

2014

# Annual REPORT

CITY OF ABBOTSFORD

our city our future

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Willband Creek Park, Abbotsford

# 2014

## CITY OF ABBOTSFORD ANNUAL REPORT

2014 Annual Report for fiscal year  
ending December 31, 2014.

Prepared by City of Abbotsford's  
Finance & Corporate Services  
and Corporate Communications,  
Marketing & Strategic Planning  
Departments.

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# 2014 CITY VISION

Abbotsford is the most sustainable, liveable and prosperous community in British Columbia.

# CITY MISSION

We deliver excellent services that improve the sustainability and quality of life in Abbotsford.



# MESSAGE FROM THE MAYOR



MAYOR HENRY BRAUN

On behalf of Abbotsford City Council, I am pleased to be able to share with you through this report, some of the many things that happened across our community in 2014.

Following the election, our newly appointed Abbotsford City Council was very well supported by our senior management team and staff, and on behalf of all of Council, I would like to thank staff for their hard work and responsiveness to our priorities and policy directives. It is a great pleasure for me to have the opportunity to be serving alongside my new and renewed Council colleagues and I would like to acknowledge their readiness to work collaboratively, to respect differences of opinion, and to seek to find innovative approaches to addressing our community's challenges.

The close of the 2014 year certainly provided Council with an opportunity to take stock and to seize the moment to forge a new path to ensure our City's success in the long term. We began immediately to take a close look at the key issues confronting Abbotsford, including challenges related to homelessness, property tax levels, how we manage growth and development, our approach to transportation, commuter and transit systems, as well as enhancing the sustainability of our City, both environmentally and fiscally.

While a number of initiatives and projects were already underway to support growth across our community, we collectively felt a more strategic focus was needed. One of the key areas that Council identified, was to focus on solidifying a vibrant economy for Abbotsford through a strategic and forward thinking economic development function at City Hall. Further, Council reinforced the need for a comprehensive approach to our Official Community Plan update project (Abbotsforward) in order to address our community's land use challenges. Council recognizes that we have a unique opportunity to change the way we make planning and land-use decisions to ensure that we consider how all new development impacts the rest of our community.

As a long-time business owner, as Mayor and as a 60 year resident of Abbotsford, I feel privileged to participate in the transformation of this community into a City that we can all be proud to leave as a legacy for our children and grandchildren. Council remains focused on the health of our economy, on the responsible and effective management of our City, and on maintaining and protecting the quality of life of our citizens and businesses who call this city home. Our success lies in our ability to be strategic, and, as we continue to build the Abbotsford of tomorrow, our community and partners will continue to help us shape our local economy for the next decade and beyond.

I invite you to read through the updates from 2014 and to reflect on how we can all continue to work toward ensuring that Abbotsford is a prosperous and sustainable community for today and tomorrow.

A handwritten signature in black ink, appearing to read 'Henry Braun', with a stylized flourish at the end.

Mayor Henry Braun



# ELECTED OFFICIALS

Abbotsford City Council: 2014 - 2018



## 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 six decades and was the co-owner, president and CEO of Abbotsford-based Pacific Northern Rail Contractors Corp up until his retirement in 2003. Henry has also been the President of Braun Investment Group Ltd. and Meadowood Place Developments Inc., companies that developed and owned commercial and residential income-producing real estate properties. Henry has served on the Abbotsford Police Board, the Economic Development Commission of the City of Abbotsford, the Abbotsford Airport Authority Board of Directors, the Trinity Western University School of Business Advisory Board, the Board of Directors of the Organized Crime Agency of B.C. and a member of the Board of Directors for Canada Place Corporation. He is also actively involved in his local community of faith, in helping Abbotsford's homeless, as well as with higher education. In 2008, he received the Order of Abbotsford for his dedication to making Abbotsford a better place.

## COUNCILLOR LES BARKMAN



Les Barkman has served as an Abbotsford City Councillor since 2008. Les has volunteered in the community coaching youth fastball and he has officiated basketball for 36 years in the Fraser Valley Basketball Officials Association. Les has been active in fundraising and volunteering for charities including the United Way, Big Brother's and Big Sisters, Matthew's House, Canuck Place, Abbotsford Hospice Society, the Abbotsford Food Bank, Crystal Gala, and the Cyrus Centre. His Council appointments have included the Mayor's Task on Crime Reduction, Solid Waste Task Force, Parks, Recreation & Culture Commission, Traffic Safety Advisory Committee, Matsqui Prairie Dyking, Drainage & Irrigation Committee, Abbotsford Youth Commission, Fraser Valley Regional Library Board, City of Character Society, and M.S.A. Museum Society.

A civic election was held on November 15, 2014 and one Mayor and eight Councillors were elected to serve a four-year term. Abbotsford City Council was sworn in on December 1, 2014 and will serve the community of Abbotsford through November 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.

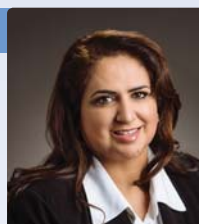
The Mayor and Councillors also serve on many Committees, Boards and Commissions and provide input and direction on sectors ranging from agriculture to arts, to economic development and regional issues.

# ELECTED OFFICIALS



## **COUNCILLOR SANDY BLUE**

Sandy Blue was elected as Abbotsford City Councillor in 2014. Internationally accredited with International Economic Development Council (IEDC) and International Association of Business Communicators (IABC); and with extensive leadership experience in Telecommunications, Financial Services, Municipal Government and not-for-profit sectors, she is a sought after speaker on topics of economic development and community revitalization, and on strategies to help agriculture and tourism sectors thrive. Her long history of community involvement includes 12 years with the City of Burnaby Community Policing Committee of Council, six years as Commissioner for the Abbotsford Police Board; and Vice-President of the Abbotsford Police Foundation. Sandy has served as Director on the Envision Financial Regional Council; was a founding member of the BC Chapter of Canadian Women in Communications (CWC-AFC); and served as Vice-Chair CWC National (Toronto). As well, she regularly mentors with CWC and the Minerva Foundation for BC Women. She currently serves as chair of the Parks, Recreation and Culture Committee of Abbotsford City Council.



## **COUNCILLOR KELLY CHAHAL**

Kelly Chahal was elected to Abbotsford City Council in 2014. Kelly has been a community advocate for the past 20 years. She has been involved in many social justice projects and has volunteered with the Fraser Valley Indo-Canadian Business Association. Kelly is also a member of Senate with the University of the Fraser Valley (UFV), and is a member on the Advisory Board for the Centre for Indo-Canadian Studies and the community Literacy Action Committee. Kelly has also developed and facilitated diversity training for various employment sectors and educational institutions in her pursuit to promote intercultural relations.



## **COUNCILLOR BRENDA FALK**

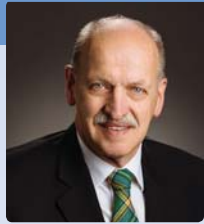
Brenda Falk was elected as an Abbotsford City Councillor in 2014. Brenda, the owner of Tanglebank Gardens since 1996 and Brambles Bistro since 2012, is a farmer, entrepreneur and business woman. Active in the community, Brenda has been a member of the Agricultural Advisory Committee, the Economic Advisory Committee and the Mayor's Task Force for Economic Development. She is a member of the Canadian Federation of Independent Business (CFIB), is co-creator of the regional 'Circle Farm Tour' and creator of 'Passport to Christmas'. Brenda is also a past member of the B.C. Nursery and Landscape Association and a recipient of Business Excellence and Tourism Excellence industry awards for her nursery business.



## **COUNCILLOR MOE GILL**

Moe Gill was elected as an Abbotsford City Councillor in 1996. He has served on many committees including: Traffic Safety Advisory Committee; Matsqui Dyking, Drainage, and Irrigation Committee; AgriFair Board; Fraser Valley Regional District Board; Glen Valley Dyking District Committee; Local Court of Revisions for Frontage Tax, and the Parcel Tax Review Panel. Moe has also served with many organizations, including: Fraser Valley Cole Crop Growers Association; Fraser Valley Strawberry Growers Association; B.C. Raspberry Growers Association; Federal Agricultural Employment Services; MSA Museum Society; Fraser Valley Indo-Canadian Business Association; Abbotsford-Matsqui Rotary; Dasmesh Punjabi School; and the Abbotsford Foundation.

# Abbotsford City Council: 2014 - 2018



## **COUNCILLOR DAVE LOEWEN**

Dave Loewen was elected as an Abbotsford City Councillor in 2005. Dave is a retired educator, having taught in Australia, Manitoba, and in Abbotsford at MEI. Dave has served on numerous Boards and Committees including the Mennonite Central Committee; the Canadian Mennonite University Council; B.C. Federation of Independent Schools Association; Heart2Heart (Haiti); and the Mennonite Historical Society of B.C. His responsibilities on Council have included Mission-Abbotsford Transit Committee; Abbotsford Social Development Advisory Committee; City Industrial Development Advisory Committee; Economic Development Advisory Committee; Environmental Advisory Committee; Abbotsford Youth Commission; Matsqui Dyking, Drainage and Irrigation Committee; Audit & Finance Committee; Mayor's Task Force on Economic Development; Abbotsford Arts Council; and the Fraser Valley Regional District Board.



## **COUNCILLOR PATRICIA ROSS**

Patricia Ross was elected as an Abbotsford City Councillor in 1994. Patricia is a Fellow of Leadership for Environment and Development (LEAD) International, a motivational and keynote speaker as well as a published free-lance writer. She has received several awards including the 2009 "Woman of the Year" award from the Business & Professional Women's Club of Abbotsford/Mission, "Newsmaker of the Year" award from the Abbotsford Chamber of Commerce, the "Paul Harris" Rotary Club award for her community work, and the Queen's Diamond Jubilee award. Her Council Committee appointments have included the Fraser Valley Regional District, Municipal Finance Authority, Abbotsford/Mission Water and Sewer Commission, Abbotsford Environmental Advisory Committee, Restorative Justice Board, and the Metro Vancouver Board. She is currently serving on the Federation of Canadian Municipalities Sustainable Communities Conference Advisory Board, Abbotsford Youth Commission and Intergovernmental Affairs Committee, as well as holding the position of Vice-Chair for the Fraser Valley Regional District.



## **COUNCILLOR ROSS SIEMENS**

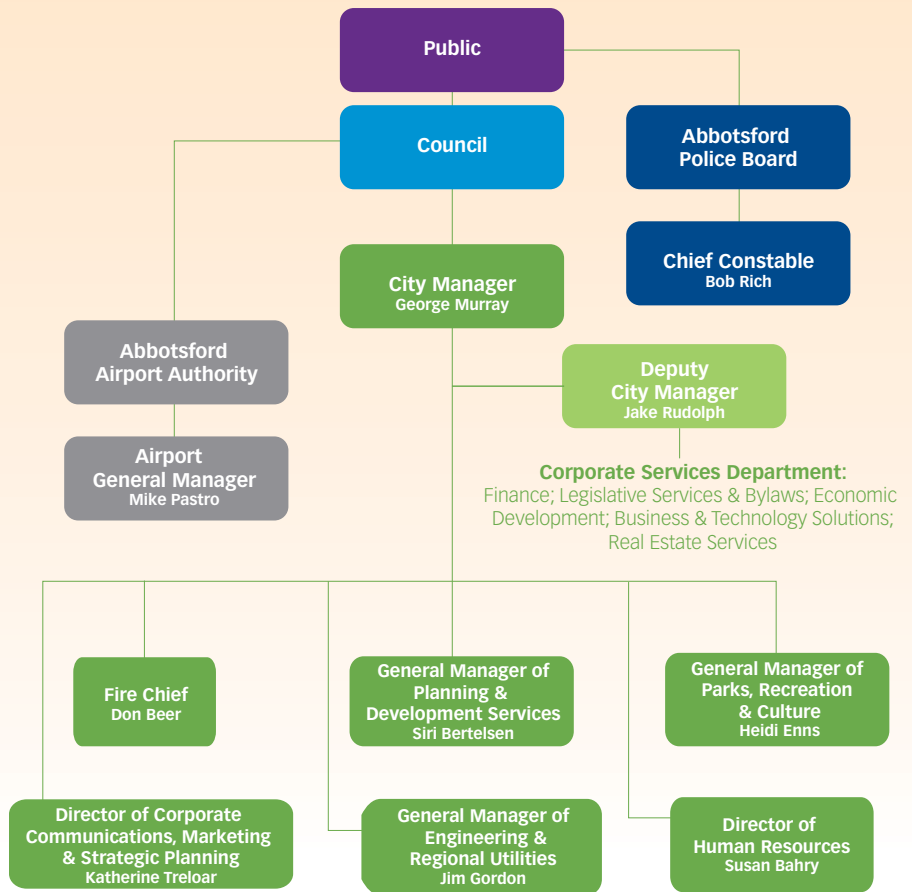
Ross Siemens was elected as an Abbotsford City Councillor in 2014. Ross previously served on the District of Abbotsford Council from 1986 to 1990. While serving on the District Council he helped initiate the Business Improvement Area legislation that established the Abbotsford Downtown Business Association. He is the owner of his family's business, Hub Motor Service (Siemens Garage Ltd.) and his recent community involvement includes serving on the Board of Directors for Abbotsford Community Services (2008 to 2014), serving on the Abbotsford Social Development Advisory Committee, serving on The Mayor's Task Force on Homelessness and serving on the Abbotsford Sports Hall of Fame Board of Directors.



# 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.



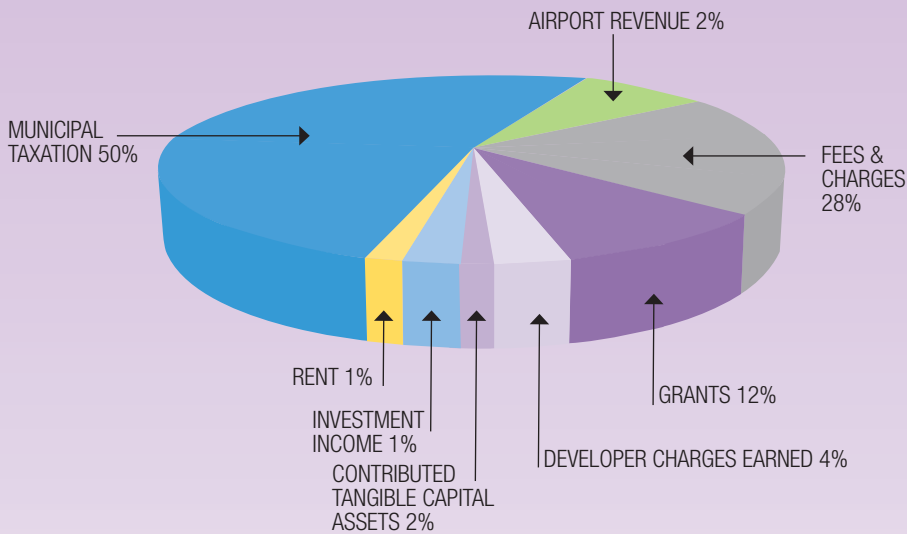
The City's complete administrative organizational structure is outlined in the organizational chart.



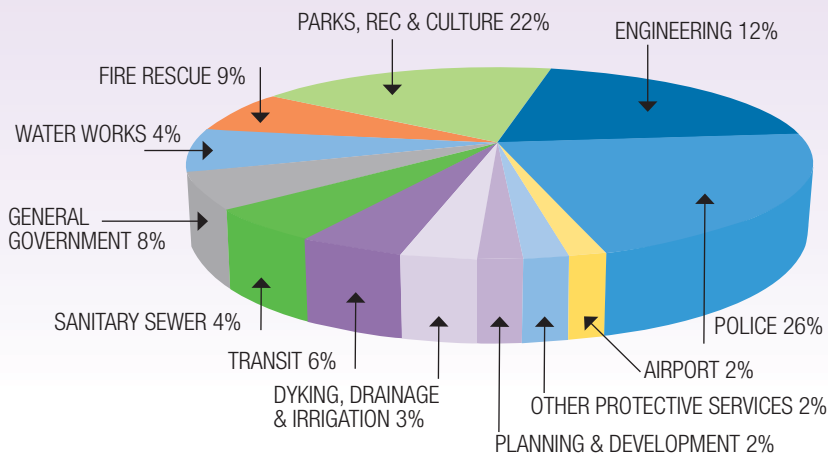


# 2014 REVENUE & EXPENDITURES

## 2014 REVENUE



## 2014 EXPENDITURES



Complete financial information is contained within the Financial Statements segment of this report starting on page 21.



# 2014 KEY STRATEGIC OBJECTIVES

For 2014, the City of Abbotsford's Vision is to be the most sustainable, livable and prosperous community in British Columbia. This goal is being achieved through Abbotsford's Mission to deliver excellent services that improve the sustainability and quality of life in Abbotsford.

In 2014, Council renewed the City's focus through six key initiatives:

ONE

## CONTINUE TO IMPROVE THE CITY'S FINANCIAL OUTLOOK

- Long-term Financial Plan in place
- 0% budget increase for 2014
- Improve Abbotsford Entertainment and Sports Centre operations

TWO

## UNDERTAKE OFFICIAL COMMUNITY PLAN REVIEW PROCESS

- OCP Consultation and public engagement through 2014

THREE

## FOCUS ON ECONOMIC DEVELOPMENT STRATEGIES

- Mayor's Task Force on Economic Development Implementation Plan strategies in place

FOUR

## FINALIZE AGRICULTURE STRATEGY

- Review and recommend items for implementation from the 2011 Agriculture Strategy and complete an Agri-Industry Study

FIVE

## FOCUS ON ADDRESSING KEY SOCIAL ISSUES

- Homelessness – update strategy and funding sources
- Harm Reduction strategy in place

SIX

## FINALIZE COMMUNITY SUSTAINABILITY PLAN

- Incorporate and implement recommendations from the Community Sustainability Planning Initiative (CSPI)

# 2014 STRATEGIC ACCOMPLISHMENTS & HIGHLIGHTS

## CONTINUE TO IMPROVE CITY'S FINANCIAL OUTLOOK

- All City spending is authorized by a bylaw, adopted by Council - a process that is legislated by the Community Charter. The City of Abbotsford's new 2014-2018 Five-Year Financial Plan (or budget) bylaw sets out the objectives and policies of the City for the years 2014 to 2018, and provides a budgetary framework for the City to plan and manage its resources, revenues and expenditures in order to best serve the community.
- In May of 2014, Abbotsford City Council passed a 0% tax increase for the 2014 year.
- In April 2014, the City of Abbotsford committed to a new future for the Abbotsford Entertainment & Sports Centre with its *A New Game* strategy. *A New Game* is an integrated approach to the development of the Centre that is anchored in securing revenue-positive tenants, improved operating agreements and increased community access - a direction that reflects Council's mandate to deliver financial efficiencies and the best economic model for a sports & entertainment facility in the City of Abbotsford. The facility was renamed Abbotsford Centre as part of this strategy.

## UNDERTAKE OFFICIAL COMMUNITY PLAN PROCESS

- March 2014, the City began the most significant city shaping process ever undertaken in Abbotsford with its Official Community Plan (OCP) update project, called Abbotsforward. The initiative will see an update to the City's most significant land-use master plan (the OCP) and will influence the way Abbotsford grows and develops in the years to come. The successful launch of the Abbotsforward project on Canada Day was followed by several community engagement activities at local festivals and events, a "picture your city" photo activity and the creation of a Citizen Advisory Commission and Technical Advisory Group. The Abbotsforward Stage 1 Background Research Report was completed and received by Council in November 2014.

## FOCUS ON ECONOMIC DEVELOPMENT STRATEGIES

- Following-up on the recommendations included in the Mayor's Task Force on Economic Development Plan, the City of Abbotsford established an economic development function in 2014 to address business retention and expansion, and develop marketing initiatives to promote job growth and diversification of the tax base for Abbotsford. In the fall of 2014, the City hired a new Director of Economic Development and began developing the business model for how the Economic Development Department will operate.

## FINALIZE AGRICULTURE STRATEGY

- The objective of the City's Agriculture Strategy is to enhance the health and viability of the agricultural economy, and respond to issues and challenges facing agriculture in Abbotsford. This is achieved through promoting and strengthening the viability of agricultural enterprise, increasing the productive use of farmland and food production, and protecting our community's agricultural land base. In June 2014 staff presented a report to Council detailing servicing costs and market analysis for an Agri-industrial corridor along the Fraser Highway. Due to the high cost to service this region (approximately \$32 million), Council directed staff to study potential alternate locations within the context of the OCP update over the next few years.

## FOCUS ON ADDRESSING KEY SOCIAL ISSUES

- In early 2014, Abbotsford City Council created a Task Force on Homelessness to work closely with all segments of the community to design and initiate a comprehensive community wide homelessness response plan. The Task Force completed their work and presented the Homelessness in Abbotsford Action Plan which was approved by Council in the fall of 2014.
- In February 2014 following a Public Hearing, Abbotsford City Council passed an amendment to the zoning bylaw that removed the restrictions prohibiting Harm Reduction services in Abbotsford. As part of the bylaw amendment, a new working relationship between the City, the Abbotsford Police Department and the Fraser Health Authority was established for implementing and reviewing an Abbotsford-based Harm Reduction program.

## FINALIZE COMMUNITY SUSTAINABILITY PLAN

- The Community Sustainability Planning Initiative (CSPI) was completed to identify initiatives that support community sustainability by enabling the community to build on existing successes and identify future opportunities. As one of Council's key objectives for 2014, staff completed the CSPI Implementation Plan which strategically focuses on initiatives that align with major projects Council has authorized to proceed, are in-progress or have already been completed.

# MAKING OUR CITY THE BEST PLACE TO LIVE, WORK AND PLAY

# CITY OF ABBOTSFORD

The City of Abbotsford is responsible for providing relevant and timely community services and infrastructure in support of a sustainable, enjoyable City. Each day, City staff endeavour to provide efficient and effective municipal services within an accountable and sustainable fiscal framework. To find out more about our City Services visit [www.abbotsford.ca](http://www.abbotsford.ca). Abbotsford City services are organized into eight key service departments outlined below.



## CITY MANAGER'S OFFICE

The City Manager is appointed by Abbotsford City Council and is accountable to Council for the policies and programs delivered by the City of Abbotsford. The City Manager is the most senior official in the City's administrative structure and provides guidance and advice to Council and the City administration on city-wide issues, co-ordinating the work of City divisions and evaluating how well the City provides services. The City Manager is assisted by a Deputy City Manager, three General Managers overseeing the service departments, as well as the Fire Chief, Director of Human Resources and the Director of Communications, Marketing & Strategic Planning.



