



ANNUAL REPORT 2022

FISCAL YEAR ENDING DECEMBER 31, 2022



2022 ANNUAL REPORT

Fiscal year ending December 31, 2022.
Prepared by the City of Abbotsford, B.C.

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2022 MESSAGE FROM THE MAYOR

On behalf of Abbotsford City Council, I am pleased to be able to share with you through this report, some of the many things that happened across our community in 2022.

Following the election in October 2022, our Strategic Leadership Team and staff supported our newly appointed Abbotsford City Council as we transitioned into our new roles. On behalf of all of Council, I would like to thank staff for their hard work and responsiveness to our priorities. It is my honour to have the opportunity to serve alongside my new and renewed Council colleagues. Each Councillor brings their own unique talents to the table while sharing a commitment for enhancing our community and valuing the need for collaboration. We know our community will face challenges and we will have different opinions on how best to approach the work ahead, but we are committed to working together to best meet the needs of Abbotsford residents.

The close of the 2022 year certainly provided Council with an opportunity to take stock and to seize the opportunity to make a new path forward to support our vision of Abbotsford as the cultural and economic Hub of the Fraser Valley. We started by looking at the key issues confronting Abbotsford, including challenges related to homelessness, flood recovery and long-term mitigation, how we manage growth and development, as well as ensuring the financial sustainability of our City moving forward.

As your new City Council, we have been busy solidifying our priorities for the next four years through our 2022-2026 Strategic Plan. Within our Strategic Plan, Council's priorities are set out under four Guiding Principles that include having an inclusive and connected community, a sustainable and safe city, a vibrant and growing economy; and supporting organizational excellence and integrity. For the City, the plan provides the foundation for aligning all of our decisions, and is the roadmap for our staff in developing business plans and budgets.

As an Abbotsford business owner, parent and life-long resident, I am proud to call Abbotsford home and with Council's vision, I look forward to what's to come. The work facing our community cannot be done by Council alone. It's only together, with residents, stakeholders and the business community that we can build a city that is thriving, both economically and culturally. A city that sees our uniqueness as a strength and values the diverse voices our community has to offer. A city where we lift up the most vulnerable among us, while also investing in the industries that define us. A city where we balance growth with cultural innovation and relationships above all else.

I invite you to read through the updates from 2022 and to reflect on how we can all continue to work toward ensuring that Abbotsford is a prosperous and sustainable community for today and tomorrow.



Ross Siemens
Mayor

2022

FLOOD RECOVERY

COMPLETED REPAIRS

- Permanent repairs to the main dike breach
- Temporary replacement bridge installed on Lakemount Road
- Repairs completed at 6 parks
- Repairs and cleaning completed on the Discovery Trail boardwalk
- Removal of temporary sand bags in various locations
- Shoulder and sidewalk restoration of Armstrong Avenue and Pioneer Court
- Replacement of approximately 1.2 kilometers of water main along South Parallel Road and No. 4 Road
- Landslide repairs to Norrish Creek Forest Service Road
- Ditch cleaning in Sumas Prairie in various locations
- Bank stabilization in Sumas Prairie in various locations
- Inspected main pumps at Barrowtown Pump Station
- Flood damage repairs to Barrowtown Pump Station
- Flood damage repairs to various irrigation pump stations (Matsqui and Sumas Prairie)

FIND OUT MORE

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



ELECTED OFFICIALS

Abbotsford City Council was sworn in on November 7, 2022 and will serve the community of Abbotsford until the next municipal election, which will be held on October 17, 2026.

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

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

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



MAYOR ROSS SIEMENS

Ross Siemens was elected Mayor of Abbotsford in 2022 after serving on Abbotsford City Council as a Councillor from 2014 - 2022.

Ross was born and raised in Abbotsford and previously served on the District of Abbotsford Council from 1986 to 1990. While serving on the District Council, he helped initiate the Business Improvement Area legislation that established the Abbotsford Downtown Business Association.

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. Ross is also passionate about refugee relief work, welcoming refugees into the community, and helping them to succeed.

