higher returns earned in portfolio investments.

Equity in non-financial assets is determined by the amount of capital and other non-financial assets, less long-term debt. Equity in non-financial assets for the year ended December 31, 2021 increased by \$20.7 million over last year and ending at 1,410.2 million. This resulted from the retirement of debt principal and the acquisition of assets exceeding amortization expense for the year.

CONSOLIDATED STATEMENT OF OPERATIONS

Consolidated Statement of Operations (\$ millions)	2021 Actual (\$)	2020 Actual (\$)	Difference (\$)
Revenue	324.3	305.1	19.2
Expenses	(271.3)	(266.9)	(4.4)
Annual Surplus	53.0	38.2	14.8

Total consolidated revenue was higher than 2020 by \$19.2 million and below budget by only \$51,000. The City received \$11.4 million in contributed tangible capital assets in 2021 which included parkland, roads, watermains, and storm drainage, etc. In 2020, contributed tangible capital assets were \$25.1 million. The City does not budget for contributed tangible assets as they are difficult to predict.

MANAGEMENT DISCUSSION AND ANALYSIS

EXPENSES

Total consolidated 2021 expenses were higher than 2020 by \$4.5 million and \$22.2 million greater than budget for the year. This includes \$42.8 million of amortization expense, which is a non-cash expense and is not budgeted for.

ACCUMULATED ANNUAL SURPLUS

On a consolidated basis, the City experienced an annual PSAB surplus of \$53.0 million in 2021, an increase from the \$38.3 million surplus in 2020. Out of the \$53.0 million, \$20.7 million was an investment in tangible capital assets and non-financial assets and \$32.3 million was recorded as an unappropriated surplus in General, Water, Sewer, and Airport funds and was transferred to operating and capital reserves for new initiatives and future replacement of existing infrastructure.

Note 12 Accumulated Surplus details the sources of the consolidated annual surplus for 2021:

Category	\$ (in millions)
General operating reserve	7.3
Capital Reserves:	
General	5.7
Waterworks	7.5
Sanitary sewer	4.7
Airport	4.3
Other	2.8
Non-financial assets:	
Tangible capital assets	20.3
Inventory & pre-paid expenses	0.4
Total annual surplus	\$ 53.0

Supporting information in Exhibits 1 to 5 and Schedules A to R explain fund details and comparisons to budget.

**GENERAL
OPERATING FUND
- SCHEDULE A**

This schedule provides the details of revenues and expenses for the City’s general operating fund – everything except water, sewer, airport and capital funds. The general operating fund had an unappropriated surplus of \$17.9 million in 2021 (2020 – \$19.6 million) which was transferred to both operating and capital reserves for future infrastructure needs.

The following tables highlight some of the major favorable revenue variances vs budget for Schedule A.

Increased Revenue	Amount	Explanation
Unbudgeted transfers received	\$6.0M	Additional grant funding received through Community Works Fund
Investment income	3.3M	Mainly driven by higher than expected balances
Taxation revenue	1.0M	Higher than expected taxation revenue due to non-market change
Soil removal and building permit revenue	2.1M	Higher than expected activity in soil removal permits and building permits resulted in more revenue than planned

**WATER
OPERATING FUND
- SCHEDULE B**

The 2021 change in unappropriated surplus was \$1.6 million and it was transferred to water capital reserve along with the budgeted amount of \$9.7 million, for a total of \$11.3 million.

2021 expenditures were lower than budget by \$0.9 million for the year. Some projects were deferred to a future year, staff vacancies and related activity levels created a favorable variance against budget.

MANAGEMENT DISCUSSION AND ANALYSIS

SEWER OPERATING FUND - SCHEDULE C

The 2021 change in unappropriated surplus was \$2.3 million. Reduced expenditures, mainly in Joint Abbotsford-Mission treatment plant (JAMES) and administration areas, combined with revenue surplus contributed to this surplus.

\$7.7 million was transferred into the sewer capital reserve, which was made up of a budgeted \$5.4 million transfer and \$2.3 million in unappropriated surplus.

AIRPORT OPERATING FUND - SCHEDULE D

The 2021 annual surplus before amortization was \$3.5 million. This surplus is mainly driven by an operating grant funding of \$1.9 million. Transfer to airport capital reserves were 3.9 million for the year.

RESERVES - EXHIBIT 4

This exhibit provides details of the transfers to and from reserves.

CAPITAL RESERVES

Total capital reserves increased by \$25.0 million from 2020 (\$254.2 million) to 2021 (\$279.2 million).

OPERATING RESERVES

The operating reserve increased by \$7.3 million from 2020 (\$75.7 million) to 2021 (\$83.0 million).



2021
CONSOLIDATED
FINANCIAL
STATEMENTS

2021 CONSOLIDATED FINANCIAL STATEMENTS

AUDITORS' REPORT



KPMG LLP
32575 Simon Avenue
Abbotsford BC V2T 4W6
Canada
Telephone (604) 854-2200
Fax (604) 853-2756

INDEPENDENT AUDITORS' REPORT

To the Members of Council of the City of Abbotsford

Opinion

We have audited the accompanying financial statements of the City of Abbotsford (the "the City") which comprise:

- the statement of financial position as at end of December 31, 2021
- the statement of operations and accumulated surplus for the year then ended
- the statement of change in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes, exhibits and schedules to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City of Abbotsford as at December 31, 2021 and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

2021 CONSOLIDATED FINANCIAL STATEMENTS

AUDITORS' REPORT PAGE 2

City of Abbotsford
Page 2

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

Auditors' Responsibilities for the Audit of the Financial Statements'

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

2021 CONSOLIDATED FINANCIAL STATEMENTS

AUDITORS' REPORT PAGE 3

City of Abbotsford
Page 3

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants

Abbotsford, Canada
May 9, 2022


CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2021 with comparative information as at December 31, 2020 (in thousands)

	2021	2020
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	\$ 63,059	\$ 45,420
Accounts receivable (Note 3)	48,434	37,552
Portfolio investments (Note 4)	554,630	513,079
	666,123	596,051
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	116,757	91,216
Restricted revenue (Note 6)	140,024	127,474
Deferred revenue (Note 7)	16,272	16,672
	273,053	235,362
Long-term debt (Note 8)	43,965	47,804
	317,018	283,166
	349,105	312,885
NET FINANCIAL ASSETS		
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 9)	1,451,504	1,435,060
Inventories (Note 10)	1,685	1,391
Pre-paid expenses (Note 11)	982	907
	1,454,171	1,437,358
ACCUMULATED SURPLUS (Note 12)	\$ 1,803,276	\$ 1,750,243



 HENRY BRAUN, MAYOR



 KOMAL BASATIA, CPA, CGA
 CFO

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

	2021 Plan (Note 19)	2021 Actual	2020 Actual
REVENUE			
Municipal taxation	\$ 160,399	\$ 162,748	\$ 157,009
Fees and other charges	79,839	93,240	74,956
Developer charges earned	12,616	3,511	2,780
Contributed tangible capital assets	-	11,392	25,145
Grants and government transfers	61,782	38,648	29,880
Portfolio investment income	5,245	9,026	10,558
Interest and penalties	338	1,119	777
Rent	4,088	4,674	4,042
	<u>324,307</u>	<u>324,358</u>	<u>305,147</u>
EXPENSE			
General government	27,516	37,349	24,724
Planning & development services	7,839	6,148	6,424
Protective services	80,655	84,590	77,341
Parks, recreation, culture & libraries	38,495	37,818	57,061
Transit	14,913	11,934	11,668
Engineering	39,119	52,427	48,142
Dyking, drainage & irrigation	13,461	3,748	4,447
Waterworks	12,355	17,023	17,381
Sanitary sewer	10,293	13,937	13,692
Airport	4,518	6,351	5,986
	<u>249,164</u>	<u>271,325</u>	<u>266,866</u>
ANNUAL SURPLUS	<u>75,143</u>	<u>53,033</u>	<u>38,281</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>1,750,243</u>	<u>1,750,243</u>	<u>1,711,962</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$1,825,386</u>	<u>\$1,803,276</u>	<u>\$1,750,243</u>

 See notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

	2021	2020
OPERATING ACTIVITIES		
Annual Surplus	\$ 53,033	\$ 38,281
Non-cash items included in annual surplus:		
Amortization expense	42,767	37,562
Contributed tangible capital assets	(11,392)	(25,145)
Loss/(gain) on disposal of tangible capital assets	(1,868)	22,023
Recognition of restricted revenue	(3,521)	(2,860)
Changes in non-cash operating items:		
Accounts receivable	(10,883)	3,002
Inventories	(294)	(23)
Pre-paid expenses	(75)	(189)
Accounts payable and accrued liabilities	25,541	7,098
Deferred revenue	(399)	(2,432)
	<u>92,909</u>	<u>77,317</u>
INVESTING ACTIVITIES		
Increase in portfolio investments	(41,551)	(47,178)
FINANCING ACTIVITIES		
Collection of and interest on restricted revenue	16,071	16,036
Debt principal repaid	(3,839)	(3,870)
	<u>12,232</u>	<u>12,166</u>
CAPITAL ACTIVITIES		
Proceeds from disposal of tangible capital assets	3,539	1,086
Acquisition of tangible capital assets	(49,489)	(31,024)
	<u>(45,950)</u>	<u>(29,938)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	17,640	12,367
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>45,419</u>	<u>33,052</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 63,059</u>	<u>\$ 45,419</u>

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS/(DEBT)

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

	2021 Plan (Note 19)	2021 Actual	2020 Actual
ANNUAL SURPLUS	\$ 75,143	\$ 53,033	\$ 38,281
TANGIBLE CAPITAL ASSETS:			
Acquisition of tangible capital assets	(216,773)	(49,489)	(31,024)
Contributed tangible capital assets	-	(11,392)	(25,145)
Amortization	-	42,767	37,562
Proceeds from disposal of tangible capital assets	-	3,538	1,087
Loss/(gain) on disposal of tangible capital assets	-	(1,868)	22,023
	(216,773)	(16,444)	4,503
OTHER NON-FINANCIAL ASSETS:			
Increase in inventory	-	(294)	(23)
Increase in pre-paid expenses	-	(75)	(189)
	-	(369)	(212)
INCREASE/(DECREASE) IN NET FINANCIAL ASSETS	(141,630)	36,220	42,572
NET FINANCIAL ASSETS, BEGINNING OF YEAR	312,885	312,885	270,313
NET FINANCIAL ASSETS, END OF YEAR	\$ 171,255	\$ 349,105	\$ 312,885

 See notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

The Notes to the Consolidated Financial Statements are an integral part of the financial statements. They explain the significant accounting and reporting policies and principles underlying these statements. They also provide relevant supplementary information and explanations.

SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the City of Abbotsford ('the City') conform to generally accepted accounting policies for local government financial reporting in British Columbia. The Consolidated Financial Statements have been prepared in accordance with current standards issued by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

(a) Principles of Consolidation:

With the exception of the Cemetery Care Trust Fund, the Consolidated Financial Statements include all of the funds of the City. Inter-fund transactions, fund balances, and activities have been eliminated on consolidation. The funds of the City include General, Water, Sewer, Airport, Operating, Capital, and Reserve Funds. The Cemetery Care Trust Fund is excluded from the Consolidated Financial Statements and is reported separately. The regional waterworks (supply) and sanitary sewer (treatment plant) utilities, whose ownership transferred from the Fraser Valley Regional District (FVRD) jointly to the City and District of Mission on January 1, 2005, are consolidated in the City's financial statements, with the District of Mission's minority interest removed.

(b) Fund Accounting:

The resources and operations of the City have been segregated for accounting and financial reporting purposes into the following funds, which are presented as supplementary information:

Operating Funds: Operating funds report the principal activities of General, Water, Sewer, and Airport operations.

Capital Funds: Capital funds report the acquisition and disposal of property and equipment and their related financing.

Reserve Funds: Reserve funds report the assets held for specific future requirements.

(c) Financial Plan:

The Community Charter (Section 165) requires revenues and expenses to be in accordance with the five-year financial plan adopted annually by Council. The 2021 Plan amounts in the financial statements reflect the first year of the five-year financial plan adopted by Council on January 25, 2021, with the exception of adjustments detailed in Note 19 to the Consolidated Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

1. SIGNIFICANT ACCOUNTING POLICIES: CONTINUED

(d) Cash and Cash Equivalents:

Cash and cash equivalents include cash as well as deposits in the Municipal Finance Authority short-term money market investment pool. These investments are highly liquid and are readily convertible to known amounts of cash.

(e) Portfolio Investments:

Portfolio investments are carried at cost, with the exception of Municipal Finance Authority pooled investments, which are carried at market value. When, in the opinion of management, there is a permanent decline in value, investments are written down to their net realizable value.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

1. SIGNIFICANT ACCOUNTING POLICIES: CONTINUED

(f) Non-Financial Assets:

Tangible capital assets, inventories and pre-paid expenses are recorded as non-financial assets. Non-financial assets are not available to discharge existing liabilities and are held to provide City services in future periods. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Intangible capital assets, such as water rights and mineral resources, are not recorded in the financial statements.

Tangible Capital Assets

Capital Assets are recorded at cost, net of capital asset disposals, write-downs and amortization. The useful life is applied on a straight-line basis to calculate amortization.

	Major Asset Category	Useful Life Range (years)
General	Land	n/a
	Land Improvements	10-20
	Park Improvements	10-50
	Buildings	10-50
	Machinery, Equipment, Vehicles	4-20
Infrastructure	Airport	20-125
	Water	20-75
	Sewer	20-75
	Transportation	15-75
	Storm Drainage & Detention	50-100
	Dyking, Drainage and Irrigation	20-100

Tangible capital assets, including construction-in-progress, are recorded at cost. Amortization on tangible capital assets begins at the point in time the asset is substantially complete and ready for use. Contributed tangible capital assets are recorded at fair value at the date of contribution using various methods including appraisal, assessed values or in-house estimation.

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

1. SIGNIFICANT ACCOUNTING POLICIES: CONTINUED

(g) Accrued Liabilities:

Liabilities can arise from contracts and agreements, government legislation, constructive obligations, and equitable obligations.

(h) Financial Instruments:

The City's financial instruments consist of cash, accounts receivable, portfolio investments, accounts payable and accrued liabilities, and long-term debt. Unless otherwise indicated, it is management's opinion that the City is not exposed to any significant interest, credit or currency risks arising from these financial instruments. Unless otherwise noted, fair values approximate carrying values.

(i) Revenue Recognition:

Sources of revenue are recorded on the accrual basis and recognized when earned. Revenue unearned in the current period is reported on the balance sheet as deferred revenue. Property taxes are recognized as revenue in the year to which they pertain, as authorized by the Council through adoption of the tax rate bylaw.

(j) Expense Recognition:

Expenses are recognized on the accrual basis in the period they are incurred.

(k) Government Transfers:

Government transfers received by the City are recognized as revenue once the transfer has been authorized by the transferring government and the City has met any eligibility requirements (e.g. completion of agreed-upon capital works). However, in cases where stipulations have been imposed by the transferring government on the City with respect to the use or retention of funds already transferred, and those stipulations have not yet been met, a liability is recognized.

Transfers from the City to other agencies are normally granted only in return for services provided to the community. As such, they would be recognized on the same basis as other expenses.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

1. SIGNIFICANT ACCOUNTING POLICIES: CONTINUED

(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 at the date of the financial statements, and the reported revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of employee post-retirement benefits, liability claims, landfill restoration costs, allowance for doubtful accounts receivable, provision for contingencies, historical tangible capital asset costs for those acquired prior to 2008, and timing of new asset recognition. Actual results could differ from management's best estimates as additional information becomes available. Adjustments, if any, are recorded or disclosed in the financial statements in the period that the change in estimate is made, as well as in the period of settlement.

(m) Contaminated Sites:

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.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- a) an environmental standard exists
- b) contamination exceeds the environmental standard
- c) the organization is directly responsible or accepts responsibility for the liability
- d) future economic benefits will be given up, and
- e) a reasonable estimate of the liability can be made.

(n) Comparative Figures:

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior years' surplus.

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

2. CASH AND CASH EQUIVALENTS:

	2021	2020
Cash	\$ 59,868	\$ 40,236
MFA short-term money-market investment pools	3,191	5,184
	<u>\$ 63,059</u>	<u>\$ 45,420</u>

3. ACCOUNTS RECEIVABLE:

	2021	2020
Fees and charges	\$ 27,574	\$ 16,876
Taxes	4,796	5,365
Grants	10,327	5,296
Development cost charges	2,544	6,572
Local improvement/service charges	3,193	3,443
	<u>\$ 48,434</u>	<u>\$ 37,552</u>

All accounts receivable are reported net of allowances for doubtful accounts.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

4. PORTFOLIO INVESTMENTS:

The investment portfolio includes bonds of Chartered Banks and Provincial Governments; deposits and notes of Chartered Banks and Credit Unions; and deposits in the Municipal Finance Authority long-term investment pools.

Short-term investments have a duration of less than two years, whereas long-term investments have a duration of 2 - 10 years.

	2021		2020	
	Cost	Market	Cost	Market
	\$ 554,630	\$ 554,542	\$ 513,079	\$ 514,073
	Short-term	Long-term	Short-term	Long-term
Average holdings	478,672	17,350	442,350	16,978
Annual yield	2.02 %	1.82 %	2.48 %	3.15 %

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES:

	2021	2020
Accounts payable:		
Trade payables	\$ 27,458	\$ 14,671
Deposits	47,666	34,774
Tax prepayments	15,538	14,692
Salaries and wages	5,938	7,085
Due to Cemetery Care Trust Fund	2,074	3,171
Accrued liabilities:		
Retirement allowance liability	13,111	12,790
Liability claims	401	426
Vacation pay	2,660	2,338
Landfill restoration liability	1,911	1,269
	<u>\$ 116,757</u>	<u>\$ 91,216</u>

(a) Retirement Allowance Liability:

The City provides certain earned benefits at retirement, including post-employment service pay (retirement allowance liability for the City), accumulated vested sick leave (only applicable to Police Association members), and additional vacation in the year of retirement.

The post-employment service pay is estimated for individual employees, based on projected salary costs at the time of anticipated retirement, and discounting expected pay-outs over estimated years of service. The expected retirement allowance liability is accrued based on a normal retirement age or actual age, whichever is greater. The retirement allowance liability requires no contribution from employees.

In 2021, an independent actuarial valuation of the retirement allowance liability was performed. The actuarial valuation for these benefits was updated to determine the City's benefit obligation as at December 31, 2021. The difference between the actuarially determined benefit obligation of \$14,026,000 and the accrued benefit liability of \$13,111,000 as at December 31, 2021, was an unamortized actuarial loss of \$915,000, (2020 loss - \$1,233,000) which is being amortized over a period equal to the employees' average remaining service lifetime. The next actuarial valuation will be as at December 31, 2022.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: CONTINUED

(a) Retirement Allowance Liability: continued

	<u>2021</u>	<u>2020</u>
Actuarial benefit obligation	\$ 14,026	\$ 14,023
Unamortized actuarial gain/(loss)	(915)	(1,233)
Accrued benefit liability	<u>\$ 13,111</u>	<u>\$ 12,790</u>

Accrued benefit liability:

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 12,790	\$ 12,032
Current service cost	1,155	1,038
Interest cost	308	361
Benefits paid	(1,278)	(730)
Amortization of net actuarial loss	136	89
Balance, end of year	<u>\$ 13,111</u>	<u>\$ 12,790</u>

Actuarial Assumptions used to determine the benefit obligation:

	<u>2021</u>	<u>2020</u>
Discount rate	2.5 %	2.1 %
Expected average annual wage and salary increase - Fire & Police	2.5 %	2.5 %
Expected average annual wage and salary increase - all others	2.5 %	2.5 %

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: CONTINUED

(b) Landfill Restoration Liability:

Closure and post-closure care requirements are established by a number of regulations: British Columbia's Contaminated Sites Regulation and Hazardous Waste Regulation, both under the Environmental Management Act and BC Ministry of Environment permits.

There are two landfills subject to these regulations - Valley Road Landfill and Trethewey Street Landfill - that were operated and closed to various stages between 1978 and 1989. The Trethewey site has been inactive since 1985. The Valley Road site recently re-opened its permit to deposit sediment dredged from the Sumas River.

Costs related to closure and post-closure activities at these sites include drainage control, leachate monitoring and collection, gas monitoring and recovery, final ground cover, closure assessment and planning, and regulatory approvals.

