

2017 ANNUAL REPORT

FISCAL YEAR ENDING DECEMBER 31, 2017



**2017 Annual Report
for fiscal year ending
December 31, 2017.**

Prepared by the
City of Abbotsford.

INTRODUCTORY SECTION

Message from the Mayor	4
Elected Officials	5
Message from the City Manager	11
Organizational Structure	13
2017 Revenue and Expenses.....	15
2017 Strategic Goals & Achievements.....	17

FINANCIAL SECTION

Canadian Award for Financial Reporting	54
Message from the Chief Financial Officer.....	55
Management Discussion and Analysis.....	57
Auditors' Report	67
Consolidated Statement of Financial Position	68
Consolidated Statement of Operations.....	69
Consolidated Statement of Cash Flow	70
Consolidated Statement Change in Net Financial Assets	71
Notes to Consolidated Financial Statements.....	72

Exhibits

1 Statement of Financial Position – By Fund	102
2 Statement of Financial Activities – By Fund.....	104
3 Schedule of Tangible Capital Assets.....	106
4 Appropriated Surplus (Reserves) Continuity Schedule	108
5 Debt Outstanding and Debt Servicing by Fund and Function	109

Schedules

A General Operating Fund.....	110
B Waterworks Operating Fund.....	112
C Sanitary Sewer Operating Fund.....	113
D Airport Operating Fund	114
E General Operating Fund - General Government Services.....	115
F General Operating Fund - Planning and Development Services	116

TABLE OF CONTENTS

G	General Operating Fund - Police Services	117
H	General Operating Fund - Fire Rescue Services	118
I	General Operating Fund - Other Protective Services	119
J	General Operating Fund - Parks, Recreation and Culture Services	120
K	General Operating Fund - Abbotsford Centre	121
L	General Operating Fund - Library Services	122
M	General Operating Fund - Transit Services	123
N	General Operating Fund - Engineering Services	124
O	General Operating Fund - Solid Waste Services	125
P	General Operating Fund - Storm Drainage Services	126
Q	General Operating Fund - Dyking, Drainage and Irrigation Services	127
R	Capital Fund	128
S	Reserve Fund	129
	Auditors' Report: Cemetery Care Trust Fund	130
	Cemetery Care Trust Fund Statement of Financial Position	131
	Notes to the Cemetery Care Trust Fund	132

FINANCIAL STATISTICS

Accumulated Surplus	136
Consolidated Annual Surplus and Net Financial Assets	137
Consolidated Revenue by Source	138
Consolidated Expenses by Function	139
Consolidated Expenses by Object	140
Sources of Capital Funding	141
Tangible Capital Assets by Asset Category	142
Debt Outstanding by Function	143
Annual Debt Servicing	144
Property Assessment	145
Property Taxation	146
Assessments and Tax Rates	147
Other Statistics	148
Demographics	149
Permissive Tax Exemptions	151

MESSAGE FROM THE MAYOR

On behalf of Abbotsford City Council, I am pleased to present the 2017 Annual Report, highlighting the ongoing work that is happening at the City.

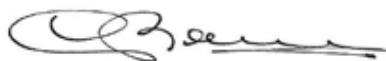
Council has a strong strategic plan that envisions Abbotsford as the Hub of the Fraser Valley. All of the work we do at the City is guided by this vision and connected to four supporting cornerstones: Vibrant Economy, Complete Community, Fiscal Discipline, and Organizational Alignment.

As you read through this report, you will see how this vision is making a difference in your daily life – from new playgrounds and traffic calming projects, to waste diversion initiatives, to supportive housing and enhanced social resources, to innovative forms of engagement with residents.

This past year we focused on planning for a city of 200,000 residents with an ambitious update of our master plans and strategies so they align with our new Official Community Plan and give us a roadmap for how we are going to grow and service our residents. I am also pleased to share that we carried on in our commitment to fiscal discipline and saw an increase in our reserve balances over last year by \$38.7 million. Finally, I am very proud to share that our very own, made-in-Abbotsford, airport celebrated a record number of passengers in 2017 and is poised to grow even more in 2018.

It's been an exciting year in our community. Abbotsford is a diverse and vibrant city, filled with opportunity. As your City Council, we are committed to improving the quality of life for all of our residents and to building a prosperous and sustainable Abbotsford for the future.

Thank you for allowing us the privilege of serving you in one of the best cities in BC!



Henry Braun
Mayor

ELECTED OFFICIALS

Abbotsford City Council was sworn in on December 1, 2014 and will serve the community of Abbotsford through November 4, 2018.

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. A resolution requires a single vote, whereas a bylaw requires four readings.

The Mayor and Councillors also serve on many 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 as Mayor of Abbotsford in 2014 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.

Did you know?

Henry has always been passionate about agriculture and currently enjoys raising pure-bred polled Herefords. Embryos from his cows have been shipped to various countries, including Ukraine, where his family has Mennonite roots reaching back to the late 1700s.

Current Committees/Boards/Commission Appointments

- Chair, Abbotsford Police Board
- Chair, Abbotsford Airport Authority
- Chair, Intergovernmental Affairs Advisory Committee
- Chair, Fraser Valley Regional District Hospital Board
- Committee for Business Innovation, Growth and Attraction
- Joint Shared Services Committee (Abbotsford/Mission)
- Fraser Valley Regional District Board
- Abbotsford Character Council
- Abbotsford School District Trustee Indemnity Committee

Find out more

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

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 began operating a variety of 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.

Did you know?

Les' favourite quote and a motto he lives by is "Listen if you want to be heard" (John Wooden, UCLA legend and basketball coach).

Current Committees/Boards/Commission Appointments

- Intergovernmental Affairs Advisory Committee
- Abbotsford Downtown Business Association
- Joint Shared Services Committee
- Fraser Valley Regional Library Board
- Abbotsford Character Council



Councillor
Sandy Blue

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

Sandy's diverse career included 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) and as a business communicator (IABC – San Francisco CA); and earlier this year she honed her governance skills 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 gather, pursue their post-secondary education, and build their careers and families. Sandy currently serves on the Abbotsford Police Foundation and enjoys her grandchildren, gourmet cooking, golf, gardening, travel and interior design.

Did you know?

2018 marks 30 years as a police services volunteer for Sandy. She volunteered with Burnaby RCMP for 15 years and the Abbotsford Police Department for 14 years, including 6 years as a police commissioner.

Current Committees/Boards/Commission Appointments

- Chair, Development Advisory Committee
- Committee for Business Innovation, Growth and Attraction
- Civic Recognition Committee
- BC Summer Games Nomination and Legacy Committees
- Heritage Abbotsford Society



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 UVF Senate, the Advisory Board for the Centre for Indo-Canadian Studies, is a current member of the Abbotsford Character Council and a director of the Fraser Valley Indo-Canadian Association. Kelly enjoys archery and owns a beautiful recurve bow.

Current Committees/Boards/Commission Appointments

- Chair, Committee for Business Innovation, Growth and Attraction
- Intergovernmental Affairs Advisory Committee
- Abbotsford Restorative Justice and Advocacy Association
- Fraser Valley Regional District Board
- Fraser Valley Regional District Hospital Board

Did you know?

Kelly has travelled on her own to Juba, Sudan, to work on a United Nation’s project. During that time, she attended a United Nation’s camp and met Canadian workers who were stationed there.



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 enjoys reading, gardening, and spending time with her family and friends.

Current Committees/Boards/Commission Appointments

- Chair, Transportation Advisory Committee
- Committee for Business Innovation, Growth and Attraction
- The Reach Board
- Vice Chair, Fraser Valley Aboriginal Relations Committee
- Fraser Valley Aboriginal Relations Committee
 - In-SHUCK-ch and Katzie Treaty Table Representative

Did you know?

Brenda has had over 20 years of experience in developing and teaching water-wise gardening and landscaping practices as well as promoting sustainability in farming.

ELECTED OFFICIALS



Councillor
Moe Gill

Moe Gill was elected as an Abbotsford City Councillor in 1996.

Born in Punjab, India, Moe immigrated to Canada in 1955. His first job was working in a saw mill in Mission but he moved to Abbotsford in 1975 and started his raspberry farm. Keenly interested in both agriculture and community development, Moe is always ready to share his skills to help individuals or to improve the community. With over two decades as a City Councillor, he has served on almost all of the City's committees as well as community boards such as the Abbotsford-Matsqui Rotary Club. He is proud to live in this beautiful city and grateful to serve the community, especially on issues related to its ongoing growth.

Did you know?

Moe's first job was at the sawmill in Mission City as a stencil boy, stamping lumber that was shipped to countries across the world. He was paid 65 cents per hour.

Current Committees/Boards/Commission Appointments

- Chair, Public Safety Advisory Committee
- Intergovernmental Affairs Advisory Committee
- Agrifair
- Fraser Valley Regional District Board
- Fraser Valley Regional District Hospital Board



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.

Did you know?

With his interest in family history and genealogy, Dave has published 4 books in the last 5 years – 2 of which he has written himself.

Current Committees/Boards/Commission Appointments

- Chair, Parks, Recreation and Culture Advisory Committee
- Committee for Business Innovation, Growth and Attraction
- Abbotsford Chamber of Commerce
- Fraser Valley Diversity and Immigration Partnership Council
- 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 has travelled the world and truly believes Abbotsford is the most beautiful place on earth, with amazing people she is honoured to serve. Patricia is a Fellow of Leadership for Environment and Development International, a research and training institute committed to fostering leadership in sustainability worldwide. She is currently the chair of GrowYourBiz Abbotsford, an advisory and mentoring board for women in business. As a councillor, Patricia is committed to sustainability principles and considers the environmental, social and economic impacts in all decision making.

Current Committees/Boards/Commission Appointments:

- Chair, Agriculture, Dyking, Drainage and Irrigation Advisory Committee
- Civic Recognition Committee
- Intergovernmental Affairs Advisory Committee
- Vice Chair, Fraser Valley Regional District Board
- Fraser Valley Regional District Hospital Board
- Abbotsford Youth Commission
- West Abbotsford Youth Action Group

Did you know?

With an expertise in environmental sustainability, Patricia is a frequent guest lecturer at the University of the Fraser Valley and has spoken at various national and international conferences, including the annual international Climate Change Conference in Buenos Aires, Argentina in 2004. She also consults with a wide range of community groups to help them find solutions to sustainability issues.



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

- Chair, Homelessness Action Advisory Committee
- Joint Shared Services Committee
- Abbotsford Arts Council
- Fraser Valley Regional District Board
- Fraser Valley Regional District Hospital Board

Did you know?

When Ross served on the District of Abbotsford Council (1986-1990), he was introduced to his future wife, Kelly, at a Public Hearing. Although the particular proposal at the Public Hearing was defeated, 5 years later a marriage proposal was accepted.

MESSAGE FROM THE CITY MANAGER

It is my pleasure to provide you with a copy of the City of Abbotsford's 2017 Annual Report which highlights the activities, initiatives and accomplishments of our organization over the previous year as we worked toward the priorities of Council's Strategic Plan.

Included within our progress update is an overview of our achievements in municipal service delivery, a summary of our organizational performance, a progress update on our long-term planning efforts, and our consolidated financial information for the 2017 calendar year. Guiding all of our work is Council's 2015-2018 Strategic Plan which envisions Abbotsford as the Hub of the Fraser Valley. The four cornerstones of this plan: vibrant economy, complete community, fiscal discipline, and organizational alignment; inform all of our activities and decisions.

Last year, the City launched Plan200K, a comprehensive planning process that includes 20 different Master Plans, Neighbourhood Plans, Studies and Projects, that will help to guide the City as we grow to a community of 200,000 residents. These plans will soon be complete, leaving us in great shape to approach our future as a growing and thriving community of choice.

I would like to acknowledge the skill and capability of our professional staff who provide innovative ideas and opportunities for the City to be the best at what we do and demonstrate leadership in meeting Council's strategic objectives. Many of the initiatives outlined in this report are the result of the hard work of individuals and teams throughout the organization striving to accomplish projects while still meeting our ongoing service requirements. The great work of our staff is supported by the dedication of more than 2,600 active volunteers and the energetic participation of residents of Abbotsford.

Over the past year, we have made significant progress in achieving the priorities of Council and have contributed to the efficient and effective delivery of services across our City. As City Manager, I look forward to working closely with Council and staff in 2018 as we continue on our ambitious path.



Peter Sparanese
City Manager



2017 Plan 200K;
public engagement statistics



Plan 200K Project

In June 2016, the City adopted a new Official Community Plan (OCP), and as such, related Master Plans, Neighbourhood Plans and Studies need to be updated in a timely manner to align with the new OCP.

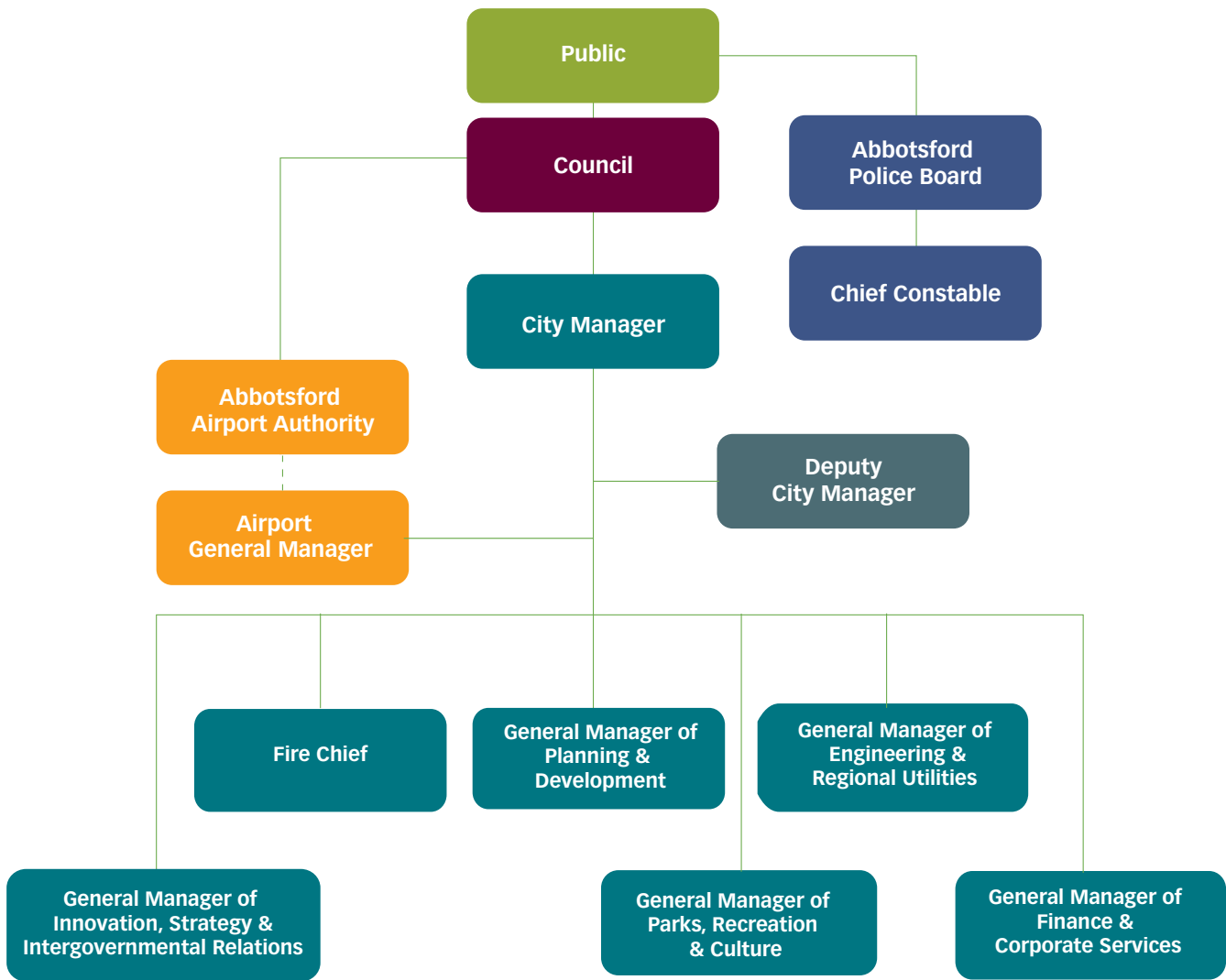
In February 2017, the Plan200K project was launched and included the update of 9 Master Plans, 4 Neighbourhood Plans, and 7 Studies. A comprehensive Engagement Plan was launched in April 2017 with the goal to connect with as many community stakeholders and residents as possible.

Further information about the Plan 200K project is detailed in the Strategic Goals and Achievements section starting on Page 17.

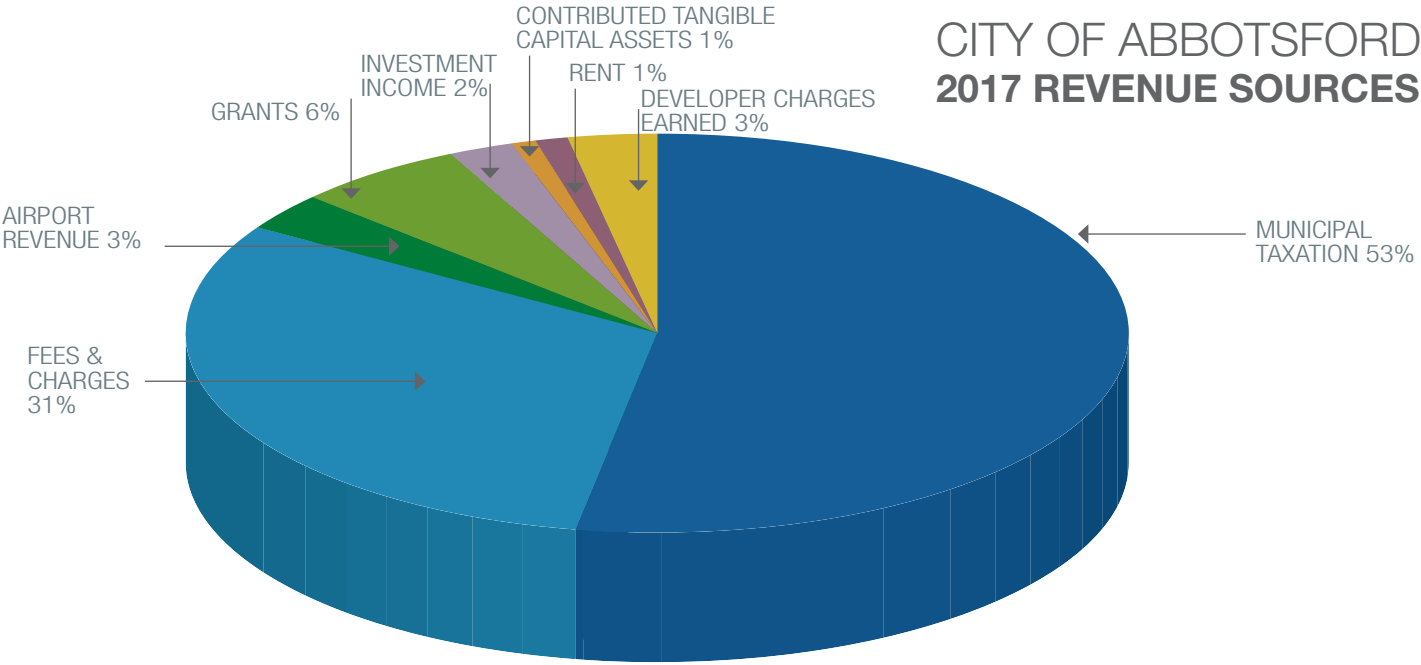
ORGANIZATIONAL STRUCTURE

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.

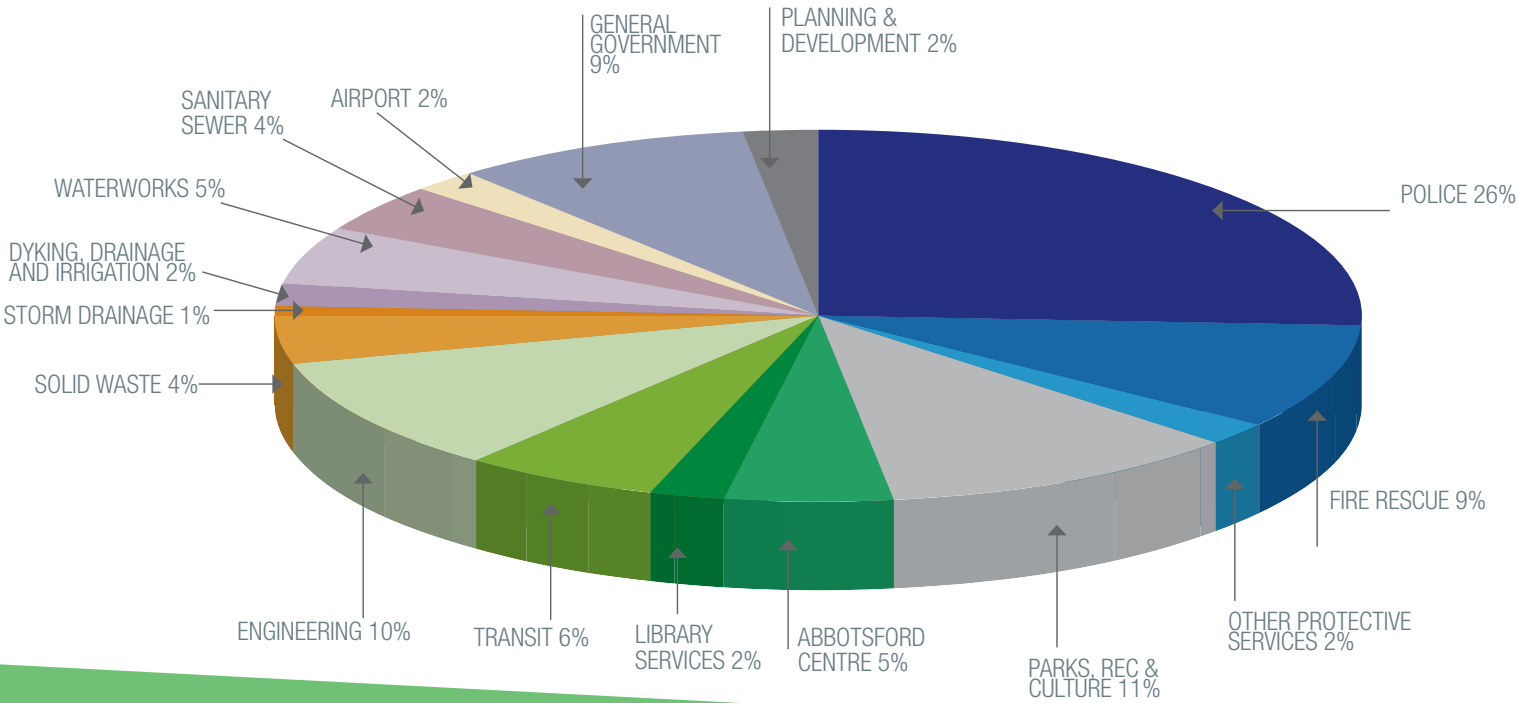
The Abbotsford International Airport and the Abbotsford Police Department report to independent Boards. All other Departments report directly to the City Manager, who is appointed by, and reports directly to, City Council. The City Manager is the Chief Administrative Officer for the City of Abbotsford.



CITY OF ABBOTSFORD 2017 REVENUE SOURCES



CITY OF ABBOTSFORD 2017 EXPENSES



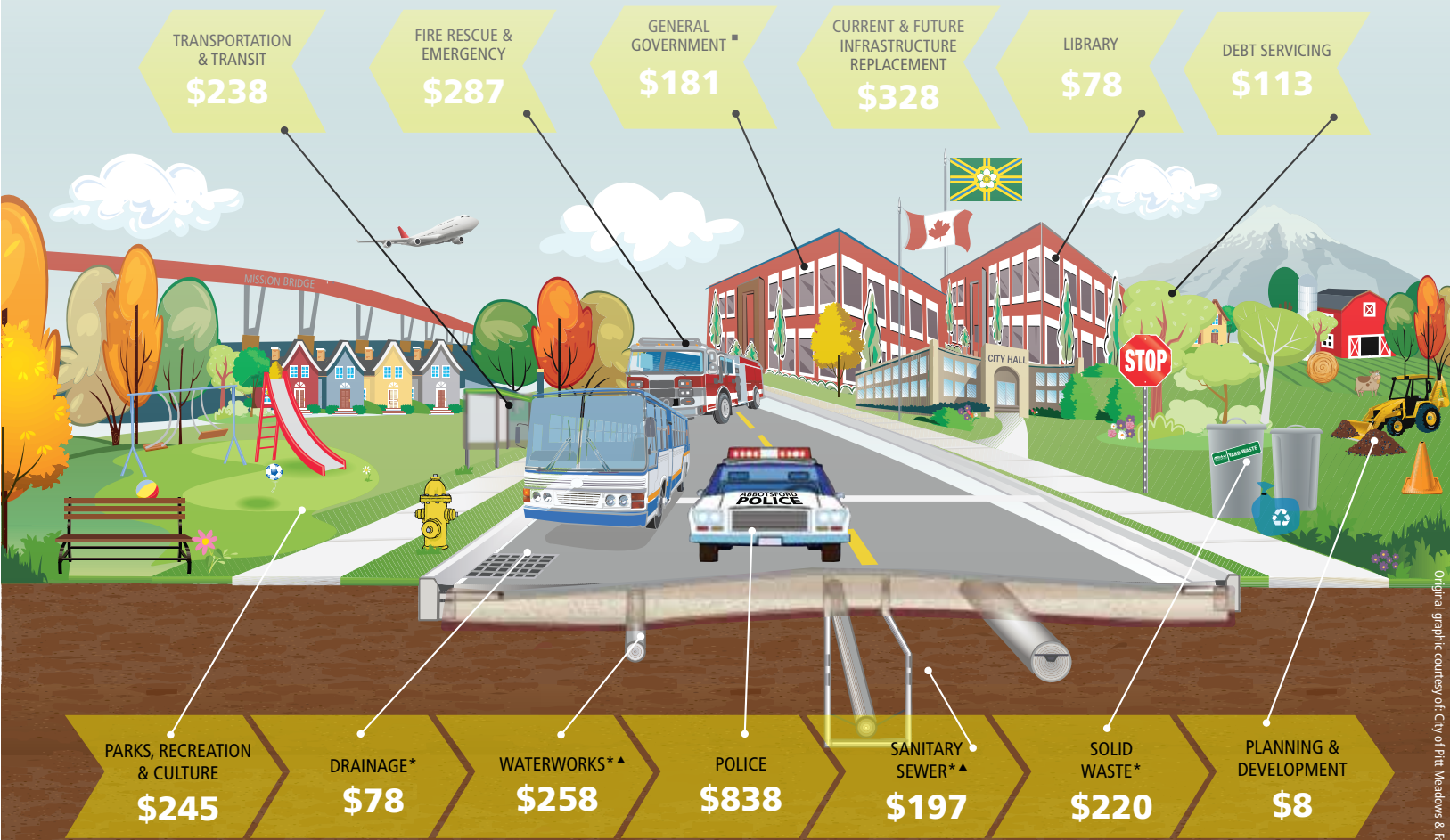
Complete financial information is contained within the Financial Section of this report starting on page 65.