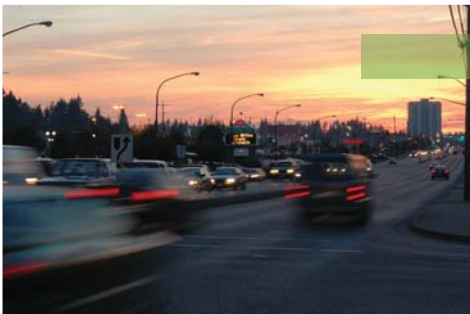
## CORPORATE SERVICES

The Corporate Services Department administers the statutory functions of the Community Charter and Local Government Act to provide excellence in customer service to the public and the organization by supporting other departments at the City in service delivery to the public. The department is responsible for five divisions, including Legislative Services and Bylaws, Financial Services, Economic Development, Business & Technology Solutions, and Real Estate Services.



## PLANNING & DEVELOPMENT SERVICES

The Planning and Development Services Department is primarily responsible for formulating policies and standards for new development; managing approvals of all types of land development; regulating building construction, ensuring compliance with community standards; and facilitating development of best practices to protect the environment. The Department encompasses Planning, Development Services, Building Permits, and Business Licences.



## ENGINEERING & REGIONAL UTILITIES

The Engineering Department plans, designs, constructs and maintains the engineering infrastructure essential for a high quality of life in Abbotsford. The Engineering Department has approximately 200 staff working at City Hall, the Operations Yard, JAMES Treatment Plant, and the Norrish Creek Water Treatment Plant.



# MAIN SERVICE AREAS



## FIRE RESCUE SERVICE

Abbotsford Fire Rescue Service responds to emergency incidents, including fires, motor vehicle incidents with injuries, as well as hazardous material spills. Fire Rescue Service works closely with other emergency response partners such as BC Ambulance and Abbotsford Police. Fire Rescue Service members conduct fire inspections for over 2,900 properties in the City, along with providing fire public education. Fire Rescue Service also administers the Emergency Program. The Emergency Program's mandate is to meet provincial legislation under the Emergency Program Act, identifying our City's responsibilities to provide a safer community. The key responsibilities are to establish and exercise plans to prepare, respond, and recover during disasters such as those which are man-made (hazardous materials, terrorism) or naturally occurring (floods, earthquakes).



## HUMAN RESOURCES

The City of Abbotsford is committed to fostering a diverse and high performing workforce with strong and effective leaders. The Human Resources Department provides leadership and promotes excellence in human resources management. The department is committed to supporting the organization in its dedication to customer service and engagement, and being a workplace of choice where health and safety exist for all staff, positive relations exist with union and employee associations, and learning is a continuous activity.



## PARKS, RECREATION & CULTURE

The Parks, Recreation & Culture Department is responsible for planning, developing, maintaining, and operating all City parks, trails, cemeteries, recreation, and cultural facilities. The department provides services and programs for over 157 parks and four cemeteries totalling 2,584 acres. Recreation and cultural programs are provided at seven facilities including the Abbotsford Recreation Centre, Matsqui Recreation Centre, MSA Arena, Abbotsford Exhibition Park, Centennial Outdoor Pool, Matsqui Centennial Auditorium and the Reach Gallery & Museum.



## COMMUNICATIONS, MARKETING & STRATEGIC PLANNING

The Communications, Marketing and Strategic Planning department ensures that the public, employees, media, national and international audiences have a clear understanding of the City of Abbotsford's priorities, programs and policies. The department provides support and assistance to the Mayor, Members of Council and all City Departments to inform the public about City programs, services and emerging issues of interest and to encourage civic participation in municipal government. The department is also responsible for liaising and coordinating with Council on the development of the Strategic Plan, including defining the major priorities for the City.

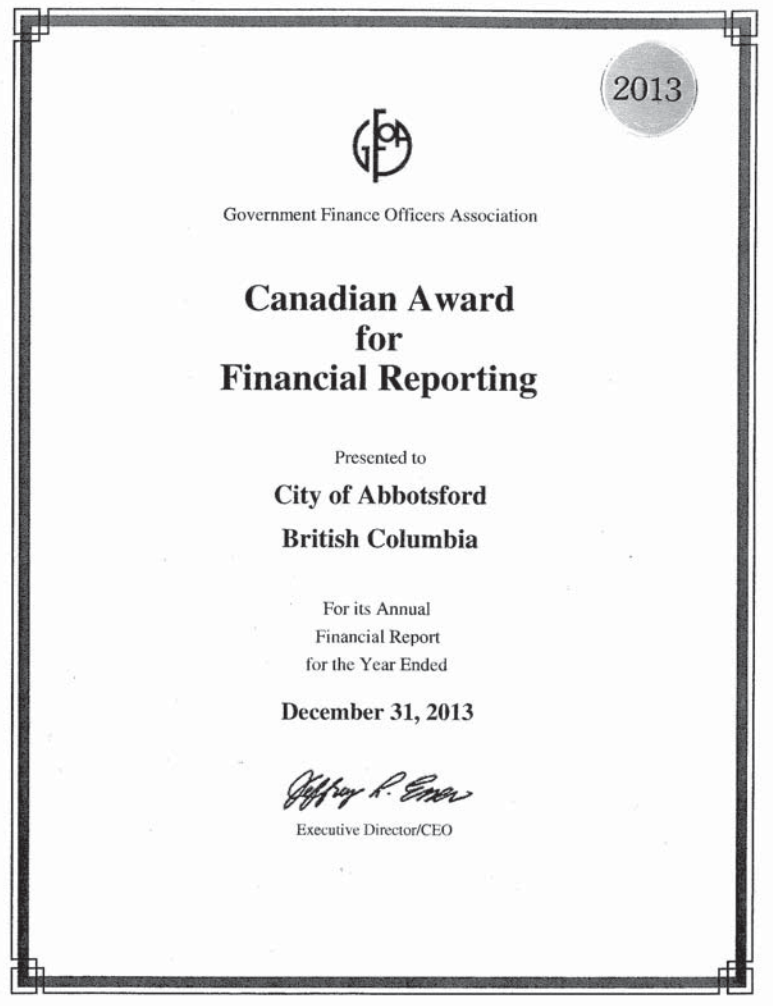


# CANADIAN AWARD FOR FINANCIAL REPORTING

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, 2013. 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 unit 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.



# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW

The City of Abbotsford reports the results of its operations on a consolidated basis, along with accompanying notes to the consolidated financial statements.

The City also reports, as supplementary information, the financial position and financial activities of the four funds of the City, which are: General, Waterworks, Sanitary Sewer, and Airport. Each fund is self-supporting with no cross-subsidization between funds. Additionally, in accordance with segment reporting requirements, the Notes to the Financial Statements include a Schedule of Revenues and Expenses segmented by municipal service area.

Municipal financial statements for a fiscal year must be prepared by the financial officer appointed by Council. The financial statements must be prepared in accordance with generally accepted accounting principles for local governments.

As required (Community Charter – section 167), the consolidated financial statements (including the accompanying notes) have been prepared in accordance with current standards issued by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. The consolidated financial statements are audited by KMPG LLP, Chartered Accountants. Their responsibility was to express an opinion on these consolidated financial statements based on their independent audit. The audit involved performing procedures to obtain audit evidence about the amounts and disclosure in the consolidated financial statements.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### NET FINANCIAL ASSETS

A key indicator in assessing the financial health of a local government is its net financial assets (financial assets less liabilities). Net financial assets increased by \$54.0 million during 2014, from \$9.4 million of net financial assets (2013), to \$63.4 million of net financial assets at the end of 2014. The majority of the increase is coming from three main sources - higher balances in cash and portfolio investments, reduced long-term debt, and reduced deferred revenue. Reduced capital expenditure requirements in 2014 resulted in additional cash that increased reserve levels, even after providing for accelerated debt repayment.

### DEFERRED REVENUE

Deferred revenue, reported as a liability on the consolidated financial statements, is reduced by \$18.8 million from \$21.1 million in 2013 to \$2.3 million in 2014. The main driver of this change is the Community Works Fund (CWF). CWF are transfers of gas taxes from the federal government to local governments in British Columbia, via the Union of British Columbia Municipalities. The program was renewed on April 1, 2014 for a five year term. The renewed agreement significantly expanded the range of projects eligible for funding and these new criteria were applied retroactively to all funds received prior to April 1 but unspent as of that date. The widened scope of eligibility effectively means that the City is not likely to ever have to return funds to the UBCM; any project funding deemed ineligible would simply be reallocated to eligible projects. As a result, the obligation (liability) reported against these funds has been eliminated.





## LONG-TERM DEBT

Total debt repayments of \$8.5 million were made in 2014. This includes an early debt repayment for three of the water/sewer debt issues (\$4.9 million). As a result, total long-term debt at the end of the year was \$69.8 (2013 - \$78.3 million). Of that amount, \$68.1 million is general fund debt. Exhibit 5 provides more detailed information on each debt currently held by the City.

The City continues to review its ability to provide for an early debt repayment strategy for the debt it assumed with the transfer of the water supply and sewage treatment operation from the Fraser Valley Regional District (FVRD). All remaining utility debt (MFA issue #75) is planned to be retired by 2016.

## 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 2014, the City's legal debt servicing limit was \$51.9 million, and the annual debt servicing was \$7.5 million (excluding early debt repayment of \$4.9 million). The remaining debt servicing capacity of \$44.4 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 is decreased by \$25.6 million in 2014 to \$1,410.6 million (or \$1.41 billion).

Category	2014 Change \$ (in millions)	Dec. 31, 2014 \$ (in millions)
Land & land improvements	\$ 0.2	\$ 386.5
Park improvements	(1.9)	18.8
Buildings	(6.4)	122.0
Machinery & equipment	(1.1)	10.6
Vehicles	(1.3)	12.9
Airport	(1.0)	29.0
Water	(1.4)	231.3
Sewer	12.2	164.4
Transportation	(10.5)	219.8
Storm drainage	(1.3)	184.0
Dyking, drainage & irrigation	0.6	22.2
Assets under construction	(13.7)	9.1
<b>Total non-financial assets</b>	<b>(\$ 25.6)</b>	<b>\$ 1,410.6</b>



## 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, 2014, records an increase of \$45.4 million (2014 - \$133.2 million vs 2013 - \$87.8 million).

### 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 \$1,363.6 million in 2013, to \$1,342.3 million in 2014. The \$21.3 million decrease was due to amortization expense exceeding the value of new capital investment for the year.

## CONSOLIDATED STATEMENT OF OPERATIONS

On a consolidated basis, the City experienced an annual surplus of \$24.1 million in 2014, up from \$12.2 million in 2013.

Note 13 Accumulated Surplus details the sources of the consolidated annual surplus for 2014:

Category	\$ (in millions)
General operating	\$ 1.6
Waterworks operating	0.3
General operating reserve (due to CWF \$19.4 million)	18.2
Capital Reserves:	
General	8.9
Waterworks	5.3
Sanitary sewer	(0.7)
Airport	3.7
Non-financial assets:	
Tangible capital assets	(9.0)
Inventory & pre-paid expenses	(4.2)
<b>Total annual surplus</b>	<b>\$ 24.1</b>

Supporting exhibits (Exhibits 1 to 5) and schedules (Schedules A to T) explain fund details and comparisons to budget.



### GENERAL OPERATING FUND - SCHEDULE A

This schedule provides the details of revenues and expenses for the City's general operating fund – essentially everything except water, sewer, airport and capital funds. General operating fund shows an increase to the unappropriated surplus of \$1.6 million in 2014 (2013 – \$4.9 million).

The following tables highlight some major variances vs budget for Schedule A.

General Government	\$0.9M	Attrition from vacant positions, savings in liability claims, legal, travel and training expenditures
Other Protective Services	0.5M	Attrition from vacant positions
PRC	0.4M	Savings due to re-organization
Engineering Services	0.8M	Savings in snow removal program, other various reductions
Pre-paid Expense Credit	3.8M	Reduced pre-paid expense related to the Abbotsford Heat Hockey resulted in a credit of \$3.8 million

### WATER OPERATING FUND - SCHEDULE B

The 2014 change in unappropriated surplus is \$0.3 million. The user rates revenue is down \$0.4 million vs budget (\$16.3 million) is primarily due to 'on-time payment' discount being adopted after 2014 budget adoption. The billed water consumption is down about 2.2% compared to 2013.

Reduced expenditures helped to offset the revenue shortfall, resulting in a higher than planned operating surplus. 2014 expenditures are lower than budget by \$0.5 million. This is mainly due to savings in the regional water supply system.

### SEWER OPERATING FUND - SCHEDULE C

Compared to budget, the user rate revenue is up \$0.8 million (budget \$9.9 million). This is mainly due to higher sewer usage in the non-residential category.

Reduced expenditures, mainly in Joint Abbotsford-Mission treatment plant (JAMES), combined with revenue surplus, resulted in a higher than planned transfer to sewer capital reserve (planned - \$0.7 million, transferred - \$2.2 million).

## **AIRPORT OPERATING FUND - SCHEDULE D**

Airport operations realized a better financial result than planned.

Higher than planned annual surplus before amortization (\$0.4 million) and no debt repayment in 2014, allowed the airport to transfer \$1.4 million extra to airport capital reserve (planned - \$0.6 million, transferred – 2.1 million). Planned debt repayment was completed in 2013 after 2014 budget approval.

## **RESERVES - EXHIBIT 4**

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

### **CAPITAL RESERVES**

Total capital reserves increased by \$17.2 million from 2013 (\$79.1 million) to 2014 (\$96.3 million).

### **OPERATING RESERVE**

The operating reserve increased by \$18.3 million in 2014 to \$33.3 million (2013 - \$15.0 million). The increase mainly resulted from reclassifying all funds on hand from the Community Works Funds (CWF) program from a liability to revenue.



# FUTURE OUTLOOK

The 2014 Annual Financial Report for the City of Abbotsford provides an in-depth look at the City's financial performance over the past year. It was a major accomplishment to complete the year with a surplus of \$1.6 million in the general operating fund, particularly given one-time costs associated with to end the agreement between the Abbotsford Heat/Fraser Valley Sports Entertainment Ltd.

The key area of focus for the City was on achieving financial sustainability through continued effort to streamline business processes and prudent fiscal management.

Looking at the road ahead, regional and global economic challenges will continue to have an impact on the City.

Achieving fiscal sustainability, maintaining the City's considerable investment in capital infrastructure and looking for innovative ways to deliver services that residents want and value will be a primary focus in 2015 and beyond.



**Lisa Pleadwell**

**Director of Finance/CFO**

**April 20, 2015**



2014  
**CONSOLIDATED  
FINANCIAL  
STATEMENTS**

# CITY OF ABBOTSFORD AUDITOR'S REPORT



**KPMG LLP**  
**Chartered Accountants**  
32575 Simon Avenue  
Abbotsford BC V2T 4W6  
Canada

Telephone (604) 854-2200  
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## 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, 2014, the consolidated statements of operations, change in net financial assets (debt) and cash flows for the year then ended, 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 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.

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



*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, 2014, 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.

*Other Matters*

Our audit was made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included in Exhibits 1 through 5 and Schedules A through T is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

*KPMG LLP*

Chartered Accountants

April 20, 2015

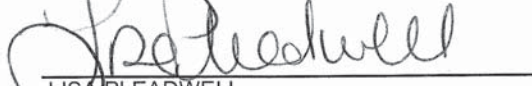
Abbotsford, British Columbia

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2014, with comparative information as at December 31, 2013  
in thousands

	2014	2013
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents (Note 2)	\$ 42,785	\$ 21,701
Accounts receivable (Note 3)	37,220	36,897
Portfolio investments (Note 4)	155,098	144,402
	<u>235,103</u>	<u>203,000</u>
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	58,746	58,811
Restricted revenue (Note 6)	40,847	35,320
Deferred revenue (Note 7)	2,344	21,093
	<u>101,937</u>	<u>115,224</u>
Long-term debt (Note 8)	69,777	78,349
	<u>171,714</u>	<u>193,573</u>
<b>NET FINANCIAL ASSETS / (DEBT)</b>	<u>63,389</u>	<u>9,427</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 10)	1,410,580	1,436,174
Inventories (Note 11)	1,141	1,224
Pre-paid expenses (Note 12)	365	4,531
	<u>1,412,086</u>	<u>1,441,929</u>
<b>ACCUMULATED SURPLUS (Note 13)</b>	<u>\$ 1,475,475</u>	<u>\$ 1,451,356</u>

  
HENRY BRAUN, MAYOR

  
LISA PLEADWELL,  
DIRECTOR OF FINANCE/CFO

See notes to consolidated financial statements.

## CONSOLIDATED STATEMENT OF OPERATIONS

For the Year Ended December 31, 2014, with comparative information for 2013  
in thousands

	2014 Plan (Note 18)	2014 Actual	2013 Actual
<b>REVENUE</b>			
Municipal taxation	\$ 126,671	\$ 125,453	\$ 124,543
Fees and charges	71,298	74,046	74,442
Developer charges earned	10,094	9,914	3,567
Contributed tangible capital assets	-	3,950	4,100
Grants	32,947	29,769	14,289
Investment income	2,939	3,807	4,429
Rent	3,932	4,029	3,818
Other	524	205	105
	248,405	251,173	229,293
<b>EXPENSE</b>			
General government	15,409	15,205	14,083
Planning & development services	4,164	4,065	3,146
Protective services	66,960	69,124	67,713
Parks, recreation, culture & libraries	33,285	48,065	41,203
Transit	10,807	10,650	10,021
Engineering	25,770	41,705	43,361
Dyking, drainage & irrigation	5,674	6,052	3,272
Waterworks	8,278	13,898	15,252
Sanitary sewer	10,443	11,615	11,958
Airport	4,612	6,675	7,081
	185,402	227,054	217,090
<b>ANNUAL SURPLUS</b>	63,003	24,119	12,203
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	1,451,356	1,451,356	1,439,153
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	\$1,514,359	\$1,475,475	\$1,451,356

See notes to consolidated financial statements.



## CONSOLIDATED STATEMENT OF CASH FLOW

For the Year Ended December 31, 2014, with comparative information for 2013  
in thousands

	2014	2013
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ 24,119	\$ 12,203
Non-cash items included in annual surplus:		
Amortization expense	43,488	42,726
Contributed tangible capital assets	(3,950)	(4,100)
Loss on disposal of tangible capital assets	399	859
Recognition of restricted revenue	(13,500)	(11,242)
Changes in non-cash operating items:		
Accounts receivable	(323)	2,778
Inventories	83	(93)
Pre-paid expenses	4,166	(630)
Accounts payable and accrued liabilities	(65)	(7,788)
Deferred revenue	(18,749)	2,579
	<u>35,668</u>	<u>37,292</u>
<b>INVESTING ACTIVITIES</b>		
Increase in portfolio investments	(10,696)	(63,849)
<b>FINANCING ACTIVITIES:</b>		
Collection of and interest on restricted revenue	19,027	18,291
Debt principal repaid	(8,572)	(9,314)
	<u>10,455</u>	<u>8,977</u>
<b>CAPITAL ACTIVITIES:</b>		
Proceeds from disposal of tangible capital assets	976	825
Acquisition of tangible capital assets	(15,319)	(29,966)
	<u>(14,343)</u>	<u>(29,141)</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	21,084	(46,721)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>21,701</u>	<u>68,422</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 42,785</u>	<u>\$ 21,701</u>

See notes to consolidated financial statements.

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

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

	2014 Plan (Note 18)	2014 Actual	2013 Actual
<b>ANNUAL SURPLUS</b>	\$ 63,003	\$ 24,119	\$ 12,203
<b>TANGIBLE CAPITAL ASSETS:</b>			
Acquisition of tangible capital assets	(74,151)	(15,319)	(29,966)
Contributed tangible capital assets	-	(3,950)	(4,100)
Amortization	-	43,488	42,726
Proceeds from disposal of tangible capital assets	-	976	825
Loss on disposal of tangible capital assets	-	399	859
	(74,151)	25,594	10,344
<b>OTHER NON-FINANCIAL ASSETS:</b>			
(Increase)/decrease in inventory	-	83	(93)
(Increase)/decrease in pre-paid expenses	-	4,166	(630)
	-	4,249	(723)
<b>INCREASE/(DECREASE) IN NET FINANCIAL ASSETS</b>	(11,148)	53,962	21,824
<b>NET FINANCIAL DEBT, BEGINNING OF YEAR</b>	9,427	9,427	(12,397)
<b>NET FINANCIAL ASSETS/(DEBT), END OF YEAR</b>	\$ (1,721)	\$ 63,389	\$ 9,427

See notes to consolidated financial statements.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (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 and of Ledgeview Properties Ltd., the City's wholly-owned company. 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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (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 2014 Plan amounts in the financial statements reflect the first year of the five-year financial plan adopted by Council on April 14, 2014, 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, 2014 (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 and detention	50 - 100
	Dyking, drainage and irrigation	20 - 100

Tangible capital assets, including construction-in-progress, are recorded at cost. Amortization on tangible capital assets begins at the point in time the asset is substantially complete and ready for use. Contributed tangible capital assets are recorded at fair value at the date of contribution.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (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 by 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, 2014 (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, tangible capital asset historical costs pre-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) 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 surplus.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

### 2. CASH AND CASH EQUIVALENTS:

	<b>2014</b>	<b>2013</b>
Cash	\$ 33,720	\$ 12,734
MFA short-term money-market investment pools	9,065	8,967
	<u>\$ 42,785</u>	<u>\$ 21,701</u>

### 3. ACCOUNTS RECEIVABLE:

	<b>2014</b>	<b>2013</b>
Fees and charges	\$ 13,696	\$ 16,405
Taxes	7,702	7,666
Grants	486	1,980
Development cost charges	9,165	4,305
Local improvement charges	6,171	6,541
	<u>\$ 37,220</u>	<u>\$ 36,897</u>

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

### 4. PORTFOLIO INVESTMENTS:

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

	2014		2013	
	Cost	Market	Cost	Market
Portfolio investments	\$ 155,098	\$ 155,487	\$ 144,402	\$ 144,537
	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	116,495	29,881	85,215	29,409
Annual yield	1.98 %	2.92 %	1.98 %	4.67 %

### 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES:

	2014	2013
Accounts payable:		
Trade payables	\$ 16,457	\$ 20,249
Deposits	10,219	9,045
Tax prepayments	11,691	11,362
Salaries and wages	5,399	3,455
Due to Cemetery Care Trust Fund	217	177
Accounts payable and accrued liabilities:		
Retirement allowance liability	10,497	9,925
Liability claims	559	887
Vacation pay	1,444	1,145
Landfill restoration liability	1,171	1,272
Long-term payables	1,092	1,294
	<u>\$ 58,746</u>	<u>\$ 58,811</u>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

## 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: CONTINUED

### (a) Retirement Allowance Liability:

The City provides certain earned benefits at retirement, including post-employment service pay, 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 liability is accrued based on a normal retirement age or actual age, whichever is greater. The retirement liability requires no contribution from employees.

In 2014, an independent actuarial valuation of the retirement liability was performed. The actuarial valuation for these benefits was performed to determine the City's benefit obligation as at December 31, 2014. The difference between the actuarially determined benefit obligation of \$10,778,000 and the accrued benefit liability of \$10,497,000 as at December 31, 2014, was an unamortized actuarial loss of \$281,000, (2013 gain - \$393,000) 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, 2015.