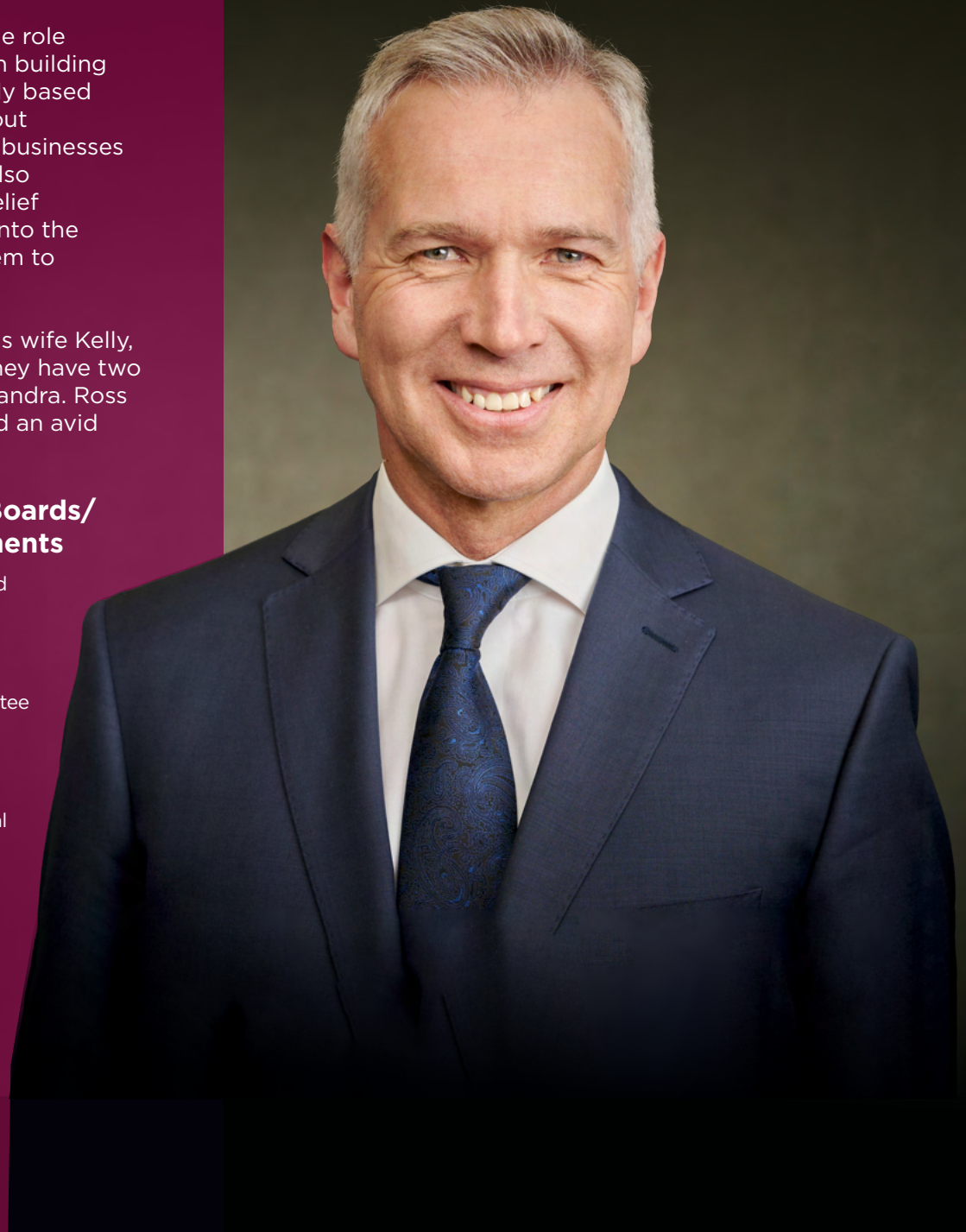
Ross has been married to his wife Kelly, a teacher, since 1992, and they have two daughters: Ashley and Alexandra. Ross is an outdoor enthusiast and an avid runner.

Current Committees/Boards/ Commission Appointments

- Chair, Abbotsford Police Board
- Chair, Abbotsford Airport Authority
- Joint Shared Services Committee
- Fraser Valley Regional District Board
- Fraser Valley Regional Hospital District Board
- Fraser Valley Regional District Regional And Corporate Services Committee
- Fraser Valley Regional District Chairs and Mayors Task Force
- Fraser Valley Regional District Municipal Finance Authority
- BC Urban Mayors' Caucus

FIND OUT MORE

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



ELECTED OFFICIALS



**LES
BARKMAN**
COUNCILLOR

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

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

Current Committees/Boards/Commission Appointments

- Fraser Valley Regional District Board
- Fraser Valley Regional Hospital District Board



**KELLY
CHAHAL**
COUNCILLOR

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

Kelly has her MA in Criminal Justice and is currently working on her Doctorate of Social Sciences. She has over 24 years of experience as a Probation Officer and 10 years as an Independent Chairperson for the Correctional Service of Canada as an adjudicator for Serious Court. Kelly has been a guest speaker at several conferences, university classes and events, showcasing her experiences in race relation, social justice and research in criminal justice. Kelly has served on numerous boards including the Fraser Valley Indo-Canadian Association, University of the Fraser Valley Alumni Board, and continues to participate on the Peace and Reconciliation Committee at the University of the Fraser Valley. Kelly raised her son and daughter in Abbotsford and is the proud grandmother of three boys.

Current Committees/Boards/Commission Appointments

- Chair, Community, Culture and Environment Advisory Committee
- Fraser Valley Regional District Board
- Fraser Valley Regional Hospital District Board
- Fraser Valley Regional District Human Resources Committee



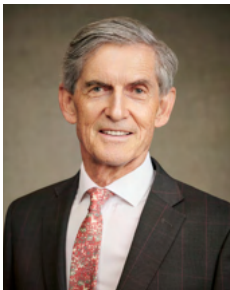
**PATRICIA
DRIESSEN**
COUNCILLOR

Patricia Driessen was elected as an Abbotsford City Councillor in 2022.