The Trethewey Street Landfill site is expected to require care up to and including the year 2040, primarily for leachate monitoring and gas collection. Further care requirements may be determined from a closure plan prepared by a qualified independent consultant, as required by BC Ministry of Environment permits - this deadline is set at December 2023.

The Valley Road Landfill Closure Plan was completed in 2020, however, analysis of remaining wood waste is still ongoing into 2022. The Valley Road Landfill site is expected to require care up to and including the year 2050, primarily for monitoring of groundwater, surface water, leachate, and sediment. The capacity of the site for river sediment is estimated by the closure plan at 67,500 cubic meters, of which 3,778 cubic meters have been used at the end of 2021. This capacity is projected to be fully used by 2025.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: CONTINUED

(b) Landfill Restoration Liability: continued

The liability of \$1,911,000, at December 31, 2021 (2020 - \$1,269,000), is calculated based on the discounted estimated future cash flows associated with closure and post-closure activities for both landfills. An additional \$905,000 (present value) is estimated to be required for closure activities related to future sediment deposits at the Valley Road site; only a portion of this liability has been included as only 5.5% of the capacity has been used.

The discount rate used in 2021 was 2.5% (2020 – 2.1%) and the inflation rate used in 2021 was 2.6% (2020 - 2.0%). Landfill closure costs in 2021 were \$107,014 (2020 - \$141,923). There are no assets designated for settling the post-closure care liability.

	<u>2021</u>	<u>2020</u>
Restoration liability, beginning of year	\$ 1,269	\$ 1,180
Adjustment to liability	642	89
Restoration liability, end of year	<u>\$ 1,911</u>	<u>\$ 1,269</u>

(c) Liability for Contaminated Sites:

The City has determined that as of December 31, 2021, no contamination in excess of an environmental standard exists related to sites not in productive use for which the City is responsible.

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

6. RESTRICTED REVENUE LIABILITY:

	Development Cost Charges	Development Fees	Airport Fees	2021 Total	2020 Total
Balance, beginning of year	\$ 93,459	\$ 31,244	\$ 2,771	\$ 127,474	\$ 114,298
Add:					
Current year contributions	10,692	3,244	-	13,936	13,822
Interest	1,586	549	-	2,135	2,214
	105,737	35,037	2,771	143,545	130,334
Less: Amounts recognized as revenue					
Developer charges earned - capital expenditures	2,547	964	-	3,511	2,855
Airport fees - eligible airport expenditures	-	-	10	10	5
	2,547	964	10	3,521	2,860
Balance, end of year	\$ 103,190	\$ 34,073	\$ 2,761	\$ 140,024	\$ 127,474

The restricted revenue liability primarily represents funds received from developers for capital infrastructure and minor capital expenditures required as a result of their development projects. As these funds are expended, the liability will be reduced and the amount expended will be recorded as revenue.

(a) Development Cost Charges (DCC):

Developers are entitled to pay development cost charges (DCCs) in equal installments over three years if the total amount payable is equal to, or greater than, \$50,000. Installments due for the next two years are recorded as accounts receivable and are guaranteed by the developer by providing a letter of credit payable on demand to the City for the remaining amount of DCCs owing. As at December 31, 2021, the amount of DCCs due over the next two years is \$2,543,661 (2020 - \$6,572,087).

Assets are not physically segregated to meet the requirements of the restricted revenues. The liability will be settled with the proceeds of accounts receivable and/or investments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

6. RESTRICTED REVENUE LIABILITY: CONTINUED

(a) Development Cost Charges (DCC): continued

	<u>2021</u>	<u>2020</u>
Storm drainage	\$ 12,221	\$ 13,204
Parks	23,663	20,898
Waterworks - supply	24,700	22,243
Waterworks - distribution	2,247	2,012
Sanitary sewer - collection	6,667	6,033
Sanitary sewer - treatment plant	9,746	8,500
Roads	23,946	20,569
	<u>\$ 103,190</u>	<u>\$ 93,459</u>

(b) Development Fees:

Development fees are charges collected from developers to fund specified improvements related to proposed developments.

(c) Airport Fees:

Airport fees consist of customer facility charges collected from car rental companies and are used to fund capital improvements related to car rental facilities at the Airport, including debt service charges.

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

7. DEFERRED REVENUE:

	Balance, Beginning of Year	Externally restricted inflows	Revenue earned	Balance, December 31, 2021
Fees and charges	\$ 4,387	\$ 5,538	\$ (6,618)	\$ 3,307
Grants	12,285	3,299	(2,619)	12,965
	<u>\$ 16,672</u>	<u>\$ 8,837</u>	<u>\$ (9,237)</u>	<u>\$ 16,272</u>

8. LONG-TERM DEBT:

The City carries no debt for others. Debenture debt principal is reported net of repayments and actuarial adjustment balances, and interest expense is reported net of actuarial earnings. All long-term debt is payable in Canadian dollars. Amounts of principal payments estimated to be required in each of the next five years and thereafter are listed below:

	Total
2022	\$ 3,954
2023	4,112
2024	4,277
2025	4,448
2026	4,626
2027 and thereafter	22,548
	<u>\$ 43,965</u>

All debt is held by the General Capital fund. Interest rates on borrowed funds are disclosed in the accompanying debt schedules (see Exhibit 5). The City's interest expense on long-term debt totaled \$2,718,400 in 2021 (2020 - \$2,865,500).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

9. TANGIBLE CAPITAL ASSETS:

Tangible Capital Assets consist of the following:

	2021	2020
General		
Land	451,424	447,992
Land improvements	5,533	6,154
Park improvements	17,434	17,460
Buildings	110,323	105,749
Machinery & equipment	7,792	5,815
Vehicles	16,723	15,449
Infrastructure		
Airport	21,968	22,888
Waterworks	227,448	226,874
Sanitary sewer	154,473	155,381
Transportation	181,652	190,819
Storm drainage and detention	186,430	186,411
Dyking, drainage & irrigation	17,774	18,351
Assets under construction	52,530	35,717
	<u>\$ 1,451,504</u>	<u>\$ 1,435,060</u>

See Exhibit 3 for a continuity schedule of Tangible Capital Assets.

The value of contributed capital assets received and recognized in the year 2021 from developers, for various infrastructure works and related land and parks is \$11,391,617 (2020 – \$25,145,136).

Art and historic treasures are held by the City in its museum and arts centre. Due to the subjective nature of the assets, they are not included in the values shown on the financial statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

10. INVENTORIES:

Inventories are valued at the lower of cost and net realizable value, on a weighted average basis. The following table represents the inventory values:

	2021	2020
Stock	\$ 613	\$ 628
Fuel	90	45
Gravel	982	718
	<u>\$ 1,685</u>	<u>\$ 1,391</u>

11. PRE-PAID EXPENSES:

Pre-paid expenses are cash disbursements that have been made prior to the related benefits being received. Examples include insurance and software licensing.

	2021	2020
General	\$ 982	\$ 834
Abbotsford Centre	-	73
	<u>\$ 982</u>	<u>\$ 907</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

12. ACCUMULATED SURPLUS:

	2021	2020
Unappropriated Balance		
General operations	\$ 19,627	\$ 19,570
Waterworks operations	4,263	4,265
Sanitary sewer operations	5,799	5,799
Airport operations	1,176	1,176
	<u>30,865</u>	<u>30,810</u>
Appropriated Surplus		
General operations reserve	82,970	75,674
Statutory capital reserves	279,234	254,201
	<u>362,204</u>	<u>329,875</u>
Investment in tangible capital assets	1,407,540	1,387,256
Investment in other non-financial assets	2,667	2,302
	<u>1,410,207</u>	<u>1,389,558</u>
Total Accumulated Surplus	<u>\$ 1,803,276</u>	<u>\$ 1,750,243</u>

The Unappropriated Surplus is the amount of Accumulated Surplus remaining after deducting the Investment in Tangible Capital Assets, Investment in Other Non-Financial Assets and the Appropriated Surplus balances. Where this amount is supported by cash and net short-term receivables, it is available to temporarily finance operations until planned revenues (i.e., property taxes, grants, etc.) are received, or for other operating or capital purposes as determined by Council.

Appropriated Surplus is the amount of Accumulated Surplus, supported by a portion of the City's cash and receivables that has been set aside for a specified purpose. The Statutory Capital Reserves have been established through bylaw in accordance with the Community Charter, and their use is restricted by the legislation. In the normal course of operations, these funds will be used to finance the future services or capital works for which they have been appropriated.

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

13. SUPPLEMENTAL CASH FLOW INFORMATION:

The net operating revenue of the City includes the following cash flows relating to interest received and paid:

	<u>2021</u>	<u>2020</u>
Interest paid	\$ 2,812	\$ 2,814
Interest received	6,679	9,874
	<u>\$ 9,491</u>	<u>\$ 12,688</u>

14. SUPPLEMENTAL GRANT REVENUE INFORMATION:

The City may receive grant revenue from the Federal, Provincial or other level of governments. The following is a breakdown of the grant revenue recognized from each level of government:

	<u>2021</u>	<u>2020</u>
Federal transfers	\$ 15,867	\$ 6,397
Provincial transfers	22,781	23,483
	<u>\$ 38,648</u>	<u>\$ 29,880</u>

15. EXPENSE BY OBJECT:

	<u>2021</u>	<u>2020</u>
Salaries and benefits	\$ 122,148	\$ 115,518
Operating goods and services	80,097	63,957
Minor capital projects	9,213	9,083
Amortization	42,767	37,562
Loss (gain) on disposal of tangible capital assets	(1,868)	22,023
Transfer payments to other governments and agencies	16,250	15,858
Long-term debt interest	2,718	2,865
Total expense by object	<u>\$ 271,325</u>	<u>\$ 266,866</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

16. CONTINGENT LIABILITIES:

(a) Fraser Valley Regional District (FVRD):

The City, as a member of the FVRD, is jointly and severally liable for the net capital liabilities of the FVRD.

(b) Third Party Claims:

The City is involved in certain legal actions. Although the actual outcome of these claims is currently indeterminable, in 2021 the City reports a liability of \$401,361 (2020 – \$426,345) which, at this time, is management's best estimate of expected future settlements.

(c) 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 defined-benefit pension plan. Basic pension benefits provided are based on a formula. The Plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 1,100 contributors from the City of Abbotsford.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution 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.

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

16. CONTINGENT LIABILITIES: CONTINUED

(c) Municipal Pension Plan: continued

The most recent actuarial valuation as at December 31, 2018 indicated a \$2,866,000,000 funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2021, with results available in 2022. In 2021, the City paid \$11,067,999 (2020 - \$10,253,960) for employer contributions while employees contributed \$8,736,351 (2020 - \$8,087,239) to the plan.

(d) Municipal Finance Authority:

The loan agreements with the Municipal Finance Authority provide that, if the Authority does not have sufficient funds to meet payments on its obligations, it shall make payments from a debt issue's Debt Reserve Fund which is established by a similar Debt Reserve Fund in the municipality and all other borrowing participants. If the Debt Reserve Fund is deficient, the Authority's obligations become a liability of the Regional District and may become a liability of the participating municipalities.

The Debt Reserve Fund related to any particular debt issue is equal to one-half the average annual principal and interest installment. This amount is payable to the Authority at the time of issue, either in full or in an amount equal to one percent of the principal amount borrowed. The balance is secured by a non-interest-bearing demand note. The monies paid into the Debt Reserve Fund and interest that the fund earns are obligations of the Authority to its clients.

The City has a cash receivable with the Authority, from the one percent paid to the Debt Reserve Fund, totaling \$1,258,906 (2020 - \$1,237,851). The balance of the City's portion of the Debt Reserve Fund totals \$2,442,730 (2020 - \$2,442,730), for which the City has also executed demand notes in connection with each debenture totaling \$2,442,730 (2020 - \$2,442,730), whereby the City may be required to loan extra amounts to the Authority.

(e) Abbotsford International Airport:

The City of Abbotsford acquired the Abbotsford International Airport from Transport Canada on January 1, 1997, for the nominal cost of ten dollars. Property and equipment transferred to the City were recorded at fair value. Conditions of the transfer agreement require that the property and equipment transferred to the City must be used for the operation of the airport. In the event the City ceases to operate the airport, the property and equipment will transfer back to Transport Canada for proceeds of ten dollars.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

16. CONTINGENT LIABILITIES: CONTINUED

(f) Agricultural Land Commission:

In 2005, the City applied to the Agricultural Land Commission (ALC) for a permit (No. MM-36161) to extract aggregate on airport property located in the Agricultural Land Reserve. The application proposed the extraction of approximately 150,000 cubic metres of aggregate over approximately 9 hectares of the site. After extraction is complete, the property will be reclaimed as specified in a report from a Professional Agrologist. To ensure successful reclamation, the ALC required a financial security of \$250,000 be posted in favour of the ALC.

(g) Clayburn Village Project

In 2019, the City was required to provide a letter of credit in the amount of \$844,662 as financial security to the Department of Fisheries and Oceans (DFO) to meet the requirements to guarantee certain works would take place as part of a project in Clayburn Village in Abbotsford. The file name is "REVISION 3: Compendium of updated project information to support the Request for Authorization for the 2019 Clayburn Creek Conveyance Improvements near Clayburn Village, Abbotsford, BC, dated June 6, 2019" under DFO Referral File No: 18-HPAC-00371/City of Abbotsford.

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

17. CONTRACTUAL OBLIGATIONS:

Contracts entered into and not complete at the end of the fiscal year will become liabilities once the terms of the contracts are met. The nature and extent of the related expenditures are as follows:

	Extent of Contracts	Estimated Remaining Expenditure
Operational services	\$ 6,601	\$ 5,086
Road construction	20,437	12,915
Sanitary sewer construction	3,076	1,374
Storm Drainage	8,114	6,317
Vehicles & Equipment	1,264	658
Waterworks Construction	4,867	3,354
	<u>\$ 44,359</u>	<u>\$ 29,704</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

18. CONTRACTUAL RIGHTS:

The City of Abbotsford has entered into contracts for various grants, property rental and rights to revenues, and is scheduled to receive the following amounts under those contracts:

	<u>Extent of Contracts</u>
2022	\$ 7,477
2023	24,746
2024	2,884
2025	2,178
2026	1,705
2027 and thereafter	17,005
	<u>\$ 55,995</u>

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

19. 2021 BUDGET FIGURES:

The budget figures included in the financial statements reflect the amended planned budget adopted through Bylaw No. 3143-2021 on April 6, 2021. The City of Abbotsford has elected to present the amended budget, which was adopted prior to the tax rates bylaw, as it reflects the City's comprehensive budget figures and includes on-going prior years' commitments related to capital expenditures and relevant government grants.

Revenues	Annual Budget	Amended Budget	Change
Municipal assessment taxes	\$ 160,399	\$ 160,399	\$ -
Fees and charges	69,648	71,939	2,291
Developer charges earned	1,501	12,616	11,115
Contributions from other governments	4,375	7,451	3,076
Government grants	23,653	61,782	38,129
Rent	5,647	5,647	-
Interest and penalties	6,334	6,334	-
Other sources	3,304	5,671	2,367
	\$ 274,861	\$ 331,839	\$ 56,978
Expenses			
Capital Expenses	38,257	216,773	178,516
Protective services	79,153	79,153	-
Parks, recreation and cultural services	35,197	35,412	215
Engineering services	28,491	29,737	1,246
General government	25,558	27,002	1,444
Water services	11,933	12,184	251
Sewer services	10,581	10,641	60
Transit services	16,053	14,913	(1,140)
Airport services	4,518	4,518	-
Development services	7,164	7,839	675
Dyking services	3,215	3,215	-
Debt interest	2,776	2,776	-
Debt principal repayment	3,802	3,802	-
	\$ 266,698	\$ 447,965	\$ 181,267
Net Revenue (Expenses)	8,163	(116,126)	(124,289)
Debt proceeds	-	-	-
Transfers (to) from operating reserves	(6,202)	(32,214)	(26,012)
Transfers (to) from capital reserves	14,365	(83,912)	(98,277)
	8,163	(116,126)	(124,289)
Net Budgeted Surplus	\$ -	\$ -	\$ -

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

19. 2021 BUDGET FIGURES: CONTINUED

Reconcile to Consolidated Statement of Operations

Net Revenue (Expenses) per Bylaw 2020-3030	\$ (116,126)
Add:	
Capital expenditures	216,773
Debt principal repayment	3,802
Water/Sewer/Cemetery fund reserve revenue	-
Less:	
Minor capital expenses	(24,335)
Collections for other governments	(4,971)
Annual surplus per Statement of Operations	<u>\$ 75,143</u>

20. CEMETERY CARE TRUST FUND:

The Cemetery Care Trust Fund is excluded from the Consolidated Financial Statements and is reported separately. The City administers the Cemetery Care Trust Fund for the perpetual care and maintenance of City-owned cemeteries. As at December 31, 2021, the trust fund balance is \$4,364,554 (2020 - \$4,224,351).

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

21. COVID-19 SAFE RESTART GRANT:

The Provincial government provided "COVID-19 Safe Restart Grants for Local Governments" to support local governments with increased operating costs and lower revenues due to the COVID-19 pandemic. This funding was also to ensure local governments can continue to deliver the services residents depend on in their communities.

In 2020, the City received \$8,338,000 to assist with these costs. Below is a schedule of how the funds were allocated:

2020:

Loss of revenues:		
Recreation	\$	4,068
Abbotsford Centre (net of expenses)		88
Gaming revenue		819
Building permits		156
Increased expenses:		
COVID-19 relief		615
Solid waste collection		539
Total allocated in 2020	\$	<u>6,285</u>

2021:

Loss of revenues:		
Transit		898
Abbotsford Centre (net of expenses)		684
Solid waste collection		467
General operating expenses		4
Total allocated in 2021	\$	<u>2,053</u>

22. FINANCIAL RISKS:

Market Risk is the risk that changes in market prices, such as interest rates, will affect the City's income. The City's cash and portfolio investments include amounts on deposit with financial institutions that earn interest at market rates. The City manages its cash by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market rates of interest would not have a significant effect on the City's income.

Credit Risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Management does not believe that the City is exposed to significant credit risk.

The carrying value of cash, accounts receivable, and accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of these items.