	<u>2014</u>	<u>2013</u>
Actuarial benefit obligation	\$ 10,778	\$ 9,532
Unamortized actuarial gain/(loss)	(281)	393
Accrued benefit liability	<u>\$ 10,497</u>	<u>\$ 9,925</u>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

### 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: CONTINUED

#### (a) Retirement Allowance Liability: continued

Accrued benefit liability :

	2014	2013
Balance, beginning of year	\$ 9,925	\$ 9,163
Current service cost	786	912
Interest cost	398	333
Benefits paid	(582)	(544)
Amortization of net actuarial loss/(gain)	(30)	61
Balance, end of year	<u>\$ 10,497</u>	<u>\$ 9,925</u>

Actuarial Assumptions used to determine the benefit obligation:

	2014	2013
Discount rate	3.1 %	4.0 %
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.

The two most recent landfills that were operated and closed to various stages from 1978 to 1989 were the Valley Road Landfill and Trethewey Street Landfill. 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 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

### 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: CONTINUED

#### (b) Landfill Restoration Liability: continued

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 by the end of 2016.

The Valley Road Landfill Closure Plan was largely complete at the end of 2014 and should be finalized in early 2015. 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 2014. This capacity is projected to be fully used by 2025.

The liability of \$1,171,000, at December 31, 2014 (2013 - \$1,272,000), 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 \$734,000 (present value) is estimated to be required for closure activities related to future sediment deposits at the Valley Road site. The total of the current liability and unrecognized closure costs is \$1,905,000.

The discount rate used in 2014 was 3.1% (2013 – 3.5%) and the inflation rate used in 2014 was 2.0% (2013 - 2.0%). Landfill closure costs in 2014 were \$56,008 (2013 - \$56,768). There are no assets designated for settling the post-closure care liability.

	<u>2014</u>	<u>2013</u>
Restoration liability, beginning of year	\$ 1,272	\$ 1,291
Adjustment to liability	(101)	(19)
Restoration liability, end of year	<u>\$ 1,171</u>	<u>\$ 1,272</u>

#### (c) Liability for Contaminated Sites:

The City has determined that as of December 31, 2014, no contamination in excess of an environmental standard exists related to land not in productive use for which the City is responsible.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

### 6. RESTRICTED REVENUE LIABILITY:

	Development cost charges	Development fees	Airport fees	2014 Total	2013 Total
Balance December 31, 2013	\$ 14,896	\$ 19,259	\$ 1,165	\$ 35,320	\$ 28,271
Add:					
Current year contributions	14,323	1,630	2,340	18,293	17,638
Interest	339	351	44	734	653
	<u>29,558</u>	<u>21,240</u>	<u>3,549</u>	<u>54,347</u>	<u>46,562</u>
Deduct amounts recognized as revenue in current year					
Developer charges earned:					
Capital expenditures	8,451	2,672	-	11,123	9,040
Airport fees:					
Eligible airport expenditures	-	-	2,377	2,377	2,202
	<u>8,451</u>	<u>2,672</u>	<u>2,377</u>	<u>13,500</u>	<u>11,242</u>
Balance, December 31, 2014	<u>\$ 21,107</u>	<u>\$ 18,568</u>	<u>\$ 1,172</u>	<u>\$ 40,847</u>	<u>\$ 35,320</u>

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, 2014, the amount of DCCs due over the next two years is \$9,165,425 (2013 - \$4,304,860).

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, 2014 (Tabular amounts are in thousands of dollars)

### 6. RESTRICTED REVENUE LIABILITY: CONTINUED

#### (a) Development Cost Charges (DCC) continued

	<u>2014</u>	<u>2013</u>
Development cost charges:		
Storm drainage	\$ 11,278	\$ 10,892
Parks	6,031	3,342
Waterworks - supply	2,558	211
Sanitary sewer - collection	1,240	451
	<u>\$ 21,107</u>	<u>\$ 14,896</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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

### 7. DEFERRED REVENUE:

	December 31, 2013	Externally restricted inflows	Revenue earned	December 31, 2014
Fees and charges	\$ 4,015	\$ 6,398	\$ (8,798)	\$ 1,615
Grants:				
Community Works Funds	14,694	-	(14,694)	-
Other	1,663	3,126	(4,512)	277
UFV library lease	721	-	(269)	452
	<u>\$ 21,093</u>	<u>\$ 9,524</u>	<u>\$ (28,273)</u>	<u>\$ 2,344</u>

Community Works Funds (CWF) are transfers of gas taxes from the federal government to local governments in British Columbia, via the Union of British Columbia Municipalities (UBCM). The program was renewed on April 1, 2014 for a five year term. The renewed agreement significantly expanded the range of projects eligible for funding and these new criteria were applied retroactively to all funds received prior to April 1 but unspent as of that date. The widened scope of eligibility effectively means that the City is not likely to ever have to return funds to the UBCM; any project funding deemed ineligible would simply be reallocated to eligible projects. As a result, all funds on hand have now been reclassified from a liability to revenue.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

### 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 are listed below:

	<b>General</b>	<b>Waterworks - supply</b>	<b>Sanitary sewer - treatment</b>	<b>Total</b>
2015	\$ 3,005	\$ 157	\$ 51	\$ 3,213
2016	3,125	165	53	3,343
2017	3,250	173	56	3,479
2018	3,380	182	58	3,620
2019	3,515	191	61	3,767
2020 and thereafter	51,810	413	132	52,355
	<u>\$ 68,085</u>	<u>\$ 1,281</u>	<u>\$ 411</u>	<u>\$ 69,777</u>

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 \$3,833,400 in 2014 (2013 - \$4,260,000).

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (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 will subsequently be funded through the roads DCC program as DCC contributions are 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. Internal financing has also been utilized for projects in the waterworks distribution DCC program, to account for timing differences between DCC funds collected and actual expenditures.

In 2013, internal financing was used for projects in the sanitary sewer (treatment plant) DCC program, in order to take advantage of significant grant funds.

	<u>2014</u>	<u>2013</u>
Roads DCC	\$ 15,163	\$ 21,574
Waterworks DCC - distribution	-	149
Sanitary sewer DCC - treatment plant	1,878	2,838
	<u>\$ 17,041</u>	<u>\$ 24,561</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

### 10. TANGIBLE CAPITAL ASSETS:

Tangible Capital Assets consist of the following:

	<u>2014</u>	<u>2013</u>
General		
Land	379,569	378,906
Land improvements	7,079	7,490
Park improvements	18,771	20,668
Buildings	122,004	128,431
Machinery & equipment	10,642	11,722
Vehicles	12,859	14,198
Infrastructure		
Airport	29,037	30,080
Waterworks	231,253	232,623
Sanitary sewer	164,352	152,163
Transportation	219,775	230,241
Storm drainage and detention	183,951	185,300
Dyking, drainage & irrigation	22,164	21,567
Assets under construction	9,124	22,785
	<u>\$ 1,410,580</u>	<u>\$ 1,436,174</u>

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

The value of contributed capital assets received and recognized in the year from developers, for various infrastructure works and related land and parks is \$3,950,000 (2013 – \$4,100,000).

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, 2014 (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 Tradex inventory represents the base operating items transferred from BC Pavilion Corporation (PavCo) to the City in 2004. The following table represents the inventory values:

	<b>2014</b>	<b>2013</b>
Stock	\$ 378	\$ 400
Fuel	50	42
Gravel	607	676
Tradex	106	106
	<u>\$ 1,141</u>	<u>\$ 1,224</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. With the termination of the Abbotsford Heat agreement, Abbotsford Centre hockey supply pre-paid expenses have been eliminated.

	<b>2014</b>	<b>2013</b>
General	\$ 365	\$ 708
Abbotsford Centre	-	3,823
	<u>\$ 365</u>	<u>\$ 4,531</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

### 13. ACCUMULATED SURPLUS:

	<u>2014</u>	<u>2013</u>
Unappropriated Balance		
General operations	\$ 14,779	\$ 13,178
Waterworks operations	2,232	1,900
Sanitary sewer operations	4,002	4,002
Airport operations	1,176	1,176
	<u>22,189</u>	<u>20,256</u>
Appropriated Surplus		
General operations reserve	33,260	14,986
Statutory capital reserves	96,301	79,111
	<u>129,561</u>	<u>94,097</u>
Investment in tangible capital assets	1,322,219	1,331,248
Investment in other non-financial assets	1,506	5,755
	<u>1,323,725</u>	<u>1,337,003</u>
Total Accumulated Surplus	<u>\$1,475,475</u>	<u>\$1,451,356</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, 2014 (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:

	<u>2014</u>	<u>2013</u>
Interest paid	\$ 3,972	\$ 4,519
Interest received	\$ 3,813	\$ 3,378

## 15. EXPENSE BY OBJECT:

	<u>2014</u>	<u>2013</u>
Salaries and benefits	\$ 95,987	\$ 91,551
Operating goods and services	59,024	53,340
Minor capital projects	10,105	10,927
Amortization	43,488	42,726
Loss/(gain) on disposal of tangible capital assets	399	859
Transfer payments to other governments and agencies	14,218	13,427
Long-term debt interest	3,833	4,260
Total expense by object	<u>\$ 227,054</u>	<u>\$ 217,090</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 2014 the City reports a liability of \$559,155 (2013 – \$887,006) which, at this time, is management's best estimate of expected future settlements.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

## 16. CONTINGENT LIABILITIES: continued

### (c) Municipal Pension Plan:

The municipality and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The board of trustees, representing Plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 182,000 active members and approximately 75,000 retired members. Active members include approximately 900 contributors from the City of Abbotsford.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1,370,000,000 funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015, with results available in 2016. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution 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 City of Abbotsford paid \$8,300,806 (2013 - \$7,296,724) for employer contributions while employees contributed \$6,726,651 (2013 - \$5,995,379) to the plan in fiscal 2014.

### (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 the Debt Reserve Fund which is established by a similar Debt Reserve Fund in the municipality and all other borrowing participants. If the Debt Reserve Fund is deficient, the Authority's obligations become a liability of the Regional District and may become a liability of the participating municipalities.

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

The City has a cash receivable with the Authority, from the one percent paid to the Debt Reserve Fund, totaling \$1,157,771 (2013 - \$1,312,379). The balance of the City's portion of the Debt Reserve Fund totals \$2,565,801 (2013 - \$2,964,107), for which the City has also executed demand notes in connection with each debenture totaling \$2,565,801 (2013 - \$2,964,107), whereby the City may be required to loan extra amounts to the Authority.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

### 16. CONTINGENT LIABILITIES: continued

**(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.

### 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:

	<b>Extent of Contracts</b>	<b>Estimated Remaining Expenditure</b>
Airport services	\$ 322	\$ 78
Planning & development services	312	204
Road construction	341	189
Sanitary sewer construction	2,251	316
Waterworks construction	3,751	2,675
	<b>\$ 6,977</b>	<b>\$ 3,462</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

### 18. 2014 PLAN:

The budget data presented in these consolidated financial statements was included in the City of Abbotsford 2014-2018 Financial Plan, adopted through Bylaw No. 2316-2014 on April 14, 2014. The following table reconciles the approved budget to the budget figures in these consolidated financial statements:

	<u>2014</u>
Revenues:	
Consolidated budget	\$ 253,490
Expenses:	
Consolidated budget	<u>171,427</u>
Annual surplus per approved budget	82,063
Less:	
Minor capital expenses	(16,070)
Collections for other governments	<u>(2,990)</u>
Annual surplus per Statement of Operations	<u><u>\$ 63,003</u></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, 2014, the trust fund balance is \$3,462,549 (2013 - \$3,371,653).

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (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 and support services
- Legal services
- Strategic planning, corporate communications & marketing
- Human resources
- Financial services
- Business & technology solutions
- Purchasing & supply services
- Risk management
- Economic development

### Police Protection

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

### Fire Rescue Service & Other Protective Services

- Emergency incident response
- Firefighter training
- Fire inspections and investigations
- Fire safety programs
- Medical assistance
- Animal control
- Search and rescue
- Restorative justice
- Building inspections
- Bylaw enforcement

### Parks, Recreation & Culture

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

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

## 20. CITY SERVICES FINANCIAL INFORMATION: continued

### Engineering

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

### Solid Waste

Collection and disposal  
Composting and recycling  
Environmental education

### Dyking & Irrigation

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

### Sanitary Sewer

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

### Planning & Development Services

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

### Transit

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

### Drainage

Urban storm drainage infrastructure and water  
management  
Rural storm drainage infrastructure and water  
management

### Waterworks

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

### Airport

National and international flights  
Passenger and cargo services

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

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

	2014 Plan	2014 Actual	2013 Actual
REVENUE			
GENERAL OPERATING FUND			
General government services	\$ 82,372	\$ 102,417	\$ 83,752
Planning & development services	1,606	1,898	2,166
Police services	47,696	47,203	47,184
Fire rescue services	200	251	222
Other protective services	3,727	3,609	4,710
Parks, recreation & culture services	6,704	6,548	6,794
Abbotsford Centre	3,721	4,718	3,701
Library services	4,287	4,287	4,125
Transit services	7,222	7,112	6,915
Engineering services	2,775	3,118	2,886
Solid waste services	7,537	7,381	7,050
Storm drainage services	3,551	3,553	3,559
Dyking, drainage and irrigation services	2,113	2,109	2,106
	173,511	194,204	175,170
WATERWORKS	16,889	16,699	16,786
SANITARY SEWER	11,510	12,636	11,278
AIRPORT	6,105	6,144	6,472
CAPITAL FUNDS	39,198	19,377	17,781
RESERVE FUNDS	1,581	2,358	2,095
	248,794	251,418	229,582
CONSOLIDATION ADJUSTMENTS	(389)	(245)	(289)
	248,405	251,173	229,293

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

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

	2014 Plan	2014 Actual	2013 Actual
EXPENSES			
GENERAL OPERATING FUND			
General government services	14,639	14,862	13,738
Planning & development services	4,164	4,065	3,146
Police services	47,151	48,431	48,166
Fire rescue services	15,496	16,840	15,401
Other protective services	3,793	3,291	4,011
Parks, recreation & culture services	19,962	24,036	24,094
Abbotsford Centre	8,820	19,234	12,620
Library services	3,987	4,187	4,030
Transit services	10,807	10,650	10,021
Engineering services	9,757	24,210	23,877
Solid waste services	7,155	7,259	6,767
Storm drainage services	2,203	5,283	5,136
Dyking, drainage and irrigation services	2,635	3,263	3,208
	150,569	185,611	174,215
WATERWORKS	7,794	13,703	14,398
SANITARY SEWER	6,879	11,293	10,922
AIRPORT	4,479	6,588	6,917
CAPITAL FUNDS	16,070	10,104	10,927
	185,791	227,299	217,379
CONSOLIDATION ADJUSTMENTS	(389)	(245)	(289)
	185,402	227,054	217,090
ANNUAL SURPLUS	\$ 63,003	\$ 24,119	\$ 12,203

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

### 22. REVENUES & EXPENSES BY FUNCTION LESS AMORTIZATION:

For the 2014 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.

	<b>2014 Plan</b>	<b>2014 Actual (less Amortization)</b>	<b>2013 Actual (less Amortization)</b>
REVENUE			
GENERAL OPERATING FUND			
General government services	\$ 82,372	\$ 102,417	\$ 83,752
Planning & development services	1,606	1,898	2,166
Police services	47,696	47,203	47,184
Fire rescue services	200	251	222
Other protective services	3,727	3,609	4,710
Parks, recreation & culture services	6,704	6,548	6,794
Entertainment and Sports Centre	3,721	4,718	3,701
Library services	4,287	4,287	4,125
Transit services	7,222	7,112	6,915
Engineering services	2,775	3,118	2,886
Solid waste services	7,537	7,381	7,050
Storm drainage services	3,551	3,553	3,559
Dyking, drainage and irrigation services	2,113	2,109	2,106
	<u>173,511</u>	<u>194,204</u>	<u>175,170</u>
WATERWORKS	16,889	16,699	16,786
SANITARY SEWER	11,510	12,636	11,278
AIRPORT	6,105	6,144	6,472
CAPITAL FUNDS	39,198	19,377	17,781
RESERVE FUNDS	1,581	2,358	2,095
	<u>248,794</u>	<u>251,418</u>	<u>229,582</u>
CONSOLIDATION ADJUSTMENTS	(389)	(245)	(289)
	<u>248,405</u>	<u>251,173</u>	<u>229,293</u>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2014 (Tabular amounts are in thousands of dollars)

### 22. REVENUES & EXPENSES BY FUNCTION LESS AMORTIZATION: continued

	2014 Plan	2014 Actual (less Amortization)	2013 Actual (less Amortization)
EXPENSES			
GENERAL OPERATING FUND			
General government services	14,639	13,761	13,141
Planning & development services	4,164	4,065	3,146
Police services	47,151	47,517	47,311
Fire rescue services	15,496	15,825	14,425
Other protective services	3,793	3,290	4,011
Parks, recreation & culture services	19,962	19,577	19,623
Entertainment and Sports Centre	8,820	16,445	9,831
Library services	3,987	3,982	3,825
Transit services	10,807	10,617	9,987
Engineering services	9,757	8,997	8,412
Solid waste services	7,155	7,204	6,682
Storm drainage services	2,203	1,818	1,553
Dyking, drainage and irrigation services	2,635	2,548	2,557
	150,569	155,646	144,504
WATERWORKS	7,794	7,245	7,685
SANITARY SEWER	6,879	6,345	6,299
AIRPORT	4,479	4,072	4,379
CAPITAL FUNDS	16,070	10,104	10,927
AMORTIZATION	-	43,488	42,726
LOSS/(GAIN) ON DISPOSAL OF TANGIBLE CAPITAL ASSETS	-	399	859
	185,791	227,299	217,379
CONSOLIDATION ADJUSTMENTS	(389)	(245)	(289)
	185,402	227,054	217,090
ANNUAL SURPLUS	\$ 63,003	\$ 24,119	\$ 12,203

## STATEMENT OF FINANCIAL POSITION - BY FUND

As at December 31, 2014, with comparative information as at December 31, 2013

in thousands

Exhibit 1

	Operating Funds				Reserve Funds
	General	Waterworks	Sanitary Sewer	Airport	
<b>FINANCIAL ASSETS</b>					
Cash and cash equivalents	\$ 42,785	\$ -	\$ -	\$ -	\$ -
Due from other funds	1,115	-	4,855	1,976	129,561
Internal borrowing	17,041	-	-	-	-
Accounts receivable	29,984	5,098	1,541	597	-
Portfolio investments	155,098	-	-	-	-
	<u>246,023</u>	<u>5,098</u>	<u>6,396</u>	<u>2,573</u>	<u>129,561</u>
<b>FINANCIAL LIABILITIES</b>					
Accounts payable and accrued liabilities	58,069	214	327	136	-
Due to other funds	136,412	3	-	-	-
Restricted revenue	34,960	2,649	2,066	1,172	-
Deferred revenue	1,803	-	-	89	-
	<u>231,244</u>	<u>2,866</u>	<u>2,393</u>	<u>1,397</u>	<u>-</u>
Long-term debt	-	-	-	-	-
Internal financing	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>231,244</u>	<u>2,866</u>	<u>2,393</u>	<u>1,397</u>	<u>-</u>
<b>NET FINANCIAL ASSETS</b>	<u>14,779</u>	<u>2,232</u>	<u>4,002</u>	<u>1,176</u>	<u>129,561</u>
<b>NON-FINANCIAL ASSETS</b>					
Tangible capital assets	-	-	-	-	-
Inventories	1,141	-	-	-	-
Pre-paid expenses	365	-	-	-	-
	<u>1,506</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 16,285</u>	<u>\$ 2,232</u>	<u>\$ 4,002</u>	<u>\$ 1,176</u>	<u>\$ 129,561</u>

See notes to consolidated financial statements.

## STATEMENT OF FINANCIAL POSITION - BY FUND

As at December 31, 2014, with comparative information as at December 31, 2013

in thousands

Exhibit 1 - Continued

Capital Funds					Consolidation Adjustments	Total 2014	Total 2013
General	Waterworks	Sanitary Sewer	Airport				
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	42,785	\$ 21,701
(1,092)	-	-	-	-	(136,415)	-	-
-	-	-	-	-	(17,041)	-	-
-	-	-	-	-	-	37,220	36,897
-	-	-	-	-	-	155,098	144,402
(1,092)	-	-	-	-	(153,456)	235,103	203,000
-	-	-	-	-	-	58,746	58,811
-	-	-	-	-	(136,415)	-	-
-	-	-	-	-	-	40,847	35,320
452	-	-	-	-	-	2,344	21,093
452	-	-	-	-	(136,415)	101,937	115,224
68,085	1,281	411	-	-	-	69,777	78,349
15,163	-	1,878	-	-	(17,041)	-	-
83,248	1,281	2,289	-	-	(17,041)	69,777	78,349
83,700	1,281	2,289	-	-	(153,456)	171,714	193,573
(84,792)	(1,281)	(2,289)	-	-	-	63,389	9,427
929,631	234,056	175,326	71,567	-	-	1,410,580	1,436,174
-	-	-	-	-	-	1,141	1,224
-	-	-	-	-	-	365	4,531
929,631	234,056	175,326	71,567	-	-	1,412,086	1,441,929
\$ 844,839	\$ 232,775	\$ 173,037	\$ 71,567	\$ -	\$ -	\$ 1,475,475	\$ 1,451,356

See notes to consolidated financial statements.

