

2016 ANNUAL REPORT

FISCAL YEAR ENDING DECEMBER 31, 2016



**2016 Annual Report
for fiscal year ending
December 31, 2016.**

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

INTRODUCTORY SECTION

Message from the Mayor	4
Elected Officials	5
Organizational Structure	11
2016 Revenue and Expenses	12
2016 Strategic Goals & Achievements.....	15

FINANCIAL SECTION

Canadian Award for Financial Reporting	53
Management Discussion and Analysis.....	55
Auditors' Report	65
Consolidated Statement of Financial Position	66
Consolidated Statement of Operations	67
Consolidated Statement of Cash Flow	68
Consolidated Statement Change in Net Financial Assets/(Debt)	69
Notes to Consolidated Financial Statements.....	70

Exhibits

1 Statement of Financial Position – By Fund	99
2 Statement of Financial Activities – By Fund.....	100
3 Schedule of Tangible Capital Assets.....	102
4 Appropriated Surplus (Reserves) Continuity Schedule	104
5 Debt Outstanding and Debt Servicing by Fund and Function	105

Schedules

A General Operating Fund.....	106
B Waterworks Operating Fund.....	108
C Sanitary Sewer Operating Fund.....	109
D Airport Operating Fund	110
E General Operating Fund - General Government Services.....	111
F General Operating Fund - Planning and Development Services	112
G General Operating Fund - Police Services	113

TABLE OF CONTENTS

H	General Operating Fund - Fire Rescue Service.....	114
I	General Operating Fund - Other Protective Services.....	115
J	General Operating Fund - Parks, Recreation and Culture.....	116
K	General Operating Fund - Abbotsford Centre.....	117
L	General Operating Fund - Library Services.....	118
M	General Operating Fund - Transit Services.....	119
N	General Operating Fund - Engineering Service.....	120
O	General Operating Fund - Solid Waste Services.....	121
P	General Operating Fund - Storm Drainage Services.....	122
Q	General Operating Fund - Dyking, Drainage and Irrigation Services.....	123
R	Capital Fund.....	124
S	Reserve Fund.....	125
	Auditors' Report Cemetery Care Trust Fund.....	126
	Cemetery Care Trust Fund Statement of Financial Position.....	127
	Notes to Cemetery Care Trust Fund.....	128

FINANCIAL STATISTICS

Accumulated Surplus.....	132
Consolidated Annual Surplus/ (Deficit) and Net Financial Assets/ (Net Debt).....	133
Consolidated Revenue by Source.....	134
Consolidated Expenses by Function....	135
Consolidated Expenses by Object.....	136
Sources of Capital Funding.....	137
Tangible Capital Assets by Asset Category.....	138
Debt Outstanding by Function.....	139
Annual Debt Servicing.....	140
Property Assessment.....	141
Property Taxation.....	142
Assessments and Tax Rates.....	143
Other Statistics.....	144
Demographics.....	145
Permissive Tax Exemptions.....	147

MESSAGE FROM THE MAYOR

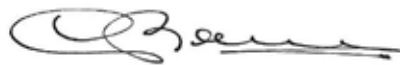
On behalf of Abbotsford City Council, I am pleased to present the 2016 Annual Report, highlighting the work that is happening at the City.

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

As you read through this report, you will see how this vision is making a difference in your daily life – from new playgrounds and sports fields to protection of our agricultural lands to innovative forms of engagement with residents to improved technology for water treatment.

Abbotsford is a vibrant, diverse city on the move. Building a prosperous and sustainable Abbotsford for the future depends on collaborating with all our partners. In 2017, there will be many opportunities for you to help shape this future, and I encourage you stay informed on new initiatives.

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



Henry Braun
Mayor

ELECTED OFFICIALS

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

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

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

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



Mayor
Henry Braun

Henry Braun was elected as Mayor of Abbotsford in 2014 after serving on City Council from 2011 – 2014.

Henry has been an Abbotsford resident for most of his life and was the co-owner, president and CEO of Abbotsford-based Pacific Northern Rail Contractors Corporation up until his retirement in 2003. As a long-time Abbotsford businessman, he is enjoying the opportunity to put his years of business experience to work for the City and people of Abbotsford. Henry believes that great communities are built when residents are engaged and involved, and he has served on many boards and associations. Henry's family is his inspiration for making sure Abbotsford remains a wonderful place in which to grow up and grow old, well into the future.

Did you know?

Henry raises purebred Herefords and enjoys being out on the range both at home or at the ranch. When Henry is not on the open range, he enjoys spending time with family while cooking over the kitchen range – whether it's his secret sauce for his best in the west BBQ chicken or his classic bouillabaisse.

Current Committees/Boards/Commission Appointments

- Chair, Abbotsford Police Board
- Chair, Abbotsford Airport Authority
- Chair, Intergovernmental Affairs Advisory Committee
- Chair, Fraser Valley Regional District Hospital Board
- Committee for Business Innovation, Growth and Attraction
- Joint Shared Services Committee (Abbotsford/Mission)
- Fraser Valley Regional District Board
- Metro Vancouver Regional Parks Committee
- Metro Vancouver/GVRD Board of Directors – Parks only
- Abbotsford Character Council

Find out more

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

ELECTED OFFICIALS



Councillor
Les Barkman

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

Les's history with the City goes back to 1974 when he started working in the Parks and Recreation Department and eventually began operating a variety of equipment. Les believes that it is important to give back to the community; he has coached kids' fastball, officiated basketball for over 39 years, and fundraised and volunteered for a variety of local charities. Les and his wife, Elaine, love interacting with other cultures and have travelled to the Philippines, Hong Kong, and this fall to La Paz, Mexico.

Current Committees/Boards/Commission Appointments

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

Did you know?

Les has heard the words, "Lester Barkman, come on down! You are the next contestant on the Price is Right!" He spun ninety five cents on the wheel and won the showcase.



Councillor
Sandy Blue

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

Sandy's diverse career has included marketing and economic development in the private and public sectors. She is passionate about helping communities innovate and thrive and envisions Abbotsford as a preferred destination: a place where young people choose to gather, pursue their post-secondary education, and build their careers and families. Sandy currently serves on the Abbotsford Police Foundation and enjoys grandchildren, gourmet cooking, golf, gardening, travel and interior design.

Current Committees/Boards/Commission Appointments

- Chair, Development Advisory Committee
- Committee for Business Innovation, Growth and Attraction
- Civic Recognition Committee
- BC Summer Games Nomination and Legacy Committees
- Heritage Abbotsford Society
- Metro Vancouver/GVRD Board of Directors – Parks only

Did you know?

Sandy was a founding member of the BC Chapter of Canadian Women in Communications and enjoys leadership and mentoring roles with the Minerva Foundation for BC Women.



Councillor
Kelly Chahal

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

Kelly has her MA in Criminal Justice; she currently works for the Ministry of Justice, is appointed as an Independent Chairperson for Correctional Service Canada and is a guest lecturer at various UFV and SFU Criminology classes. With a passion for social justice and intercultural relations, Kelly has served on the UFV Senate, the Advisory Board for the Centre for Canadian-Indo Studies and is a current member of the Abbotsford Character Council and a director of the Fraser Valley Indo-Canadian Association. Kelly enjoys archery and owns a beautiful recurve bow.

Current Committees/Boards/Commission Appointments

- Chair, Committee for Business Innovation, Growth and Attraction
- Intergovernmental Affairs Advisory Committee
- Abbotsford Restorative Justice and Advocacy Association
- FVRD Board; FVRD Hospital Board

Did you know?

Kelly has been involved in Scouts, leading a co-ed group which included her son and daughter; she eventually worked for Scouts Canada for a short time.



Councillor
Brenda Falk

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

The owner of Tanglebank Gardens and Brambles Bistro, Brenda is a farmer, entrepreneur and business woman. With a commitment to community involvement and horticulture, she is especially excited to be a part of Abbotsford’s Communities in Bloom, a national competition that encourages community participation, environmental responsibility and civic pride. Brenda enjoys reading, gardening, and spending time with her family and friends.

Current Committees/Boards/Commission Appointments

- Chair, Transportation Advisory Committee
- Committee for Business Innovation, Growth and Attraction
- The Reach Board
- Vice Chair, Fraser Valley Aboriginal Relations Committee
- Metro Vancouver, Aboriginal Relations Committee

Did you know?

Brenda studied Fashion Design at UFV and Horticulture and Landscape Design at Kwantlen Polytechnic University; she is also the co-creator of the region’s Farm Circle Tour and creator of the Passport to Christmas.

ELECTED OFFICIALS



Councillor
Moe Gill

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

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

Current Committees/Boards/Commission Appointments

- Chair, Public Safety Advisory Committee
- Intergovernmental Affairs Advisory Committee
- Agrifair
- FVRD Board; FVRD Hospital Board

Did you know?

The first sport Moe ever played was baseball when, as a young boy, he was asked to join a team because they didn't have enough players. This started his love for sports. For twelve years, he was an amateur wrestler and even competed as a professional until a back injury forced him to retire.



Councillor
Dave Loewen

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

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

Current Committees/Boards/Commission Appointments

- Chair, Parks, Recreation and Culture Advisory Committee
- Committee for Business Innovation, Growth and Attraction
- Abbotsford Chamber of Commerce
- Fraser Valley Diversity and Immigration Partnership Council
- FVRD Board; FVRD Hospital Board

Did you know?

Dave is Abbotsford's Canada 150 Community Leader, serving as a touchpoint for receiving and sharing information related to Canada's 150th anniversary.



Councillor
Patricia Ross

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

Patricia has travelled the world and truly believes Abbotsford is the most beautiful place on earth, with amazing people that she is honoured to serve. Patricia is a Fellow of Leadership for Environment and Development International, a research and training institute committed to fostering leadership in sustainability worldwide. She is currently the chair of GrowYourBiz Abbotsford, an advisory and mentoring board for women in business. As a councillor, Patricia is committed to sustainability principles and considers the environmental, social and economic impacts in all decision making.

Current Committees/Boards Commissions Appointments:

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

Did you know?

Patricia is a former Victim Services volunteer and is an advocate for restorative justice and for first responders and military experiencing PTSD.



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

Current Committees/Boards/Commission Appointments

- Chair, Homelessness Action Advisory Committee
- Joint Shared Services Committee
- Abbotsford Arts Council
- FVRD Board; FVRD Hospital Board

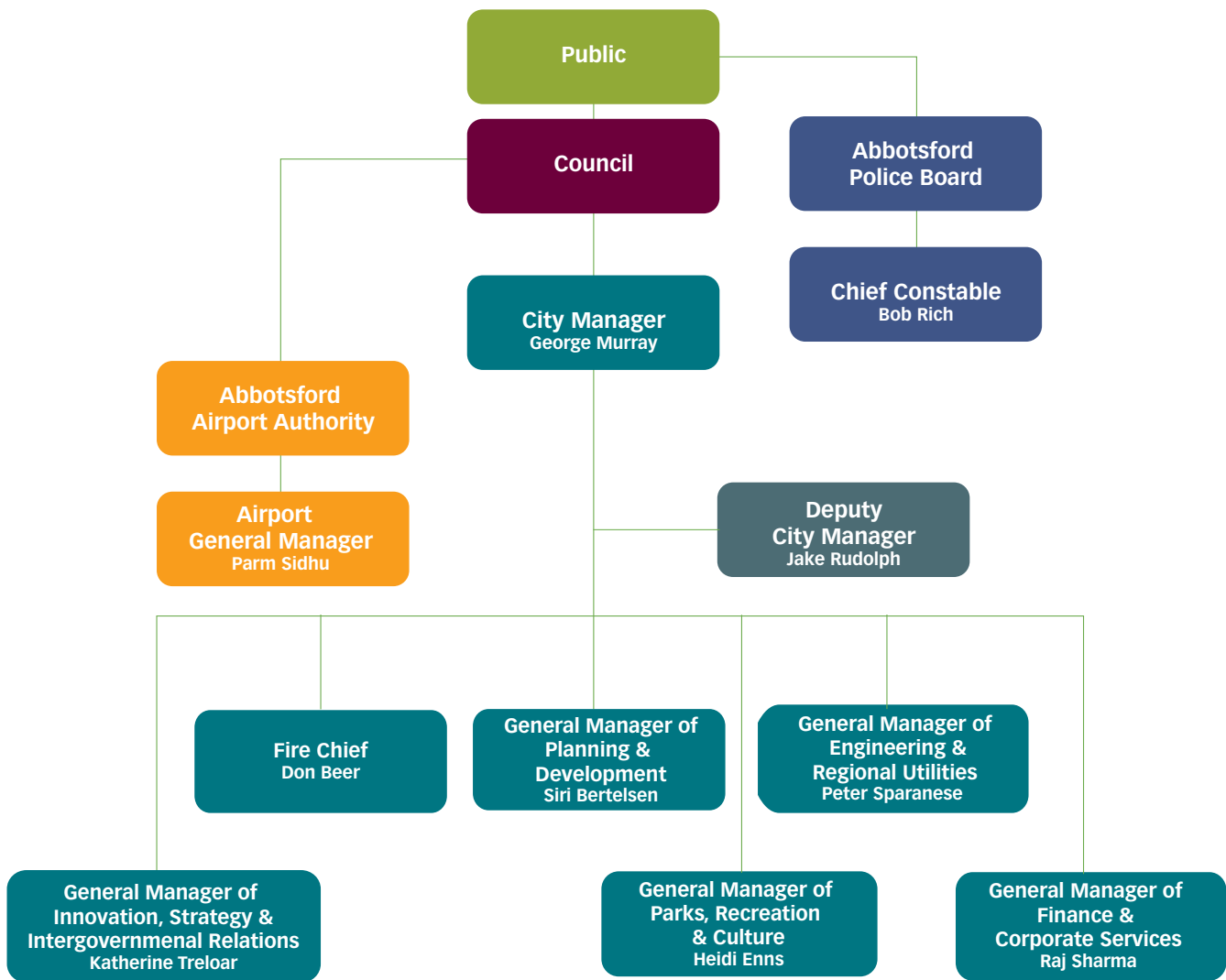
Did you know?

When Ross was first elected to serve on the Abbotsford District Council, he was only 23 years old – Abbotsford’s youngest councillor ever!

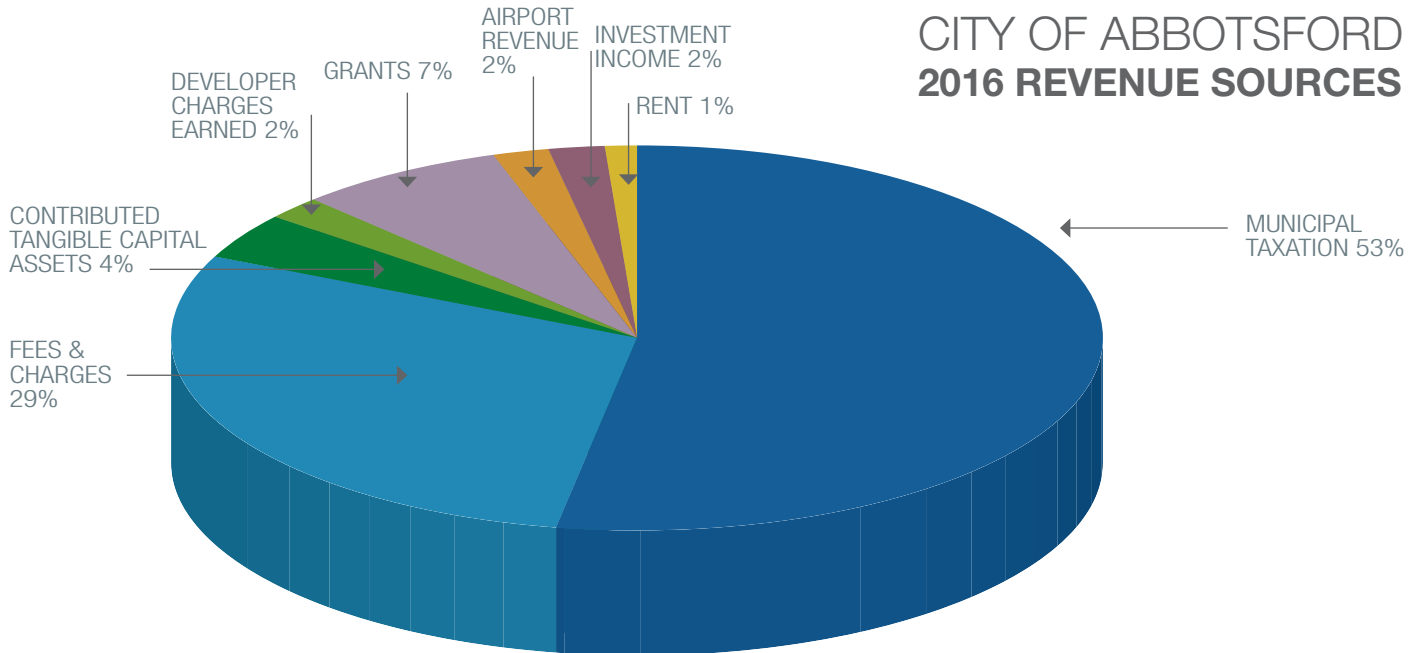
ORGANIZATIONAL STRUCTURE

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

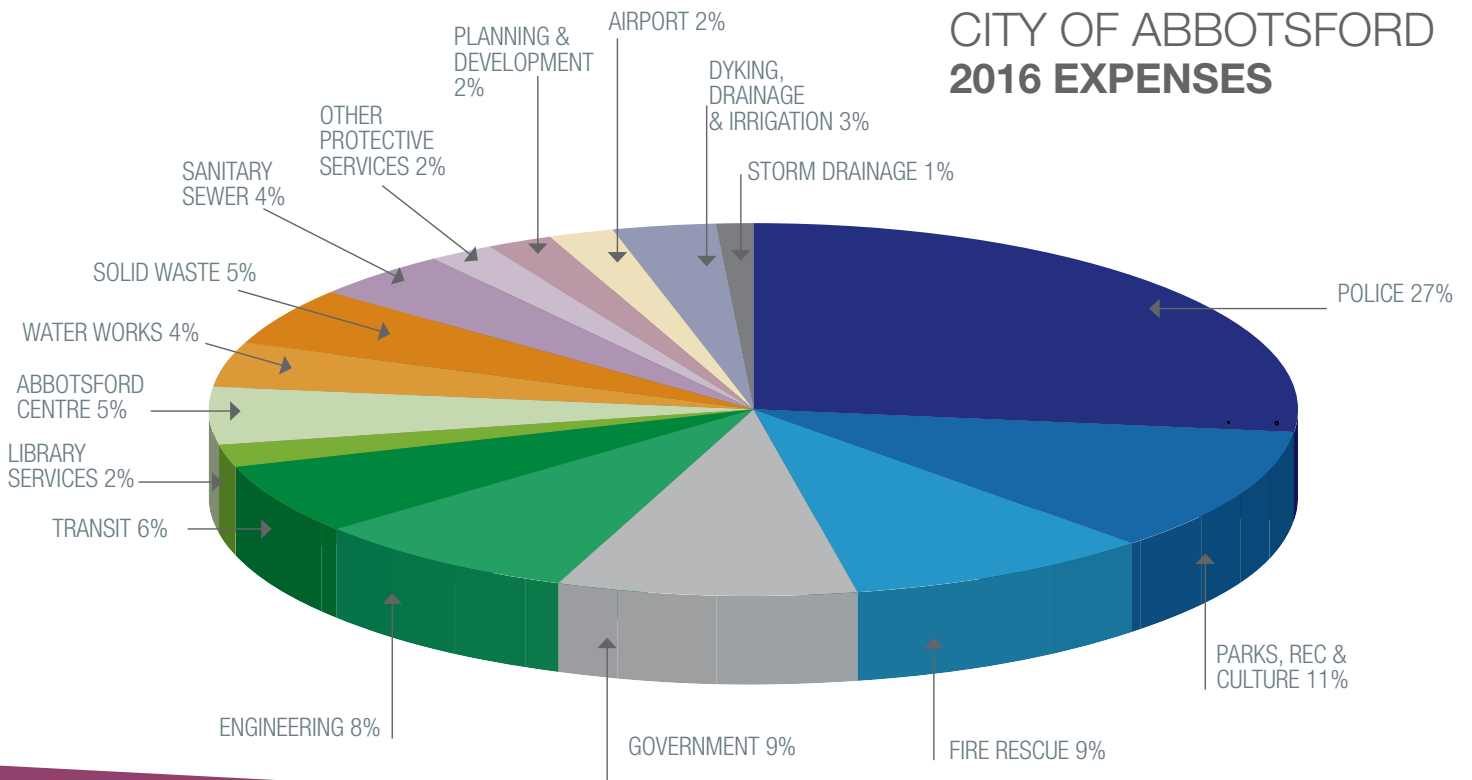
The Abbotsford International Airport and the Abbotsford Police Department report to independent Boards. All other Departments report directly to the City Manager, who is appointed by, and reports directly to, City Council. The City Manager is the Chief Administrative Officer for the City of Abbotsford.



CITY OF ABBOTSFORD 2016 REVENUE SOURCES



CITY OF ABBOTSFORD 2016 EXPENSES



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

2016 REVENUE AND EXPENSES

How tax dollars pay for City services

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

Dollars are based on 2017 budgeted municipal taxes (city/ police/ library) for a typical single family residence with a property assessment of \$429,000.



■ Utility user fees includes operations and maintenance, current and future infrastructure replacement and debt servicing.

★ Waterworks and sanitary sewer based on the 2016 median single family water usage (224 m³), and include a 3.75% rate increase effective July 1, 2017: (i) waterworks rate with on-time payment discount \$1.13; (ii) sanitary sewer rate with on-time payment discount \$0.96.

The City of Abbotsford

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

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

Abbotsford City services are organized into seven key service departments:

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



2016 STRATEGIC GOALS & ACHIEVEMENTS

OUR VISION

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

OUR MISSION

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

In 2016, the City of Abbotsford continued to work towards the vision of becoming the Hub of the Fraser Valley.

This vision sees Abbotsford as a preferred destination for businesses and residents alike.

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

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

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

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



COMPLETE COMMUNITY

Our Goal

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



HOW WE
GET THERE:

We value our community's connection with the environment.

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

WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:

THE CITY PLANTED 1,421 TREES fostering the beauty of the city and enhancing the environment.

150 STREET TREES were planted in the Fairfield neighbourhood in preparation for Canada's 150th birthday celebration.

The City received the UBCM Green Communities Award for efforts in reducing greenhouse gas emissions.

Did you know?

Abbotsford's residential water usage is one of the lowest in BC due to our water conservation strategy (currently at 185 litres/person/day).

HOW WE
GET THERE:

We support a multi-disciplinary approach to public safety.

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

WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:

Abbotsford Fire Rescue Service and the Abbotsford Police Department worked together to create a new Motor Vehicle Incident procedure that has increased the efficiency of emergency service response.

Abbotsford Fire Rescue Service responded to an increase of 1,175 calls from 2015.

ABBOTSFORD FIRE RESCUE SERVICE WAS THE SECOND FIRE SERVICE IN BC TO START DELIVERING NALOXONE TO OVERDOSE PATIENTS.

The City partnered with external agencies to deliver earthquake public awareness information during Emergency Preparedness Week. The effects of an earthquake were experienced through a sponsorship of the Quake Cottage at High Street Mall.

Staff reviewed 56 crosswalk locations, identified 20 locations for future improvements and completed crosswalk improvements at Poplar Elementary school, McMillan Elementary school, MEI Elementary school, Ash/Walnut Drive, and Blueridge/Goldfinch Drive. The improved crosswalks will enhance pedestrian safety, walkability, and accessibility within the community.

Traffic calming projects were completed at Guilford Drive and McKinley/Sandy Hill Drive to address speeding, shortcutting, and improve the livability and safety of the neighbourhoods.

COMPLETE COMMUNITY

WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:


A new campaign called **“THINK BEFORE YOU TOSS”** was launched to raise awareness about the dangers of throwing cigarette butts out the window and starting brush fires in dry weather conditions.

The City partnered with the Vancouver Foundation and the Abbotsford Community Foundation to offer **NEIGHBOURHOOD SMALL GRANTS**. These grants created opportunities for neighbourhoods to come together and solve community problems and enhance crime prevention.

The City effectively responded to one of the worst winters on record. This helped support public safety, economic vitality and the social well-being of the community.

This included applying

6,500	tons of salt
3,000	tons of sand
5,817	hours clearing/plowing streets



The City supported the ***In it Together (IIT)*** initiative through the Abbotsford Community Foundation. ***IIT*** worked with staff to connect with youth aged 12 – 13 on the fringe of gang or criminal activity to get them support to make healthier choices.

HOW WE
GET THERE:

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

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

WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:

The City received \$20 million in funding for widening Mt. Lehman Road to four lanes, providing better access to the airport and industrial lands, and allowing for more efficient movement of people and goods to the Canada/US border.

THE CITY RECEIVED \$28 MILLION IN PROVINCIAL AND FEDERAL FUNDING TO BOOST TRANSIT INFRASTRUCTURE

with a new and expanded Central Fraser Valley Transit operation and maintenance facility, increasing service and convenience to residents who use public transportation.

The City has over 2,100 lane kilometers of roads and resurfaced approximately 22 lane kilometers of road to ensure public safety.