REVENUE AND EXPENSES

How tax dollars pay for City services

This illustration gives a snapshot of how tax revenue is divided up to support services and amenities across the community.

Dollars are based on 2018 budgeted municipal taxes (city/ police/ library) for a typical single family residence with a property assessment of \$588,000.



Original graphic courtesy of City of Pitt Meadows & Farnsworth Design

Does not include taxes for schools, hospital and the FVRD.

* Utility user fees include operations and maintenance, current & future infrastructure replacement and debt servicing.

*^ Waterworks & sanitary sewer based on the 2016 median single family water usage (224 m³).

■ Includes bylaw enforcement, corporate & administrative services.

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 seven key service departments:

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

2017 STRATEGIC GOALS & ACHIEVEMENTS

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.

In 2017, 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, 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:

- Complete Community
- Organizational Alignment
- Fiscal Discipline
- Vibrant Economy

The Strategic Plan aligns all municipal planning decisions and guides departmental business planning and budgeting efforts.



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.

Did you know?

Trees are important in our community and help us sustain a healthy, natural environment. Abbotsford's natural areas and the urban forest keep the city beautiful, help to clean the air, maintain cooler temperatures, reduce erosion and help to mitigate climate change. These natural features also protect residents' access to nature, which is proven to improve mental health and well-being.

HOW WE GET THERE:

We value our community's connection with the environment.

Abbotsford will advocate for the development and care for our agricultural lands and the protection of all of our overall eco-systems.

WHAT WE DID IN 2017 TO ACHIEVE THIS:

The City planted 1,600 trees fostering the beauty of the city and enhancing the environment.

The City joined the provincial Recycle BC program, which is funded by the producers that supply packaging and printed paper (instead of funding through resident user fees) and will help us continue to reduce waste and our impact on the environment.

We diverted over 11,000 tonnes of compostable waste and 4,800 tonnes of recyclables through the City's curbside collection program, further contributing to a healthy and sustainable economy.

The City was recognized by the Green Communities Committee for our efforts to reduce GHG emissions through the City's Climate Action Charter.

HOW WE
GET THERE:

We support a multi-disciplinary approach to public safety.

Abbotsford plans for, and invests in, programs that support our protective services.

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City implemented a crosswalk and road marking program, **which will see 560 locations marked, 140 annually.**

We partnered with **ICBC on 6 traffic signal improvements and 4 sidewalk construction projects** to ensure our transportation networks operate efficiently and effectively for the public.

Abbotsford Police Department (APD) created 'The Case for Prevention' in response to the opioid crisis – from this, a resolution was passed at the annual UBCM convention to encourage the province to develop a comprehensive program for drug prevention and early intervention.

The **Abbotsford Opioid Working Group** includes representatives from multiple departments and collaborates with other government, health and non-profit service providers to **develop strategies in addressing the opioid crisis.**

Abbotsford Fire Rescue Service supported fighting BC's 2017 wildfires, one of the worst seasons for wildfires on record.

APD reached out to families with at risk youth with their Gang Enforcement Team Strategies to ensure a safe and inclusive environment for youth.

Abbotsford Fire Rescue Service implemented a Pre-Incident Plan. This collection of data provides firefighters with immediate access to critical data that **enhances both firefighter and building occupant safety.**

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City conducted a crime prevention through environment design (CPTED) analysis of City Hall and implemented a selection of security improvements to enhance safety and security for public and staff.

The City installed **traffic calming projects in three neighbourhoods, new sidewalks in four neighbourhoods, 17 km of new bike lanes, and improved five bus stops** so residents could get where they needed to go safely and efficiently.

The City spent **5,630 hours clearing snow or sanding/salting roads** to ensure public safety during the winter.

Did you know?

We used 10,432 tonnes of salt and 4,725 tonnes of sand to keep residents safe on the roads this winter.



HOW WE
GET THERE:

We capitalize on opportunities around transportation in and through the city.

Abbotsford recognizes that smooth and efficient transportation affects a number of key priorities and works closely with other levels of government to support community mobility.

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City announced the Salton Road Pedestrian/Cycling Bridge project to improve mobility and safety for pedestrians and cyclists and enhance our active transportation networks.

The City maintained 98 kilometers of trails

which support active transportation and active living opportunities.

The City launched Transportation and Transit Master Plans, as part of the Plan200K initiative. These Plans will ensure there is an integrated transportation network that will efficiently handle a growing, vibrant community with an increasing number of modal movements and modal shifts that will develop as the City grows.

City staff kept the roads in top shape by repairing 160 linear km of road cracks, patching 11,442 sq. meters of road surface to extend pavement life, swept 8, 203 km of roads and filled 2, 664 pot holes.

Did you know?

The City has over 2,100 kms of roads and resurfaced approximately 22 km in 2017.

COMPLETE COMMUNITY

HOW WE
GET THERE:

We embrace our cultural diversity as one of our greatest strengths.

Abbotsford consults with community groups to facilitate connections and enhance both our understanding and our service delivery.

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City launched a *Quality of Life* program to help understand what factors contribute to citizens' overall quality of life and to assist with the development of new programs, services and amenities.

The Matsqui and Abbotsford Recreation Centres completed an accessibility review for our facilities under the Rick Hansen Foundation. The recommendations will be incorporated along with customer feedback to ensure everyone has access to recreation opportunities.

We added to our community public art inventory, **with over 60 pieces of public art that celebrate our heritage and culture** for residents to enjoy.

The City launched the Canada 150 Mural Mosaic webpage; it included information about the project and a video that was commissioned highlighting the mosaic making process from the beginning up to the installation in the MCA.

Did you know?

We supplied 24,465 mega litres of clean, safe drinking water to Abbotsford and Mission.

That our population increased by 1.6% in 2016? We are now a population of 145,102.

Did you know?

The City maintained 192 parks in Abbotsford, covering 841.5 hectares, to support sport, play and recreation in the community.

The recreation facilities welcomed over 57,000 participants each month and provided over 1,000 hours of public access to pools, community recreation, arenas and fitness areas.

Since 2015, recreation membership has increased 28% as residents realize the benefits of our "all access" memberships and a healthy lifestyle.

The City has 71 playgrounds, 98 km of trails and 27 park picnic shelters for the community to enjoy.

We installed three Canada 150 Park Benches that will be a legacy of Canada 150 celebrations in 2017.



HOW WE GET THERE:

We value recreation and support facilities, amenities and activities that connect us.

Abbotsford is proactive in addressing community needs for sports and recreation.

WHAT WE DID IN 2017 TO ACHIEVE THIS:

The City ran the “Be Water Smart” program to give families the tools, information and opportunities to learn about water safety and the free **Swim to Survive** program in conjunction with drowning prevention week to bring awareness to drowning prevention.

The City launched the Abbotsford Walks program; a free, fun program for local neighbourhood walks, contributing to vibrant and healthy communities and fostering community connections between neighbours.

The City upgraded 9 washrooms, the Ellwood park Announcer Booth and installed a new roof on the Bateman Field House.

The City opened a new park, Shadbolt Park in Auguston, and **the Firefighter playground** at Exhibition Park.

The City distributed a total of **\$12,900 in Neighbourhood Spirit Grants** to **13 neighbourhoods for a range of projects** that build social connections, beautify the streets and ignite pride in public spaces.

The Recreation Buddy Program was launched to support recreation programming by placing volunteers to work alongside aquatic, arena and community recreation staff. The volunteers support the facilitation of our programs for patrons with **developmental delays and physical disabilities.**



HOW WE
GET THERE:

We facilitate action to mitigate social issues that impact our community.

Abbotsford advocates with other levels of government for support for social issues. We facilitate connections between not-for-profit and community groups and take a role in enabling low barrier/affordable housing in our community.

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City implemented the Coordinated Intake and Referral (CIR) system which coordinates the referral of individuals experiencing homelessness to the Interagency Housing and Health Care Team. **The CIR facilitates community agencies** working together to support people **to resolve their housing challenges, address health issues and maintain housing on an on-going basis.**

In partnership with the City, BC Housing and Abbotsford Community Services opened Hearthstone, which offers 30 units of supportive housing for men and women, and secured and approved 60 units of affordable housing for families and youth transitioning from care.

The City continued to support the operation of the Riverside Shelter in partnership with the Lookout Society.

Did you know?

The City partners with Abbotsford Community Services to ensure that newcomers, immigrants and refugees have access to our City services including recreation.

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City participated in the development of Housing Abbotsford Rental Connect (HARC), which is a multi-stakeholder housing initiative that connects people with rental and formal supports that include housing retention, clinical/non-clinical case management and informal community supports such as friendship, peer supporting, mentoring, volunteering and work training opportunities.

The Abbotsford Housing Foundation was created and is generating a sustainability component for HARC to allow for collective investment in the purchase, acquisition and securing of housing units as a community resource.

The City increased the **Abbotsford Shelter System Capacity** on City-owned land and in the community with BC Housing and local service providers. Support increased from **26 year-round beds to 66 beds**; the Extreme Weather mat program **increased from 26 mats to 126 mats** with transportation and outreach support being offered as well.

The City continued to work with the Abbotsford Police Department, Fraser Health Authority and local outreach providers to develop a Joint Operations Team approach towards a balanced community response that addresses local impacts while fostering access to supports and services through a health-centered approach.

The City initiated a Shared Outcome Measurement that focuses on aligned multi-sector activities, real-time data and continuous systems improvement to achieve cost savings and improved services.

COMPLETE COMMUNITY

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City held an Annual Community Forum in June which was attended by 80+ participants from all sectors to provide input and feedback to the 2017-2018 work plan of the Abbotsford Homelessness Prevention and Response System.

The City launched the Community of Integrated Practice with an inaugural Evening of Care for first responders and front line workers caring for the most vulnerable in our community.





ORGANIZATIONAL ALIGNMENT

Our Goal

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

ORGANIZATIONAL ALIGNMENT

HOW WE
GET THERE:

We make development decisions based on our long-term strategies and are not swayed from our community vision by short-term gains.

The City of Abbotsford's OCP is up-to-date to ensure it reflects our current and future planning and growth needs and our plans are aligned and accessible to all stakeholders. We value sustainability and ensure alignment between ongoing community developments and our sustainability framework. We ensure our bylaws support our development vision for the community.

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City launched the Plan200K project, updating 20 Master Plans, Strategies and Studies to align with the City's Official Community Plan. As the population of Abbotsford grows to 200,000 residents, the City is working to ensure that all of our services, utilities, programs and infrastructure will meet the needs of a growing population.

HOW WE
GET THERE:

We recognize the importance of certainty in community building and that our rules and bylaws are critical to protecting the livability of our city.

The City of Abbotsford will be proactive in ensuring compliance with our bylaws and enforce them uniformly. Our most critical development bylaws are up to date and we revisit our regulations and remove bylaws that are no longer critical in a timely fashion.

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City adopted a new Building Bylaw, and streamlined the building permit process with better forms and checklists to provide improved customer service and decrease wait times.

The City continued its work on the **AgRefresh project**, to review and update agricultural policies, bylaws and regulations for land in the ALR.

We implemented new mobile technologies for Bylaw and Fire Rescue Services to streamline work procedures in the field.

HOW WE
GET THERE:

We support the efficient and effective delivery of our city services and programs.

The City has Key Performance Indicators and metrics, strong leadership, data-based decision making and has systems for performance management and morale, and a succession and recruitment strategy.

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City successfully completed updating our property management software which modernizes the technology and ensures the continued accurate management of residents' property accounts.

The City launched a new online application which improves the experience and efficiency of groups applying for special event permits.

The City hosted a **Traffic Control Course** in May where participants received their training at no cost in exchange for their commitment to volunteer as a Traffic Control Person at City events throughout the year.

Did you know?

The City received the 2017 Canadian Institute of Planners Award, for 'Planning Excellence' and an Excellence in Policy Planning GOLD Award for Abbotsford from the Planning Institute of BC.

ORGANIZATIONAL ALIGNMENT

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

We provided Information Technology (IT) Security Awareness training to all staff to ensure our IT infrastructure remains safe from cyber threats and vigilant against cybercrimes.

Staff migrated 527,895 documents into the new electronic document file management system, CEDAR, bringing greater ease to filing and retrieving documents and collaborating on draft documents, creating a more productive and efficient workforce.

Staff modernized a number of the City's IT Business Application software systems to improve internal efficiencies and streamline decision making.

Fire Rescue Services implemented a new remote call-out process for paid on-call in-vehicle communications, and improved functionality at a reduced cost.



IN 2017, THE CITY PROVIDED FUNDING AND SUPPORT TO ORGANIZATIONS INCLUDING:

MSA Museum Society for the management and operation of Trethewey Historic House and heritage activities.

ABBOTSFORD CULTURAL CENTRE SOCIETY FOR THE MANAGEMENT AND OPERATION OF THE REACH GALLERY MUSEUM.

Abbotsford Youth Commission for the management and operation of the Youth Centres at ARC and MRC and youth programs.

ABBOTSFORD ARTS COUNCIL FOR THE MANAGEMENT AND OPERATION OF KARITON HOUSE AND PROMOTING VISUAL, LITERARY AND PERFORMING ARTISTS.

Special Event Grant to Abbotsford Agrifair.

Did you know?

City staff provided service with a smile to over 12,350 residents paying property taxes and 10,250 paying for utilities at City Hall in 2017!

ORGANIZATIONAL ALIGNMENT

HOW WE GET THERE:

We pursue excellence in customer service and strive to provide a positive customer experience.

The City has a strong commitment to upholding public trust, providing a high quality of life for residents and delivering excellence in service to our customers.

WHAT WE DID IN 2017 TO ACHIEVE THIS:

Staff launched a new City Services App, @Abbotsford, which allows residents to stay connected with the City and report issues directly through their smart device.

Fire Rescue Service staff attended more than 9,000 fire rescue emergency response incidents in 2017, which is an increase of 49% over 5 years.

Public Works staff completed **9,877 resident requests** related to various city infrastructure.

We processed over 6,800 IT Helpdesk work orders; with 94% internal customer satisfaction rating.

The City recruited and filled over 210 vacancies, ensuring that our customers continue to receive high quality service.

A City fleet GPS program, vehicle and mobile policy was implemented to ensure staff on the road are working in a safe and efficient manner.



HOW WE
GET THERE:

We believe in an involved, safe and engaged workforce.

City staff have a consistent, high satisfaction with their workplace and their jobs; working in an efficient yet safe fashion.

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City set new goals and initiatives for safety, and saw a reduction in the annual days lost due to injury.

The training and development program for employees was continued for the 2nd year to ensure staff can grow their skills, and consequently serve our community better.

The JAMES wastewater treatment plant celebrated 6 years with no time lost due to accidents.

The City obtained a **Certificate of Recognition (COR)** from WCB for organizational Safety in 2017 which is awarded to employers who have developed and implemented an effective safety management system.

We implemented an internal emergency notification system "**Abbotsford Alerts,**" ensuring that staff are communicated with in the event of an emergency.

Staff were recognized for their valuable contributions and educational achievements through the Abbotsford Staff Appreciation Program.

ORGANIZATIONAL ALIGNMENT



Did you know?

The City of Abbotsford has 2,600 active volunteers who have contributed 16,262 hours within the various volunteer programs. The City has also assisted with volunteer recruitment for 25 local community groups.

Volunteer Services is working with the Abbotsford School District and private high schools to develop richer volunteer opportunities for their students, which fits easily into busy student schedules, as well as provide worthwhile and fun opportunities for youth to complete their grad transition volunteer/work experience quotas and give back to their community.



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.

Did you know?

The City harvests rain water during the year for plant beds, gardens and fields at Abbotsford Exhibition Park.

We conducted over 360 inspections and collected over 1,000 samples to ensure protection of the sanitary sewer system and the integrity of the infrastructure.

We conducted over 9,300 internal laboratory tests to ensure wastewater discharge regulatory requirements are met and that our water is clean, and our asset is protected and running well.

HOW WE GET THERE:

We understand how important it is to take a long-term view on maintaining and upgrading our city assets.

Abbotsford plans financially to minimize surprises for our taxpayers. We have an asset management system that tracks tangible capital assets, and we explore and expand infrastructure needs based on data.

WHAT WE DID IN 2017 TO ACHIEVE THIS:

The City commissioned an assessment of all civic building roofs and pavement to refine the capital project plan developed in 2016 with the Civic Building Condition Assessment project.

We maintained 188 municipal buildings and structures to preserve the value of City assets.

Secured \$57,600 grant from FCM and \$12,000 grant from FVRD for our Municipal Green Fleet Management Plan, moving us towards reducing costs and GHG emissions.

Saved approximately 325,000 kWh of annual electricity consumption as part of our 2017 municipal building energy projects.

The City completed a bi-annual gymnasium and pool maintenance program at the Abbotsford Recreation Centre to ensure facility safety and asset protection.

Long term contracts were established for various services including the Fleet GPS system, janitorial services, security patrol services and HVAC control maintenance to ensure cost savings and efficiencies.

HOW WE
GET THERE:

We make financial decisions by looking not just at the long-term cost, but also the value to our community.

Abbotsford realizes that in order to create a vibrant economy we need to invest and support initiatives that make us more efficient and effective. We support the development of fair, equitable and transparent tax rates and financial policies.

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

Abbotsford Fire Rescue Service partnered with Mission Fire Rescue in purchasing 6 Fire Trucks - 3 for each community - providing **cost savings for both communities.**

The City invested \$4 million for resurfacing 18.2 lane km of roads ensuring our residents' driving experience meets high standards throughout the city.



HOW WE GET THERE:

We understand the critical role of community education and engagement.

Abbotsford is proactive in communication on our community strengths and in addressing issues emerging in our community. We use emerging technologies (social media etc.) strategically and we tailor our outreach and communications to meet the specific needs of stakeholders.

WHAT WE DID IN 2017 TO ACHIEVE THIS:

In 2017, staff engaged with over 640 residents at open houses, over 3,500 with surveys, over 1,300 at events, over 400 at workshops, over 56,000 reached through social media, and over 4,000 residents through e-blasts about the Plan200K Master Plans, Studies and projects, with more to come in 2018!

The City produced a number of promotional and educational videos highlighting initiatives such as the OCP, the AgTech sector and the Business Walks program, promoting opportunities in Abbotsford to the regional and global market.

Staff educated residents about water conservation at 130 events, including schools and other public events.

City events, initiatives and programs were communicated through social media platforms, online and in print, such as the Abbotsford Parks, Recreation & Culture Program Guide.

Staff visited 26 public events to **educate residents about waste reduction** and the City's curbside collection program.

The Bylaws Services Team responded to over 4,300 calls for service, which provides great opportunities for educating residents.

HOW WE
GET THERE:

We actively manage our city finances with exceptional care.

Abbotsford is proactive in managing expenditures through efficiency gains and continuous improvement; using debt strategically; operating with broad foresight; and aligning spending with strategic objectives.

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City increased our operating and capital reserve balances in 2017 by \$38.7 million.

We received \$10M in provincial funding to address Fraser River erosion issues ensuring our community is further protected from flooding threats.

We received \$200K in provincial/federal funding for geotechnical (seismic) assessment of dykes, enhancing our protection against flooding.

We received **\$30 million in federal, provincial and local funding toward the Vye Road widening and Highway 11 overpass** projects to improve access to the Canada-US border.

We received several grants to improve the resources for our urban tree canopy including \$57,000 for restoration and innovative forestry initiatives, \$6,000 from CN EcoConnexions From the Ground Up for Arbour Day and \$25,000 from TD Tree Days.

The BC Summer Games Legacy awarded a total of \$150,000 in the community which included \$37,000 for the upgrade of Grant Park baseball diamond to become a multi-diamond park for youth/developmental leagues.

The City received a \$30,000 grant from BC Healthy Communities for a Walk Abbotsford initiative.

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City secured \$23.8M in federal and provincial funding for a new \$30M transit facility.

We received \$18,000 for improving walkability in the Clearbrook area for the Seniors Take a Walk program.

The City secured a new street bench contract and installed 300 new bus stop benches in Abbotsford that will increase the City's revenue for each location, bringing in \$601,500 revenue over the 5 year term.



Did you know?

The City welcomed over 1.4 million visitors through our website abbotsford.ca.

City of Abbotsford Facebook Page has 3,662 followers.

Abbotsford Parks, Recreation & Culture Facebook Page has 2,155 followers.

The City's Twitter account has 9,063 followers.



VIBRANT ECONOMY

Our Goal

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

HOW WE
GET THERE:

We understand the impact we have on others and invest in building relationships that facilitate alignment.

The City plays a key role in issues impacting our region and strengthens our advocacy by aligning with others in our region. We are deliberate in positively engaging with key regional stakeholders and look for opportunities to share infrastructure and resources.

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City announced, in partnership with the provincial government, a \$150 million new Provincial and Supreme Courthouse project which will centralize justice services in the Fraser Valley.

Involve Abbotsford attracted speakers and participants from not-for-profit community agencies and organizations across the City and enabled them to grow and enhance their business practices.

The City hosted Elevate Abbotsford, a multi-sectoral forum designed to bring a cross-section of business, education and community together to discuss how to foster innovation in the City. Ideas from the forum will continue to inform Economic Development strategies and objectives.

Reviewed, accepted and inspected over 600 Telus fibre optic cable and underground service locations as part of **“fibre to the premises”** FTTP network expansion.

Did you know?

94% of local businesses visited on the 3rd annual Business Walks Program indicated a 'steady' or 'increasing' business growth.

City staff issued over 1,500 Building Permits, and reached \$480 million in value – a record number and a 271% increase over 2016!

We won a 2017 EDAC Award for the Ag Tech promotional video.

We won a 2017 UBCM Community Excellence Awards – Honourable Mention – Leadership & Innovation – Agriculture – for Think Local. Think Abbotsford. Taste of Abby Week.

We received the "Most Business Friendly Municipality Award" from NAIOP for an increase in building permit issuances from 2015 to 2017.

HOW WE GET THERE:

We focus on developing a vibrant and diverse economy.

Abbotsford is the economic hub of the Fraser Valley and the preferred destination for businesses and families alike. We value and support our existing businesses and ensure we are structured internally to support a vibrant and thriving economy. We are open to opportunities that enhance our community and align with our community vision, and will collect and utilize data so that we can make informed decisions about the growth of our community.

WHAT WE DID IN 2017 TO ACHIEVE THIS:

The Abbotsford International Airport saw its best passenger volume year yet, processing 677,653 passengers through the terminal in 2017.

The City welcomed over 44 film productions, up from 35 in 2016, which was an investment of approximately \$1 million in the community.

Abbotsford supported over **160 outdoor community events** with an economic impact of over **\$17 million, fostering community spirit and local connections.**

The City planned and hosted multiple successful Canada150 community events including the Roving Canada150 Exhibit, July 1st Canada Day celebration, and a Red White and You family event recognizing the national celebrations of Canada's 150th Birthday.

The City organized the third annual **Abbotsford Business Walks** event. **Over 60 volunteers**, including elected officials and representatives from business organizations, **connected with 140 businesses to understand the tools they need to make them successful in our community.**

Staff upgraded the GIS site selector tool, available through the Economic Development website with 6 new interactive tools to help current and prospective businesses find and locate property for their business.



Did you know?

The City participated for the first time in Communities in Bloom Competition, and received 4 bloom rating, the second highest rating awarded!

City staff conducted 454 Development Inquiry Meetings, allowing for better collaboration and efficiencies between developers and the City.

The City conducted 12,085 building and plumbing inspections, ensuring businesses and households meet safety and building codes.

The City issued development permits for 52,813 m² (568,474 ft²) of industrial floor space.

Staff performed 200-250 surveys for various construction projects.

Abbotsford Centre was rated the #1 venue in Canada under 10,000, the second in BC, next to Roger's Arena.

HOW WE
GET THERE:

We recognize the value of innovation in our local economy, especially agriculture.

The City makes decisions within an established framework to be both responsive and accountable. The City is open to innovative approaches within our planning framework and will advocate with the Agricultural Land Reserve for changes that reflect the evolving face of agriculture.

WHAT WE
DID IN
2017 TO
ACHIEVE
THIS:

The City continued work on the AgRefresh program with the goal of enhancing agricultural integrity in Abbotsford while responding to agricultural trends.

The City provided a continuous supply of irrigation water for farmers in Matsqui and Sumas Prairies during the dry summer months.



AT A GLANCE FOR 2018

COMPLETE COMMUNITY

The Abbotsford International Airport terminal expansion of 14,000 square feet and a new 40,000 square feet hangar space will break ground.

The City will begin steps to implement compostables collection requirements for the multi-family, industrial, commercial and institutional sectors.

A new strategy to reduce Green House Gases for the City fleet will be presented to Council.

An LED Street Light Pilot Program will be launched to obtain resident feedback.

Festive light decorations will be enhanced to include more neighbourhoods.

The City will upgrade 16 crosswalks with pedestrian signals or flashing beacons to improve pedestrian safety.

We will complete intersection improvements at Mt. Lehman Road and Downes Road to improve vehicle movement and safety.

The City will complete the Salton Road Pedestrian/Cycle Bridge project, which will extend from Marshall Road to King Road to improve mobility and safety for pedestrians and cyclists, and support walking, cycling and transit.

The City will widen Blue Jay Street, from Maclure Road to Cardinal Avenue, to improve vehicle movement and safety.

The Jubilee Park Improvement project will enhance safety, improve visibility and increase parking.

The City will finalize design of the Ledgeview Golf Course Clubhouse project.

FISCAL DISCIPLINE

\$100,000 in Provincial funding will be used to address the opioid crisis.

The City will purchase 3 new dump trucks and a number of other light and heavy duty vehicles to replace aging fleet vehicles.