# STATEMENT OF FINANCIAL ACTIVITIES - BY FUND

For the year ended December 31, 2014, with comparative information for 2013  
in thousands  
Exhibit 2

	Operating Funds				Reserve
	General	Waterworks	San Sewer	Airport	Funds
	Schedule A	Schedule B	Schedule C	Schedule D	Schedule S
<b>REVENUE</b>					
Municipal taxation	\$ 125,453	\$ -	\$ -	\$ -	\$ -
Fees and charges	38,346	16,638	12,457	4,051	-
Developer charges earned	-	-	-	-	-
Contributed tangible capital assets	-	-	-	-	-
Grants	26,988	-	-	-	-
Investment income	1,441	27	179	75	2,330
Rent	1,977	34	-	2,018	-
Other sources	-	-	-	-	28
Contributions (to)/from other funds	-	-	-	-	-
	<u>194,205</u>	<u>16,699</u>	<u>12,636</u>	<u>6,144</u>	<u>2,358</u>
<b>EXPENSE</b>					
General government services	13,761	-	-	-	-
Planning & development services	4,065	-	-	-	-
Protective services	66,632	-	-	-	-
Parks, recreation, culture, libraries	40,004	-	-	-	-
Transit services	10,617	-	-	-	-
Engineering services	18,019	-	-	-	-
Dyking, drainage and irrigation services	2,548	-	-	-	-
Waterworks services	-	7,246	-	-	-
Sanitary sewer services	-	-	6,345	-	-
Airport services	-	-	-	4,072	-
Amortization	29,831	6,105	4,935	2,617	-
Loss/(gain) on disposal of TCA	134	353	13	(101)	-
	<u>185,611</u>	<u>13,704</u>	<u>11,293</u>	<u>6,588</u>	<u>-</u>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>8,594</u>	<u>2,995</u>	<u>1,343</u>	<u>(444)</u>	<u>2,358</u>
<b>RECONCILE TO BUDGET BASIS SURPLUS/(DEFICIT)</b>					
Operating reserve	(17,940)	-	-	-	17,940
General capital reserve	(20,016)	-	-	-	8,072
Storm drainage capital reserve	(842)	-	-	-	(32)
Waterworks capital reserve	-	(7,563)	-	-	4,900
Sanitary sewer capital reserve	-	-	(2,168)	-	(1,340)
Airport capital reserve	-	-	-	(2,294)	3,568
Eliminate amortization and loss/gain	22,625	6,459	4,949	2,739	-
Internal borrowing (from general fund)	8,090	-	-	-	-
	<u>(8,083)</u>	<u>(1,104)</u>	<u>2,781</u>	<u>445</u>	<u>33,108</u>
Debt principal repayments	(3,158)	(1,559)	(4,124)	-	-
<b>CHANGE IN INVENTORY/PRE-PAID EXPENSES</b>	<u>(4,248)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>1,601</u>	<u>332</u>	<u>-</u>	<u>-</u>	<u>35,466</u>
<b>SURPLUS, BEGINNING OF YEAR</b>	<u>18,933</u>	<u>1,900</u>	<u>4,002</u>	<u>1,176</u>	<u>94,097</u>
<b>SURPLUS, END OF YEAR</b>	<u>\$ 16,285</u>	<u>\$ 2,232</u>	<u>\$ 4,002</u>	<u>\$ 1,176</u>	<u>\$ 129,561</u>

See notes to consolidated financial statements.

## STATEMENT OF FINANCIAL ACTIVITIES - BY FUND

For the year ended December 31, 2014, with comparative information for 2013

in thousands

Exhibit 2 - Continued

Capital Funds							
General	Waterworks	San Sewer	Airport		Consolidation	Total	Total
Schedule R	Schedule R	Schedule R	Schedule R	SUBTOTAL	Adjustments	2014	2013
\$ -	\$ -	\$ -	\$ -	\$ 125,453	\$ -	\$ 125,453	\$ 124,543
147	31	-	2,376	74,046	-	74,046	74,442
6,966	489	2,459	-	9,914	-	9,914	3,567
2,512	1,193	245	-	3,950	-	3,950	4,100
2,781	-	-	-	29,769	-	29,769	14,289
-	-	-	-	4,052	(245)	3,807	4,429
-	-	-	-	4,029	-	4,029	3,818
137	3	37	-	205	-	205	105
1,462	-	-	(1,462)	-	-	-	-
14,005	1,716	2,741	914	251,418	(245)	251,173	229,293
341	-	-	-	14,101	-	14,101	13,487
-	-	-	-	4,065	-	4,065	3,146
563	-	-	-	67,195	-	67,195	65,881
609	-	-	-	40,613	-	40,613	33,739
-	-	-	-	10,617	-	10,617	9,987
5,121	-	-	-	23,140	(168)	22,972	24,227
2,788	-	-	-	5,336	-	5,336	2,621
-	199	-	-	7,445	(3)	7,442	8,539
-	-	396	-	6,741	(74)	6,667	7,334
-	-	-	87	4,159	-	4,159	4,543
-	-	-	-	43,488	-	43,488	42,727
-	-	-	-	399	-	399	859
9,422	199	396	87	227,299	(245)	227,054	217,090
4,583	1,517	2,345	827	24,119	-	24,119	12,203
-	-	-	-	-	-	-	-
12,027	(75)	(8)	-	-	-	-	-
874	-	-	-	-	-	-	-
-	2,664	-	-	-	-	-	-
-	-	3,508	-	-	-	-	-
-	-	-	(1,274)	-	-	-	-
(24,304)	(6,309)	(3,989)	(2,740)	(570)	-	(570)	(637)
(6,411)	(149)	(960)	-	570	-	570	637
(17,814)	(3,869)	(1,449)	(4,014)	-	-	-	-
3,158	1,559	4,124	-	-	-	-	-
-	-	-	-	(4,248)	-	(4,248)	723
(10,073)	(793)	5,020	(3,187)	24,119	-	24,119	12,203
854,911	233,566	168,016	74,754	1,451,356	-	1,451,356	1,439,153
\$ 844,839	\$ 232,775	\$ 173,037	\$ 71,567	\$ 1,475,475	\$ -	\$ 1,475,475	\$ 1,451,356

See notes to consolidated financial statements.

## SCHEDULE OF TANGIBLE CAPITAL ASSETS

As at December 31, 2014, with comparative information for 2013

in thousands

Exhibit 3

	Cost						
	Opening Balance	Add			Less		Closing Balance
		Additions	Transfer from asset class	Disposals	Transfer to asset class	Closing Balance	
<b>General</b>							
Land	\$ 378,906	\$ 1,240	\$ -	\$ (577)	\$ -	\$ 379,569	
Land improvements	15,392	2	(7)	-	-	15,387	
Park improvements	54,637	6	(342)	(195)	-	54,106	
Buildings	222,744	840	(42)	(671)	-	222,871	
Machinery & equipment	31,179	1,027	424	(147)	-	32,483	
Vehicles	29,601	623	426	(1,147)	-	29,503	
<b>Infrastructure</b>							
Airport	37,141	-	-	-	-	37,141	
Waterworks	317,346	2,636	2,400	(2,061)	-	320,321	
Sanitary sewer	234,293	2,709	14,345	(265)	-	251,082	
Transportation	518,501	2,578	545	(202)	-	521,422	
Storm drainage	253,102	1,873	333	(5)	-	255,303	
Dyking, drainage, & irrigation	49,941	306	1,006	(4)	-	51,249	
<b>Assets under construction</b>	<b>22,785</b>	<b>5,427</b>	<b>-</b>	<b>-</b>	<b>(19,088)</b>	<b>9,124</b>	
	<b>\$2,165,568</b>	<b>\$ 19,267</b>	<b>\$ 19,088</b>	<b>\$ (5,274)</b>	<b>\$ (19,088)</b>	<b>\$2,179,561</b>	

See notes to consolidated financial statements.

## SCHEDULE OF TANGIBLE CAPITAL ASSETS

As at December 31, 2014, with comparative information for 2013

in thousands

Exhibit 3 - Continued

Opening Balance	Accumulated Amortization		Closing Balance	Net Book Value Dec 31, 2014	Net Book Value Dec 31, 2013
	Add Amortization	Less Accumulated Amortization on Disposals			
\$ -	\$ -	\$ -	\$ -	379,569	\$ 378,906
7,902	406	-	(8,308)	7,079	7,490
33,969	1,464	(98)	(35,335)	18,771	20,668
94,313	7,078	(523)	(100,868)	122,003	128,431
19,456	2,513	(128)	(21,841)	10,642	11,722
15,403	2,276	(1,035)	(16,644)	12,859	14,198
7,061	1,043	-	(8,104)	29,037	30,080
84,723	6,051	(1,707)	(89,067)	231,253	232,623
82,129	4,852	(251)	(86,730)	164,352	152,163
288,259	13,539	(151)	(301,647)	219,775	230,241
67,802	3,551	-	(71,353)	183,951	185,300
28,373	715	(4)	(29,084)	22,165	21,567
-	-	-	-	9,124	22,785
<u>\$ 729,390</u>	<u>\$ 43,488</u>	<u>\$ (3,897)</u>	<u>\$ (768,981)</u>	<u>\$ 1,410,580</u>	<u>\$ 1,436,174</u>

See notes to consolidated financial statements.



## APPROPRIATED SURPLUS (RESERVES) CONTINUITY SCHEDULE

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

Exhibit 4

	Balance December 31, 2013	(To)/From Operating Fund	(To)/From Other Funds	Other Contributions	Interest Earned	Balance December 31, 2014
<b>STATUTORY CAPITAL RESERVES</b>						
General	\$ 18,664	\$ 19,947	\$ (11,948)	\$ 27	\$ 553	\$ 27,243
Storm drainage	12,584	915	(874)	-	293	12,918
Waterworks	13,279	7,564	(2,664)	-	368	18,547
Sanitary sewer	29,319	2,169	(3,508)	-	651	28,631
Airport	5,021	2,290	1,275	1	123	8,710
Affordable housing	246	-	-	-	6	252
	<u>79,111</u>	<u>32,885</u>	<u>(17,719)</u>	<u>28</u>	<u>1,994</u>	<u>96,301</u>
<b>GENERAL OPERATING RESERVE</b>						
<b>Planned Transfers</b>						
New facility operations	2,190	-	-	-	54	2,244
Water system contingency	-	-	700	-	17	717
Insurance	2,901	-	(700)	-	65	2,266
Tradex operating reserve	703	95	-	-	17	815
Election	269	(269)	-	-	-	-
Community Works Fund	-	19,456	-	-	-	19,456
Sister city	54	10	-	-	2	66
Climate action	701	186	(4)	-	16	899
Community projects	397	-	-	-	10	407
	<u>7,215</u>	<u>19,478</u>	<u>(4)</u>	<u>-</u>	<u>181</u>	<u>26,870</u>
<b>Operating Surplus Transfers</b>						
Police	1,106	(373)	-	-	18	751
Winter operations	1,100	-	-	-	26	1,126
Storm drainage	1,650	405	-	-	52	2,107
Sumas Prairie DDI	80	33	-	-	3	116
Matsqui Prairie DDI	69	24	-	-	3	96
Solid waste	575	-	-	-	14	589
	<u>4,580</u>	<u>89</u>	<u>-</u>	<u>-</u>	<u>116</u>	<u>4,785</u>
<b>Other Transfers</b>						
Economic Dev Commission startup	40	-	-	-	1	41
General government	1,104	(913)	-	-	4	195
Communications	10	-	-	-	-	10
Human resources	63	-	-	-	2	65
LT financial plan/Core services review	237	-	-	-	7	244
Traffic fine revenue	977	(797)	-	-	5	185
Rate stabilization	512	-	-	-	12	524
Planning - Watercourse mapping	-	37	-	-	1	38
Park & recreation	68	(53)	-	-	-	15
Arbitrated settlements	179	-	-	-	5	184
BTS/Finance - Amanda upgrade	-	101	-	-	3	104
	<u>3,190</u>	<u>(1,625)</u>	<u>-</u>	<u>-</u>	<u>40</u>	<u>1,605</u>
	<u>14,986</u>	<u>17,942</u>	<u>(4)</u>	<u>-</u>	<u>337</u>	<u>33,260</u>
<b>Total</b>	<u>\$ 94,097</u>	<u>\$ 50,827</u>	<u>\$ (17,723)</u>	<u>\$ 28</u>	<u>\$ 2,331</u>	<u>\$ 129,561</u>

See notes to consolidated financial statements.

## DEBT OUTSTANDING AND DEBT SERVICING BY FUND & FUNCTION

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

Exhibit 5

	Bylaw Number	MFA Issue Number	Year of Maturity	Interest Rate (%)	Debt Outstanding December 31 2013	2014 Debt Servicing			Debt Outstanding December 31 2014	
						Principal	Interest	Total		
<b>GENERAL FUND</b>										
<b>Parks, recreation and culture</b>										
	Abbotsford Centre	1586	102/103	2032	5.00	\$ 47,044	\$ 1,639	\$ 2,407	\$ 4,046	\$ 45,405
	Cultural Centre	1587	102/103	2027	5.00	7,976	417	413	830	7,559
	Community Centre	1588	102/103	2027	5.00	15,954	833	825	1,658	15,121
						<u>70,974</u>	<u>2,889</u>	<u>3,645</u>	<u>6,534</u>	<u>68,085</u>
<b>SANITARY SEWER FUND</b>										
<b>Sanitary sewer - treatment plant</b>										
	558-533	63	2016	3.00	263	263	15	278	-	
	326-125	71	2019	3.15	272	272	3	275	-	
	326-164	71	2019	3.15	1,307	1,307	13	1,320	-	
	326-533	71	2019	3.15	898	898	9	907	-	
	455	75	2021	3.05	459	48	6	54	411	
	655-325	85	2024	4.98	1,336	1,336	61	1,397	-	
					<u>4,535</u>	<u>4,124</u>	<u>107</u>	<u>4,231</u>	<u>411</u>	
<b>WATERWORKS FUND</b>										
<b>Waterworks - supply</b>										
	454	75	2021	3.05	1,431	150	17	167	1,281	
	655-393	85	2024	4.98	1,409	1,409	64	1,473	-	
					<u>2,840</u>	<u>1,559</u>	<u>81</u>	<u>1,640</u>	<u>1,281</u>	
	<b>Total Long-term Debt</b>				<u>\$ 78,349</u>	<u>\$ 8,572</u>	<u>\$ 3,833</u>	<u>\$12,405</u>	<u>\$ 69,777</u>	

See notes to consolidated financial statements.

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

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

Schedule A

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Municipal taxation:			
General	\$ 72,492	\$ 72,654	\$ 72,687
Police	42,358	42,358	41,663
Library	4,287	4,287	4,125
Dyking, drainage & irrigation	1,952	1,963	1,964
Utility tax	1,762	1,823	1,762
Business improvement assessment	237	254	237
Hotel tax	250	240	254
Grants in lieu of taxes:			
Federal government	1,073	1,006	1,034
Provincial governments and agencies	859	869	859
Fees and charges:			
Transit	2,615	2,553	2,631
Police	3,159	3,446	4,136
User rates	7,537	7,381	7,050
Storm drainage	3,551	3,553	3,559
Parks, recreation and culture	6,684	6,538	6,654
Abbotsford Centre	2,721	3,830	2,886
Other	3,493	4,302	5,018
Licenses and permits:			
Building permits	1,532	1,680	1,927
Soil removal fees	2,340	2,304	2,243
Business licences	940	921	921
Dog licences	250	197	232
Municipal licence plates	35	40	39
Secondary suite fees	1,226	1,230	1,214
Other licences and permits	400	372	419
Rental:			
Police	33	41	41
Other	1,810	1,933	1,682
Investment income	1,600	1,411	1,700
Municipal Finance Authority refunds	36	30	773
Grants:			
Transit	4,607	4,560	4,285
Police	2,146	1,353	1,340
Other	1,526	21,076	1,835
	173,511	194,205	175,170

See notes to consolidated financial statements.

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

For the Year Ended December 31, 2014, with comparative information for 2013  
in thousands

Schedule A - Continued

	2014 Plan	2014 Actual	2013 Actual
<b>EXPENSE</b>			
General government services (Schedule E)	14,639	13,761	13,139
Planning & development services (Schedule F)	4,164	4,065	3,146
Protective services			
Police services (Schedule G)	47,151	47,517	47,311
Fire rescue services (Schedule H)	15,496	15,825	14,425
Other protective services (Schedule I)	3,793	3,290	4,011
Parks, recreation & culture services (Schedule J)	19,961	19,577	19,623
Abbotsford Centre (Schedule K)	8,820	16,445	9,831
Library services (Schedule L)	3,987	3,982	3,825
Transit services (Schedule M)	10,807	10,617	9,987
Engineering services (Schedule N)	9,756	8,997	8,412
Solid waste services (Schedule O)	7,155	7,204	6,682
Storm drainage services (Schedule P)	2,203	1,818	1,553
Dyking, drainage and irrigation services			
Matsqui Prairie (Schedule Q)	1,022	959	1,001
Sumas Prairie (Schedule Q)	1,614	1,589	1,556
	<u>150,568</u>	<u>155,646</u>	<u>144,502</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>	22,943	38,559	30,668
Amortization (All Schedules)	-	29,831	29,685
Loss/(gain) on disposal of tangible capital assets (All Schedules)	-	134	28
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>22,943</u>	<u>8,594</u>	<u>955</u>
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Transfer to general capital reserve (asset sales)	-	(750)	(825)
Transfer to general capital reserve	(19,312)	(19,265)	(20,194)
Storm drainage capital reserve	(842)	(842)	(818)
Transfer to operating reserve	(280)	(20,346)	(2,818)
Transfer from operating reserve	668	2,406	2,197
Debt principal repayments	(3,177)	(3,158)	(3,419)
Inventory and pre-paid expenses	-	4,248	(723)
Eliminate amortization and loss/gain	-	30,714	30,539
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<u>\$ -</u>	<u>\$ 1,601</u>	<u>\$ 4,894</u>

See notes to consolidated financial statements.

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

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

Schedule B

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Fees and charges:			
User rates	\$ 16,300	\$ 15,938	\$ 16,163
Other fees and charges	554	700	564
Rent	35	34	22
Municipal Finance Authority refunds	-	27	37
	<u>16,889</u>	<u>16,699</u>	<u>16,786</u>
<b>EXPENSE</b>			
Abbotsford-Mission supply and transmission	2,931	2,476	2,857
Administration	2,363	2,016	2,158
Local supply and distribution	1,572	1,834	1,635
Meters	488	384	378
Hydrants	247	268	223
Maintenance	100	183	128
Long-term debt interest	88	82	282
Internal borrowing interest	5	3	25
	<u>7,794</u>	<u>7,246</u>	<u>7,686</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>	9,095	9,453	9,100
Amortization	-	6,105	5,965
Loss/(gain) on disposal of tangible capital assets	-	353	747
<b>ANNUAL SURPLUS/(DEFICIT)</b>	9,095	2,995	2,388
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Transfer to waterworks capital reserve	(7,536)	(7,563)	(2,625)
Debt principal repayments	(1,559)	(1,559)	(5,593)
Eliminate amortization and loss/gain	-	6,459	6,713
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<u>\$ -</u>	<u>\$ 332</u>	<u>\$ 883</u>

See notes to consolidated financial statements.

# SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION

## SANITARY SEWER OPERATING FUND

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

Schedule C

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Fees and charges:			
User rates	\$ 9,900	\$ 10,711	\$ 9,587
Industrial surcharges	990	1,102	1,011
Other fees and charges	2,798	3,329	4,044
Investment income	75	107	79
Municipal Finance Authority refunds	-	72	19
Grants	-	-	36
	<u>13,763</u>	<u>15,321</u>	<u>14,776</u>
<b>EXPENSE</b>			
Joint Abbotsford-Mission Environmental Systems (JAMES) treatment plant	3,717	3,445	3,394
Administration	1,701	1,635	1,664
Maintenance	1,248	1,084	1,103
Long-term debt interest	88	107	121
Internal borrowing interest	125	74	16
	<u>6,879</u>	<u>6,345</u>	<u>6,298</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>	<u>6,884</u>	<u>8,976</u>	<u>8,478</u>
Amortization	-	4,935	4,539
Loss/(gain) on disposal of tangible capital assets	-	13	85
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>6,884</u>	<u>4,028</u>	<u>3,854</u>
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Transfer to sanitary sewer capital reserve	(678)	(2,168)	(4,403)
Debt principal repayments	(3,953)	(4,124)	(576)
Eliminate amortization and loss/gain	-	4,949	4,623
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<u>\$ 2,253</u>	<u>\$ 2,685</u>	<u>\$ 3,498</u>

See notes to consolidated financial statements.

## SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION

### AIRPORT OPERATING FUND

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

Schedule D

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Fees and charges:			
Aeronautical fees	\$ 1,379	\$ 1,375	\$ 1,427
Public parking fees	1,561	1,554	1,600
Concessions	909	960	919
Other fees and charges	167	162	340
Rent	2,053	2,018	2,073
Investment income	36	75	48
Grants	-	-	65
	<u>6,105</u>	<u>6,144</u>	<u>6,472</u>
<b>EXPENSE</b>			
Administration	1,658	1,463	1,369
Marketing	143	75	365
Terminal building	525	522	544
Airside	1,531	1,417	1,588
Mobile equipment	249	226	198
Parking	355	369	248
Internal borrowing interest	19	-	67
	<u>4,480</u>	<u>4,072</u>	<u>4,379</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>	<u>1,625</u>	<u>2,072</u>	<u>2,093</u>
Amortization	-	2,617	2,538
Loss/(gain) on disposal of tangible capital assets	-	(101)	-
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>1,625</u>	<u>(444)</u>	<u>(445)</u>
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Debt principal repayments	(1,000)	-	(2,500)
Transfer to airport capital reserve (asset sales)	-	(223)	-
Transfer to airport capital reserve	(625)	(2,072)	407
Eliminate amortization and loss/gain	-	2,739	2,538
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to consolidated financial statements.



# SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION

## GENERAL OPERATING FUND - GENERAL GOVERNMENT SERVICES

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

Schedule E

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Municipal taxation	\$ 76,673	\$ 76,845	\$ 76,832
Fees and charges	2,077	2,451	2,435
Rent	1,810	1,928	1,677
Investment income	1,600	1,402	1,685
Grants	175	19,762	350
Municipal Finance Authority refunds	36	30	773
	<u>82,371</u>	<u>102,418</u>	<u>83,752</u>
<b>EXPENSE</b>			
<b>LEGISLATIVE SERVICES</b>			
	651	588	583
<b>CITY MANAGER'S OFFICE</b>			
City manager	912	1,047	812
Corporate communications and marketing	884	887	719
Human resources	1,583	1,331	1,308
<b>FINANCE &amp; CORPORATE SERVICES</b>			
City Clerk	1,109	1,051	996
Elections	313	315	2
Finance & purchasing	3,562	3,159	3,131
Risk management	1,180	934	938
Business technology solutions	3,582	3,546	3,285
Economic development	367	263	869
Real estate services	244	274	112
<b>OTHER</b>			
General municipal buildings	1,676	1,678	1,657
Transfer to other agencies	567	612	592
Common services	582	653	576
Less: Cost recoveries	(2,572)	(2,577)	(2,441)
	<u>14,640</u>	<u>13,761</u>	<u>13,139</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>	<u>67,731</u>	<u>88,657</u>	<u>70,613</u>
Amortization	-	1,113	1,028
Loss/(gain) on disposal of tangible capital assets	-	(12)	(431)
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>67,731</u>	<u>87,556</u>	<u>70,016</u>
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Transfer to general capital reserve (asset sales)	-	(86)	(493)
Transfer to general capital reserve	(3,497)	(3,622)	(4,236)
Transfer to operating reserve	(280)	(19,780)	(1,548)
Transfer from operating reserve	323	517	580
Debt principal repayments	(288)	(269)	(274)
Inventory and pre-paid expenses	-	4,248	(723)
Eliminate amortization and loss/gain	-	1,187	1,089
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<u>\$ 63,989</u>	<u>\$ 69,751</u>	<u>\$ 64,411</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, 2014, with comparative information for 2013

in thousands

Schedule F

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Licences and permits:			
Business licences	\$ 940	\$ 921	\$ 921
Development permit application fees	130	118	119
Rezoning application fees	130	149	170
Subdivision application fees	65	39	70
Other licences and permits	61	55	50
Fees and charges:			
Development fees on Engineering projects	210	469	270
Other fees and charges	71	143	342
Grants	-	4	225
	<u>1,607</u>	<u>1,898</u>	<u>2,167</u>
<b>EXPENSE</b>			
Development approvals	3,919	3,824	2,957
Licence inspection	245	241	189
	<u>4,164</u>	<u>4,065</u>	<u>3,146</u>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>(2,557)</u>	<u>(2,167)</u>	<u>(979)</u>
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Transfer to operating reserve	-	(105)	(170)
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<u>\$ (2,557)</u>	<u>\$ (2,272)</u>	<u>\$ (1,149)</u>

See notes to consolidated financial statements.

# SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION

## GENERAL OPERATING FUND - POLICE SERVICES

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

Schedule G

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Municipal taxation	\$ 42,358	\$ 42,358	\$ 41,663
Fees and charges:			
Salary recoveries	2,044	2,329	2,964
Other revenue	1,115	1,118	1,172
Government grants:			
Traffic fine revenue - sharing	2,000	1,203	1,197
Other government grants	146	150	143
Rent	33	45	45
	<u>47,696</u>	<u>47,203</u>	<u>47,184</u>
<b>EXPENSE</b>			
Finance and budgets	487	534	482
Executive administration	2,000	1,801	1,797
Operations support	6,281	6,192	5,825
Support services	5,142	5,182	4,683
Criminal investigations	7,874	8,319	9,239
Patrol	14,823	13,214	14,194
Operations control	3,598	5,449	2,118
Police building	535	548	538
Human resources	1,773	1,657	1,878
Vehicle maintenance	1,209	1,054	1,172
Common services & secondment	3,429	3,567	5,385
	<u>47,151</u>	<u>47,517</u>	<u>47,311</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>	545	(314)	(127)
Amortization	-	901	851
Loss/(gain) on disposal of tangible capital assets	-	14	4
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>545</u>	<u>(1,229)</u>	<u>(982)</u>
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Transfer to general capital reserve (asset sales)	-	(13)	(25)
Transfer from operating reserve	280	1,169	1,021
Transfer to general capital reserve	(825)	(855)	(894)
Eliminate amortization and loss/gain	-	928	880
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<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, 2014, with comparative information for 2013

in thousands

Schedule H

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Fees and charges	\$ 190	\$ 244	\$ 213
Licences and permits	10	6	9
	<u>200</u>	<u>250</u>	<u>222</u>
<b>EXPENSE</b>			
Administration	540	485	516
Fire life and safety education	172	175	158
Fire prevention and inspection	596	604	449
Emergency response	13,508	13,939	12,613
Fire halls and ground maintenance	471	413	499
Fire flows and hydrants	209	209	190
	<u>15,496</u>	<u>15,825</u>	<u>14,425</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>	<u>(15,296)</u>	<u>(15,575)</u>	<u>(14,203)</u>
Amortization	-	1,016	976
Loss/(gain) on disposal of tangible capital assets	-	(1)	-
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>(15,296)</u>	<u>(16,590)</u>	<u>(15,179)</u>
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Transfer to general capital reserve (asset sales)	-	(20)	-
Transfer from operating reserve	-	668	-
Transfer to general capital reserve	(797)	(797)	(797)
Eliminate amortization and loss/gain	-	1,035	976
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<u>\$ (16,093)</u>	<u>\$ (15,704)</u>	<u>\$ (15,000)</u>

See notes to consolidated financial statements.

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

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

Schedule I

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Licenses and permits:			
Building permits	\$ 1,532	\$ 1,680	\$ 1,927
Secondary suite fees	1,226	1,230	1,214
Dog licences	250	197	232
Fees and charges	389	169	1,006
Grants	331	331	331
	<u>3,728</u>	<u>3,607</u>	<u>4,710</u>
<b>EXPENSE</b>			
Animal control	319	262	276
Restorative Justice	149	149	149
Emergency services	278	249	246
Building inspections	2,014	1,902	1,967
Bylaw enforcement	1,033	715	1,282
Public safety inspection	-	13	91
	<u>3,793</u>	<u>3,290</u>	<u>4,011</u>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	(65)	317	699
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Transfer from operating reserve	-	-	40
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<u>\$ (65)</u>	<u>\$ 317</u>	<u>\$ 739</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, 2014, with comparative information for 2013

in thousands

Schedule J

	2014	2014				2014	2013
	Plan	General	Parks	Recreation	Culture	Actual	Actual
<b>REVENUE</b>							
Fees and charges	\$ 6,684	\$ 179	\$ 1,135	\$ 5,227	\$ -	\$ 6,541	\$ 6,670
Rent	-	3	2	-	-	5	1
Grants	20	3	-	-	-	3	122
	<u>6,704</u>	<u>185</u>	<u>1,137</u>	<u>5,227</u>	<u>-</u>	<u>6,549</u>	<u>6,793</u>
<b>EXPENSE</b>							
Operations	18,705	1,348	7,256	8,946	789	18,339	18,237
Long-term debt interest	1,257	-	-	825	413	1,238	1,386
	<u>19,962</u>	<u>1,348</u>	<u>7,256</u>	<u>9,771</u>	<u>1,202</u>	<u>19,577</u>	<u>19,623</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>							
	(13,258)	(1,163)	(6,119)	(4,544)	(1,202)	(13,028)	(12,830)
Amortization	-	5	1,946	1,958	452	4,361	4,370
Loss/(gain) on disposal of tangible capital assets	-	-	97	-	-	97	102
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>(13,258)</u>	<u>(1,168)</u>	<u>(8,162)</u>	<u>(6,502)</u>	<u>(1,654)</u>	<u>(17,486)</u>	<u>(17,302)</u>
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>							
Debt principal repayments	(1,250)	-	-	(833)	(417)	(1,250)	(1,569)
Transfer to general capital reserve	(1,541)	(107)	(816)	(545)	(73)	(1,541)	(1,541)
Transfer to cemetery capital reserve	(160)	-	(160)	-	-	(160)	(195)
Transfer to operating reserve	-	-	-	-	-	-	(65)
Transfer from operating reserve	65	52	-	-	-	52	53
Eliminate amortization and loss/gain	-	5	2,043	1,958	452	4,458	4,471
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<u>\$ (16,144)</u>	<u>\$ (1,218)</u>	<u>\$ (7,095)</u>	<u>\$ (5,922)</u>	<u>\$ (1,692)</u>	<u>\$ (15,927)</u>	<u>\$ (16,148)</u>

See notes to consolidated financial statements.

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

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

Schedule K

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Fees and charges	\$ 2,721	\$ 3,830	\$ 2,886
Investment income	-	9	15
Grants	1,000	879	800
	<u>3,721</u>	<u>4,718</u>	<u>3,701</u>
<b>EXPENSE</b>			
AESC Facility			
Operations	4,588	5,625	5,214
Long-term debt interest	2,432	2,407	2,471
Other	-	414	-
	<u>7,020</u>	<u>8,446</u>	<u>7,685</u>
AESC Facility annual surplus/(deficit)	<u>(3,299)</u>	<u>(3,728)</u>	<u>(3,984)</u>
Hockey revenue sharing / (supply fee)	(1,800)	(1,774)	(2,146)
Abbotsford Heat - settlement payment	-	(5,500)	-
Other	-	(725)	-
	<u>(1,800)</u>	<u>(7,999)</u>	<u>(2,146)</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>	(5,099)	(11,727)	(6,130)
Amortization	-	2,789	2,789
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>(5,099)</u>	<u>(14,516)</u>	<u>(8,919)</u>
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Transfer from operating reserve	-	-	500
Debt principal repayments	(1,639)	(1,639)	(1,576)
Eliminate amortization and loss/gain	-	2,789	2,789
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<u>\$ (6,738)</u>	<u>\$ (13,366)</u>	<u>\$ (7,206)</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, 2014, with comparative information for 2013

in thousands

Schedule L

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Municipal tax for regional library	\$ 4,287	\$ 4,287	\$ 4,125
<b>EXPENSE</b>			
Transfer to Fraser Valley Regional Library	3,692	3,691	3,531
Library operating costs	295	291	294
	<u>3,987</u>	<u>3,982</u>	<u>3,825</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>	300	305	300
Amortization	-	205	205
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>300</u>	<u>100</u>	<u>95</u>
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Transfer to general capital reserve	(300)	(305)	(300)
Eliminate amortization and loss/gain	-	205	205
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to consolidated financial statements.



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

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

Schedule M

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Grants	\$ 4,607	\$ 4,560	\$ 4,285
Fares	1,960	1,902	1,962
BC bus pass program	482	485	496
Advertising and other	173	165	172
	<u>7,222</u>	<u>7,112</u>	<u>6,915</u>
<b>EXPENSE</b>			
Transfer to BC Transit	10,656	10,526	9,896
Other	151	91	91
	<u>10,807</u>	<u>10,617</u>	<u>9,987</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>	<u>(3,585)</u>	<u>(3,505)</u>	<u>(3,072)</u>
Amortization	-	33	34
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>(3,585)</u>	<u>(3,538)</u>	<u>(3,106)</u>
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Eliminate amortization and loss/gain	-	33	34
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<u>\$ (3,585)</u>	<u>\$ (3,505)</u>	<u>\$ (3,072)</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, 2014, with comparative information for 2013

in thousands

Schedule N

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Fees and charges:			
Engineering capital recoveries	\$ 140	\$ 318	\$ 188
Recoveries	177	240	305
Parking lot tickets	80	73	86
Other	34	66	55
Licenses and permits:			
Soil removal fees	2,340	2,304	2,243
Other	4	2	2
Grants	-	97	7
Developer Contributions	-	18	-
	<u>2,775</u>	<u>3,118</u>	<u>2,886</u>
<b>EXPENSE</b>			
ADMINISTRATION	2,268	2,134	2,209
ENGINEERING	2,289	2,098	1,999
TRANSPORTATION			
Services	2,402	2,397	2,352
Operations - roads	4,653	4,035	3,683
EQUIPMENT FLEET			
Operations	3,438	3,477	3,523
Internal recoveries	(5,133)	(4,911)	(5,087)
INTERNAL BORROWING INTEREST	240	168	181
COST RECOVERIES	(401)	(401)	(448)
	<u>9,756</u>	<u>8,997</u>	<u>8,412</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>	<u>(6,981)</u>	<u>(5,879)</u>	<u>(5,526)</u>
Amortization	-	15,181	15,259
Loss/(gain) on disposal of tangible capital assets	-	32	206
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>(6,981)</u>	<u>(21,092)</u>	<u>(20,991)</u>
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Transfer to general capital reserve (asset sales)	-	(632)	(307)
Transfer to general capital reserve	(11,525)	(11,525)	(11,565)
Transfer to operating reserve	-	-	(290)
Eliminate amortization and loss/gain	-	15,844	15,772
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<u>\$ (18,506)</u>	<u>\$ (17,405)</u>	<u>\$ (17,381)</u>

See notes to consolidated financial statements.

# SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION

## GENERAL OPERATING FUND - SOLID WASTE SERVICES

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

Schedule O

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Fees and charges:			
Solid waste user fees	\$ 5,864	\$ 5,843	\$ 5,795
Garbage stickers	35	22	25
Recycling, compost and yard waste fees	-	-	5
Recoveries & other	1,639	1,516	1,225
	<u>7,538</u>	<u>7,381</u>	<u>7,050</u>
<b>EXPENSE</b>			
Planning, design and management	762	682	635
Collection	2,612	2,757	2,608
Disposal	3,781	3,765	3,439
	<u>7,155</u>	<u>7,204</u>	<u>6,682</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>	<u>383</u>	<u>177</u>	<u>368</u>
Amortization	-	56	85
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>383</u>	<u>121</u>	<u>283</u>
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Transfer to general capital reserve	(383)	(177)	(368)
Eliminate amortization and loss/gain	-	56	85
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<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, 2014, with comparative information for 2013

in thousands

Schedule P

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Fees and charges:			
Storm drainage user fees	\$ 3,541	\$ 3,541	\$ 3,542
Other	12	11	17
	<u>3,553</u>	<u>3,552</u>	<u>3,559</u>
<b>EXPENSE</b>			
Storm sewers and detention	1,773	1,398	1,120
Urban watercourses	130	129	130
Rural drainage	300	291	302
	<u>2,203</u>	<u>1,818</u>	<u>1,552</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>	<u>1,350</u>	<u>1,734</u>	<u>2,007</u>
Amortization	-	3,461	3,437
Loss/(gain) on disposal of tangible capital assets	-	4	147
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>1,350</u>	<u>(1,731)</u>	<u>(1,577)</u>
Matsqui Prairie (Schedule Q)	(305)	(472)	(495)
Sumas Prairie (Schedule Q)	(218)	(682)	(607)
<b>TOTAL ANNUAL SURPLUS / (DEFICIT)</b>	<u>827</u>	<u>(2,885)</u>	<u>(2,679)</u>
<b>RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS</b>			
Storm drainage capital reserve	(842)	(842)	(818)
Transfer to operating reserve	-	(405)	(712)
Reconcile to contribution from storm drainage-Matsqui Prairie	(137)	49	71
Reconcile to contribution from storm drainage-Sumas Prairie	(148)	327	253
Eliminate amortization and loss/gain	-	3,465	3,583
<b>CHANGE IN UNAPPROPRIATED SURPLUS</b>	<u>\$ (300)</u>	<u>\$ (291)</u>	<u>\$ (302)</u>

See notes to consolidated financial statements.

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

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

Schedule Q

	2014 Plan	2014 Actual	2013 Actual	2014 Plan	2014 Actual	2013 Actual
	Matsqui Prairie			Sumas Prairie		
<b>REVENUE</b>						
Fees and charges:						
General tax levy	\$ 701	\$ 688	\$ 702	\$ 1,252	\$ 1,275	\$ 1,262
Other revenue	16	8	8	144	138	134
	<u>717</u>	<u>696</u>	<u>710</u>	<u>1,396</u>	<u>1,413</u>	<u>1,396</u>
<b>EXPENSE</b>						
Dyking	53	55	61	63	45	67
Drainage	556	518	533	685	710	704
Storm	182	164	178	-	-	-
Irrigation	111	111	118	86	102	83
Administration	112	111	111	157	157	156
Pump stations	-	-	-	615	565	546
Recoverable work	8	-	-	8	10	-
	<u>1,022</u>	<u>959</u>	<u>1,001</u>	<u>1,614</u>	<u>1,589</u>	<u>1,556</u>
<b>ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION</b>	(305)	(263)	(291)	(218)	(176)	(160)
Amortization	-	209	205	-	506	446
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>(305)</u>	<u>(472)</u>	<u>(496)</u>	<u>(218)</u>	<u>(682)</u>	<u>(606)</u>
<b>RECONCILE TO CONTRIBUTION FROM STORM DRAINAGE</b>						
Transfer to general capital reserve	(137)	(137)	(137)	(148)	(148)	(161)
Transfer to operating reserve	-	(24)	-	-	(32)	(32)
Transfer from operating reserve	-	-	2	-	-	-
Eliminate amortization and loss/gain	-	209	205	-	506	446
<b>CONTRIBUTION FROM STORM DRAINAGE</b>	<u>\$ (442)</u>	<u>\$ (424)</u>	<u>\$ (426)</u>	<u>\$ (366)</u>	<u>\$ (356)</u>	<u>\$ (353)</u>

See notes to consolidated financial statements.

# SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION

## CAPITAL FUND

For the Year Ended December 31, 2014, with comparative information for 2013

in thousands

Schedule R

	2014 Plan	General	Waterworks	Sanitary Sewer	Airport	2014 Actual	2013 Actual
<b>REVENUE</b>							
Municipal taxation	\$ 1,401	\$ -	\$ -	\$ -	\$ -	\$ -	(41)
Other fees and charges	300	147	31	-	246	424	1,197
Airport improvement fees	2,211	-	-	-	2,130	2,130	2,159
Developer charges earned	10,094	6,966	489	2,459	-	9,914	3,567
Contributed tangible capital assets	-	2,512	1,193	245	-	3,950	4,100
Grants	24,668	2,781	-	-	-	2,781	6,728
Other sources	524	137	3	37	-	177	71
Contributions (to)/from other funds	-	1,462	-	-	(1,462)	-	-
	<u>39,198</u>	<u>14,005</u>	<u>1,716</u>	<u>2,741</u>	<u>914</u>	<u>19,376</u>	<u>17,781</u>
<b>EXPENSE</b>							
<b>Minor capital projects</b>							
General government	770	341	-	-	-	341	347
Police services	-	45	-	-	-	45	123
Fire services	520	518	-	-	-	518	11
Park services	191	322	-	-	-	322	555
Recreation services	325	287	-	-	-	287	(95)
Transportation services	5,662	4,500	-	-	-	4,500	7,193
Equipment fleet services	-	-	-	-	-	-	12
Solid waste services	154	19	-	-	-	19	55
Storm drainage services	1,081	602	-	-	-	602	502
Dyking, drainage & irrigation	3,039	2,788	-	-	-	2,788	64
Waterworks	489	-	199	-	-	199	879
Sanitary sewer	3,689	-	-	396	-	396	1,051
Airport	150	-	-	-	87	87	230
	<u>16,070</u>	<u>9,422</u>	<u>199</u>	<u>396</u>	<u>87</u>	<u>10,104</u>	<u>10,927</u>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>23,128</u>	<u>4,583</u>	<u>1,517</u>	<u>2,345</u>	<u>827</u>	<u>9,272</u>	<u>6,854</u>
<b>RECONCILE TO CHANGE IN CAPITAL EQUITY</b>							
Assets sale	-	83	(75)	(8)	-	-	-
General capital reserve	20,813	11,946	-	-	-	11,946	16,306
Storm drainage reserve	4,746	874	-	-	-	874	724
Waterworks capital reserve	11,886	-	2,664	-	-	2,664	6,563
Sanitary sewer capital reserve	10,028	-	-	3,508	-	3,508	4,200
Airport capital reserve	555	-	-	-	(1,274)	(1,274)	(650)
Tangible capital assets	-	(24,305)	(6,309)	(3,989)	(2,740)	(37,343)	(43,184)
Debt principal repayment	9,689	3,158	1,559	4,124	-	8,841	12,088
Internal borrowing (from general fund)	-	(6,981)	(149)	(960)	-	(8,090)	(1,863)
Internal borrowing interest	-	569	-	-	-	569	638
<b>CHANGE IN CAPITAL EQUITY</b>	<u>\$ 80,845</u>	<u>\$ (10,073)</u>	<u>\$ (793)</u>	<u>\$ 5,020</u>	<u>\$ (3,187)</u>	<u>\$ (9,033)</u>	<u>\$ 1,676</u>

See notes to consolidated financial statements.

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

As at December 31, 2014, with comparative information as at December 31, 2013

in thousands

Schedule 5

	2014 Plan	2014 Actual	2013 Actual
<b>REVENUE</b>			
Investment income	\$ 1,581	\$ 2,330	\$ 2,061
Other sources	-	28	34
	<u>1,581</u>	<u>2,358</u>	<u>2,095</u>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	1,581	2,358	2,095
<b>RECONCILE TO CHANGE IN APPROPRIATED SURPLUS</b>			
Operating reserve	(388)	17,940	620
General capital reserve	(1,502)	8,072	4,713
Storm drainage reserve	(3,905)	(32)	94
Waterworks capital reserve	(4,350)	4,900	(3,938)
Sanitary sewer capital reserve	(9,351)	(1,340)	202
Airport capital reserve	70	3,568	242
<b>CHANGE IN APPROPRIATED SURPLUS</b>	<u>\$ (17,845)</u>	<u>\$ 35,466</u>	<u>\$ 4,028</u>

See notes to consolidated financial statements.

## SEGMENT INFORMATION - REVENUES BY TYPE & EXPENSES BY FUNCTION

### LEDGEVIEW PROPERTIES LTD. - STATEMENT OF FINANCIAL POSITION

As at December 31, 2014, with comparative information as at December 31, 2013

in thousands

Schedule T

	2014 Actual	2013 Actual
<b>FINANCIAL ASSETS</b>		
Lease agreement receivable	\$ 54	\$ 58
	<u>54</u>	<u>58</u>
<b>FINANCIAL LIABILITIES</b>		
Due to City of Abbotsford	54	58
	<u>54</u>	<u>58</u>
<b>NET FINANCIAL ASSETS</b>		
	<u>-</u>	<u>-</u>
<b>NON-FINANCIAL ASSETS</b>		
Land	2,845	2,845
Land improvements	9	10
Buildings	36	40
	<u>2,890</u>	<u>2,895</u>
<b>ACCUMULATED SURPLUS</b>		
<b>BALANCE, BEGINNING OF YEAR</b>	2,896	2,904
Lease revenue	54	58
Amortization	(5)	(8)
Transfers to City of Abbotsford	(54)	(58)
<b>BALANCE, END OF YEAR</b>	<u>\$ 2,891</u>	<u>\$ 2,896</u>

See notes to consolidated financial statements.



# AUDITOR'S REPORT: CEMETERY CARE TRUST FUND



**KPMG LLP**  
**Chartered Accountants**  
32575 Simon Avenue  
Abbotsford BC V2T 4W6  
Canada

Telephone (604) 854-2200  
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Internet [www.kpmg.ca](http://www.kpmg.ca)

## 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, 2014, 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 respects, the financial position of the Cemetery Care Trust Fund as at December 31, 2014 in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive style and is underlined with a single horizontal stroke.

Chartered Accountants

April 20, 2015

Abbotsford, British Columbia

## CEMETERY CARE TRUST FUND - STATEMENT OF FINANCIAL POSITION

As at December 31, 2014, with comparative information as at December 31, 2013  
in thousands

	2014 Actual	2013 Actual
<b>FINANCIAL ASSETS</b>		
Portfolio investments	\$ 3,245	\$ 3,195
Accounts receivable	218	177
<b>NET FINANCIAL ASSETS</b>	<u>3,463</u>	<u>3,372</u>
<b>ACCUMULATED SURPLUS</b>		
Balance, beginning of year	3,372	3,272
Contributions	91	100
Investment earnings	98	102
Transfer to general operating fund	(98)	(102)
Balance, end of year	<u>\$ 3,463</u>	<u>\$ 3,372</u>

See notes to consolidated financial statements.

# NOTES TO THE CEMETERY CARE TRUST FUND

For the Year Ended December 31, 2014

## 1. SIGNIFICANT ACCOUNTING POLICIES:

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

### (a) Basis of accounting:

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

### (b) Portfolio Investments:

Portfolio investments are carried at cost.

### (c) Financial Instruments:

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

## 2. ACCOUNTS RECEIVABLE/PAYABLE:

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

## NOTES TO THE CEMETERY CARE TRUST FUND

For the Year Ended December 31, 2014

### 3. INVESTMENTS:

Investments for 2014 are comprised of corporate and government investments.