There has been no change to the risk exposure outlined above from 2020 other than the pervasive impact of the ongoing COVID-19 pandemic, of which, may lead to adverse changes in cash flows and working capital levels, which may also have a direct impact on the City's operating results and financial position in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy are not known at this time.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

23. CITY SERVICES FINANCIAL INFORMATION:

This information enhances the transparency of financial reporting and supplements broader-based fund information. The service information helps with understanding the City organization and how it discharges its accountability obligations, and helps to understand performance and to make informed judgments about the major services provided. Major services and their functional responsibilities are described below:

General Government Services

- Legislative & support services
- Strategic planning, corporate communications & marketing
- Human resources
- Financial services
- Information technology
- Procurement
- Risk management
- Economic development
- Continuous improvement
- Housing services
- Provincial emergency response
- Bylaw enforcement
- Restorative justice

Police Protection Services

- Community policing
- Criminal investigations
- Patrol
- Victim services
- Traffic safety
- Crime prevention
- Community outreach

Fire Rescue Services

- Emergency incident response
- Firefighter training
- Fire inspections and investigations
- Fire safety programs
- Medical assistance
- Search & rescue
- City emergency response

Engineering Services

- Transportation infrastructure (plan, design, construct, maintain)
- Mapping & survey
- Fleet vehicles
- Soil, gravel & rock removal management
- Municipal buildings maintenance

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

23. CITY SERVICES FINANCIAL INFORMATION: CONTINUED

Parks, Recreation & Culture Services

Recreation facilities & programs
Parks & open space
Health and wellness
Cemeteries
Cultural Centre
Abbotsford Centre
Library services

Solid Waste Services

Collection & disposal
Composting & recycling
Environmental education

Dyking & Irrigation Services

Dyking infrastructure
Water management of City dyking & drainage areas
Irrigation services & infrastructure

Sanitary Sewer Services

Sewer infrastructure (plan, design, construct, maintain)
Collecting & treating liquid waste

Airport Services

National & international flights
Passenger & cargo services

Planning & Development Services

Building construction regulations
Building inspections
Business licensing
Environmental protection
Land development
Long-range & social planning

Transit Services

Planning & management
Conventional transit
Custom transit (Handi-dart)

Drainage Services

Urban storm drainage infrastructure & water management
Rural storm drainage infrastructure & water management

Waterworks Services

Water infrastructure (plan, design, construct, maintain)
Water treatment
Potable water distribution
Conservation education

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

24. SEGMENT INFORMATION – REVENUES & EXPENSES BY FUNCTION:

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
GENERAL OPERATING FUND			
General government services	\$ 110,260	\$ 136,051	\$ 122,399
Planning & development services	5,822	7,940	6,851
Police services	58,945	60,305	57,357
Fire rescue services	272	174	205
Parks, recreation & culture services	4,541	4,394	3,331
Abbotsford Centre	5,490	2,395	2,401
Library services	5,135	5,135	5,065
Transit services	8,647	7,749	8,498
Engineering services	3,924	4,797	4,956
Solid waste services	9,258	9,259	8,932
Storm drainage services	3,725	3,751	3,742
Dyking, drainage and irrigation services	2,140	2,113	2,144
	<u>218,159</u>	<u>244,063</u>	<u>225,881</u>
WATERWORKS OPERATING FUND	20,595	21,263	19,725
SANITARY SEWER OPERATING FUND	14,801	16,118	15,021
AIRPORT OPERATING FUND	4,847	8,097	4,958
CAPITAL FUNDS	61,795	29,214	33,635
RESERVE FUNDS	4,110	5,603	5,927
	<u>324,307</u>	<u>324,358</u>	<u>305,147</u>

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

24. SEGMENT INFORMATION – REVENUES & EXPENSES BY FUNCTION: CONTINUED

	2021 Plan	2021 Actual	2020 Actual
EXPENSES			
GENERAL OPERATING FUND			
General government services	26,276	36,233	23,874
Planning & development services	7,839	6,147	6,425
Police services	58,418	60,703	55,526
Fire rescue services	21,461	22,420	20,836
Parks, recreation & culture services	24,952	25,451	45,209
Abbotsford Centre	8,402	6,834	6,336
Library services	4,835	5,023	4,851
Transit services	14,913	11,934	11,668
Engineering services	16,806	28,775	27,057
Solid waste services	9,458	10,910	9,938
Storm drainage services	3,473	7,450	6,359
Dyking, drainage and irrigation services	3,214	3,528	3,619
	200,047	225,408	221,698
WATERWORKS OPERATING FUND	10,910	16,750	16,754
SANITARY SEWER OPERATING FUND	9,354	13,877	13,402
AIRPORT OPERATING FUND	4,518	6,077	5,929
CAPITAL FUNDS	24,335	9,213	9,083
	249,164	271,325	266,866
ANNUAL SURPLUS	\$ 75,143	\$ 53,033	\$ 38,281

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

25. REVENUES & EXPENSES BY FUNCTION LESS AMORTIZATION:

For the 2021 operating expenses, the City did not budget for amortization and loss/gain on disposal of tangible capital assets (non-cash expenses). The following table provides information on all City revenues and expenses compared to budget.

	2021 Plan	2021 Actual (less Amortization)	2020 Actual (less Amortization)
REVENUE			
GENERAL OPERATING FUND			
General government services	\$ 110,260	\$ 136,051	\$ 122,399
Planning & development services	5,822	7,940	6,851
Police services	58,945	60,305	57,357
Fire rescue services	272	174	205
Parks, recreation & culture services	4,541	4,394	3,331
Abbotsford Centre	5,490	2,395	2,401
Library services	5,135	5,135	5,065
Transit services	8,647	7,749	8,498
Engineering services	3,924	4,797	4,956
Solid waste services	9,258	9,259	8,932
Storm drainage services	3,725	3,751	3,742
Dyking, drainage and irrigation services	2,140	2,113	2,144
	<u>218,159</u>	<u>244,063</u>	<u>225,881</u>
WATERWORKS OPERATING FUND	20,595	21,263	19,725
SANITARY SEWER OPERATING FUND	14,801	16,118	15,021
AIRPORT OPERATING FUND	4,847	8,097	4,958
CAPITAL FUNDS	61,795	29,215	33,635
RESERVE FUNDS	4,110	5,602	5,927
	<u>324,307</u>	<u>324,358</u>	<u>305,147</u>

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021 (Tabular amounts are in thousands of dollars)

25. REVENUES & EXPENSES BY FUNCTION LESS AMORTIZATION: CONTINUED

	2021 Plan	2021 Actual (less Amortization)	2020 Actual (less Amortization)
EXPENSES			
GENERAL OPERATING FUND			
General government services	26,276	34,381	22,497
Planning & development services	7,839	6,147	6,425
Police services	58,418	59,710	54,526
Fire rescue services	21,461	21,446	19,974
Parks, recreation & culture services	24,952	22,626	20,846
Abbotsford Centre	8,402	5,958	5,452
Library services	4,835	4,814	4,624
Transit services	14,913	11,922	11,656
Engineering services	16,806	14,696	14,582
Solid waste services	9,458	10,869	9,843
Storm drainage services	3,473	3,313	2,458
Dyking, drainage and irrigation services	3,214	2,792	2,900
	200,047	198,674	175,783
WATERWORKS OPERATING FUND	10,910	9,927	10,235
SANITARY SEWER OPERATING FUND	9,354	8,371	8,107
AIRPORT OPERATING FUND	4,518	4,241	4,073
CAPITAL FUNDS	24,335	9,213	9,083
AMORTIZATION	-	42,767	37,562
LOSS/(GAIN) ON DISPOSAL OF TANGIBLE CAPITAL ASSETS	-	(1,868)	22,023
	249,164	271,325	266,866
ANNUAL SURPLUS	\$ 75,143	\$ 53,033	\$ 38,281

STATEMENT OF FINANCIAL POSITION - BY FUND

As at December 31, 2021 with comparative information as at December 31, 2020 (in thousands)

EXHIBIT 1

	Operating Funds				Reserve Funds
	Sanitary				
	General	Waterworks	Sewer	Airport	
FINANCIAL ASSETS					
Cash and cash equivalents	\$ 63,059	\$ -	\$ -	\$ -	\$ -
Due from other funds	2,024	27,201	22,998	3,872	362,204
Accounts receivable	32,934	4,348	419	423	-
Portfolio investments	554,630	-	-	-	-
	<u>652,647</u>	<u>31,549</u>	<u>23,417</u>	<u>4,295</u>	<u>362,204</u>
FINANCIAL LIABILITIES					
Accounts payable and accrued liabilities	116,424	127	-	206	-
Due to other funds	419,949	-	-	-	-
Restricted revenue	92,477	27,158	17,618	2,770	-
Deferred revenue	4,169	-	-	143	-
	<u>633,019</u>	<u>27,285</u>	<u>17,618</u>	<u>3,119</u>	<u>-</u>
Long-term debt	-	-	-	-	-
	<u>633,019</u>	<u>27,285</u>	<u>17,618</u>	<u>3,119</u>	<u>-</u>
NET FINANCIAL ASSETS	<u>19,628</u>	<u>4,264</u>	<u>5,799</u>	<u>1,176</u>	<u>362,204</u>
NON-FINANCIAL ASSETS					
Tangible capital assets	-	-	-	-	-
Inventories	1,685	-	-	-	-
Pre-paid expenses	982	-	-	-	-
	<u>2,667</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ACCUMULATED SURPLUS	<u>\$ 22,295</u>	<u>\$ 4,264</u>	<u>\$ 5,799</u>	<u>\$ 1,176</u>	<u>\$ 362,204</u>

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION - BY FUND

As at December 31, 2021 with comparative information as at December 31, 2020 (in thousands)

EXHIBIT 1 - CONTINUED

Capital Funds					Consolidation Adjustments	Total 2021	Total 2020
General	Waterworks	Sanitary Sewer	Airport				
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,059	\$ 45,420	
3,585	-	-	-	(421,884)	-	-	
7,385	-	605	2,320	-	48,434	37,552	
-	-	-	-	-	554,630	513,079	
10,970	-	605	2,320	(421,884)	666,123	596,051	
-	-	-	-	-	116,757	91,216	
-	-	301	1,634	(421,884)	-	-	
-	-	-	-	-	140,023	127,474	
10,971	-	304	686	-	16,273	16,672	
10,971	-	605	2,320	(421,884)	273,053	235,362	
43,965	-	-	-	-	43,965	47,804	
54,936	-	605	2,320	(421,884)	317,018	283,166	
(43,965)	-	-	-	-	349,105	312,885	
986,623	232,181	167,062	65,638	-	1,451,504	1,435,060	
-	-	-	-	-	1,685	1,391	
-	-	-	-	-	982	907	
986,623	232,181	167,062	65,638	-	1,454,171	1,437,358	
\$ 942,657	\$ 232,181	\$ 167,062	\$ 65,638	\$ -	\$ 1,803,276	\$ 1,750,243	

 See notes to Consolidated Financial Statements.

STATEMENT OF FINANCIAL ACTIVITIES - BY FUND

As at December 31, 2021 with comparative information for 2020 (in thousands)

EXHIBIT 2

	Operating Funds				Reserve
	General Schedule A	Waterworks Schedule B	San Sewer Schedule C	Airport Schedule D	Funds Schedule R
REVENUE					
Municipal taxation	\$ 162,748	\$ -	\$ -	\$ -	-
Fees and charges	49,219	21,212	16,008	4,264	-
Developer charges earned	-	-	-	-	-
Contributed tangible capital assets	-	-	-	-	-
Grants and government transfers	24,894	-	-	1,914	-
Investment income	4,302	11	110	98	5,585
Rent	2,834	40	-	1,821	-
Other sources	-	-	-	-	18
Contributions (to)/from other funds	-	-	-	-	-
	243,997	21,263	16,118	8,097	5,603
EXPENSE					
General government services	34,381	-	-	-	-
Planning & development services	6,147	-	-	-	-
Protective services	81,157	-	-	-	-
Parks, recreation, culture, libraries	33,398	-	-	-	-
Transit services	11,922	-	-	-	-
Engineering services	28,837	-	-	-	-
Dyking, drainage and irrigation services	2,768	-	-	-	-
Waterworks services	-	9,927	-	-	-
Sanitary sewer services	-	-	8,371	-	-
Airport services	-	-	-	4,241	-
Amortization	29,061	6,555	5,256	1,893	-
Loss/(gain) on disposal of TCA	(2,329)	267	251	(57)	-
	225,342	16,749	13,878	6,077	-
ANNUAL SURPLUS/(DEFICIT)	18,655	4,514	2,240	2,020	5,603
RECONCILE TO BUDGET BASIS SURPLUS/(DEFICIT)					
Operating reserve	(7,091)	-	-	-	7,091
General capital reserve	(37,053)	6,819	5,507	1,903	3,964
Storm drainage capital reserve	-	-	-	-	(1,085)
Waterworks capital reserve	-	(11,333)	-	-	6,434
Sanitary sewer capital reserve	-	-	(7,747)	-	3,678
Airport capital reserve	-	-	-	(3,923)	3,962
Property acquisition reserve	-	-	-	-	2,683
Eliminate amortization and loss/gain	29,751	-	-	-	-
	(14,393)	(4,514)	(2,240)	(2,020)	26,727
Debt principal repayments	(3,839)	-	-	-	-
Change in inventory/pre-paid expenses	(369)	-	-	-	-
ANNUAL SURPLUS/(DEFICIT)	54	-	-	-	32,330
SURPLUS, BEGINNING OF YEAR	21,871	4,265	5,799	1,176	329,874
SURPLUS, END OF YEAR	\$ 22,295	\$ 4,265	\$ 5,799	\$ 1,176	\$ 362,204

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL ACTIVITIES - BY FUND

As at December 31, 2021 with comparative information for 2020 (in thousands)

EXHIBIT 2 - CONTINUED

Capital Funds					
General Schedule Q	Waterworks Schedule Q	San Sewer Schedule Q	Airport Schedule Q	Total 2021	Total 2020
\$ -	\$ -	\$ -	\$ -	\$ 162,748	\$ 157,009
2,244	207	20	-	93,174	74,956
3,264	60	187	-	3,511	2,780
7,171	3,306	915	-	11,392	25,145
7,814	-	87	3,939	38,648	29,880
-	-	-	-	10,106	11,335
-	-	-	-	4,695	4,042
-	-	-	-	18	-
124	75	-	(199)	-	-
20,617	3,648	1,209	3,740	324,292	305,147
1,221	-	-	-	35,602	23,347
-	-	-	-	6,147	6,424
1,464	-	-	-	82,621	75,479
511	-	-	-	33,909	31,586
-	-	-	-	11,922	11,656
5,189	-	-	-	34,026	31,672
220	-	-	-	2,988	3,729
-	274	-	-	10,201	10,861
-	-	60	-	8,431	8,397
-	-	-	274	4,515	4,130
-	-	-	-	42,765	37,562
-	-	-	-	(1,868)	22,023
8,605	274	60	274	271,259	266,866
12,012	3,374	1,149	3,466	53,033	38,281
-	-	-	-	-	-
33,052	-	-	-	14,193	-
1,085	-	-	-	-	-
-	4,795	-	-	(104)	-
-	-	4,424	-	355	-
-	-	-	(39)	-	-
(2,683)	-	-	-	-	-
(29,968)	(6,819)	(5,507)	(1,903)	(14,446)	-
1,486	(2,024)	(1,083)	(1,942)	(2)	-
3,839	-	-	-	-	-
-	-	-	-	(369)	(233)
17,337	1,350	66	1,524	53,033	38,281
925,320	230,831	166,996	64,114	1,750,243	1,711,962
\$ 942,657	\$ 232,181	\$ 167,062	\$ 65,638	\$ 1,803,276	\$ 1,750,243

 See notes to Consolidated Financial Statements.

SCHEDULE OF TANGIBLE CAPITAL ASSETS

As at December 31, 2021 with comparative information for 2020 (in thousands)

EXHIBIT 3

	Cost					
	Opening Balance	Add		Less		Closing Balance
		Additions	Transfer from asset class	Disposals	Transfer to asset class	
General						
Land	\$ 447,993	\$ 3,517	\$ -	\$ (86)	\$ -	\$ 451,424
Land improvements	16,985	-	-	(1)	(233)	16,751
Park improvements	62,807	8	1,439	(680)	-	63,574
Buildings	236,158	2,346	6,267	(671)	-	244,100
Machinery & equipment	37,853	2,043	1,488	(1,185)	-	40,199
Vehicles	38,081	3,915	420	(4,612)	-	37,804
Infrastructure						
Airport	37,141	-	98	-	-	37,239
Waterworks	349,695	6,343	1,019	(614)	-	356,443
Sanitary sewer	270,312	3,642	1,035	(393)	-	274,596
Transportation	563,848	5,909	346	(465)	-	569,638
Storm drainage	278,994	2,347	1,953	(471)	-	282,823
Dyking, drainage & irrigation	51,804	26	139	-	-	51,969
Assets Under Construction	35,717	30,783	-	-	(13,970)	52,530
	\$2,427,388	\$ 60,879	\$ 14,204	\$ (9,178)	\$ (14,203)	\$ 2,479,090

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE OF TANGIBLE CAPITAL ASSETS

As at December 31, 2021 with comparative information for 2020 (in thousands)

EXHIBIT 3 - CONTINUED

Opening Balance	Accumulated Amortization		Closing Balance	Net Book Value Dec 31, 2021	Net Book Value Dec 31, 2020
	Add Amortization	Less Accumulated Amortization on Disposals			
\$ -	\$ -	\$ -	\$ -	451,424	\$ 447,992
10,831	387	1	(11,218)	5,533	6,154
45,347	1,473	(680)	(46,140)	17,434	17,460
130,409	3,919	(551)	(133,777)	110,323	105,749
32,036	1,545	(1,174)	(32,407)	7,792	5,815
22,632	2,550	(4,101)	(21,081)	16,723	15,449
14,253	1,018	-	(15,271)	21,968	22,888
122,821	6,521	(347)	(128,995)	227,448	226,874
114,932	5,333	(142)	(120,123)	154,473	155,381
373,028	15,300	(342)	(387,986)	181,652	190,819
92,583	3,980	(170)	(96,393)	186,430	186,411
33,454	741	-	(34,195)	17,774	18,351
-	-	-	-	52,530	35,717
<u>\$ 992,326</u>	<u>\$ 42,767</u>	<u>\$ (7,506)</u>	<u>\$ (1,027,586)</u>	<u>\$ 1,451,504</u>	<u>\$ 1,435,060</u>

 See notes to Consolidated Financial Statements.

APPROPRIATED SURPLUS (RESERVES) CONTINUITY SCHEDULE

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

EXHIBIT 4

	Balance, Beginning of Year	(To)/From Operating Fund	(To)/From Other Funds	Interest Earned	Balance, December 31, 2021
STATUTORY CAPITAL RESERVES					
General	\$ 99,280	\$ 34,370	\$ (29,308)	\$ 1,553	\$ 105,895
Storm drainage	11,022	-	(1,085)	183	10,120
Waterworks	58,760	11,443	(5,009)	1,028	66,222
Sanitary sewer	61,048	7,869	(4,191)	1,059	65,785
Airport	20,244	3,930	32	378	24,584
Affordable housing	1,230	-	-	20	1,250
Property acquisition	2,616	2,683	-	79	5,378
	<u>254,200</u>	<u>60,295</u>	<u>(39,561)</u>	<u>4,300</u>	<u>279,234</u>
GENERAL OPERATING RESERVE					
Planned Transfers					
New facility operations	2,657	-	-	51	2,708
Water system contingency	850	-	-	16	866
Insurance	2,570	-	-	44	2,614
Tradex	70	95	(79)	2	88
Election	197	112	-	7	316
Community Works Fund	35,591	9,316	-	589	45,496
Climate action	2,203	101	-	38	2,342
Community projects	482	-	-	9	491
Storm sewers	26	25	-	1	52
COVID-19 relief grant	2,089	(2,089)	-	-	-
	<u>46,735</u>	<u>7,560</u>	<u>(79)</u>	<u>757</u>	<u>54,973</u>
Operating Surplus Transfers					
Police	4,738	(360)	(2,416)	38	2,000
Winter operations	3,190	-	-	61	3,251
Storm drainage	6,869	-	-	132	7,001
Sumas Prairie dyking, drainage & irrigation	(95)	164	-	1	70
Matsqui Prairie dyking, drainage & irrigation	262	48	-	7	317
Solid waste	(1,560)	(1,610)	-	(61)	(3,231)
Infrastructure maintenance	4,727	-	-	91	4,818
	<u>18,131</u>	<u>(1,758)</u>	<u>(2,416)</u>	<u>269</u>	<u>14,226</u>
Other Transfers					
General government	4,348	1,263	-	108	5,719
Planning & development	687	(48)	-	12	651
Fire rescue services	165	(165)	-	-	-
Parks & recreation	99	215	-	6	320
Engineering	885	24	-	17	926
Traffic fine revenue	219	-	-	4	223
Transit provision	4,404	-	-	85	4,489
Debt provision	-	-	1,416	27	1,443
	<u>10,807</u>	<u>1,289</u>	<u>1,416</u>	<u>259</u>	<u>13,771</u>
	<u>75,673</u>	<u>7,091</u>	<u>(1,079)</u>	<u>1,285</u>	<u>82,970</u>
Total Reserves	\$ 329,873	\$ 67,386	\$ (40,640)	\$ 5,585	\$ 362,204

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

DEBT OUTSTANDING AND DEBT SERVICING BY FUND & FUNCTION

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

EXHIBIT 5

	Bylaw Number	MFA Issue Number	Year of Maturity	Interest Rate (%)	Debt Outstanding, Beginning of Year	2021 Debt Servicing			Debt Outstanding December 31, 2021
						Principal	Interest	Total	
GENERAL FUND									
Parks, Recreation and Culture									
Abbotsford Centre	1586	102/103	2032	5.00	\$ 33,900	\$ 2,178	\$ 1,881	\$ 4,059	\$ 31,722
Cultural Centre	1587	102/103	2027	5.00	4,635	554	279	833	4,081
Community Centre	1588	102/103	2027	5.00	9,269	1,107	558	1,665	8,162
Total Long-term Debt					\$ 47,804	\$ 3,839	\$ 2,718	\$ 6,557	\$ 43,965

 See notes to Consolidated Financial Statements.