54 railway crossings were assessed and the City applied for grants to improve 22 crossings to meet the Transportation Safety Board standards, improve public safety and reduce community expenditures.

COMPLETE COMMUNITY

HOW WE
GET THERE:

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

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

WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:

An **AGE FRIENDLY STRATEGY TO CREATE A HIGHER QUALITY OF LIFE FOR OLDER CITIZENS** was implemented.

The City participated in the Canada 150 Mural Mosaic Project. More than 350 residents painted a tile to commemorate Canada's 150th anniversary. The City of Abbotsford was the first community in the province to participate in this project. The finished mural is located in the Matsqui Centennial Auditorium as a cultural legacy for future generations.



Did you know?

The City welcomed over 100,000 total visitors to City-owned culture facilities, such as the Reach Gallery Museum, Kariton House and Trethewey House Historic Site.

Did you know?

- 1,512 sport, culture and recreation groups accessed 144,683 hours of rentals in Abbotsford parks and recreation facilities - an average of 96 hours per group.
- Abbotsford residents accessed 11,573 hours in the pool.
- 1,272,399 residents attended the recreation facilities which worked out to 3,486 visitors a day.
- Matsqui Recreation Centre (MRC) was open to the public 5,567 hours in 2016, averaging 940 people a day and the Abbotsford Recreation Centre (ARC) was open 6,734 hours in 2016, averaging 1,749 people a day.
- Every year, the swimming pools alternate in a safety and maintenance shutdown in order to enhance and protect the infrastructure. In 2016, despite the 26 day-closure, which had some financial impacts to revenues, overall swim lesson registration between the two aquatic facilities was up \$48,000. In 2016, swim lessons were at a six year high, with a 3% increase over 2015, and a 45% increase over 2011.
- Overall ARC/MRC drop-in attendance was up 16% over 2015.



HOW WE
GET THERE:

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

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

WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:

The City ran the Be Water Smart program to give families the tools, information and opportunities to learn about water safety.

AN ACCESSIBLE PLAYGROUND WAS INSTALLED AT ABBOTSFORD EXHIBITION PARK WITH SUPPORT FROM THE ABBOTSFORD FIREFIGHTERS' FUND, MAKING IT POSSIBLE FOR MORE CHILDREN TO PLAY.

Accessibility improvements to Centennial Pool, MRC weight room, and the ARC parking lot made it easier for patrons with strollers, wheelchairs and other mobility challenges to use the facilities.

An adult and child accessible swing was included at the Pepin Brook Park. Accessible play equipment helps youngsters with disabilities socialize and stay active.

Recreation staff championed a participation and education campaign called **"Play Every Day"** for toddlers and preschoolers.

The City participated in the Move for Health Week in May. This annual event provides low-cost access to recreation facilities and allows patrons the opportunity to sample programs, classes and explore opportunities to become active.

The Adopt-a-Park program continued to offer opportunities for residents and community groups to give back to the community.



HOW WE GET THERE:

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

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

WHAT WE DID IN 2016 TO ACHIEVE THIS:

Construction began on the Supportive Housing Project on Gladys Avenue. The project is a partnership between the City, Abbotsford Community Services and the Province of BC in order to provide a home and support to those who are homeless or at risk of homelessness.

The City participated in the development of the Coordinated Intake Referral Program. The program will be implemented in 2017, and will ensure community agencies work together to support people coping with issues related to homelessness.

The City worked with Community Practice consultants to lead a multi-stakeholder development of a Collaborative Roadmap for the Prevention of, and Response to, Homelessness in Abbotsford.

CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED) PRINCIPLES WERE APPLIED TO THE WORK IN THE CITY'S PARKS. Staff lifted the tree canopy and removed low brush in order to improve the sight lines at many parks and trails for public safety.



ORGANIZATIONAL ALIGNMENT

Our Goal

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

ORGANIZATIONAL ALIGNMENT

HOW WE
GET THERE:

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

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

WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:

City Council adopted the new OCP in June 2016, concluding the two-year project and began the next steps of putting the plan to work.

The City of Abbotsford won a **UBCM AWARD FOR BEST PRACTICES COMMUNITY CONNECTIONS** for the Abbotsford Official Community Plan.

HOW WE
GET THERE:

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

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

WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:

The City initiated AgRefresh, a process to review and update agricultural policies, bylaws and regulations for land in the ALR.

City staff developed a successful "Check Before You Burn" campaign to implement online Open Air Burn permits for rural burning.

Over 32 policies and 67 procedures were rescinded that were no longer relevant, creating greater efficiency in the organization.

HOW WE
GET THERE:

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

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

WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:

THE CITY PROVIDED \$661,969 IN SUBSIDIZED ACCESS TO RECREATION FACILITIES including free access to Grade 5 students, UFV Upass holders, Free Super Senior 80+ memberships and subsidy access through low income and special needs programs.

Updates to the Abbotsford Recreation Centre front counters increased customer service satisfaction and streamlined processes.

The City upgraded the AMANDA permits and licensing software, which supports the everyday work being completed by staff and helps serve residents efficiently.

An electronic document management system was launched, bringing greater ease to filing and finding documents and collaborating on drafting documents, creating a more productive and efficient work environment.

Did you know?

Each year the City partners with the Abbotsford School District in hosting "Arbor Day"

65% of City of Abbotsford volunteers are under the age of 30.

ORGANIZATIONAL ALIGNMENT

WHAT WE DID IN 2016 TO ACHIEVE THIS:

The City built and tested an eAgenda meeting management solution for Council Reports and City Council meetings, which will be implemented City-wide in early 2017.

City staff introduced new features for online mapping 'webmap', for easier use by residents and businesses.

The City implemented "Stone Orchard" software in the cemetery division in order to modernize the data collection and billing system into a digital format.

In 2016, the City provided funding and support to the following organizations:

- MSA Museum Society for the management and operation of Trethewey Historic House and heritage activities
- Abbotsford Cultural Centre Society for the management and operation of Reach Gallery Museum
- Abbotsford Youth Commission for the management and operation of the Youth Centres at ARC and MRC and youth programs
- Abbotsford Arts Council for the management and operation of Kariton House and promoting visual, literary and performing artists
- Special Event Grant to Abbotsford Agrifair





ORGANIZATIONAL ALIGNMENT

HOW WE
GET THERE:

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

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

WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:

Removal of the 145 year old Douglas fir trees at the Trethewey historic site was done in partnership with the MSA Museum Society and the Antique Farm Machinery groups. The historic trees, which were cut down in 2014 due to concern of disease, have been milled into living edge pieces and will be sold as a fundraiser for FVAFMA and the MSA Museum Society.

The City was awarded the Fraser Valley Home Builders' Association Award for Excellence in Service.

The City participated in an internal reorganization to strategically align service delivery departments.

VOLUNTEERISM WAS THRIVING IN ABBOTSFORD IN 2016 WITH OVER 2,600 VOLUNTEERS CONTRIBUTING THEIR TIME, TOTALING 16,262 HOURS, TO VARIOUS INITIATIVES THROUGHOUT THE COMMUNITY.

HOW WE
GET THERE:

We believe in an involved, safe and engaged workforce.

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

WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:

Four Abbotsford lifeguard instructors won the prestigious Barnsley Shield at the Provincial Lifeguarding championships.

THE CITY SET NEW GOALS AND INITIATIVES FOR SAFETY, AND SAW A 10% REDUCTION IN FIRST AID INCIDENTS AND A 20% REDUCTION IN LOST TIME INJURIES/MEDICATION AID INJURIES

- all signs we're heading in the right direction to a safe and efficient organization.

A new training and development program for employees was launched to ensure staff can grow their skills, and consequently, serve our community better.

2016 was the first, full-year of Flex Firefighters program, resulting in reduction in overtime costs.

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

The City participated in a full internal safety program audit and gap analysis in preparation for a WCB Safety Audit in 2017.

The City implemented a safety tracking system to efficiently manage and process safety incidents and procedures.

WorkSafe premiums were reduced due to improvements in disability management procedures.

Improvements to the staff first aid process were implemented which improves the efficiency and accuracy in reporting and recording work place injuries.

ORGANIZATIONAL ALIGNMENT

WHAT WE DID IN 2016 TO ACHIEVE THIS:

The City revised the learning and development policy to provide staff with a framework to ensure constant learning and refining of skills.

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

A new Employee Orientation program was implemented ensuring that new employees were provided with the information and tools they need for success.

The City's Firefighter Recruitment Process was enhanced to allow online functionality in order to streamline processes and ensure efficient and effective service delivery and user experience.

The Employee & Family Assistance Program was updated to ensure employees have support for success.

The City engaged in a high volume of recruitment to support the restructuring initiatives and employee retirements.

The City Careers web page was updated to ensure better access to career opportunities.





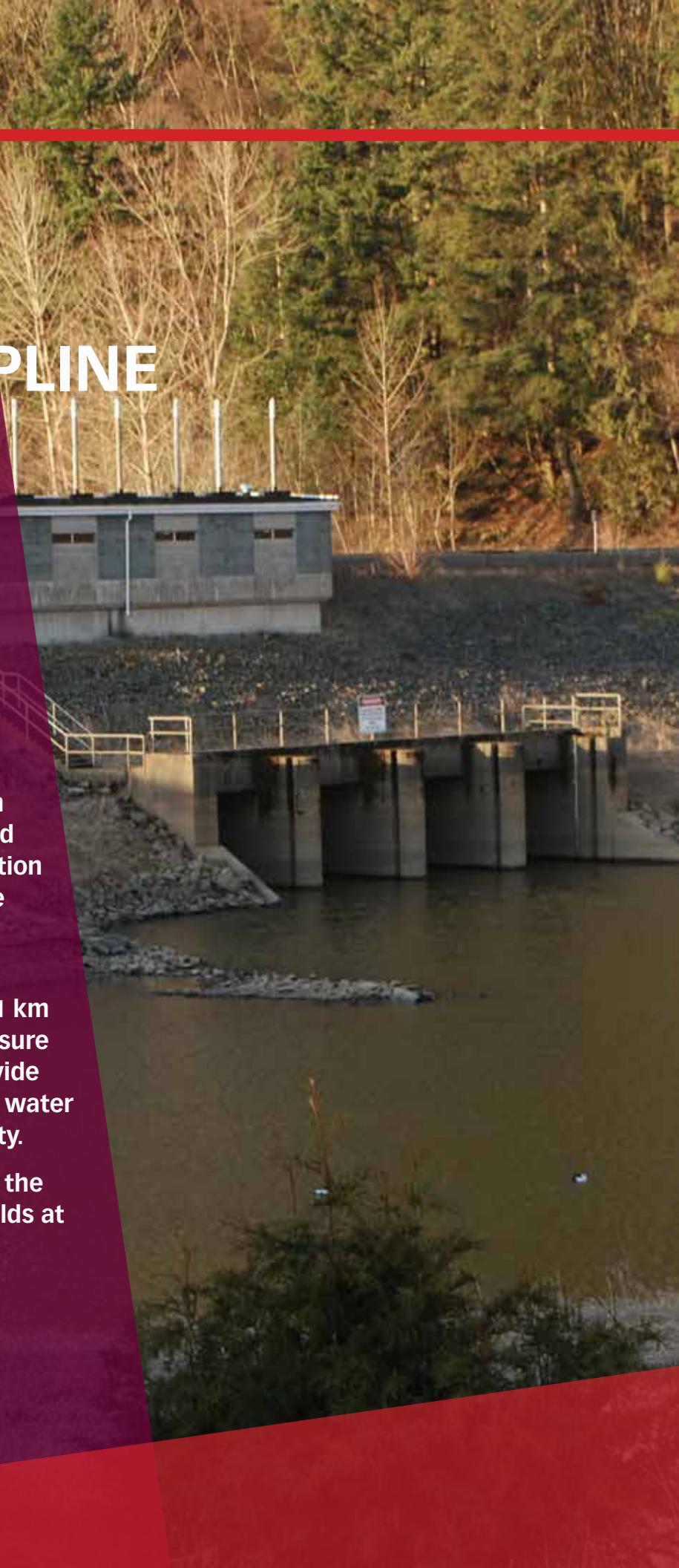
FISCAL DISCIPLINE

Our Goal

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

Did you know?

- The City sends CCTV cameras down approximately 30 km of sanitary and drainage mains to assess the condition and identify problems which can be corrected to ensure they meet the optimum life cycle.
- The City replaced approximately 4.1 km of the 900 km of water mains to ensure the water system continues to provide affordable, reliable, quality drinking water and fire protection to the community.
- The City harvests rain water during the year for plant beds, gardens and fields at Abbotsford Exhibition Park.



HOW WE GET THERE:

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

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

WHAT WE DID IN 2016 TO ACHIEVE THIS:

THE CITY COMPLETED \$355,000 IN UPGRADES TO THE MT. LEHMAN CEMETERY to preserve, restore and protect the heritage aspects of the cemetery and to provide additional memorialization options and support broader community use such as walking, cycling, and special events.

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

The City increased our net financial assets by 39.4% since 2015.

Accessibility upgrades were completed to the Centennial Outdoor Pool to improve accessibility.

Abbotsford received approximately \$4.3 million in funding for upgrades to the JAMES Waste Water Treatment Plant.

THE CITY COMPLETED UPGRADES TO THE CANNEL LAKE WATER TREATMENT PLANT.

Asset maintenance upgrades were performed in several City Parks, including shelters, washrooms and the gallery at Abbotsford Exhibition Park, helping to maintain the quality and longevity of the facilities.

The City replaced the Marshall Road Annex and the Abbotsford Curling Club roofs to ensure the assets are managed and up to date.

HOW WE
GET THERE:

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

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

WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:

The City supported the movement of heritage plants from the Hoon family property on Marshall Road to Hoon Park on Lynn Avenue. Three large rhododendrons and several azaleas were donated by the family to honour their father and beautify the park.

Energy assessments were performed on 37 facilities and an energy savings plan was developed to save 1.5M kWh of energy over the next three years.

THE CITY RECEIVED \$28M FOR A BC TRANSIT DEPOT AND MAINTENANCE FACILITY to support improved transit service in both the Abbotsford and Mission.

The City received \$1M funding from Bike BC for the Salton Road cycling and pedestrian overpass to create a pedestrian/cycling link from the U-District to areas north of Highway 1.



HOW WE GET THERE:

We understand the critical role of community education and engagement.

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

WHAT WE DID IN 2016 TO ACHIEVE THIS:

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

Various promotional and educational videos were created highlighting initiatives such as the OCP, the AgTech sector and the Business Walks program.

The City issued over 45 news releases to inform the media and residents on important City initiatives, events and programs.

THE CITY RESPONDED TO 3,627 BYLAW INQUIRIES WHICH PROVIDED MANY OPPORTUNITIES TO EDUCATE RESIDENTS AND BUSINESSES ON CITY BYLAWS.

The City increased engagement with residents through social media platforms, online surveys, apps, and making Council meetings available live-stream across all platforms.

City staff attended 130 different educational events at schools and public events to promote water conservation.



HOW WE GET THERE:

We actively manage our city finances with exceptional care.

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

WHAT WE DID IN 2016 TO ACHIEVE THIS:

THE ADULT BUS TOUR PROGRAM WAS RE-ORGANIZED TO IMPROVE CUSTOMER EXPERIENCE AND THE FISCAL PERFORMANCE OF TOURS. PROGRAM REVENUES INCREASED 5% WITH A 19% SAVINGS IN EXPENSES.

The City significantly increased our reserve balance over 2015, by \$31.7M.

City arenas operated 13,422 hours in 2016 averaging 802 people per day. Skate lesson registrations increased 12%. As a result, MRC added an additional day of lessons each week to meet the demand.

The City received \$4.3M for upgrades to the ultraviolet disinfection system at the JAMES plant to protect the environment and improve worker safety.

The City reduced long-term debt by \$4.6M and internal financing by \$4.5M over 2015.

The City received \$3.8M from the Community Works Fund for upgrades to the Cannell Lake Water Treatment plant. \$2.7M was used to improve worker safety and ensure Abbotsford has high-quality drinking water.

Did you know?

In 2016, the City had 35,568 program participants in sport, art and learn-to-play programs.



VIBRANT ECONOMY

Our Goal

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

HOW WE GET THERE:

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

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

WHAT WE DID IN 2016 TO ACHIEVE THIS:

The City facilitated a restoration planting with three grade 5 classes from Abbotsford Christian Elementary School in McKee Creek Park.

IN FEBRUARY, 166 GOVERNMENT-ASSISTED REFUGEES WERE WELCOMED

to Abbotsford and were provided access to memberships at our recreation facilities. The City of Abbotsford, through the Parks, Recreation & Culture Department, played a key role in the Local Immigration Partnership Program in the City.

The City hosted Elevate Abbotsford, a forum designed to bring a diversity of sectors together to discuss how to foster innovation in the City. Ideas from the forum will build the Economic Development Strategic Plan.

The Building Blocks of Marketing Tools were created to help small businesses build a tailored marketing plan, increasing their ability to succeed.

Funding was received through the Invest Canada Community Initiatives Program to further support the implementation of the International Marketing Blueprint.

\$4M funding was received for shoreline flood mitigation projects along Matsqui Dyke in order to protect an estimated impact value of \$1.8B to farmland, homes, water and important regional infrastructure.

The City received recognition from the Canadian Federation of Independent Business, as Abbotsford–Mission was ranked ninth as one of Canada’s most entrepreneurial communities.

WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:

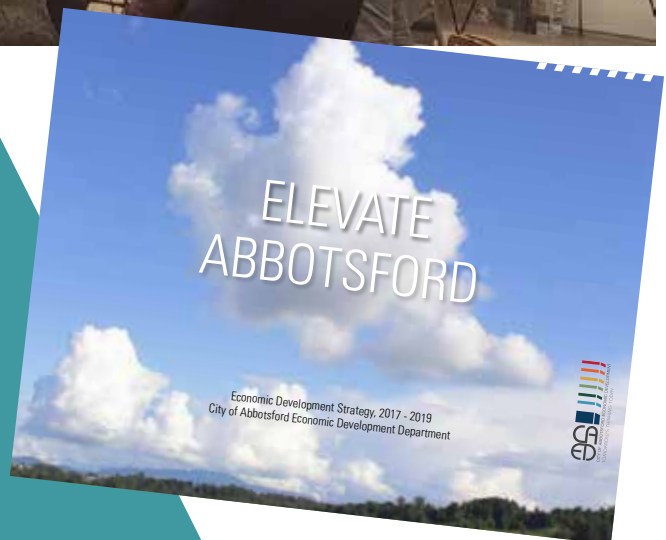
The City supported Telus fibre-optic upgrades to provide infrastructure across the City to enhance access to high-speed internet service to customers in the community.

Involve Abbotsford, a City program, attracted speakers and participants for not-for-profit community agencies and organizations across the City.



Did you know?

- 92% of local businesses visited on the Business Walks Program indicated a 'steady' or 'increasing' business growth.
- The total building permit value for 2016 was \$252 million.



HOW WE GET THERE:

We focus on developing a vibrant and diverse economy.

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

WHAT WE DID IN 2016 TO ACHIEVE THIS:

The Abbotsford Airport entered into a service agreement with an additional airline and set a record for passenger volume in 2016, reaching 530,643 passengers.

THE CITY WELCOMED OVER 32 FILM PRODUCTIONS, INVESTING ABOUT \$1 MILLION IN THE COMMUNITY.

With community-wide involvement, the City hosted the 2016 BC Summer Games supporting over 2,400 athletes.

Abbotsford hosted the Rogers Hometown Hockey Tour, a national hockey fan experience.

The City supported over 150 community events with an economic impact of over \$14 Million.

The City organized the second annual Abbotsford Business Walks event. Over 60 volunteers, including elected officials and representatives from business organizations, connected with 125 businesses.



WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:

In 2016, industrial applications reached a milestone with 70,000m² of new floor space currently in stream to be approved, the highest amount for any period in the last decade. New approved industrial floor space exceeded the 5-year and 10-year averages.

In 2016, new apartment construction increased by 121% and townhome construction increased by 170%.

City-issued residential building permits exceeded the 5-year and 10-year averages in all categories.

The MRC Sports Field Complex opened in 2016 with three additional fields, creating an extra 84 hours of playing time per week for the community, encouraging health and fitness, sport development and community connections.

Did you know?

Abbotsford is the agriculture capital of Canada, with farm receipts of

\$20,441/ha

Economic Importance

20,400/ha



1 in 5 jobs



farms supporting agri-business



annual gross farm receipts



Abbotsford
\$640M



Fraser Valley
\$1.1B

Poultry Industry Producers

55%
BC eggs



50%
BC turkey



34%
BC chickens



Dairy Producers

40%
of the milk
in the Lower
Mainland



22%
of the milk
in the Province



HOW WE
GET THERE:

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

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

WHAT WE
DID IN
2016 TO
ACHIEVE
THIS:

THE CITY LAUNCHED THE AGREFRESH PROGRAM WITH THE GOAL TO ENHANCE AGRICULTURAL INTEGRITY in Abbotsford while

responding to agricultural trends.

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

COMPLETE COMMUNITY

The City is starting a comprehensive Master Plan Update Project, called Plan For 200K, including nine master plans, four neighbourhood plans alongside several studies. Building a city requires strong planning and the City is laying down the foundations for a walkable, transit-friendly, forward-thinking, and dynamic city of the future, as envisioned in the Official Community Plan.

Abbotsford Fire Rescue Service (AFRS) will complete analytics and use the data to determine the location of Fire Hall 6 and develop the AFRS Master Plan.

The Coordinated Intake Referral Program will begin, ensuring community agencies work together to support people coping with issues related to homelessness.

A new program, Abbotsford Rental Connect, will begin and connect tenants and landlords by providing key services and help support those who need a home to successfully find one.

The Abbotsford Police Department will be hiring five new positions as they move forward to becoming the safest city in BC.

Staff will be presenting a process for Council to gain insight on community sentiment and foster further accountability through tools such as a Quality of Life Index.

With Canada's 150th birthday, a number of community events are scheduled throughout the year to celebrate, included a special July 1st Canada Day celebration.

The Sumas Way/Vye Road overpass project is under review. The project will begin in 2017.

The City will work closely with Kinder Morgan as they progress with plans for implementing the twinning of their pipeline through our community.

Staff is reviewing opportunities for improvement in road safety and rail safety across our community.

FISCAL DISCIPLINE

Abbotsford Fire Rescue Service will complete the building design and location for Fire Hall 6 replacement.

Water and Sewer Services will replace and update some of the City's aging infrastructure.

AFRS will receive two new Hub Fire Engines, built locally.

The City of Abbotsford will work with the District of Mission to identify short, medium and long-term water supply options.

The City will update several fleet vehicles.

AT A GLANCE FOR 2017

ORGANIZATIONAL ALIGNMENT

Abbotsford Fire Rescue Service will recruit additional auxiliary fire fighters to staff Fire Hall 1.

The City will complete the WorkSafe Certificate of Recognition (COR) City Safety Audit.

In the Human Resources area, the City will develop a succession planning framework, offer supervisor and manager training ensure staff safety training and launch a leadership training program, in addition to enhancing the disability management process.

The City will expand the Bike Lane program.

To support staff working in the field, the City will launch a pilot project to review the use of mobile devices and technology.

VIBRANT ECONOMY

The City will partner with Whatcom County on a cross border exercise of resource deployment, as well as plan and execute an Emergency Preparedness campaign focusing on local reoccurring events (snow/wind events).

In 2017, preparations for construction of the Marshall Road Connector will begin, resulting in better connections and traffic flow.

Property acquisition and construction for the widening of Blue Jay Road from Maclure to Cardinal will begin this year.

In 2017, the Taste of Abby event will recognize Eat Local Week and highlight local produce and businesses.

The City will apply funds received from a \$20,000 grant to continue marketing Abbotsford to businesses and investors in India and China.





2016
ANNUAL REPORT
**FINANCIAL
SECTION**



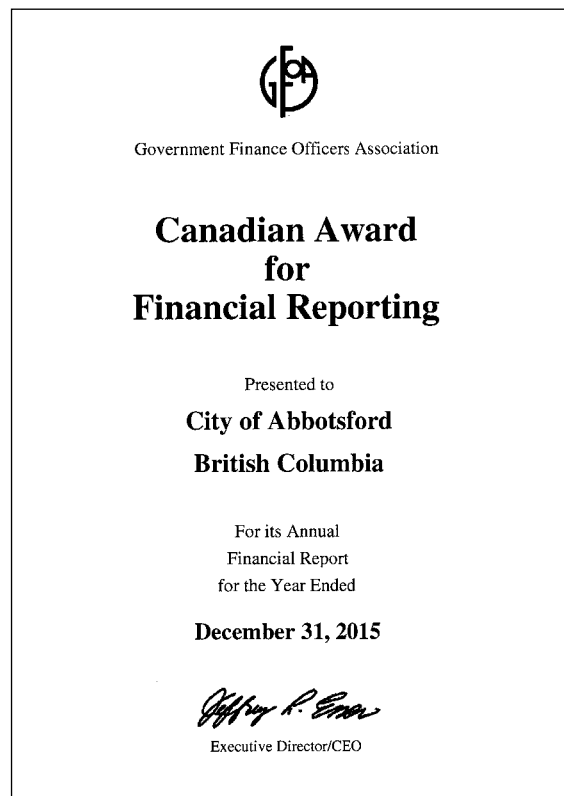
FINANCIAL SECTION

CANADIAN AWARD FOR FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the City of Abbotsford for its Annual Report of the fiscal year ended December 31, 2015. 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

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

I am pleased to present the Financial Report for the City of Abbotsford for the fiscal year ended December 31, 2016. The purpose of this report is to publish the City of Abbotsford's audited Consolidated Financial Statements which have been prepared in accordance with Section 167 of the Community Charter.