AT A GLANCE FOR 2018

ORGANIZATIONAL ALIGNMENT

The City will launch a new Recreation software management system to streamline internal staff procedures and enhance customer service.

Additional online services will be developed to streamline business processes and improve customer experience.

The City will introduce an online water portal and app for residents to view and track their water consumption.

VIBRANT ECONOMY


The City will host Elevate II, an event that engages in practical, action oriented conversations about how to place innovation at the heart of our Economic Development Strategy.

The City will launch the Community Innovation Partnership (CIP) working group.

The City will coordinate the inaugural Fraser Valley Career Connections and Conference to address urgent labour demands and showcase the various business gems that reside within our community.





The cover features a photograph of a tulip garden in the foreground, with a road and trees in the background under a sunset sky. The image is overlaid with a green diagonal shape on the right and a purple diagonal shape on the left. The text is white and positioned within the green area.

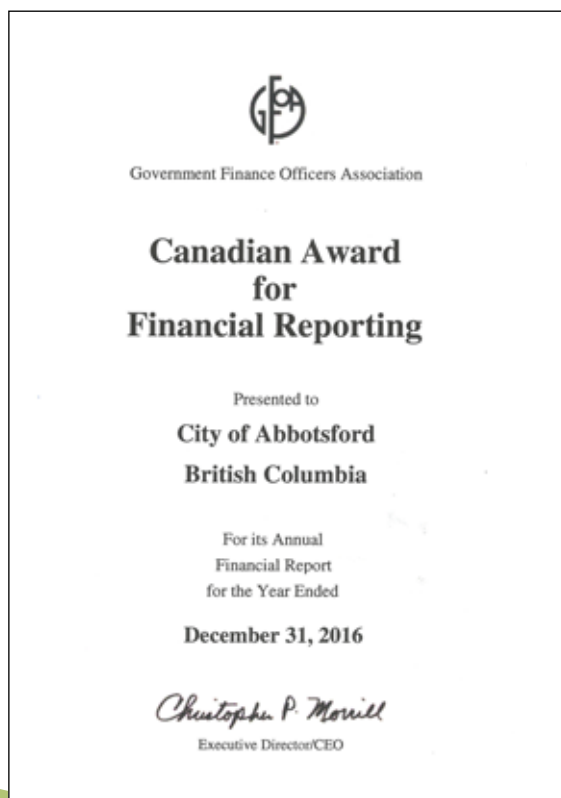
2017
ANNUAL REPORT
FINANCIAL
SECTION

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, 2016. 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.



MESSAGE FROM THE CHIEF FINANCIAL OFFICER

I am pleased to present the Financial Section of the Annual Report (the Report) for the City of Abbotsford (the City) for the fiscal year ended December 31, 2017. The purpose of this Report is to publish the City's audited Consolidated Financial Statements which have been prepared in accordance with Section 167 of the Community Charter.

The preparation of the financial statements is the responsibility of management and they have been prepared in accordance with reporting standards as prescribed by the Chartered Professional Accountants (CPA) Canada Public Sector Accounting Board (PSAB). Management is also responsible for the ongoing monitoring of all financial affairs of the city. To assist in its responsibility, management maintains budget, accounting and internal control systems to provide reasonable assurances for the safeguarding of assets, authorizations of transactions and reliability of records.

KPMG LLP, Chartered Professional Accountants, have audited these financial statements and provided an unqualified opinion in their report to the Committee of the Whole dated April 30, 2018. As external auditors, KPMG is responsible for examining the City's financial statements in accordance with generally accepted accounting standards and expressing their opinion on whether the statements are presented accurately. The auditors' opinion, based on their independent audit, is expressed in the Auditors' Report which forms part of this Report.

The City provides multiple municipal services to its residents, including protection of its citizens; recreational and cultural facilities and activities; water, sewer, and solid waste management services; roads, bridge, sidewalk and trail maintenance; and city planning and development. The financial statements bring together the financial results of these activities and entities.

Financial results in 2017 aligned closely with budget. 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 \$48.2 million in 2017 to a total of \$193 million. This increase was mainly due to reduced long-term debt and higher reserve balances.

The City continues to reduce its debt obligations, with total debt repayments of \$3.4 million made in 2017. As a result, total long-term debt at the end of the year was \$58.5 million as compared to \$61.9 million in 2016.

Contribution to capital reserves increased by \$32.5 million in 2017. The total value of our capital reserves at December 31, 2017 was \$174 million. Additionally, operating reserves increased by \$6.2 million from \$41.3 million in 2016 to \$47.5 million in 2017.


The value of our infrastructure assets at December 31, 2017 was approximately \$1.4 billion (net book value). We continue to keep our City vital and resilient by maintaining our infrastructure and setting aside funds in reserves for future growth and infrastructure replacement.

These results all meet City Council's expectation of fiscal accountability and highlight the discipline the City values in maintaining long-term financial sustainability. The City is nicely positioned for growth; strategic initiatives currently underway, such as Plan 200K, will enable the City to effectively meet the needs of its current and future residents.

Under the direction of City Council, the City of Abbotsford will continue its dedication to providing high quality services for its residents and businesses. Guided by an inspiring City Council-approved strategic plan and a well-grounded financial plan, we look forward to another year of operational and financial success in 2018.



Rajat Sharma, CPA, CMA
Chief Financial Officer
General Manager, Finance & Corporate Services

A landscape photograph featuring a large, leafless tree in the foreground on the right. The background shows a sunset or sunrise over a range of mountains, with a warm orange and yellow glow on the horizon. The sky transitions from a deep blue at the top to a lighter, hazy blue near the horizon. A prominent red diagonal shape covers the left side of the image, and a green diagonal shape covers the bottom right corner. The text 'MANAGEMENT DISCUSSION AND ANALYSIS' is overlaid in white on the red area.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

This 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, 2017. 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.

FINANCIAL GOVERNANCE

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.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PLANNING & REPORT PROCESS

Based on input from Council, staff, citizens, 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, community works funds (Gas Tax funding), reserve transfers, and other sources.

ACCOUNTING PROCESS

The City is organized into various departments, each supplying specific services to the City and its residents. Each department is responsible for the delivery of services in accordance with the resources allocated to the programs each department delivers. All departments share a common accounting and reporting system, and financial and accounting services are administered across the City by the Finance Department. The Finance Department is responsible for recording, reporting and forecasting the City's financial activities. To aid in decision making, the Finance Department provides management and 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.

AUDIT PROCESS

As per Section 169 of the Community Charter, which requires City Council to appoint an independent auditor, the City's 2017 financial statements have been audited by KPMG LLP. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2017 are free from 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, 2017 are fairly presented in conformity with Canadian generally accepted accounting principles and the reporting standards as prescribed by the Chartered Professional Accountants (CPA) 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.

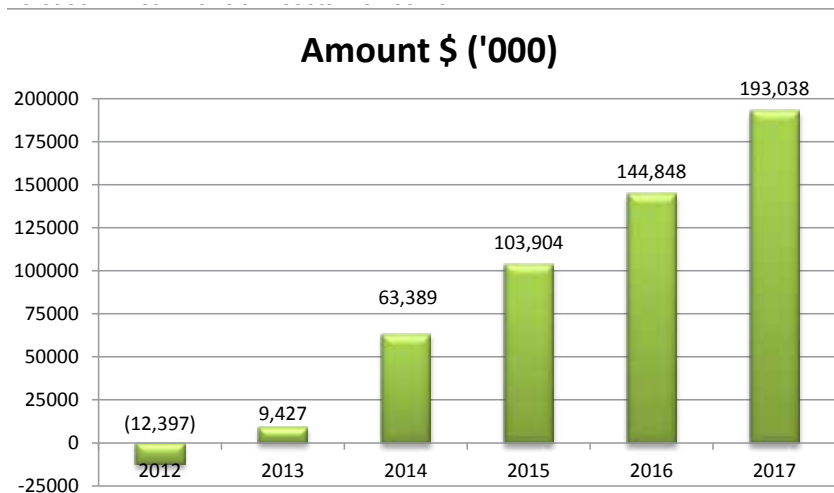
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Consolidated Statement of Financial Position (\$ millions)	2017 Actual (\$)	2016 Actual (\$)	Difference (\$)
Financial Assets	416.6	332.2	84.4
Financial Liabilities	(165.0)	(125.4)	(39.6)
Long-term Debt	(58.5)	(61.9)	3.4
Net Financial Assets	193.1	144.9	48.2
Tangible Capital Assets	1,366.2	1,389.2	(23.0)
Inventories and Prepaid Expenses	1.9	2.4	(0.5)
Non-Financial Assets	1,368.1	1,391.6	(23.5)
Accumulated Surplus	1,561.1	1,536.5	24.7

MANAGEMENT DISCUSSION AND ANALYSIS

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 \$48.2 million in 2017, from \$144.9 million in 2016 to \$193 million of net financial assets at the end of 2017. This increase was mainly due to reduced long-term debt and higher reserve balances.



Increase in Net Financial Assets since 2012

CASH & PORTFOLIO INVESTMENTS

Cash and portfolio investments increased by \$80.0 million during 2017. This was mainly due to reduced capital expenditure requirements in 2017. 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.

LONG-TERM DEBT

Total debt repayments of \$3.4 million were made in 2017. Total long-term debt at the end of the year was \$58.5 million (2016 - \$61.9 million) and it belongs to the general fund. Exhibit 5 provides more detailed information on debt currently held by the City.

ANNUAL DEBT SERVICING CAPACITY

The Community Charter (Section 174) imposes a limit to the amount a municipality may borrow - the "legal debt servicing limit". In 2017, the City's legal debt servicing limit was \$57.6 million, and the annual debt servicing cost was \$6.7 million. The remaining debt servicing capacity of \$50.9 million represents the amount of additional annual debt servicing costs the City could incur, if it chose, while still remaining within the debt servicing limit prescribed by the Community Charter.

NON-FINANCIAL ASSETS

Non-financial assets are comprised of capital assets, inventory and pre-paid expenses. The net book value of tangible capital assets decreased by \$23.1 million in 2017 to \$1,366.1 million (or \$1.37 billion).

Category	2017 Change \$ (in millions)	Dec. 31, 2017 \$ (in millions)
Land & land improvements	\$0.7	\$392.8
Park improvements	(1.5)	22.3
Buildings	(5.6)	107.8
Machinery & equipment	(0.2)	7.7
Vehicles	1.0	12.3
Airport	(1.0)	25.9
Water	0.3	231.5
Sewer	(3.2)	156.9
Transportation	(9.9)	194.0
Storm drainage	(2.9)	181.8
Dyking, drainage & irrigation	(0.7)	20.1
Assets under construction	(0.1)	13.0
Total non-financial assets	(\$23.1)	\$1,366.1

MANAGEMENT DISCUSSION AND ANALYSIS

ACCUMULATED SURPLUS

FINANCIAL

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, 2017 increased by \$44.8 million (2017 - \$251.6 million versus 2016 - \$206.8 million). This increase was mainly due to reduced capital spending in 2017 and having higher balances in portfolio investments.

TANGIBLE CAPITAL ASSETS & OTHER NON- FINANCIAL ASSETS

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 decreased from \$1,329.6 million in 2016, to \$1,309.5 million in 2017. The decrease of \$20.1 million was due to amortization expense exceeding the value of new capital investment for the year and the retirement of debt principal.

Consolidated STATEMENT OF OPERATIONS

Consolidated Statement of Operations (\$ millions)	2017 Actual (\$)	2016 Actual (\$)	Difference (\$)
Revenue	259.6	248.7	10.9
Expenses	(234.9)	(225.0)	9.9
Annual Surplus	24.7	23.7	1.0

REVENUE

Total consolidated revenue was higher than 2016 by \$10.9 million and marginally lower than budget by \$0.9 million. The City received \$3.4 million in contributed tangible capital assets in 2017 which included roads, water mains, and storm drainage, etc. In 2016, contributed capital assets were \$9.4 million. The City does not budget for contributed tangible assets as they are difficult to predict.

EXPENSES

Total consolidated expenses were \$30.4 million more than budget for the year. This includes \$42.1 million of amortization expense, which is a non-cash expense and is not part of the budget. Compared to 2017, total expenses were higher by \$9.9 million.

General, Waterworks, Sanitary Sewer and Airport funds, listed below, provide more detailed information on 2017 expenses.

ACCUMULATED ANNUAL SURPLUS

On a consolidated basis, the City experienced an annual surplus of \$24.7 million in 2017, increased from \$23.7 million in 2016. Out of \$24.7 million, \$11.4 million was recorded as an unappropriated surplus in General, Water and Sewer funds. Under management discretion, it was transferred to reserves for new initiatives and future replacement of existing infrastructure.

Note 13 Accumulated Surplus details the sources of the consolidated annual surplus for 2017

Category	\$ (in millions)
General operating reserve	6.3
Capital Reserves:	
General	17.4
Waterworks	7.2
Sanitary sewer	6.2
Airport	1.6
Non-financial assets:	
Tangible capital assets	(13.6)
Inventory & pre-paid expenses	(0.5)
Total annual surplus	\$ 24.7

Supporting information in Exhibits 1 to 5 and Schedules A to S explains fund details and comparisons to budget.

MANAGEMENT DISCUSSION AND ANALYSIS

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 \$6.9 million in 2017 (2016 – \$5.9 million) which was transferred to reserve for future infrastructure needs.

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

Increased Revenue	Amount	Explanation
Building permits	\$1.8M	Building permit revenue higher than budget due to some major building projects throughout 2017
Soil permit revenue	1.1M	Higher than expected activity in soil permits resulted in more revenue than planned
Abbotsford Centre	3.1M	Increased building usage due to more events than planned in 2017
Other Revenues	1.7M	Increased permit application fees across departments due to increased development and commercial activity in 2017

Expenses	Amount	Explanation
General Government	\$ 2.1M	Attrition from vacant positions, insurance premium under budget, positive budget variances in other categories including training, licensing fees, repair & maintenance and other supplies
Engineering Services	(2.8M)	Extreme weather events caused increased costs to sand/salt during & repair post-event, with additional staffing and vehicle maintenance charges.
Storm Drainage Services	1.0M	Underground storage tank repairs are deferred to 2018 and other annual maintenances are under budget for the year
Abbotsford Centre	(2.8M)	Increased usage due to more events in 2017, overall positive net impact
Parks, Recreation & Culture	1.5M	Attrition from vacant positions, lower internal charges for equipment, lower contract services for 2017.

WATER OPERATING FUND - SCHEDULE B

The 2017 change in unappropriated surplus was \$2.4 million and it was transferred to water capital reserve along with the budgeted amount of \$7.8 million, for a total of \$10.2 million. User rates revenue was up \$1.2 million vs budget (budget \$15.9 million). This was due both to an increase in the user rate and higher than budgeted water consumption.

2017 expenditures were lower than budget by \$1.1 million. Department focus was on maintenance and water licensing requirements, and as a result was under budget on water conservation. Reduced chemical costs combined with staffing vacancies also created a positive variance versus budget.

SEWER
OPERATING
FUND -
SCHEDULE C

The 2017 change in unappropriated surplus was \$2.0 million. Compared to budget, user rate revenue was up \$0.9 million (budget \$10.5 million). This was due to an increase in the user rate, higher than budgeted consumption and reduced expenditures, mainly in the Joint Abbotsford-Mission treatment plant (JAMES) and maintenance areas.

\$6.2 million was transferred into the sewer capital reserve, which was comprised of a budgeted \$4.2 million transfer and \$2.0 million in unappropriated surplus.

AIRPORT
OPERATING
FUND -
SCHEDULE D

Airport operations were able to realize a better financial result than planned due to higher traffic during 2017. Higher than planned annual surplus before amortization allowed the airport to transfer \$0.3 million extra to airport capital reserve for a total of \$2.4 million.

RESERVES –
EXHIBIT 4

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

CAPITAL
RESERVES

Total capital reserves increased by \$32.5 million from 2016 (\$141.4 million) to 2017 (\$173.9 million).

OPERATING
RESERVES

The operating reserve increased by \$6.3 million in 2017 to \$47.5 million (2016 - \$41.2 million).

2017 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 Mayor and Council of the City of Abbotsford

We have audited the accompanying consolidated financial statements of the City of Abbotsford which comprise the consolidated statement of financial position as at December 31, 2017, the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and notes, exhibits and schedules comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the City of Abbotsford as at December 31, 2017, and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

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

Chartered Professional Accountants


April 30, 2018
Abbotsford, Canada

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2017 with comparative information as at December 31, 2016
in thousands

	2017	2016
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	\$ 18,802	\$ 34,351
Accounts receivable (Note 3)	34,722	30,395
Portfolio investments (Note 4)	363,086	267,490
	<u>416,610</u>	<u>332,236</u>
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	79,208	66,981
Restricted revenue (Note 6)	69,577	53,212
Deferred revenue (Note 7)	16,189	5,240
	<u>164,974</u>	<u>125,433</u>
Long-term debt (Note 8)	58,598	61,955
	<u>223,572</u>	<u>187,388</u>
	<u>193,038</u>	<u>144,848</u>
NET FINANCIAL ASSETS		
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 10)	1,366,176	1,389,228
Inventories (Note 11)	1,264	1,168
Pre-paid expenses (Note 12)	655	1,213
	<u>1,368,095</u>	<u>1,391,609</u>
	<u>\$ 1,561,135</u>	<u>\$ 1,536,457</u>
ACCUMULATED SURPLUS (Note 13)		
Contingent Liabilities (Note 16)		


HENRY BRAUN, MAYOR


RAJAT SHARMA, CPA, CMA
CFO

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31, 2017 with comparative information for 2016
in thousands

	2017 Plan (Note 18)	2017 Actual	2016 Actual
REVENUE			
Municipal taxation	\$ 136,187	\$ 136,493	\$ 130,856
Fees and other charges	68,309	84,522	77,264
Developer charges earned	10,666	9,156	6,197
Contributed tangible capital assets	-	3,423	9,403
Grants	40,344	16,507	16,505
Investment income	1,178	5,782	4,744
Rent	3,733	3,685	3,746
Other	173	53	46
	260,590	259,621	248,761
EXPENSE			
General government	18,272	16,350	15,476
Planning & development services	4,623	4,276	4,095
Protective services	70,946	73,691	71,000
Parks, recreation, culture & libraries	34,200	42,826	41,755
Transit	11,688	11,588	11,204
Engineering	31,282	47,052	42,825
Dyking, drainage & irrigation	4,913	4,854	5,723
Waterworks	10,671	14,939	14,100
Sanitary sewer	14,014	12,922	12,769
Airport	3,889	6,445	6,067
	204,498	234,943	225,014
ANNUAL SURPLUS	56,092	24,678	23,747
ACCUMULATED SURPLUS, BEGINNING OF YEAR	1,536,457	1,536,457	1,512,710
ACCUMULATED SURPLUS, END OF YEAR	\$1,592,549	\$1,561,135	\$1,536,457

See notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOW

For the year ended December 31, 2017 with comparative information for 2016
in thousands

	2017	2016
OPERATING ACTIVITIES		
Annual Surplus	\$ 24,678	\$ 23,747
Non-cash items included in annual surplus:		
Amortization expense	42,158	42,669
Contributed tangible capital assets	(3,423)	(9,403)
Loss/(gain) on disposal of tangible capital assets	(342)	334
Recognition of restricted revenue	(9,583)	(6,865)
Changes in non-cash operating items:		
Accounts receivable	(4,327)	7,494
Inventories	(96)	(156)
Pre-paid expenses	558	(614)
Accounts payable and accrued liabilities	12,227	3,729
Deferred revenue	10,949	2,915
	<u>72,799</u>	<u>63,850</u>
INVESTING ACTIVITIES		
Increase in portfolio investments	(95,596)	(47,518)
FINANCING ACTIVITIES		
Collection of and interest on restricted revenue	25,947	13,689
Debt principal repaid	(3,357)	(4,609)
	<u>22,590</u>	<u>9,080</u>
CAPITAL ACTIVITIES		
Proceeds from disposal of tangible capital assets	1,876	1,144
Acquisition of tangible capital assets	(17,218)	(16,777)
	<u>(15,342)</u>	<u>(15,633)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(15,549)	9,779
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>34,351</u>	<u>24,572</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 18,802</u>	<u>\$ 34,351</u>

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

	2017 Plan (Note 18)	2017 Actual	2016 Actual
ANNUAL SURPLUS	\$ 56,092	\$ 24,678	\$ 23,747
TANGIBLE CAPITAL ASSETS:			
Acquisition of tangible capital assets	(42,847)	(17,218)	(16,777)
Contributed tangible capital assets	-	(3,423)	(9,403)
Amortization	-	42,158	42,669
Proceeds from disposal of tangible capital assets	-	1,876	1,144
Loss/(gain) on disposal of tangible capital assets	-	(342)	334
	(42,847)	23,052	17,967
OTHER NON-FINANCIAL ASSETS:			
Decrease in inventory	-	(96)	(156)
(Increase)/decrease in pre-paid expenses	-	558	(614)
	-	463	(770)
INCREASE IN NET FINANCIAL ASSETS	13,245	48,191	40,944
NET FINANCIAL ASSETS, BEGINNING OF YEAR	144,848	144,848	103,904
NET FINANCIAL ASSETS, END OF YEAR	\$ 158,093	\$ 193,038	\$ 144,848

See notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (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.

1. SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of 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 of Abbotsford 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.

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

1. SIGNIFICANT ACCOUNTING POLICIES: continued

(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 2017 Plan amounts in the financial statements reflect the first year of the five-year financial plan adopted by Council on December 5, 2016, with the exception of adjustments detailed in Note 18 to the Consolidated Statements.

(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, 2017 (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 & 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.

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (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, 2017 (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.

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

2. CASH AND CASH EQUIVALENTS:

	2017	2016
Cash	\$ 9,497	\$ 25,136
MFA short-term money-market investment pools	9,305	9,215
	<u>\$ 18,802</u>	<u>\$ 34,351</u>

3. ACCOUNTS RECEIVABLE:

	2017	2016
Fees and charges	\$ 13,621	\$ 11,906
Taxes	4,794	5,264
Grants	1,050	556
Development cost charges	10,739	7,929
Local improvement/service charges	4,517	4,740
	<u>\$ 34,722</u>	<u>\$ 30,395</u>

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (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.

	2017		2016	
	Cost	Market	Cost	Market
	\$ 363,086	\$ 363,112	\$ 267,490	\$ 267,876
	Short-term	Long-term	Short-term	Long-term
Duration	less than 2 years	2 - 10 years	less than 2 years	2 - 10 years
Average holdings	265,278	24,725	192,138	23,475
Annual yield	1.94 %	2.47 %	1.88 %	2.58 %

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES:

	2017	2016
Accounts payable:		
Trade payables	\$ 17,149	\$ 19,477
Deposits	28,547	15,169
Tax prepayments	12,887	12,032
Salaries and wages	5,068	4,666
Due to Cemetery Care Trust Fund	374	1,216
Accounts payable and accrued liabilities:		
Retirement allowance liability	11,103	10,569
Liability claims	657	719
Vacation pay	1,598	1,327
Landfill restoration liability	1,264	1,074
Long-term payables	561	732
	<u>\$ 79,208</u>	<u>\$ 66,981</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 2016, an independent actuarial valuation of the retirement allowance liability was performed. The actuarial valuation for these benefits was updated in 2017 to determine the City's benefit obligation as at December 31, 2017. The difference between the actuarially determined benefit obligation of \$13,131,000 and the accrued benefit liability of \$11,103,000 as at December 31, 2017, was an unamortized actuarial loss of \$2,028,000, (2016 loss - \$1,530,000) 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, 2018.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: continued

(a) Retirement Allowance Liability:

	<u>2017</u>	<u>2016</u>
Actuarial benefit obligation	\$ 13,131	\$ 12,099
Unamortized actuarial gain/(loss)	(2,028)	(1,530)
Accrued benefit liability	<u>\$ 11,103</u>	<u>\$ 10,569</u>

Accrued benefit liability :

	<u>2017</u>	<u>2016</u>
Balance, beginning of year	\$ 10,569	\$ 10,117
Current service cost	946	941
Interest cost	430	395
Benefits paid	(981)	(1,022)
Amortization of net actuarial loss/(gain)	139	138
Balance, end of year	<u>\$ 11,103</u>	<u>\$ 10,569</u>

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: continued

(a) Retirement Allowance Liability:

Actuarial Assumptions used to determine the benefit obligation:

	2017	2016
Discount rate	3.0 %	3.4 %
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 %

(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 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. The closure plan should be completed in early 2018.

The Valley Road Landfill Closure Plan was largely complete at the end of 2014, however, a 2015 review indicated that the majority of the wood waste had decomposed and therefore, the completion of the closure plan was deferred until the removal of the remaining woodwaste could be completed. The Valley Road Landfill site is expected to require care up to and including the year 2030, primarily for environmental monitoring and for construction of final cover over the cells now accepting Sumas River sediment. The capacity of the site for river sediment is estimated by the closure plan at 67,500 cubic meters, none of which had been used at the end of 2017. This capacity is projected to be fully used by 2025.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: continued

(b) Landfill Restoration Liability:

The liability of \$1,264,000, at December 31, 2017 (2016 - \$1,074,000), is calculated based on the discounted estimated future cash flows associated with closure and post-closure activities for existing waste at the two landfills. An additional \$777,000 (present value) is estimated to be required for closure activities related to future sediment deposits at the Valley Road site; however, since none of the capacity of future sediment deposits have been used, no current liability exists for these closure costs.

The discount rate used in 2017 was 3.0% (2016 – 3.4%) and the inflation rate used in 2017 was 2.0% (2016 - 2.0%). Landfill closure costs in 2017 were \$78,493 (2016 - \$143,326). There are no assets designated for settling the post-closure care liability.

	<u>2017</u>	<u>2016</u>
Restoration liability, beginning of year	\$ 1,074	\$ 1,146
Adjustment to liability	190	(72)
Restoration liability, end of year	<u>\$ 1,264</u>	<u>\$ 1,074</u>

(c) Liability for Contaminated Sites:

The City has determined that as of December 31, 2017, no contamination in excess of an environmental standard exists related to sites not in productive use for which the City is responsible.