(in thousands)	2014		2013	
	Cost	Market	Cost	Market
Portfolio investments	\$3,245	\$3,342	\$3,195	\$3,252
	Long-term		Long-term	
Duration	2 – 10 Years		2 – 10 Years	
Average holdings	\$3,219		\$3,109	
Annual yield	2.95%		3.17%	

### 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 2014, \$98,000 (2013 - \$102,000) was transferred to the general operating fund for cemetery operations. Contributions and investment earnings for the year ended December 31, 2014, 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.

# 2014 FINANCIAL STATISTICS

# FINANCIAL STATISTICS ACCUMULATED SURPLUS

in thousands

	2008	2009	2010	2011	2012	2013	2014
(in 1,000's)							
<b>ACCUMULATED SURPLUS</b>							
<b>Unappropriated Surplus</b>							
General	\$ 8,181	\$ 8,048	\$ 8,280	\$ 8,296	\$ 8,284	\$ 13,178	\$ 14,779
Waterworks	1,535	1,095	940	1,018	1,018	1,900	2,232
Sanitary Sewer	4,094	4,252	4,601	4,601	4,002	4,002	4,002
Airport	1,176	1,176	1,176	1,176	1,176	1,176	1,176
	14,986	14,571	14,997	15,091	14,480	20,256	22,189
<b>Appropriated Surplus</b>							
<b>Unexpended Debt proceeds</b>							
General	2,091	-	-	-	-	-	-
Waterworks	-	-	-	-	-	-	-
Sanitary Sewer	-	-	-	-	-	-	-
Airport and Capital Loan	-	-	-	-	-	-	-
<b>General Operating Reserve</b>	6,409	8,622	9,210	13,961	14,040	14,986	33,260
<b>Statutory Capital Reserves</b>							
General capital	23,941	8,113	12,079	13,373	13,648	18,664	27,243
Affordable housing	-	-	230	236	241	246	252
Airport	7,268	7,934	3,205	3,199	4,665	5,021	8,710
Infrastructure renewal:							
Storm sewer	9,956	10,888	11,916	11,560	12,207	12,584	12,918
Waterworks	26,894	28,895	27,393	21,468	16,815	13,278	18,547
Sanitary Sewer	21,662	23,854	27,525	26,384	28,451	29,318	28,631
	98,221	88,306	91,558	90,181	90,067	94,097	129,561
<b>Investment in tangible capital assets</b>	1,175,789	1,241,179	1,275,786	1,326,621	1,329,574	1,331,248	1,322,219
<b>Investment in other non-financial assets</b>	1,958	2,832	3,978	4,061	5,032	5,755	1,506
<b>Total Accumulated Surplus</b>	<b>\$ 1,290,954</b>	<b>\$ 1,346,888</b>	<b>\$ 1,386,319</b>	<b>\$ 1,435,954</b>	<b>\$ 1,439,153</b>	<b>\$ 1,451,356</b>	<b>\$ 1,475,475</b>

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-pays. As a result, accumulated surplus up to 2007 is not directly comparable to that from 2008 forward; therefore, only data for 2008 and forward is shown above.

## FINANCIAL STATISTICS

### CONSOLIDATED ANNUAL SURPLUS/(DEFICIT) AND NET FINANCIAL ASSETS/(NET DEBT)

in thousands

	2009	2010	2011	2012	2013	2014
<b>CONSOLIDATED ANNUAL SURPLUS/(DEFICIT) AND NET FINANCIAL ASSETS/(NET DEBT)</b>						
ANNUAL SURPLUS/(DEFICIT)	\$53,781	\$38,713	\$51,759	\$5,672	\$12,203	\$24,119
NET FINANCIAL ASSETS/(NET DEBT)	\$2,075	(\$10,382)	(\$17,807)	(\$12,397)	\$9,427	\$63,389

In accordance with PSAB Section 1200, effective January 1, 2009 (retroactive to 2008), the City changed its financial statement presentation to include a consolidated Statement of Changes in Net Financial Assets (Debt). As a result, only data for 2009 and forward is shown above.

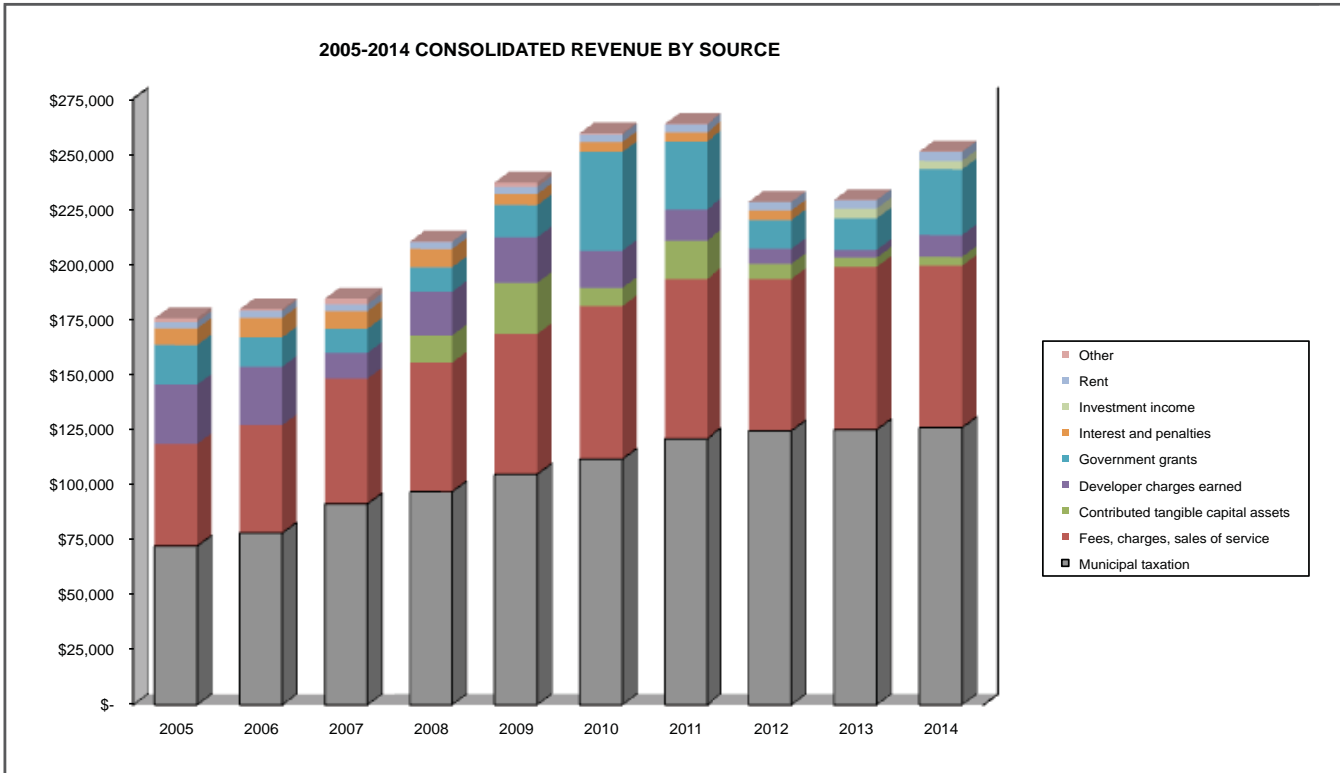
# FINANCIAL STATISTICS

## CONSOLIDATED REVENUE BY SOURCE

in thousands

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>CONSOLIDATED REVENUE BY SOURCE</b>										
Municipal taxation	\$71,874	\$77,752	\$90,929	\$96,432	\$104,375	\$111,206	\$120,403	\$124,045	\$124,543	\$125,453
Fees, charges, sales of service	46,205	48,832	57,452	59,192	64,211	69,980	73,116	69,467	74,442	74,046
Contributed tangible capital assets	-	-	-	12,277	23,118	8,249	17,234	6,771	4,100	3,950
Developer charges earned	27,577	27,201	11,665	19,758	20,652	16,857	14,243	6,852	3,567	9,914
Government grants	17,917	13,265	10,952	11,112	14,560	44,671	30,659	13,017	14,289	29,769
Interest and penalties*	7,499	8,871	7,875	8,297	4,969	4,533	4,194	4,376	-	-
Investment income	-	-	-	-	-	-	-	-	4,429	3,807
Rent	2,979	3,173	3,184	3,220	3,284	3,422	3,529	3,771	3,818	4,029
Other	-	-	-	127	2,022	562	319	108	105	205
Sale of capital assets	1,660	748	2,575	-	-	-	-	-	-	-
<b>Total Consolidated Revenue by Source</b>	<b>\$175,711</b>	<b>\$179,842</b>	<b>\$184,632</b>	<b>\$210,415</b>	<b>\$237,191</b>	<b>\$259,480</b>	<b>\$263,697</b>	<b>\$228,407</b>	<b>\$229,293</b>	<b>\$251,173</b>

\*Penalties revenue is included with fee & charges starting in 2013



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.

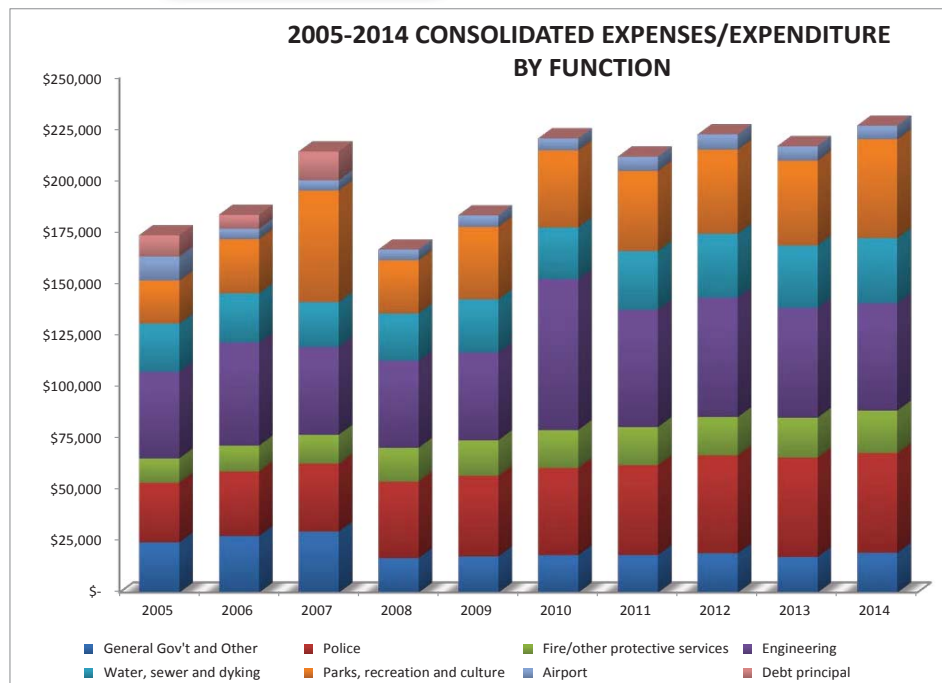


# FINANCIAL STATISTICS

## CONSOLIDATED EXPENDITURES BY FUNCTION

in thousands

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>CONSOLIDATED EXPENDITURES BY FUNCTION</b>										
General government	\$21,808	\$24,811	\$26,584	\$13,443	\$15,070	\$14,654	\$14,011	\$14,686	\$14,083	\$15,205
Protective services:										
Police	29,015	31,313	32,938	37,199	39,065	42,365	43,731	47,516	48,289	48,477
Fire/Other	11,829	12,587	14,044	16,397	17,344	18,469	18,490	18,718	19,424	20,647
Engineering	42,124	50,119	42,812	42,366	42,689	73,364	57,053	58,045	53,382	52,355
Water, sewer and dyking	23,340	23,910	21,736	22,888	25,789	25,233	28,575	31,163	30,482	31,565
Parks, recreation and culture	20,912	26,429	54,313	25,954	35,342	37,468	38,917	40,908	41,203	48,065
Planning & development services	2,580	2,695	3,114	3,319	2,545	3,484	4,194	4,354	3,146	4,065
Airport	11,774	5,087	4,961	5,228	5,566	5,730	6,967	7,345	7,081	6,675
<b>Total Expenses by Function</b>				\$166,794	\$183,410	\$220,767	\$211,938	\$222,735	\$217,090	\$227,054
Add: Debt principal repayment	10,341	6,731	13,977	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total Expenditure by Function</b>	<b>\$173,723</b>	<b>\$183,682</b>	<b>\$214,479</b>							



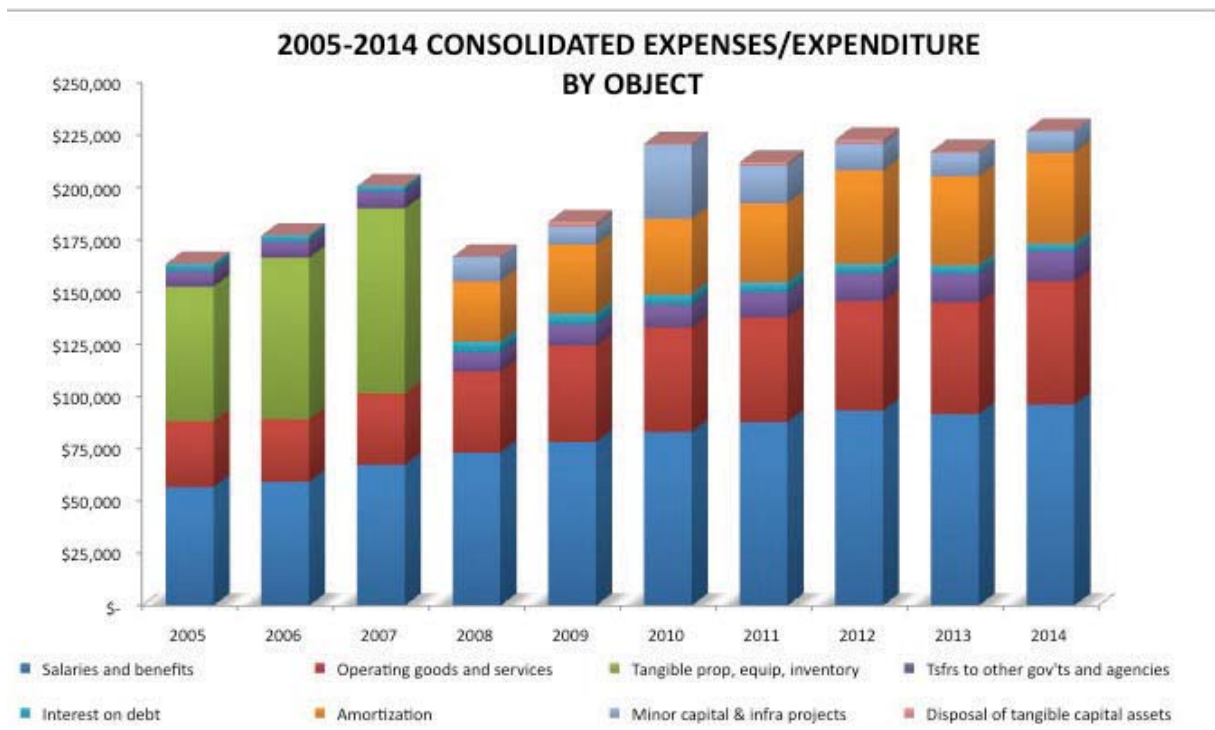
In accordance with PSAB Section 3150, effective January 1, 2009 (retroactive to 2008), the City changed its method of recording tangible capital assets, inventory and pre-paids. As a result, capital expenditures and debt principal repayments are no longer reported on the statement of operations; instead,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

# FINANCIAL STATISTICS

## CONSOLIDATED EXPENDITURES BY OBJECT

in thousands

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>CONSOLIDATED EXPENDITURES BY OBJECT</b>										
Salaries and benefits	\$56,678	\$59,261	\$67,353	\$73,201	\$78,191	\$82,886	\$87,750	\$93,274	\$91,551	\$95,987
Operating goods and services	31,408	29,805	34,084	38,663	46,074	49,963	50,077	52,161	53,340	59,024
Tangible prop, equip, inventory	64,402	77,203	88,378	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Amortization	-	-	-	28,790	32,867	36,104	37,764	44,677	42,726	43,488
Minor capital & infra projects	-	-	-	11,739	8,522	35,337	18,064	12,714	10,927	10,105
Disposal of tangible capital assets	-	-	-	9	2,387	497	1,605	1,989	859	399
Transfers to other gov'ts and agencies	7,122	7,482	7,896	9,020	9,884	10,824	11,737	13,257	13,427	14,218
Interest on debt	3,772	3,200	2,791	5,372	5,485	5,156	4,941	4,663	4,260	3,833
Total Expenses by Object				\$166,794	\$183,410	\$220,767	\$211,938	\$222,735	\$217,090	\$227,054
Add: Debt principal repayment	10,341	6,731	13,977	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Expenditure by Object	\$173,723	\$183,682	\$214,479							



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.

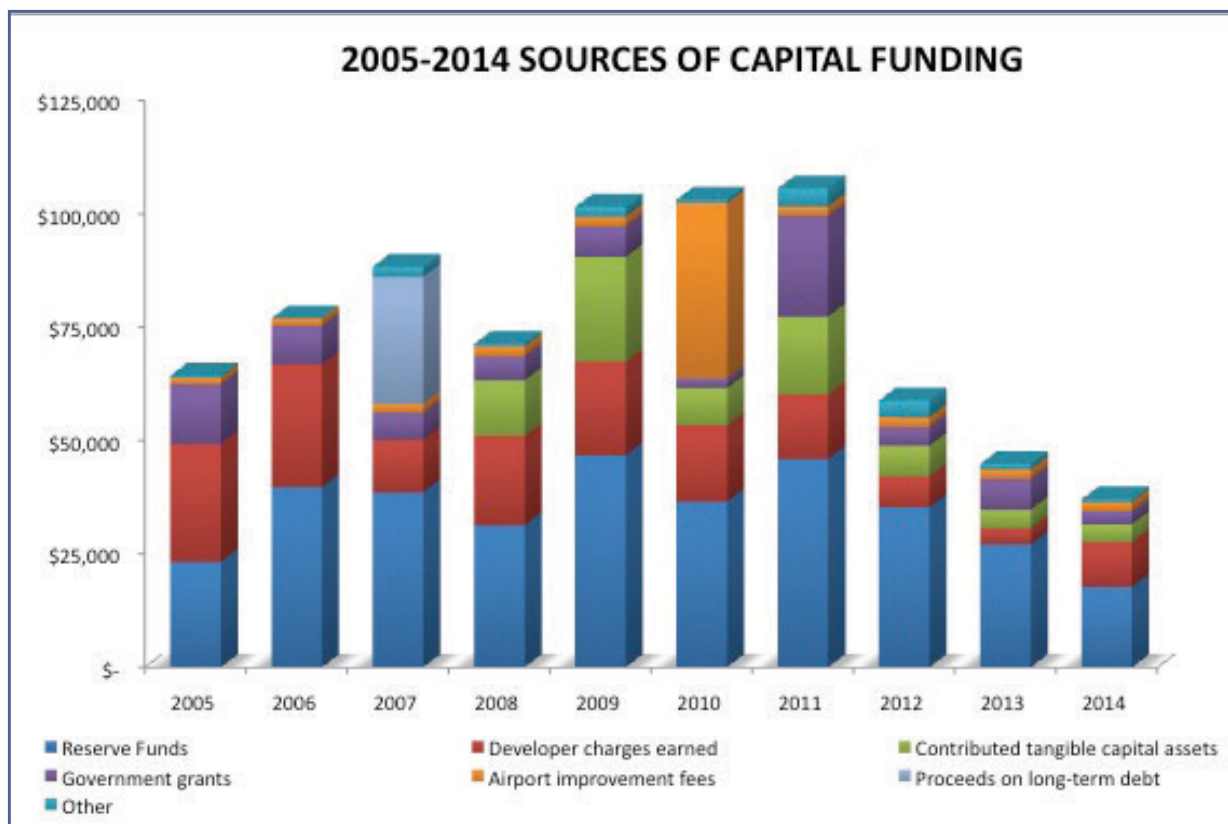
# FINANCIAL STATISTICS

## SOURCES OF CAPITAL FUNDING

in thousands

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>SOURCES OF CAPITAL FUNDING*</b>										
Reserve Funds	\$23,281	\$39,734	\$38,628	\$31,318	\$46,838	\$36,580	\$45,985	\$35,333	\$27,142	\$17,719
Developer charges earned	26,051	27,201	11,665	19,758	20,652	16,857	14,243	6,852	3,567	9,914
Contributed tangible capital assets	-	-	-	12,277	23,118	8,249	17,234	6,766	4,100	3,950
Airport improvement fees	1,513	1,711	1,924	2,262	2,116	2,074	2,120	2,181	2,159	2,130
Proceeds on long-term debt	-	-	28,106	-	-	-	-	-	-	-
Government grants	13,135	8,414	5,942	5,203	6,746	38,730	22,171	4,068	6,728	2,781
Other	422	8	2,210	565	2,200	791	4,015	3,741	1,227	601
<b>Total Sources of Capital Funding</b>	<b>\$64,402</b>	<b>\$77,068</b>	<b>\$88,475</b>	<b>\$71,383</b>	<b>\$101,670</b>	<b>\$103,281</b>	<b>\$105,768</b>	<b>\$58,941</b>	<b>\$44,923</b>	<b>\$37,095</b>