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

KPMG LPP, Chartered Professional Accountants have audited these financial statements and provided an unqualified opinion in their report to the Committee of the Whole dated May 15, 2017. As external auditors, KPMG is responsible for examining the City's Financial Statements in accordance with generally accepted accounting principles and expressing their opinion on whether the statements are presented accurately. The auditors' opinion, based on their independent audit, is expressed in the Auditors' Report which forms part of this Annual Financial Report.

The City provides multiple services to its residents. At a municipal level it provides protection to its citizens; recreational and cultural activities; water, sewer, and solid waste management services; roads, bridge, sidewalk and trail maintenance; and city planning and development.

The financial statements bring together the financial results of these activities and entities. The Municipality is responsible for the fairness and completeness of the presentation and all disclosures, and the accuracy of the data. This report provides users with an overview of the City of Abbotsford's financial performance.

OVERVIEW

The purpose of the report is to provide the users and readers with clear insight of the financial results for the City for the fiscal year ended December 31, 2016. Administration strives to ensure that this report fairly presents the financial position of the City.

The annual report is presented in six sections: introductory, departmental overview, financial, exhibits and schedules, financial statistics and permissive tax exemptions. The introductory section includes the City's vision and mission statements, governance structure, organization chart, key strategic objectives, accomplishments and highlights and an outline of the City's main services. The financial section includes the Chief Financial Officer's Report (including management reporting and control, our future, and financial highlights) and the audited financial statements (including the independent auditors' report on the financial statements, the basic financial statements, the notes to the financial statements, and the exhibits and schedules). The exhibits and schedules support and provide financial context to the consolidated financial statements by means of segmenting the financial information. The statistical section includes selected financial and demographic information presented on a multi-year basis. This financial report should be read in conjunction with the audited consolidated financial statements and their accompanying notes and schedules.

MANAGEMENT REPORTING AND CONTROL

FINANCIAL GOVERNANCE

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

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PLANNING & REPORT PROCESS

Based on the input from Council, staff, citizens, and other stakeholders, Council establishes a five-year financial plan each year as required by Section 165 of the Community Charter. The Financial Plan includes the required revenues to fund the Municipality's delivery of desired programs and services to the community and represents Council's priorities as identified in their Strategic Plan. From year to year, services may be altered when Council identifies a clear need. The operating budget is prepared on a modified accrual basis where revenues are recognized in the period they are deemed available and measurable to meet or pay for liabilities. The operating budget does not include revenue from contributed assets, gains or losses on disposal of tangible capital assets, or amortization expense. Council also establishes an annual capital budget as part of the 5 year financial plan. Project items for the current year are carefully reviewed on a project basis and funded through DCC, Community Works Funds (Gas Tax funding), reserve transfers, and other sources. As is normal, a portion of the capital budget is carried forward for projects not completed within the fiscal year so budgets are not directly comparable with current year actual amounts.

ACCOUNTING PROCESS

The City is organized into various departments each supplying specific services to the City and its residents. Each department is responsible for the delivery of their services in accordance with the resources allocated to the programs each department delivers. While all departments share a common accounting and reporting system, financial and accounting services are administered within the Finance Department to each department. The Finance Department is responsible for recording, reporting and forecasting the City's financial activities. To aid in decision making, the Finance Department provides management and Council with regular quarterly financial reports. The preparation of the annual financial reports for an audit is also a responsibility of the Finance Department.

AUDIT PROCESS

As per Section 169 of the Community Charter which requires municipal council to appoint an independent auditor, the City of Abbotsford's 2016 financial statements have been audited by KPMG LLP. The goal of the independent auditor is to provide reasonable assurance that the financial statements of the City of Abbotsford for the fiscal year ended December 31, 2016 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, assessing significant estimates made by management, and evaluating the overall financial statement presentation. Following a comprehensive audit process, working closely with Management, the auditor issued an unqualified opinion that the City of Abbotsford financial statements for the year ended December 31, 2016 are fairly presented in conformity with Canadian generally accepted accounting principles. The independent auditors' report is presented as the first component of the audited financial statement section of this report.

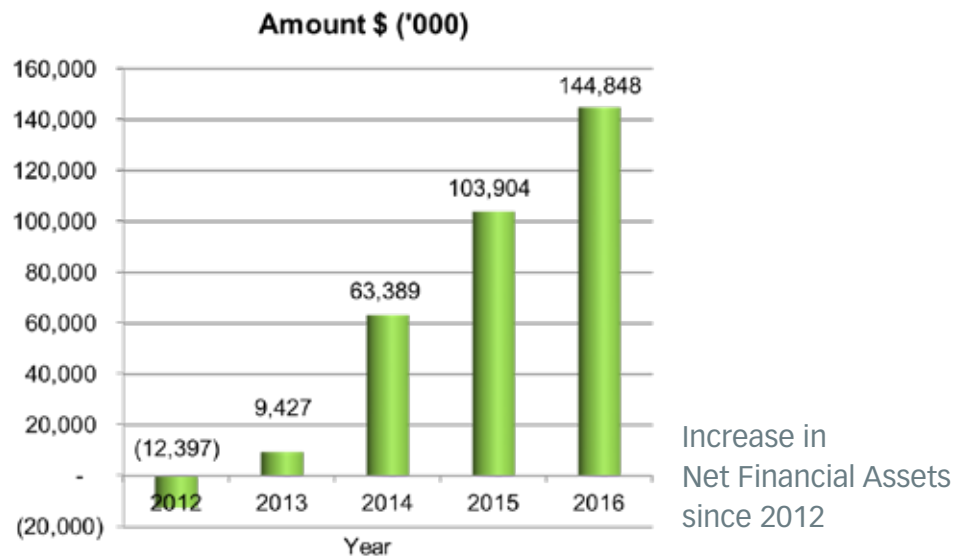
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Consolidated Statement of Financial Position (\$ millions)	2016 Actual (\$)	2015 Actual (\$)	Difference (\$)
Financial Assets	332.2	282.4	49.8
Financial Liabilities	(125.4)	(111.9)	(13.5)
Long-term Debt	(61.9)	(66.5)	4.6
Net Financial Assets	144.9	104.0	40.9
Tangible Capital Assets	1,389.2	1,407.2	(18.0)
Inventories and Prepaid Expenses	2.4	1.6	0.8
Non-Financial Assets	1,391.6	1,408.8	(17.2)
Accumulated Surplus	1,536.5	1,512.8	23.7

MANAGEMENT DISCUSSION AND ANALYSIS

NET FINANCIAL ASSETS

A key indicator in assessing the financial health of a local government is its net financial assets (financial assets less liabilities). Net financial assets is a measurement of the available financial resources that the City has to finance future operations. Net financial assets increased by \$40.9 million during 2016, from \$104.0 million of net financial assets (2015), to \$144.9 million of net financial assets at the end of 2016. The majority of the increase is coming from two main sources – higher balances in portfolio investments and reduced long-term debt. Reduced capital expenditure requirements in 2016 resulted in additional cash that increased both capital and operating reserve levels.



CASH & PORTFOLIO INVESTMENTS

Cash and portfolio investments have increased by \$57.3 million during 2016. This is mainly due to reduced capital expenditure requirements in 2016. The majority of the portfolio investments are made up of short-term investments. Investment maturities are being kept short in anticipation of gradually increasing yields over the next couple of years.

LONG-TERM DEBT

Total debt repayments of \$4.6 million were made in 2016. This includes an early debt repayment for last of the water/sewer debt issues (\$1.3 million) leaving no debt in water and sewer areas. Total long-term debt at the end of the year was \$61.9 million (2015 - \$66.5 million) and it belongs to the general fund. Exhibit 5 provides more detailed information on each debt currently held by the City.

ANNUAL DEBT SERVICING CAPACITY

The Community Charter (Section 174) imposes a limit to the amount a municipality may borrow - the "legal debt servicing limit". In 2016, the City's legal debt servicing limit was \$54.6 million, and the annual debt servicing was \$6.8 million. The remaining debt servicing capacity of \$47.8 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 \$18.0 million in 2016 to \$1,389.2 million (or \$1.39 billion).

Category	2016 Change \$ (in millions)	Dec. 31, 2016 \$ (in millions)
Land & land improvements	\$ 1.7	\$ 392.1
Park improvements	6.5	23.8
Buildings	(2.3)	113.4
Machinery & equipment	(1.2)	7.8
Vehicles	(0.6)	11.3
Airport	(1.0)	27.0
Water	(1.5)	231.1
Sewer	(3.6)	160.1
Transportation	(7.9)	204.0
Storm drainage	(1.6)	184.6
Dyking, drainage & irrigation	(0.7)	20.9
Assets under construction	(5.8)	13.1
Total non-financial assets	(\$ 18.0)	\$ 1,389.2

MANAGEMENT DISCUSSION AND ANALYSIS

ACCUMULATED SURPLUS

FINANCIAL

Equity in financial assets is determined by the amount of financial assets less liabilities (excluding long-term debt). Financial equity for the year ended December 31, 2016, records an increase of \$36.3 million (2016 - \$206.8 million vs 2015 - \$170.5 million). This increase is mainly due to reduced capital spending in 2016 and having higher balances in cash and portfolio investments

TANGIBLE CAPITAL ASSETS & OTHER NON- FINANCIAL ASSETS

Equity in non-financial assets is determined by the amount of capital and other non-financial assets, less long-term debt. Equity in non-financial assets decreased from \$1,342.2 million in 2015, to \$1,329.6 million in 2016. The decrease of \$12.6 million was due to amortization expense exceeding the value of new capital investment for the year and the retirement of debt principal.

CONSOLIDATED STATEMENT OF OPERATIONS

Consolidated Statement of Operations (\$ millions)	2016	2015	Difference
	Actual (\$)	Actual (\$)	(\$)
Revenue	248.7	255.5	(6.8)
Expenses	(225.0)	(218.3)	(6.7)
Annual Surplus	23.7	37.2	(13.5)

REVENUE

The total consolidated revenue is lower than budget and prior year by \$13.6 million and \$6.8 million, respectively. Grant budget included potential revenue for one of the major road projects that has been delayed and no grant funding was received in 2016 for this budgeted project. The City received \$9.4 million in contributed tangible capital assets in 2016 which are roads, water mains, and storm drainage, etc. In 2015, contributed capital assets were \$19.7 million. The city does not budget for contributed tangible assets as they are difficult to predict.

EXPENSES

The total consolidated expenses are \$28.3 million more than budget for the year. This is made up of \$42.7 million of amortization expense. It is a non-cash expense and the City does not budget for this category. Compared to last year, total expenses are higher by \$6.7 million. Abbotsford Centre had 20 more events compared to 2015 leading to higher operating costs.

General, Waterworks, Sanitary Sewer, and Airport funds, listed below, provide more detailed information on 2016 expenses.

ACCUMULATED ANNUAL SURPLUS

On a consolidated basis, the City experienced an annual surplus of \$23.7 million in 2016, reduced from \$37.2 million in 2015. Out of \$23.7 million, \$9.9 million was recorded as an unappropriated surplus in three funds. With management discretion, it was transferred to capital reserves for new initiatives and replacement of future infrastructure.

Note 13 Accumulated Surplus details the sources of the consolidated annual surplus for 2016:

Category	\$ (in millions)
General operating reserve	5.6
Capital Reserves:	
General	13.6
Waterworks	4.4
Sanitary sewer	4.5
Airport	3.6
Non-financial assets:	
Tangible capital assets	(8.7)
Inventory & pre-paid expenses	0.7
Total annual surplus	\$ 23.7

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

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL OPERATING FUND - SCHEDULE A

This schedule provides the details of revenues and expenses for the City's general operating fund – essentially everything except water, sewer, airport and capital funds. General operating fund had an unappropriated surplus of \$5.9 million in 2016 (2015 – \$4.8 million) which was transferred to general capital reserve for future infrastructure. The following tables highlight some of the major variances vs budget for schedule A for both revenue and expenses.

Increased Revenue	Amount	Explanation
Building permits	\$1.0M	Building permit revenue higher than budget due to some major building projects throughout 2016
Soil permit revenue	0.9M	Higher than expected activity in soil permits resulted in more revenue than planned
Abbotsford Centre	2.7M	Increased building usage due to more events than planned in 2016
General government	3.4M	Attrition from vacant positions, insurance premium under budget, positive budget variances in other categories including training, licensing fees, repair & maintenance and other supplies
Engineering Services	0.8M	Attrition from vacant positions, reduced vandalism, lower repair and maintenance costs
Storm drainage services	0.8M	Underground storage tank repairs are deferred to 2017 and other annual maintenances are under budget for the year
Abbotsford Centre	(2.4M)	Increased usage due to more events in 2016, overall positive net impact

WATER OPERATING FUND - SCHEDULE B

The 2016 change in unappropriated surplus is \$1.9 million and it was transferred to water capital reserve. The user rates revenue is up \$1.0 million vs budget (\$15.6 million). This is primarily due to an increase in the billed water consumption compared to budgeted consumption.

2016 expenditures are lower than budget by \$0.9 million. The water conservation program was under budget reflecting lower numbers of toilet and washer rebates being submitted. Reduced repair and maintenance costs combined with number of attrition from vacant positions also created a positive variance vs budget.

SEWER
OPERATING
FUND -
SCHEDULE C

Compared to budget, the user rate revenue is up \$0.9 million (budget \$10.3 million). This is mainly due to higher sewer usage in the non-residential category.

Reduced expenditures, mainly in Joint Abbotsford-Mission treatment plant (JAMES) and maintenance area, combined with revenue surplus, resulted in an unappropriated surplus of \$2.1 million. A transfer was performed to reclass this surplus to sewer capital reserve.

AIRPORT
OPERATING
FUND -
SCHEDULE D

Airport operations was able to realize a better financial result than planned. Higher than planned annual surplus before amortization allowed the airport to transfer \$0.1 million extra to airport capital reserve (planned - \$2.12 million, transferred – \$2.22 million). Savings mainly due to lower fuel costs.

RESERVES –
EXHIBIT 4

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

CAPITAL
RESERVES

Total capital reserves increased by \$26.1 million from 2015 (\$115.3 million) to 2016 (\$141.4 million).

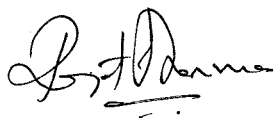
OPERATING
RESERVES

The operating reserve increased by \$5.6 million in 2016 to \$41.2 million (2015 - \$35.6 million).

FUTURE OUTLOOK

Financial results in 2016 were mostly in line with budget, meeting expectations of fiscal accountability and exhibiting core City values in the development of fiscal sustainability. The City is fundamentally committed to delivering the right services to residents and businesses in a fiscally prudent manner.

Under the direction and guidance of the City Council, the City of Abbotsford will continue to strive to always provide the best value for its residents and businesses, while ensuring that the City remains flexible and financially sustainable.



Raj Sharma
General Manager of Finance
& Corporate Services
Chief Financial Officer

2016 CONSOLIDATED FINANCIAL STATEMENTS

AUDITORS' REPORT



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

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the City of Abbotsford

We have audited the accompanying consolidated financial statements of the City of Abbotsford which comprise the consolidated statement of financial position as at December 31, 2016, the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and notes, exhibits and schedules comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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, 2016, and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants

May 15, 2017
Abbotsford, Canada

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2016 with comparative information as at December 31, 2015
in thousands

	2016	2015
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	\$ 34,351	\$ 24,572
Accounts receivable (Note 3)	30,395	37,889
Portfolio investments (Note 4)	267,490	219,972
	<u>332,236</u>	<u>282,433</u>
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	66,981	63,252
Restricted revenue (Note 6)	53,212	46,388
Deferred revenue (Note 7)	5,240	2,325
	<u>125,433</u>	<u>111,965</u>
Long-term debt (Note 8)	61,955	66,564
	<u>187,388</u>	<u>178,529</u>
NET FINANCIAL ASSETS	<u>144,848</u>	<u>103,904</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 10)	1,389,228	1,407,195
Inventories (Note 11)	1,168	1,012
Pre-paid expenses (Note 12)	1,213	599
	<u>1,391,609</u>	<u>1,408,806</u>
ACCUMULATED SURPLUS (Note 13)	<u>\$ 1,536,457</u>	<u>\$ 1,512,710</u>
Contingent Liabilities (Note 16)		


HENRY BRAUN, MAYOR


RAJAT SHARMA, CPA, CMA
CFO

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31, 2016 with comparative information for 2015
in thousands

	2016 Plan (Note 18)	2016 Actual	2015 Actual
REVENUE			
Municipal taxation	\$ 131,581	\$ 130,856	\$ 126,934
Fees and other charges	73,363	77,264	74,200
Developer charges earned	8,547	6,197	12,192
Contributed tangible capital assets	-	9,403	19,695
Grants	41,085	16,505	14,083
Investment income	4,161	4,744	4,400
Rent	3,673	3,746	4,001
Other	-	46	32
	262,410	248,761	255,537
EXPENSE			
General government	19,539	17,136	15,791
Planning & development services	4,642	4,095	4,101
Protective services	70,307	71,000	69,537
Parks, recreation, culture & libraries	31,880	41,755	37,371
Transit	11,457	11,204	10,908
Engineering	29,003	41,165	42,847
Dyking, drainage & irrigation	2,827	5,723	3,611
Waterworks	10,329	14,100	14,570
Sanitary sewer	11,899	12,769	12,759
Airport	4,827	6,067	6,807
	196,710	225,014	218,302
ANNUAL SURPLUS	65,700	23,747	37,235
ACCUMULATED SURPLUS, BEGINNING OF YEAR	1,512,710	1,512,710	1,475,475
ACCUMULATED SURPLUS, END OF YEAR	\$1,578,410	\$1,536,457	\$1,512,710

See notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOW

For the year ended December 31, 2016 with comparative information for 2015
in thousands

	2016	2015
OPERATING ACTIVITIES		
Annual surplus	\$ 23,747	\$ 37,235
Non-cash items included in annual surplus:		
Amortization expense	42,669	44,260
Contributed tangible capital assets	(9,403)	(19,695)
Loss on disposal of tangible capital assets	334	1,143
Recognition of restricted revenue	(6,865)	(13,413)
Changes in non-cash operating items:		
Accounts receivable	7,494	(669)
Inventories	(156)	129
Pre-paid expenses	(614)	(234)
Accounts payable and accrued liabilities	3,729	4,506
Deferred revenue	2,915	(18)
	<u>63,850</u>	<u>53,244</u>
INVESTING ACTIVITIES		
Increase in portfolio investments	(47,518)	(64,874)
FINANCING ACTIVITIES		
Collection of and interest on restricted revenue	13,689	18,955
Debt principal repaid	(4,609)	(3,213)
	<u>9,080</u>	<u>15,742</u>
CAPITAL ACTIVITIES		
Proceeds from disposal of tangible capital assets	1,144	1,267
Acquisition of tangible capital assets	(16,777)	(23,592)
	<u>(15,633)</u>	<u>(22,325)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	9,779	(18,213)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>24,572</u>	<u>42,785</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 34,351</u>	<u>\$ 24,572</u>

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2016 with comparative information for 2015 in thousands

	2016 Plan (Note 18)	2016 Actual	2015 Actual
ANNUAL SURPLUS	\$ 65,700	\$ 23,747	\$ 37,235
TANGIBLE CAPITAL ASSETS:			
Acquisition of tangible capital assets	(40,591)	(16,777)	(23,590)
Contributed tangible capital assets	-	(9,403)	(19,695)
Amortization	-	42,669	44,260
Proceeds from disposal of tangible capital assets	-	1,144	1,267
Loss on disposal of tangible capital assets	-	334	1,143
	<u>(40,591)</u>	<u>17,967</u>	<u>3,385</u>
OTHER NON-FINANCIAL ASSETS:			
Decrease in inventory	-	(156)	129
(Increase)/decrease in pre-paid expenses	-	(614)	(234)
	<u>-</u>	<u>(770)</u>	<u>(105)</u>
INCREASE IN NET FINANCIAL ASSETS	25,109	40,944	40,515
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<u>103,904</u>	<u>103,904</u>	<u>63,389</u>
NET FINANCIAL ASSETS, END OF YEAR	<u>\$ 129,013</u>	<u>\$ 144,848</u>	<u>\$ 103,904</u>

See notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

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

1. SIGNIFICANT ACCOUNTING POLICIES:

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

(a) Principles of Consolidation:

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

(b) Fund Accounting:

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

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

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

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

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (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 2016 Plan amounts in the financial statements reflect the first year of the five-year financial plan adopted by Council on November 16, 2015, 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, 2016 (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 using various methods including appraisal, assessed values or in-house estimation.

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (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, 2016 (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) Contaminated Sites:

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

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

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

(n) Comparative Figures:

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

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

2. CASH AND CASH EQUIVALENTS:

	2016	2015
Cash	\$ 25,136	\$ 15,429
MFA short-term money-market investment pools	9,215	9,143
	\$ 34,351	\$ 24,572

3. ACCOUNTS RECEIVABLE:

	2016	2015
Fees and charges	\$ 11,906	\$ 13,931
Taxes	5,264	6,837
Grants	556	549
Development cost charges	7,929	10,713
Local improvement/service charges	4,740	5,859
	\$ 30,395	\$ 37,889

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

4. PORTFOLIO INVESTMENTS:

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

	2016		2015	
	Cost	Market	Cost	Market
Portfolio investments	\$ 267,490	\$ 267,876	\$ 219,972	\$ 220,569
	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	192,138	23,475	163,567	23,284
Annual yield	1.88 %	2.58 %	1.95 %	2.60 %

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES:

	2016	2015
Accounts payable:		
Trade payables	\$ 19,477	\$ 20,079
Deposits	15,169	13,868
Tax prepayments	12,032	11,836
Salaries and wages	4,666	3,357
Due to Cemetery Care Trust Fund	1,216	79
Accounts payable and accrued liabilities:		
Retirement allowance liability	10,569	10,117
Liability claims	719	918
Vacation pay	1,327	1,120
Landfill restoration liability	1,074	1,146
Long-term payables	732	732
	<u>\$ 66,981</u>	<u>\$ 63,252</u>

(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 2016, 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, 2016. The difference between the actuarially determined benefit obligation of \$12,099,000 and the accrued benefit liability of \$10,569,000 as at December 31, 2016, was an unamortized actuarial loss of \$1,530,000, (2015 loss - \$1,677,000) 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, 2017.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: continued

(a) Retirement Allowance Liability:

	<u>2016</u>	<u>2015</u>
Actuarial benefit obligation	\$ 12,099	\$ 11,794
Unamortized actuarial gain/(loss)	(1,530)	(1,677)
Accrued benefit liability	<u>\$ 10,569</u>	<u>\$ 10,117</u>

Accrued benefit liability :

	<u>2016</u>	<u>2015</u>
Balance, beginning of year	\$ 10,117	\$ 10,497
Current service cost	941	902
Interest cost	395	351
Benefits paid	(1,022)	(1,658)
Amortization of net actuarial loss/(gain)	138	25
Balance, end of year	<u>\$ 10,569</u>	<u>\$ 10,117</u>

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: continued

(a) Retirement Allowance Liability: continued

Actuarial Assumptions used to determine the benefit obligation:

	2016	2015
Discount rate	3.4 %	3.2 %
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 and post-closure activities at these sites include drainage control, leachate monitoring and collection, gas monitoring and recovery, final ground cover, closure assessment and planning, and regulatory approvals.

The Trethewey Street Landfill site is expected to require care up to and including the year 2040, primarily for gas collection. Further care requirements may be determined from a closure plan prepared by a qualified independent consultant, as required by BC Ministry of Environment permits. The closure plan should be completed at the end of 2017 or early 2018.

The Valley Road Landfill Closure Plan was largely complete at the end of 2014; however, a 2015 review indicated that the majority of the wood waste had decomposed and therefore, the completion of the closure plan was deferred until the removal of the remaining woodwaste. 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 2016. This capacity is projected to be fully used by 2025.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: continued

(b) Landfill Restoration Liability: continued

The liability of \$1,074,000, at December 31, 2016 (2015 - \$1,146,000), 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 \$739,000 (present value) is estimated to be required for closure activities related to future sediment deposits at the Valley Road site; however, since none of the capacity of future sediment deposits have been used, no current liability exists for these closure costs.

The discount rate used in 2016 was 3.4% (2015 – 3.2%) and the inflation rate used in 2016 was 2.0% (2015 - 2.0%). Landfill closure costs in 2016 were \$143,326 (2015 - \$60,025). There are no assets designated for settling the post-closure care liability.

	2016	2015
Restoration liability, beginning of year	\$ 1,146	\$ 1,171
Adjustment to liability	(72)	(25)
Restoration liability, end of year	<u>\$ 1,074</u>	<u>\$ 1,146</u>

(c) Liability for Contaminated Sites:

The City has determined that as of December 31, 2016, no contamination in excess of an environmental standard exists related to sites not in productive use for which the City is responsible.