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

6. RESTRICTED REVENUE LIABILITY:

	Development cost charges	Development fees	Airport fees	2017 Total	2016 Total
Balance December 31, 2016	\$ 30,042	\$ 21,456	\$ 1,714	\$ 53,212	\$ 46,388
Add:					
Current year contributions	20,947	3,043	914	24,904	12,914
Interest	592	409	43	1,044	775
	51,581	24,908	2,671	79,160	60,077
Deduct amounts recognized as revenue in current year					
Developer charges earned:					
Capital expenditures	7,903	1,087	-	8,990	6,865
Airport fees:					
Eligible airport expenditures	-	-	593	593	-
	7,903	1,087	593	9,583	6,865
Balance, December 31, 2017	\$ 43,678	\$ 23,821	\$ 2,078	\$ 69,577	\$ 53,212

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 of Abbotsford for the remaining amount of DCCs owing. As at December 31, 2017, the amount of DCCs due over the next two years is \$10,739,221 (2016 - \$7,929,140).

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, 2017 (Tabular amounts are in thousands of dollars)

6. RESTRICTED REVENUE LIABILITY: continued

(a) Development Cost Charges (DCC)

	2017	2016
Development cost charges:		
Storm drainage	\$ 11,641	\$ 11,815
Parks	10,975	6,698
Waterworks - supply	11,796	7,530
Waterworks - distribution	1,001	607
Sanitary sewer - collection	3,832	2,692
Sanitary sewer - treatment plant	2,759	700
Roads	1,674	-
	<u>\$ 43,678</u>	<u>\$ 30,042</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 airport improvement fees collected from passengers, and customer facility charges collected from the car rental companies, used to fund the passenger terminal and other capital improvements to airport facilities and grounds.

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

7. DEFERRED REVENUE:

	December 31, 2016	Externally restricted inflows	Revenue earned	December 31, 2017
Fees and charges	\$ 1,984	\$ 9,665	\$ (8,806)	\$ 2,843
Grant	3,256	13,798	(3,708)	13,346
	<u>\$ 5,240</u>	<u>\$ 23,463</u>	<u>\$ (12,514)</u>	<u>\$ 16,189</u>

8. LONG-TERM DEBT:

The City carries no debt for others. Debenture debt principal is reported net of repayments and actuarial adjustments 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
2018	\$ 3,380
2019	3,515
2020	3,656
2021	3,802
2022	3,954
2023 and thereafter	40,291
	<u>\$ 58,598</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 \$3,278,800 in 2017 (2016 - \$3,407,700).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

9. INTERNAL FINANCING:

To achieve more financial flexibility and minimize borrowing costs to the fullest extent possible, borrowing between capital reserves is sometimes used in accordance with the legal authority provided under the Community Charter (Section 189). Interest charges equivalent to the interest that would have been earned on the borrowed funds had they remained in the reserve fund are applied annually. However, interest charges are applied to development cost charges only to the extent those interest charges have been authorized by Development Cost Charge (DCC) Bylaw.

From 2009 to 2012, internal borrowing was provided for three road projects which was subsequently funded through the roads DCC program as DCC contributions were received. The internal financing on two of the road projects enabled the City to take advantage of significant Federal and Provincial infrastructure stimulus grant funding. The repayment of these funds was complete at the end of 2017.

	2017	2016
Roads DCC	\$ -	\$ 5,907
	\$ -	\$ 5,907

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

10. TANGIBLE CAPITAL ASSETS:

Tangible Capital Assets consist of the following:

	2017	2016
General		
Land	386,241	385,183
Land improvements	6,522	6,915
Park improvements	22,313	23,764
Buildings	107,778	113,448
Machinery & equipment	7,683	7,854
Vehicles	12,336	11,253
Infrastructure		
Airport	25,938	26,962
Waterworks	231,539	231,142
Sanitary sewer	156,882	160,102
Transportation	194,060	203,991
Storm drainage and detention	181,705	184,604
Dyking, drainage & irrigation	20,192	20,903
Assets under construction	12,987	13,107
	<u>\$ 1,366,176</u>	<u>\$ 1,389,228</u>

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

The value of contributed capital assets received and recognized in the year 2017 from developers, for various infrastructure works and related land and parks is \$3,423,000 (2016 – \$9,403,000).

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

11. 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:

	2017	2016
Stock	\$ 451	\$ 402
Fuel	31	41
Gravel	782	725
	<u>\$ 1,264</u>	<u>\$ 1,168</u>

12. 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.

	2017	2016
General	\$ 614	\$ 1,174
Abbotsford Centre	41	39
	<u>\$ 655</u>	<u>\$ 1,213</u>

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

13. ACCUMULATED SURPLUS:

	<u>2017</u>	<u>2016</u>
Unappropriated Balance		
General operations	\$ 19,570	\$ 19,570
Waterworks operations	4,265	4,265
Sanitary sewer operations	5,799	5,799
Airport operations	1,176	1,176
	<u>30,810</u>	<u>30,810</u>
Appropriated Surplus		
General operations reserve	47,515	41,250
Statutory capital reserves	173,872	141,381
	<u>221,387</u>	<u>182,631</u>
Investment in tangible capital assets	1,307,016	1,320,634
Investment in other non-financial assets	1,919	2,382
	<u>\$1,561,135</u>	<u>\$1,536,457</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 by 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

14. SUPPLEMENTAL CASH FLOW INFORMATION:

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

	2017	2016
Interest paid	\$ 3,329	\$ 3,531
Interest received	\$ 5,205	\$ 3,159

15. EXPENSE BY OBJECT:

	2017	2016
Salaries and benefits	\$ 104,008	\$ 98,449
Operating goods and services	60,491	54,563
Minor capital projects	9,905	10,631
Amortization	42,158	42,669
Loss on disposal of tangible capital assets	(342)	334
Transfer payments to other governments and agencies	15,444	14,960
Long-term debt interest	3,279	3,408
Total expense by object	<u>\$ 234,943</u>	<u>\$ 225,014</u>

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 2017 the City reports a liability of \$657,062 (2016 – \$719,196) which, at this time, is management's best estimate of expected future settlements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

16. CONTINGENT LIABILITIES: continued

(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 193,000 active members and approximately 90,000 retired members. Active members include approximately 1,000 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.

The most recent actuarial valuation as at December 31, 2015 indicated a \$2,224,000,000 funding surplus for basic pension benefits. The next valuation will be as at December 31, 2018, with results available in 2019. The City of Abbotsford paid \$9,386,076 (2016 - \$8,738,697) for employer contributions while employees contributed \$7,317,592 (2016 - \$6,885,640) to the plan in fiscal 2017.

(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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

16. CONTINGENT LIABILITIES: continued

(d) Municipal Finance Authority:

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 \$1,160,046 (2016 - \$1,137,855). The balance of the City's portion of the Debt Reserve Fund totals \$2,442,730 (2016 - \$2,442,730), for which the City has also executed demand notes in connection with each debenture totaling \$2,442,730 (2016 - \$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.

(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.

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (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
Drainage construction	\$ 1,378	\$ 518
Parks construction	1,700	1,686
Road Construction	8,874	6,358
Waterworks Construction	8,514	2,321
Sanitary sewer construction	1,555	1,405
Vehicles & equipment	348	348
Operational Services	2,649	1,793
	\$ 25,018	\$ 14,429

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

18. 2017 BUDGET FIGURES:

The budget figures included in the financial statements reflect the amended planned budget adopted through Bylaw No. 2700-2017 on May 10, 2017. 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	\$ 136,187	\$ 136,187	\$ -
Fees and charges	63,984	64,043	59
Developer charges earned	3,299	8,111	4,812
Contributions from other governments	3,278	3,320	42
Government grants	15,317	40,414	25,097
Rent	5,313	5,313	-
Interest and penalties	3,077	3,077	-
Other sources	377	6,232	5,855
	<u>\$ 230,832</u>	<u>\$ 266,697</u>	<u>\$ 35,865</u>
Expenses			
Capital Expenses	42,847	121,246	78,399
Protective services	69,952	70,275	323
Parks, recreation and cultural services	28,354	28,403	49
Engineering services	21,006	21,126	120
General Government	19,448	20,463	1,015
Water Services	9,684	10,124	440
Sewer Services	8,893	9,005	112
Transit Services	11,688	11,688	-
Airport Services	3,689	3,689	-
Development Services	4,293	4,641	348
Dyking Services	2,370	2,370	-
Debt interest	3,328	3,328	-
Debt principal repayment	3,250	3,250	-
	<u>\$ 228,802</u>	<u>\$ 309,608</u>	<u>\$ 80,806</u>
Net Revenue (Expenses)	2,030	(42,911)	(44,941)
Debt proceeds	27	27	-
Transfers from operating reserves	1,905	12,474	10,569
Transfers (to) from capital reserves	(3,962)	30,410	34,372
	<u>(2,030)</u>	<u>42,911</u>	<u>44,941</u>
Net budgeted surplus	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

18. 2017 BUDGET FIGURES: continued

Reconcile to Consolidated Statement of Operations	
Net Revenue (Expenses) per Bylaw 2700-2017	\$ (42,911)
Add:	
Capital expenditures	121,246
Debt principal repayment	3,250
Water/Sewer fund reserve revenue	576
Less:	
Minor capital expenses	(21,810)
Collections for other governments	(4,259)
Annual surplus per Statement of Operations	<u>\$ 56,092</u>

19. 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, 2017, the trust fund balance is \$3,836,509 (2016 - \$3,699,706).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

20. 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
- Legal services
- Strategic planning, corporate communications & marketing
- Human resources
- Financial services
- Information technology
- Procurement
- Risk management
- Economic development
- Continuous improvement

Police Protection

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

Engineering

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

Fire Rescue Services

- Emergency incident response
- Firefighter training
- Fire inspections and investigations
- Fire safety programs
- Medical assistance

Other Protective Services

- Search & rescue
- Restorative justice
- Building inspections
- Bylaw enforcement

Parks, Recreation & Culture

- Recreation facilities & programs
- Parks & open space
- Health and wellness
- Cemeteries
- Cultural Centre

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

20. CITY SERVICES FINANCIAL INFORMATION: continued

Solid Waste

- Collection & disposal
- Composting & recycling
- Environmental education

Transit

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

Dyking & Irrigation

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

Drainage

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

Sanitary Sewer

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

Waterworks

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

Planning & Development Services

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

Airport

- National & international flights
- Passenger & cargo services

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

21. SEGMENT INFORMATION – REVENUES & EXPENSES BY FUNCTION:

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
GENERAL OPERATING FUND			
General government services	\$ 93,164	\$ 94,524	\$ 91,682
Planning & development services	1,798	2,550	2,168
Police services	50,280	52,725	50,535
Fire rescue services	200	283	352
Other protective services	3,761	5,907	4,242
Parks, recreation & culture services	6,542	6,690	6,596
Abbotsford Centre	4,277	7,627	7,148
Library services	4,632	4,632	4,509
Transit services	7,536	7,916	7,456
Engineering services	3,049	4,727	4,138
Solid waste services	7,517	8,148	7,304
Storm drainage services	3,651	3,690	3,625
Dyking, drainage and irrigation services	2,132	2,110	2,106
	188,539	201,529	191,861
WATERWORKS	16,744	18,024	17,336
SANITARY SEWER	12,054	13,440	13,114
AIRPORT	5,963	6,850	6,115
CAPITAL FUNDS	37,335	15,903	17,346
RESERVE FUNDS	-	3,881	3,045
	260,635	259,627	248,817
CONSOLIDATION ADJUSTMENTS	(44)	(6)	(56)
	260,590	259,621	248,761

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

21. SEGMENT INFORMATION – REVENUES & EXPENSES BY FUNCTION: continued

	2017 Plan	2017 Actual	2016 Actual
EXPENSES			
GENERAL OPERATING FUND			
General government services	16,967	15,811	14,441
Planning & development services	4,623	4,276	4,095
Police services	49,595	51,753	49,883
Fire rescue services	16,860	17,804	16,976
Other protective services	4,018	3,876	3,769
Parks, recreation & culture services	22,067	24,858	24,523
Abbotsford Centre	6,743	12,185	12,065
Library services	4,351	4,495	4,342
Transit services	11,688	11,588	11,204
Engineering services	11,465	27,424	24,337
Solid waste services	7,729	8,251	7,304
Storm drainage services	3,145	5,801	6,078
Dyking, drainage and irrigation services	2,845	3,746	3,549
	162,096	191,868	182,566
WATERWORKS	8,983	14,298	13,977
SANITARY SEWER	7,765	12,434	11,976
AIRPORT	3,889	6,445	5,920
CAPITAL FUNDS	21,808	9,905	10,631
	204,542	234,949	225,070
CONSOLIDATION ADJUSTMENTS	(44)	(6)	(56)
	204,498	234,943	225,014
ANNUAL SURPLUS	\$ 56,092	\$ 24,678	\$ 23,747

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

22. REVENUES & EXPENSES BY FUNCTION LESS AMORTIZATION:

For the 2017 operating expenses, the City did not budget for amortization and gain/loss, non-cash expenses. The following table provides information on all City revenues and expenses compared to budget.

	2017 Plan	2017 Actual (less Amortization)	2016 Actual (less Amortization)
REVENUE			
GENERAL OPERATING FUND			
General government services	\$ 93,164	\$ 94,524	\$ 91,682
Planning & development services	1,798	2,550	2,168
Police services	50,280	52,725	50,535
Fire rescue services	200	283	352
Other protective services	3,761	5,907	4,242
Parks, recreation & culture services	6,542	6,690	6,596
Abbotsford Centre	4,277	7,627	7,148
Library services	4,632	4,632	4,509
Transit services	7,536	7,916	7,456
Engineering services	3,049	4,727	4,138
Solid waste services	7,517	8,148	7,304
Storm drainage services	3,651	3,690	3,625
Dyking, drainage and irrigation services	2,132	2,110	2,106
	<u>188,539</u>	<u>201,529</u>	<u>191,861</u>
WATERWORKS	16,744	18,024	17,336
SANITARY SEWER	12,054	13,440	13,114
AIRPORT	5,963	6,850	6,115
CAPITAL FUNDS	37,335	15,903	17,346
RESERVE FUNDS	-	3,881	3,045
	<u>260,635</u>	<u>259,627</u>	<u>248,817</u>
CONSOLIDATION ADJUSTMENTS	(44)	(6)	(56)
	<u>260,590</u>	<u>259,621</u>	<u>248,761</u>

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017 (Tabular amounts are in thousands of dollars)

22. REVENUES & EXPENSES BY FUNCTION LESS AMORTIZATION: continued

	2017 Plan	2017 Actual (less Amortization)	2016 Actual (less Amortization)
EXPENSES			
GENERAL OPERATING FUND			
General government services	16,967	14,837	12,822
Planning & development services	4,623	4,276	4,095
Police services	49,595	50,565	48,853
Fire rescue services	16,860	16,679	15,798
Other protective services	4,018	3,876	3,768
Parks, recreation & culture services	22,067	20,561	20,122
Abbotsford Centre	6,743	9,514	9,288
Library services	4,351	4,290	4,138
Transit services	11,688	11,558	11,173
Engineering services	11,465	14,211	10,791
Solid waste services	7,729	8,196	7,249
Storm drainage services	3,145	2,148	2,301
Dyking, drainage and irrigation services	2,845	3,015	2,818
	<u>162,096</u>	<u>163,726</u>	<u>153,216</u>
WATERWORKS	8,983	7,839	7,593
SANITARY SEWER	7,765	7,196	6,730
AIRPORT	3,889	4,469	3,897
CAPITAL FUNDS	21,808	9,905	10,631
AMORTIZATION	-	42,158	42,669
LOSS/(GAIN) ON DISPOSAL OF TANGIBLE CAPITAL ASSETS	-	(342)	334
	<u>204,542</u>	<u>234,949</u>	<u>225,070</u>
CONSOLIDATION ADJUSTMENTS	(44)	(6)	(56)
	<u>204,498</u>	<u>234,943</u>	<u>225,014</u>
ANNUAL SURPLUS	<u>\$ 56,092</u>	<u>\$ 24,678</u>	<u>\$ 23,747</u>

STATEMENT OF FINANCIAL POSITION – BY FUND

As at December 31, 2017 with comparative information as at December 31, 2016
in thousands

EXHIBIT 1

	Operating Funds				Reserve Funds
	General	Waterworks	Sanitary sewer	Airport	
FINANCIAL ASSETS					
Cash and cash equivalents	\$ 18,802	\$ -	\$ -	\$ -	\$ -
Due from other funds	64	12,011	11,718	3,448	221,387
Accounts receivable	26,904	5,382	1,739	173	-
Portfolio investments	363,086	-	-	-	-
	<u>408,856</u>	<u>17,393</u>	<u>13,457</u>	<u>3,621</u>	<u>221,387</u>
FINANCIAL LIABILITIES					
Accounts payable and accrued liabilities	78,624	227	157	200	-
Due to other funds	261,395	-	-	-	-
Restricted revenue	47,097	12,901	7,501	2,078	-
Deferred revenue	2,170	-	-	167	-
	<u>389,286</u>	<u>13,128</u>	<u>7,658</u>	<u>2,445</u>	<u>-</u>
Long-term debt	-	-	-	-	-
	<u>389,286</u>	<u>13,128</u>	<u>7,658</u>	<u>2,445</u>	<u>-</u>
NET FINANCIAL ASSETS	<u>19,570</u>	<u>4,265</u>	<u>5,799</u>	<u>1,176</u>	<u>221,387</u>
NON-FINANCIAL ASSETS					
Tangible capital assets	-	-	-	-	-
Inventories	1,264	-	-	-	-
Pre-paid expenses	655	-	-	-	-
	<u>1,919</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ACCUMULATED SURPLUS	<u>\$ 21,489</u>	<u>\$ 4,265</u>	<u>\$ 5,799</u>	<u>\$ 1,176</u>	<u>\$ 221,387</u>

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION – BY FUND

As at December 31, 2017 with comparative information as at December 31, 2016
in thousands

EXHIBIT 1 - Continued

Capital Funds					Consolidation Adjustments	Total 2017	Total 2016
General	Waterworks	Sanitary Sewer	Airport				
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,802	\$ 34,351	
11,866	-	301	664	(261,459)	-	-	
271	64	189	-	-	34,722	30,395	
-	-	-	-	-	363,086	267,490	
12,137	64	490	664	(261,459)	416,610	332,236	
-	-	-	-	-	79,208	66,981	
-	64	-	-	(261,459)	-	-	
-	-	-	-	-	69,577	53,212	
12,698	-	490	664	-	16,189	5,240	
12,698	64	490	664	(261,459)	164,974	125,433	
58,598	-	-	-	-	58,598	61,955	
71,296	64	490	664	(261,459)	223,572	187,388	
(59,159)	-	-	-	-	193,038	144,848	
905,220	234,479	165,542	60,935	-	1,366,176	1,389,228	
-	-	-	-	-	1,264	1,168	
-	-	-	-	-	655	1,213	
905,220	234,479	165,542	60,935	-	1,368,095	1,391,609	
\$ 846,061	\$ 234,479	\$ 165,542	\$ 60,935	\$ -	\$ 1,561,135	\$ 1,536,457	

See notes to Consolidated Financial Statements.

STATEMENT OF FINANCIAL ACTIVITIES – BY FUND

As at December 31, 2017 with comparative information for 2016
in thousands

EXHIBIT 2

	Operating Funds				Reserve
	General Schedule A	Waterworks Schedule B	San Sewer Schedule C	Airport Schedule D	Funds Schedule S
REVENUE					
Municipal taxation	\$ 136,493	\$ -	\$ -	\$ -	-
Fees and charges	46,436	17,961	13,310	5,152	-
Developer charges earned	-	-	-	-	-
Contributed tangible capital assets	-	-	-	-	-
Grants	14,853	-	-	-	-
Investment income	1,712	25	131	86	3,836
Rent	2,036	38	-	1,611	-
Other sources	-	-	-	-	45
Contributions (to)/from other funds	-	-	-	-	-
	<u>201,530</u>	<u>18,024</u>	<u>13,440</u>	<u>6,850</u>	<u>3,881</u>
EXPENSE					
General government services	14,837	-	-	-	-
Planning & development services	4,276	-	-	-	-
Protective services	71,120	-	-	-	-
Parks, recreation, culture, libraries	34,365	-	-	-	-
Transit services	11,558	-	-	-	-
Engineering services	24,555	-	-	-	-
Dyking, drainage and irrigation services	3,015	-	-	-	-
Waterworks services	-	7,839	-	-	-
Sanitary sewer services	-	-	7,196	-	-
Airport services	-	-	-	4,469	-
Amortization	28,743	6,253	5,165	1,997	-
Loss/(gain) on disposal of TCA	(601)	207	73	(21)	-
	<u>191,868</u>	<u>14,298</u>	<u>12,434</u>	<u>6,445</u>	<u>-</u>
ANNUAL SURPLUS/(DEFICIT)	<u>9,662</u>	<u>3,725</u>	<u>1,007</u>	<u>402</u>	<u>3,881</u>
RECONCILE TO BUDGET BASIS SURPLUS/(DEFICIT)					
Operating reserve	(5,521)	18	15	-	5,488
General capital reserve	(31,239)	(3)	-	-	15,940
Storm drainage capital reserve	-	-	-	-	10
Waterworks capital reserve	-	(10,203)	-	-	6,664
Sanitary sewer capital reserve	-	-	(6,260)	-	5,459
Airport capital reserve	-	-	-	(2,400)	1,314
Eliminate amortization and loss/gain	23,834	6,463	5,238	1,997	-
Internal borrowing (from general fund)	6,160	-	-	-	-
	<u>(6,766)</u>	<u>(3,725)</u>	<u>(1,007)</u>	<u>(402)</u>	<u>34,875</u>
Debt principal repayments	(3,357)	-	-	-	-
CHANGE IN INVENTORY/PRE-PAID EXPENSES	<u>(463)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ANNUAL SURPLUS/(DEFICIT)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,756</u>
SURPLUS, BEGINNING OF YEAR	<u>21,952</u>	<u>4,265</u>	<u>5,799</u>	<u>1,176</u>	<u>182,631</u>
SURPLUS, END OF YEAR	<u>\$ 21,489</u>	<u>\$ 4,265</u>	<u>\$ 5,799</u>	<u>\$ 1,176</u>	<u>\$ 221,387</u>

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL ACTIVITIES – BY FUND

As at December 31, 2017 with comparative information for 2016
in thousands

EXHIBIT 2 - Continued

Capital Funds					Consolidation SUBTOTAL	Consolidation Adjustments	Total 2017	Total 2016
General Schedule R	Waterworks Schedule R	San Sewer Schedule R	Airport Schedule R					
\$ -	\$ -	\$ -	\$ -	\$ 136,493	\$ -	\$ 136,493	\$ 130,856	
789	216	65	593	84,522	-	84,522	77,264	
8,765	186	205	-	9,156	-	9,156	6,197	
2,845	220	358	-	3,423	-	3,423	9,403	
1,473	16	165	-	16,507	-	16,507	16,505	
-	-	-	-	5,789	(6)	5,782	4,744	
-	-	-	-	3,685	-	3,685	3,746	
8	-	-	-	53	-	53	46	
132	8	(116)	(24)	-	-	-	-	
14,012	646	677	570	259,627	(6)	259,621	248,761	
539	-	-	-	15,376	-	15,376	13,858	
-	-	-	-	4,276	-	4,276	4,095	
257	-	-	-	71,377	-	71,377	68,793	
1,289	-	-	-	35,654	-	35,654	34,371	
-	-	-	-	11,558	-	11,558	11,173	
5,584	-	-	-	30,139	(6)	30,133	23,046	
1,108	-	-	-	4,123	-	4,123	4,992	
-	641	-	-	8,480	-	8,480	7,699	
-	-	488	-	7,684	-	7,684	7,540	
-	-	-	-	4,469	-	4,469	4,044	
-	-	-	-	42,158	-	42,158	44,260	
-	-	-	-	(342)	-	(342)	1,143	
8,776	641	488	-	234,949	(6)	234,943	225,014	
5,235	5	189	569	24,678	-	24,678	23,747	
-	-	-	-	-	-	-	-	
14,940	349	13	-	-	-	-	-	
(10)	-	-	-	-	-	-	-	
-	3,539	-	-	-	-	-	-	
-	-	801	-	-	-	-	-	
-	-	-	1,086	-	-	-	-	
(24,087)	(6,463)	(5,238)	(1,997)	(253)	-	(253)	(508)	
(5,907)	-	-	-	253	-	253	508	
(15,064)	(2,575)	(4,424)	(911)	-	-	-	-	
3,357	-	-	-	-	-	-	-	
-	-	-	-	(463)	-	(463)	771	
(6,472)	(2,570)	(4,235)	(342)	24,678	-	24,678	23,747	
852,531	237,049	169,777	61,277	1,536,457	-	1,536,457	1,512,710	
\$ 846,059	\$ 234,479	\$ 165,542	\$ 60,935	\$ 1,561,135	\$ -	\$ 1,561,135	\$ 1,536,457	

See notes to Consolidated Financial Statements.

SCHEDULE OF TANGIBLE CAPITAL ASSETS

As at December 31, 2017 with comparative information for 2016
in thousands

EXHIBIT 3

	Cost					
	Opening Balance	Add		Less		Closing Balance
		Additions	Transfer from asset class	Disposals	Transfer to asset class	
General						
Land	\$ 385,183	\$ 1,913	\$ -	\$ (855)	\$ -	\$ 386,241
Land improvements	16,055	2	35	-	-	16,092
Park improvements	62,066	239	186	-	-	62,491
Buildings	226,923	243	642	(567)	-	227,241
Machinery & equipment	33,623	1,462	697	(767)	-	35,015
Vehicles	30,301	2,347	1,142	(1,598)	-	32,192
Infrastructure						
Airport	37,141	-	-	-	-	37,141
Waterworks	330,595	2,911	3,911	(707)	-	336,710
Sanitary sewer	256,589	851	1,167	(612)	-	257,995
Transportation	531,365	1,856	407	(233)	-	533,395
Storm drainage	262,928	625	103	(101)	-	263,555
Dyking, drainage, & irrigation	51,443	1	19	-	-	51,463
Assets under construction	13,107	8,191	-	-	(8,309)	12,989
	<u>\$2,237,319</u>	<u>\$ 20,641</u>	<u>\$ 8,309</u>	<u>\$ (5,440)</u>	<u>\$ (8,309)</u>	<u>\$2,252,520</u>

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE OF TANGIBLE CAPITAL ASSETS

As at December 31, 2017 with comparative information for 2016
in thousands

EXHIBIT 3 - Continued

Opening Balance	Accumulated Amortization		Closing Balance	Net Book Value Dec 31, 2017	Net Book Value Dec 31, 2016
	Add Amortization	Less Accumulated Amortization on Disposals			
\$ -	\$ -	\$ -	\$ -	386,241	\$ 385,183
9,140	430	-	(9,570)	6,522	6,915
38,302	1,877	-	(40,179)	22,313	23,764
113,475	6,521	(533)	(119,463)	107,778	113,448
25,769	2,294	(732)	(27,331)	7,683	7,854
19,048	2,275	(1,466)	(19,857)	12,336	11,253
10,180	1,023	-	(11,203)	25,938	26,962
99,453	6,218	(497)	(105,174)	231,539	231,142
96,487	5,165	(539)	(101,113)	156,882	160,102
327,374	12,040	(81)	(339,333)	194,060	203,991
78,324	3,584	(59)	(81,849)	181,705	184,604
30,539	731	-	(31,270)	20,192	20,903
-	-	-	-	12,987	13,107
\$ 848,091	\$ 42,158	\$ (3,907)	\$ (886,342)	\$ 1,366,176	\$ 1,389,228

See notes to Consolidated Financial Statements.