\*2005-2007 only - includes increase/decrease in inventory



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

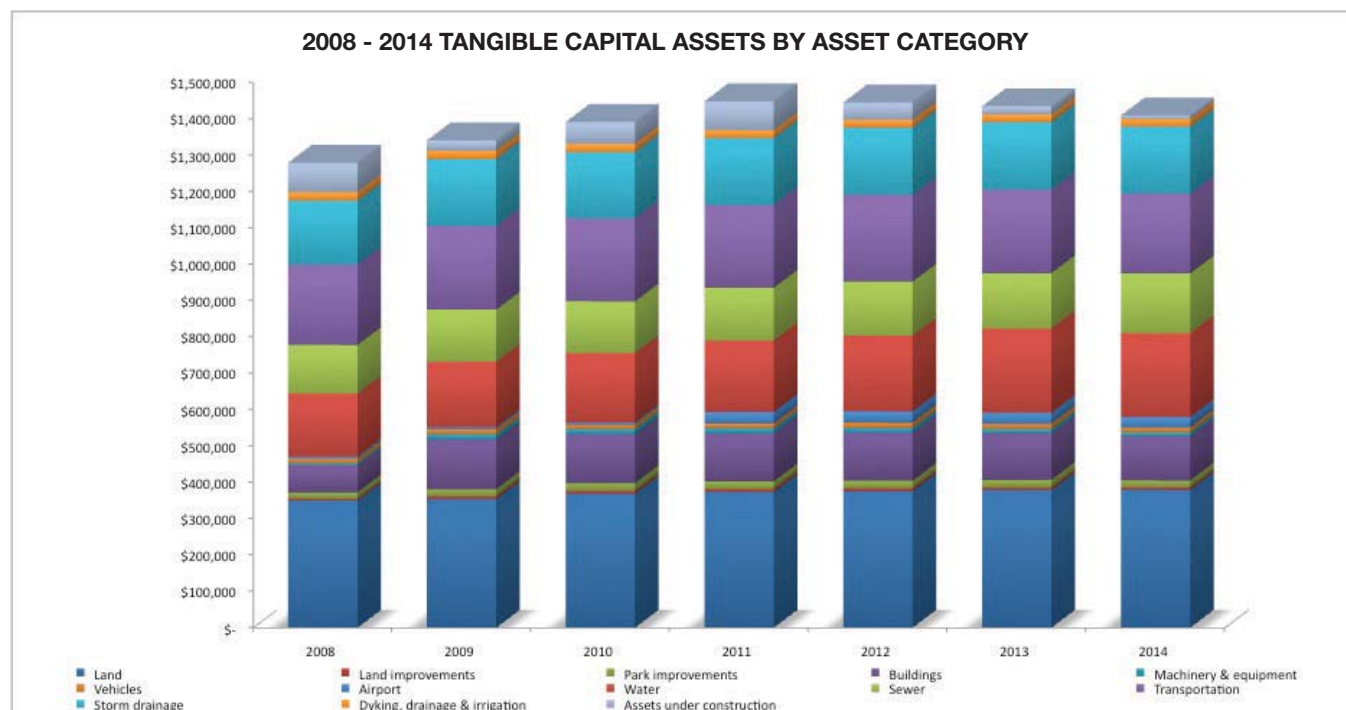
### CAPITAL EXPENDITURES BY FUNCTION/TANGIBLE CAPITAL ASSETS

in thousands

	2008	2009	2010	2011	2012	2013	2014
<b>TANGIBLE CAPITAL ASSETS (Net Book Value) BY ASSET CATEGORY</b>							
Land	\$349,988	\$354,281	\$369,256	\$374,131	\$376,259	\$378,906	\$379,569
Land improvements	5,662	7,846	7,818	7,655	7,723	7,490	7,079
Park improvements	16,859	19,094	20,582	21,178	20,502	20,668	18,771
Buildings	73,932	135,738	134,292	131,592	132,860	128,431	122,004
Machinery & equipment	6,627	15,403	15,308	14,528	13,088	11,722	10,642
Vehicles	12,322	13,797	12,276	12,555	14,144	14,198	12,859
Airport	6,485	6,191	5,897	31,868	30,839	30,080	29,037
Water	172,682	180,000	190,882	197,563	208,987	232,623	231,253
Sewer	133,900	143,633	142,466	144,924	148,630	152,163	164,352
Transportation	221,722	230,554	228,753	228,345	238,445	230,241	219,775
Storm drainage	175,324	183,814	181,884	183,427	185,229	185,300	183,951
Dyking, drainage & irrigation	24,402	23,752	23,152	22,507	22,154	21,567	22,164
Assets under construction	80,754	27,878	60,157	79,427	47,658	22,785	9,124
<b>Total Capital Assets by Category</b>	<b>\$1,280,659</b>	<b>\$1,341,981</b>	<b>\$1,392,723</b>	<b>\$1,449,700</b>	<b>\$1,446,518</b>	<b>\$1,436,174</b>	<b>\$1,410,580</b>

### TANGIBLE CAPITAL ASSETS BY ASSET CATEGORY

in thousands

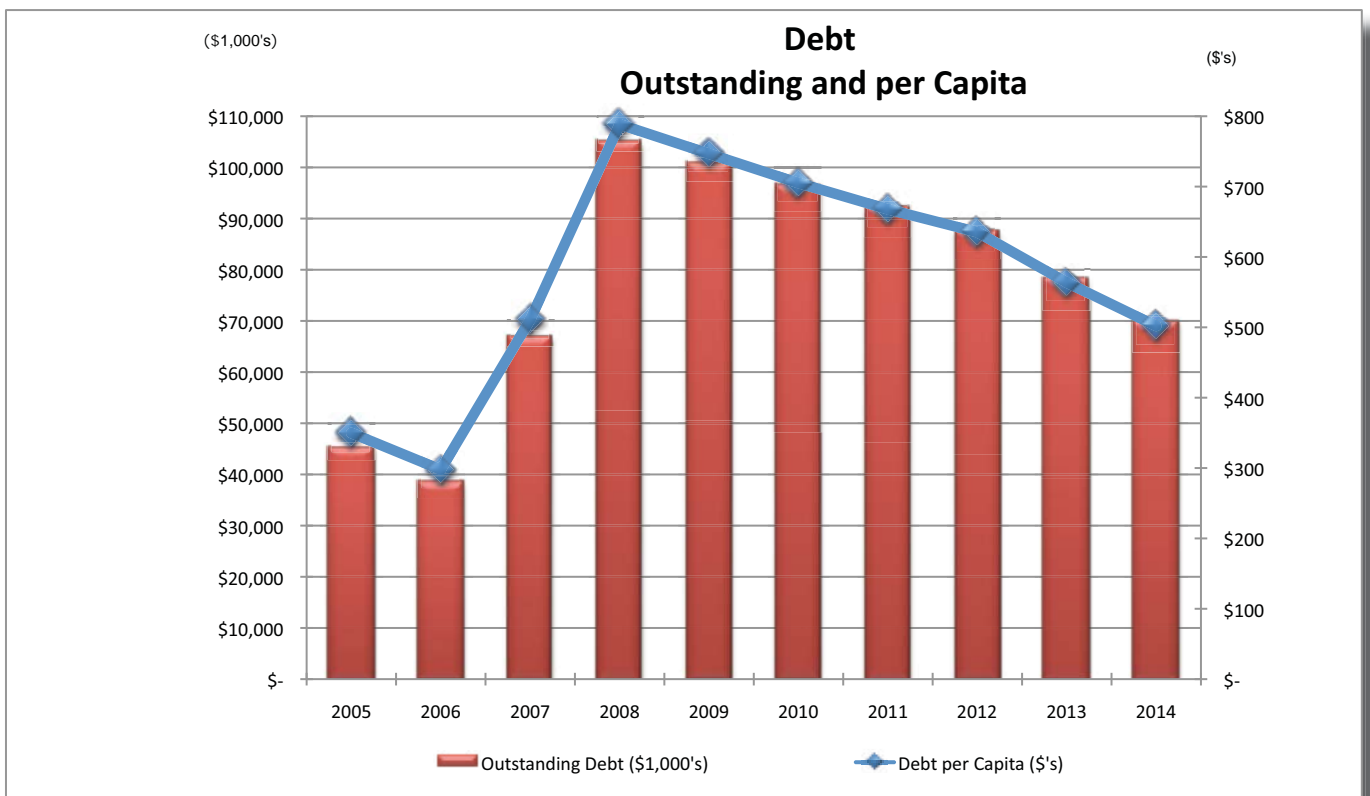


# FINANCIAL STATISTICS

## DEBT OUTSTANDING BY FUNCTION

in thousands (except as noted)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>DEBT OUTSTANDING BY FUNCTION</b>										
Protective services - police*	\$697	\$426	\$123	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parks, recreation and culture*	4,987	3,111	45,208	86,120	83,301	80,364	77,305	74,119	70,974	68,085
Dyking, drainage and irrigation*	248	-	-	-	-	-	-	-	-	-
Water	26,407	22,791	13,889	11,538	10,808	10,045	9,192	8,433	2,840	1,281
Sewer	12,793	12,073	7,704	7,212	6,693	6,189	5,663	5,111	4,535	411
<b>Total Debt Outstanding by Function</b>	<b>\$45,132</b>	<b>\$38,401</b>	<b>\$66,924</b>	<b>\$104,870</b>	<b>\$100,802</b>	<b>\$96,598</b>	<b>\$92,160</b>	<b>\$87,663</b>	<b>\$78,349</b>	<b>\$69,777</b>
*Property tax supported debt	\$5,932	\$3,537	\$45,331	\$86,120	\$83,301	\$80,364	\$77,305	\$74,119	\$70,974	\$68,085
<b>DEBT PER CAPITA (\$'s)</b>	<b>\$350</b>	<b>\$298</b>	<b>\$511</b>	<b>\$788</b>	<b>\$747</b>	<b>\$705</b>	<b>\$668</b>	<b>\$635</b>	<b>\$564</b>	<b>\$502</b>



The increase in debt in 2005 was related to Abbotsford's assumption of its share of debt related to regional water and sewer services, the operations of which were transferred from the Fraser Valley Regional District to the City of Abbotsford and the District of Mission. New debt in 2007 was for three projects: a sports and entertainment facility, a recreation centre expansion, and a museum/cultural centre.

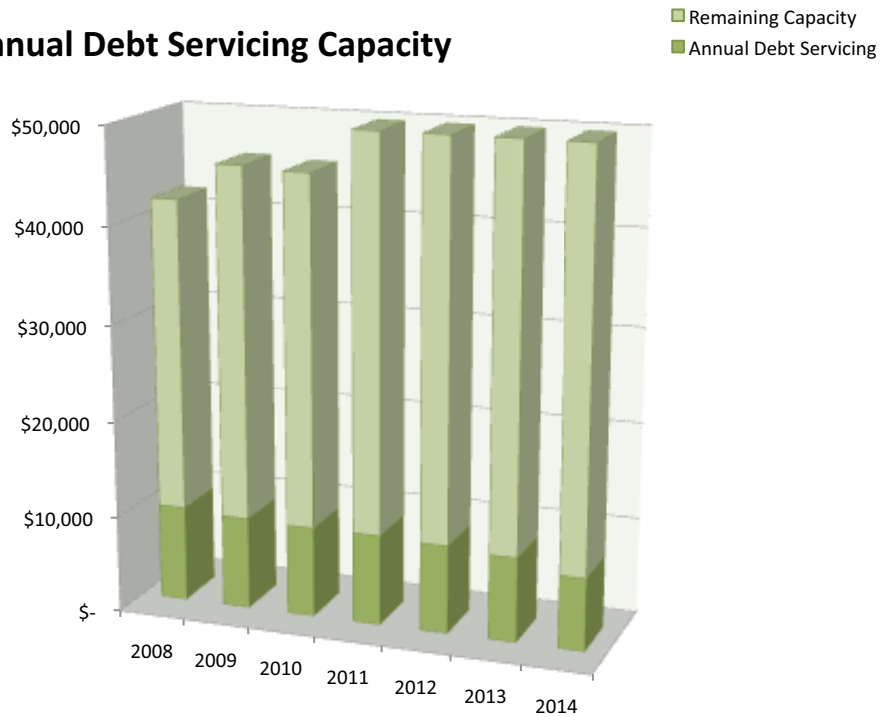
# FINANCIAL STATISTICS

## ANNUAL DEBT SERVICING

in thousands

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Annual Debt Servicing*	\$14,113	\$9,931	\$13,977	\$9,926	\$9,553	\$9,360	\$9,378	\$9,159	\$8,776	\$7,547
% of Total Expenditures	8.1%	5.4%	6.5%	6.0%	5.2%	4.2%	4.4%	4.1%	4.0%	3.3%
Legal Debt Servicing Limit**	\$31,980	\$34,564	\$39,834	\$42,091	\$45,893	\$45,574	\$50,850	\$50,915	\$51,797	\$51,885
*Early debt repayment is excluded from Annual Debt Servicing (early debt repayment in 2013 \$4,798K & in 2014 \$4,858 )										
**Legislation in 2004 replaced total debt limits with debt servicing limits										
Remaining Debt Servicing Capacity	\$17,867	\$24,633	\$25,857	\$32,165	\$36,340	\$36,214	\$41,472	\$41,756	\$43,021	\$44,338

### Annual Debt Servicing Capacity



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>OVERLAPPING DEBT</b>										
City of Abbotsford	\$45,132	\$38,401	\$66,924	\$104,870	\$100,802	\$96,598	\$92,160	\$87,663	\$78,349	\$69,777
Fraser Valley Regional District	29,551	33,286	29,943	23,793	25,506	28,803	26,151	24,637	24,138	16,429
Fraser Valley Regional Hospital District	9,569	34,641	63,918	41,602	53,282	58,449	55,048	51,904	48,918	46,175
	<u>\$84,252</u>	<u>\$106,328</u>	<u>\$160,785</u>	<u>\$170,265</u>	<u>\$179,590</u>	<u>\$183,850</u>	<u>\$173,359</u>	<u>\$164,204</u>	<u>\$151,405</u>	<u>\$132,381</u>

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

# FINANCIAL STATISTICS PROPERTY ASSESSMENT

	2005	2006	2008	2009	2010	2011	2012	2013	2014
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(in 1,000's except as noted)

## PROPERTY ASSESSMENT

### General Assessment

Land	\$ 5,322,949	\$ 6,107,652	\$ 9,192,910	\$ 9,332,579	\$ 9,402,463	\$ 9,778,744	\$ 9,948,332	\$ 9,954,896	\$ 10,150,645
Improvements	5,234,741	5,576,866	7,320,397	7,451,409	7,436,839	7,856,254	7,948,905	7,867,888	7,704,732
	<u>\$ 10,557,690</u>	<u>\$ 11,684,518</u>	<u>\$ 16,513,307</u>	<u>\$ 16,783,988</u>	<u>\$ 16,839,302</u>	<u>\$ 17,634,998</u>	<u>\$ 17,897,237</u>	<u>\$ 17,822,784</u>	<u>\$ 17,855,377</u>

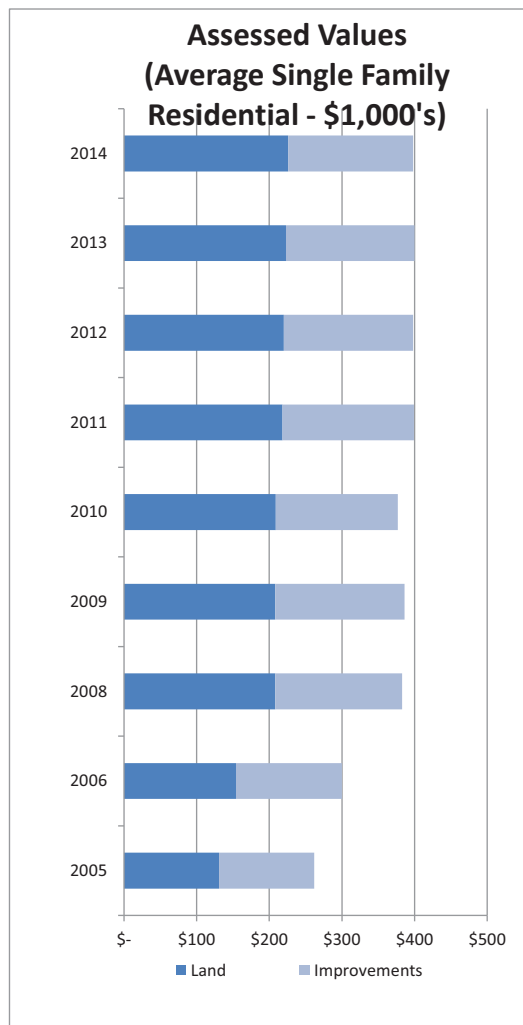
### Average Single Family Residential Assessed Values

Land	\$ 131	\$ 154	\$ 208	\$ 208	\$ 209	\$ 218	\$ 220	\$ 223	\$ 226
Improvements	131	146	175	178	168	181	178	177	172
	<u>\$ 262</u>	<u>\$ 300</u>	<u>\$ 383</u>	<u>\$ 386</u>	<u>\$ 377</u>	<u>\$ 399</u>	<u>\$ 398</u>	<u>\$ 400</u>	<u>\$ 398</u>

## NEW CONSTRUCTION AND DEVELOPMENT

Building Permits Issued*	2,002	1,775	1,722	1,483	1,812	1,481	1,481	1,576	1,564
Building Permit Construction Value	\$ 280,178	\$ 380,893	\$ 351,683	\$ 156,284	\$ 207,210	\$ 255,557	\$ 158,907	\$ 208,906	\$ 182,672
New Construction	\$ 225,163	\$ 249,281	\$ 295,734	\$ 107,288	\$ 164,880	\$ 226,078	\$ 125,399	\$ 146,620	\$ 141,623
New Housing Starts (dwelling units)*	468	329	263	208	320	217	186	133	190

\*actual numbers



# FINANCIAL STATISTICS

## PROPERTY TAXATION

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
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(in 1,000's except as noted)

### PROPERTY TAXATION

#### Tax Levy\*

Current Tax Levy	\$ 144,334	\$ 152,524	\$ 169,488	\$ 180,522	\$ 162,044	\$ 169,929	\$ 178,810	\$ 183,811	\$ 188,784	\$ 191,418
Penalty & Interest	661	784	841	923	882	956	963	906	913	883
<b>Total Tax Levy</b>	<b>\$ 144,995</b>	<b>\$ 153,308</b>	<b>\$ 170,329</b>	<b>\$ 181,445</b>	<b>\$ 162,926</b>	<b>\$ 170,885</b>	<b>\$ 179,773</b>	<b>\$ 184,717</b>	<b>\$ 189,697</b>	<b>\$ 192,301</b>

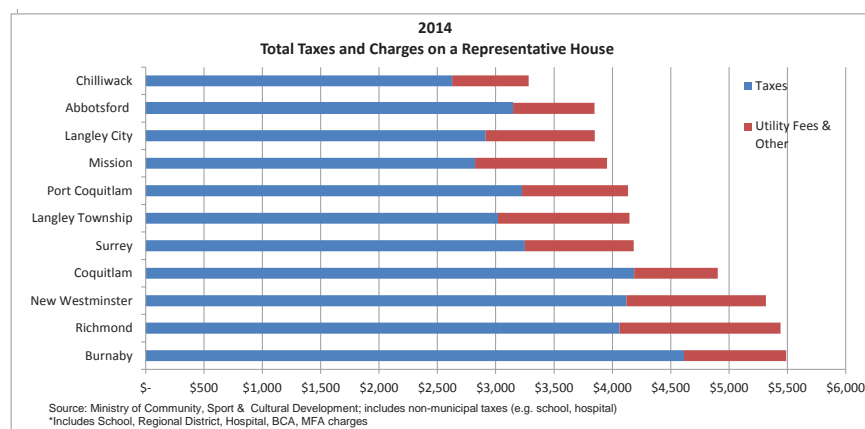
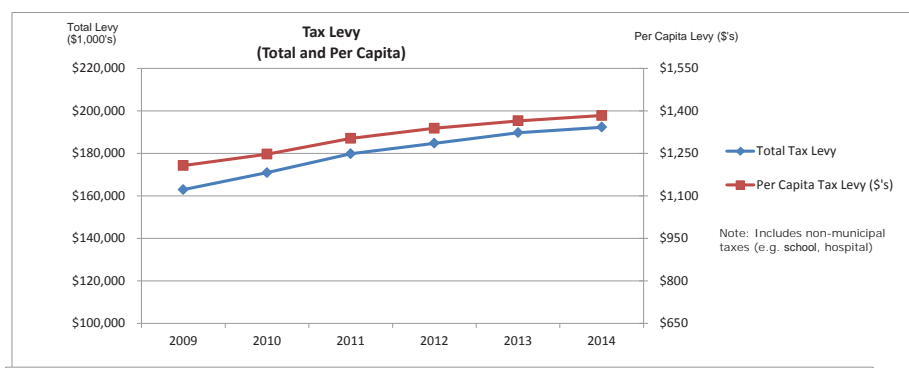
Per Capita Tax Levy (\$'s)	\$ 1,124	\$ 1,188	\$ 1,300	\$ 1,364	\$ 1,207	\$ 1,247	\$ 1,303	\$ 1,339	\$ 1,365	\$ 1,383
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\* 2009 to 2012 have been restated to conform with current year presentation

#### Taxes Collected

Current Taxes Collected	\$ 141,419	\$ 149,636	\$ 166,394	\$ 177,010	\$ 159,561	\$ 167,468	\$ 175,747	\$ 180,475	\$ 186,122	\$ 188,813
% Current Taxes Collected	97.53	97.60	97.69	97.56	97.93	98.00	97.76	97.70	98.12	98.19

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



#### TAXES COLLECTED FOR OTHER AGENCIES

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
School	\$ 45,702	\$ 47,063	\$ 48,744	\$ 50,631	\$ 52,163	\$ 53,158	\$ 54,432	\$ 54,128	\$ 55,264	\$ 56,681
FVRHD	4,609	4,698	4,935	5,079	5,331	5,436	5,276	5,349	5,346	5,398
FVRD	1,862	1,936	2,022	2,305	2,314	2,488	1,774	1,730	1,668	1,720
BC Assessment	1,283	1,283	1,317	1,376	1,465	1,522	1,496	1,498	1,514	1,543
GVRD	491	711	752	801	838	865	892	860	898	865
MFA	2	3	4	3	4	4	4	5	5	5
<b>Total</b>	<b>\$ 53,949</b>	<b>\$ 55,694</b>	<b>\$ 57,774</b>	<b>\$ 60,195</b>	<b>\$ 62,115</b>	<b>\$ 63,473</b>	<b>\$ 63,874</b>	<b>\$ 63,570</b>	<b>\$ 64,695</b>	<b>\$ 66,212</b>



# FINANCIAL STATISTICS ASSESSMENTS AND TAX RATES

## CITY OF ABBOTSFORD PROPERTIES

PROPERTY CLASS	Net Taxable Values (in thousands)	DOLLARS OF TAX PER \$1,000 TAXABLE VALUE				
		GENERAL			SPECIFIED AREAS	
		Municipal	Municipal	Regional	Matsqui	Sumas
		General (Police)	General* (Other)	Library	Dyking	Dyking
1. Residential	\$ 14,538,715	1.78545	3.11499	0.17676	1.67759	0.63408
2. Utilities	88,861	13.88510	24.22460	1.37517	1.67759	13.09209
5. Light Industrial	480,827	3.85111	6.71883	0.38179	1.67759	10.44921
6. Business/Other	2,594,974	4.55151	7.94078	0.45073	1.67759	5.22461
8. Recreation/Non-Profit	12,026	2.92713	5.10676	0.28988	1.67759	0.63408
9. Farm	139,974	6.69800	11.68565	0.66284	1.67759	-
	<u>\$ 17,855,377</u>					

## 2014 TAX RATES - OTHER GOVERNMENTS & AGENCIES

PROPERTY CLASS	DOLLARS OF TAX PER \$1,000 TAXABLE VALUE					
	Fraser	Greater	Regional	Municipal	BC	
	Valley	Vancouver	Hospital	Finance	Assessment	School
	Regional	Regional	District	Authority		
1. Residential	0.07364	0.03706	0.23117	0.00020	0.06190	2.32290
2. Utilities	0.25772	0.12971	0.80911	0.00070	0.51150	13.60000
5. Light Industrial	0.25036	0.12600	0.78599	0.00070	0.17550	6.00000
6. Business/Other	0.18041	0.09080	0.56638	0.00050	0.17550	6.00000
8. Recreation/Non-Profit	0.07364	0.03706	0.23117	0.00020	0.06190	3.40000
9. Farm	0.07364	0.03706	0.23117	0.00020	0.06190	3.45000