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE A

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
Municipal taxation:			
General	\$ 92,949	\$ 94,237	\$ 90,237
Police	55,557	55,607	54,221
Library	5,135	5,135	5,065
Dyking, drainage & irrigation	1,952	1,949	1,956
Utility tax	2,000	2,244	2,166
Business improvement assessment	392	497	466
Hotel tax	200	546	393
Grants in lieu of taxes:			
Federal government	910	863	920
Provincial governments and agencies	1,305	1,670	1,585
Fees and charges:			
Transit	2,208	2,404	2,292
Police	560	1,788	747
Solid waste	9,258	8,798	8,394
Storm drainage	3,725	3,751	3,742
Parks, recreation and culture	4,481	4,294	3,264
Abbotsford Centre	5,490	2,377	2,362
Other	2,697	14,779	5,756
Licenses and permits:			
Building permits	2,551	3,986	3,334
Soil removal fees	2,535	3,297	3,249
Business licences	1,250	1,424	1,377
Municipal license plates	-	-	4
Secondary suite fees	1,375	1,435	1,395
Other licences and permits	546	946	555
Rental:			
Police	41	45	45
Other	2,231	2,768	2,230
Investment income	1,967	4,307	5,165
Municipal Finance Authority refunds	36	21	25
Grants and government transfers:			
Transit	6,439	5,345	6,206
Police	2,788	2,866	2,379
Other	7,583	16,683	16,352
	<u>218,161</u>	<u>244,062</u>	<u>225,882</u>

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE A - CONTINUED

	2021 Plan	2021 Actual	2020 Actual
EXPENSE			
General government services (Schedule E)	26,276	34,381	22,497
Planning & development services (Schedule F)	7,839	6,147	6,424
Protective services			
Police services (Schedule G)	58,415	59,711	54,526
Fire rescue services (Schedule H)	21,461	21,446	19,974
Parks, recreation & culture services (Schedule I)	24,952	22,626	20,846
Abbotsford Centre (Schedule J)	8,402	5,958	5,452
Library services (Schedule K)	4,835	4,814	4,623
Transit services (Schedule L)	14,913	11,922	11,656
Engineering services (Schedule M)	16,806	15,146	14,580
Solid waste services (Schedule N)	9,458	10,867	9,844
Storm drainage services (Schedule O)	3,473	3,313	2,461
Dyking, drainage and irrigation services			
Matsqui Prairie (Schedule P)	1,260	1,161	1,102
Sumas Prairie (Schedule P)	1,958	1,607	1,799
	<u>200,048</u>	<u>199,099</u>	<u>175,784</u>
ANNUAL SURPLUS BEFORE AMORTIZATION	18,113	44,963	50,098
Amortization (Schedules E - P)	-	28,822	24,341
Loss/(gain) on disposal of tangible capital assets (Schedules E - P)	-	(2,329)	21,573
	<u>18,113</u>	<u>18,470</u>	<u>4,184</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(3,472)	(1,072)
Transfer to general capital reserve	(21,094)	(34,042)	(38,591)
Transfer to operating reserve	(7,443)	(16,449)	(13,293)
Transfer from operating reserve	14,226	8,774	5,883
Debt principal repayments	(3,802)	(3,839)	(3,870)
Inventory and pre-paid expenses	-	369	(233)
Eliminate amortization and loss/gain	-	30,189	46,992
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

 See notes to Consolidated Financial Statements.

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION WATERWORKS OPERATING FUND

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE B

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
Fees and charges:			
User rates	\$ 20,059	\$ 20,195	\$ 18,754
Other fees and charges	480	1,028	931
Rent	56	40	40
	20,595	21,263	19,725
EXPENSE			
Abbotsford-Mission supply and transmission	4,219	3,891	3,868
Administration	3,399	2,889	2,786
Local supply and distribution	2,080	1,973	2,149
Meters	657	561	705
Hydrants	433	345	494
Maintenance	122	268	233
	10,910	9,927	10,235
ANNUAL SURPLUS BEFORE AMORTIZATION	9,685	11,336	9,490
Amortization	-	6,555	6,331
Loss on disposal of tangible capital assets	-	267	189
ANNUAL SURPLUS	9,685	4,514	2,970
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to waterworks capital reserve	(9,685)	(11,333)	(9,487)
Eliminate amortization and loss/gain	-	6,819	6,517
CHANGE IN UNAPPROPRIATED SURPLUS	\$ -	\$ -	\$ -

See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION SANITARY SEWER OPERATING FUND

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE C

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
Fees and charges:			
User rates	\$ 13,320	\$ 13,754	\$ 12,820
Industrial surcharges	1,046	1,139	1,165
Other fees and charges	358	1,115	903
Investment income	77	110	132
	<u>14,801</u>	<u>16,118</u>	<u>15,020</u>
EXPENSE			
Joint Abbotsford-Mission Environmental Systems (JAMES) treatment plant	5,227	4,685	4,596
Administration	2,498	2,317	2,188
Maintenance	1,629	1,369	1,323
	<u>9,354</u>	<u>8,371</u>	<u>8,107</u>
ANNUAL SURPLUS BEFORE AMORTIZATION	<u>5,447</u>	<u>7,747</u>	<u>6,913</u>
Amortization	-	5,256	5,059
Loss on disposal of tangible capital assets	-	251	236
ANNUAL SURPLUS	<u>5,447</u>	<u>2,240</u>	<u>1,618</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to sanitary sewer capital reserve	(5,447)	(7,747)	(6,909)
Eliminate amortization and loss/gain	-	5,507	5,291
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

 See notes to Consolidated Financial Statements.

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION AIRPORT OPERATING FUND

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE D

	2021	2021	2020
	Plan	Actual	Actual
REVENUE			
Fees and charges:			
Aeronautical fees	\$ 910	\$ 1,274	\$ 818
Public parking fees	1,090	1,373	1,097
Concessions	741	1,397	985
Other fees and charges	234	220	242
Rent	1,776	1,821	1,727
Investment income	96	98	88
Grants and government transfers	-	1,914	-
	4,847	8,097	4,957
EXPENSE			
Administration	1,500	1,516	1,456
Marketing	72	12	4
Terminal building	789	588	456
Airside	1,669	1,734	1,599
Mobile equipment	297	241	222
Parking	191	150	335
	4,518	4,241	4,072
ANNUAL SURPLUS BEFORE AMORTIZATION	329	3,856	885
Amortization	-	1,893	1,831
Loss on disposal of tangible capital assets	-	(57)	25
ANNUAL SURPLUS/(DEFICIT)	329	2,020	(971)
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to airport capital reserve (asset sales)	-	(67)	(15)
Transfer to airport capital reserve	(329)	(3,856)	(885)
Eliminate amortization and loss/gain	-	1,903	1,871
CHANGE IN UNAPPROPRIATED SURPLUS	\$ -	\$ -	\$ -

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND - GENERAL GOVERNMENT SERVICES

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE E

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
Municipal taxation	\$ 97,756	\$ 100,057	\$ 95,766
Fees and charges	1,167	12,849	4,021
Rent	1,967	2,681	1,922
Investment income	1,933	4,288	5,126
Grants and government transfers	7,403	16,050	15,539
Municipal Finance Authority refunds	36	21	25
	<u>110,262</u>	<u>135,946</u>	<u>122,399</u>
EXPENSE			
MAYOR & COUNCIL	868	652	683
CITY MANAGER'S OFFICE	1,133	488	490
FINANCE, LEGAL & LEGISLATIVE SERVICES			
City clerk	1,662	1,177	1,609
Bylaw enforcement	1,777	3,124	2,671
Elections	300	298	-
Finance & procurement	4,596	3,798	4,244
Risk management	2,078	1,808	1,402
Restorative justice	149	148	148
Real estate services	369	402	515
INNOVATION, STRATEGY & INTERGOVERNMENTAL RELATIONS			
ISIR administration	1,234	1,166	1,080
Corporate communications and marketing	869	832	815
Human resources	2,624	2,218	2,367
Information technology	5,206	5,476	4,682
Economic development	1,207	767	782
Housing services	1,201	2,226	1,129
OTHER			
Provincial emergency response	-	11,295	933
Transfer to other agencies	707	1,167	974
Common services	3,338	706	1,068
Less: Cost recoveries	(3,040)	(3,367)	(3,095)
	<u>26,278</u>	<u>34,381</u>	<u>22,497</u>
ANNUAL SURPLUS BEFORE AMORTIZATION	83,984	101,565	99,902
Amortization	-	1,747	1,365
Loss on disposal of tangible capital assets	-	-	12
ANNUAL SURPLUS	83,984	99,818	98,525
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve	(6,435)	(19,117)	(23,557)
Transfer to operating reserve	(6,272)	(15,457)	(9,341)
Transfer from operating reserve	10,727	5,742	3,913
Inventory and pre-paid expenses	-	-	(233)
Eliminate amortization and loss/gain	-	1,747	1,377
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ 82,004</u>	<u>\$ 72,733</u>	<u>\$ 70,684</u>

 See notes to Consolidated Financial Statements.

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND - PLANNING & DEVELOPMENT SERVICES

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE F

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
Licences and permits:			
Business licences	\$ 1,250	\$ 1,424	\$ 1,377
Development permit application fees	150	256	133
Rezoning application fees	200	437	214
Subdivision application fees	100	167	128
Building permits	2,551	3,986	3,334
Secondary suite fees	1,375	1,435	1,395
Other licences and permits	83	72	70
Fees and charges:			
Development fees on Engineering projects	30	71	48
Other fees and charges	83	92	152
Grants	-	-	-
	5,822	7,940	6,851
EXPENSE			
Development approvals	4,668	3,221	3,383
Licence inspection	-	2	120
Building inspections	3,171	2,924	2,921
	7,839	6,147	6,424
ANNUAL SURPLUS/(DEFICIT)	(2,017)	1,793	427
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to operating reserve	-	-	(429)
Transfer from operating reserve	1,240	48	113
CHANGE IN UNAPPROPRIATED SURPLUS	\$ (777)	\$ 1,841	\$ 111

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND - POLICE SERVICES

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE G

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
Municipal taxation	\$ 55,557	\$ 55,607	\$ 54,221
Fees and charges:			
Salary recoveries	100	1,116	197
Other revenue	459	671	550
Government grants:			
Traffic fine revenue - sharing	2,000	2,000	1,950
Other government grants	788	866	394
Rent	41	45	45
	<u>58,945</u>	<u>60,305</u>	<u>57,357</u>
EXPENSE			
Finance and budgets	696	685	660
Executive administration	2,140	2,392	2,134
Operations support	5,467	5,277	4,970
Support services	6,937	7,299	6,492
Criminal investigations	9,113	11,116	8,420
Patrol	18,218	19,570	18,811
Operations control	6,717	5,200	4,853
Police building	687	631	524
Human resources	2,484	2,951	2,328
Vehicle maintenance	1,312	1,320	1,411
Common services & secondment	4,647	3,269	3,923
	<u>58,418</u>	<u>59,710</u>	<u>54,526</u>
ANNUAL SURPLUS BEFORE AMORTIZATION	<u>527</u>	<u>595</u>	<u>2,831</u>
Amortization	-	1,074	1,022
(Gain) on disposal of tangible capital assets	-	(81)	(22)
ANNUAL SURPLUS	<u>527</u>	<u>(398)</u>	<u>1,831</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(488)	(49)
Transfer from operating reserve	385	360	-
Transfer to operating reserve	-	-	(1,898)
Transfer to general capital reserve	(912)	(912)	(933)
Eliminate amortization and loss/gain	-	1,438	1,049
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

 See notes to Consolidated Financial Statements.

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND - FIRE RESCUE SERVICES

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE H

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
Fees and charges	\$ 210	\$ 96	\$ 119
Licences and permits	10	11	4
Grants	-	-	24
Emergency services recovery	52	67	58
	272	174	205
EXPENSE			
ABBOTSFORD FIRE RESCUE SERVICES			
Administration	664	666	559
Fire prevention and inspection	847	778	809
Emergency response	19,112	19,104	17,886
Fire halls and ground maintenance	576	643	521
EMERGENCY SERVICES			
Search and rescue	75	84	87
City emergency response	187	171	112
	21,461	21,446	19,974
ANNUAL (DEFICIT) BEFORE AMORTIZATION	(21,189)	(21,272)	(19,769)
Amortization	-	1,015	979
(Gain) on disposal of tangible capital assets	-	(41)	(117)
ANNUAL (DEFICIT)	(21,189)	(22,246)	(20,631)
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(54)	(154)
Transfer from operating reserve	-	805	729
Transfer to operating reserve	-	-	-
Transfer to general capital reserve	(533)	(533)	(533)
Eliminate amortization and loss/gain	-	1,029	1,017
CHANGE IN UNAPPROPRIATED SURPLUS	\$ (21,722)	\$ (20,999)	\$ (19,572)

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND - PARKS, RECREATION & CULTURE SERVICES

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE I

	2021	2021			2021	2020	
	Plan	General	Parks	Recreation	Culture	Actual	Actual
REVENUE							
Fees and charges	\$ 4,486	\$ 118	\$ 1,831	\$ 2,348	\$ -	\$ 4,297	\$ 3,265
Rent	57	-	-	67	-	67	66
Grants and government transfers	-	-	-	30	-	30	-
	<u>4,543</u>	<u>118</u>	<u>1,831</u>	<u>2,445</u>	<u>-</u>	<u>4,394</u>	<u>3,331</u>
EXPENSE							
Operations	24,090	1,141	10,199	9,277	1,172	21,789	19,945
Long-term debt interest	862	-	-	558	279	837	901
	<u>24,952</u>	<u>1,141</u>	<u>10,199</u>	<u>9,835</u>	<u>1,451</u>	<u>22,626</u>	<u>20,846</u>
ANNUAL (DEFICIT) BEFORE AMORTIZATION	(20,409)	(1,023)	(8,368)	(7,390)	(1,451)	(18,232)	(17,515)
Amortization	-	-	1,807	824	136	2,767	2,855
Loss on disposal of tangible capital assets	-	-	-	38	20	58	21,509
ANNUAL (DEFICIT)	<u>(20,409)</u>	<u>(1,023)</u>	<u>(10,175)</u>	<u>(8,252)</u>	<u>(1,607)</u>	<u>(21,057)</u>	<u>(41,879)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS							
Debt principal repayments	(1,645)	-	-	(1,108)	(554)	(1,662)	(1,598)
Transfer to general capital reserve	(1,519)	(107)	(794)	(545)	(73)	(1,519)	(1,519)
Transfer to cemetery capital reserve	(160)	-	(129)	-	-	(129)	(19)
Transfer to operating reserve	-	-	-	-	(232)	(232)	(97)
Transfer from operating reserve	312	17	-	-	-	17	-
Transfer to general capital reserve (asset sales)	-	-	-	-	-	-	(450)
Eliminate amortization and loss/gain	-	-	1,807	862	156	2,825	24,813
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (23,421)</u>	<u>\$ (1,113)</u>	<u>\$ (9,291)</u>	<u>\$ (9,043)</u>	<u>\$ (2,310)</u>	<u>\$ (21,757)</u>	<u>\$ (20,749)</u>

 See notes to Consolidated Financial Statements.

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND - ABBOTSFORD CENTRE

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE J

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
Fees and charges	\$ 5,490	\$ 2,377	\$ 2,362
Investment income	-	18	39
	<u>5,490</u>	<u>2,395</u>	<u>2,401</u>
EXPENSE			
Operations	6,488	4,077	3,487
Long-term debt interest	1,914	1,881	1,965
	<u>8,402</u>	<u>5,958</u>	<u>5,452</u>
ANNUAL (DEFICIT) BEFORE AMORTIZATION	<u>(2,912)</u>	<u>(3,563)</u>	<u>(3,051)</u>
Amortization	-	876	884
ANNUAL (DEFICIT)	<u>(2,912)</u>	<u>(4,439)</u>	<u>(3,935)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Debt principal repayments	(2,157)	(2,178)	(2,273)
Eliminate amortization and loss/gain	-	876	884
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (5,069)</u>	<u>\$ (5,741)</u>	<u>\$ (5,324)</u>

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND - LIBRARY SERVICES

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE K

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
Municipal tax	\$ 5,135	\$ 5,135	\$ 5,065
EXPENSE			
Transfer to Fraser Valley Regional Library	4,479	4,479	4,367
Operating costs	356	335	256
	<u>4,835</u>	<u>4,814</u>	<u>4,623</u>
ANNUAL SURPLUS BEFORE AMORTIZATION	300	321	442
Amortization	-	174	227
Loss/(gain) on disposal of tangible capital assets'	-	35	-
ANNUAL SURPLUS	<u>300</u>	<u>112</u>	<u>215</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve	(300)	(300)	(300)
Transfer to operating reserve	-	(21)	(142)
Eliminate amortization and loss/gain	-	209	227
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

 See notes to Consolidated Financial Statements.

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND - TRANSIT SERVICES

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE L

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
Grants and government transfers	\$ 6,439	\$ 5,345	\$ 6,206
Fares	1,306	1,512	1,395
BC bus pass program	691	683	702
Advertising and other	211	209	195
	8,647	7,749	8,498
EXPENSE			
Transfer to BC Transit	15,060	11,771	11,491
Other	(147)	151	165
	14,913	11,922	11,656
ANNUAL (DEFICIT) BEFORE AMORTIZATION	(6,266)	(4,173)	(3,158)
Amortization	-	12	12
ANNUAL (DEFICIT)	(6,266)	(4,185)	(3,170)
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Eliminate amortization and loss/gain	-	12	12
CHANGE IN UNAPPROPRIATED SURPLUS	\$ (6,580)	\$ (4,173)	\$ (3,158)

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND - ENGINEERING SERVICES

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE M

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
Fees and charges:			
Engineering capital recoveries	\$ -	\$ 846	\$ 655
Recoveries	188	371	220
Parking lot tickets	-	13	15
Other	811	222	244
Licenses and permits:			
Soil removal fees	2,535	3,297	3,249
Other	4	3	5
Grants	179	25	286
Developer contributions	-	-	40
Rent	207	20	242
	<u>3,924</u>	<u>4,797</u>	<u>4,956</u>
EXPENSE			
ADMINISTRATION	1,969	2,062	1,974
ENGINEERING	4,584	3,234	3,500
TRANSPORTATION			
Services	3,954	3,138	3,159
Operations - roads	5,599	6,069	6,078
EQUIPMENT FLEET			
Operations	4,820	4,863	4,727
Internal recoveries	(6,196)	(6,430)	(6,533)
MUNICIPAL BUILDINGS	2,463	2,376	2,078
LESS: COST RECOVERIES	(387)	(387)	(403)
	<u>16,806</u>	<u>14,925</u>	<u>14,580</u>
ANNUAL (DEFICIT) BEFORE AMORTIZATION	<u>(12,882)</u>	<u>(10,128)</u>	<u>(9,624)</u>
Amortization	-	16,787	12,537
(Gain) on disposal of tangible capital assets	-	(2,605)	(61)
ANNUAL (DEFICIT)	<u>(12,882)</u>	<u>(24,310)</u>	<u>(22,100)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(3,195)	(418)
Transfer to general capital reserve	(11,508)	(11,508)	(11,810)
Transfer to operating reserve	(170)	(386)	(442)
Transfer from operating reserve	555	33	209
Eliminate amortization and loss/gain	-	17,221	12,900
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (24,005)</u>	<u>\$ (22,145)</u>	<u>\$ (21,661)</u>

 See notes to Consolidated Financial Statements.

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND - SOLID WASTE SERVICES

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE N

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
Fees and charges:			
Solid waste user fees	\$ 6,701	\$ 6,564	\$ 5,922
Garbage stickers	35	8	40
Recycling, compost and yard waste fees	993	934	744
Recoveries & other	1,529	1,285	1,688
Grants	-	468	539
	9,258	9,259	8,933
EXPENSE			
Planning, design and management	1,345	1,400	869
Collection	3,682	3,712	3,762
Disposal	4,431	5,757	5,213
	9,458	10,869	9,844
ANNUAL (DEFICIT) BEFORE AMORTIZATION	(200)	(1,610)	(911)
Amortization	-	37	27
Loss/(gain) on disposal of tangible capital assets	-	4	67
ANNUAL (DEFICIT)	(200)	(1,651)	(1,005)
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	-	-
Transfer from operating reserve	831	1,610	911
Eliminate amortization and loss/gain	-	41	94
CHANGE IN UNAPPROPRIATED SURPLUS	\$ -	\$ -	\$ -

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND - STORM DRAINAGE SERVICES

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE O

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
Storm drainage user fees	\$ 3,722	\$ 3,725	\$ 3,724
Other	3	26	18
	<u>3,725</u>	<u>3,751</u>	<u>3,742</u>
EXPENSE			
Storm sewers and detention	2,825	2,020	1,959
Urban watercourses	159	992	170
Rural drainage	489	301	332
	<u>3,473</u>	<u>3,313</u>	<u>2,461</u>
ANNUAL SURPLUS BEFORE AMORTIZATION	<u>252</u>	<u>438</u>	<u>1,281</u>
Amortization	-	3,836	3,715
Loss on disposal of tangible capital assets	-	301	185
ANNUAL SURPLUS/(DEFICIT)	<u>252</u>	<u>(3,699)</u>	<u>(2,619)</u>
Matsqui Prairie (Schedule P)	(543)	(685)	(600)
Sumas Prairie (Schedule P)	(532)	(730)	(875)
TOTAL ANNUAL (DEFICIT)	<u>(823)</u>	<u>(5,114)</u>	<u>(4,094)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to operating reserve	(25)	(25)	(743)
Transfer from operating reserve	182	160	8
Transfer to general capital reserve	49	-	(9)
Reconcile to contribution from storm drainage-Matsqui Prairie	543	183	133
Reconcile to contribution from storm drainage-Sumas Prairie	533	317	472
Eliminate amortization and loss/gain	(891)	4,056	3,901
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (432)</u>	<u>\$ (423)</u>	<u>\$ (332)</u>

 See notes to Consolidated Financial Statements.