APPROPRIATED SURPLUS (RESERVES) CONTINUITY SCHEDULE

For the year ended December 31, 2017 with comparative information for 2016
in thousands

EXHIBIT 4

	Balance December 31, 2016	(To)/From Operating Fund	(To)/From Other Funds	Other Contributions	Interest Earned	Balance December 31, 2017
STATUTORY CAPITAL RESERVES						
General	\$ 49,583	\$ 30,341	\$ (14,400)	\$ 45	\$ 1,073	\$ 66,642
Storm drainage	12,266	619	(531)	-	244	12,598
Waterworks	26,172	10,551	(3,887)	-	560	33,396
Sanitary sewer	37,426	6,273	(813)	-	777	43,663
Airport	15,923	2,400	(1,086)	-	325	17,562
Affordable housing	11	-	-	-	-	11
	<u>141,381</u>	<u>50,184</u>	<u>(20,717)</u>	<u>45</u>	<u>2,979</u>	<u>173,872</u>
GENERAL OPERATING RESERVE						
Planned Transfers						
New facility operations	2,430	-	-	-	51	2,481
Water system contingency	776	-	-	-	17	793
Insurance	2,358	-	-	-	47	2,405
Tradex operating reserve	-	95	(79)	-	1	17
Election	167	79	-	-	5	251
Community Works Fund	21,777	5,762	(2,985)	-	444	24,998
Sister city	93	10	(105)	-	2	-
Climate action	1,180	197	-	-	25	1,402
Community projects	440	-	-	-	9	449
	<u>29,221</u>	<u>6,143</u>	<u>(3,169)</u>	<u>-</u>	<u>601</u>	<u>32,796</u>
Operating Surplus Transfers						
Police	1,948	1,336	-	-	69	3,353
Winter operations	1,220	-	-	-	26	1,246
Storm drainage	3,789	774	-	-	80	4,643
Sumas Prairie DDI	41	(133)	-	-	(2)	(94)
Matsqui Prairie DDI	39	5	-	-	1	45
Solid waste	320	(68)	-	-	6	258
Infrastructure Maintenance	936	450	-	-	12	1,398
	<u>8,293</u>	<u>2,364</u>	<u>-</u>	<u>-</u>	<u>192</u>	<u>10,849</u>
Other Transfers						
General government	2,605	(673)	105	-	44	2,081
Planning & Development	351	226	-	-	7	584
Fire Rescue Services	229	(199)	-	-	-	30
Engineering	25	102	-	-	-	127
Traffic fine revenue	200	-	-	-	4	204
Transit Provision	326	511	-	-	7	844
	<u>3,736</u>	<u>(33)</u>	<u>105</u>	<u>-</u>	<u>62</u>	<u>3,870</u>
	<u>41,250</u>	<u>8,474</u>	<u>(3,064)</u>	<u>-</u>	<u>855</u>	<u>47,515</u>
Total	\$ 182,631	\$ 58,658	\$ (23,781)	\$ 45	\$ 3,834	\$ 221,387

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

DEBT OUTSTANDING AND DEBT SERVICING BY FUND & FUNCTION

For the year ended December 31, 2017 with comparative information for 2016
in thousands

EXHIBIT 5

	Bylaw Number	MFA Issue Number	Year of Maturity	Interest Rate (%)	Debt Outstanding December 31 2016	2017 Debt Servicing			Debt Outstanding December 31 2017
						Principal	Interest	Total	
GENERAL FUND									
Parks, Recreation and Culture									
Abbotsford Centre	1586	102/103	2032	5.00	\$ 41,927	\$ 1,844	\$ 2,199	\$ 4,043	\$ 40,083
Cultural Centre	1587	102/103	2027	5.00	6,676	504	360	864	6,172
Community Centre	1588	102/103	2027	5.00	13,352	1,009	720	1,729	12,343
Total Long-term Debt					\$ 61,955	\$ 3,357	\$ 3,279	\$ 6,636	\$ 58,598

See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE A

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Municipal taxation:			
General	\$ 78,203	\$ 77,985	\$ 75,856
Police	47,178	47,178	45,143
Library	4,632	4,632	4,509
Dyking, drainage & irrigation	1,952	1,955	1,947
Utility tax	1,852	1,900	1,918
Business improvement assessment	274	300	289
Hotel tax	250	447	356
Grants in lieu of taxes:			
Federal government	1,005	1,082	1,063
Provincial governments and agencies	841	1,014	907
Fees and charges:			
Transit	2,544	2,686	2,670
Police	977	3,389	3,258
User rates	7,517	8,148	7,304
Storm drainage	3,651	3,690	3,625
Parks, recreation and culture	6,485	6,629	6,534
Abbotsford Centre	3,377	6,421	6,079
Other	3,453	5,134	3,787
Licenses and permits:			
Building permits	2,053	3,831	2,567
Soil removal fees	2,135	3,227	3,071
Business licences	1,060	1,016	1,353
Municipal License Plates	39	30	38
Secondary suite fees	1,254	1,321	1,291
Other licences and permits	438	913	476
Rental:			
Police	41	45	45
Other	2,025	1,991	1,992
Investment income	1,024	1,689	1,541
Municipal Finance Authority refunds	36	22	31
Grants:			
Transit	4,991	5,230	4,786
Police	2,084	2,113	2,090
Other	7,167	7,510	7,335
	<u>188,539</u>	<u>201,529</u>	<u>191,861</u>

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE A - Continued

	2017 Plan	2017 Actual	2016 Actual
EXPENSE			
General government services (Schedule E)	16,967	14,837	12,822
Planning & development services (Schedule F)	4,623	4,276	4,095
Protective services			
Police services (Schedule G)	49,595	50,565	48,853
Fire rescue services (Schedule H)	16,860	16,679	15,798
Other protective services (Schedule I)	4,018	3,876	3,768
Parks, recreation & culture services (Schedule J)	22,067	20,561	20,122
Abbotsford Centre (Schedule K)	6,743	9,514	9,288
Library services (Schedule L)	4,351	4,290	4,138
Transit services (Schedule M)	11,688	11,558	11,173
Engineering services (Schedule N)	11,465	14,211	10,791
Solid waste services (Schedule O)	7,729	8,196	7,249
Storm drainage services (Schedule P)	3,145	2,148	2,301
Dyking, drainage and irrigation services			
Matsqui Prairie (Schedule Q)	1,122	1,142	1,057
Sumas Prairie (Schedule Q)	1,723	1,873	1,761
	<u>162,096</u>	<u>163,726</u>	<u>153,216</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	26,442	37,802	38,645
Amortization (All Schedules)	-	28,743	29,330
Loss/(gain) on disposal of tangible capital assets (All Schedules)	-	(601)	20
ANNUAL SURPLUS/(DEFICIT)	<u>26,442</u>	<u>9,660</u>	<u>9,295</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(1,851)	(1,143)
Transfer to general capital reserve	(19,037)	(29,388)	(29,554)
Transfer to operating reserve	(6,063)	(10,960)	(10,683)
Transfer from operating reserve	1,908	5,439	5,670
Debt principal repayments	(3,250)	(3,357)	(3,308)
Inventory and pre-paid expenses	-	463	(771)
Eliminate amortization and loss/gain	-	29,994	30,494
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, 2017 with comparative information for 2016
in thousands

SCHEDULE B

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Fees and charges:			
User rates	\$ 15,900	\$ 17,123	\$ 16,609
Other fees and charges	769	838	682
Rent	50	38	38
Investment income	25	25	-
Municipal Finance Authority refunds	-	-	7
	<u>16,744</u>	<u>18,024</u>	<u>17,336</u>
EXPENSE			
Abbotsford-Mission supply and transmission	3,558	3,035	2,785
Administration	2,821	2,303	2,005
Local supply and distribution	1,922	1,551	1,780
Meters	529	689	609
Hydrants	97	34	158
Maintenance	56	227	254
Long-term debt interest	-	-	2
Internal borrowing interest	-	-	-
	<u>8,983</u>	<u>7,839</u>	<u>7,593</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>7,761</u>	<u>10,185</u>	<u>9,743</u>
Amortization	-	6,253	6,128
Loss/(gain) on disposal of tangible capital assets	-	207	256
ANNUAL SURPLUS/(DEFICIT)	<u>7,761</u>	<u>3,725</u>	<u>3,359</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(3)	-
Transfer from operating reserve	-	18	-
Transfer to waterworks capital reserve	(7,761)	(10,203)	(8,618)
Debt principal repayments	-	-	(1,124)
Eliminate amortization and loss/gain	-	6,463	6,384
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE C

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Fees and charges:			
User rates	\$ 10,500	\$ 11,420	\$ 11,207
Industrial surcharges	958	1,132	1,172
Other fees and charges	532	757	610
Investment income	64	131	122
Municipal Finance Authority refunds	-	-	3
	<u>12,054</u>	<u>13,440</u>	<u>13,114</u>
EXPENSE			
Joint Abbotsford-Mission Environmental Systems (JAMES) treatment plant	4,214	4,108	3,826
Administration	1,982	1,839	1,779
Maintenance	1,525	1,249	1,107
Long-term debt interest	-	-	1
Internal borrowing interest	44	-	17
	<u>7,765</u>	<u>7,196</u>	<u>6,730</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>4,289</u>	<u>6,244</u>	<u>6,384</u>
Amortization	-	5,165	5,187
Loss/(gain) on disposal of tangible capital assets	-	73	58
ANNUAL SURPLUS/(DEFICIT)	<u>4,289</u>	<u>1,007</u>	<u>1,139</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer from operating reserve	-	15	-
Transfer to sanitary sewer capital reserve	(4,289)	(6,260)	(6,023)
Debt principal repayments	-	-	(361)
Eliminate amortization and loss/gain	-	5,238	5,245
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, 2017 with comparative information for 2016
in thousands

SCHEDULE D

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Fees and charges:			
Aeronautical fees	\$ 1,289	\$ 1,480	\$ 1,335
Public parking fees	1,736	1,957	1,744
Concessions	916	1,405	1,081
Other fees and charges	332	310	212
Rent	1,617	1,610	1,671
Investment income	73	85	72
	<u>5,963</u>	<u>6,850</u>	<u>6,115</u>
EXPENSE			
Administration	1,407	1,487	1,142
Marketing	89	98	96
Terminal building	541	511	733
Airside	1,324	1,603	1,539
Mobile equipment	256	332	132
Parking	272	438	255
	<u>3,889</u>	<u>4,469</u>	<u>3,897</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>2,074</u>	<u>2,378</u>	<u>2,218</u>
Amortization	-	1,997	2,023
Loss/(gain) on disposal of tangible capital assets	-	(21)	-
ANNUAL SURPLUS/(DEFICIT)	<u>2,074</u>	<u>402</u>	<u>195</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to airport capital reserve (asset sales)	-	(21)	-
Transfer to airport capital reserve	(2,074)	(2,379)	(2,218)
Eliminate amortization and loss/gain	-	1,998	2,023
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE E

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Municipal taxation	\$ 82,425	\$ 82,728	\$ 80,389
Fees and charges	2,031	2,439	2,121
Rent	1,761	1,695	1,704
Investment income	1,024	1,679	1,535
Grants	5,887	5,962	5,903
Municipal Finance Authority refunds	36	22	31
	<u>93,164</u>	<u>94,524</u>	<u>91,683</u>
EXPENSE			
LEGISLATIVE SERVICES	728	697	695
CITY MANAGER'S OFFICE			
City manager	1,125	786	1,046
Human resources	1,732	1,788	1,566
FINANCE & CORPORATE SERVICES			
City Clerk	1,246	1,080	1,110
Finance & procurement	4,052	3,408	3,060
Risk management	1,119	811	889
Homelessness Coordination	490	367	340
Real estate services	463	287	293
INNOVATION, STRATEGY & INTERGOVERNMENTAL RELATIONS			
ISIR Administration	268	657	244
Corporate communications and marketing	946	921	1,034
Information technology	3,745	3,530	3,350
Economic development	647	756	518
OTHER			
Transfer to other agencies	604	870	768
Common services	2,698	1,533	548
Less: Cost recoveries	(2,894)	(2,653)	(2,639)
	<u>16,969</u>	<u>14,837</u>	<u>12,822</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	76,195	79,687	78,861
Amortization	-	1,387	1,458
Loss/(gain) on disposal of tangible capital assets	-	(413)	160
ANNUAL SURPLUS/(DEFICIT)	<u>76,195</u>	<u>78,712</u>	<u>77,243</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(645)	-
Transfer to general capital reserve	(3,606)	(13,774)	(13,666)
Transfer to operating reserve	(5,868)	(7,367)	(6,952)
Transfer from operating reserve	414	4,072	4,839
Debt principal repayments	-	-	(183)
Inventory and pre-paid expenses	-	463	(771)
Eliminate amortization and loss/gain	-	1,620	1,618
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ 67,135</u>	<u>\$ 63,081</u>	<u>\$ 62,128</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, 2017 with comparative information for 2016
in thousands

SCHEDULE F

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Licences and permits:			
Business licences	\$ 1,060	\$ 1,016	\$ 1,353
Development permit application fees	130	192	140
Rezoning application fees	150	450	155
Subdivision application fees	65	189	101
Other licences and permits	80	72	72
Fees and charges:			
Development fees on Engineering projects	250	535	236
Other fees and charges	63	96	111
	1,798	2,550	2,168
EXPENSE			
Development approvals	4,422	4,122	3,916
Licence inspection	201	154	179
	4,623	4,276	4,095
ANNUAL SURPLUS/(DEFICIT)	(2,825)	(1,726)	(1,927)
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to operating reserve	-	(282)	(110)
Transfer from operating reserve	353	77	97
CHANGE IN UNAPPROPRIATED SURPLUS	\$ (2,472)	\$ (1,931)	\$ (1,940)

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE G

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Municipal taxation	\$ 47,178	\$ 47,178	\$ 45,143
Fees and charges:			
Salary recoveries	-	2,375	2,179
Other revenue	977	1,014	1,078
Government grants:			
Traffic fine revenue - sharing	2,000	1,992	2,000
Other government grants	84	122	90
Rent	41	45	45
	<u>50,280</u>	<u>52,725</u>	<u>50,535</u>
EXPENSE			
Finance and budgets	589	509	541
Executive administration	1,856	1,793	1,746
Operations support	5,199	4,977	4,835
Support services	5,617	5,476	5,649
Criminal investigations	8,014	8,321	7,920
Patrol	15,435	15,774	14,351
Operations control	5,880	4,222	5,085
Police building	762	511	629
Human resources	2,573	2,109	2,039
Vehicle maintenance	1,139	1,063	992
Common services & secondment	2,531	5,809	5,066
	<u>49,595</u>	<u>50,565</u>	<u>48,853</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	685	2,162	1,682
Amortization	-	1,187	1,021
Loss/(gain) on disposal of tangible capital assets	-	2	8
ANNUAL SURPLUS/(DEFICIT)	685	973	653
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(13)	(68)
Transfer from operating reserve	-	141	-
Transfer to operating reserve	-	(1,476)	(852)
Transfer to general capital reserve	(685)	(826)	(830)
Eliminate amortization and loss/gain	-	1,201	1,097
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, 2017 with comparative information for 2016
in thousands

SCHEDULE H

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Fees and charges	\$ 190	\$ 277	\$ 348
Licences and permits	10	7	4
	<u>200</u>	<u>283</u>	<u>352</u>
EXPENSE			
Administration	535	573	507
Fire life and safety education	187	165	171
Fire prevention and inspection	629	601	652
Emergency response	14,732	14,587	13,798
Fire halls and ground maintenance	488	465	439
Fire flows and hydrants	289	289	231
	<u>16,860</u>	<u>16,679</u>	<u>15,798</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>(16,660)</u>	<u>(16,396)</u>	<u>(15,446)</u>
Amortization	-	1,115	1,095
Loss/(gain) on disposal of tangible capital assets	-	10	82
ANNUAL SURPLUS/(DEFICIT)	<u>(16,660)</u>	<u>(17,521)</u>	<u>(16,623)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(40)	-
Transfer from operating reserve	229	232	158
Transfer to operating reserve	-	(30)	(229)
Transfer to general capital reserve	(756)	(791)	(791)
Eliminate amortization and loss/gain	-	1,165	1,178
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (17,187)</u>	<u>\$ (16,985)</u>	<u>\$ (16,307)</u>

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

SEGMENT INFORMATION – REVENUES BY TYPE & EXPENSES BY FUNCTION GENERAL OPERATING FUND – OTHER PROTECTIVE SERVICES

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE I

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Licenses and permits:			
Building permits	\$ 2,053	\$ 3,831	\$ 2,567
Secondary suite fees	1,254	1,321	1,291
Fees and charges	254	755	220
Grants	200	-	164
	<u>3,761</u>	<u>5,907</u>	<u>4,242</u>
EXPENSE			
Restorative Justice	149	149	150
Emergency services	239	454	345
Building inspections	2,461	2,180	2,192
Bylaw enforcement	1,169	1,094	1,081
	<u>4,018</u>	<u>3,876</u>	<u>3,768</u>
ANNUAL SURPLUS/(DEFICIT)	(257)	2,030	474
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to operating reserve	-	-	(95)
Transfer from operating reserve	79	26	-
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (178)</u>	<u>\$ 2,056</u>	<u>\$ 379</u>

See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE J

	2017	2017				2017	2016
	Plan	General	Parks	Recreation	Culture	Actual	Actual
REVENUE							
Fees and charges	\$ 6,485	\$ 143	\$ 1,331	\$ 5,154	\$ -	\$ 6,628	\$ 6,534
Rent	57	-	-	61	-	61	57
Grants	-	-	-	-	-	-	5
	<u>6,542</u>	<u>143</u>	<u>1,331</u>	<u>5,215</u>	<u>-</u>	<u>6,690</u>	<u>6,596</u>
EXPENSE							
Operations	20,966	1,157	7,750	9,715	859	19,481	18,988
Long-term debt interest	1,101	-	-	720	360	1,080	1,134
	<u>22,067</u>	<u>1,157</u>	<u>7,750</u>	<u>10,435</u>	<u>1,219</u>	<u>20,561</u>	<u>20,122</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION							
	(15,525)	(1,014)	(6,419)	(5,220)	(1,219)	(13,871)	(13,526)
Amortization	-	-	2,217	1,609	437	4,263	4,401
Loss/(gain) on disposal of tangible capital assets	-	32	-	2	-	34	-
ANNUAL SURPLUS/(DEFICIT)	<u>(15,525)</u>	<u>(1,046)</u>	<u>(8,636)</u>	<u>(6,831)</u>	<u>(1,656)</u>	<u>(18,169)</u>	<u>(17,927)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS							
Debt principal repayments	(1,406)	-	-	(1,009)	(504)	(1,513)	(1,353)
Transfer to general capital reserve	(1,519)	(107)	(794)	(545)	(73)	(1,519)	(1,443)
Transfer to cemetery capital reserve	(160)	-	(160)	-	-	(160)	(165)
Transfer from operating reserve	-	1	28	39	-	68	-
Eliminate amortization and loss/gain	-	32	2,217	1,611	437	4,297	4,401
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (18,610)</u>	<u>\$ (1,120)</u>	<u>\$ (7,345)</u>	<u>\$ (6,735)</u>	<u>\$ (1,796)</u>	<u>\$ (16,996)</u>	<u>\$ (16,487)</u>

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE K

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Fees and charges	\$ 3,377	\$ 6,421	\$ 6,079
Investment income	-	11	7
Grants	900	1,195	1,062
	<u>4,277</u>	<u>7,627</u>	<u>7,148</u>
EXPENSE			
Abbotsford Centre			
Operations	4,516	7,315	7,017
Long-term debt interest	2,227	2,199	2,271
	<u>6,743</u>	<u>9,514</u>	<u>9,288</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>(2,466)</u>	<u>(1,887)</u>	<u>(2,140)</u>
Amortization	-	2,671	2,778
ANNUAL SURPLUS/(DEFICIT)	<u>(2,466)</u>	<u>(4,558)</u>	<u>(4,918)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Debt principal repayments	(1,844)	(1,844)	(1,773)
Eliminate amortization and loss/gain	-	2,671	2,778
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (4,310)</u>	<u>\$ (3,731)</u>	<u>\$ (3,913)</u>

See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE L

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Municipal tax for regional library	\$ 4,632	\$ 4,632	\$ 4,509
EXPENSE			
Transfer to Fraser Valley Regional Library	4,004	4,004	3,883
Library operating costs	347	286	255
	<u>4,351</u>	<u>4,290</u>	<u>4,138</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	281	342	371
Amortization	-	205	205
ANNUAL SURPLUS/(DEFICIT)	<u>281</u>	<u>137</u>	<u>166</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve	(300)	(300)	(352)
Transfer from operating reserve	19	19	-
Transfer to operating reserve	-	(61)	(19)
Eliminate amortization and loss/gain	-	205	205
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE M

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Grants	\$ 4,991	\$ 5,230	\$ 4,786
Fares	1,876	2,008	1,977
BC bus pass program	496	499	518
Advertising and other	172	179	175
	<u>7,535</u>	<u>7,916</u>	<u>7,456</u>
EXPENSE			
Transfer to BC Transit	11,531	11,440	11,077
Other	158	118	96
	<u>11,688</u>	<u>11,558</u>	<u>11,173</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>(4,154)</u>	<u>(3,642)</u>	<u>(3,717)</u>
Amortization	-	31	31
ANNUAL SURPLUS/(DEFICIT)	<u>(4,154)</u>	<u>(3,673)</u>	<u>(3,748)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer from operating reserve	-	-	189
Transfer to operating reserve	-	(511)	(326)
Eliminate amortization and loss/gain	-	31	31
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (4,154)</u>	<u>\$ (4,153)</u>	<u>\$ (3,854)</u>

See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE N

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Fees and charges:			
Engineering capital recoveries	\$ -	\$ 358	\$ 148
Recoveries	204	205	294
Parking lot tickets	-	56	71
Other	321	289	121
Licenses and permits:			
Soil removal fees	2,135	3,227	3,071
Other	3	4	2
Grants	180	354	200
Rent	207	235	231
	<u>3,050</u>	<u>4,727</u>	<u>4,138</u>
EXPENSE			
ADMINISTRATION	2,117	1,823	2,126
ENGINEERING	1,095	2,194	1,898
TRANSPORTATION			
Services	3,068	2,646	2,601
Operations - roads	4,931	7,598	4,736
EQUIPMENT FLEET			
Operations	3,998	4,439	3,833
Internal recoveries	(5,873)	(5,998)	(5,689)
INTERNAL BORROWING INTEREST	-	6	39
MUNICIPAL BUILDINGS	2,543	1,916	1,660
COST RECOVERIES	(413)	(413)	(413)
	<u>11,466</u>	<u>14,211</u>	<u>10,791</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>(8,416)</u>	<u>(9,483)</u>	<u>(6,653)</u>
Amortization	-	13,489	13,952
Loss/(gain) on disposal of tangible capital assets	-	(276)	(405)
ANNUAL SURPLUS/(DEFICIT)	<u>(8,416)</u>	<u>(22,696)</u>	<u>(20,200)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(1,154)	(1,076)
Transfer to general capital reserve	(11,749)	(11,749)	(11,674)
Transfer to operating reserve	(170)	(403)	(1,434)
Transfer from operating reserve	579	597	88
Eliminate amortization and loss/gain	-	14,366	14,623
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (19,756)</u>	<u>\$ (21,039)</u>	<u>\$ (19,673)</u>

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE O

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Fees and charges:			
Solid waste user fees	\$ 6,002	\$ 5,869	\$ 5,854
Garbage stickers	35	34	24
Recycling, compost and yard waste fees	-	781	-
Recoveries & other	1,480	1,464	1,426
	<u>7,517</u>	<u>8,148</u>	<u>7,304</u>
EXPENSE			
Planning, design and management	792	817	552
Collection	2,807	3,099	2,925
Disposal	4,130	4,280	3,772
	<u>7,729</u>	<u>8,196</u>	<u>7,249</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	(212)	(48)	55
Amortization	-	54	55
Loss/(gain) on disposal of tangible capital assets	-	-	-
ANNUAL SURPLUS/(DEFICIT)	<u>(212)</u>	<u>(102)</u>	<u>-</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve	-	(7)	(265)
Transfer to operating reserve	-	(13)	-
Transfer from operating reserve	212	68	210
Eliminate amortization and loss/gain	-	54	55
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 – STORM DRAINAGE SERVICES

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE P

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Fees and charges:			
Storm drainage user fees	\$ 3,648	\$ 3,652	\$ 3,611
Other	3	38	14
	<u>3,651</u>	<u>3,690</u>	<u>3,625</u>
EXPENSE			
Storm sewers and detention	2,557	1,692	1,835
Urban watercourses	145	155	126
Rural drainage	443	301	340
	<u>3,145</u>	<u>2,148</u>	<u>2,301</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>506</u>	<u>1,542</u>	<u>1,324</u>
Amortization	-	3,610	3,603
Loss/(gain) on disposal of tangible capital assets	-	43	174
ANNUAL SURPLUS/(DEFICIT)	<u>506</u>	<u>(2,111)</u>	<u>(2,453)</u>
Matsqui Prairie (Schedule Q)	(405)	(647)	(554)
Sumas Prairie (Schedule Q)	(307)	(989)	(890)
TOTAL ANNUAL SURPLUS / (DEFICIT)	<u>(206)</u>	<u>(3,747)</u>	<u>(3,897)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to operating reserve	-	(812)	(666)
Transfer from operating reserve	25	-	-
Transfer to general capital reserve	(126)	(126)	(210)
Reconcile to contribution from storm drainage-Matsqui Prairie	(69)	142	136
Reconcile to contribution from storm drainage-Sumas Prairie	(66)	589	520
Eliminate amortization and loss/gain	-	3,652	3,777
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (442)</u>	<u>\$ (302)</u>	<u>\$ (340)</u>