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

6. RESTRICTED REVENUE LIABILITY:

	Development cost charges	Development fees	Airport fees	2016 Total	2015 Total
Balance December 31, 2015	\$ 24,934	\$ 20,040	\$ 1,414	\$ 46,388	\$ 40,847
Add:					
Current year contributions	11,320	1,324	270	12,914	18,179
Interest	408	337	30	775	775
	<u>36,662</u>	<u>21,701</u>	<u>1,714</u>	<u>60,077</u>	<u>59,801</u>
Deduct amounts recognized as revenue in current year					
Developer charges earned:					
Capital expenditures	6,620	245	-	6,865	12,203
Airport fees:					
Eligible airport expenditures	-	-	-	-	1,210
	<u>6,620</u>	<u>245</u>	<u>-</u>	<u>6,865</u>	<u>13,413</u>
Balance, December 31, 2016	<u>\$ 30,042</u>	<u>\$ 21,456</u>	<u>\$ 1,714</u>	<u>\$ 53,212</u>	<u>\$ 46,388</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, 2016, the amount of DCCs due over the next two years is \$7,929,140 (2015 - \$10,712,504).

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, 2016 (Tabular amounts are in thousands of dollars)

6. RESTRICTED REVENUE LIABILITY: continued

(a) Development Cost Charges (DCC): continued

	2016	2015
Development cost charges:		
Storm drainage	\$ 11,815	\$ 11,672
Parks	6,698	5,419
Waterworks - supply	7,530	5,384
Waterworks - distribution	607	418
Sanitary sewer - collection	2,692	2,041
Sanitary sewer - treatment plant	700	-
	<u>\$ 30,042</u>	<u>\$ 24,934</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.

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

7. DEFERRED REVENUE:

	December 31, 2015	Externally restricted inflows	Revenue earned	December 31, 2016
Fees and charges	\$ 1,852	\$ 8,963	\$ (8,831)	\$ 1,984
Grant	290	9,671	(6,705)	3,256
UFV library lease	183	-	(183)	-
	<u>\$ 2,325</u>	<u>\$ 18,634</u>	<u>\$ (15,719)</u>	<u>\$ 5,240</u>

8. LONG-TERM DEBT:

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

	Total
2017	\$ 3,250
2018	3,380
2019	3,515
2020	3,656
2021	3,802
2022 and thereafter	44,352
	<u>\$ 61,955</u>

All debt is held by the General Capital fund. Interest rates on borrowed funds are disclosed in the accompanying debt schedules (see Exhibit 5). The City's interest expense on long-term debt totaled \$3,407,700 in 2016 (2015 - \$3,541,200).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (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.

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. The repayment of these was completed by the end of 2016.

	<u>2016</u>	<u>2015</u>
Roads DCC	\$ 5,907	\$ 9,945
Sanitary sewer DCC - treatment plant	-	416
	<u>\$ 5,907</u>	<u>\$ 10,361</u>

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

10. TANGIBLE CAPITAL ASSETS:

Tangible Capital Assets consist of the following:

	2016	2015
General		
Land	385,183	383,669
Land improvements	6,915	6,708
Park improvements	23,764	17,312
Buildings	113,448	115,748
Machinery & equipment	7,854	8,972
Vehicles	11,253	11,857
Infrastructure		
Airport	26,961	27,995
Waterworks	231,142	232,596
Sanitary sewer	160,102	163,676
Transportation	203,991	211,938
Storm drainage and detention	184,604	186,166
Dyking, drainage & irrigation	20,904	21,634
Assets under construction	13,107	18,924
	<u>\$ 1,389,228</u>	<u>\$ 1,407,195</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 \$9,403,000 (2015 – \$19,695,000).

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, 2016 (Tabular amounts are in thousands of dollars)

11. INVENTORIES:

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

	2016	2015
Stock	\$ 402	\$ 360
Fuel	41	30
Gravel	725	622
	<u>\$ 1,168</u>	<u>\$ 1,012</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.

	2016	2015
General	\$ 1,174	\$ 575
Abbotsford Centre	39	24
	<u>\$ 1,213</u>	<u>\$ 599</u>

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

13. ACCUMULATED SURPLUS:

	<u>2016</u>	<u>2015</u>
Unappropriated Balance		
General operations	\$ 19,570	\$ 19,570
Waterworks operations	4,265	4,265
Sanitary sewer operations	5,799	5,799
Airport operations	1,176	1,176
	<u>30,810</u>	<u>30,810</u>
Appropriated Surplus		
General operations reserve	41,250	35,604
Statutory capital reserves	141,381	115,327
	<u>182,631</u>	<u>150,931</u>
Investment in tangible capital assets	1,320,634	1,329,358
Investment in other non-financial assets	2,382	1,611
	<u>1,323,016</u>	<u>1,330,969</u>
Total Accumulated Surplus	<u><u>\$1,536,457</u></u>	<u><u>\$1,512,710</u></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, 2016 (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>2016</u>	<u>2015</u>
Interest paid	\$ 3,531	\$ 3,667
Interest received	\$ 3,159	\$ 3,033

15. EXPENSE BY OBJECT:

	<u>2016</u>	<u>2015</u>
Salaries and benefits	\$ 98,449	\$ 95,469
Operating goods and services	54,563	52,295
Minor capital projects	10,631	7,028
Amortization	42,669	44,260
Loss on disposal of tangible capital assets	334	1,143
Transfer payments to other governments and agencies	14,960	14,566
Long-term debt interest	3,408	3,541
Total expense by object	<u>\$ 225,014</u>	<u>\$ 218,302</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 2016 the City reports a liability of \$719,196 (2015 – \$918,191) which, at this time, is management's best estimate of expected future settlements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (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 defined-benefit 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 189,000 active members and approximately 85,000 retired members. Active members include approximately 970 contributors from the City of Abbotsford.

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

The most recent actuarial valuation as at December 31, 2015 indicated a \$2,224,000,000 funding surplus for basic pension benefits. The next valuation will be as at December 31, 2018, with results available in 2019. 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 \$8,738,697 (2015 - \$8,941,835) for employer contributions while employees contributed \$6,885,640 (2015 - \$7,160,403) to the plan in fiscal 2016.

(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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

16. CONTINGENT LIABILITIES: continued

(d) Municipal Finance Authority: continued

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 \$1,137,855 (2015 - \$1,187,415). The balance of the City's portion of the Debt Reserve Fund totals \$2,442,730 (2015 - \$2,565,801), for which the City has also executed demand notes in connection with each debenture totaling \$2,442,730 (2015 - \$2,565,801), whereby the City may be required to loan extra amounts to the Authority.

(e) Abbotsford International Airport:

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

(f) Agricultural Land Commission:

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

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:

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

17. CONTRACTUAL OBLIGATIONS: continued

	Extent of Contracts	Estimated Remaining Expenditure
Drainage construction	\$ 948	\$ 677
Parks construction	1,110	508
Sanitary sewer construction	344	56
Vehicles & equipment	2,656	2,384
Waterworks construction	5,866	2,589
	<u>\$ 10,924</u>	<u>\$ 6,214</u>

18. 2016 PLAN:

The budget data presented in these consolidated financial statements was included in the City of Abbotsford 2016-2020 Financial Plan, adopted through Bylaw No. 2533-2016 on May 9, 2016. The following table reconciles the approved budget to the budget figures in these consolidated financial statements:

	2016
Revenues:	
Consolidated budget	\$ 269,640
Expenses:	
Consolidated budget	181,092
Annual surplus per approved budget	88,548
Less:	
Minor capital expenses	(17,944)
Collections for other governments	(4,904)
Annual surplus per Statement of Operations	<u>\$ 65,700</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, 2016, the trust fund balance is \$3,699,706 (2015 - \$3,574,394).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (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
- Information technology
- Purchasing & supply services
- Risk management
- Economic development
- Continuous improvement

Police Protection

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

Engineering

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

Fire Rescue Services

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

Other Protective Services

- 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

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

20. CITY SERVICES FINANCIAL INFORMATION: continued

Solid Waste

- Collection and disposal
- Composting and recycling
- Environmental education

Transit

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

Dyking & Irrigation

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

Drainage

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

Sanitary Sewer

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

Waterworks

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

Planning & Development Services

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

Airport

- National and international flights
- Passenger and cargo services

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

21. SEGMENT INFORMATION – REVENUES & EXPENSES BY FUNCTION:

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
GENERAL OPERATING FUND			
General government services	\$ 90,892	\$ 92,008	\$ 88,423
Planning & development services	1,668	2,168	2,019
Police services	50,721	50,535	48,733
Fire rescue services	230	352	313
Other protective services	3,152	4,242	4,304
Parks, recreation & culture services	6,558	6,596	6,225
Abbotsford Centre	4,277	7,148	3,421
Library services	4,509	4,509	4,399
Transit services	7,413	7,456	7,303
Engineering services	2,803	3,812	3,119
Solid waste services	7,648	7,304	7,448
Storm drainage services	3,615	3,625	3,635
Dyking, drainage and irrigation services	2,128	2,106	2,099
	185,614	191,861	181,441
WATERWORKS	16,364	17,336	17,293
SANITARY SEWER	11,834	13,114	12,983
AIRPORT	6,135	6,115	6,229
CAPITAL FUNDS	39,553	17,346	34,795
RESERVE FUNDS	2,994	3,045	2,939
	262,494	248,817	255,680
CONSOLIDATION ADJUSTMENTS	(84)	(56)	(143)
	262,410	248,761	255,537

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

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

	2016 Plan	2016 Actual	2015 Actual
EXPENSES			
GENERAL OPERATING FUND			
General government services	17,882	16,100	15,317
Planning & development services	4,642	4,095	4,101
Police services	50,452	49,883	49,378
Fire rescue services	16,055	16,976	16,450
Other protective services	3,601	3,769	3,355
Parks, recreation & culture services	20,281	24,523	23,865
Abbotsford Centre	6,914	12,065	8,846
Library services	4,209	4,342	4,285
Transit services	11,458	11,204	10,908
Engineering services	9,978	22,678	24,491
Solid waste services	7,460	7,304	7,591
Storm drainage services	3,068	6,078	5,754
Dyking, drainage and irrigation services	2,827	3,549	3,562
	158,828	182,566	177,903
WATERWORKS	8,495	13,977	14,485
SANITARY SEWER	7,515	11,976	12,280
AIRPORT	4,015	5,920	6,747
CAPITAL FUNDS	17,944	10,631	7,030
	196,796	225,070	218,445
CONSOLIDATION ADJUSTMENTS	(84)	(56)	(143)
	196,710	225,014	218,302
ANNUAL SURPLUS	\$ 65,700	\$ 23,747	\$ 37,235

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

22. REVENUES & EXPENSES BY FUNCTION LESS AMORTIZATION:

For the 2016 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.

	2016 Plan	2016 Actual (less Amortization)	2015 Actual (less Amortization)
REVENUE			
GENERAL OPERATING FUND			
General government services	\$ 90,892	\$ 92,008	\$ 88,423
Planning & development services	1,668	2,168	2,019
Police services	50,721	50,535	48,733
Fire rescue services	230	352	313
Other protective services	3,152	4,242	4,304
Parks, recreation & culture services	6,558	6,596	6,225
Abbotsford Centre	4,277	7,148	3,421
Library services	4,509	4,509	4,399
Transit services	7,413	7,456	7,303
Engineering services	2,803	3,812	3,119
Solid waste services	7,648	7,304	7,448
Storm drainage services	3,615	3,625	3,635
Dyking, drainage and irrigation services	2,128	2,106	2,099
	<u>185,614</u>	<u>191,861</u>	<u>181,441</u>
WATERWORKS	16,364	17,336	17,293
SANITARY SEWER	11,834	13,114	12,983
AIRPORT	6,135	6,115	6,229
CAPITAL FUNDS	39,553	17,346	34,795
RESERVE FUNDS	2,994	3,045	2,939
	<u>262,494</u>	<u>248,817</u>	<u>255,680</u>
CONSOLIDATION ADJUSTMENTS	(84)	(56)	(143)
	<u>262,410</u>	<u>248,761</u>	<u>255,537</u>

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016 (Tabular amounts are in thousands of dollars)

22. REVENUES & EXPENSES BY FUNCTION LESS AMORTIZATION: continued

	2016 Plan	2016 Actual (less Amortization)	2015 Actual (less Amortization)
EXPENSES			
GENERAL OPERATING FUND			
General government services	17,882	14,482	14,966
Planning & development services	4,642	4,095	4,101
Police services	50,452	48,853	48,458
Fire rescue services	16,055	15,798	15,416
Other protective services	3,601	3,768	3,355
Parks, recreation & culture services	20,281	20,122	19,658
Abbotsford Centre	6,914	9,288	6,058
Library services	4,209	4,138	4,081
Transit services	11,457	11,173	10,877
Engineering services	9,978	9,131	8,318
Solid waste services	7,460	7,249	7,532
Storm drainage services	3,068	2,301	2,154
Dyking, drainage and irrigation services	2,827	2,818	2,838
	158,828	153,216	147,812
WATERWORKS	8,495	7,593	7,508
SANITARY SEWER	7,515	6,730	6,803
AIRPORT	4,015	3,897	3,889
CAPITAL FUNDS	17,944	10,631	7,030
AMORTIZATION	-	42,669	44,260
LOSS ON DISPOSAL OF TANGIBLE CAPITAL ASSETS	-	334	1,143
	196,795	225,070	218,445
CONSOLIDATION ADJUSTMENTS	(84)	(56)	(143)
	196,710	225,014	218,302
ANNUAL SURPLUS	\$ 65,700	\$ 23,747	\$ 37,235

STATEMENT OF FINANCIAL POSITION – BY FUND

As at December 31, 2016 with comparative information as at December 31, 2015
in thousands

EXHIBIT 1

	Operating Funds				Reserve Funds
	General	Waterworks	Sanitary Sewer	Airport	
FINANCIAL ASSETS					
Cash and cash equivalents	\$ 34,351	\$ -	\$ -	\$ -	\$ -
Due from other funds	75	8,054	8,892	2,735	182,631
Internal borrowing	5,907	-	-	-	-
Accounts receivable	23,789	4,754	1,313	464	-
Portfolio investments	267,490	-	-	-	-
	<u>331,612</u>	<u>12,808</u>	<u>10,205</u>	<u>3,199</u>	<u>182,631</u>
FINANCIAL LIABILITIES					
Accounts payable and accrued liabilities	66,311	304	165	201	-
Due to other funds	205,045	-	-	-	-
Restricted revenue	39,018	8,239	4,240	1,714	-
Deferred revenue	1,666	-	-	109	-
	<u>312,040</u>	<u>8,543</u>	<u>4,405</u>	<u>2,024</u>	<u>-</u>
Long-term debt	-	-	-	-	-
Internal financing	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>312,040</u>	<u>8,543</u>	<u>4,405</u>	<u>2,024</u>	<u>-</u>
NET FINANCIAL ASSETS	<u>19,571</u>	<u>4,265</u>	<u>5,799</u>	<u>1,176</u>	<u>182,631</u>
NON-FINANCIAL ASSETS					
Tangible capital assets	-	-	-	-	-
Inventories	1,168	-	-	-	-
Pre-paid expenses	1,213	-	-	-	-
	<u>2,381</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ACCUMULATED SURPLUS	<u>\$ 21,952</u>	<u>\$ 4,265</u>	<u>\$ 5,799</u>	<u>\$ 1,176</u>	<u>\$ 182,631</u>

2016 CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION – BY FUND

As at December 31, 2016 with comparative information as at December 31, 2015
in thousands

EXHIBIT 1 - Continued

Capital Funds					Consolidation Adjustments	Total 2016	Total 2015
General	Waterworks	Sanitary Sewer	Airport				
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,351	\$ 24,572	
2,331	-	-	402	(205,120)	-	-	
-	-	-	-	(5,907)	-	-	
-	47	28	-	-	30,395	37,889	
-	-	-	-	-	267,490	219,972	
2,331	47	28	402	(211,027)	332,236	282,433	
-	-	-	-	-	66,981	63,252	
-	47	28	-	(205,120)	-	-	
-	-	-	-	-	53,212	46,388	
3,063	-	-	402	-	5,240	2,325	
3,063	47	28	402	(205,120)	125,433	111,965	
61,955	-	-	-	-	61,955	66,564	
5,907	-	-	-	(5,907)	-	-	
67,862	-	-	-	(5,907)	61,955	66,564	
70,925	47	28	402	(211,027)	187,388	178,529	
(68,594)	-	-	-	-	144,848	103,904	
921,125	237,049	169,777	61,277	-	1,389,228	1,407,195	
-	-	-	-	-	1,168	1,012	
-	-	-	-	-	1,213	599	
921,125	237,049	169,777	61,277	-	1,391,609	1,408,806	
\$ 852,531	\$ 237,049	\$ 169,777	\$ 61,277	\$ -	\$ 1,536,457	\$ 1,512,710	

See notes to Consolidated Financial Statements.

STATEMENT OF FINANCIAL ACTIVITIES – BY FUND

As at December 31, 2016 with comparative information for 2015
in thousands

EXHIBIT 2

	Operating Funds				Reserve
	General	Waterworks	San Sewer	Airport	Funds
	Schedule A	Schedule B	Schedule C	Schedule D	Schedule S
REVENUE					
Municipal taxation	\$ 131,987	\$ -	\$ -	\$ -	-
Fees and charges	42,053	17,291	12,989	4,372	-
Developer charges earned	-	-	-	-	-
Contributed tangible capital assets	-	-	-	-	-
Grants	14,211	-	-	-	-
Investment income	1,572	7	125	72	3,024
Rent	2,037	38	-	1,671	-
Other sources	-	-	-	-	21
Contributions (to)/from other funds	-	-	-	-	-
	191,861	17,336	13,114	6,115	3,045
EXPENSE					
General government services	14,482	-	-	-	-
Planning & development services	4,095	-	-	-	-
Protective services	68,420	-	-	-	-
Parks, recreation, culture, libraries	33,547	-	-	-	-
Transit services	11,173	-	-	-	-
Engineering services	18,681	-	-	-	-
Dyking, drainage and irrigation services	2,818	-	-	-	-
Waterworks services	-	7,593	-	-	-
Sanitary sewer services	-	-	6,730	-	-
Airport services	-	-	-	3,897	-
Amortization	29,330	6,128	5,187	2,023	-
Loss/(gain) on disposal of TCA	20	256	58	-	-
	182,566	13,977	11,975	5,920	-
ANNUAL SURPLUS/(DEFICIT)	9,294	3,359	1,139	195	3,045
RECONCILE TO BUDGET BASIS SURPLUS/(DEFICIT)					
Operating reserve	(5,017)	-	-	-	5,087
General capital reserve	(30,698)	-	(1)	-	12,857
Transfer to affordable housing reserve	-	-	-	-	(250)
Storm drainage capital reserve	-	-	-	-	(199)
Waterworks capital reserve	-	(8,618)	-	-	3,989
Sanitary sewer capital reserve	-	-	(6,023)	-	3,852
Airport capital reserve	-	-	-	(2,218)	3,317
Eliminate amortization and loss/gain	25,614	6,384	5,246	2,023	-
Internal borrowing (from general fund)	4,880	-	-	-	-
	(5,221)	(2,235)	(778)	(195)	28,653
Debt principal repayments	(3,308)	(1,124)	(361)	-	-
CHANGE IN INVENTORY/PRE-PAID EXPENSES	771	-	-	-	-
ANNUAL SURPLUS/(DEFICIT)	-	-	-	-	31,698
SURPLUS, BEGINING OF YEAR	21,181	4,265	5,799	1,176	150,933
SURPLUS, END OF YEAR	\$ 21,952	\$ 4,265	\$ 5,799	\$ 1,176	\$ 182,631

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL ACTIVITIES – BY FUND

As at December 31, 2016 with comparative information for 2015
in thousands

EXHIBIT 2 - Continued

Capital Funds					Consolidation Adjustments	Total 2016	Total 2015
General Schedule R	Waterworks Schedule R	San Sewer Schedule R	Airport Schedule R	SUBTOTAL			
\$ (1,131)	\$ -	\$ -	\$ -	\$ 130,856	\$ -	\$ 130,856	\$ 126,934
591	(1,298)	56	1,210	77,264	-	77,264	73,973
5,751	13	433	-	6,197	-	6,197	12,192
6,692	1,279	1,432	-	9,403	-	9,403	19,695
2,225	47	22	-	16,505	-	16,505	14,083
-	-	-	-	4,800	(56)	4,744	4,400
-	-	-	-	3,746	-	3,746	4,001
25	-	-	-	46	-	46	259
(138)	49	89	-	-	-	-	-
14,015	90	2,032	1,210	248,817	(56)	248,761	255,537
1,036	-	-	-	15,518	-	15,518	15,439
-	-	-	-	4,095	-	4,095	4,101
373	-	-	-	68,793	-	68,793	67,582
824	-	-	-	34,371	-	34,371	30,171
-	-	-	-	11,173	-	11,173	10,877
5,145	-	-	-	23,826	(39)	23,787	23,835
2,174	-	-	-	4,992	-	4,992	2,069
-	123	-	-	7,716	(17)	7,699	7,593
-	-	810	-	7,540	-	7,540	7,283
-	-	-	147	4,044	-	4,044	3,949
-	-	-	-	42,668	-	42,668	44,260
-	-	-	-	334	-	334	1,143
9,552	123	810	147	225,070	(56)	225,014	218,302
4,463	(33)	1,222	1,063	23,747	-	23,747	37,235
-	-	(70)	-	-	-	-	-
19,870	2,878	146	(5,052)	-	-	-	-
250	-	-	-	-	-	-	-
199	-	-	-	-	-	-	-
-	4,629	-	-	-	-	-	-
-	-	2,171	-	-	-	-	-
-	-	-	(1,099)	-	-	-	-
(26,455)	(6,384)	(4,831)	(2,023)	(426)	-	(426)	(508)
(4,038)	-	(416)	-	426	-	426	508
(10,174)	1,123	(3,000)	(8,174)	-	-	-	-
3,308	1,124	361	-	-	-	-	-
-	-	-	-	771	-	771	105
(2,403)	2,214	(1,417)	(7,111)	23,747	-	23,747	37,235
854,934	234,835	171,194	68,388	1,512,710	-	1,512,710	1,475,475
\$ 852,531	\$ 237,049	\$ 169,777	\$ 61,277	\$ 1,536,457	\$ -	\$ 1,536,457	\$ 1,512,710

See notes to Consolidated Financial Statements.

SCHEDULE OF TANGIBLE CAPITAL ASSETS

As at December 31, 2016 with comparative information for 2015
in thousands

EXHIBIT 3

	Cost					
	Opening Balance	Add		Less		Closing Balance
		Additions	Transfer from asset class	Disposals	Transfer to asset class	
General						
Land	\$ 383,669	\$ 2,082	\$ -	\$ (568)	\$ -	\$ 385,183
Land improvements	15,420	98	537	-	-	16,055
Park improvements	54,155	1,542	6,708	(339)	-	62,066
Buildings	223,425	871	4,076	(1,449)	-	226,923
Machinery & equipment	32,738	836	365	(316)	-	33,623
Vehicles	29,961	1,303	349	(1,312)	-	30,301
Infrastructure						
Airport	37,141	-	-	-	-	37,141
Waterworks	326,356	3,400	1,495	(656)	-	330,595
Sanitary sewer	255,026	1,672	-	(109)	-	256,589
Transportation	527,175	3,249	1,226	(285)	-	531,365
Storm drainage	260,994	2,343	(154)	(255)	-	262,928
Dyking, drainage, & irrigation	51,443	-	-	-	-	51,443
Assets under construction	<u>18,924</u>	<u>8,784</u>	<u>-</u>	<u>-</u>	<u>(14,601)</u>	<u>13,107</u>
	<u>\$2,216,427</u>	<u>\$ 26,180</u>	<u>\$ 14,602</u>	<u>\$ (5,289)</u>	<u>\$ (14,601)</u>	<u>\$2,237,319</u>

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE OF TANGIBLE CAPITAL ASSETS

As at December 31, 2016 with comparative information for 2015
in thousands

EXHIBIT 3 - Continued

Opening Balance	Accumulated Amortization		Closing Balance	Net Book Value Dec 31, 2016	Net Book Value Dec 31, 2015
	Add Amortization	Less Accumulated Amortization on Disposals			
\$ -	\$ -	\$ -	\$ -	\$ 385,183	\$ 383,669
8,713	427	-	(9,140)	6,915	6,707
36,843	1,798	(339)	(38,302)	23,764	17,312
107,677	7,004	(1,206)	(113,475)	113,448	115,748
23,766	2,308	(305)	(25,769)	7,854	8,972
18,104	2,108	(1,164)	(19,048)	11,253	11,857
9,146	1,034	-	(10,180)	26,961	27,995
93,760	6,094	(401)	(99,453)	231,142	232,596
91,350	5,187	(50)	(96,487)	160,102	163,676
315,237	12,403	(266)	(327,374)	203,991	211,938
74,828	3,577	(81)	(78,324)	184,604	186,166
29,808	731	-	(30,539)	20,904	21,635
-	-	-	-	13,107	18,924
<u>\$ 809,232</u>	<u>\$ 42,671</u>	<u>\$ (3,812)</u>	<u>\$ (848,091)</u>	<u>\$ 1,389,228</u>	<u>\$ 1,407,195</u>

See notes to Consolidated Financial Statements.