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND - DYKING, DRAINAGE & IRRIGATION SERVICES

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE P

	2021 Plan	2021 Actual	2020 Actual	2021 Plan	2021 Actual	2020 Actual
	Matsqui Prairie			Sumas Prairie		
REVENUE						
General tax levy	\$ 701	\$ 707	\$ 702	\$ 1,252	\$ 1,242	\$ 1,253
Other revenue	16	-	4	171	164	185
	<u>717</u>	<u>707</u>	<u>706</u>	<u>1,423</u>	<u>1,406</u>	<u>1,438</u>
EXPENSE						
Dyking	60	53	53	80	47	75
Drainage	679	628	612	772	563	658
Storm	211	195	189	-	-	-
Irrigation	139	122	98	149	122	145
Administration	155	163	150	234	219	200
Pump stations	-	-	-	710	680	721
Recoverable work	16	-	-	10	-	-
	<u>1,260</u>	<u>1,161</u>	<u>1,102</u>	<u>1,955</u>	<u>1,631</u>	<u>1,799</u>
ANNUAL (DEFICIT) BEFORE AMORTIZATION	<u>(543)</u>	<u>(454)</u>	<u>(396)</u>	<u>(532)</u>	<u>(225)</u>	<u>(361)</u>
Amortization	-	231	204	-	505	514
ANNUAL (DEFICIT)	<u>(543)</u>	<u>(685)</u>	<u>(600)</u>	<u>(532)</u>	<u>(730)</u>	<u>(875)</u>
RECONCILE TO CONTRIBUTION FROM STORM DRAINAGE						
Transfer to general capital reserve	65	-	-	118	(24)	(24)
Transfer to operating reserve	478	(48)	(71)	414	(164)	(18)
Eliminate amortization and loss/gain	-	231	204	-	505	514
CONTRIBUTION FROM STORM DRAINAGE	<u>\$ -</u>	<u>\$ (502)</u>	<u>\$ (467)</u>	<u>\$ -</u>	<u>\$ (413)</u>	<u>\$ (403)</u>

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION CAPITAL FUND

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE Q

	2021		Sanitary			2021	2020
	Plan	General	Waterworks	Sewer	Airport	Actual	Actual
REVENUE							
Fees and charges	\$ 4,207	\$ 2,244	\$ 207	\$ 20	\$ -	\$ 2,471	\$ 762
Airport improvement fees	-	-	-	-	-	-	5
Developer charges earned	12,616	3,264	60	187	-	3,511	2,780
Contributed tangible capital assets	-	7,171	3,306	915	-	11,392	25,145
Grants and government transfers	44,972	7,814	-	87	3,939	11,840	4,943
Contributions (to)/from other funds	-	124	75	-	(199)	-	-
	<u>61,795</u>	<u>20,617</u>	<u>3,648</u>	<u>1,209</u>	<u>3,740</u>	<u>29,214</u>	<u>33,635</u>
EXPENSE							
Minor capital projects							
General government	1,240	1,221	-	-	-	1,221	850
Police services	739	1,457	-	-	-	1,457	977
Fire services	37	7	-	-	-	7	2
Park services	260	430	-	-	-	430	510
Recreation services	47	81	-	-	-	81	155
Transportation services	8,550	4,669	-	-	-	4,669	4,269
Equipment fleet services	22	151	-	-	-	151	194
Solid waste services	8	34	-	-	-	34	21
Storm drainage services	802	335	-	-	-	335	303
Dyking, drainage & irrigation	10,246	220	-	-	-	220	828
Waterworks	1,445	-	274	-	-	274	626
Sanitary sewer	939	-	-	60	-	60	290
Airport	-	-	-	-	274	274	58
	<u>24,335</u>	<u>8,605</u>	<u>274</u>	<u>60</u>	<u>274</u>	<u>9,213</u>	<u>9,083</u>
ANNUAL SURPLUS	<u>37,460</u>	<u>12,012</u>	<u>3,374</u>	<u>1,149</u>	<u>3,466</u>	<u>20,001</u>	<u>24,552</u>
RECONCILE TO CHANGE IN CAPITAL EQUITY							
General capital reserve	69,110	30,405	-	-	-	30,405	23,863
Storm drainage reserve	605	1,085	-	-	-	1,085	547
Waterworks capital reserve	28,392	-	5,009	-	-	5,009	3,115
Sanitary sewer capital reserve	15,284	-	-	4,191	-	4,191	2,378
Airport capital reserve	10,597	-	-	-	(32)	(32)	1,713
Tangible capital assets	-	(29,746)	(6,819)	(5,507)	(1,903)	(43,975)	(60,671)
Debt principal repayment	3,802	3,839	-	-	-	3,839	3,870
CHANGE IN CAPITAL EQUITY	<u>\$165,250</u>	<u>\$ 17,595</u>	<u>\$ 1,564</u>	<u>\$ (167)</u>	<u>\$ 1,531</u>	<u>\$ 20,523</u>	<u>\$ (633)</u>

 See notes to Consolidated Financial Statements.

SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION RESERVE FUND

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

SCHEDULE R

	2021 Plan	2021 Actual	2020 Actual
REVENUE			
Investment income	\$ 4,110	\$ 5,585	\$ 5,925
Other sources	-	18	2
	<u>4,110</u>	<u>5,603</u>	<u>5,927</u>
ANNUAL SURPLUS	4,110	5,603	5,927
RECONCILE TO CHANGE IN APPROPRIATED SURPLUS			
Operating reserve	(33,099)	7,090	7,409
General capital reserve	(47,967)	3,966	13,796
Affordable housing reserve	-	-	500
Storm drainage reserve	(654)	(1,085)	(538)
Waterworks capital reserve	(18,460)	6,434	7,250
Sanitary sewer capital reserve	(9,788)	3,677	4,531
Airport capital reserve	(10,268)	3,962	(814)
Property acquisition reserve	-	2,683	617
CHANGE IN APPROPRIATED SURPLUS	<u>\$ (116,126)</u>	<u>\$ 32,330</u>	<u>\$ 38,678</u>

 See notes to Consolidated Financial Statements.

2021 CONSOLIDATED FINANCIAL STATEMENTS

CEMETERY CARE TRUST FUND



KPMG LLP
32575 Simon Avenue
Abbotsford BC V2T 4W6
Canada
Telephone (604) 854-2200
Fax (604) 853-2756

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the City of Abbotsford

Opinion

We have audited the accompanying financial statements of the City of Abbotsford Cemetery Care Trust Fund which comprise:

- the statement of financial position as at end of December 31, 2021
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City of Abbotsford Cemetery Care Trust Fund as at December 31, 2021 is in accordance with Canadian public sector accounting standards.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

Auditors' Responsibilities for the Audit of the Financial Statements'

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

2021 CONSOLIDATED FINANCIAL STATEMENTS

AUDITORS' REPORT PAGE 3

Cemetery Care Trust Fund.
Page 3

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants

Abbotsford, Canada
May 9, 2022

CEMETERY CARE TRUST FUND – STATEMENT OF FINANCIAL POSITION

For the year ended December 31, 2021 with comparative information for 2020 (in thousands)

	2021	2020
	Actual	Actual
FINANCIAL ASSETS		
Portfolio investments	\$ 2,290	\$ 1,054
Accounts receivable	2,075	3,171
NET FINANCIAL ASSETS	<u>4,365</u>	<u>4,225</u>
ACCUMULATED SURPLUS		
Balance, beginning of year	4,225	4,094
Contributions	140	131
Investment earnings	110	105
Transfer to general operating fund	(110)	(105)
Balance, end of year	<u>\$ 4,365</u>	<u>\$ 4,225</u>

 See notes to Consolidated Financial Statements

2021 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CEMETERY CARE TRUST FUND

For the year ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES:

The Cemetery Care Trust Fund is administered by the City of Abbotsford for the perpetual care and maintenance of the City-owned and operated cemeteries. The accounting policies of the Cemetery Care Trust Fund conform to generally accepted accounting policies for municipal financial reporting in British Columbia.

(a) **Basis of accounting:**

The operations of the Trust are accounted for on an accrual basis.

(b) **Portfolio Investments:**

Portfolio investments are carried at cost.

(c) **Financial Instruments:**

The City's financial instruments consist of portfolio investments, accounts receivable and accounts payable. Unless otherwise indicated, it is management's opinion that the City is not exposed to significant interest rate, currency or credit risks arising from these financial instruments.

2. ACCOUNTS RECEIVABLE/PAYABLE:

All accounts receivable/payable are the amounts due from, or to, the General Fund of the City of Abbotsford. The amounts accrue interest at the average rate of return of the investments held by the consolidated investment portfolio held in the City's General Fund.

NOTES TO THE CEMETERY CARE TRUST FUND

For the year ended December 31, 2021

3. INVESTMENTS:

Investments for 2021 are comprised of corporate and government investments.

(in thousands)	2021		2020	
	Cost	Market	Cost	Market
Portfolio investments	\$2,290	\$3,348	\$1,054	\$1,058
	Long-term		Long-term	
Duration	2 – 15 Years		2 – 15 Years	
Average holdings	\$2,246		\$1,887	
Annual yield	3.03%		3.28%	

4. STATEMENT OF FINANCIAL ACTIVITIES:

In 2002, the Cemetery Care Trust Fund began expending funds on the perpetual care and maintenance of the City's cemeteries. In 2021, \$110,000 (2020 - \$105,000) was transferred to the general operating fund for cemetery operations. Contributions and investment earnings for the year ended December 31, 2021, are recorded directly to equity. A Statement of Financial Activities has not been prepared, as it would not provide further information since the changes to equity are reported in the Statement of Financial Position.



2021

FINANCIAL STATISTICS

2021 ANNUAL REPORT

ACCUMULATED SURPLUS

in thousands

	2015	2016	2017	2018	2019	2020	2021
ACCUMULATED SURPLUS							
Unappropriated Surplus							
General	\$ 19,570	\$ 19,570	\$ 19,570	\$ 19,570	\$ 19,550	\$ 19,570	\$ 19,627
Waterworks	4,265	4,265	4,265	4,265	4,265	4,265	4,263
Sanitary sewer	5,799	5,799	5,799	5,799	5,801	5,799	5,799
Airport	1,176	1,176	1,176	1,176	1,176	1,176	1,176
	30,810	30,810	30,810	30,810	30,792	30,810	30,865
Appropriated Surplus							
General Operating Reserve	35,604	41,250	47,515	51,293	66,964	75,674	82,970
Statutory Capital Reserves							
General	35,890	49,583	66,642	77,436	83,752	99,281	105,895
Affordable housing	257	11	11	212	717	1,230	1,250
Property acquisition				46	1,953	2,616	5,378
Airport	12,350	15,923	17,562	17,709	20,653	20,244	24,584
Infrastructure renewal:							
Storm drainage	12,157	12,266	12,598	12,294	11,339	11,022	10,120
Waterworks	21,751	26,172	33,396	41,557	50,433	58,760	66,222
Sanitary sewer	32,922	37,426	43,663	49,830	55,385	61,048	65,785
	150,931	182,631	221,387	250,377	291,196	329,875	362,204
Investment in tangible capital assets	1,329,358	1,320,634	1,307,016	1,366,948	1,387,888	1,387,256	1,407,540
Investment in other non-financial assets	1,611	2,382	1,919	2,173	2,086	2,302	2,667
Total Accumulated Surplus	\$ 1,512,710	\$ 1,536,457	\$ 1,561,135	\$ 1,650,308	\$ 1,711,962	\$ 1,750,243	\$ 1,803,276

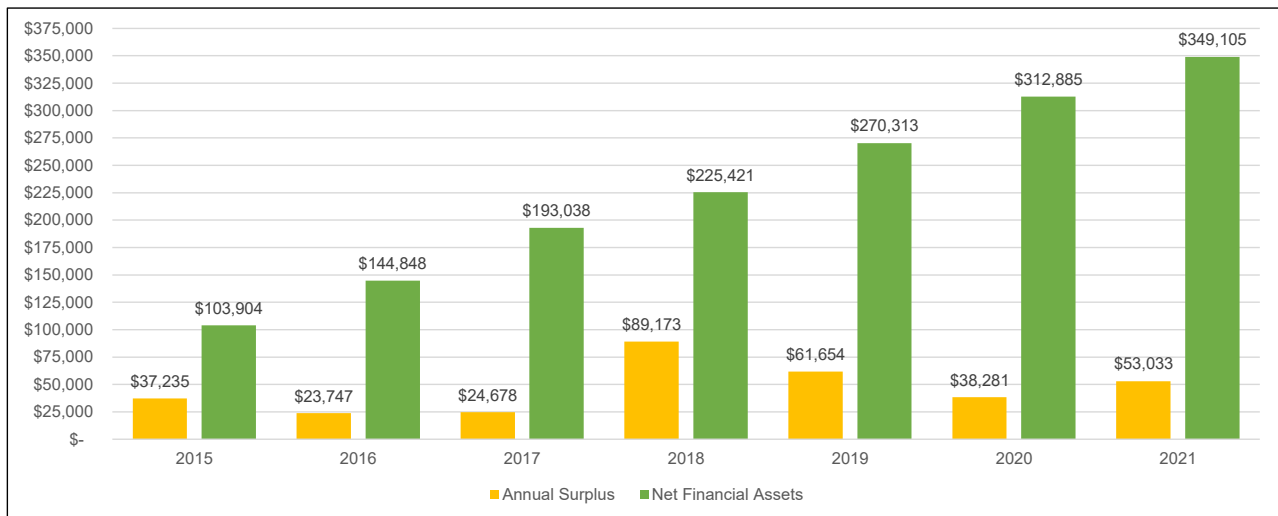
FINANCIAL STATISTICS

CONSOLIDATED ANNUAL SURPLUS AND NET FINANCIAL ASSETS in thousands

	2015	2016	2017	2018	2019	2020	2021
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CONSOLIDATED ANNUAL SURPLUS AND NET FINANCIAL ASSETS

Annual Surplus	\$ 37,235	\$ 23,747	\$ 24,678	\$ 89,173	\$ 61,654	\$ 38,281	\$ 53,033
Net Financial Assets	103,904	144,848	193,038	225,421	270,313	312,885	349,105



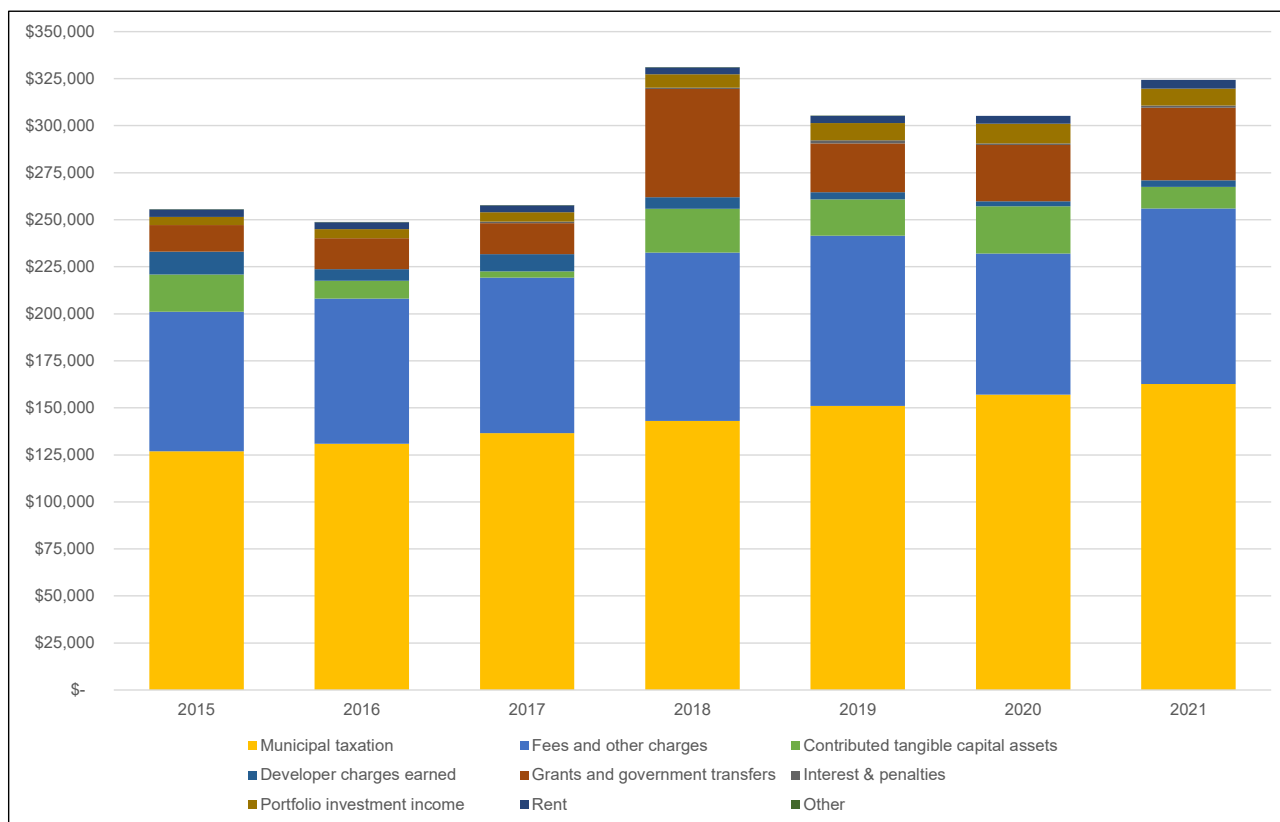
CONSOLIDATED REVENUE BY SOURCE

in thousands

	2015	2016	2017	2018	2019	2020	2021
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CONSOLIDATED REVENUE BY SOURCE

Municipal taxation	\$ 126,934	\$ 130,856	\$ 136,493	\$ 142,971	\$ 150,969	\$ 157,009	\$ 162,748
Fees and other charges	74,200	77,264	82,664	89,488	90,481	74,956	93,240
Developer charges earned	12,192	6,197	9,156	6,283	3,867	2,780	3,511
Contributed tangible capital assets	19,695	9,403	3,423	23,277	19,372	25,145	11,392
Grants and government transfers	14,083	16,505	16,507	57,436	25,832	29,880	38,648
Portfolio investment income	4,400	4,744	4,985	7,065	9,076	10,558	9,026
Interest & penalties	-	-	797	755	1,740	777	1,119
Rent	4,001	3,746	3,685	3,669	3,861	4,042	4,674
Other	32	46	45	20	4	-	-
Total Consolidated Revenue	\$ 255,537	\$ 248,761	\$ 257,755	\$ 330,964	\$ 305,202	\$ 305,147	\$ 324,358