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE Q

	2017 Plan	2017 Actual	2016 Actual	2017 Plan	2017 Actual	2016 Actual
	Matsqui Prairie			Sumas Prairie		
REVENUE						
Fees and charges:						
General tax levy	\$ 701	\$ 704	\$ 695	\$ 1,252	\$ 1,251	\$ 1,251
Other revenue	16	-	17	164	155	142
	<u>717</u>	<u>704</u>	<u>712</u>	<u>1,416</u>	<u>1,406</u>	<u>1,393</u>
EXPENSE						
Dyking	56	40	77	65	102	64
Drainage	633	626	589	723	769	805
Storm	185	215	155	-	-	-
Irrigation	125	137	111	99	133	124
Administration	115	124	116	171	167	161
Pump stations	-	-	-	657	702	598
Recoverable work	8	-	9	8	-	9
	<u>1,122</u>	<u>1,142</u>	<u>1,057</u>	<u>1,723</u>	<u>1,873</u>	<u>1,761</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	(405)	(438)	(345)	(307)	(467)	(368)
Amortization	-	209	209	-	522	522
ANNUAL SURPLUS/(DEFICIT)	<u>(405)</u>	<u>(647)</u>	<u>(554)</u>	<u>(307)</u>	<u>(989)</u>	<u>(890)</u>
RECONCILE TO CONTRIBUTION FROM STORM DRAINAGE						
Transfer to general capital reserve	(69)	(69)	(83)	(66)	(66)	(77)
Transfer to operating reserve	-	(5)	-	-	-	-
Transfer from operating reserve	-	7	10	-	133	75
Eliminate amortization and loss/gain	-	209	209	-	522	522
CONTRIBUTION FROM STORM DRAINAGE	<u>\$ (474)</u>	<u>\$ (505)</u>	<u>\$ (418)</u>	<u>\$ (373)</u>	<u>\$ (400)</u>	<u>\$ (370)</u>

See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE R

	2017 Plan	General	Waterworks	Sanitary Sewer	Airport	2017 Actual	2016 Actual
REVENUE							
Municipal taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,131)
Other fees and charges	22	789	216	65	-	1,070	(651)
Airport improvement fees	377	-	-	-	593	593	1,210
Developer charges earned	10,661	8,765	186	205	-	9,156	6,197
Contributed tangible capital assets	-	2,845	220	358	-	3,423	9,403
Grants	26,102	1,473	16	165	-	1,654	2,293
Other sources	173	8	-	-	-	8	25
Contributions (to)/from other funds	-	132	8	(116)	(25)	(1)	-
	37,335	14,012	646	677	570	15,903	17,346
EXPENSE							
Minor capital projects							
General government	1,305	539	-	-	-	539	1,036
Police services	42	-	-	-	-	-	-
Fire services	432	257	-	-	-	257	373
Park services	562	1,084	-	-	-	1,084	727
Recreation services	477	205	-	-	-	205	47
Entertainment & Sports Centre services	-	-	-	-	-	-	50
Transportation services	7,476	5,067	-	-	-	5,067	4,822
Equipment fleet services	-	(45)	-	-	-	(45)	9
Solid waste services	37	50	-	-	-	50	90
Storm drainage services	1,430	511	-	-	-	511	224
Dyking, drainage & irrigation	2,068	1,108	-	-	-	1,108	2,174
Waterworks	1,688	-	641	-	-	641	123
Sanitary sewer	6,293	-	-	488	-	488	810
Airport	-	-	-	-	-	-	147
	21,810	8,776	641	488	-	9,905	10,632
ANNUAL SURPLUS/(DEFICIT)	15,525	5,234	5	189	569	5,998	6,714
RECONCILE TO CHANGE IN CAPITAL EQUITY							
General capital reserve	32,206	14,322	-	-	-	14,322	15,147
Storm drainage reserve	5,201	609	-	-	-	609	410
Waterworks capital reserve	14,641	-	3,887	-	-	3,887	7,289
Sanitary sewer capital reserve	10,198	-	-	814	-	814	2,172
Airport capital reserve	1,517	-	-	-	1,086	1,086	(1,099)
Tangible capital assets	-	(24,087)	(6,463)	(5,238)	(1,997)	(37,785)	(39,693)
Debt principal repayment	3,250	3,357	-	-	-	3,357	4,793
Internal borrowing (from general fund)	-	(6,160)	-	-	-	(6,160)	(4,880)
Internal borrowing interest	-	253	-	-	-	253	426
CHANGE IN CAPITAL EQUITY	\$ 82,538	\$ (6,472)	\$ (2,571)	\$ (4,235)	\$ (343)	\$ (13,619)	\$ (8,721)

See notes to Consolidated Financial Statements.

2017 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2017 with comparative information for 2016
in thousands

SCHEDULE S

	2017 Plan	2017 Actual	2016 Actual
REVENUE			
Investment income	\$ -	\$ 3,836	\$ 3,024
Other sources	-	45	21
	-	3,881	3,045
ANNUAL SURPLUS/(DEFICIT)	-	3,881	3,045
RECONCILE TO CHANGE IN APPROPRIATED SURPLUS			
Operating reserve	(11,922)	5,488	5,017
General capital reserve	(13,104)	15,940	12,930
Affordable housing reserve	-	-	(250)
Storm drainage reserve	(5,074)	10	(199)
Waterworks capital reserve	(6,880)	6,664	3,989
Sanitary sewer capital reserve	(5,909)	5,459	3,852
Airport capital reserve	557	1,313	3,317
CHANGE IN APPROPRIATED SURPLUS	\$ (42,332)	\$ 38,755	\$ 31,701

See notes to Consolidated Financial Statements.

AUDITORS'
REPORT:

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

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 December 31, 2017, and notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material aspects, the financial position of the Cemetery Care Trust Fund as at December 31, 2017, in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants

April 30, 2018
Abbotsford, Canada

2017 CONSOLIDATED FINANCIAL STATEMENTS

CEMETERY CARE TRUST FUND – STATEMENT OF FINANCIAL POSITION

For the year ended December 31, 2017 with comparative information for 2016
in thousands

	2017 Actual	2016 Actual
FINANCIAL ASSETS		
Portfolio investments	\$ 3,462	\$ 2,484
Accounts receivable	374	1,216
NET FINANCIAL ASSETS	<u>3,836</u>	<u>3,700</u>
ACCUMULATED SURPLUS		
Balance, beginning of year	3,700	3,575
Contributions	137	125
Investment earnings	77	114
Transfer to general operating fund	(77)	(114)
Balance, end of year	<u>\$ 3,837</u>	<u>\$ 3,700</u>

See notes to Consolidated Financial Statements.

NOTES TO THE CEMETERY CARE TRUST FUND

For the year ended December 31, 2017
in thousands

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.

2017 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CEMETERY CARE TRUST FUND

For the year ended December 31, 2017
in thousands

3. INVESTMENTS:

Investments for 2017 are comprised of corporate and government investments.

(in thousands)	2017		2016	
	Cost	Market	Cost	Market
Portfolio investments	\$3,462	\$3,478	\$2,484	\$2,529

	Long-term	Long-term
Duration	2 – 10 Years	2 – 10 Years
Average holdings	\$3,627	\$2,994
Annual yield	2.57%	3.69%

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 2017, \$77,000 (2016 - \$114,000) was transferred to the general operating fund for cemetery operations. Contributions and investment earnings for the year ended December 31, 2017, 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.





2017
ANNUAL REPORT
FINANCIAL
STATISTICS

ACCUMULATED SURPLUS

in thousands

	2012	2013	2014	2015	2016	2017
ACCUMULATED SURPLUS						
Unappropriated Surplus						
General	\$ 8,284	\$ 13,178	\$ 14,779	\$ 19,570	\$ 19,570	\$ 19,570
Waterworks	1,018	1,900	2,232	4,265	4,265	\$ 4,265
Sanitary Sewer	4,002	4,002	4,002	5,799	5,799	\$ 5,799
Airport	1,176	1,176	1,176	1,176	1,176	\$ 1,176
	14,480	20,256	22,189	30,810	30,810	30,810
Appropriated Surplus						
General Operating Reserve	14,040	14,986	33,260	35,604	41,250	\$ 47,515
Statutory Capital Reserves						
General capital	13,648	18,664	27,243	35,890	49,583	\$ 66,642
Affordable housing	241	246	252	257	11	\$ 11
Airport	4,665	5,021	8,710	12,350	15,923	\$ 17,562
Infrastructure renewal:						
Storm sewer	12,207	12,584	12,918	12,157	12,266	\$ 12,598
Waterworks	16,815	13,278	18,547	21,751	26,172	\$ 33,396
Sanitary Sewer	28,451	29,318	28,631	32,922	37,426	\$ 43,663
	90,067	94,097	129,561	150,931	182,631	221,387
Investment in tangible capital assets	1,329,574	1,331,248	1,322,219	1,329,358	1,320,634	\$ 1,307,016
Investment in other non-financial assets	5,032	5,755	1,506	1,611	2,382	\$ 1,919
Total Accumulated Surplus	\$ 1,439,153	\$ 1,451,356	\$ 1,475,475	\$ 1,512,710	\$ 1,536,457	\$ 1,561,135

FINANCIAL STATISTICS

CONSOLIDATED ANNUAL SURPLUS AND NET FINANCIAL ASSETS

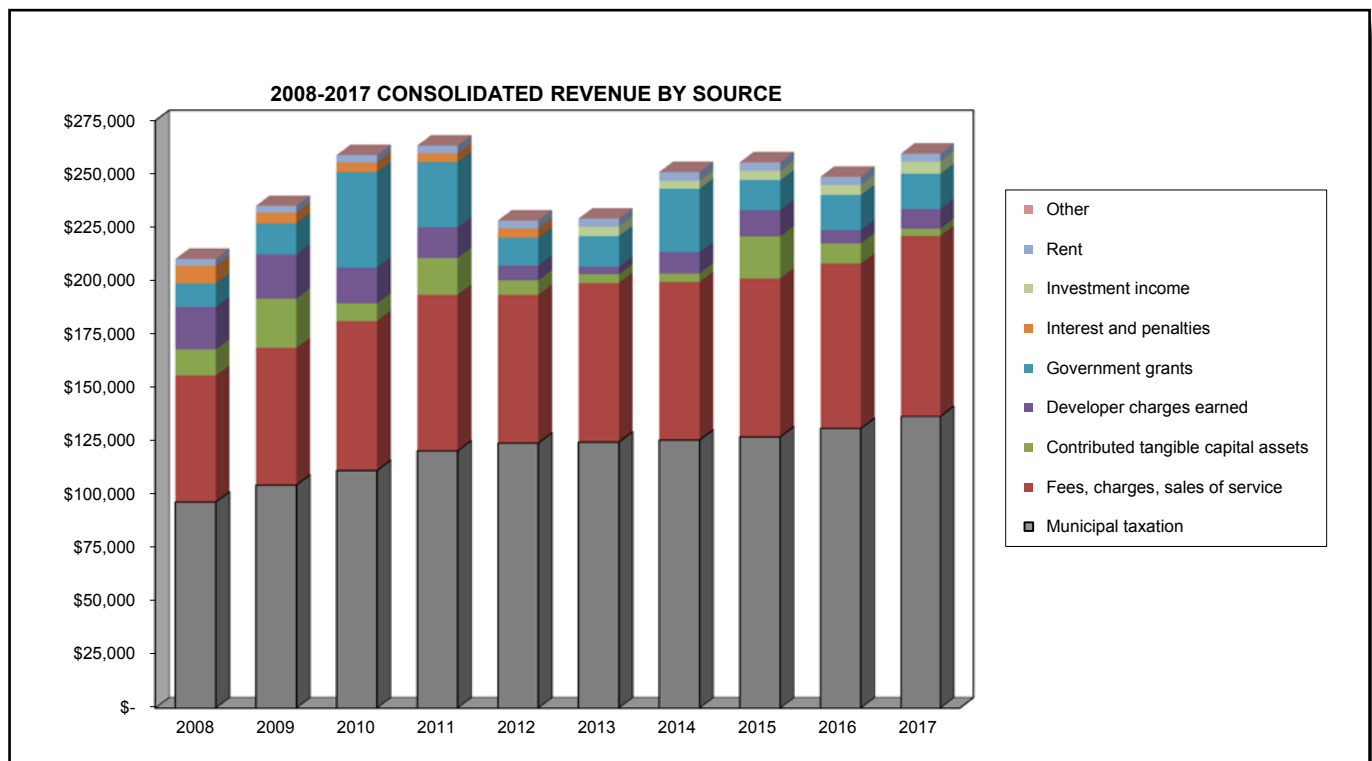
in thousands

	2012	2013	2014	2015	2016	2017
CONSOLIDATED ANNUAL SURPLUS AND NET FINANCIAL ASSETS						
ANNUAL SURPLUS/(DEFICIT)	\$ 5,672	\$ 12,203	\$ 24,119	\$ 37,235	\$ 23,747	\$ 24,678
NET FINANCIAL ASSETS/(NET DEBT)	\$ (12,397)	\$ 9,427	\$ 63,389	\$ 103,904	\$ 144,848	\$ 193,038

CONSOLIDATED REVENUE BY SOURCE

in thousands

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
CONSOLIDATED REVENUE BY SOURCE										
Municipal taxation	\$ 96,432	\$ 104,375	\$ 111,206	\$ 120,403	\$ 124,045	\$ 124,543	\$ 125,453	\$ 126,934	\$ 130,856	\$ 136,493
Fees, charges, sales of service	59,192	64,211	69,980	73,116	69,467	74,442	74,046	74,200	77,264	84,522
Contributed tangible capital assets	12,277	23,118	8,249	17,234	6,771	4,100	3,950	19,695	9,403	3,423
Developer charges earned	19,758	20,652	16,857	14,243	6,852	3,567	9,914	12,192	6,197	9,156
Government grants	11,112	14,560	44,671	30,659	13,017	14,289	29,769	14,083	16,505	16,507
Interest and penalties	8,297	4,969	4,533	4,194	4,376	-	-	-	-	-
Investment income	-	-	-	-	-	4,429	3,807	4,400	4,744	5,782
Rent	3,220	3,284	3,422	3,529	3,771	3,818	4,029	4,001	3,746	3,685
Other	127	2,022	562	319	108	105	205	32	46	53
Total Consolidated Revenue by Source	\$ 210,415	\$ 237,191	\$ 259,480	\$ 263,697	\$ 228,407	\$ 229,293	\$ 251,173	\$ 255,537	\$ 248,761	\$ 259,621



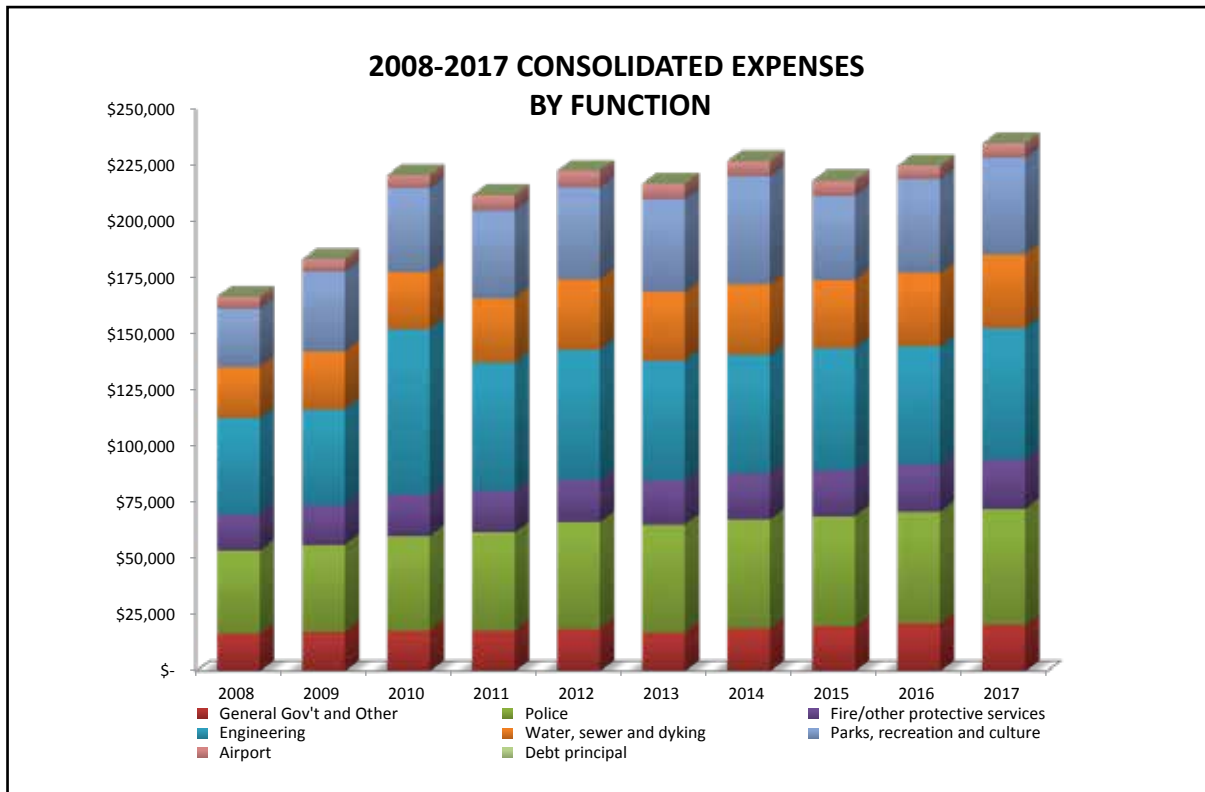
In accordance with PSAB Section 3150, effective January 1, 2009 (retroactive to 2008), the City changed its method of recording tangible capital assets. As a result, the City now recognizes assets contributed to the City by Developers.

FINANCIAL STATISTICS

CONSOLIDATED EXPENSES BY FUNCTION

in thousands

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
CONSOLIDATED EXPENSES BY FUNCTION										
General government	\$ 13,443	\$ 15,070	\$ 14,654	\$ 14,011	\$ 14,686	\$ 14,083	\$ 15,205	\$ 15,791	\$ 17,136	\$ 16,350
Protective services:										
Police	37,199	39,065	42,365	43,731	47,516	48,289	48,477	49,330	49,882	51,753
Fire/Other	16,397	17,344	18,469	18,490	18,718	19,424	20,647	20,207	21,116	21,937
Engineering	42,366	42,689	73,364	57,053	58,045	53,382	52,355	54,573	52,371	58,640
Water, sewer and dyking	22,888	25,789	25,233	28,575	31,163	30,482	31,565	30,122	32,592	32,715
Parks, recreation and culture	25,954	35,342	37,468	38,917	40,908	41,203	48,065	37,371	41,755	42,827
Planning & development services	3,319	2,545	3,484	4,194	4,354	3,146	4,065	4,101	4,095	4,276
Airport	5,228	5,566	5,730	6,967	7,345	7,081	6,675	6,807	6,067	6,445
Total Expenditure by Function	\$ 166,794	\$ 183,410	\$ 220,767	\$ 211,938	\$ 222,735	\$ 217,090	\$ 227,054	\$ 218,302	\$ 225,014	\$ 234,943

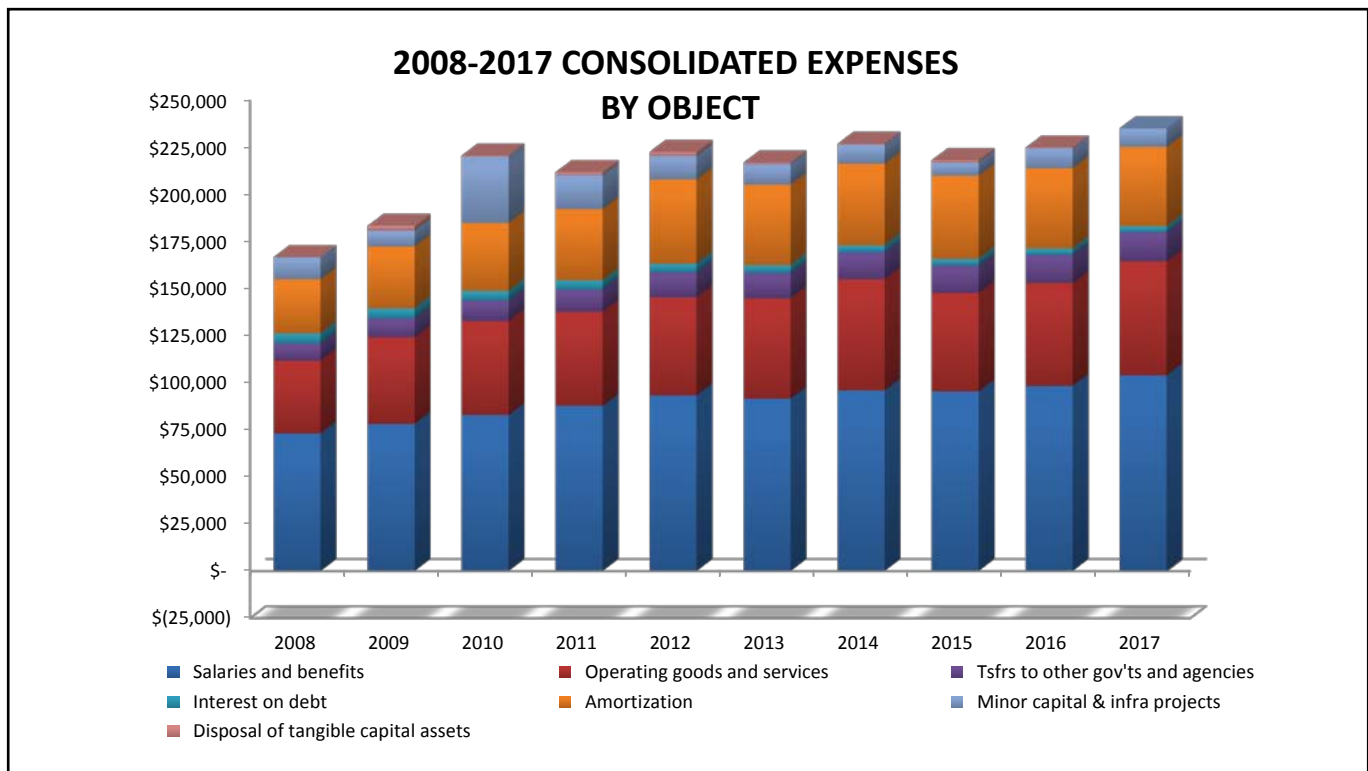


In accordance with PSAB Section 3150, effective January 1, 2009 (retroactive to 2008), the City changed its method of recording tangible capital assets, inventory and pre-paids. As a result, capital expenditures and debt principal repayments are no longer reported on the statement of operations; instead, amortization is now expensed.