APPROPRIATED SURPLUS (RESERVES) CONTINUITY SCHEDULE

For the year ended December 31, 2016 with comparative information for 2015
in thousands

EXHIBIT 4

	Balance December 31, 2015	(To)/From Operating Fund	(To)/From Other Funds	Other Contributions	Interest Earned	Balance December 31, 2016
STATUTORY CAPITAL RESERVES						
General	\$ 35,890	\$ 27,896	\$ (14,974)	\$ 20	\$ 751	\$ 49,583
Storm drainage	12,157	210	(332)	-	231	12,266
Waterworks	21,751	11,278	(7,289)	-	432	26,172
Sanitary sewer	32,922	6,024	(2,172)	-	652	37,426
Airport	12,350	2,218	1,099	-	256	15,923
Affordable housing	257	-	(250)	-	4	11
	<u>115,327</u>	<u>47,626</u>	<u>(23,918)</u>	<u>20</u>	<u>2,326</u>	<u>141,381</u>
GENERAL OPERATING RESERVE						
Planned Transfers						
New facility operations	2,378	-	-	-	52	2,430
Water system contingency	760	-	-	-	16	776
Insurance	2,314	-	-	-	44	2,358
Tradex operating reserve	16	95	(112)	-	1	-
Election	84	79	-	-	4	167
Community Works Fund	19,889	5,678	(4,165)	-	375	21,777
Sister city	81	10	-	-	2	93
Climate action	1,005	175	(20)	-	20	1,180
Community projects	431	-	-	-	9	440
	<u>26,958</u>	<u>6,037</u>	<u>(4,297)</u>	<u>-</u>	<u>523</u>	<u>29,221</u>
Operating Surplus Transfers						
Police	1,072	852	-	-	23	1,948
Winter operations	1,194	-	-	-	26	1,220
Storm drainage	3,056	666	-	-	67	3,789
Sumas Prairie DDI	115	-	(75)	-	1	41
Matsqui Prairie DDI	48	-	(10)	-	1	39
Solid waste	523	-	(210)	-	7	320
Road Resurfacing & Maintenance	-	936	-	-	-	936
	<u>6,008</u>	<u>2,454</u>	<u>(295)</u>	<u>-</u>	<u>125</u>	<u>8,293</u>
Other Transfers						
General government	1,774	786	-	-	44	2,605
Planning & Development	240	108	-	-	3	351
Fire Rescue Services	158	71	-	-	-	229
Engineering	80	(55)	-	-	-	25
Traffic fine revenue	196	-	-	-	4	200
Transit Provision	189	137	-	-	-	326
	<u>2,637</u>	<u>1,047</u>	<u>-</u>	<u>-</u>	<u>51</u>	<u>3,736</u>
	<u>35,604</u>	<u>9,538</u>	<u>(4,592)</u>	<u>-</u>	<u>699</u>	<u>41,250</u>
Total	\$ 150,931	\$ 57,164	\$ (28,510)	\$ 20	\$ 3,025	\$ 182,631

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

DEBT OUTSTANDING AND DEBT SERVICING BY FUND & FUNCTION

For the year ended December 31, 2016 with comparative information for 2015
in thousands

EXHIBIT 5

	Bylaw Number	MFA Issue Number	Year of Maturity	Interest Rate (%)	Debt Outstanding December 31 2015	2016 Debt Servicing			Debt Outstanding December 31 2016
						Principal	Interest	Total	
GENERAL FUND									
Parks, recreation and culture									
Abbotsford Centre	1586	102/103	2032	5.00	\$ 43,700	\$ 1,773	\$ 2,271	\$ 4,044	\$ 41,927
Cultural Centre	1587	102/103	2027	5.00	7,126	450	378	828	6,676
Community Centre	1588	102/103	2027	5.00	14,254	902	756	1,658	13,352
					<u>65,080</u>	<u>3,125</u>	<u>3,405</u>	<u>6,530</u>	<u>61,955</u>
SANITARY SEWER FUND									
Sanitary sewer - treatment plant									
	455	75	2021	3.05	361	361	1	362	-
					<u>361</u>	<u>361</u>	<u>1</u>	<u>362</u>	<u>-</u>
WATERWORKS FUND									
Waterworks - supply									
	454	75	2021	3.05	1,123	1,123	2	1,125	-
					<u>1,123</u>	<u>1,123</u>	<u>2</u>	<u>1,125</u>	<u>-</u>
Total Long-term Debt					<u>\$ 66,564</u>	<u>\$ 4,609</u>	<u>\$ 3,408</u>	<u>\$ 8,017</u>	<u>\$ 61,955</u>

See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE A

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Municipal taxation:			
General	\$ 75,755	\$ 75,856	\$ 72,679
Police	45,143	45,143	43,553
Library	4,509	4,509	4,399
Dyking, drainage & irrigation	1,952	1,947	1,947
Utility tax	1,852	1,918	1,852
Business improvement assessment	274	289	274
Hotel tax	250	356	288
Grants in lieu of taxes:			
Federal government	1,005	1,063	1,075
Provincial governments and agencies	841	907	867
Fees and charges:			
Transit	2,519	2,670	2,628
Police	3,391	3,258	2,996
User rates	7,648	7,304	7,448
Storm drainage	3,615	3,625	3,621
Parks, recreation and culture	6,500	6,534	6,208
Abbotsford Centre	3,377	6,079	2,472
Other	3,619	3,787	3,896
Licenses and permits:			
Building permits	1,532	2,567	2,523
Soil removal fees	2,135	3,071	2,483
Business licences	940	1,353	1,065
Municipal licence plates	39	38	46
Secondary suite fees	1,254	1,291	1,254
Other licences and permits	420	476	412
Rental:			
Police	41	45	48
Other	2,013	1,992	2,027
Investment income	1,044	1,541	1,420
Municipal Finance Authority refunds	36	31	28
Grants:			
Transit	4,894	4,786	4,675
Police	2,146	2,090	2,134
Other	6,870	7,335	7,120
	<u>185,614</u>	<u>191,861</u>	<u>181,438</u>

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE A - Continued

	2016 Plan	2016 Actual	2015 Actual
EXPENSE			
General government services (Schedule E)	17,884	14,482	14,966
Planning & development services (Schedule F)	4,642	4,095	4,101
Protective services			
Police services (Schedule G)	50,452	48,853	48,458
Fire rescue services (Schedule H)	16,054	15,798	15,416
Other protective services (Schedule I)	3,601	3,768	3,355
Parks, recreation & culture services (Schedule J)	20,281	20,122	19,658
Abbotsford Centre (Schedule K)	6,914	9,288	6,058
Library services (Schedule L)	4,209	4,138	4,081
Transit services (Schedule M)	11,457	11,173	10,877
Engineering services (Schedule N)	9,978	9,131	8,318
Solid waste services (Schedule O)	7,460	7,249	7,532
Storm drainage services (Schedule P)	3,068	2,301	2,154
Dyking, drainage and irrigation services			
Matsqui Prairie (Schedule Q)	1,124	1,057	1,150
Sumas Prairie (Schedule Q)	1,704	1,761	1,688
	<u>158,828</u>	<u>153,216</u>	<u>147,812</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	26,786	38,645	33,626
Amortization (All Schedules)	-	29,330	30,479
Loss/(gain) on disposal of tangible capital assets (All Schedules)	-	20	(388)
ANNUAL SURPLUS/(DEFICIT)	26,786	9,295	3,535
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(1,143)	(1,191)
Transfer to general capital reserve	(18,853)	(29,554)	(23,817)
Transfer to operating reserve	(5,872)	(10,683)	(7,923)
Transfer from operating reserve	1,247	5,670	6,283
Debt principal repayments	(3,308)	(3,308)	(3,274)
Inventory and pre-paid expenses	-	(771)	(104)
Eliminate amortization and loss/gain	-	30,494	31,282
CHANGE IN UNAPPROPRIATED SURPLUS	\$ -	\$ -	\$ 4,791

See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE B

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Fees and charges:			
User rates	\$ 15,600	\$ 16,609	\$ 16,558
Other fees and charges	726	682	695
Rent	38	38	38
Investment income	-	-	-
Municipal Finance Authority refunds	-	7	2
	<u>16,364</u>	<u>17,336</u>	<u>17,293</u>
EXPENSE			
Abbotsford-Mission supply and transmission	3,389	2,785	2,880
Administration	2,610	2,005	1,845
Local supply and distribution	1,854	1,780	1,720
Meters	487	609	453
Hydrants	97	158	360
Maintenance	56	254	240
Long-term debt interest	2	2	10
Internal borrowing interest	-	-	-
	<u>8,495</u>	<u>7,593</u>	<u>7,508</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>7,869</u>	<u>9,743</u>	<u>9,785</u>
Amortization	-	6,128	6,034
Loss/(gain) on disposal of tangible capital assets	-	256	943
ANNUAL SURPLUS/(DEFICIT)	<u>7,869</u>	<u>3,359</u>	<u>2,808</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to waterworks capital reserve	(6,745)	(8,618)	(7,595)
Debt principal repayments	(1,124)	(1,124)	(157)
Eliminate amortization and loss/gain	-	6,384	6,977
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,033</u>

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE C

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Fees and charges:			
User rates	\$ 10,300	\$ 11,207	\$ 10,955
Industrial surcharges	953	1,172	1,320
Other fees and charges	482	610	618
Investment income	58	122	90
Municipal Finance Authority refunds	41	3	-
	<u>11,834</u>	<u>13,114</u>	<u>12,983</u>
EXPENSE			
Joint Abbotsford-Mission Environmental Systems (JAMES) treatment plant	4,036	3,826	3,893
Administration	1,912	1,779	1,745
Maintenance	1,522	1,107	1,117
Long-term debt interest	1	1	3
Internal borrowing interest	44	17	45
	<u>7,515</u>	<u>6,730</u>	<u>6,803</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>4,319</u>	<u>6,384</u>	<u>6,180</u>
Amortization	-	5,187	5,176
Loss/(gain) on disposal of tangible capital assets	-	58	301
ANNUAL SURPLUS/(DEFICIT)	<u>4,319</u>	<u>1,139</u>	<u>703</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to sanitary sewer capital reserve	(3,958)	(6,023)	(4,333)
Debt principal repayments	(361)	(361)	(50)
Eliminate amortization and loss/gain	-	5,245	5,477
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,797</u>

See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE D

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Fees and charges:			
Aeronautical fees	\$ 1,359	\$ 1,335	\$ 1,287
Public parking fees	1,910	1,744	1,685
Concessions	890	1,081	1,020
Other fees and charges	323	212	289
Rent	1,581	1,671	1,881
Investment income	72	72	66
	<u>6,135</u>	<u>6,115</u>	<u>6,228</u>
EXPENSE			
Administration	1,385	1,142	1,449
Marketing	82	96	50
Terminal building	535	733	611
Airside	1,479	1,539	1,372
Mobile equipment	262	132	174
Parking	272	255	233
	<u>4,015</u>	<u>3,897</u>	<u>3,889</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>2,120</u>	<u>2,218</u>	<u>2,339</u>
Amortization	-	2,023	2,572
Loss/(gain) on disposal of tangible capital assets	-	-	286
ANNUAL SURPLUS/(DEFICIT)	<u>2,120</u>	<u>195</u>	<u>(519)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to airport capital reserve (asset sales)	-	-	(75)
Transfer to airport capital reserve	(2,120)	(2,218)	(2,339)
Eliminate amortization and loss/gain	-	2,023	2,933
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE E

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Municipal taxation	\$ 79,977	\$ 80,389	\$ 77,035
Fees and charges	2,190	2,215	2,156
Rent	1,955	1,935	2,029
Investment income	1,044	1,535	1,416
Grants	5,690	5,903	5,759
Municipal Finance Authority refunds	36	31	28
	<u>90,892</u>	<u>92,008</u>	<u>88,423</u>
EXPENSE			
LEGISLATIVE SERVICES	702	695	663
CITY MANAGER'S OFFICE			
City manager	1,333	1,386	1,638
Corporate communications and marketing	890	1,034	909
Human resources	1,634	1,566	1,367
FINANCE & CORPORATE SERVICES			
City Clerk	1,136	1,110	1,023
Elections	-	-	2
Finance & purchasing	3,867	3,060	3,094
Risk management	1,218	889	1,416
Business technology solutions	3,782	3,594	3,369
Economic development	617	518	470
Real estate services	286	293	282
OTHER			
General municipal buildings	2,222	1,660	1,883
Transfer to other agencies	604	768	683
Common services	2,236	548	806
Less: Cost recoveries	(2,643)	(2,639)	(2,639)
	<u>17,884</u>	<u>14,482</u>	<u>14,966</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	73,008	77,526	73,457
Amortization	-	1,458	952
Loss/(gain) on disposal of tangible capital assets	-	160	(601)
ANNUAL SURPLUS/(DEFICIT)	<u>73,008</u>	<u>75,908</u>	<u>73,106</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	-	(654)
Transfer to general capital reserve	(3,401)	(13,674)	(9,100)
Transfer to operating reserve	(5,732)	(7,251)	(6,196)
Transfer from operating reserve	336	4,847	6,142
Debt principal repayments	(183)	(183)	(269)
Inventory and pre-paid expenses	-	(771)	(104)
Eliminate amortization and loss/gain	-	1,618	992
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ 64,028</u>	<u>\$ 60,494</u>	<u>\$ 63,917</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, 2016 with comparative information for 2015
in thousands

SCHEDULE F

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Licences and permits:			
Business licences	\$ 940	\$ 1,353	\$ 1,065
Development permit application fees	130	140	113
Rezoning application fees	150	155	136
Subdivision application fees	65	101	96
Other licences and permits	60	72	60
Fees and charges:			
Development fees on Engineering projects	250	236	430
Other fees and charges	73	111	90
Grants	-	-	29
	1,668	2,168	2,019
EXPENSE			
Development approvals	4,465	3,916	3,927
Licence inspection	177	179	174
	4,642	4,095	4,101
ANNUAL SURPLUS/(DEFICIT)	(2,974)	(1,927)	(2,082)
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to operating reserve	-	(110)	(200)
Transfer from operating reserve	300	97	-
CHANGE IN UNAPPROPRIATED SURPLUS	\$ (2,674)	\$ (1,940)	\$ (2,282)

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE G

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Municipal taxation	\$ 45,143	\$ 45,143	\$ 43,553
Fees and charges:			
Salary recoveries	2,494	2,179	1,869
Other revenue	897	1,078	1,128
Government grants:			
Traffic fine revenue - sharing	2,000	2,000	2,002
Other government grants	146	90	132
Rent	41	45	48
	<u>50,721</u>	<u>50,535</u>	<u>48,732</u>
EXPENSE			
Finance and budgets	576	541	551
Executive administration	1,770	1,746	1,829
Operations support	5,551	4,835	5,087
Support services	5,463	5,649	5,238
Criminal investigations	8,711	7,920	8,561
Patrol	13,914	14,351	12,820
Operations control	6,032	5,085	5,898
Police building	759	629	860
Human resources	2,719	2,039	1,756
Vehicle maintenance	1,264	992	976
Common services & secondment	3,693	5,066	4,880
	<u>50,452</u>	<u>48,853</u>	<u>48,456</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	269	1,682	276
Amortization	-	1,021	927
Loss/(gain) on disposal of tangible capital assets	-	8	(6)
ANNUAL SURPLUS/(DEFICIT)	269	653	(645)
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(68)	(56)
Transfer from operating reserve	328	-	-
Transfer to operating reserve	-	(852)	(276)
Transfer to general capital reserve	(597)	(830)	-
Eliminate amortization and loss/gain	-	1,097	977
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE H

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Fees and charges	\$ 220	\$ 348	\$ 307
Licences and permits	10	4	5
	<u>230</u>	<u>352</u>	<u>312</u>
EXPENSE			
Administration	525	507	469
Fire life and safety education	184	171	143
Fire prevention and inspection	653	652	555
Emergency response	13,994	13,798	13,587
Fire halls and ground maintenance	467	439	449
Fire flows and hydrants	231	231	213
	<u>16,054</u>	<u>15,798</u>	<u>15,416</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>(15,824)</u>	<u>(15,446)</u>	<u>(15,104)</u>
Amortization	-	1,095	1,034
Loss/(gain) on disposal of tangible capital assets	-	82	-
ANNUAL SURPLUS/(DEFICIT)	<u>(15,824)</u>	<u>(16,623)</u>	<u>(16,138)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	-	-
Transfer from operating reserve	158	158	-
Transfer to operating reserve	-	(229)	-
Transfer to general capital reserve	(791)	(791)	(797)
Eliminate amortization and loss/gain	-	1,178	1,034
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (16,457)</u>	<u>\$ (16,307)</u>	<u>\$ (15,901)</u>

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE I

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Licenses and permits:			
Building permits	\$ 1,534	\$ 2,567	\$ 2,523
Secondary suite fees	1,254	1,291	1,254
Fees and charges	264	220	196
Grants	100	164	331
	<u>3,152</u>	<u>4,242</u>	<u>4,304</u>
EXPENSE			
Restorative Justice	149	150	149
Emergency services	255	345	217
Building inspections	2,129	2,192	2,042
Bylaw enforcement	1,068	1,081	947
	<u>3,601</u>	<u>3,768</u>	<u>3,355</u>
ANNUAL SURPLUS/(DEFICIT)	(449)	474	949
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to operating reserve	-	(95)	-
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (449)</u>	<u>\$ 379</u>	<u>\$ 949</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, 2016 with comparative information for 2015
in thousands

SCHEDULE J

	2016	2016				2016	2015
	Plan	General	Parks	Recreation	Culture	Actual	Actual
REVENUE							
Fees and charges	\$ 6,500	\$ 151	\$ 1,317	\$ 5,066	\$ -	\$ 6,534	\$ 6,208
Rent	58	-	-	57	-	57	4
Grants	-	5	-	-	-	5	13
	<u>6,558</u>	<u>156</u>	<u>1,317</u>	<u>5,123</u>	<u>-</u>	<u>6,596</u>	<u>6,225</u>
EXPENSE							
Operations	19,126	1,178	7,613	9,380	817	18,988	18,471
Long-term debt interest	1,155	-	-	756	378	1,134	1,188
	<u>20,281</u>	<u>1,178</u>	<u>7,613</u>	<u>10,136</u>	<u>1,195</u>	<u>20,122</u>	<u>19,659</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION							
	(13,723)	(1,022)	(6,296)	(5,013)	(1,195)	(13,526)	(13,434)
Amortization	-	2	2,158	1,789	452	4,401	4,206
ANNUAL SURPLUS/(DEFICIT)	<u>(13,723)</u>	<u>(1,024)</u>	<u>(8,454)</u>	<u>(6,802)</u>	<u>(1,647)</u>	<u>(17,927)</u>	<u>(17,640)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS							
Debt principal repayments	(1,352)	-	-	(902)	(451)	(1,353)	(1,300)
Transfer to general capital reserve	(1,443)	(107)	(794)	(469)	(73)	(1,443)	(1,529)
Transfer to cemetery capital reserve	(160)	-	(165)	-	-	(165)	(160)
Eliminate amortization and loss/gain	-	2	2,158	1,789	452	4,401	4,220
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (16,678)</u>	<u>\$ (1,129)</u>	<u>\$ (7,255)</u>	<u>\$ (6,384)</u>	<u>\$ (1,719)</u>	<u>\$ (16,487)</u>	<u>\$ (16,409)</u>

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE K

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Fees and charges	\$ 3,377	\$ 6,079	\$ 2,472
Investment income	-	7	4
Grants	900	1,062	946
	<u>4,277</u>	<u>7,148</u>	<u>3,422</u>
EXPENSE			
Abbotsford Centre			
Operations	4,616	7,017	3,717
Long-term debt interest	2,298	2,271	2,341
	<u>6,914</u>	<u>9,288</u>	<u>6,058</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>(2,637)</u>	<u>(2,140)</u>	<u>(2,636)</u>
Amortization	-	2,778	2,789
ANNUAL SURPLUS/(DEFICIT)	<u>(2,637)</u>	<u>(4,918)</u>	<u>(5,425)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Debt principal repayments	(1,773)	(1,773)	(1,704)
Eliminate amortization and loss/gain	-	2,778	2,789
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (4,410)</u>	<u>\$ (3,913)</u>	<u>\$ (4,340)</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, 2016 with comparative information for 2015
in thousands

SCHEDULE L

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Municipal tax for regional library	\$ 4,509	\$ 4,509	\$ 4,399
EXPENSE			
Transfer to Fraser Valley Regional Library	3,883	3,883	3,790
Library operating costs	326	255	291
	<u>4,209</u>	<u>4,138</u>	<u>4,081</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	300	371	318
Amortization	-	205	205
ANNUAL SURPLUS/(DEFICIT)	<u>300</u>	<u>166</u>	<u>113</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve	(300)	(352)	(318)
Transfer to operating reserve	-	(19)	-
Eliminate amortization and loss/gain	-	205	205
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE M

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Grants	\$ 4,894	\$ 4,786	\$ 4,675
Fares	1,857	1,977	1,951
BC bus pass program	491	518	500
Advertising and other	171	175	177
	<u>7,413</u>	<u>7,456</u>	<u>7,303</u>
EXPENSE			
Transfer to BC Transit	11,302	11,077	10,776
Other	155	96	101
	<u>11,457</u>	<u>11,173</u>	<u>10,877</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>(4,044)</u>	<u>(3,717)</u>	<u>(3,574)</u>
Amortization	-	31	31
ANNUAL SURPLUS/(DEFICIT)	<u>(4,044)</u>	<u>(3,748)</u>	<u>(3,605)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer from operating reserve	-	189	-
Transfer to operating reserve	-	(326)	(189)
Eliminate amortization and loss/gain	-	31	31
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (4,044)</u>	<u>\$ (3,854)</u>	<u>\$ (3,763)</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, 2016 with comparative information for 2015
in thousands

SCHEDULE N

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Fees and charges:			
Engineering capital recoveries	\$ -	\$ 148	\$ 281
Recoveries	204	252	181
Parking lot tickets	-	71	61
Other	281	68	69
Licenses and permits:			
Soil removal fees	2,135	3,071	2,483
Other	3	2	2
Grants	180	200	42
	<u>2,803</u>	<u>3,812</u>	<u>3,119</u>
EXPENSE			
ADMINISTRATION	2,346	2,126	2,087
ENGINEERING	2,281	1,898	2,097
TRANSPORTATION			
Services	2,788	2,601	2,395
Operations - roads	4,768	4,736	3,673
EQUIPMENT FLEET			
Operations	3,957	3,833	3,741
Internal recoveries	(5,789)	(5,689)	(5,360)
INTERNAL BORROWING INTEREST	40	39	98
COST RECOVERIES	(413)	(413)	(413)
	<u>9,978</u>	<u>9,131</u>	<u>8,318</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	<u>(7,175)</u>	<u>(5,319)</u>	<u>(5,199)</u>
Amortization	-	13,952	16,003
Loss/(gain) on disposal of tangible capital assets	-	(405)	172
ANNUAL SURPLUS/(DEFICIT)	<u>(7,175)</u>	<u>(18,866)</u>	<u>(21,374)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(1,076)	(453)
Transfer to general capital reserve	(11,641)	(11,665)	(11,589)
Transfer to operating reserve	(170)	(1,136)	(80)
Transfer from operating reserve	80	80	-
Eliminate amortization and loss/gain	-	14,623	16,628
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (18,906)</u>	<u>\$ (18,040)</u>	<u>\$ (16,868)</u>

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE O

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Fees and charges:			
Solid waste user fees	\$ 5,965	\$ 5,854	\$ 5,911
Garbage stickers	35	24	20
Recoveries & other	1,648	1,426	1,517
	<u>7,648</u>	<u>7,304</u>	<u>7,448</u>
EXPENSE			
Planning, design and management	785	552	627
Collection	2,724	2,925	2,822
Disposal	3,951	3,772	4,083
	<u>7,460</u>	<u>7,249</u>	<u>7,532</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	188	55	(84)
Amortization	-	55	62
Loss/(gain) on disposal of tangible capital assets	-	-	(3)
ANNUAL SURPLUS/(DEFICIT)	188	-	(143)
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve	(188)	(265)	-
Transfer to general capital reserve (asset sales)	-	-	(29)
Transfer from operating reserve	-	210	84
Eliminate amortization and loss/gain	-	55	88
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE P