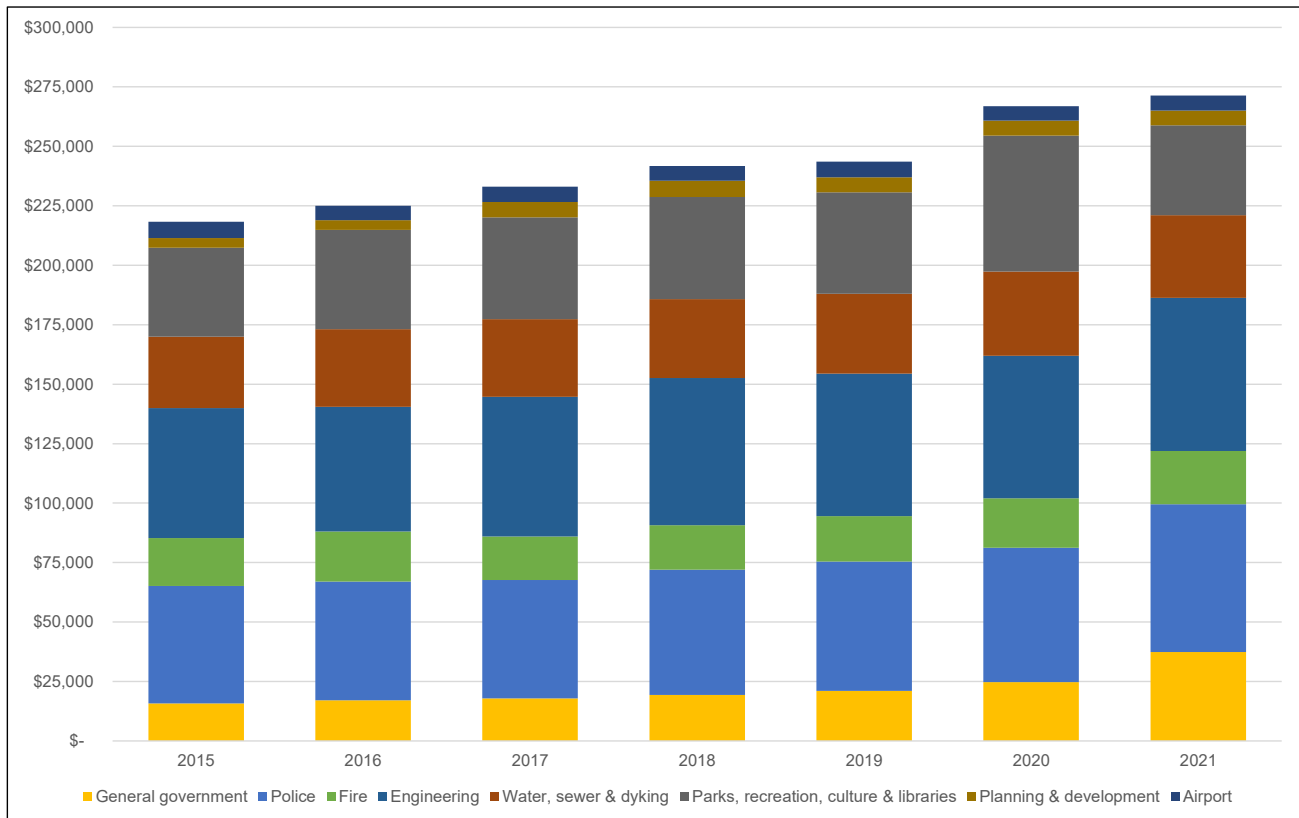


FINANCIAL STATISTICS

CONSOLIDATED EXPENSES BY FUNCTION

in thousands

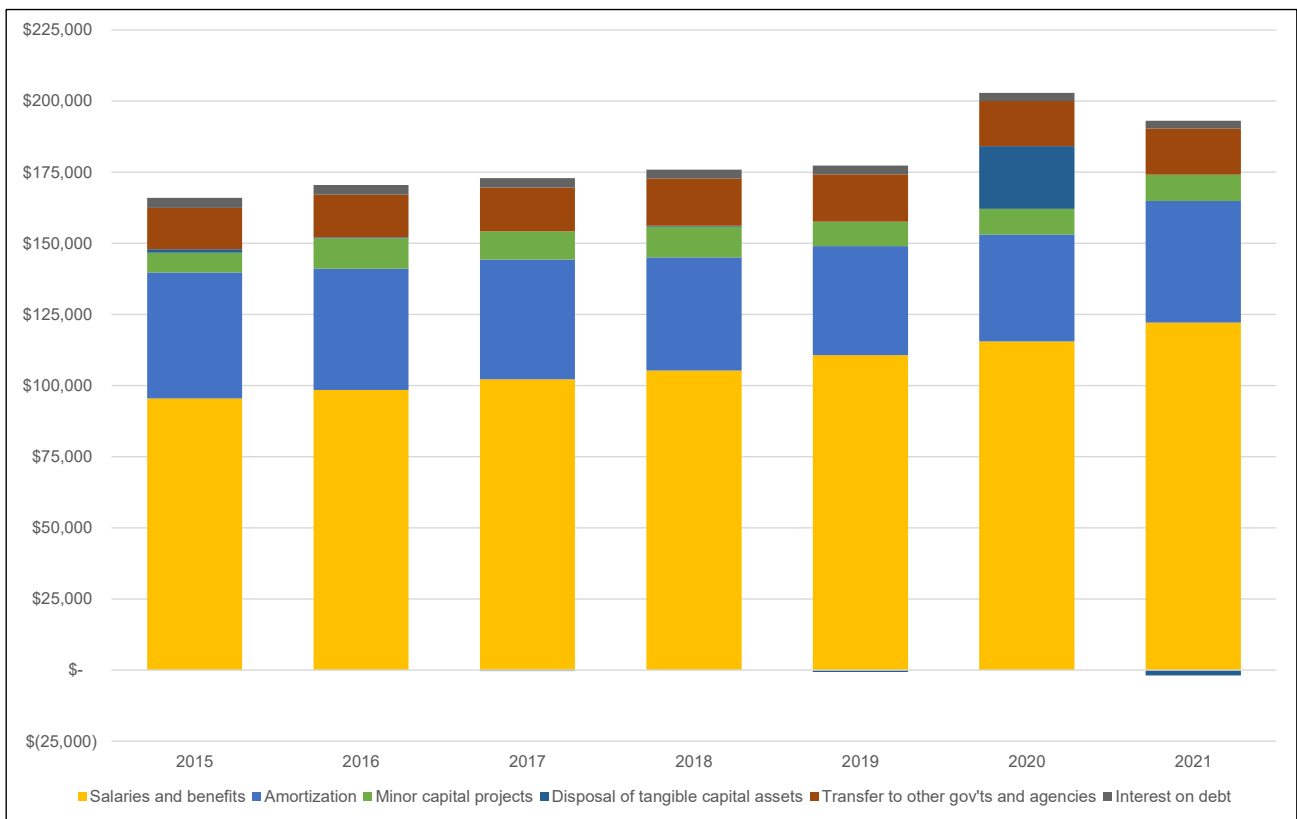
	2015	2016	2017	2018	2019	2020	2021
CONSOLIDATED EXPENSES BY FUNCTION							
General government	\$ 15,791	\$ 17,136	\$ 17,833	\$ 19,343	\$ 21,020	\$ 24,724	\$ 37,349
Planning & development	4,101	4,095	6,456	6,905	6,263	6,424	6,148
Protective services:							
Police	49,330	49,882	49,884	52,646	54,376	56,503	62,162
Fire	20,207	21,116	18,275	18,705	19,173	20,838	22,428
Parks, recreation, culture & libraries	37,371	41,755	42,827	42,914	42,644	57,061	37,818
Engineering	54,573	52,371	58,642	61,915	59,812	59,810	64,361
Water, sewer & dyking	30,122	32,592	32,715	33,131	33,641	35,520	34,708
Airport	6,807	6,067	6,445	6,232	6,617	5,986	6,351
Total Consolidated Expenses	\$ 218,302	\$ 225,014	\$ 233,077	\$ 241,791	\$ 243,546	\$ 266,866	\$ 271,325



CONSOLIDATED EXPENSES BY OBJECT

in thousands

	2015	2016	2017	2018	2019	2020	2021
CONSOLIDATED EXPENSES BY OBJECT							
Salaries and benefits	\$ 95,469	\$ 98,449	\$ 102,164	\$ 105,261	\$ 110,726	\$ 115,518	\$ 122,148
Operating goods and services	52,295	54,563	60,469	65,841	66,902	63,957	80,097
Minor capital projects	7,028	10,631	9,905	10,793	8,610	9,083	9,213
Amortization	44,260	42,669	42,158	39,806	38,252	37,562	42,767
Disposal of tangible capital assets	1,143	334	(342)	271	(653)	22,023	(1,868)
Transfer to other gov'ts and agencies	14,566	14,960	15,444	16,672	16,700	15,858	16,250
Interest on debt	3,541	3,408	3,279	3,147	3,011	2,865	2,718
Total Consolidated Expenses	\$ 218,302	\$ 225,014	\$ 233,077	\$ 241,791	\$ 243,548	\$ 266,866	\$ 271,325

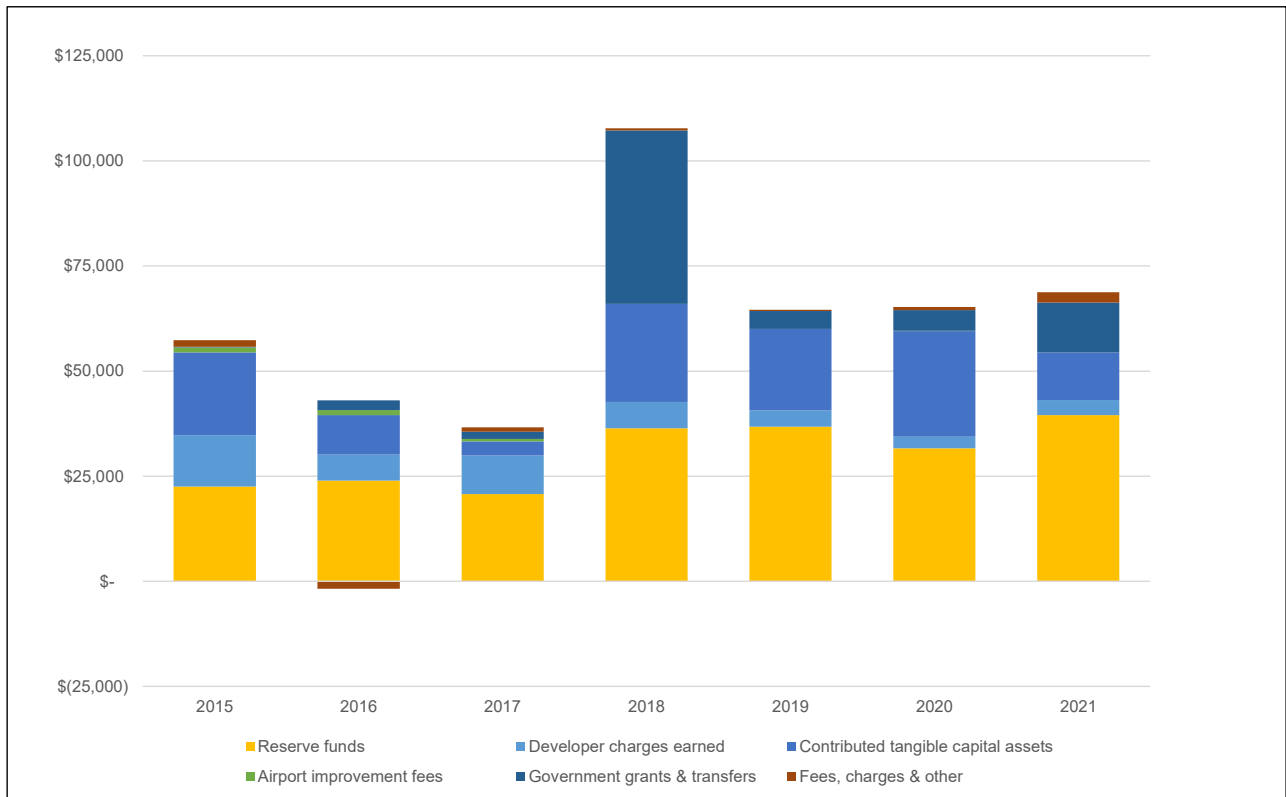


FINANCIAL STATISTICS

SOURCES OF CAPITAL FUNDING

in thousands

	2015	2016	2017	2018	2019	2020	2021
SOURCES OF CAPITAL FUNDING							
Reserve funds	\$ 22,558	\$ 23,918	\$ 20,717	\$ 36,405	\$ 36,803	\$ 31,615	\$ 39,561
Developer charges earned	12,175	6,197	9,156	6,283	3,867	2,780	3,511
Contributed tangible capital assets	19,696	9,403	3,423	23,276	19,372	25,145	11,392
Airport improvement fees	1,207	1,210	593	1	-	5	-
Government grants & transfers	153	2,293	1,654	41,267	4,246	4,943	11,840
Fees, charges & other	1,565	(1,757)	1,077	498	267	762	2,471
Total Capital Funding	\$ 57,354	\$ 41,264	\$ 36,620	\$ 107,730	\$ 64,555	\$ 65,250	\$ 68,775



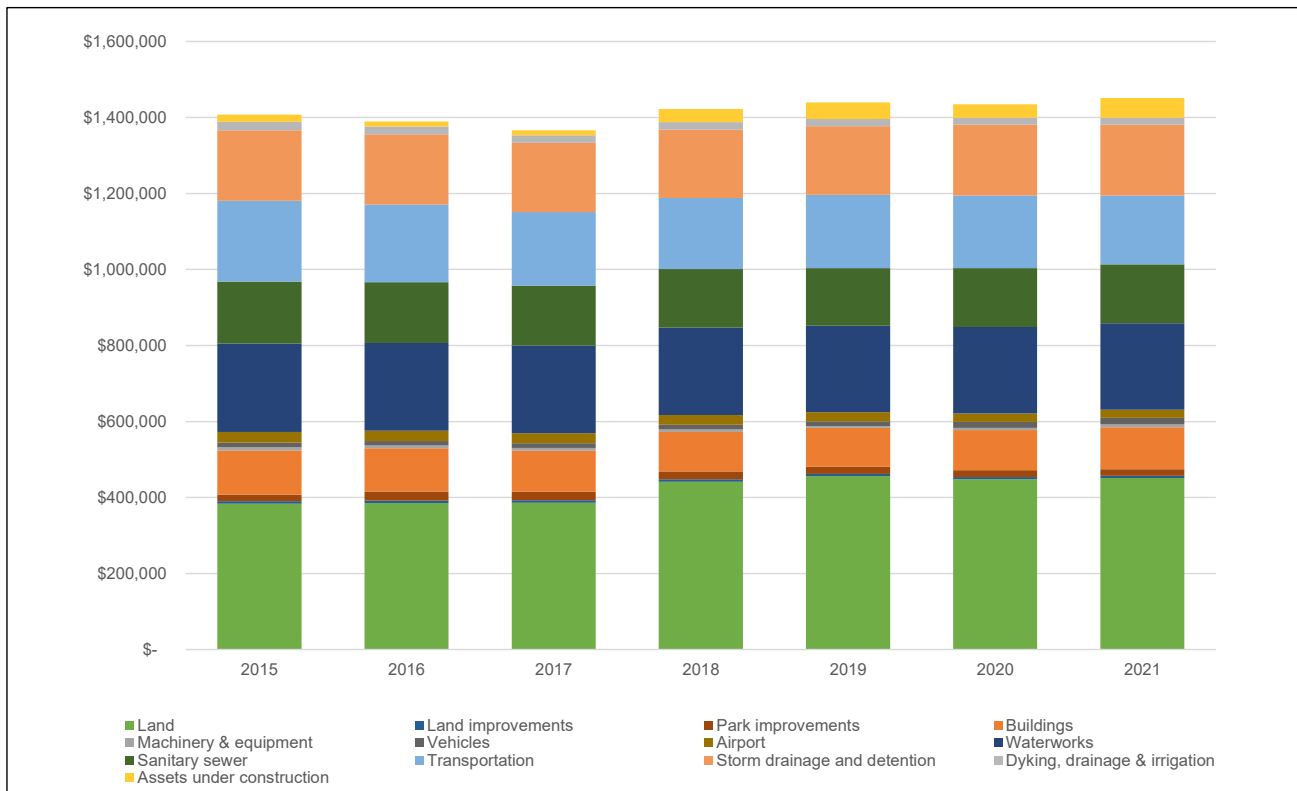
TANGIBLE CAPITAL ASSETS BY ASSET CATEGORY

in thousands

	2015	2016	2017	2018	2019	2020	2021
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TANGIBLE CAPITAL ASSETS (NET BOOK VALUE) BY ASSET CATEGORY

General							
Land	\$ 383,669	\$ 385,183	\$ 386,241	\$ 441,222	\$ 455,844	\$ 447,992	\$ 451,424
Land improvements	6,708	6,915	6,522	6,962	6,571	6,154	5,533
Park improvements	17,312	23,764	22,313	20,495	18,852	17,460	17,434
Buildings	115,750	113,448	107,778	104,192	101,584	105,749	110,323
Machinery & equipment	8,972	7,854	7,683	6,063	4,980	5,815	7,792
Vehicles	11,858	11,253	12,336	12,733	12,797	15,449	16,723
Infrastructure							
Airport	27,995	26,961	25,938	24,918	23,901	22,888	21,968
Waterworks	232,595	231,142	231,539	230,248	227,183	226,874	227,448
Sanitary sewer	163,676	160,102	156,882	154,419	151,683	155,381	154,473
Transportation	211,937	203,991	194,060	186,628	193,083	190,819	181,652
Storm drainage and detention	186,167	184,604	181,705	180,175	180,527	186,411	186,430
Dyking, drainage & irrigation	21,634	20,904	20,192	19,462	18,729	18,351	17,774
Assets under construction	18,922	13,107	12,987	35,197	43,829	35,717	52,530
Total Tangible Capital Assets	\$ 1,407,195	\$ 1,389,228	\$ 1,366,176	\$ 1,422,714	\$ 1,439,563	\$ 1,435,060	\$ 1,451,504



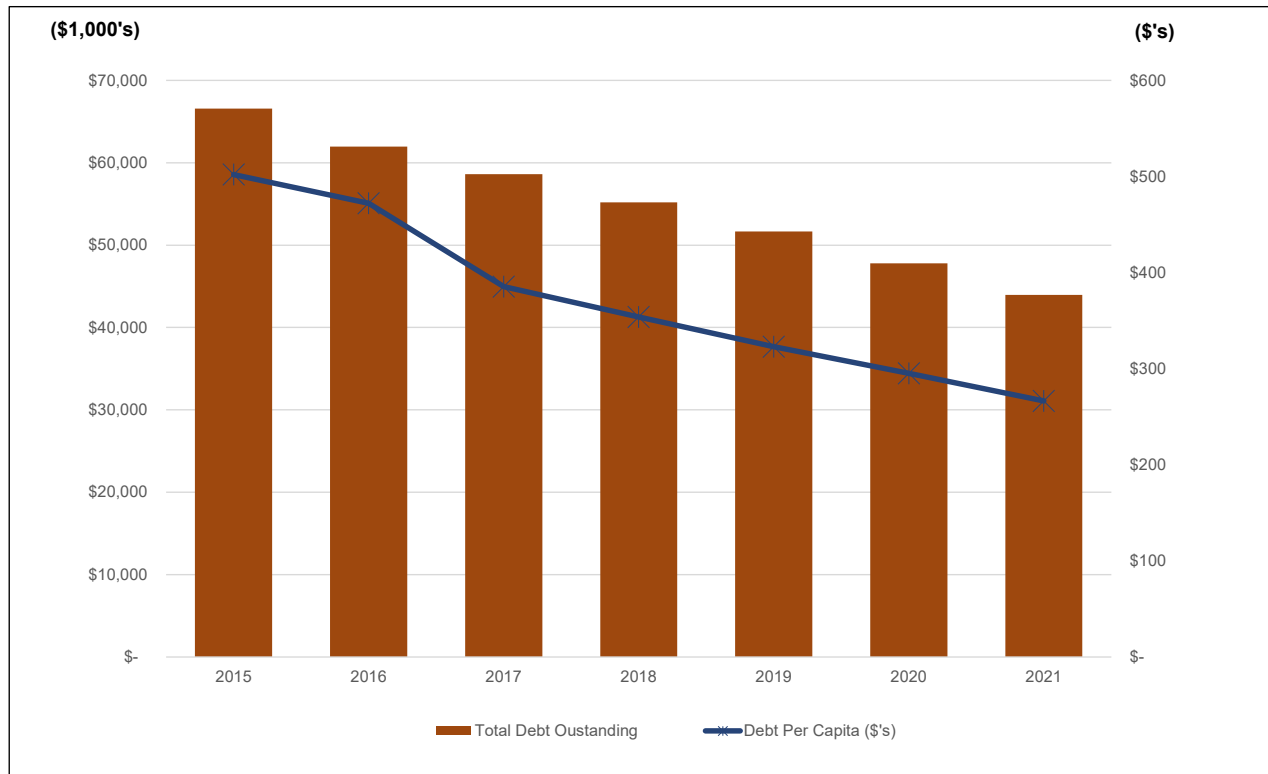
FINANCIAL STATISTICS

DEBT OUTSTANDING BY FUNCTION

in thousands, except as noted

	2015	2016	2017	2018	2019	2020	2021
DEBT OUTSTANDING							
Parks, recreation & culture *	\$ 65,080	\$ 61,955	\$ 58,598	\$ 55,204	\$ 51,675	\$ 47,804	\$ 43,965
Waterworks	1,123	-	-	-	-	-	-
Sanitary sewer	361	-	-	-	-	-	-
Total Debt Outstanding	\$ 66,564	\$ 61,955	\$ 58,598	\$ 55,204	\$ 51,675	\$ 47,804	\$ 43,965
Debt Per Capita (\$'s)	\$ 502	\$ 472	\$ 386	\$ 354	\$ 323	\$ 295	\$ 266