CONSOLIDATED EXPENSES BY OBJECT

in thousands

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
CONSOLIDATED EXPENSES BY OBJECT										
Salaries and benefits	\$ 73,201	\$ 78,191	\$ 82,886	\$ 87,750	\$ 93,274	\$ 91,551	\$ 95,987	\$ 95,469	\$ 98,449	\$ 104,008
Operating goods and services	38,663	46,074	49,963	50,077	52,161	53,340	59,024	52,295	54,563	60,491
Amortization	28,790	32,867	36,104	37,764	44,677	42,726	43,488	44,260	42,669	42,158
Minor capital & infra projects	11,739	8,522	35,337	18,064	12,714	10,927	10,105	7,028	10,631	9,905
Disposal of tangible capital assets	9	2,387	497	1,605	1,989	859	399	1,143	334	(342)
Tsfrs to other gov'ts and agencies	9,020	9,884	10,824	11,737	13,257	13,427	14,218	14,566	14,960	15,444
Interest on debt	5,372	5,485	5,156	4,941	4,663	4,260	3,833	3,541	3,408	3,279
Total Expenditure by Object	\$ 166,794	\$ 183,410	\$ 220,767	\$ 211,938	\$ 222,735	\$ 217,090	\$ 227,054	\$ 218,302	\$ 225,014	\$ 234,943

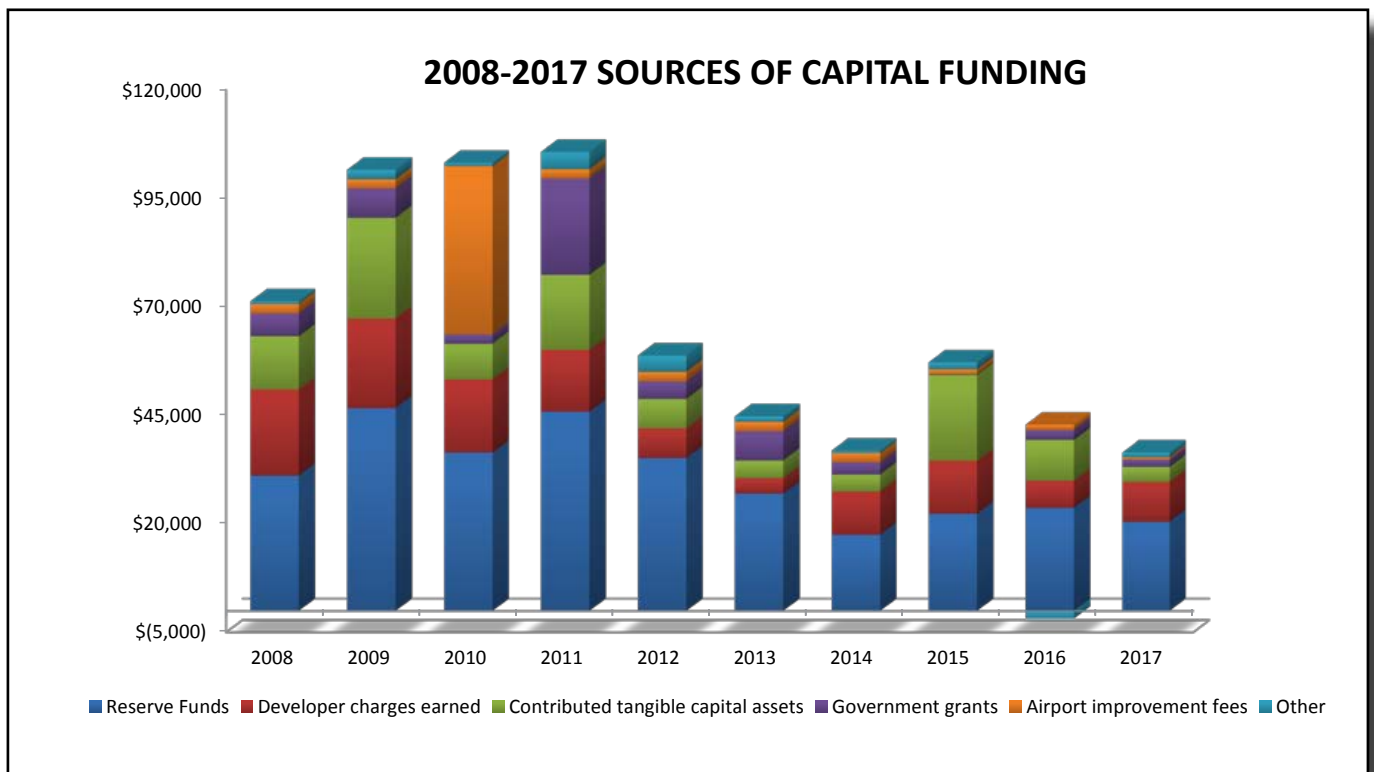


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SOURCES OF CAPITAL FUNDING

in thousands

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
SOURCES OF CAPITAL FUNDING*										
Reserve Funds	\$ 31,318	\$ 46,838	\$ 36,580	\$ 45,985	\$ 35,333	\$ 27,142	\$ 17,719	\$ 22,558	\$ 23,918	\$ 20,717
Developer charges earned	19,758	20,652	16,857	14,243	6,852	3,567	9,914	12,175	6,197	9,156
Contributed tangible capital assets	12,277	23,118	8,249	17,234	6,766	4,100	3,950	19,696	9,403	3,423
Airport improvement fees	2,262	2,116	2,074	2,120	2,181	2,159	2,130	1,207	1,210	593
Government grants	5,203	6,746	38,730	22,171	4,068	6,728	2,781	153	2,293	1,654
Other	565	2,200	791	4,015	3,741	1,227	601	1,565	(1,757)	1,077
Total Sources of Capital Funding	\$ 71,383	\$ 101,670	\$ 103,281	\$ 105,768	\$ 58,941	\$ 44,923	\$ 37,095	\$ 57,354	\$ 41,264	\$ 36,620

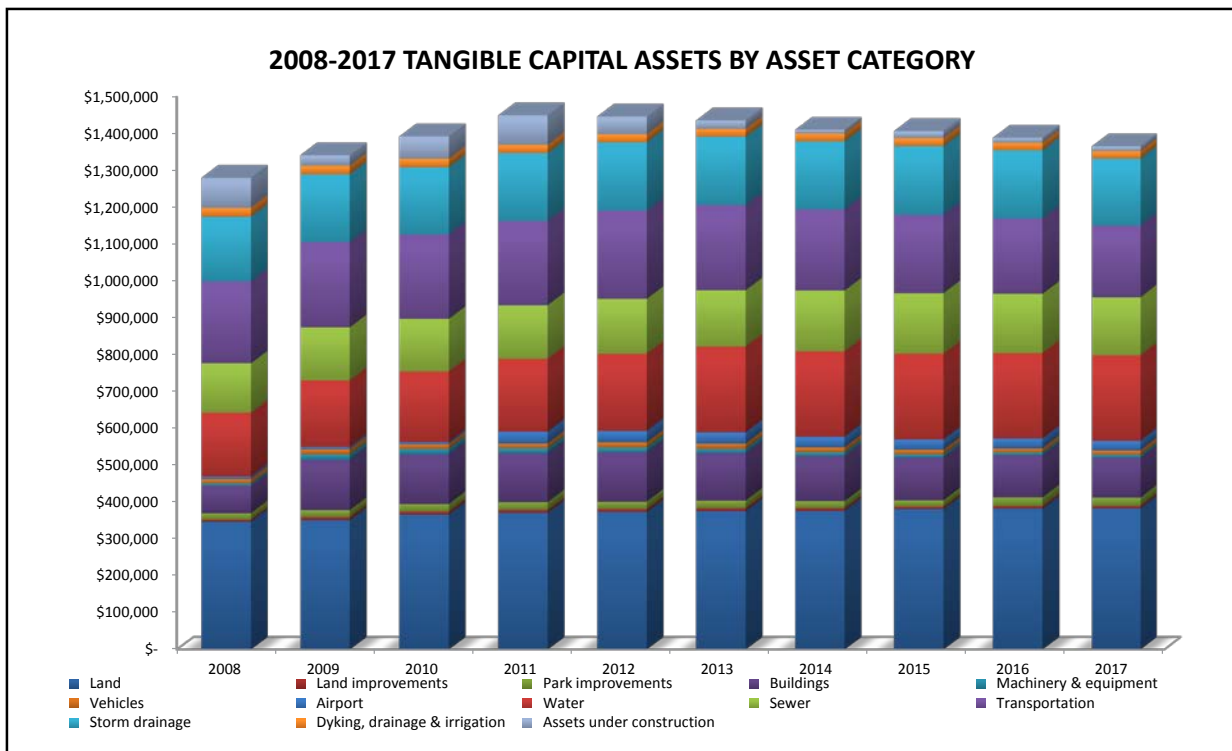


In accordance with PSAB Section 3150, effective January 1, 2009 (retroactive to 2008), the City changed its method of recording tangible capital assets. As a result, the City now recognizes assets contributed to the City by Developers.

TANGIBLE CAPITAL ASSETS BY ASSET CATEGORY

in thousands

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
TANGIBLE CAPITAL ASSETS (NET BOOK VALUE) BY ASSET CATEGORY										
Land	\$ 349,988	\$ 354,281	\$ 369,256	\$ 374,131	\$ 376,259	\$ 378,906	\$ 379,569	\$ 383,669	\$ 385,183	\$ 386,241
Land improvements	5,662	7,846	7,818	7,655	7,723	7,490	7,079	6,708	6,915	6,522
Park improvements	16,859	19,094	20,582	21,178	20,502	20,668	18,771	17,312	23,764	22,313
Buildings	73,932	135,738	134,292	131,592	132,860	128,431	122,004	115,750	113,448	107,778
Machinery & equipment	6,627	15,403	15,308	14,528	13,088	11,722	10,642	8,972	7,854	7,683
Vehicles	12,322	13,797	12,276	12,555	14,144	14,198	12,859	11,858	11,253	12,336
Airport	6,485	6,191	5,897	31,868	30,839	30,080	29,037	27,995	26,961	25,938
Water	172,682	180,000	190,882	197,563	208,987	232,623	231,253	232,595	231,142	231,539
Sewer	133,900	143,633	142,466	144,924	148,630	152,163	164,352	163,676	160,102	156,882
Transportation	221,722	230,554	228,753	228,345	238,445	230,241	219,775	211,937	203,991	194,060
Storm drainage	175,324	183,814	181,884	183,427	185,229	185,300	183,951	186,167	184,604	181,705
Dyking, drainage & irrigation	24,402	23,752	23,152	22,507	22,154	21,567	22,164	21,634	20,904	20,192
Assets under construction	80,754	27,878	60,157	79,427	47,658	22,785	9,124	18,922	13,107	12,987
Total Capital Assets by Category	\$ 1,280,659	\$ 1,341,981	\$ 1,392,723	\$ 1,449,700	\$ 1,446,518	\$ 1,436,174	\$ 1,410,580	\$ 1,407,195	\$ 1,389,228	\$ 1,366,176

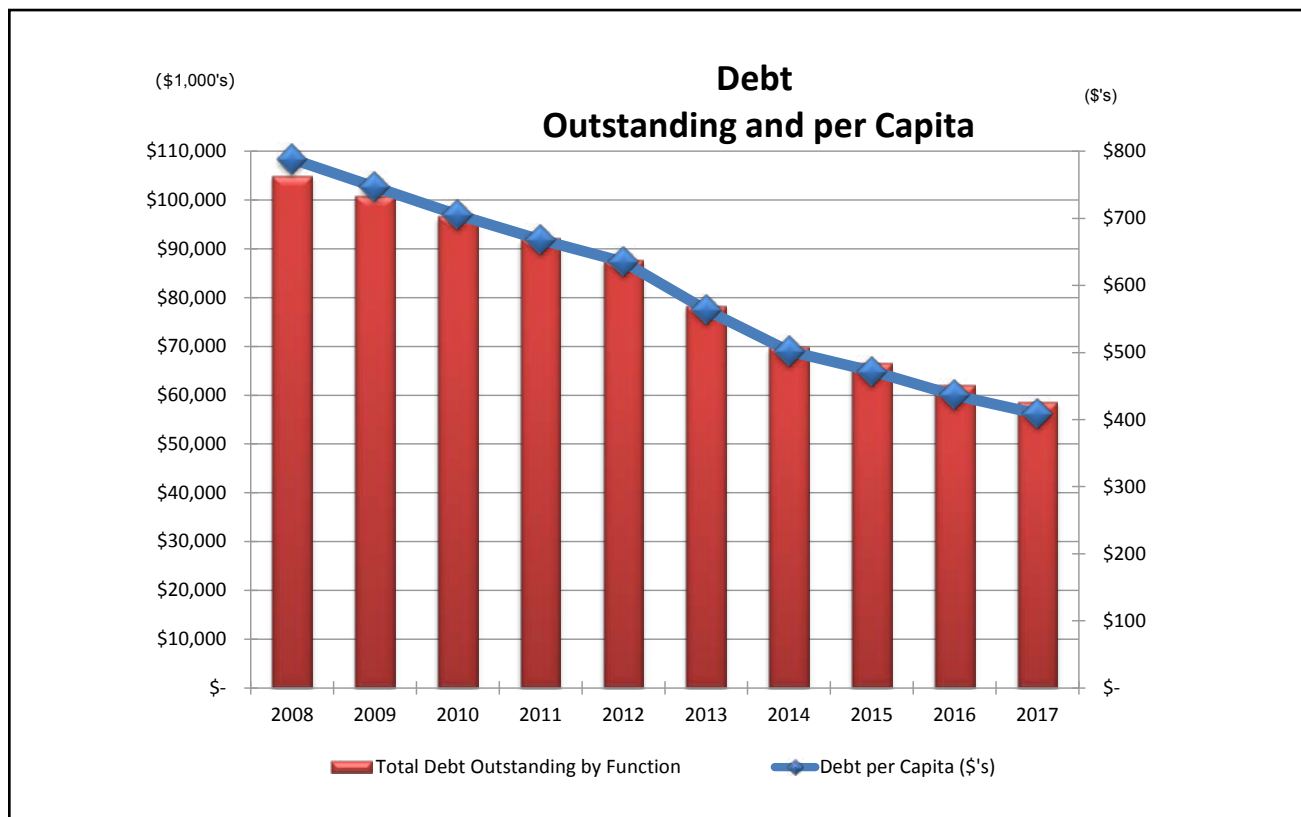


FINANCIAL STATISTICS

DEBT OUTSTANDING BY FUNCTION

in thousands, except as noted

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
DEBT OUTSTANDING BY FUNCTION										
Parks, recreation and culture*	86,120	83,301	80,364	77,305	74,119	70,974	68,085	65,080	61,955	58,598
Water	11,538	10,808	10,045	9,192	8,433	2,840	1,281	1,123	-	-
Sewer	7,212	6,693	6,189	5,663	5,111	4,535	411	361	-	-
Total Debt Outstanding by Function	\$ 104,870	\$ 100,802	\$ 96,598	\$ 92,160	\$ 87,663	\$ 78,349	\$ 69,777	\$ 66,564	\$ 61,955	\$ 58,598
*Property tax supported debt	\$ 86,120	\$ 83,301	\$ 80,364	\$ 77,305	\$ 74,119	\$ 70,974	\$ 68,085	\$ 65,080	\$ 61,955	\$ 58,598
DEBT PER CAPITA (\$'s)	\$ 788	\$ 747	\$ 705	\$ 668	\$ 635	\$ 564	\$ 502	\$ 472	\$ 436	\$ 409



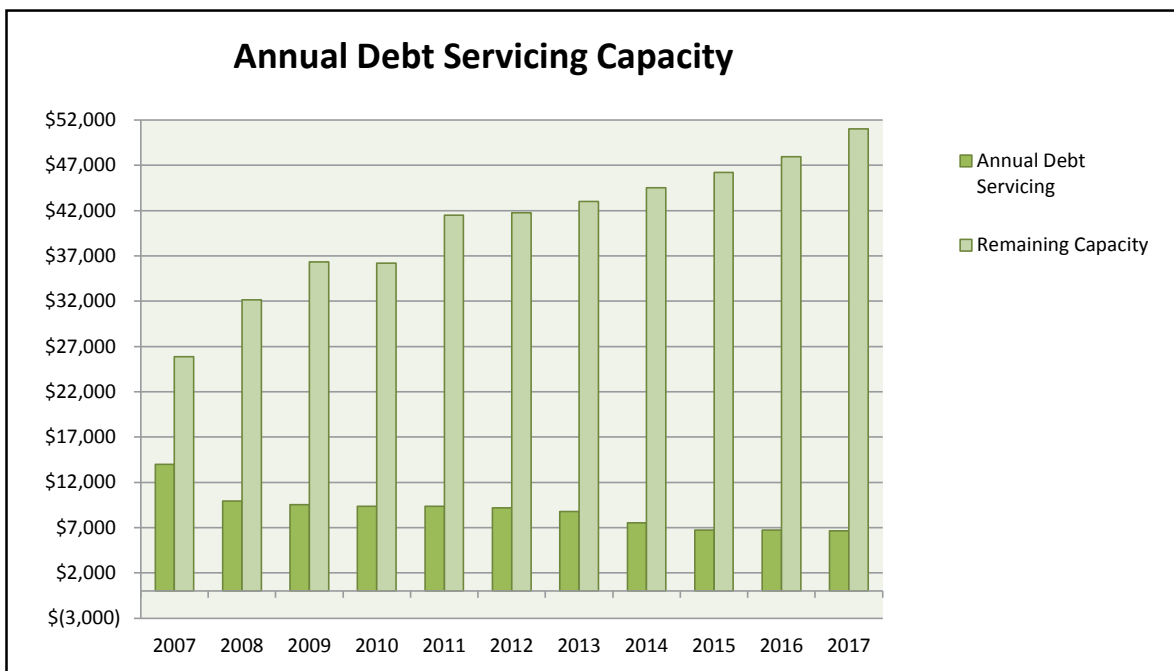
ANNUAL DEBT SERVICING

in thousands

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Annual Debt Servicing*	\$ 9,926	\$ 9,553	\$ 9,360	\$ 9,378	\$ 9,159	\$ 8,776	\$ 7,547	\$ 6,754	\$ 6,751	\$ 6,636
% of Total Expenditures	6.0%	5.2%	4.2%	4.4%	4.1%	4.0%	3.3%	3.1%	3.0%	2.8%
Legal Debt Servicing Limit**	\$ 42,091	\$ 45,893	\$ 45,574	\$ 50,850	\$ 50,915	\$ 51,797	\$ 52,079	\$ 52,983	\$ 54,715	\$ 57,634
Remaining Debt Servicing Capacity	\$ 32,165	\$ 36,340	\$ 36,214	\$ 41,472	\$ 41,756	\$ 43,021	\$ 44,532	\$ 46,229	\$ 47,964	\$ 50,998

*Early debt repayment is excluded from Annual Debt Servicing (early debt repayment in 2013 \$4,798K, 2014 - \$4,858K, 2016 - \$1,266K)

**Legislation in 2004 replaced total debt limits with debt servicing limits



OVERLAPPING DEBT

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
City of Abbotsford	\$ 104,870	\$ 100,802	\$ 96,598	\$ 92,160	\$ 87,663	\$ 78,349	\$ 69,777	\$ 66,564	\$ 61,955	\$ 58,598
Fraser Valley Regional District	23,793	25,506	28,803	26,151	24,637	24,138	16,429	19,642	15,446	16,828
Fraser Valley Regional Hospital District	41,602	53,282	58,449	55,048	51,904	48,918	46,175	43,490	40,706	37,811
Total	\$ 170,265	\$ 179,590	\$ 183,850	\$ 173,359	\$ 164,204	\$ 151,405	\$ 132,381	\$ 129,696	\$ 118,106	\$ 113,237

Note: The School District does not report debt as all School debt is recorded by the Province of British Columbia

FINANCIAL STATISTICS

PROPERTY ASSESSMENT

in thousands, except as noted

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
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PROPERTY ASSESSMENT

General Assessment

Land	\$ 9,192,910	\$ 9,332,579	\$ 9,402,463	\$ 9,778,744	\$ 9,948,332	\$ 9,954,896	\$ 10,150,645	\$ 10,546,319	\$ 11,323,055	\$ 15,503,172
Improvements	7,320,397	7,451,409	7,436,839	7,856,254	7,948,905	7,867,888	7,704,732	7,798,256	8,187,966	9,929,770
	\$ 16,513,307	\$ 16,783,988	\$ 16,839,302	\$ 17,634,998	\$ 17,897,237	\$ 17,822,784	\$ 17,855,377	\$ 18,344,575	\$ 19,511,021	\$ 25,432,942

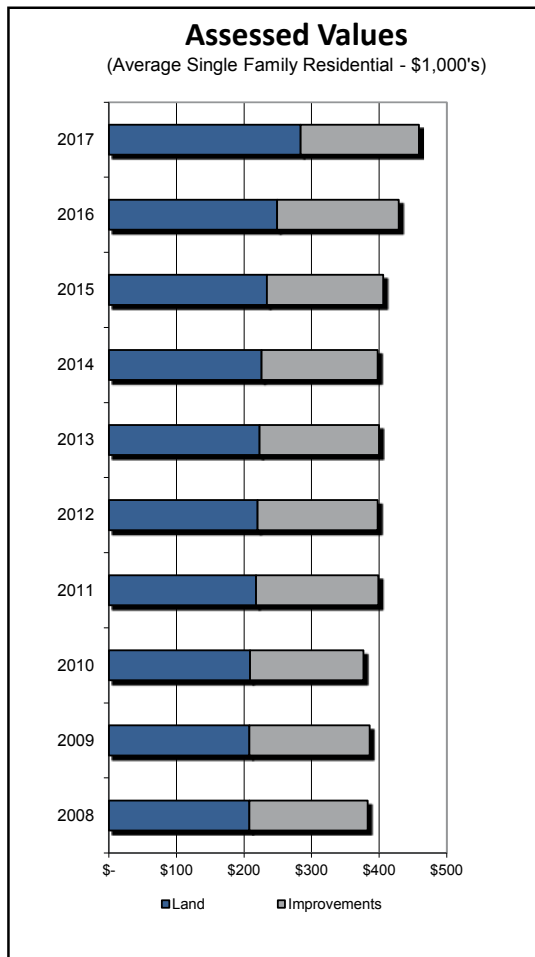
Average Single Family Residential Assessed Values

Land	\$ 208	\$ 208	\$ 209	\$ 218	\$ 220	\$ 223	\$ 226	\$ 234	\$ 249	\$ 284
Improvements	175	178	168	181	178	177	172	172	180	175
	\$ 383	\$ 386	\$ 377	\$ 399	\$ 398	\$ 400	\$ 398	\$ 406	\$ 429	\$ 459

NEW CONSTRUCTION AND DEVELOPMENT

Building Permits Issued*	1,722	1,483	1,812	1,481	1,481	1,576	1,564	1,575	1,610	1,688
Building Permit Construction Value	\$ 351,683	\$ 156,284	\$ 207,210	\$ 255,557	\$ 158,907	\$ 208,906	\$ 182,672	\$ 296,810	\$ 250,958	\$ 481,416
New Construction	\$ 295,734	\$ 107,288	\$ 164,880	\$ 226,078	\$ 125,399	\$ 146,620	\$ 141,623	\$ 245,513	\$ 207,127	\$ 419,829

*actual numbers



PROPERTY TAXATION

in thousands, except as noted

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
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(in 1,000's except as noted)

PROPERTY TAXATION

Tax Levy

Current Tax Levy	\$ 180,522	\$ 162,044	\$ 169,929	\$ 178,810	\$ 183,811	\$ 188,784	\$ 191,418	\$ 193,667	\$ 198,790	\$ 204,858
Penalty & Interest	923	882	956	963	906	913	883	749	902	842
Total Tax Levy	\$ 181,445	\$ 162,926	\$ 170,885	\$ 179,773	\$ 184,717	\$ 189,697	\$ 192,301	\$ 194,416	\$ 199,692	\$ 205,700

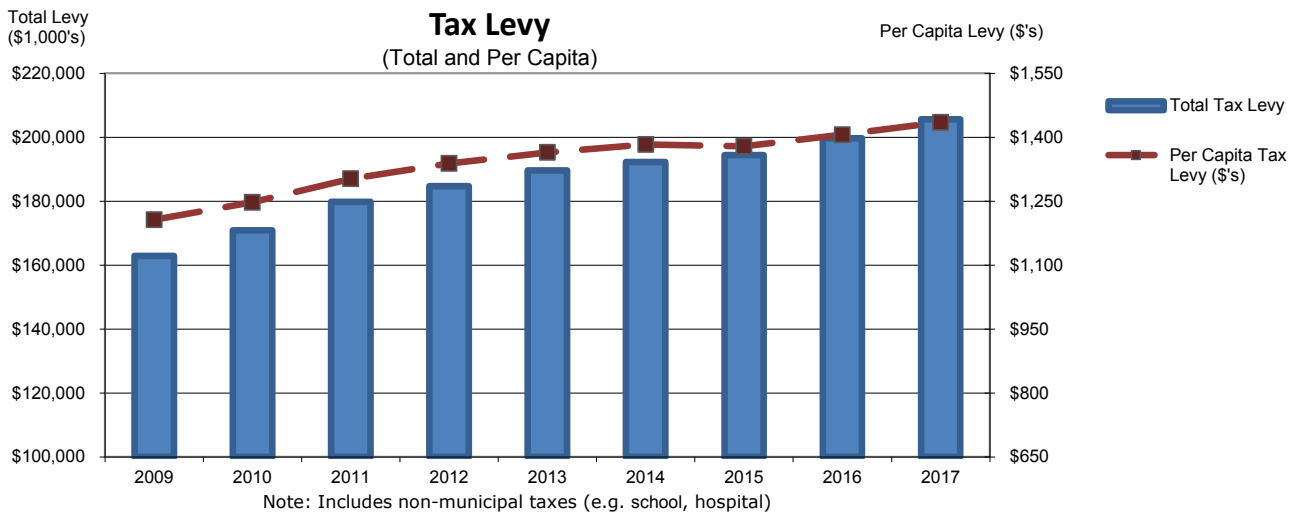
Per Capita Tax Levy (\$'s)	\$ 1,364	\$ 1,207	\$ 1,247	\$ 1,303	\$ 1,339	\$ 1,365	\$ 1,383	\$ 1,379	\$ 1,406	\$ 1,435
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* 2009 to 2012 have been restated to conform with current year presentation

Taxes Collected

Current Taxes Collected	\$ 177,010	\$ 159,561	\$ 167,468	\$ 175,747	\$ 180,475	\$ 186,122	\$ 188,813	\$ 191,659	\$ 197,850	\$ 204,036
% Current Taxes Collected	97.56	97.93	98.00	97.76	97.70	98.12	98.19	98.58	99.08	99.19

* 2009 to 2012 have been restated to conform with current year presentation



TAXES COLLECTED FOR OTHER AGENCIES

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
School	\$ 50,631	\$ 52,163	\$ 53,158	\$ 54,432	\$ 54,128	\$ 55,264	\$ 56,681	\$ 56,968	\$ 57,163	\$ 58,655
FVRHD	5,079	5,331	5,436	5,276	5,349	5,346	5,398	5,374	5,378	5,373
FVRD	2,305	2,314	2,488	1,774	1,730	1,668	1,720	2,301	2,301	2,384
BC Assessment	1,376	1,465	1,522	1,496	1,498	1,514	1,543	1,527	1,503	1,551
GVRD	801	838	865	892	860	898	865	850	814	835
MFA	3	4	4	4	5	5	5	5	5	6
Total	\$ 60,195	\$ 62,115	\$ 63,473	\$ 63,874	\$ 63,570	\$ 64,695	\$ 66,212	\$ 67,025	\$ 67,164	\$ 68,804

FINANCIAL STATISTICS

ASSESSMENTS AND TAX RATES

GENERAL & SPECIFIC MUNICIPAL PURPOSES

CITY OF ABBOTSFORD PROPERTIES

PROPERTY CLASS	Net Taxable Values (in thousands)	DOLLARS OF TAX PER \$1,000 TAXABLE VALUE					
		GENERAL			SPECIFIED AREAS		
		Municipal General (Police)	Municipal General (Other)	Regional Library	Matsqui Dyking	Sumas Dyking	
1. Residential	\$ 21,101,916	1.40063	2.32171	0.13752	1.12744	0.58935	
2. Utilities	92,860	14.51486	24.06005	1.42509	1.12744	12.16859	
3. Supportive Housing	-	1.40063	2.32171	0.13752	1.12744	0.58935	
5. Light Industrial	604,932	3.32750	5.51571	0.32670	1.12744	9.71214	
6. Business/Other	3,394,607	3.89474	6.45598	0.38239	1.12744	4.85608	
8. Recreation/Non-Profit	14,677	2.88532	4.78274	0.28331	1.12744	0.58935	
9. Farm	142,377	6.95198	11.52371	0.68255	1.12744	-	
	<u>\$ 25,351,370</u>						

2017 TAX RATES – OTHER GOVERNMENTS & AGENCIES

PROPERTY CLASS	DOLLARS OF TAX PER \$1,000 TAXABLE VALUE						
	Fraser Valley Regional District	Greater Vancouver Regional District	FV Regional Hospital District	Municipal Finance Authority	BC Assessment	School	
	1. Residential	0.07472	0.02617	0.16837	0.00020	0.04320	1.69030
2. Utilities	0.26150	0.09159	0.58931	0.00070	0.49810	13.40000	
3. Supportive Housing	0.07472	0.02617	0.16837	0.00020	-	0.10000	
5. Light Industrial	0.25403	0.08897	0.57247	0.00070	0.13930	4.80000	
6. Business/Other	0.18305	0.06411	0.41252	0.00050	0.13930	4.80000	
8. Recreation/Non-Profit	0.07472	0.02617	0.16837	0.00020	0.04320	2.70000	
9. Farm	0.07472	0.02617	0.16837	0.00020	0.04320	3.45000	