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Fees and charges:			
Storm drainage user fees	\$ 3,612	\$ 3,611	\$ 3,576
Other	3	14	45
Developer charges earned	-	-	14
	<u>3,615</u>	<u>3,625</u>	<u>3,635</u>
EXPENSE			
Storm sewers and detention	2,530	1,835	1,729
Urban watercourses	131	126	121
Rural drainage	407	340	304
	<u>3,068</u>	<u>2,301</u>	<u>2,154</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	547	1,324	1,481
Amortization	-	3,603	3,546
Loss/(gain) on disposal of tangible capital assets	-	174	50
ANNUAL SURPLUS/(DEFICIT)	547	(2,453)	(2,115)
Matsqui Prairie (Schedule Q)	(407)	(554)	(653)
Sumas Prairie (Schedule Q)	(292)	(890)	(811)
TOTAL ANNUAL SURPLUS / (DEFICIT)	<u>(152)</u>	<u>(3,897)</u>	<u>(3,579)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to operating reserve	-	(666)	(778)
Transfer from operating reserve	48	-	-
Transfer to general capital reserve	(173)	(210)	(186)
Reconcile to contribution from storm drainage-Matsqui Prairie	(53)	136	200
Reconcile to contribution from storm drainage-Sumas Prairie	(77)	520	443
Eliminate amortization and loss/gain	-	3,777	3,596
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (407)</u>	<u>\$ (340)</u>	<u>\$ (304)</u>

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE Q

	2016 Plan	2016 Actual	2015 Actual	2016 Plan	2016 Actual	2015 Actual
	Matsqui Prairie			Sumas Prairie		
REVENUE						
Fees and charges:						
General tax levy	\$ 701	\$ 695	\$ 696	\$ 1,252	\$ 1,251	\$ 1,250
Other revenue	16	17	10	160	142	142
	<u>717</u>	<u>712</u>	<u>706</u>	<u>1,412</u>	<u>1,393</u>	<u>1,392</u>
EXPENSE						
Dyking	86	77	54	65	64	75
Drainage	607	589	684	722	805	700
Storm	184	155	183	-	-	-
Irrigation	124	111	112	98	124	115
Administration	115	116	117	166	161	161
Pump stations	-	-	-	644	598	636
Recoverable work	8	9	-	8	9	1
	<u>1,124</u>	<u>1,057</u>	<u>1,150</u>	<u>1,703</u>	<u>1,761</u>	<u>1,688</u>
ANNUAL SURPLUS/(DEFICIT) BEFORE AMORTIZATION	(407)	(345)	(444)	(291)	(368)	(296)
Amortization	-	209	209	-	522	515
ANNUAL SURPLUS/(DEFICIT)	<u>(407)</u>	<u>(554)</u>	<u>(653)</u>	<u>(291)</u>	<u>(890)</u>	<u>(811)</u>
RECONCILE TO CONTRIBUTION FROM STORM DRAINAGE						
Transfer to general capital reserve	(83)	(83)	(59)	(77)	(77)	(79)
Transfer to operating reserve	30	-	-	-	-	-
Transfer from operating reserve	-	10	50	-	75	7
Eliminate amortization and loss/gain	-	209	209	-	522	515
CONTRIBUTION FROM STORM DRAINAGE	<u>\$ (460)</u>	<u>\$ (418)</u>	<u>\$ (453)</u>	<u>\$ (368)</u>	<u>\$ (370)</u>	<u>\$ (368)</u>

See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE R

	2016 Plan	General	Waterworks	Sanitary Sewer	Airport	2016 Actual	2015 Actual
REVENUE							
Municipal taxation	\$ -	\$ (1,131)	\$ -	\$ -	\$ -	\$ (1,131)	\$ -
Other fees and charges	3,019	591	(1,298)	56	-	(651)	1,306
Airport improvement fees	812	-	-	-	1,210	1,210	1,207
Developer charges earned	8,547	5,751	13	433	-	6,197	12,175
Contributed tangible capital assets	-	6,692	1,279	1,432	-	9,403	19,696
Grants	27,175	2,224	47	22	-	2,293	153
Other sources	-	25	-	-	-	25	259
Contributions (to)/from other funds	-	(138)	49	89	-	-	-
	<u>39,553</u>	<u>14,014</u>	<u>90</u>	<u>2,032</u>	<u>1,210</u>	<u>17,346</u>	<u>34,796</u>
EXPENSE							
Minor capital projects							
General government	1,657	1,036	-	-	-	1,036	474
Police services	-	-	-	-	-	-	(55)
Fire services	200	373	-	-	-	373	409
Park services	262	727	-	-	-	727	313
Recreation services	85	47	-	-	-	47	62
Entertainment & Sports Centre services	130	50	-	-	-	50	-
Transportation services	7,555	4,822	-	-	-	4,822	4,761
Equipment fleet services	8	9	-	-	-	9	-
Solid waste services	24	90	-	-	-	90	91
Storm drainage services	950	224	-	-	-	224	256
Dyking, drainage & irrigation	-	2,174	-	-	-	2,174	49
Waterworks	1,834	-	123	-	-	123	85
Sanitary sewer	4,427	-	-	810	-	810	525
Airport	812	-	-	-	147	147	60
	<u>17,944</u>	<u>9,552</u>	<u>123</u>	<u>810</u>	<u>147</u>	<u>10,632</u>	<u>7,030</u>
ANNUAL SURPLUS/(DEFICIT)	<u>21,609</u>	<u>4,462</u>	<u>(33)</u>	<u>1,222</u>	<u>1,063</u>	<u>6,714</u>	<u>27,766</u>
RECONCILE TO CHANGE IN CAPITAL EQUITY							
Assets sale	-	(5,052)	-	-	5,052	-	-
General capital reserve	26,610	15,147	-	-	-	15,147	16,863
Storm drainage reserve	1,688	410	-	-	-	410	928
Waterworks capital reserve	12,843	-	7,289	-	-	7,289	5,027
Sanitary sewer capital reserve	10,328	-	-	2,172	-	2,172	758
Airport capital reserve	1,000	-	-	-	(1,099)	(1,099)	(1,018)
Tangible capital assets	-	(26,455)	(6,384)	(4,831)	(2,023)	(39,693)	(39,990)
Debt principal repayment	4,792	3,308	1,124	361	-	4,793	3,481
Internal borrowing (from general fund)	-	(4,464)	-	(416)	-	(4,880)	(7,187)
Internal borrowing interest	-	426	-	-	-	426	508
CHANGE IN CAPITAL EQUITY	<u>\$ 78,870</u>	<u>\$ (12,218)</u>	<u>\$ 1,996</u>	<u>\$ (1,492)</u>	<u>\$ 2,993</u>	<u>\$ (8,721)</u>	<u>\$ 7,136</u>

See notes to Consolidated Financial Statements.

2016 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2016 with comparative information for 2015
in thousands

SCHEDULE S

	2016 Plan	2016 Actual	2015 Actual
REVENUE			
Investment income	\$ 2,994	\$ 3,024	\$ 2,938
Other sources	-	21	1
	<u>2,994</u>	<u>3,045</u>	<u>2,939</u>
ANNUAL SURPLUS/(DEFICIT)	2,994	3,045	2,939
RECONCILE TO CHANGE IN APPROPRIATED SURPLUS			
Operating reserve	(15,714)	5,017	1,640
General capital reserve	(7,532)	12,930	7,666
Affordable housing reserve	-	(250)	-
Storm drainage reserve	(3,965)	(199)	(741)
Waterworks capital reserve	(6,099)	3,989	2,786
Sanitary sewer capital reserve	(6,408)	3,852	3,649
Airport capital reserve	1,120	3,317	3,432
CHANGE IN APPROPRIATED SURPLUS	<u>\$ (35,604)</u>	<u>\$ 31,701</u>	<u>\$ 21,371</u>

See notes to Consolidated Financial Statements.

AUDITORS'
REPORT:

CEMETERY
CARE TRUST
FUND



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

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the City of Abbotsford

We have audited the accompanying financial statements of the City of Abbotsford Cemetery Care Trust Fund which comprise the statement of financial position as at December 31, 2016, 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that tapers at both ends, serving as a decorative underline.

Chartered Professional Accountants

May 15, 2017
Abbotsford, Canada

2016 CONSOLIDATED FINANCIAL STATEMENTS

CEMETERY CARE TRUST FUND – STATEMENT OF FINANCIAL POSITION

For the year ended December 31, 2016 with comparative information for 2015
in thousands

	2016 Actual	2015 Actual
FINANCIAL ASSETS		
Portfolio investments	\$ 2,484	\$ 3,496
Accounts receivable	1,216	79
NET FINANCIAL ASSETS	<u>3,700</u>	<u>3,575</u>
ACCUMULATED SURPLUS		
Balance, beginning of year	3,575	3,463
Contributions	125	112
Investment earnings	114	101
Transfer to general operating fund	(114)	(101)
Balance, end of year	<u>\$ 3,700</u>	<u>\$ 3,575</u>

See notes to Consolidated Financial Statements.

NOTES TO THE CEMETERY CARE TRUST FUND

For the year ended December 31, 2016
in thousands

1. SIGNIFICANT ACCOUNTING POLICIES:

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

(a) Basis of accounting:

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

(b) Portfolio Investments:

Portfolio investments are carried at cost.

(c) Financial Instruments:

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

2. ACCOUNTS RECEIVABLE/PAYABLE:

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

2016 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CEMETERY CARE TRUST FUND

For the year ended December 31, 2016
in thousands

3. INVESTMENTS:

Investments for 2016 are comprised of corporate and government investments.

(in thousands)	2016		2015	
	Cost	Market	Cost	Market
Portfolio investments	\$2,484	\$2,529	\$3,496	\$3,593
	Long-term		Long-term	
Duration	2 – 10 Years		2 – 10 Years	
Average holdings	\$2,994		\$3,428	
Annual yield	3.69%		2.87%	

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 2016, \$114,000 (2015 - \$101,000) was transferred to the general operating fund for cemetery operations. Contributions and investment earnings for the year ended December 31, 2016, 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.

The cover features a photograph of a vast field of daffodils in bloom, stretching towards a town and mountains in the distance. The scene is captured in the soft light of dawn or dusk. A large, semi-transparent orange shape is on the left side, and a dark purple shape is on the right side, both partially overlapping the text and the image.

2016
ANNUAL REPORT
FINANCIAL
STATISTICS

ACCUMULATED SURPLUS

in thousands

	2012	2013	2014	2015	2016
(in 1,000's)					
ACCUMULATED SURPLUS					
Unappropriated Surplus					
General	\$ 8,284	\$ 13,178	\$ 14,779	\$ 19,570	\$ 19,570
Waterworks	1,018	1,900	2,232	4,265	4,265
Sanitary Sewer	4,002	4,002	4,002	5,799	5,799
Airport	1,176	1,176	1,176	1,176	1,176
	14,480	20,256	22,189	30,810	30,810
Appropriated Surplus					
General Operating Reserve	14,040	14,986	33,260	35,604	41,250
Statutory Capital Reserves					
General capital	13,648	18,664	27,243	35,890	49,583
Affordable housing	241	246	252	257	11
Airport	4,665	5,021	8,710	12,350	15,923
Infrastructure renewal:					
Storm sewer	12,207	12,584	12,918	12,157	12,266
Waterworks	16,815	13,278	18,547	21,751	26,172
Sanitary Sewer	28,451	29,318	28,631	32,922	37,426
	90,067	94,097	129,561	150,931	182,631
Investment in tangible capital assets	1,329,574	1,331,248	1,322,219	1,329,358	1,320,634
Investment in other non-financial assets	5,032	5,755	1,506	1,611	2,382
Total Accumulated Surplus	\$ 1,439,153	\$ 1,451,356	\$ 1,475,475	\$ 1,512,710	\$ 1,536,457

FINANCIAL STATISTICS

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

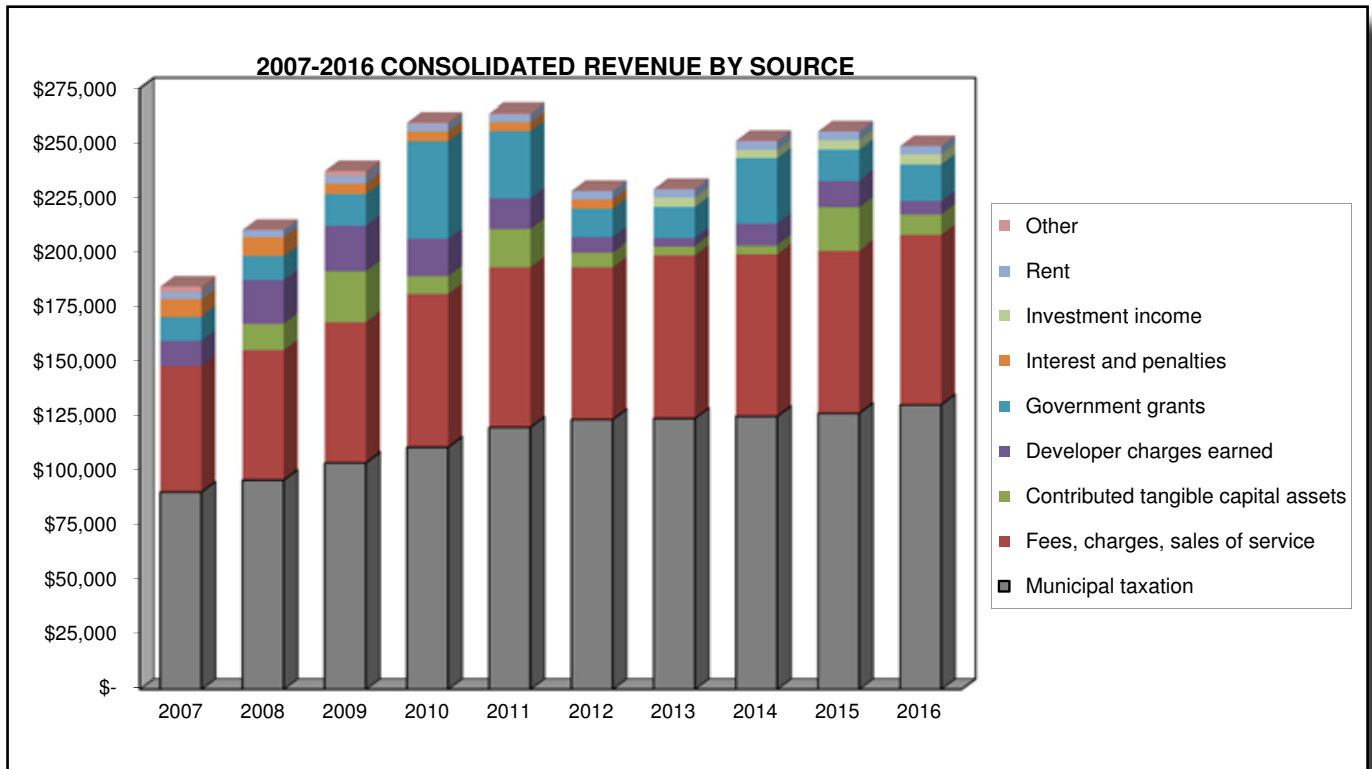
in thousands

	2012	2013	2014	2015	2016
<small>(in 1,000's)</small>					
CONSOLIDATED ANNUAL SURPLUS/(DEFICIT) AND NET FINANCIAL ASSETS/(NET DEBT)					
ANNUAL SURPLUS/(DEFICIT)	\$ 5,672	\$ 12,203	\$ 24,119	\$ 37,235	\$ 23,747
NET FINANCIAL ASSETS/(NET DEBT)	\$ (12,397)	\$ 9,427	\$ 63,389	\$ 103,904	\$ 144,848

CONSOLIDATED REVENUE BY SOURCE

in thousands

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
(in 1,000's)										
CONSOLIDATED REVENUE BY SOURCE										
Municipal taxation	\$ 90,929	\$ 96,432	\$ 104,375	\$ 111,206	\$ 120,403	\$ 124,045	\$ 124,543	\$ 125,453	\$ 126,934	\$ 130,856
Fees, charges, sales of service	57,452	59,192	64,211	69,980	73,116	69,467	74,442	74,046	74,200	77,264
Contributed tangible capital assets	-	12,277	23,118	8,249	17,234	6,771	4,100	3,950	19,695	9,403
Developer charges earned	11,665	19,758	20,652	16,857	14,243	6,852	3,567	9,914	12,192	6,197
Government grants	10,952	11,112	14,560	44,671	30,659	13,017	14,289	29,769	14,083	16,505
Interest and penalties*	7,875	8,297	4,969	4,533	4,194	4,376	-	-	-	-
Investment income	-	-	-	-	-	-	4,429	3,807	4,400	4,744
Rent	3,184	3,220	3,284	3,422	3,529	3,771	3,818	4,029	4,001	3,746
Other	-	127	2,022	562	319	108	105	205	32	46
Sale of capital assets	2,575	-	-	-	-	-	-	-	-	-
Total Consolidated Revenue by Source	\$ 184,632	\$ 210,415	\$ 237,191	\$ 259,480	\$ 263,697	\$ 228,407	\$ 229,293	\$ 251,173	\$ 255,537	\$ 248,761



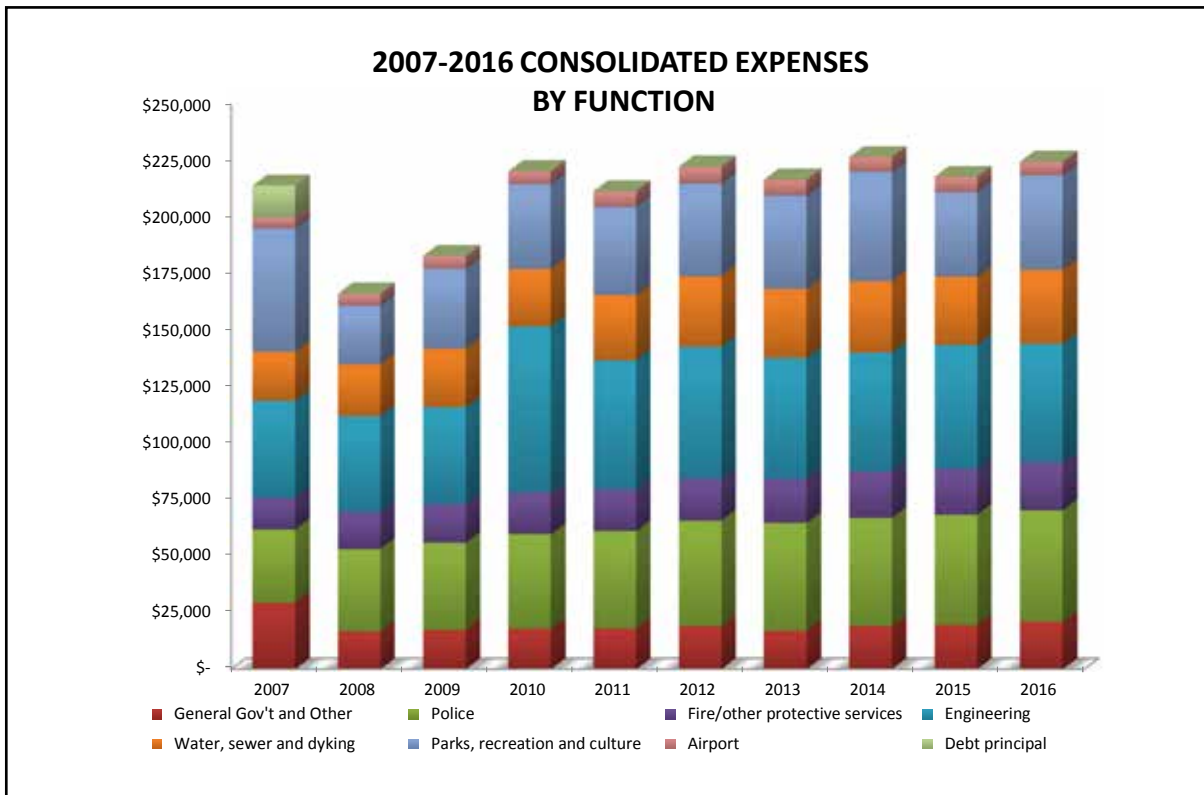
In accordance with PSAB Section 3150, effective January 1, 2009 (retroactive to 2008), the City changed its method of recording tangible capital assets. As a result, the City now recognizes assets contributed to the City by Developers.

FINANCIAL STATISTICS

CONSOLIDATED EXPENSES BY FUNCTION

in thousands

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
(in 1,000's)										
CONSOLIDATED EXPENSES BY FUNCTION										
General government	\$ 26,584	\$ 13,443	\$ 15,070	\$ 14,654	\$ 14,011	\$ 14,686	\$ 14,083	\$ 15,205	\$ 15,791	\$ 17,136
Protective services:										
Police	32,938	37,199	39,065	42,365	43,731	47,516	48,289	48,477	49,330	49,882
Fire/Other	14,044	16,397	17,344	18,469	18,490	18,718	19,424	20,647	20,207	21,116
Engineering	42,812	42,366	42,689	73,364	57,053	58,045	53,382	52,355	54,573	52,371
Water, sewer and dyking	21,736	22,888	25,789	25,233	28,575	31,163	30,482	31,565	30,122	32,592
Parks, recreation and culture	54,313	25,954	35,342	37,468	38,917	40,908	41,203	48,065	37,371	41,755
Planning & development services	3,114	3,319	2,545	3,484	4,194	4,354	3,146	4,065	4,101	4,095
Airport	4,961	5,228	5,566	5,730	6,967	7,345	7,081	6,675	6,807	6,067
Total Expenses by Function	\$ 166,794	\$ 183,410	\$ 220,767	\$ 211,938	\$ 222,735	\$ 217,090	\$ 227,054	\$ 218,302	\$ 225,014	
Add: Debt principal repayment	13,977	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Expenditure by Function	\$ 214,479									



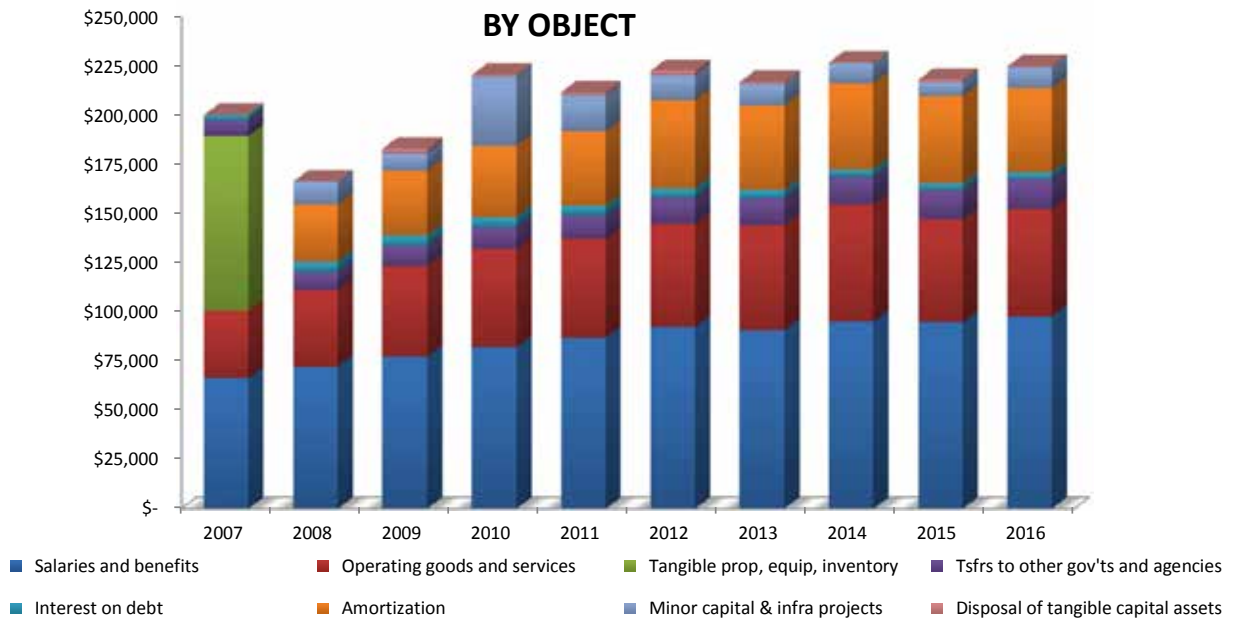
In accordance with PSAB Section 3150, effective January 1, 2009 (retroactive to 2008), the City changed its method of recording tangible capital assets, inventory and pre-pays. As a result, capital expenditures and debt principal repayments are no longer reported on the statement of operations; instead,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

CONSOLIDATED EXPENSES BY OBJECT

in thousands

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<small>(in 1,000's)</small>										
CONSOLIDATED EXPENSES BY OBJECT										
Salaries and benefits	\$ 67,353	\$ 73,201	\$ 78,191	\$ 82,886	\$ 87,750	\$ 93,274	\$ 91,551	\$ 95,987	\$ 95,469	\$ 98,449
Operating goods and services	34,084	38,663	46,074	49,963	50,077	52,161	53,340	59,024	52,295	54,563
Tangible prop, equip, inventory	88,378	N/A	N/A	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	44,260	42,669
Minor capital & infra projects	-	11,739	8,522	35,337	18,064	12,714	10,927	10,105	7,028	10,631
Disposal of tangible capital assets	-	9	2,387	497	1,605	1,989	859	399	1,143	334
Tsfrs to other gov'ts and agencies	7,896	9,020	9,884	10,824	11,737	13,257	13,427	14,218	14,566	14,960
Interest on debt	2,791	5,372	5,485	5,156	4,941	4,663	4,260	3,833	3,541	3,408
Total Expenses by Object	\$ 166,794	\$ 183,410	\$ 220,767	\$ 211,938	\$ 222,735	\$ 217,090	\$ 227,054	\$ 218,302	\$ 218,302	\$ 225,014
Add: Debt principal repayment	13,977	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Expenditure by Object	\$ 214,479									