* Property tax supported debt



ANNUAL DEBT SERVICING

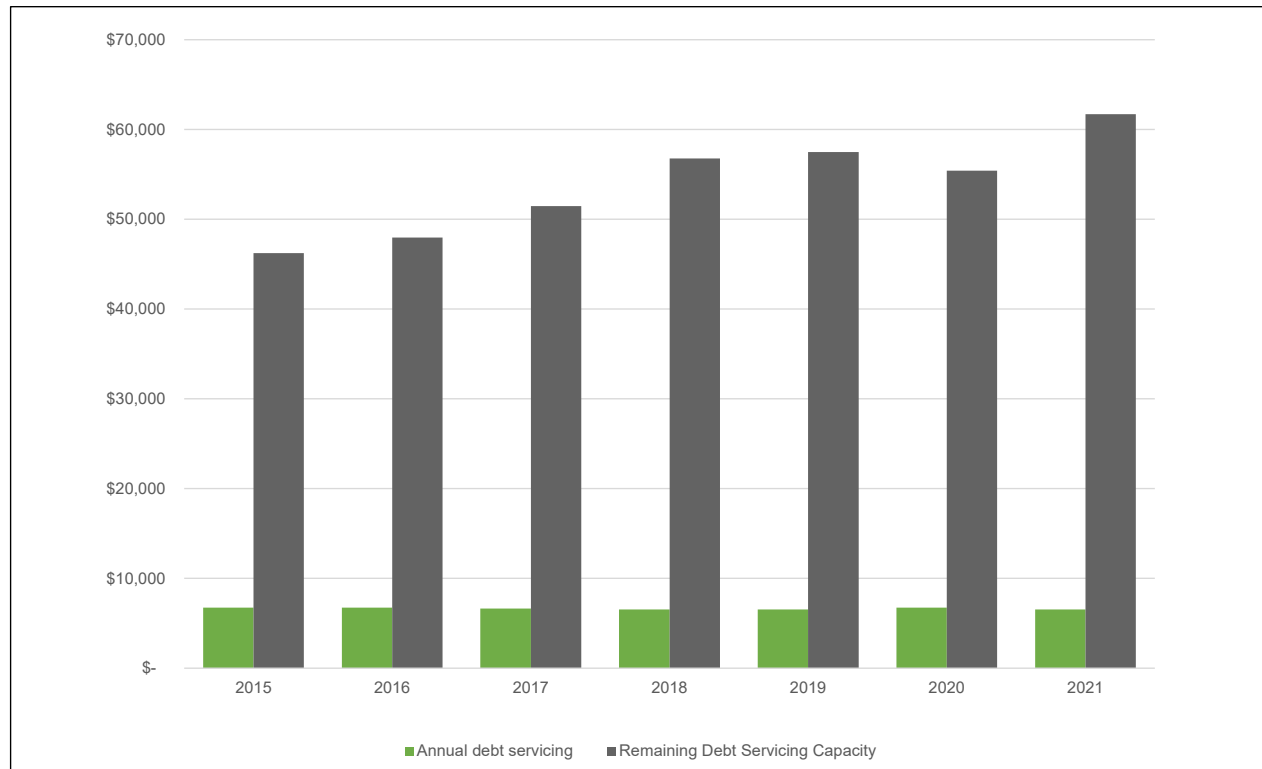
in thousands

	2015	2016	2017	2018	2019	2020	2021
ANNUAL DEBT SERVICING							
Legal debt servicing limit	\$ 52,983	\$ 54,715	\$ 58,106	\$ 63,312	\$ 64,033	\$ 62,155	\$ 68,257
Annual debt servicing *	\$ 6,754	\$ 6,751	\$ 6,636	\$ 6,541	\$ 6,540	\$ 6,736	\$ 6,557
% of total expenditures	3.1%	3.0%	2.8%	2.7%	2.7%	2.5%	2.4%
Remaining Debt Servicing Capacity	\$ 46,229	\$ 47,964	\$ 51,470	\$ 56,771	\$ 57,493	\$ 55,419	\$ 61,700

* Early debt repayment is excluded from Annual Debt Servicing (early debt repayment in 2016 - \$1,266k)

OVERLAPPING DEBT

City of Abbotsford	\$ 66,564	\$ 61,955	\$ 58,598	\$ 55,204	\$ 51,675	\$ 47,804	\$ 43,965
Fraser Valley Regional District	19,642	15,446	16,828	19,414	17,154	16,052	14,692
Fraser Valley Regional Hospital District	43,490	40,706	37,811	34,800	31,668	29,902	25,514
	\$ 129,696	\$ 118,107	\$ 113,237	\$ 109,418	\$ 100,497	\$ 93,758	\$ 84,171



FINANCIAL STATISTICS

PROPERTY ASSESSMENT

in thousands, except as noted

	2015	2016	2017	2018	2019	2020	2021
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PROPERTY ASSESSMENT

General Assessment

Land	\$10,546,319	\$11,323,055	\$15,503,172	\$20,125,835	\$24,857,019	\$24,497,858	\$28,466,237
Improvements	7,798,256	8,187,966	9,929,770	10,179,851	9,857,819	10,591,434	12,867,399
	\$18,344,575	\$19,511,021	\$25,432,942	\$30,305,686	\$34,714,839	\$35,089,292	\$41,333,636

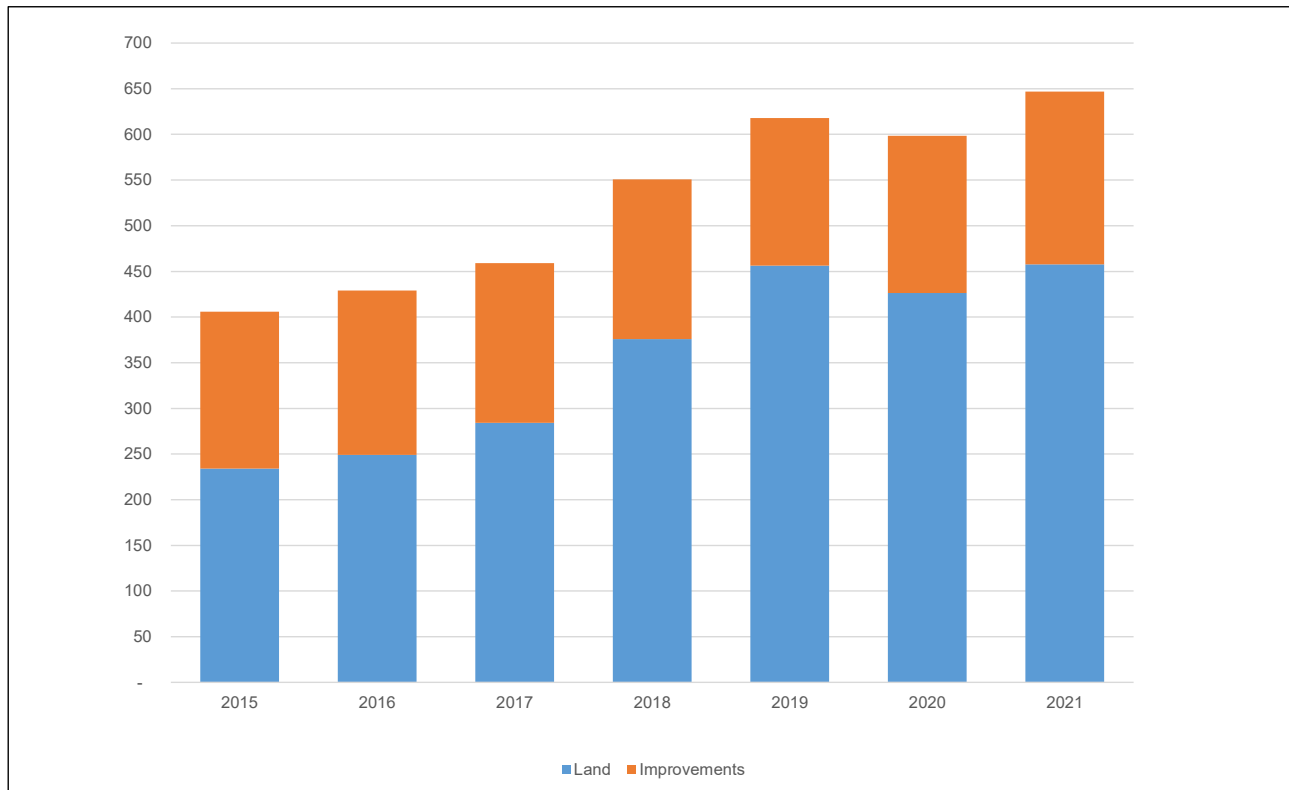
Average Residential Assessed Values (including residential Strata and Single Family)

Land	234	249	284	376	456	426	458
Improvements	172	180	175	175	161	172	189
	\$ 406	\$ 429	\$ 459	\$ 551	\$ 618	\$ 599	\$ 647

New Construction and Development (in thousands)

Building permits issued *	1,575	1,610	1,688	1,683	1,596	1,811	1,219
Building permit construction value	\$ 296,810	\$ 250,958	\$ 481,416	\$ 552,202	\$ 582,565	\$ 404,205	\$ 426,834
New construction	\$ 245,513	\$ 207,127	\$ 419,829	\$ 483,811	\$ 485,540	\$ 308,635	\$ 360,630

* Actual numbers



PROPERTY TAXATION

in thousands, except as noted

	2015	2016	2017	2018	2019	2020	2021
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PROPERTY TAXATION

Tax Levy

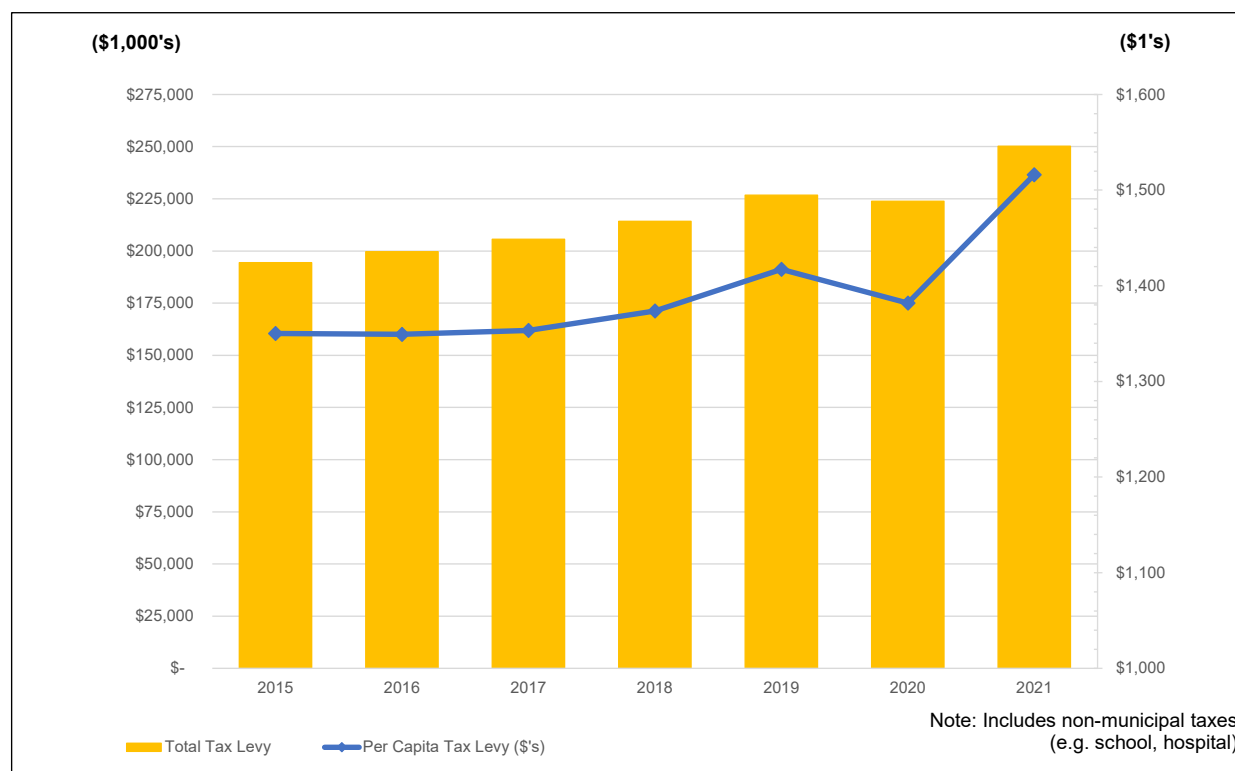
Current tax levy	\$ 193,667	\$ 198,790	\$ 204,858	\$ 213,302	\$ 225,700	\$ 222,771	\$ 249,096
Penalties & interest	749	902	842	988	1,065	1,111	1,080
Total Tax Levy	\$ 194,416	\$ 199,692	\$ 205,700	\$ 214,290	\$ 226,765	\$ 223,882	\$ 250,176

Per Capita Tax Levy (\$'s)

\$ 1,350	\$ 1,349	\$ 1,353	\$ 1,374	\$ 1,417	\$ 1,382	\$ 1,516
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Taxes Collected

Current taxes collected	\$ 191,659	\$ 197,850	\$ 204,036	\$ 211,855	\$ 224,700	\$ 221,784	\$ 248,550
% current taxes collected	98.58	99.08	99.19	98.86	99.09	99.06	99.35



	2015	2016	2017	2018	2019	2020	2021
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TAXES COLLECTED FOR OTHER AGENCIES

School	\$ 56,968	\$ 57,163	\$ 58,655	\$ 60,575	\$ 64,636	\$ 53,808	\$ 74,070
Fraser Valley Regional Hospital District	5,374	5,378	5,373	5,494	5,616	5,792	5,912
Fraser Valley Regional District	2,301	2,301	2,384	3,273	3,634	4,196	4,427
BC Assessment	1,527	1,503	1,551	1,656	1,771	1,951	2,073
Greater Vancouver Regional District *	850	814	835	-	-	-	-
Municipal Finance Authority	5	5	6	8	9	9	10
\$ 67,025	\$ 67,164	\$ 68,804	\$ 71,006	\$ 75,665	\$ 65,756	\$ 86,492	

* Starting 2018 Regional Parks Maintenance moved from GVRD to FVRD

FINANCIAL STATISTICS

ASSESSMENTS AND TAX RATES

General and Specific Municipal Purposes

City of Abbotsford Properties

Land Classification	Net Taxable Values (in thousands)	Dollars of tax per \$1,000 Taxable Value				
		General			Specified Areas	
		Municipal General (Police)	Municipal General (Other)	Fraser Valley Regional Library	Matsqui Dyking	Sumas Dyking
Class 1 - Residential	31,331,072	1.14845	1.91846	0.10605	0.87982	0.56340
Class 2 - Utilities	364,630	14.47796	24.18513	1.33691	0.87982	11.63279
Class 3 - Supportive housing	-	1.14845	1.91846	0.10605	0.87982	0.56340
Class 5 - Light industry	1,231,129	2.29217	3.82903	0.21166	0.87982	9.28449
Class 6 - Business and other	7,668,224	2.88970	4.82718	0.26684	0.87982	4.64226
Class 8 - Recreation/Non-profit	595,493	2.32308	3.88066	0.21452	0.87982	0.56340
Class 9 - Farm	143,088	7.57646	12.65633	0.69962	0.87982	-
	\$ 41,333,636					

2021 Tax Rates - Other Governments & Agencies

Land Classification	Dollars of tax per \$1,000 Taxable Value				
	Fraser Valley Regional District	Fraser Valley Regional Hospital District	Municipal Finance Authority	BC Assessment	School
Class 1 - Residential	0.09234	0.12332	0.00020	0.04110	1.44810
Class 2 - Utilities	0.32318	0.43162	0.00070	0.47310	12.86000
Class 3 - Supportive housing	0.09234	0.12332	0.00020	-	0.10000
Class 5 - Light industry	0.31395	0.41929	0.00070	0.11370	3.86000
Class 6 - Business and other	0.22623	0.30213	0.00050	0.11370	3.86000
Class 8 - Recreation/Non-profit	0.09234	0.12332	0.00020	0.04110	2.33000
Class 9 - Farm	0.09234	0.12332	0.00020	0.04110	3.45500

OTHER STATISTICS

	2015	2016	2017	2018	2019	2020	2021
OTHER STATISTICS							
Registered Electors (in thousands)	87	87	87	94	94	94	97
Properties on Tax Roll (in thousands)	45	46	47	47	48	48	49
Abbotsford Airport							
Aircraft movements (in thousands)	137	127	135	162	182	140	170
Passengers (in thousands)	488	530	677	842	1,008	316	511
Number of Employees (Approved FTE's)^o							
Airport	15	16	17	17	17	17	17
Engineering	230	219	221	221	231	233	225
Fire Rescue & Emergency Services	101	101	107	107	109	116	116
Fire Rescue Services (Auxiliary) ¹	13	13	15	12	12	14	14
Parks, Recreation & Culture	93	106	110	109	109	116	117
Innovation, Strategy & Intergovernmental Relations		37	40	32	54	62	
Police (civilians)	92	76	78	79	81	81	
Police (uniformed)	212	215	219	221	225	227	
City Manager's Office	23	3	2	2	2	2	
Finance, Legal & Legislative Services	89	74	77	88	73	75	
Planning & Development Services ²	60	61	65	59	59	63	
	928	922	951	959	989	997	

Notes:

^oIncludes both full-time and part-time, excludes one-year temporary positions

¹Auxiliary converted to FTE positions

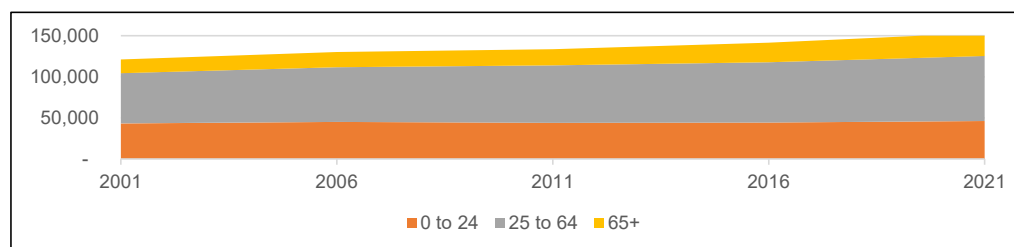
²Planning & Development includes Building Inspections

DEMOGRAPHICS

Population by Age Group

Source: Statistics Canada Census age distribution

Age	2001	2006	2011	2016	2021
0 to 4	8,262	8,270	8,535	8,480	8,010
5 to 9	9,101	8,533	8,245	8,950	9,115
10 to 14	8,945	9,330	8,550	8,565	9,530
15 to 19	8,871	9,519	9,470	8,930	9,265
20 to 24	8,156	9,404	9,175	9,330	10,255
25 to 34	16,669	16,934	18,000	19,110	21,140
35 to 44	19,096	18,818	17,480	17,825	21,010
45 to 54	15,269	17,522	18,680	18,500	18,505
55 to 64	9,960	13,497	15,665	17,860	18,575
65 to 74	8,565	8,900	10,131	13,205	15,695
75 +	8,368	9,273	9,575	10,640	12,420
Total	121,262	130,000	133,506	141,395	153,520



Population Growth

Source: Statistics Canada (does not include estimated Census undercounts)