## FINANCIAL STATISTICS

### OTHER STATISTICS

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>PUBLIC WORKS INFRASTRUCTURE</b>										
Streets and Roads (km)	901	908	920	924	935	939	944	986	945	947
Sanitary Sewers (km)	514	522	530	533	540	543	549	554	554	559
Storm Sewers (km)	448	455	468	474	484	487	494	497	500	504
City Water Mains (km)	839	850	870	880	896	906	911	914	907	1,008
Joint Water Mains:										
Abbotsford portion (km)	68	68	68	69	69	34	34	34	36	36
Mission portion (km)	18	18	18	18	18	39	39	39	41	42
Within FVRD (km)						17	18	18	18	19
Water Services	24,381	24,774	24,921	25,150	25,224	25,257	25,576	27,153	26,178	26,308
Note: New measurement system used for tracking in 2010										
<b>REGISTERED ELECTORS</b> (in 1,000's)	79	77	77	83	83	83	87	87	87	87
<b>PROPERTIES ON TAX ROLL</b> (in 1,000's)	45	46	42	42	43	44	44	45	45	45
<b>ABBOTSFORD AIRPORT</b>										
Aircraft movements (in 1,000's)	152	160	175	155	123	102	97	108	114	127
Passengers (in 1,000's)	393	500	508	504	472	464	475	491	478	477

#### NUMBER OF EMPLOYEES (Approved FTE's)<sup>o</sup>

	2013	2014
Airport	18	18
Engineering <sup>3</sup>	227	231
Fire Rescue & Emergency Services	103	101
Fire Rescue Services (Auxiliary) <sup>1</sup>	13	13
Parks, Recreation & Culture <sup>3</sup>	115	94
Police (civilians)	90	89
Police (uniformed)	212	212
City Manager's Office	20	23
Corporate Services	82	86
Planning & Development Services <sup>2</sup>	67	61
	<u>948</u>	<u>929</u>

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

<sup>o</sup>includes both full-time and part-time positions

<sup>1</sup>Auxiliary budget converted to FTE positions

<sup>2</sup>Planning & Development includes Building Inspections

<sup>3</sup>Auxiliary staff converted to FTE

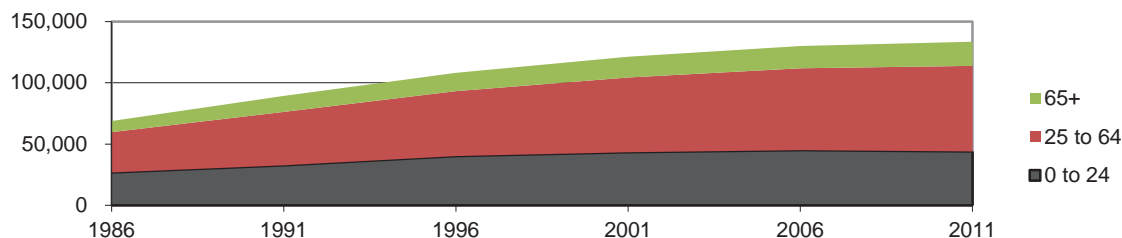
## FINANCIAL STATISTICS DEMOGRAPHICS

### Population by Age Group

Source: Statistics Canada Census age distribution

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

Abbotsford Age Distribution



### Population Growth (1956-2011)

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

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	7.20	4,113,487	3.01
2011	133,500	7.40	4,573,321	2.92

ABBOTSFORD ANNUAL POPULATION ESTIMATES (1,000's)

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
129	129	131	133	135	137	138	138	139	139

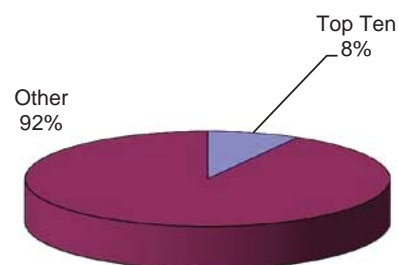
## FINANCIAL STATISTICS DEMOGRAPHICS

### TOP 10 PRINCIPAL CORPORATE TAXPAYERS

(in 1,000's)

Industry	Tax Contribution
Retail	\$ 1,939
Utility	1,436
Utility	1,352
Utility	981
Crown - Federal	959
Retail	928
Utility	757
Retail	703
Retail	564
Commercial	454
<b>Total, Top Ten</b>	<b>\$ 10,073</b>

Tax Contribution by Principal Corporate Taxpayers



Total Abbotsford general tax \$ 123,085

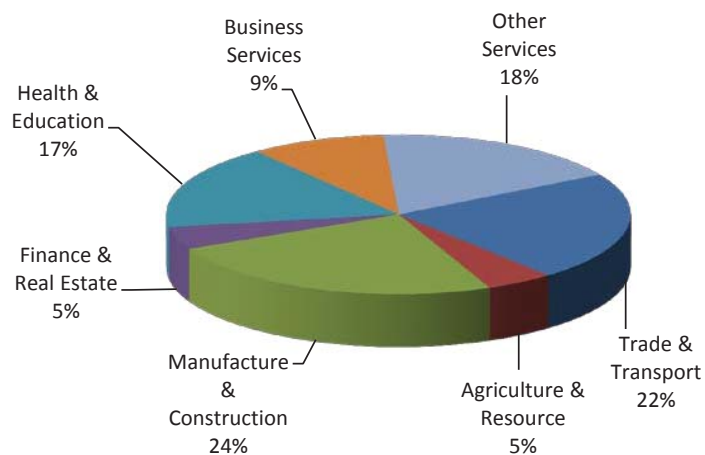
Proportion of tax paid by top ten 8%

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

### EMPLOYMENT BY INDUSTRY

(actual #'s)

	People Employed
Manufacturing and construction industries	21,100
Health and education	14,800
Trade and transportation	19,300
Business services	8,200
Agriculture and resource-based industries	4,100
Finance and real estate	4,000
Other services	15,400
	<b>86,900</b>



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

### UNEMPLOYMENT RATE - ABBOTSFORD/MISSION (Source: Statistics Canada)

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
5.6%	4.6%	4.3%	4.8%	7.9%	8.0%	8.9%	7.9%	7.8%	7.4%

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

## PERMISSIVE TAX EXEMPTIONS

	<u>2014</u>	<u>2013</u>
ABBOTSFORD AIRPORT REVITALIZATION EXEMPTIONS	\$ 35,787	\$ 42,234
ATHLETIC OR SERVICE CLUB OR ASSOCIATIONS EXEMPTIONS	241,962	239,387
CHARITABLE ORGANIZATIONS EXEMPTIONS	176,716	185,537
COMMERCIAL REVITALIZATION	2,246,629	-
DOWNTOWN ABBOTSFORD REVITALIZATION EXEMPTIONS	78,539	24,256
INDUSTRIAL REVITALIZATION EXEMPTIONS	117,624	146,342
LOCAL AUTHORITIES EXEMPTIONS	272,456	279,039
PRIVATE SCHOOL EXEMPTIONS	222,017	229,298
RELIGIOUS ORGANIZATIONS EXEMPTIONS	430,844	396,231
	<u>\$ 3,822,574</u>	<u>\$ 1,542,324</u>

# PERMISSIVE TAX EXEMPTIONS

Class	Folio	Name	Civic Address	2014 Exemption \$
<b>ABBOTSFORD AIRPORT REVITALIZATION</b>				
6	9700002580	600897 BC LTD	1255 Townline Road	\$ 15,477
6	9700002570	VK Aviation Corp.	30720 Rotor Drive	20,310
				<b>35,787</b>
<b>ATHLETIC OR SERVICE CLUB OR ASSOCIATIONS</b>				
6	9500013980	861 Silverfox Sponsoring Committee	32470 Haida Drive	6,673
1	6223074321	Abbotsford Community Services	33780 Laurel Street	153
6	6223074321	Abbotsford Community Services	33780 Laurel Street	3,425
6	6233053231	Abbotsford Curling Club	2555 McMillan Road	13,041
1	9332020911	Abbotsford Fish & Game Club	4161 Lakemount Lodge Road	254
6	9332020911	Abbotsford Fish & Game Club	4161 Lakemount Lodge Road	885
8	9332020911	Abbotsford Fish & Game Club	4161 Lakemount Lodge Road	4,608
6	3156041609	Abbotsford Horseshoe Club	2308 Adanac Street	4,859
6	5165048000	Abbotsford Judo Club	31480 Maclure Rd	3,958
8	5165048000	Abbotsford Judo Club	31480 Maclure Rd	3,409
8	6223029707	Abbotsford Social Activity Association	33889 Essendene Ave	6,896
8	6223031501	Abbotsford Social Activity Association	2631 Cyril Street	5,496
1	9500005906	Bradner Community Club	28780 Myrtle Avenue	1,291
6	9500006108	Bradner Community Club	5305 Bradner Road	1,484
6	9500006303	Bradner Community Club	5227 Bradner Road	377
8	9500006108	Bradner Community Club	5305 Bradner Road	2,397
8	9500006303	Bradner Community Club	5227 Bradner Road	5,187
8	7207062000	Clayburn Village Community Society	4315 Wright Street	4,336
8	9500006819	Clayburn Village Community Society	4304 Wright Street	2,656
8	9500015109	Clayburn Village Community Society	34819 Clayburn Road	4,917
1	1013055810	Elks Rec. Children's' Camp Society	27865 0 Avenue	3,750
6	7187058120	Fraser Valley Conservancy	33350 Industrial Avenue	28,949
1	9500007307	Girl Guides of Canada	5315 Willet Road	341
8	9500007307	Girl Guides of Canada	5315 Willet Road	7,689
6	9500013990	K Family Housing Society	32470 Haida Drive	20,551
6	7180060008	Ledgeview Properties Ltd.	35997 McKee Road	8,205
6	7180060020	Ledgeview Properties Ltd.	McKee Road Lot B	698
6	9304030101	Ledgeview Properties Ltd.	36039 McKee Road	2,659
8	7180060008	Ledgeview Properties Ltd.	35997 McKee Road	31,646
8	7180060020	Ledgeview Properties Ltd.	McKee Road Lot B	8,796
8	9304030101	Ledgeview Properties Ltd.	36039 McKee Road	12,815
8	9304075609	Ledgeview Properties Ltd.	McKee Road Lot 17	309
6	9500006901	Matsqui Prairie Community Association	33676 St Olaf Avenue	1,294
8	9500004501	Matsqui Prairie Community Association	5783 Wallace Street	2,380
8	9500006901	Matsqui Prairie Community Association	33676 St Olaf Avenue	2,145
6	9500007009	Mt Lehman Community Association	6418 Mt Lehman Road	501
8	9500006601	Mt Lehman Community Association	Mt Lehman Road	5,048
8	9500007009	Mt Lehman Community Association	6418 Mt Lehman Road	2,188
1	9500004707	Ridgedale Rod & Gun Club	35606 Harris Road	326
6	9500004707	Ridgedale Rod & Gun Club	35606 Harris Road	754
8	8213060000	Ridgedale Rod & Gun Club	35655 Harris Road	4,045
8	9500004707	Ridgedale Rod & Gun Club	35606 Harris Road	5,178
8	2422050	Scouts Canada	Foxglove Lane	4,751
6	9324004207	Straiton Community Club	4698 Sumas Mtn Road	611
8	9324004207	Straiton Community Club	4698 Sumas Mtn Road	2,293
6	9500013970	Twisters Gymnastics	32470 Haida Drive	7,738
				<b>241,962</b>
<b>CHARITABLE ORGANIZATIONS</b>				
8	2101018706	A.N.A.F. Veterans in Canada Unit #315	30346 McNeil Ave	2,400
1	6223057301	Abbotsford Community Services	2420 Montrose Ave	2,871
1	6223074321	Abbotsford Community Services	33780 Laurel Street	924
6	6223057301	Abbotsford Community Services	2420 Montrose Ave	23,976
6	6223063811	Abbotsford Community Services	2539 Montvue Ave	10,910
6	6223074321	Abbotsford Community Services	33780 Laurel Street	10,073
8	6223051402	Abbotsford Community Services	33914 Essendene Ave	7,122
8	6223057301	Abbotsford Community Services	2420 Montrose Ave	17,531

## PERMISSIVE TAX EXEMPTIONS

1	6151005806	Governing Council of the Salvation Army in Canada	34081 Gladys Ave	4,469
6	6151005806	Governing Council of the Salvation Army in Canada	34081 Gladys Ave	32,971
8	6151005806	Governing Council of the Salvation Army in Canada	34081 Gladys Ave	1,027
6	5163080810	Mennonite Central Committee BC	31872 South Fraser Way	51,949
6	6170059606	Northview Community Church	2616 Ware Street	6,229
8	6223068811	Royal Canadian Legion No 015	2513 West Railway St	4,264
				<b>176,716</b>
<b>COMMERCIAL REVITALIZATION</b>				
6	9500014520	Highstreet Nominee Inc	A100 - 3122 Mt Lehman Road	2,246,629
				<b>2,246,629</b>
<b>DOWNTOWN ABBOTSFORD REVITALIZATION</b>				
6	6223030110	Aldergove Credit Union	1 - 2600 Gladys Ave	22,746
6	6223062810	Barber, Patrick	33780 Essendene Avenue	6,825
6	6223030130	Island Boy Investments Inc	3 - 2600 Gladys Ave	7,789
6	6223030140	Island Boy Investments Inc	4 - 2600 Gladys Ave	6,026
6	6223030150	Island Boy Investments Inc	5 - 2600 Gladys Ave	5,417
6	6223030160	Island Boy Investments Inc	6 - 2600 Gladys Ave	26,590
6	6223030120	Meade, Kelly & Trevor	2 - 2600 Gladys Ave	2,499
6	6223031711	Siemens, Jacob	33839 Essendene Ave	647
				<b>78,539</b>
<b>INDUSTRIAL REVITALIZATION</b>				
6	4162082980	Abbotsford Growers Co-operative	31867 Marshall Pl	32,248
6	1059018130	Golden Valley Holdings Ltd.	3841 Vanderpol Court	55,158
6	9500005310	Trans-Canada Self Storage	2992 Pinegrove Street	30,218
				<b>117,624</b>
<b>LOCAL AUTHORITIES</b>				
6	6101072111	BC Transit	1225 Riverside Road	53,129
6	5167027710	Reach Cultural Centre Society	32388 Veterans Way	155,301
6	9700002430	Tourism Abbotsford (Tradex)	1190 Cornell Street	64,026
				<b>272,456</b>
<b>PRIVATE SCHOOL</b>				
6	7180097230	Abbotsford Christian School Society	35011 Old Clayburn Road	26,793
6	7183028270	Abbotsford Christian School Society	3939 Old Clayburn Road	17,113
6	1051085901	Catholic Independent Schools	2747 Townline Road	68,631
6	7188006510	Christian Outreach of Canada	3970 Gladwin Road	37,944
6	8234040704	Dasmesh Punjabi Educational Association	5930 Riverside Street	5,569
6	6223021021	Dogwood Independent School Society	33886 Pine Street	2,740
6	7194047210	Mennonite Educational Institute Society	31638 Downes Road	3,679
6	7195028400	Mennonite Educational Institute Society	31655 Downes Road	59,548
				<b>222,017</b>
<b>RELIGIOUS ORGANIZATIONS</b>				
8	1053041030	Abb West Cong Jehovah's Witnesses	31165 Gardner Avenue	4,586
8	6154037701	Abbotsford Baptist Church	33651 Busby Road	2,319
8	6154003000	Abbotsford Christ the King Community Church	2393 West Railway Street	3,391
8	9500003405	Abbotsford City Fellowship Society	2413 McCallum Road	3,130
8	3154096510	Abbotsford Evangelical Free Church	33218 Marshall Road	5,370
8	6223021011	Abbotsford Gospel Society	33868 Pine St	2,755
8	9323000103	Abbotsford Gospel Society	4390 Sumas Mountain Rd	2,990
8	9500003300	Abbotsford Korean Presbyterian	2597 Bourquin Crescent East	5,815
8	9500002770	Abbotsford Pentecostal Assembly	3145 Gladwin Road	12,780
8	1044021007	Aldergrove Fellowship Baptist Church	28163 Swensson Avenue	5,431
8	9500000410	BC Conf Mennonite Brethren Churches	3160 Ross Road	2,825
8	9500001310	BC Conf Mennonite Brethren Churches	32454 Huntingdon Road	3,505
8	9500002607	BC Conf Mennonite Brethren Churches	2285 Clearbrook Road	10,383
8	9500002701	BC Conf Mennonite Brethren Churches	2719 Clearbrook Road	3,845
8	4162052207	BC Conf Mennonite of Brethren Churches	2311 Clearbrook Road	3,461
8	4162052402	BC Conf Mennonite of Brethren Churches	31980 Oak Avenue	2,868
8	4162052608	BC Conf Mennonite of Brethren Churches	31966 Oak Avenue	2,868
8	4162066607	BC Conf Mennonite of Brethren Churches	2231 Clearbrook Road	2,084
8	4162066610	BC Conf Mennonite of Brethren Churches	2228 Holly Street	2,363
8	4162067302	BC Conf Mennonite of Brethren Churches	2244 Holly Street	2,363
8	7175063600	BC Conference Mennonite Brethren Churches	3130 McMillan Road	4,751
8	6153026308	BC Muslim Association	1980 Salton Road	1,717
8	3155040220	Central Heights Church	1661 McCallum Road	7,288
8	9500003508	Central Valley Baptist Church	33393 Old Yale Road	1,517
8	1055034110	Christian & Missionary Alliance	3440 Mt Lehman Road	12,135
8	5166040650	Christian & Missionary Alliance	2575 Gladwin Road	13,495

## PERMISSIVE TAX EXEMPTIONS

8	9500000710	Church of God In Christ	29623 Downes Road	4,803
8	6141000321	Church of the Nazarene	2390 McMillan Road	3,984
8	9500004100	Community Baptist Bible Church	5525 Gladwin Road	3,958
8	9500003004	Conf of Uni Menno Church of BC	32027 Peardonville Road	2,145
8	4161068900	Conference of Mennonites in BC	2051 Windsor Street	6,059
8	9133040611	Congregation of the Prairie Chapel	1929 Interprovincial Hwy	2,031
8	1072028001	Emissaries of Divine Light	4330 Bradner Road	1,656
8	1055008680	Emmanuel Free Reformed Church	3366 Mt Lehman Road	3,339
8	9500000106	Fountainhead Christian Society	29394 Huntingdon Road	3,313
8	9500000908	Fraser Valley Buddhist Temple	28941 Haverman Road	2,031
8	3148009204	Fraser Valley Hindu Society	31545 Walmsley Road	3,243
8	9500009100	Gateway Community Christian	2884 Gladys Ave	5,405
8	6142039207	Grace Communities Corp	35190 Delair road	11,996
8	6144048901	Grace Evangelical Bible Church Society	2087 McMillan Road	6,695
8	9500001408	Grace Tabernacle	721 Gladwin Road	2,703
8	5163046830	Gurdwara Baba Banda Singh Bahadar Sikh Society	31631 South Fraser Way	27,304
8	9500022001	Immanuel Covenant Church	35063 Page Road	3,775
8	1053052820	Immanuel Fellowship Baptist Church	2950 Blue Jay Street	4,097
8	1055026410	Kalgidhar Darbar Sahib Society	3348 Siskin Drive	14,533
8	6171050601	Khalsa Diwan Society of Abbotsford	33117 Mill Lake Rd	1,744
8	6171050702	Khalsa Diwan Society of Abbotsford	33094 South Fraser Way	25,255
8	6171061001	Khalsa Diwan Society of Abbotsford	33089 South Fraser Way	10,383
8	7190043010	Marantha Baptist Church	3580 Clearbrook Road	5,928
8	9500004306	Matsqui Evangelical Lutheran Church	5781 Riverside Street	1,534
8	9032003604	Mennonite Brethren Church of BC	310 Arnold Road	3,121
8	7192056090	Mennonite Church of BC	3471 Clearbrook Road	8,029
8	6232067605	New Apostolic Church Canada	2480 McMillan Road	1,700
8	6142053611	New Life Christian Reformed Church	35270 Delair Road	4,341
8	6154039104	New Life Pentecostal Church	33668 McDougall Ave	1,761
8	7191035510	Northview Community Church	32064 Downes Road	1,622
8	5167065910	Olivet Church Abbotsford	2630 Langdon Street	10,662
8	6144048401	Parish of St Matthew Abbotsford	2010 Guilford Drive	4,385
8	9500002210	Peace Evangelical Lutheran Church	2029 Ware Street	3,391
8	1055048406	President of the Lethbridge Stake	30635 Blueridge Drive	16,294
8	3157024401	Roman Catholic Archbishop of Vancouver	33333 Mayfair Avenue	16,895
8	8226028600	Sant Baba Vasakha Sing Sikh Society	31957 Townshipline Rd	1,691
8	7182099706	Second Christian Church of Abbotsford	34611 Old Clayburn Road	5,056
8	6143033201	Seventh Day Adventist Church (BC Conference)	1921 Griffiths Road	3,400
8	7186073200	Society of Bethel Reform Church of Abbotsford	3260 Gladwin Road	4,812
8	6032038611	Solid Rock Christian Fellowship World Outreach	34371 4th Avenue	8,299
8	7211072700	The Pentecostal Assemblies of Canada	35131 Straiton Rd	3,505
8	9500001512	TR Congregation West Abbotsford Mennonite Church	31216 King Road	3,749
8	7189086100	Trinity Christian Reformed Church	3215 Trethewey Street	6,617
8	7191075030	Trinity Lutheran Church	3845 Gladwin Road	8,543
8	9500002905	Trust Cong Abbotsford Gospel Hall	2464 Parkview Street	2,162
8	3150082800	Trust Congregation of King Rd Mennonite Brethern Church	32068 King Road	4,559
8	9500001202	Trust Mt Lehman Cong United Church	6256 Mt Lehman Road	2,703
8	6150009101	Trustees of Abbotsford Centre Congregation of Jehovah's Witnesses	1672 Salton Road	2,877
8	9500001007	Trustees of Bradner Congregation	5275 Bradner Road	1,656
8	7186060010	Trustees of Gladwin Heights Pastoral United Church	3474 Gladwin Road	3,522
8	6150015002	Trustees of the Congregation of Canadian Reform Church	33947 King Road	3,688
8	6223011003	Trustees of Trinity Memorial Congregation of the United Baptist Church	33737 George Ferguson Way	3,043
8	6142034507	Zion Christian Reformed Church	35199 Delair Road	4,812
				<b>430,844</b>
<b>Total Permissive Exemptions</b>				<b>\$ 3,822,574</b>







City of Abbotsford  
32315 South Fraser Way  
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