2007-2016 CONSOLIDATED EXPENSES BY OBJECT

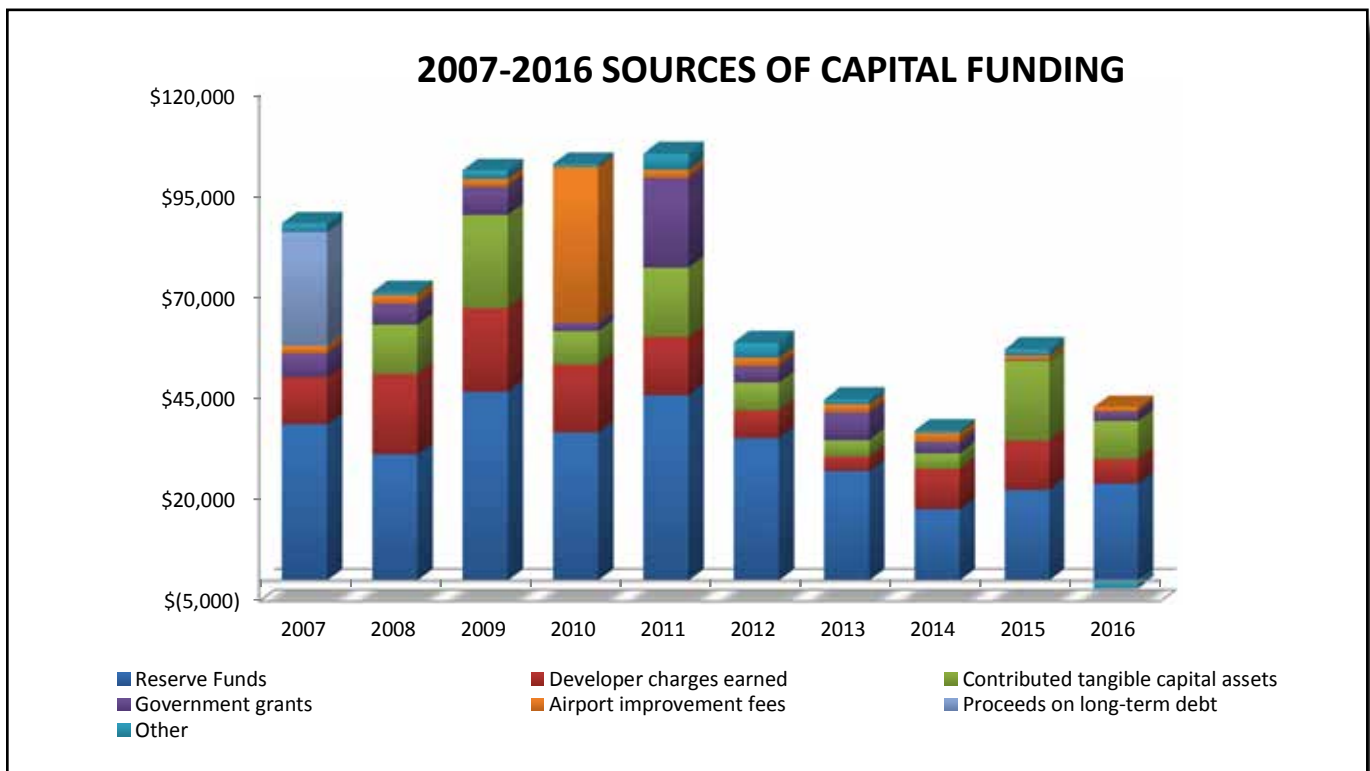


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SOURCES OF CAPITAL FUNDING

in thousands

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
(in 1,000's)										
SOURCES OF CAPITAL FUNDING*										
Reserve Funds	\$ 38,628	\$ 31,318	\$ 46,838	\$ 36,580	\$ 45,985	\$ 35,333	\$ 27,142	\$ 17,719	\$ 22,558	\$ 23,918
Developer charges earned	11,665	19,758	20,652	16,857	14,243	6,852	3,567	9,914	12,175	6,197
Contributed tangible capital assets	-	12,277	23,118	8,249	17,234	6,766	4,100	3,950	19,696	9,403
Airport improvement fees	1,924	2,262	2,116	2,074	2,120	2,181	2,159	2,130	1,207	1,210
Proceeds on long-term debt	28,106	-	-	-	-	-	-	-	-	-
Government grants	5,942	5,203	6,746	38,730	22,171	4,068	6,728	2,781	153	2,293
Other	2,210	565	2,200	791	4,015	3,741	1,227	601	1,565	(1,757)
Total Sources of Capital Funding	\$ 88,475	\$ 71,383	\$ 101,670	\$ 103,281	\$ 105,768	\$ 58,941	\$ 44,923	\$ 37,095	\$ 57,354	\$ 41,264

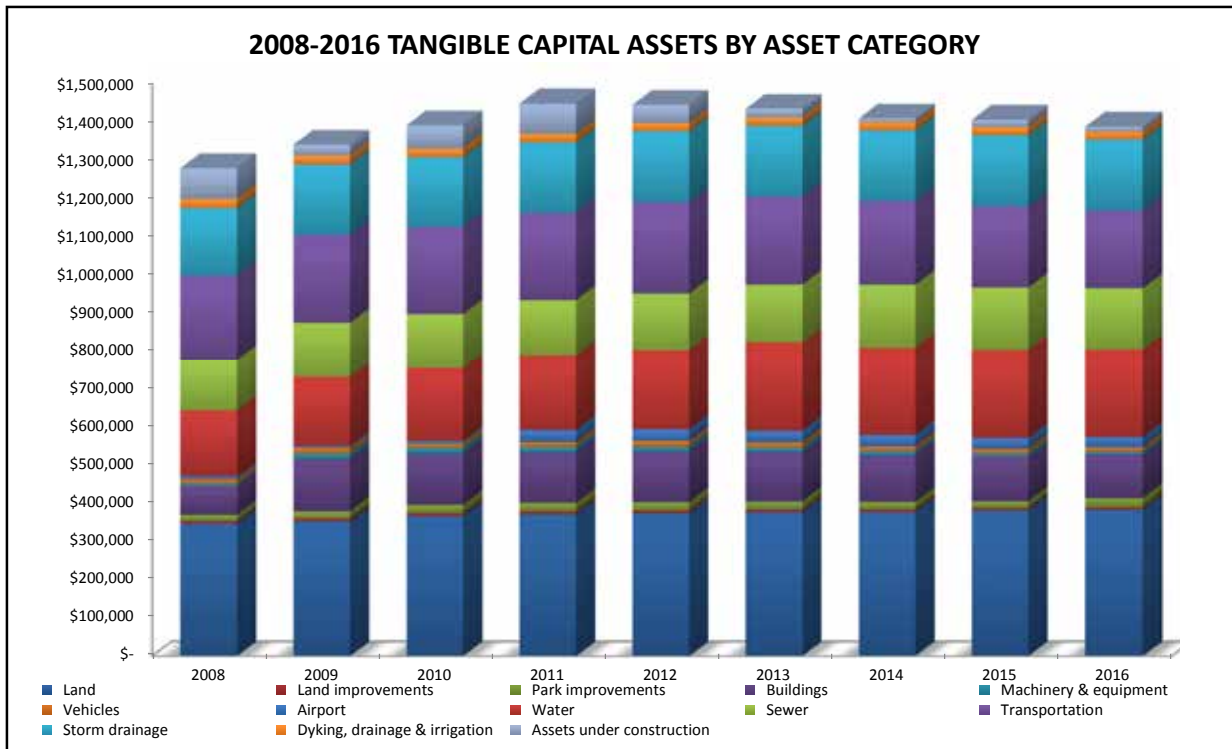


In accordance with PSAB Section 3150, effective January 1, 2009 (retroactive to 2008), the City changed its method of recording tangible capital assets. As a result, the City now recognizes assets contributed to the City by Developers.

TANGIBLE CAPITAL ASSETS BY ASSET CATEGORY

in thousands

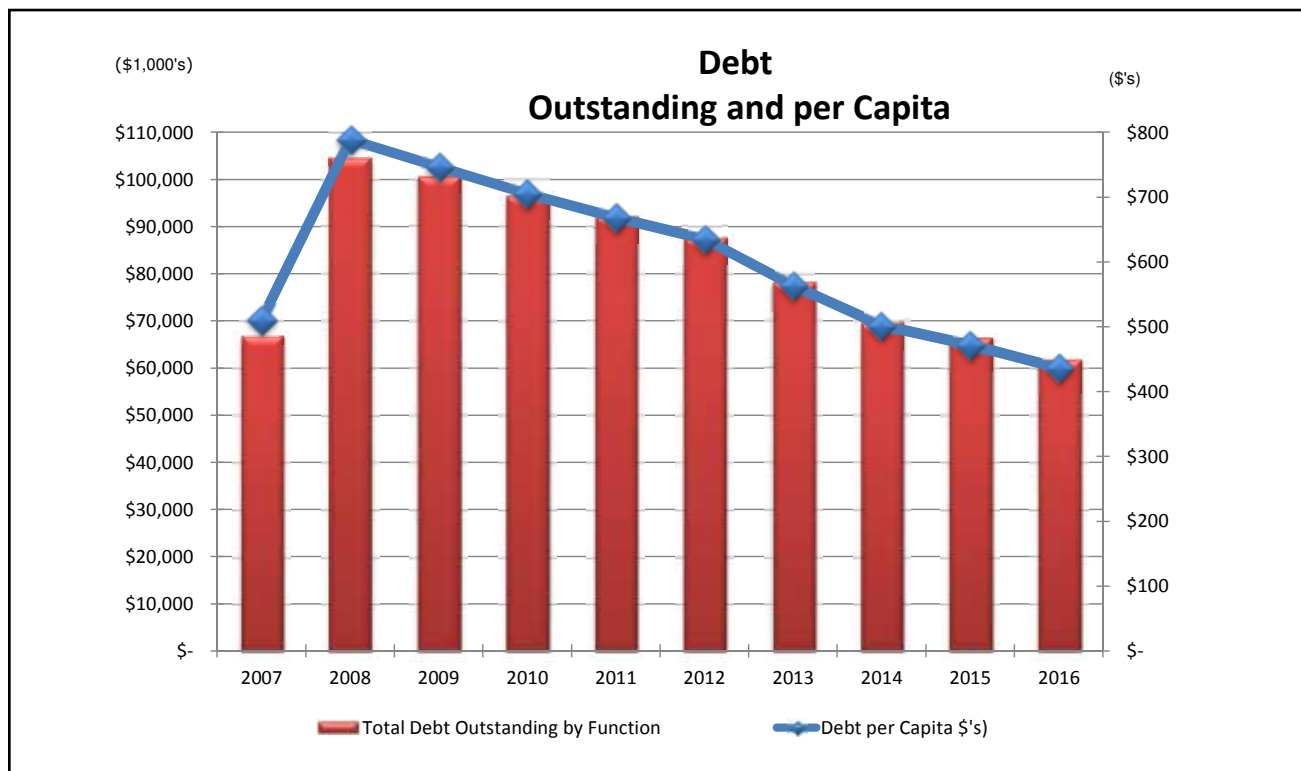
	2008	2009	2010	2011	2012	2013	2014	2015	2016
(1,000's)									
TANGIBLE CAPITAL ASSETS (NET BOOK VALUE) BY ASSET CATEGORY									
Land	\$ 349,988	\$ 354,281	\$ 369,256	\$ 374,131	\$ 376,259	\$ 378,906	\$ 379,569	\$ 383,669	\$ 385,183
Land improvements	5,662	7,846	7,818	7,655	7,723	7,490	7,079	6,708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



DEBT OUTSTANDING BY FUNCTION

in thousands

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
(in 1,000's except as noted)										
DEBT OUTSTANDING BY FUNCTION										
Protective services - police*	\$ 123	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parks, recreation and culture*	45,208	86,120	83,301	80,364	77,305	74,119	70,974	68,085	65,080	61,955
Dyking, drainage and irrigation*	-	-	-	-	-	-	-	-	-	-
Water	13,889	11,538	10,808	10,045	9,192	8,433	2,840	1,281	1,123	-
Sewer	7,704	7,212	6,693	6,189	5,663	5,111	4,535	411	361	-
Total Debt Outstanding	\$ 66,924	\$ 104,870	\$ 100,802	\$ 96,598	\$ 92,160	\$ 87,663	\$ 78,349	\$ 69,777	\$ 66,564	\$ 61,955
*Property tax supported debt	\$ 45,331	\$ 86,120	\$ 83,301	\$ 80,364	\$ 77,305	\$ 74,119	\$ 70,974	\$ 68,085	\$ 65,080	\$ 61,955
DEBT PER CAPITA (\$'s)	\$ 511	\$ 788	\$ 747	\$ 705	\$ 668	\$ 635	\$ 564	\$ 502	\$ 472	\$ 436



New debt in 2007 was for three projects: a sports and entertainment facility, a recreation centre expansion, and a museum/cultural centre.

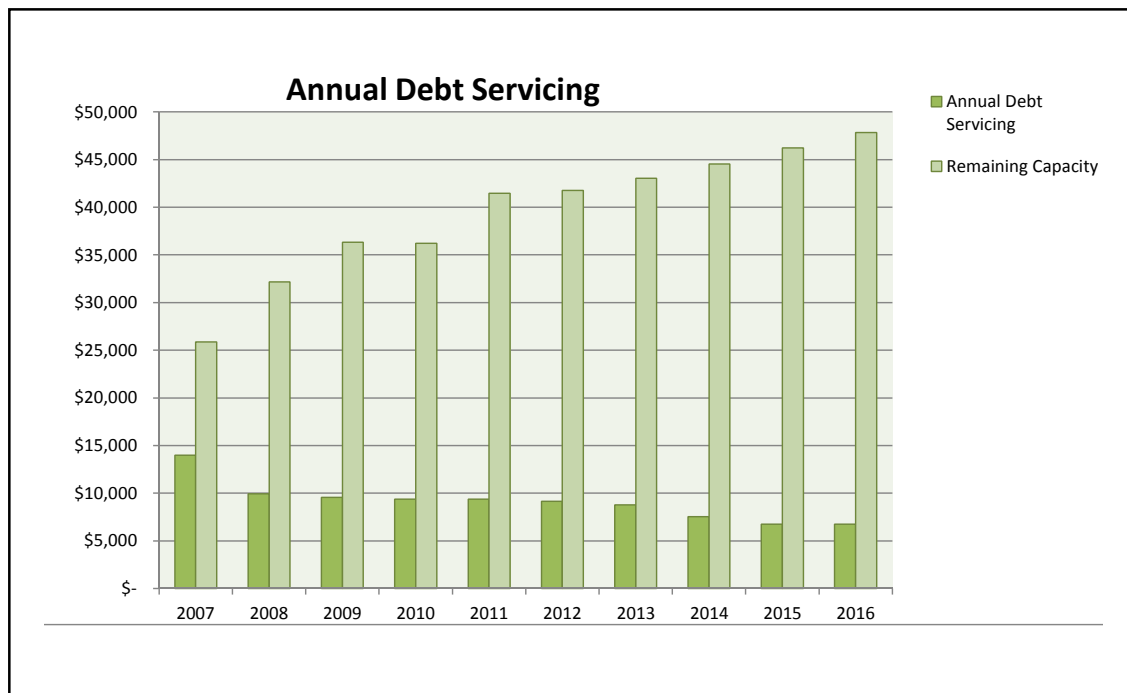
ANNUAL DEBT SERVICING

in thousands

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
(in 1,000's)										
Annual Debt Servicing*	\$ 13,977	\$ 9,926	\$ 9,553	\$ 9,360	\$ 9,378	\$ 9,159	\$ 8,776	\$ 7,547	\$ 6,754	\$ 6,751
% of Total Expenditures	6.5%	6.0%	5.2%	4.2%	4.4%	4.1%	4.0%	3.3%	3.1%	3.0%
Legal Debt Servicing Limit**	\$ 39,834	\$ 42,091	\$ 45,893	\$ 45,574	\$ 50,850	\$ 50,915	\$ 51,797	\$ 52,079	\$ 52,983	\$ 54,569
Remaining Debt Servicing Capacity	\$ 25,857	\$ 32,165	\$ 36,340	\$ 36,214	\$ 41,472	\$ 41,756	\$ 43,021	\$ 44,532	\$ 46,229	\$ 47,818

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

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



OVERLAPPING DEBT

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
City of Abbotsford	\$ 66,924	\$ 104,870	\$ 100,802	\$ 96,598	\$ 92,160	\$ 87,663	\$ 78,349	\$ 69,777	\$ 66,564	\$ 61,955
Fraser Valley Regional District	29,943	23,793	25,506	28,803	26,151	24,637	24,138	16,429	19,642	15,446
Fraser Valley Regional Hospital District	63,918	41,602	53,282	58,449	55,048	51,904	48,918	46,175	43,490	40,706
	\$ 160,785	\$ 170,265	\$ 179,590	\$ 183,850	\$ 173,359	\$ 164,204	\$ 151,405	\$ 132,381	\$ 129,696	\$ 118,106

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

PROPERTY ASSESSMENT

in thousands

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
--	------	------	------	------	------	------	------	------	------	------

(in 1,000's except as noted)

PROPERTY ASSESSMENT

General Assessment

Land	\$ 7,683,755	\$ 9,192,910	\$ 9,332,579	\$ 9,402,463	\$ 9,778,744	\$ 9,948,332	\$ 9,954,896	\$ 10,150,645	\$ 10,546,319	\$ 11,323,055
Improvements	6,609,830	7,320,397	7,451,409	7,436,839	7,856,254	7,948,905	7,867,888	7,704,732	7,798,256	8,187,966
	\$ 14,293,585	\$ 16,513,307	\$ 16,783,988	\$ 16,839,302	\$ 17,634,998	\$ 17,897,237	\$ 17,822,784	\$ 17,855,377	\$ 18,344,575	\$ 19,511,021

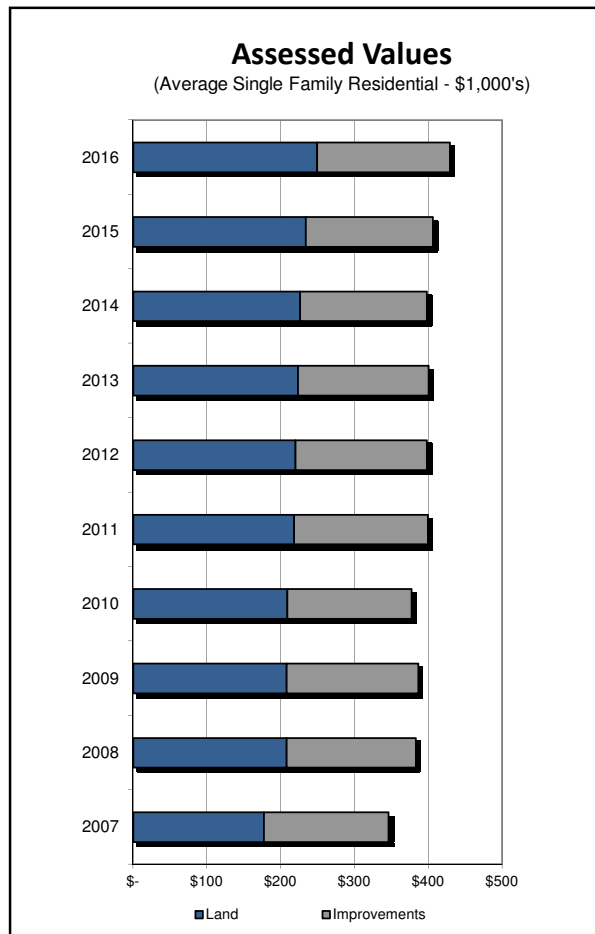
Average Single Family Residential Assessed Values

Land	\$ 177	\$ 208	\$ 208	\$ 209	\$ 218	\$ 220	\$ 223	\$ 226	\$ 234	\$ 249
Improvements	169	175	178	168	181	178	177	172	172	180
	\$ 346	\$ 383	\$ 386	\$ 377	\$ 399	\$ 398	\$ 400	\$ 398	\$ 406	\$ 429

NEW CONSTRUCTION AND DEVELOPMENT

Building Permits Issued*	1,991	1,722	1,483	1,812	1,481	1,481	1,576	1,564	1,575	1,610
Building Permit Construction Value	\$ 274,646	\$ 351,683	\$ 156,284	\$ 207,210	\$ 255,557	\$ 158,907	\$ 208,906	\$ 182,672	\$ 296,810	\$ 250,958
New Construction	\$ 233,156	\$ 295,734	\$ 107,288	\$ 164,880	\$ 226,078	\$ 125,399	\$ 146,620	\$ 141,623	\$ 245,513	\$ 207,127

*actual numbers



PROPERTY TAXATION

in thousands

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
--	------	------	------	------	------	------	------	------	------	------

(in 1,000's except as noted)

PROPERTY TAXATION

Tax Levy*

Current Tax Levy	\$ 169,488	\$ 180,522	\$ 162,044	\$ 169,929	\$ 178,810	\$ 183,811	\$ 188,784	\$ 191,418	\$ 193,667	\$ 198,790
Penalty & Interest	841	923	882	956	963	906	913	883	749	902
Total Tax Levy	\$ 170,329	\$ 181,445	\$ 162,926	\$ 170,885	\$ 179,773	\$ 184,717	\$ 189,697	\$ 192,301	\$ 194,416	\$ 199,692

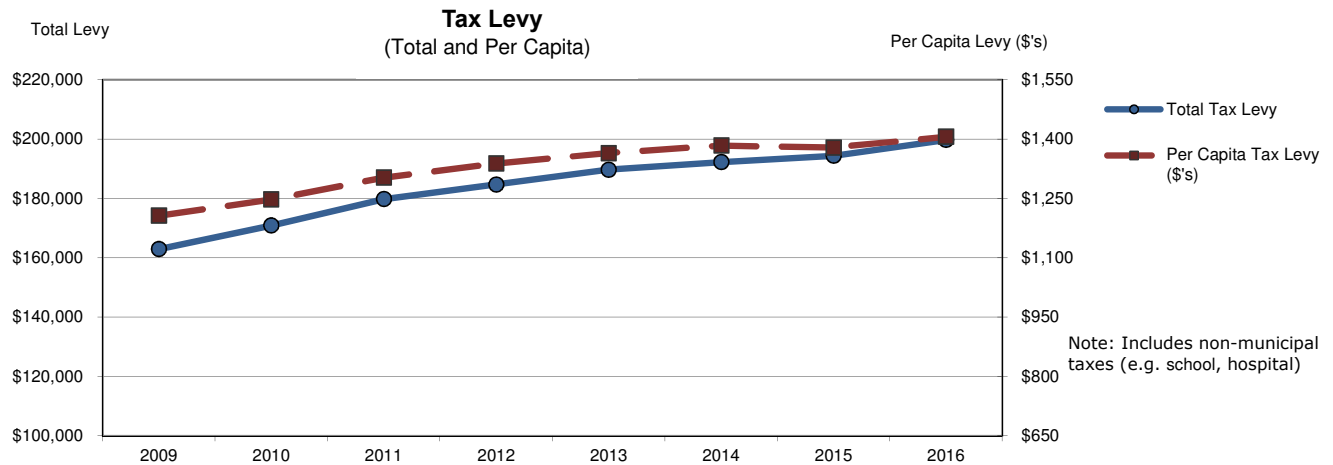
Per Capita Tax Levy (\$'s)	\$ 1,300	\$ 1,364	\$ 1,207	\$ 1,247	\$ 1,303	\$ 1,339	\$ 1,365	\$ 1,383	\$ 1,379	\$ 1,406
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* 2009 to 2012 have been restated to conform with current year presentation

Taxes Collected

Current Taxes Collected	\$ 166,394	\$ 177,010	\$ 159,561	\$ 167,468	\$ 175,747	\$ 180,475	\$ 186,122	\$ 188,813	\$ 191,659	\$ 197,850
% Current Taxes Collected	97.69	97.56	97.93	98.00	97.76	97.70	98.12	98.19	98.58	99.08

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



TAXES COLLECTED FOR OTHER AGENCIES

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
School	\$ 48,744	\$ 50,631	\$ 52,163	\$ 53,158	\$ 54,432	\$ 54,128	\$ 55,264	\$ 56,681	\$ 56,968	\$ 57,163
FVRHD	4,935	5,079	5,331	5,436	5,276	5,349	5,346	5,398	5,374	5,378
FVRD	2,022	2,305	2,314	2,488	1,774	1,730	1,668	1,720	2,301	2,301
BC Assessment	1,317	1,376	1,465	1,522	1,496	1,498	1,514	1,543	1,527	1,503
GVRD	752	801	838	865	892	860	898	865	850	814
MFA	4	3	4	4	4	5	5	5	5	5
Total	\$ 57,774	\$ 60,195	\$ 62,115	\$ 63,473	\$ 63,874	\$ 63,570	\$ 64,695	\$ 66,212	\$ 67,025	\$ 67,164