Year	Abbotsford Population	Abbotsford % Increase	BC Population	% of BC Population
1956	16,858	--	1,398,464	1.21
1961	20,326	20.60	1,629,082	1.25
1966	22,408	10.20	1,873,674	1.20
1971	31,033	38.50	2,184,621	1.42
1976	40,768	31.40	2,466,608	1.65
1981	54,736	34.30	2,744,467	1.99
1986	65,945	20.50	2,889,207	2.28
1991	86,928	31.80	3,282,061	2.65
1996	105,403	21.30	3,724,500	2.83
2001	115,463	9.50	3,907,738	2.95
2006	123,864	7.30	4,113,487	3.01
2011	133,500	7.80	4,573,321	2.92
2016	141,395	5.90	4,757,700	2.97
2021	153,520	8.58	5,000,879	3.07

Abbotsford Annual Population Estimates (in thousands)

Source: BC Stats Population Estimates

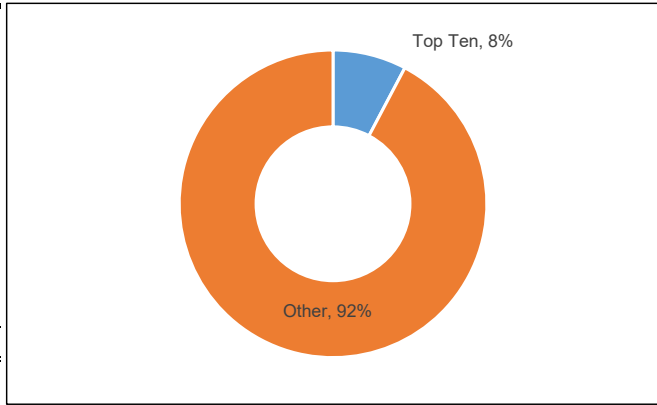
2015	2016	2017	2018	2019	2020	2021
144	148	152	156	160	162	165

DEMOGRAPHICS

Top 10 Principal Corporate Taxpayers

(in thousands)

Industry	Contribution
Utility	\$ 2,664
Utility	1,547
Retail	1,397
Retail	1,332
Commercial	1,228
Utility	1,199
Utility	1,099
Utility	852
Retail	648
Commercial	551
Total Top Ten	\$ 12,518
Total Abbotsford General Tax	\$ 161,705



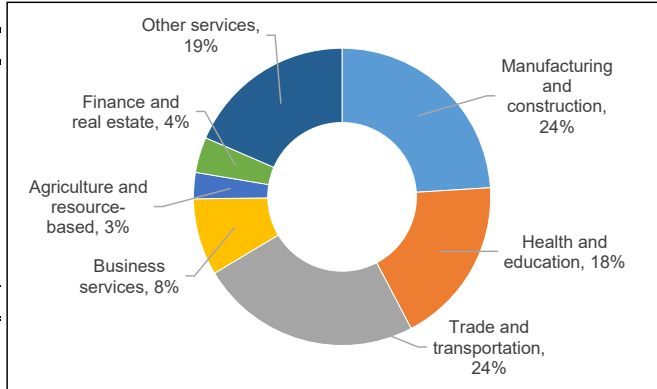
Employment by Industry - Abbotsford/Mission

(actuals #'s)

Source: Statistics Canada, Employment by Industry, census metropolitan areas, Table 14-10-0384-01

Prepared by: Statistics Canada

Industry	Employed
Manufacturing and construction	26,100
Health and education	18,800
Trade and transportation	26,200
Business services	9,100
Agriculture and resource-based	3,100
Finance and real estate	4,200
Other services	20,100
Total	107,600



Unemployment Rate - Abbotsford/Mission

Source: Statistics Canada, Labour Force Survey Table 14-10-0095-01, Labour force survey

Prepared by: Statistics Canada

2015	2016	2017	2018	2019	2020	2021
7.5%	6.0%	4.7%	4.5%	5.2%	7.3%	6.7%

FINANCIAL STATISTICS

PERMISSIVE TAX EXEMPTIONS

	2021	2020
Abbotsford Airport Revitalization	\$ 8,780	\$ 11,681
Athletic or Service Club/Associations	310,149	298,036
Charitable Organizations	573,289	541,206
Downtown Abbotsford Revitalization	23,329	34,715
Local Authorities	287,198	324,576
Independent Schools	4,255	4,538
Religious Organizations	906,428	875,337
	\$ 2,113,428	\$ 2,090,089

PERMISSIVE TAX EXEMPTIONS

Folio	Name	Civic Address	2021 Exemption \$
ABBOTSFORD AIRPORT REVITALIZATION			
9700007610	Corp Air Ltd.	30460 Liberator Ave	5,890
9700007620	Godspeed Aviation Inc.	30490 Liberator Ave	2,890
			8,780
ATHLETIC OR SERVICE CLUB/ASSOCIATIONS			
9500013980	861 Silverfox Sponsoring Committee	32470 Haida Dr	7,353
6233053231	Abbotsford Curling Club	2555 McMillan Rd	22,841
9332020911	Abbotsford Fish & Game Club	4161 Lakemount Rd	5,301
3156041609	Abbotsford Horseshoe Club	2308 Adanac St	6,682
5165048000	Abbotsford Judo Club	31410 Maclure Rd	7,967
6223029707	Abbotsford Seniors' Association	33889 Essendene Ave	10,038
6223031501	Abbotsford Social Activity Association	2631 Cyril St	9,306
9500005906	Bradner Community Club	28780 Myrtle Ave	3,606
9500006108	Bradner Community Club	5305 Bradner Rd	5,032
9500006303	Bradner Community Club	5227 Bradner Rd	8,983
7207062000	Clayburn Village Community Society	4315 Wright St	5,866
9500006819	Clayburn Village Community Society	4304 Wright St	3,714
9500015109	Clayburn Village Community Society	34819 Clayburn Rd	7,355
1013055810	Elks Recreation Children's Camp Society	27863 0 Ave	7,731
9500013100	Fraser Valley Antique Farm Machinery Association	32470 Haida Dr	1,004
7187058120	Fraser Valley Conservancy	33350 Industrial Ave	61,451
7180040510	Fraser Valley Conservancy	35790 McKee Rd	1,168
1052028820	Fraser Valley Conservancy	South Fraser Way	101
9500007307	Girl Guides of Canada	5315 Willet Rd	11,790
3156028220	Jubilee Lawn Bowling Club	33015 Bevan Ave	4,493
9500013990	Kiwanis Family Housing Society	32470 Haida Dr	16,654
7180060060	Ledgeview Golf & Country Club	35997 McKee Rd	49,744
9500004501	Matsqui Prairie Community Association	5783 Wallace St	3,556
9500006901	Matsqui Prairie Community Association	33676 St Olaf Ave	3,787
9500007009	Mount Lehman Community Association	6418 Mt Lehman Rd	4,198
9500006601	Mount Lehman Community Association	6418 Mt Lehman Rd	8,466
9500004707	Ridgedale Rod & Gun Club	35606 Harris Rd	8,077
8213060000	Ridgedale Rod & Gun Club	35655 Harris Rd	5,250
0002422050	Scouts Properties (BC/Yukon)	SEC 6 TWP 20 NWD	7,323
9324004207	Straiton Community Club	4698 Sumas Mountain Rd	3,472
9500013970	Twisters Gymnastics Club	32470 Haida Dr	7,840
			310,149
CHARITABLE ORGANIZATIONS			
6223051608	Abbotsford Alano Club	2584 Cyril St	6,319
6154002221	Abbotsford Bibles for Mission Society	2337 West Railway St	17,644
9500016250	Abbotsford Ravine Park Salmon Enhancement Society	2395 Crescent Way	2,076
5163034310	Archway Community Services	31943 South Fraser Way	36,821
6223051402	Archway Community Services	33914 Essendene Ave	10,374
6223057301	Archway Community Services	2420 Montrose Ave	59,443
6223063811	Archway Community Services	2539 Montvue Ave	11,572
6223074321	Archway Community Services	33780 Laurel St	18,394
6223078109	Archway Community Services	2408 Montvue Ave	4,435
7186073200	Bethesda Christian Association	3260 Gladwin Rd	2,741
7189086100	Bethesda Christian Association	3215 Trethewey St	788
1053073330	Bethesda Christian Foundation Society	31126 Kingfisher Dr	2,719
5166055101	Bethesda Christian Foundation Society	32553 Willingdon Cres	2,427
7191076160	Bethesda Christian Foundation Society	32704 Chilcotin Dr	3,113
6223075801	Big Brothers Big Sisters of the Fraser Valley	2445 West Railway St	8,207

FINANCIAL STATISTICS

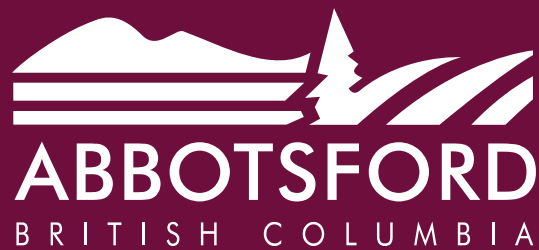
Folio	Name	Civic Address	2021 Exemption \$
6151045811	Canadian Red Cross Society	34220 South Fraser Way	5,581
6172066006	Communitas Supportive Care Society	2837 Babich St	3,408
6223019105	Creative Centre Society for Mental Wellness	2676 Gladys Ave	6,834
6171068100	Fraser Valley Child Development Centre	32885 Ventura Ave	30,546
6151005806	Governing Council of the Salvation Army in Canada	34081 Gladys Ave	45,632
5163069603	H.O.M.E.S: Healthy Opportunities for Meaningful Experiences Society	31581 South Fraser Way	28,465
5168002710	John Howard Society Pacific Region	32160 Tims Ave	2,821
6223077002	John Howard Society Pacific Region	2411 West Railway St	2,107
1022067100	Kinghaven Peardonville House Society	825 Peardonville Rd	12,067
4158048801	L.I.F.E. Recovery Association	32122 Melmar Ave	2,252
5163006605	L.I.F.E. Recovery Association	2693 Braeside St	2,345
6170092910	Lynnhaven Society	33585 Braun Ave	13,441
6170092920	Lynnhaven Society	33580 Braun Ave	13,441
4159012020	MAC Campus of Care Abbotsford	32772 Marshall Rd	21,462
2101018706	Matsqui Unit #315 Army Navy and Air Force Veterans in Canada	30346 McNeil Ave	3,751
5163080810	Mennonite Central Committee BC	31872 South Fraser Way	22,322
6223044400	Mennonite Central Committee BC	33933 Gladys Ave	89,937
4159092810	Mennonite Museum Society	1818 Clearbrook Rd	22,041
4159095604	Mennonite Museum Society	1834 Clearbrook Rd	284
9500009920	MSA Society for Community Living	2391 Crescent Way	10,340
6170059606	Northview Community Church (Cyrus Centre)	2616 Ware St	6,547
6171074202	Positive Living Fraser Valley Society	32883 South Fraser Way	9,070
6223068811	Royal Canadian Legion Branch No.015	2513 West Railway St	6,027
5166071700	SARA For Women Society	2474 Sugarpine St	2,600
6171070810	Supportive Care Holdings Society	104-2776 Bourquin Cres W	3,102
6171070820	Supportive Care Holdings Society	105-2776 Bourquin Cres W	2,655
6171070830	Supportive Care Holdings Society	103-2776 Bourquin Cres W	6,547
6171070840	Supportive Care Holdings Society	102-2776 Bourquin Cres W	3,012
6171070860	Supportive Care Holdings Society	208-2776 Bourquin Cres W	1,214
6171070870	Supportive Care Holdings Society	207-2776 Bourquin Cres W	1,519
6171070880	Supportive Care Holdings Society	206-2776 Bourquin Cres W	1,431
6171070890	Supportive Care Holdings Society	205-2776 Bourquin Cres W	1,542
6171070910	Supportive Care Holdings Society	203-2776 Bourquin Cres W	1,873
			573,289
DOWNTOWN ABBOTSFORD REVITALIZATION			
6223062810	Abbotsford Downtown Real Estate Collective	33780 Essendene Ave	2,006
6223059610	Algra Bros Developments (Downtown) Ltd	33721 South Fraser Way	203
6223076311	Aprario Development Inc.	33827 South Fraser Way	3,612
6223076001	Aprario Development Inc.	2455 West Railway St	2,898
6223044411	Ecoworks Landscape Services Inc.	33973 Gladys Ave	3,697
6223059910	Flatiron 2539 Montrose Inc	2539 Montrose Ave	6,876
6223030410	Gladys Investments Ltd.	101-2630 Gladys Ave	1,360
6223030420	Gladys Investments Ltd.	201-2630 Gladys Ave	1,640
6223030430	Gladys Investments Ltd.	202-2630 Gladys Ave	1,037
			23,329
LOCAL AUTHORITIES			
6101072111	BC Transit	1225 Riverside Rd	69,458
5168017100	Reach Cultural Centre Society	32388 Veterans Way	124,386
9700002430	Tourism Abbotsford Society (Tradex)	1190 Cornell St	93,354
			287,198
INDEPENDENT SCHOOLS			
7194047210	Mennonite Educational Institute Society	31638 Downes Rd	4,255
			4,255
RELIGIOUS ORGANIZATIONS			
6154037701	Abbotsford Baptist Church	33651 Busby Rd	6,148

PERMISSIVE TAX EXEMPTIONS

Folio	Name	Civic Address	2021 Exemption \$
9500003405	Abbotsford City Fellowship Society	2413 McCallum Rd	4,306
6223021011	Abbotsford Gospel Society	33868 Pine St	26,420
6232067605	Abbotsford Gospel Society	2480 McMillan Rd	3,933
9500003300	Abbotsford Korean Presbyterian Church	2597 Bourquin Cr E	8,543
9500002770	Abbotsford Pentecostal Assembly	3095 Gladwin Rd	43,182
9500000106	Abbotsford Slavic Gospel Church	29394 Huntingdon Rd	5,898
1044021007	Aberdeen Baptist Church	28163 Swensson Ave	8,960
4162052207	BC Conference of Mennonite Brethren Churches	2311 Clearbrook Rd	4,990
4162052402	BC Conference of Mennonite Brethren Churches	31980 Oak Ave	4,121
4162052608	BC Conference of Mennonite Brethren Churches	31966 Oak Ave	4,122
4162066504	BC Conference of Mennonite Brethren Churches	2245 Clearbrook Rd	3,126
4162066607	BC Conference of Mennonite Brethren Churches	2231 Clearbrook Rd	3,293
4162066610	BC Conference of Mennonite Brethren Churches	2228 Holly St	4,557
4162067302	BC Conference of Mennonite Brethren Churches	2244 Holly St	4,557
7175063600	BC Conference of Mennonite Brethren Churches	3130 McMillan Rd	8,634
9032003604	BC Conference of Mennonite Brethren Churches	310 Arnold Rd	5,231
9500000410	BC Conference of Mennonite Brethren Churches	3160 Ross Rd	4,986
9500001310	BC Conference of Mennonite Brethren Churches	32424 Huntingdon Rd	6,269
9500002607	BC Conference of Mennonite Brethren Churches	2285 Clearbrook Rd	17,099
9500002701	BC Conference of Mennonite Brethren Churches	2719 Clearbrook Rd	18,307
6153026308	BC Muslim Association	1980 Salton Rd	3,637
1051085901	Catholic Independent Schools of Vancouver Archdiocese (St. James Parish)	2767 Townline Rd	39,998
3155040220	Central Heights Church	1661 McCallum Rd	29,492
9500003508	Central Valley Baptist Church of Clearbrook	33393 Old Yale Rd	3,070
1055034110	Christian & Missionary Alliance (Canadian Pacific District)	3440 Mt Lehman Rd	26,170
5166040650	Christian & Missionary Alliance (Canadian Pacific District)	2575 Gladwin Rd	27,211
7211072700	Christian Life Community Church	35131 Straiton Rd	5,115
9500000710	Church of God in Christ (Mennonite)	29623 Downes Rd	8,156
1055048406	Church of Jesus Christ of Latter-day Saints in Canada	30635 Blueridge Rd	30,847
6141000321	Church of the Nazarene (Canada Pacific District)	2390 McMillan Rd	10,304
9500004100	Community Baptist Bible Church of Fraser Valley	5525 Gladwin Rd	5,971
4161068900	Conference of United Mennonite Churches of BC	2051 Windsor St	10,690
9500003004	Conference of United Mennonite Churches of BC	32027 Peardonville Rd	6,669
9133040611	Congregation of the Prairie Chapel	1929 Interprovincial Hwy	3,442
1055008680	Emmanuel Free Reformed Church	3366 Mt Lehman Rd	7,008
9500000908	Fraser Valley Buddhist Temple	28941 Haverman Rd	3,415
3148009204	Fraser Valley Hindu Cultural Society	31545 Walmsley Ave	4,974
95000009100	Gateway Community Christian Reformed Church	2884 Gladys Ave	9,519
7186060010	Gladwin Heights United Church	3474 Gladwin Rd	5,016
6142039207	Grace Communities Corp	35190 Delair Rd	27,846
6144048901	Grace Evangelical Bible Church Society	2087 McMillan Rd	14,599
9500001408	Grace Tabernacle	721 Gladwin Rd	5,000
5163046830	Gurdwara Baba Banda Singh Bahadar Sikh Society	31631 South Fraser Way	44,606
9500022001	Immanuel Covenant Reformed Church	35063 Page Rd	5,648
1053052820	Immanuel Fellowship Baptist Church	2950 Blue Jay St	10,927
1055026410	Kalgidhar Darbar Sahib Society Inc	30640 Blueridge Dr	32,977
6171021908	Khalsa Diwan Society of Abbotsford	33091 Mill Lake Rd	1,980
6171050601	Khalsa Diwan Society of Abbotsford	33117 Mill Lake Rd	3,183
6171050702	Khalsa Diwan Society of Abbotsford	33094 South Fraser Way	41,310
6171061001	Khalsa Diwan Society of Abbotsford	33089 South Fraser Way	16,649
6154003000	Life Spring Church Abbotsford	2393 West Railway St	5,462
7182099706	Living Hope Christian Reformed Church	34631 Old Clayburn Rd	8,722
7190043010	Maranatha Baptist Church	3580 Clearbrook Rd	10,641
9500004306	Matsqui Evangelical Lutheran Church	5781 Riverside St	2,298
7192056090	Mennonite Church BC	3471 Clearbrook Rd	16,538

FINANCIAL STATISTICS

Folio	Name	Civic Address	2021 Exemption \$
3154096510	Mill Lake Church	33218 Marshall Rd	11,430
6142053611	New Life Christian Reformed Church	35270 Delair Rd	7,344
6154039104	New Life Pentecostal Church	33668 McDougall Ave	3,119
7191035510	Northview Community Church	32040 Downes Rd	6,658
5167065910	Olivet Church Abbotsford	2630 Langdon St	15,091
6144048401	Parish of St. Matthew Abbotsford	2010 Guilford Dr	9,697
9500002210	Peace Evan Lutheran Church	2029 Ware St	5,466
3157024401	Roman Catholic Archbishop of Vancouver - St. Ann's Parish	33333 Mayfair Ave	30,041
6143033201	Seventh-Day Adventist Church BC Conference	1921 Griffiths Rd	7,531
7186073200	Society of Bethel Reformed Church of Abbotsford	3260 Gladwin Rd	14,779
6032038611	Solid Rock Christian Fellowship World Outreach Society	34371 4th Ave	13,035
7189086100	Trinity Christian Reformed Church	3215 Trethewey St	12,342
7191075030	Trinity Lutheran Church	3845 Gladwin Rd	11,551
9500001007	Trustees of Bradner Congregation of Presbyterian Church	5275 Bradner Rd	2,779
7186022509	Trustees of Congregation of Calvin Presbyterian Church of Abbotsford	33911 Hazelwood Ave	7,432
9500002905	Trustees of Congregation of Abbotsford Gospel Hall	2464 Parkview St	4,157
6150015002	Trustees of Congregation of Canadian Reformed Church	33947 King Rd	5,933
3150082800	Trustees of Congregation of King Road Mennonite Brethren Church	32068 King Rd	7,959
9500001512	Trustees of Congregation of Level Ground Mennonite Church	31216 King Rd	9,711
6150009101	Trustees of McCallum Congregation of Jehovah	1672 Salton Rd	5,969
9500001202	Trustees of Mt Lehman Congregation of United Church	6256 Mt Lehman Rd	4,544
1053041030	Trustees of Mt Lehman Congregation of Jehovah's Witnesses	31165 Gardner Ave	9,140
6223011003	Trustees of Trinity Memorial Congregation of United Church	33737 George Ferguson Way	4,447
6142034507	Zion Christian Reformed Church Abbotsford	35199 Delair Rd	10,501
			906,428
Total Permissive and Revitalization Tax Exemptions			\$ 2,113,428



CITY OF ABBOTSFORD

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