OTHER STATISTICS

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
PUBLIC WORKS INFRASTRUCTURE										
Streets and Roads (km)	924	935	939	944	986	945	947	949	949	951
Sanitary Sewers (km)	533	540	543	549	554	554	559	563	565	566
Storm Sewers (km)	474	484	487	494	497	500	504	537	536	537
City Water Mains (km)	880	896	906	911	914	907	1,008	1,005	995	993
Joint Water Mains:										
Abbotsford portion (km)	69	69	34	34	34	36	36	36	36	36
Mission portion (km)	18	18	39	39	39	41	42	42	42	42
Within FVRD (km)			17	18	18	18	19	19	19	19
Water Services*	25,150	25,224	25,257	25,576	27,153	26,178	27,636	27,916	27,013	27,326
Note: New measurement system used for tracking in 2010										
* Water Services exclude Clearbrook Waterworks										
REGISTERED ELECTORS (in 1,000's)	83	83	83	87	87	87	87	87	87	87
PROPERTIES ON TAX ROLL (in 1,000's)	42	43	44	44	45	45	45	45	46	46
ABBOTSFORD AIRPORT										
Aircraft movements (in 1,000's)	155	123	102	97	108	114	127	137	127	135
Passengers (in 1,000's)	504	472	464	475	491	478	477	488	530	677

NUMBER OF EMPLOYEES (Approved FTE's)^o

	2015	2016	2017
Airport	15	15	16
Engineering	228	230	219
Fire Rescue & Emergency Services	101	101	101
Fire Rescue Services (Auxiliary) ¹	13	13	13
Parks, Recreation & Culture ³	92	93	106
Innovation, Strategy & Intergovernmental Relations			37
Police (civilians)	89	92	76
Police (uniformed)	212	212	215
City Manager's Office	23	23	3
Corporate Services	88	89	75
Planning & Development Services ²	59	60	61
	<u>920</u>	<u>928</u>	<u>922</u>

Note: Starting 2013, FTE numbers are reported based on approved budget positions

^oincludes both full-time and part-time positions

¹Auxiliary budget converted to FTE positions

²Planning & Development includes Building Inspections

³Auxiliary staff converted to FTE

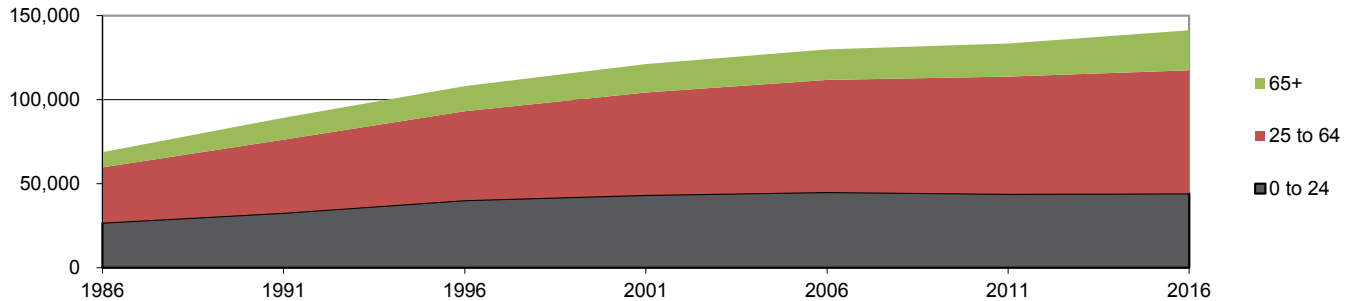
DEMOGRAPHICS

POPULATION BY AGE GROUP

Source: Statistics Canada Census age distribution

AGE	1986	1991	1996	2001	2006	2011	2016
0 to 4	5,801	7,247	8,543	8,262	8,270	8,535	8,480
5 to 9	5,372	7,134	8,460	9,101	8,533	8,245	8,950
10 to 14	4,954	6,354	8,299	8,945	9,330	8,550	8,565
15 to 19	5,243	5,927	7,569	8,871	9,519	9,470	8,930
20 to 24	5,450	6,009	7,331	8,156	9,404	9,175	9,330
25 to 34	11,963	14,639	16,992	16,669	16,934	18,000	19,110
35 to 44	9,045	12,861	15,392	19,096	18,818	17,480	17,825
45 to 54	5,992	8,501	12,167	15,269	17,522	18,680	18,500
55 to 64	5,909	7,571	8,429	9,960	13,497	15,665	17,860
65 to 74	5,537	7,699	8,336	8,565	8,900	10,131	13,205
75+	3,513	5,347	6,612	8,368	9,273	9,575	10,640
TOTAL	68,778	89,300	109,140	121,263	130,000	133,506	141,395

Abbotsford Age Distribution



POPULATION GROWTH (1956-2011)

YEAR	POPULATION	% INCREASE	BC POPULATION	% OF BC
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

Source: Statistics Canada (does not include estimated Census undercounts in 1991, 1996 or 2001)

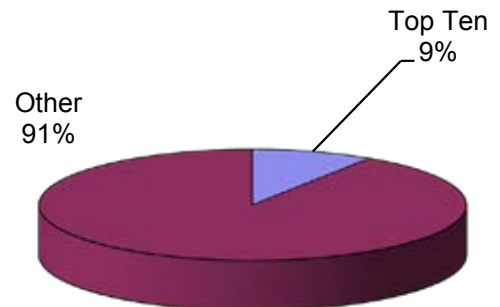
ABBOTSFORD ANNUAL POPULATION ESTIMATES (1,000's)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
131	133	135	137	138	138	139	139	141	142	143

DEMOGRAPHICS

TOP 10 PRINCIPAL CORPORATE TAXPAYERS

Industry	Tax Contribution
Retail	\$ 2,140
Utility	1,783
Utility	1,606
Retail	1,705
Utility	1,099
Retail	1,066
Utility	953
Retail	796
Retail	676
Commercial	486
Total, Top Ten	\$ 12,310



Total Abbotsford general tax \$ 133,650

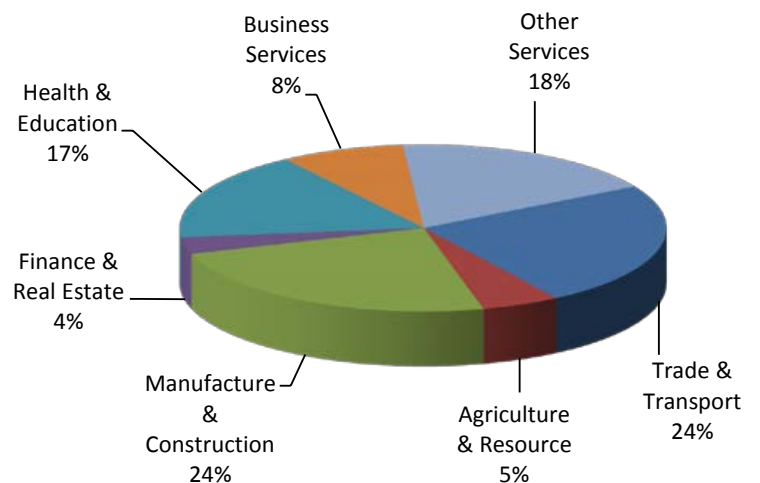
Proportion of tax paid by top ten 9%

Source: Entities identified through BC Assessment; tax contribution data from City of Abbotsford

EMPLOYMENT BY INDUSTRY

(actual #'s)

	People Employed
Manufacturing and construction industries	22,100
Health and education	15,900
Trade and transportation	22,400
Business services	7,600
Agriculture and resource-based industries	4,800
Finance and real estate	3,000
Other services	16,700
	92,500



Source: Statistics Canada, Labour Force Survey CANSIM 282-0131, Labour force survey
Prepared by: Statistics Canada

UNEMPLOYMENT RATE- ABBOTSFORD/MISSION

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
4.3%	4.8%	7.9%	8.0%	8.9%	7.9%	7.8%	7.4%	7.5%	6.0%	4.7%

Source: Statistics Canada, Labour Force Survey CANSIM 282-0128, Labour force survey
Prepared by: Statistics Canada

FINANCIAL STATISTICS

PERMISSIVE TAX EXEMPTIONS

	<u>2017</u>	<u>2016</u>
ABBOTSFORD AIRPORT REVITALIZATION	\$ 34,282	\$ 22,519
ATHLETIC OR SERVICE CLUB OR ASSOCIATIONS	361,213	247,824
CHARITABLE ORGANIZATIONS	340,731	359,180
COMMERCIAL REVITALIZATION	783,496	1,234,061
DOWNTOWN ABBOTSFORD REVITALIZATION	25,201	39,639
INDUSTRIAL REVITALIZATION	17,291	48,372
LOCAL AUTHORITIES	317,410	271,162
INDEPENDENT SCHOOLS	3,961	4,123
RELIGIOUS ORGANIZATIONS	644,660	500,757
	\$ 2,528,243	\$ 2,727,637

PERMISSIVE TAX EXEMPTIONS

Class	Folio	Name	Civic Address	2017 Exemption \$
ABBOTSFORD AIRPORT REVITALIZATION				
6	9700002580	600897 BC LTD	1255 Townline Rd	\$ 7,481
6	9700002570	VK Aviation Corp.	30720 Rotor Dr	8,586
6	9700007610	Corp Air Ltd.	30460 Liberator Ave	12,257
6	9700007620	Godspeed Aviation Inc.	30490 Liberator Ave	5,957
				34,282
ATHLETIC OR SERVICE CLUB OR ASSOCIATIONS				
6	9500013980	861 Silverfox Sponsoring Committee	32470 Haida Dr	7,116
6	6233053231	Abbotsford & District Curling Club	2555 McMillan Rd	14,221
6	6223042101	Abbotsford Downtown Business Association	South Fraser Way	3,274
6	6223042500	Abbotsford Downtown Business Association	33660 South Fraser Way	4,775
1	9332020911	Abbotsford Fish & Game Club	4161 Lakemount Rd	233
6	9332020911	Abbotsford Fish & Game Club	4161 Lakemount Rd	1,073
8	9332020911	Abbotsford Fish & Game Club	4161 Lakemount Rd	4,857
6	3156041609	Abbotsford Horseshoe Club	2308 Adanac St	6,096
6	5165048000	Abbotsford Judo Club	31480 Maclure Rd	3,424
8	5165048000	Abbotsford Judo Club	31480 Maclure Rd	4,318
8	6223029707	Abbotsford Seniors' Association	33889 Essendene Ave	7,816
8	6223031501	Abbotsford Social Activity Association	2631 Cyril St	6,017
1	9500005906	Bradner Community Club	28780 Myrtle Ave	1,508
6	9500006108	Bradner Community Club	5305 Bradner Rd	1,106
8	9500006108	Bradner Community Club	5305 Bradner Rd	3,443
6	9500006303	Bradner Community Club	5227 Bradner Rd	352
8	9500006303	Bradner Community Club	5227 Bradner Rd	7,458
8	7207062000	Clayburn Village Community Society	4315 Wright St	4,989
8	9500006819	Clayburn Village Community Society	4304 Wright St	3,408
8	9500015109	Clayburn Village Community Society	34819 Clayburn Rd	5,924
1	1013055810	Elks Recreation Children's Camp Society	27863 0 Ave	3,841
8	9500013100	Fraser Valley Antique Farm Machinery Association	32470 Haida Dr	781
6	7187058120	Fraser Valley Conservancy	33350 Industrial Ave	38,875
6	7180040420	Fraser Valley Conservancy	McKee Rd Lot 2	1,240
6	1052028820	Fraser Valley Conservancy	South Fraser Way	134
1	9500007307	Girl Guides of Canada	5315 Willet Rd	279
8	9500007307	Girl Guides of Canada	5315 Willet Rd	8,818
8	6223042510	Jubilee Park Lawn Bowling Club	33660 South Fraser Way	6,632
6	9500013990	Kiwanis Family Housing Society	32470 Haida Dr	20,468
6	7180060008	Ledgeview Golf & Country Club	35997 McKee Rd	7,062
8	7180060008	Ledgeview Golf & Country Club	35997 McKee Rd	23,512
6	7180060020	Ledgeview Golf & Country Club	McKee Rd Lot B	670
8	7180060020	Ledgeview Golf & Country Club	McKee Rd Lot B	6,560
6	9304030101	Ledgeview Golf & Country Club	36039 McKee Rd	2,157
8	9304030101	Ledgeview Golf & Country Club	36039 McKee Rd	9,565
6	9500006901	Matsqui Hall Association	33676 St Olaf Ave	935
8	9500006901	Matsqui Hall Association	33676 St Olaf Ave	1,940
8	9500004501	Matsqui Hall Association	5783 Wallace St	2,147
6	9500007009	Mt Lehman Community Association	6418 Mt Lehman Rd	437
8	9500007009	Mt Lehman Community Association	6418 Mt Lehman Rd	3,149
8	9500006601	Mt Lehman Community Association	Mt Lehman Rd	7,260
1	9500004707	Ridgedale Rod & Gun Club	35606 Harris Rd	299
6	9500004707	Ridgedale Rod & Gun Club	35606 Harris Rd	705
8	9500004707	Ridgedale Rod & Gun Club	35606 Harris Rd	5,892
8	8213060000	Ridgedale Rod & Gun Club	35655 Harris Rd	4,119
8	0002422050	Scouts Canada	SEC 6 TWP 20 NWD	4,898
6	9324004207	Straiton Community Club	4698 Sumas Mountain Rd	587
8	9324004207	Straiton Community Club	4698 Sumas Mountain Rd	3,061
6	9500013970	Twisters Gymnastics Club	32470 Haida Dr	8,082
1	4158048801	Life Recovery Association	32122 Melmar Ave	1,082
1	4159012020	Mac Campus of Care Abbotsford	32772 Marshall Rd	25,479
6	4159092810	Mennonite Museum Society	1818 Clearbrook Rd	26,704
9	4159092810	Mennonite Museum Society	1818 Clearbrook Rd	293
9	4159095604	Mennonite Museum Society	1818 Clearbrook Rd	260
1	5163006605	Life Recovery Association	2693 Braeside St	1,589
6	5163034310	Abbotsford Community Services	31949 South Fraser Way	32,650
1	5168002710	John Howard Society Of The Lower Mainland of BC	32160 Tims Ave	2,540
1	6223077002	John Howard Society Of The Lower Mainland of BC	2411 West Railway St	1,876
8	6223078109	Abbotsford Community Services	2408 Montvue Ave	3,228
				361,213

FINANCIAL STATISTICS

Class	Folio	Name	Civic Address	2017 Exemption \$
CHARITABLE ORGANIZATIONS				
8	2101018706	A.N.A.F. Veterans in Canada Unit #315	30346 McNeil Ave	2,914
8	6223051402	Abbotsford Community Services	33914 Essendene Ave	8,087
1	6223057301	Abbotsford Community Services	2420 Montrose Ave	2,621
6	6223057301	Abbotsford Community Services	2420 Montrose Ave	23,881
8	6223057301	Abbotsford Community Services	2420 Montrose Ave	19,179
6	6223063811	Abbotsford Community Services	2539 Montvue Ave	8,190
1	6223074321	Abbotsford Community Services	33780 Laurel St	922
6	6223074321	Abbotsford Community Services	33780 Laurel St	12,901
8	9500016250	Abbotsford Ravine Park Salmon Enhancement Society	2395 Crescent Way	1,987
1	6151005806	Governing Council of the Salvation Army in Canada	34081 Gladys Ave	3,887
6	6151005806	Governing Council of the Salvation Army in Canada	34081 Gladys Ave	33,659
8	6151005806	Governing Council of the Salvation Army in Canada	34081 Gladys Ave	1,093
1	6170092910	Lynnhaven Society	33585 Braun Ave	11,352
1	6170092920	Lynnhaven Society	33580 Braun Ave	11,352
6	5163080810	Mennonite Central Committee (MCC) BC	31872 South Fraser Way	35,548
6	6223044400	Mennonite Central Committee (MCC) BC	33933 Gladys Ave	143,910
6	6170059606	Northview Community Church	2616 Ware St	5,957
8	6223068811	Royal Canadian Legion Branch No 015	2513 West Railway St	4,222
6	6151045811	Panorama Industries LTD (Canadian Red Cross)	34220 South Fraser Way	1,535
6	6223075801	Big Brothers Big Sisters of the Fraser Valley	200-2445 West Railway St	7,535
				340,731
COMMERCIAL REVITALIZATION				
6	9500014520	Highstreet Nominee Inc	3122 Mt Lehman Rd	760,269
6	6223044411	Ecoworks Landscape Services Inc.	33973 Gladys Ave	23,226
				783,496
DOWNTOWN ABBOTSFORD REVITALIZATION				
6	6223062810	Abbotsford Downtown Real Estate Collective Ltd.	33780 Essendene Ave	1,449
6	6223030110	Aldergrove Credit Union	100 - 2600 Gladys Ave	7,696
6	6223030130	Island Boy Investments Inc.	204 - 2600 Gladys Ave	2,640
6	6223030140	Island Boy Investments Inc.	203 - 2600 Gladys Ave	2,039
6	6223030150	Island Boy Investments Inc.	202 - 2600 Gladys Ave	1,835
6	6223030180	Island Boy Investments Inc.	8 - 2600 Gladys Ave	3,091
6	6223030190	Island Boy Investments Inc.	302 - 2600 Gladys Ave	2,393
6	6223030200	Island Boy Investments Inc.	302 - 2600 Gladys Ave	2,168
6	6223030120	Meade, Kelly & Trevor	201 - 2600 Gladys Ave	848
6	6223030170	Meade, Kelly & Trevor	301 - 2600 Gladys Ave	1,041
				25,201
INDUSTRIAL REVITALIZATION				
6	4162082980	0971142 BC Ltd.	31867 Marshall Pl	10,916
6	9500005310	Trans-Canada Self Storage Properties Ltd.	2992 Pinegrove St	6,375
				17,291
LOCAL AUTHORITIES				
6	6101072111	BC Transit	1225 Riverside Rd	55,479
6	5167027710	Reach Cultural Centre Society	32388 Veterans Way	155,201
6	9700002430	Tourism Abbotsford Society (Tradex)	1190 Cornell St	106,730
				317,410
INDEPENDENT SCHOOLS				
6	7194047210	Mennonite Educational Institute Society	31638 Downes Rd	3,961
				3,961
RELIGIOUS ORGANIZATIONS				
8	6154037701	Abbotsford Baptist Church	33651 Busby Rd	3,729
8	3154096510	Abbotsford Evangelical Free Church	33218 Marshall Rd	6,846
8	6223021011	Abbotsford Gospel Society	33868 Pine St	4,453
8	9323000103	Abbotsford Gospel Society	4390 Sumas Mountain Rd	3,992
8	9500003300	Abbotsford Korean Presbyterian Church	2597 Bourquin Cr E	6,170
8	9500002770	Abbotsford Pentecostal Assembly	3145 Gladwin Rd	36,083
8	1044021007	Aldergrove Fellowship Baptist Church	28163 Swensson Ave	6,735
8	9032003604	Arnold Community Church (BC Conference of Mennonite Brethren C 310 Arnold Rd		3,697
8	4162052207	BC Conference of Mennonite Brethren Churches	2311 Clearbrook Rd	3,602
8	4162052402	BC Conference of Mennonite Brethren Churches	31980 Oak Ave	2,974
8	4162052608	BC Conference of Mennonite Brethren Churches	31966 Oak Ave	2,974
8	4162066607	BC Conference of Mennonite Brethren Churches	2231 Clearbrook Rd	3,467
8	4162066610	BC Conference of Mennonite Brethren Churches	2228 Holly St	3,856
8	4162067302	BC Conference of Mennonite Brethren Churches	2244 Holly St	3,856
8	9500002607	BC Conference of Mennonite Brethren Churches	2285 Clearbrook Rd	12,309
8	6153026308	BC Muslim Association	1980 Salton Rd	2,767

Class	Folio	Name	Civic Address	2017 Exemption \$
8	7186073200	Bethel Reformed Church	3260 Gladwin Rd	6,242
8	9500001007	Bradner Presbyterian Church	5275 Bradner Rd	2,377
8	7186022509	Calvin Presbyterian Church	33911 Hazelwood Ave	6,775
8	6150015002	Canadian Reformed Church of Abbotsford	33947 King Rd	5,932
8	3155040220	Central Heights Church	1661 McCallum Rd	9,311
8	9500003508	Central Valley Baptist Church	33393 Old Yale Rd	2,346
8	7211072700	Christian Life Community Church (Pentecostal Assemblies of Canada)	35131 Straiton Rd	4,015
8	9500000710	Church of God In Christ	29623 Downes Rd	6,910
8	1055048406	Church of Jesus Christ of Latter-Day Saints	30635 Blueridge Dr	23,870
8	6141000321	Church of the Nazarene	2390 McMillan Rd	5,717
8	9500002701	Clearbrook Mennonite Brethren (BC Conference of Mennonite Brethren)	2719 Clearbrook Rd	11,895
8	9500003004	Conference of United Mennonite Churches of BC	32027 Peardonville Rd	4,007
8	4161068900	Ebenezer Mennonite Church (Conference of Mennonites in BC)	2051 Windsor St	8,015
8	1072028001	Emissaries of Divine Light BC	4330 Bradner Rd	1,686
8	1055008680	Emmanuel Free Reformed Church	3366 Mt Lehman Rd	5,208
8	9500000106	Fountainhead Christian Society	29394 Huntingdon Rd	4,103
8	9500000908	Fraser Valley Buddhist Temple	28941 Haverman Rd	2,926
8	3148009204	Fraser Valley Hindu Cultural Society	31545 Walmsley Rd	3,992
8	95000009100	Gateway Community Christian Reformed Church	2884 Gladys Ave	7,013
8	7186060010	Gladwin Heights United Church	3474 Gladwin Rd	4,564
8	6144048901	Grace Evangelical Bible Church Society	2087 McMillan Rd	8,166
8	9500001408	Grace Tabernacle	721 Gladwin Rd	3,968
8	5163046830	Gurdwara Baba Banda Singh Bahadar Sikh Society	31631 South Fraser Way	32,338
8	1055026410	Gurdwara Sahib Kalgidhar Darbar	3348 Siskin Dr	24,784
8	1055034110	Heritage Alliance (Christian & Missionary Alliance)	3440 Mt Lehman Rd	19,537
8	7175063600	Highland Community Church (BC Conference of Mennonite Brethren)	3130 McMillan Rd	6,417
8	9500022001	Immanuel Covenant Reformed Church	35063 Page Rd	4,548
8	1053052820	Immanuel Fellowship Baptist Church	2950 Blue Jay St	5,367
8	6171050601	Khalsa Diwan Society of Abbotsford	33117 Mill Lake Rd	2,568
8	6171050702	Khalsa Diwan Society of Abbotsford	33094 South Fraser Way	29,921
8	6171061001	Khalsa Diwan Society of Abbotsford	33089 South Fraser Way	12,126
8	3150082800	King Road Mennonite Brethren Church	32068 King Rd	6,703
8	9500001512	Level Ground Mennonite Church	31216 King Rd	6,138
8	6154003000	Life Spring Church Abbotsford	2393 West Railway St	3,976
8	7190043010	Maranatha Baptist Church	3580 Clearbrook Rd	7,872
8	9500004306	Matsqui Evangelical Lutheran Church	5781 Riverside St	1,853
8	6150009101	McCallum Congregation of Jehovah's Witnesses	1672 Salton Rd	3,626
8	7192056090	Emmanuel Mennonite Church (Mennonite Church of BC)	3471 Clearbrook Rd	12,237
8	9500001202	Mount Lehman United Church	6256 Mt Lehman Rd	3,896
8	1053041030	Mt. Lehman Congregation of Jehovah's Witnesses	31165 Gardner Ave	6,441
8	6232067605	New Apostolic Church	2480 McMillan Rd	2,473
8	6142053611	New Life Christian Reformed Church	35270 Delair Rd	5,145
8	6154039104	New Life Pentecostal Church	33668 McDougall Ave	2,831
8	9500004100	New Testament Baptist Church of Abbotsford (Community Baptist Church)	5525 Gladwin Rd	4,771
8	7191035510	Northview Community Church	32064 Downes Rd	4,278
8	5167065910	Olivet Church Abbotsford	2630 Langdon St	10,846
8	9500002905	Parkview Gospel Hall	2464 Parkview St	3,157
8	9500002210	Peace Evangelical Lutheran Church	2029 Ware St	4,286
8	9133040611	Prairie Chapel	1929 Interprovincial Hwy	2,401
8	9500000410	Ross Road Community Church (BC Conference of Mennonite Brethren)	3160 Ross Rd	3,507
8	3157024401	Saint Ann's Catholic Parish (Roman Catholic Archbishop of Vancouver)	33333 Mayfair Ave	21,389
8	6142039207	Salvation Army Cascade Church (Grace Communities Corp)	35190 Delair Rd	12,969
8	7182099706	Second Christian Reformed Church of Abbotsford	34611 Old Clayburn Rd	6,552
8	5166040650	Sevenoaks Alliance Church (Christian & Missionary Alliance)	2575 Gladwin Rd	17,080
8	6143033201	Seventh Day Adventist Church	1921 Griffiths Rd	4,143
8	6032038611	Solid Rock Christian Fellowship World Outreach	34371 4th Ave	10,098
8	9500001310	South Abbotsford Church (BC Conference of Mennonite Brethren)	32424 Huntingdon Rd	5,160
6	1051085901	St. James Catholic Church (Catholic Independent Schools of Vancouver)	2767 Townline Rd	32,618
8	6144048401	St. Matthew Anglican Church	2010 Guilford Dr	5,351
8	9500003405	Transform Central Ministries (Abbotsford City Fellowship Society)	2413 McCallum Rd	3,236
8	7189086100	Trinity Christian Reformed Church	3215 Trethewey St	8,580
8	7191075030	Trinity Lutheran Church	3845 Gladwin Rd	11,076
8	6223011003	Trinity Memorial United Church	33737 George Ferguson Way	3,196
8	6142034507	Zion Christian Reformed Church	35199 Delair Rd	5,868
6	6223001721	676517 BC LTD (Jesus House)	2518 West Railway St	16,754
				644,660
Total Permissive Exemptions				\$ 2,528,243



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