ASSESSMENTS AND TAX RATES

GENERAL & SPECIFIC MUNICIPAL PURPOSES

CITY OF ABBOTSFORD PROPERTIES

PROPERTY CLASS	Net Taxable Values (in thousands)	DOLLARS OF TAX PER \$1,000 TAXABLE VALUE				
		GENERAL			SPECIFIED AREAS	
		Municipal General (Police)	Municipal General* (Other)	Regional Library	Matsqui Dyking	Sumas Dyking
1. Residential	\$ 15,714,333	1.82548	3.00536	0.18120	1.47120	0.62805
2. Utilities	90,010	14.56876	23.98516	1.44608	1.47120	12.96754
3. Supportive Housing	-	1.82548	3.00536	0.18120	1.47120	-
5. Light Industrial	541,511	3.64931	6.00800	0.36223	1.47120	10.34981
6. Business/Other	3,008,715	4.23001	6.96405	0.41987	1.47120	5.17491
8. Recreation/Non-Profit	13,830	3.02089	4.97335	0.29983	1.47120	0.62805
9. Farm	142,622	6.86734	11.30599	0.68165	1.47120	-
	<u>\$ 19,511,021</u>					

2016 TAX RATES – OTHER GOVERNMENTS & AGENCIES

PROPERTY CLASS	DOLLARS OF TAX PER \$1,000 TAXABLE VALUE					
	Fraser Valley Regional District	Greater Vancouver Regional District	FV Regional Hospital District	Municipal Finance Authority	BC Assessment	School
	1. Residential	0.09004	0.03183	0.21043	0.00020	0.05430
2. Utilities	0.31514	0.11142	0.73652	0.00070	0.49950	13.50000
3. Supportive Housing	0.09004	0.03183	0.21043	0.00020	-	0.10000
5. Light Industrial	0.30614	0.10823	0.71547	0.00070	0.15750	5.40000
6. Business/Other	0.22060	0.07799	0.51556	0.00050	0.15750	5.40000
8. Recreation/Non-Profit	0.09004	0.03183	0.21043	0.00020	0.05430	3.10000
9. Farm	0.09004	0.03183	0.21043	0.00020	0.05430	3.45000

OTHER STATISTICS

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
PUBLIC WORKS INFRASTRUCTURE										
Streets and Roads (km)	920	924	935	939	944	986	945	947	949	949
Sanitary Sewers (km)	530	533	540	543	549	554	554	559	563	565
Storm Sewers (km)	468	474	484	487	494	497	500	504	537	536
City Water Mains (km)	870	880	896	906	911	914	907	1,008	1,005	995
Joint Water Mains:										
Abbotsford portion (km)	68	69	69	34	34	34	36	36	36	36
Mission portion (km)	18	18	18	39	39	39	41	42	42	42
Within FVRD (km)				17	18	18	18	19	19	19
Water Services*	24,921	25,150	25,224	25,257	25,576	27,153	26,178	27,636	27,916	27,013
Note: New measurement system used for tracking in 2010										
* Water Services exclude Clearbrook Waterworks										
REGISTERED ELECTORS (in 1,000's)	77	83	83	83	87	87	87	87	87	87
PROPERTIES ON TAX ROLL (in 1,000's)	42	42	43	44	44	45	45	45	45	46
ABBOTSFORD AIRPORT										
Aircraft movements (in 1,000's)	175	155	123	102	97	108	114	127	137	127
Passengers (in 1,000's)	508	504	472	464	475	491	478	477	488	530

NUMBER OF EMPLOYEES (Approved FTE's)^o

	2014	2015	2016
Airport	18	15	15
Engineering	231	228	230
Fire Rescue & Emergency Services	101	101	101
Fire Rescue Services (Auxiliary) ¹	13	13	13
Parks, Recreation & Culture ³	94	92	93
Police (civilians)	89	89	92
Police (uniformed)	212	212	212
City Manager's Office	23	23	23
Corporate Services	86	88	89
Planning & Development Services ²	61	59	60
	929	920	928

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

^oincludes both full-time and part-time positions

¹Auxiliary budget converted to FTE positions

²Planning & Development includes Building Inspections

³Auxiliary staff converted to FTE

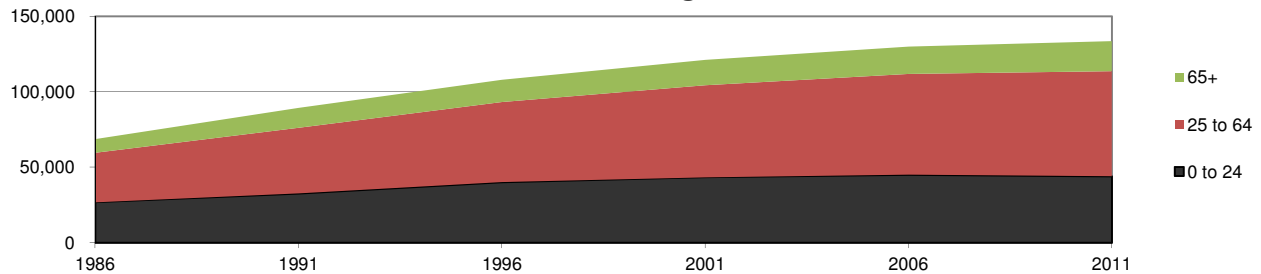
DEMOGRAPHICS

Population by Age Group

Source: Statistics Canada Census age distribution

AGE	1986	1991	1996	2001	2006	2011
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
TOTAL	68,778	89,300	109,140	121,263	130,000	133,506

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 POPULATION
1956	16,858	--	1,398,464	1.21
1961	20,326	20.60	1,629,082	1.25
1966	22,408	10.20	1,873,674	1.20
1971	31,033	38.50	2,184,621	1.42
1976	40,768	31.40	2,466,608	1.65
1981	54,736	34.30	2,744,467	1.99
1986	65,945	20.50	2,889,207	2.28
1991	86,928	31.80	3,282,061	2.65
1996	105,403	21.30	3,724,500	2.83
2001	115,463	9.50	3,907,738	2.95
2006	123,864	7.20	4,113,487	3.01
2011	133,500	7.40	4,573,321	2.92

ABBOTSFORD ANNUAL POPULATION ESTIMATES (1,000's)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
129	131	133	135	137	138	138	139	139	141	142

DEMOGRAPHICS

TOP 10 PRINCIPAL CORPORATE TAXPAYERS

(in 1,000's)

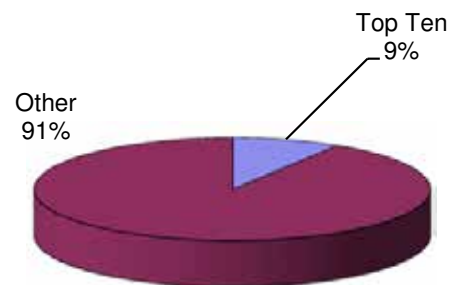
Industry	Tax Contribution
Retail	\$ 2,180
Utility	1,604
Utility	1,584
Utility	1,195
Utility	1,110
Retail	1,038
Retail	957
Retail	788
Retail	581
Commercial	437
Total, Top Ten	\$ 11,474

Total Abbotsford general tax \$ 129,373

Proportion of tax paid by top ten 9%

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

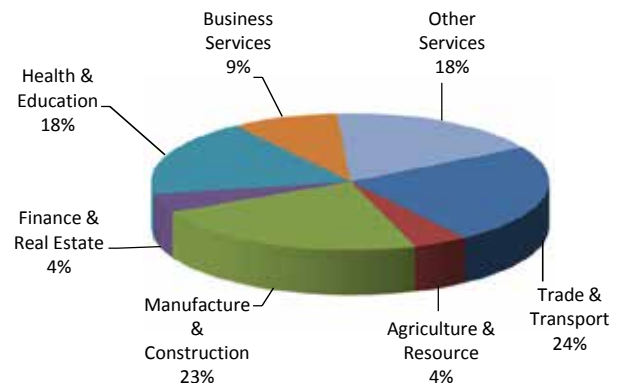
Tax Contribution by Principal Corporate Taxpayers



EMPLOYMENT BY INDUSTRY

(actual #'s)

Industry	People Employed
Manufacturing and construction industries	20,500
Health and education	16,300
Trade and transportation	21,300
Business services	7,800
Agriculture and resource-based industries	4,000
Finance and real estate	4,000
Other services	16,000
Total	89,900



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

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

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

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

Prepared by: Statistics Canada

FINANCIAL STATISTICS

PERMISSIVE TAX EXEMPTIONS

	2016	2015
ABBOTSFORD AIRPORT REVITALIZATION	\$ 22,519	\$ 28,942
ATHLETIC OR SERVICE CLUB OR ASSOCIATIONS	247,824	241,096
CHARITABLE ORGANIZATIONS	359,180	350,868
COMMERCIAL REVITALIZATION	1,234,061	1,722,922
DOWNTOWN ABBOTSFORD REVITALIZATION	39,639	58,783
INDUSTRIAL REVITALIZATION	48,372	81,706
LOCAL AUTHORITIES	271,162	270,581
INDEPENDENT SCHOOLS	4,123	216,708
RELIGIOUS ORGANIZATIONS	500,757	460,717
	\$ 2,727,637	\$ 3,432,323

PERMISSIVE TAX EXEMPTIONS

Class	Folio	Name	Civic Address	2016 Exemption \$
ABBOTSFORD AIRPORT REVITALIZATION				
6	9700002580	600897 BC LTD	1255 Townline Rd	\$ 10,127
6	9700002570	VK Aviation Corp.	30720 Rotor Dr	12,392
				22,519
ATHLETIC OR SERVICE CLUB OR ASSOCIATIONS				
6	9500013980	861 Silverfox Sponsoring Committee	32470 Haida Dr	5,993
1	6223074321	Abbotsford Community Services	33780 Laurel St	166
6	6223074321	Abbotsford Community Services	33780 Laurel St	3,252
6	6233053231	Abbotsford & District Curling Club	2555 McMillan Rd	12,253
6	6223042101	Abbotsford Downtown Business Association	South Fraser Way	3,275
6	6223042500	Abbotsford Downtown Business Association	33660 South Fraser Way	4,550
1	9332020911	Abbotsford Fish & Game Club	4161 Lakemount Rd	225
6	9332020911	Abbotsford Fish & Game Club	4161 Lakemount Rd	834
8	9332020911	Abbotsford Fish & Game Club	4161 Lakemount Rd	4,437
6	3156041609	Abbotsford Horseshoe Club	2308 Adanac St	4,564
6	5165048000	Abbotsford Judo Club	31480 Maclure Rd	3,519
8	5165048000	Abbotsford Judo Club	31480 Maclure Rd	3,243
8	6223029707	Abbotsford Seniors' Association	33889 Essendene Ave	7,481
8	6223031501	Abbotsford Social Activity Association	2631 Cyril St	5,795
1	9500005906	Bradner Community Club	28780 Myrtle Ave	1,525
6	9500006108	Bradner Community Club	5305 Bradner Rd	1,185
8	9500006108	Bradner Community Club	5305 Bradner Rd	2,787
6	9500006303	Bradner Community Club	5227 Bradner Rd	347
8	9500006303	Bradner Community Club	5227 Bradner Rd	6,038
8	7207062000	Clayburn Village Community Society	4315 Wright St	4,188
8	9500006819	Clayburn Village Community Society	4304 Wright St	2,738
8	9500015109	Clayburn Village Community Society	34819 Clayburn Rd	5,134
1	1013055810	Elks Recreation Children's Camp Society	27863 0 Ave	3,664
8	9500013100	Fraser Valley Antique Farm Machinery Association	32470 Haida Dr	610
6	7187058120	Fraser Valley Conservancy	33350 Industrial Ave	32,740
6	7180040420	Fraser Valley Conservancy	McKee Rd Lot 2	1,294
6	1052028820	Fraser Valley Conservancy	South Fraser Way	145
1	9500007307	Girl Guides of Canada	5315 Willet Rd	305
8	9500007307	Girl Guides of Canada	5315 Willet Rd	7,357
8	6223042510	Jubilee Park Lawn Bowling Club	33660 South Fraser Way	6,396
6	9500013990	Kiwanis Family Housing Society	32470 Haida Dr	18,791
6	7180060008	Ledgeview Golf & Country Club	35997 McKee Rd	7,224
8	7180060008	Ledgeview Golf & Country Club	35997 McKee Rd	26,201
6	7180060020	Ledgeview Golf & Country Club	McKee Rd Lot B	659
8	7180060020	Ledgeview Golf & Country Club	McKee Rd Lot B	7,282
6	9304030101	Ledgeview Golf & Country Club	36039 McKee Rd	2,259
8	9304030101	Ledgeview Golf & Country Club	36039 McKee Rd	10,616
6	9500006901	Matsqui Hall Association	33676 St Olaf Ave	1,219
8	9500006901	Matsqui Hall Association	33676 St Olaf Ave	2,239
8	9500004501	Matsqui Hall Association	5783 Wallace St	2,480
6	9500007009	Mt Lehman Community Association	6418 Mt Lehman Rd	440
8	9500007009	Mt Lehman Community Association	6418 Mt Lehman Rd	2,546
8	9500006601	Mt Lehman Community Association	Mt Lehman Rd	5,872
1	9500004707	Ridgedale Rod & Gun Club	35606 Harris Rd	291
6	9500004707	Ridgedale Rod & Gun Club	35606 Harris Rd	693
8	9500004707	Ridgedale Rod & Gun Club	35606 Harris Rd	4,918
8	8213060000	Ridgedale Rod & Gun Club	35655 Harris Rd	3,724
8	0002422050	Scouts Canada	SEC 6 TWP 20 NWD	4,504
6	9324004207	Straiton Community Club	4698 Sumas Mountain Rd	577
8	9324004207	Straiton Community Club	4698 Sumas Mountain Rd	2,281
6	9500013970	Twisters Gymnastics Club	32470 Haida Dr	6,968
				247,824

FINANCIAL STATISTICS

Class	Folio	Name	Civic Address	2016 Exemption \$
CHARITABLE ORGANIZATIONS				
8	2101018706	A.N.A.F. Veterans in Canada Unit #315	30346 McNeil Ave	2,737
8	6223051402	Abbotsford Community Services	33914 Essendene Ave	7,730
1	6223057301	Abbotsford Community Services	2420 Montrose Ave	3,133
6	6223057301	Abbotsford Community Services	2420 Montrose Ave	23,948
8	6223057301	Abbotsford Community Services	2420 Montrose Ave	18,405
6	6223063811	Abbotsford Community Services	2539 Montvue Ave	10,917
1	6223074321	Abbotsford Community Services	33780 Laurel St	934
6	6223074321	Abbotsford Community Services	33780 Laurel St	9,581
8	9500016250	Abbotsford Ravine Park Salmon Enhancement Society	2395 Crescent Way	1,665
1	6151005806	Governing Council of the Salvation Army in Canada	34081 Gladys Ave	4,661
6	6151005806	Governing Council of the Salvation Army in Canada	34081 Gladys Ave	33,622
8	6151005806	Governing Council of the Salvation Army in Canada	34081 Gladys Ave	1,053
1	6170092910	Lynnhaven Society	33585 Braun Ave	12,801
1	6170092920	Lynnhaven Society	33580 Braun Ave	12,801
6	5163080810	Mennonite Central Committee (MCC) BC	31872 South Fraser Way	40,300
6	6223044400	Mennonite Central Committee (MCC) BC	33933 Gladys Ave	164,918
6	6170059606	Northview Community Church	2616 Ware St	5,935
8	6223068811	Royal Canadian Legion Branch No 015	2513 West Railway St	4,039
				359,180
COMMERCIAL REVITALIZATION				
6	9500014520	Highstreet Nominee Inc	3122 Mt Lehman Rd	1,234,061
				1,234,061
DOWNTOWN ABBOTSFORD REVITALIZATION				
6	6223062810	Abbotsford Downtown Real Estate Collective Ltd.	33780 Essendene Ave	3,124
6	6223030110	Aldergrove Credit Union	100 - 2600 Gladys Ave	12,497
6	6223030130	Aldergrove Credit Union	204 - 2600 Gladys Ave	4,274
6	6223030140	Aldergrove Credit Union	203 - 2600 Gladys Ave	3,310
6	6223030150	Aldergrove Credit Union	202 - 2600 Gladys Ave	2,973
6	6223030180	Aldergrove Credit Union	8 - 2600 Gladys Ave	4,262
6	6223030190	Aldergrove Credit Union	302 - 2600 Gladys Ave	3,322
6	6223030200	Aldergrove Credit Union	302 - 2600 Gladys Ave	3,020
6	6223030120	Meade, Kelly & Trevor	201 - 2600 Gladys Ave	1,370
6	6223030170	Meade, Kelly & Trevor	301 - 2600 Gladys Ave	1,487
				39,639
INDUSTRIAL REVITALIZATION				
6	4162082980	0971142 BC Ltd.	31867 Marshall Pl	17,711
6	1059018130	Golden Valley Holdings Ltd.	3841 Vanderpol Ct	16,829
6	9500005310	Trans-Canada Self Storage Properties Ltd.	2992 Pinegrove St	13,832
				48,372
LOCAL AUTHORITIES				
6	6101072111	BC Transit	1225 Riverside Rd	56,850
6	5167027710	Reach Cultural Centre Society	32388 Veterans Way	152,839
6	9700002430	Tourism Abbotsford Society (Tradex)	1190 Cornell St	61,473
				271,162
INDEPENDENT SCHOOLS				
6	7194047210	Mennonite Educational Institute Society	31638 Downes Rd	4,123
				4,123
RELIGIOUS ORGANIZATIONS				
8	6154037701	Abbotsford Baptist Church	33651 Busby Rd	2,306
8	3154096510	Abbotsford Evangelical Free Church	33218 Marshall Rd	5,093
8	6223021011	Abbotsford Gospel Society	33868 Pine St	3,309
8	9323000103	Abbotsford Gospel Society	4390 Sumas Mountain Rd	2,969
8	9500003300	Abbotsford Korean Presbyterian Church	2597 Bourquin Cr E	5,955
8	9500002770	Abbotsford Pentecostal Assembly	3145 Gladwin Rd	27,112
8	1044021007	Aldergrove Fellowship Baptist Church	28163 Swensson Ave	5,375
8	9032003604	Arnold Community Church (BC Conference of Mennonite Brethren CI310 Arnold Rd		3,235

Class	Folio	Name	Civic Address	2016 Exemption \$
8	4162052207	BC Conference of Mennonite Brethren Churches	2311 Clearbrook Rd	3,475
8	4162052402	BC Conference of Mennonite Brethren Churches	31980 Oak Ave	2,870
8	4162052608	BC Conference of Mennonite Brethren Churches	31966 Oak Ave	2,870
8	4162066607	BC Conference of Mennonite Brethren Churches	2231 Clearbrook Rd	2,181
8	4162066610	BC Conference of Mennonite Brethren Churches	2228 Holly St	2,430
8	4162067302	BC Conference of Mennonite Brethren Churches	2244 Holly St	2,430
8	9500002607	BC Conference of Mennonite Brethren Churches	2285 Clearbrook Rd	11,869
8	6153026308	BC Muslim Association	1980 Salton Rd	1,709
8	7186073200	Bethel Reformed Church	3260 Gladwin Rd	4,636
8	9500001007	Bradner Presbyterian Church	5275 Bradner Rd	1,924
8	7186022509	Calvin Presbyterian Church	33911 Hazelwood Ave	5,366
8	6150015002	Canadian Reformed Church of Abbotsford	33947 King Rd	3,666
8	3155040220	Central Heights Church	1661 McCallum Rd	6,926
8	9500003508	Central Valley Baptist Church	33393 Old Yale Rd	1,626
8	7211072700	Christian Life Community Church (Pentecostal Assemblies of Canada)	35131 Straiton Rd	3,351
8	9500000710	Church of God In Christ	29623 Downes Rd	5,590
8	1055048406	Church of Jesus Christ of Latter-Day Saints	30635 Blueridge Dr	17,749
8	6141000321	Church of the Nazarene	2390 McMillan Rd	3,790
8	9500002701	Clearbrook Mennonite Brethren (BC Conference of Mennonite Brethren)	2719 Clearbrook Rd	8,941
8	9500003004	Conference of United Mennonite Churches of BC	32027 Peardonville Rd	2,978
8	4161068900	Ebenezer Mennonite Church (Conference of Mennonites in BC)	2051 Windsor St	5,955
8	1072028001	Emissaries of Divine Light BC	4330 Bradner Rd	1,933
8	1055008680	Emmanuel Free Reformed Church	3366 Mt Lehman Rd	3,873
8	9500000106	Fountainhead Christian Society	29394 Huntingdon Rd	3,276
8	9500000908	Fraser Valley Buddhist Temple	28941 Haverman Rd	2,372
8	3148009204	Fraser Valley Hindu Cultural Society	31545 Walmsley Rd	2,895
8	9500009100	Gateway Community Christian Reformed Church	2884 Gladys Ave	5,209
8	7186060010	Gladwin Heights United Church	3474 Gladwin Rd	3,392
8	6144048901	Grace Evangelical Bible Church Society	2087 McMillan Rd	6,370
8	9500001408	Grace Tabernacle	721 Gladwin Rd	2,911
8	5163046830	Gurdwara Baba Banda Singh Bahadar Sikh Society	31631 South Fraser Way	31,202
8	1055026410	Gurdwara Sahib Kalgidhar Darbar	3348 Siskin Dr	18,429
8	1055034110	Heritage Alliance (Christian & Missionary Alliance)	3440 Mt Lehman Rd	14,531
8	7175063600	Highland Community Church (BC Conference of Mennonite Brethren)	3130 McMillan Rd	4,578
8	9500022001	Immanuel Covenant Reformed Church	35063 Page Rd	3,940
8	1053052820	Immanuel Fellowship Baptist Church	2950 Blue Jay St	3,989
8	6171050601	Khalsa Diwan Society of Abbotsford	33117 Mill Lake Rd	1,866
8	6171050702	Khalsa Diwan Society of Abbotsford	33094 South Fraser Way	28,872
8	6171061001	Khalsa Diwan Society of Abbotsford	33089 South Fraser Way	11,703
8	3150082800	King Road Mennonite Brethren Church	32068 King Rd	4,918
8	9500001512	Level Ground Mennonite Church	31216 King Rd	4,612
8	6154003000	Life Spring Church Abbotsford	2393 West Railway St	3,840
8	7190043010	Maranatha Baptist Church	3580 Clearbrook Rd	5,856
8	9500004306	Matsqui Evangelical Lutheran Church	5781 Riverside St	1,601
8	6150009101	McCallum Congregation of Jehovah's Witnesses	1672 Salton Rd	2,762
8	7192056090	Emmanuel Mennonite Church (Mennonite Church of BC)	3471 Clearbrook Rd	9,099
8	9500001202	Mount Lehman United Church	6256 Mt Lehman Rd	3,152
8	1053041030	Mt. Lehman Congregation of Jehovah's Witnesses	31165 Gardner Ave	4,653
8	6232067605	New Apostolic Church	2480 McMillan Rd	1,933
8	6142053611	New Life Christian Reformed Church	35270 Delair Rd	4,512
8	6154039104	New Life Pentecostal Church	33668 McDougall Ave	1,750
8	9500004100	New Testament Baptist Church of Abbotsford (Community Baptist Church)	5525 Gladwin Rd	4,130
8	7191035510	Northview Community Church	32064 Downes Rd	1,891
8	5167065910	Olivet Church Abbotsford	2630 Langdon St	10,467
8	9500002905	Parkview Gospel Hall	2464 Parkview St	1,991
8	9500002210	Peace Evangelical Lutheran Church	2029 Ware St	3,226
8	9133040611	Prairie Chapel	1929 Interprovincial Hwy	2,107

FINANCIAL STATISTICS

Class	Folio	Name	Civic Address	2016 Exemption \$
8	950000410	Ross Road Community Church (BC Conference of Mennonite Brethren)	3160 Ross Rd	2,795
8	3157024401	Saint Ann's Catholic Parish (Roman Catholic Archbishop of Vancouver)	33333 Mayfair Ave	16,074
8	6142039207	Salvation Army Cascade Church (Grace Communities Corp)	35190 Delair Rd	11,413
8	7182099706	Second Christian Reformed Church of Abbotsford	34611 Old Clayburn Rd	4,869
8	5166040650	Sevenoaks Alliance Church (Christian & Missionary Alliance)	2575 Gladwin Rd	12,839
8	6143033201	Seventh Day Adventist Church	1921 Griffiths Rd	3,235
8	6032038611	Solid Rock Christian Fellowship World Outreach	34371 4th Ave	9,480
8	9500001310	South Abbotsford Church (BC Conference of Mennonite Brethren Church)	32424 Huntingdon Rd	3,782
6	1051085901	St. James Catholic Church (Catholic Independent Schools of Vancouver)	2767 Townline Rd	25,167
8	6144048401	St. Matthew Anglican Church	2010 Guilford Dr	4,172
8	9500003405	Transform Central Ministries (Abbotsford City Fellowship Society)	2413 McCallum Rd	3,127
8	7189086100	Trinity Christian Reformed Church	3215 Trethewey St	6,378
8	7191075030	Trinity Lutheran Church	3845 Gladwin Rd	8,236
8	6223011003	Trinity Memorial United Church	33737 George Ferguson Way	3,085
8	6142034507	Zion Christian Reformed Church	35199 Delair Rd	4,578
				500,757
Total Permissive Exemptions				\$ 2,727,637

City of Abbotsford
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