Patricia has lived and invested in Abbotsford her entire life. She received a Marketing & Sales Certificate and Public Relations Certificate from the University of the Fraser Valley and an Event & Conventions Management Diploma from Thompson Rivers University. In 2011, she launched her company, Perfect Sense Events. Patricia likes to squeeze in a spin class or hike in between attending community events.

Current Committees/Boards/Commission Appointments

- Chair, Business, Innovation and Public Affairs Advisory Committee
- Second Vice Chair, Fraser Valley Regional Library Board



**SIMON
GIBSON**
COUNCILLOR

Simon Gibson was elected as an Abbotsford City Councillor in 2022.

Simon returns to Council after serving two terms as an area Member of the Legislative Assembly (MLA). He previously served on Abbotsford Council for three decades. Simon taught at the University of the Fraser Valley and Trinity Western University in business, communications and leadership. He runs regularly and also enjoys gourmet cooking, travel, reading, long distance running, cycling, and automobile literature.

Current Committees/Boards/Commission Appointments

- Joint Shared Services Committee
- Fraser Valley Regional District Board
- Fraser Valley Regional Hospital District Board

ELECTED OFFICIALS



**DAVE
LOEWEN**
COUNCILLOR

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

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

Current Committees/Boards/Commission Appointments

- Chair, Awards and Recognition Advisory Committee
- Fraser Valley Regional District Board
- Fraser Valley Regional Hospital District Board
- Fraser Valley Regional District Community Health & Social Innovation Hub (UFV)



**PATRICIA
ROSS**
COUNCILLOR

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

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

Current Committees/Boards/Commission Appointments:

- Chair, Agriculture Advisory Committee
- Vice Chair, Fraser Valley Regional District Board
- Vice Chair, Fraser Valley Regional Hospital District Board
- Vice Chair, Fraser Valley Regional District Regional And Corporate Services Committee
- President, Lower Mainland Local Government Association



**DAVE
SIDHU**
COUNCILLOR

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

Dave was born and raised in Abbotsford and has been focused on community outreach from an early age. Through his family’s business, he has been involved with various fundraising efforts over the years and is the General Manager for The Patrika, North America’s first Punjabi-English newspaper. Dave enjoys spending time with loved ones, being outdoors and around animals, and taking family trips.

Current Committees/Boards/Commission Appointments

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



**MARK
WARKENTIN**
COUNCILLOR

Mark Warkentin was elected as an Abbotsford City Councillor in 2022.

Mark is a lawyer, with a special interest in public service, effective board governance, and collegial decision-making. Mark is a founding partner of Linley Welwood LLP, a full-service law firm. His past service to the community includes six years on the Abbotsford Police Board and two years as President of the Abbotsford Chamber of Commerce. He is a fourth generation resident who enjoys trail running, vintage cars, travel, and motorcycling.

Current Committees/Boards/Commission Appointments

- Joint Shared Services Committee



2022

MESSAGE FROM THE CITY MANAGER

In 2022, the City of Abbotsford continued to deliver exceptional municipal services while also making significant progress in addressing the aftermath of the November 2021 atmospheric rivers and unprecedented flooding event that devastated Sumas Prairie. The information contained in this 2022 Annual Report reflects the full complement of operations and essential services that we continued to provide to the community, and includes the consolidated financial information for the 2022 calendar year. In addition, it provides a snapshot of the progress we made toward Abbotsford City Council's priorities through the end of their term.

Once again, Council provided solid direction on how our services are delivered to the community through building and economic growth, financial stewardship, and flood recovery and mitigation. The work completed this year that was outlined in Council's 2019-2022 Strategic Plan laid the foundation for our newly elected 2022-2026 Abbotsford City Council to build upon, fine tune and further to support our residents. From road maintenance to drinking water, recreation programs to emergency preparedness and recovery, the City will continue to provide essential services that are necessary for our residents and businesses to successfully live, work and play in Abbotsford. At the same time, we keep looking forward, preparing for the growth and optimism the future brings. This can be seen first-hand in the investment of the new Abbotsford Police Department Building, the successful advocacy of \$62 million from the Province for the expansion of our water supply and supporting the increase in annual construction values by over \$100 million for a total of nearly \$400 million.

We know our employees are our most important resource in achieving all of this delivering on our commitment. We are proud of the way staff pulled together, navigated hurdles, and continued serving the community through some pretty significant challenges over the past year. As we look towards the future, we know we will need to do everything we can to support, retain and enhance opportunities for all staff. We remain proud to provide essential services to our residents, businesses and visitors throughout the year and celebrate all Abbotsford has to offer as the fifth largest city in the province.

As City Manager, I look forward to continuing to work closely with everyone here at the City of Abbotsford in 2023, supporting our Council priorities and providing efficient and effective delivery of services across our city.



Peter Sparanese
City Manager

2022

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 twelve key service departments:

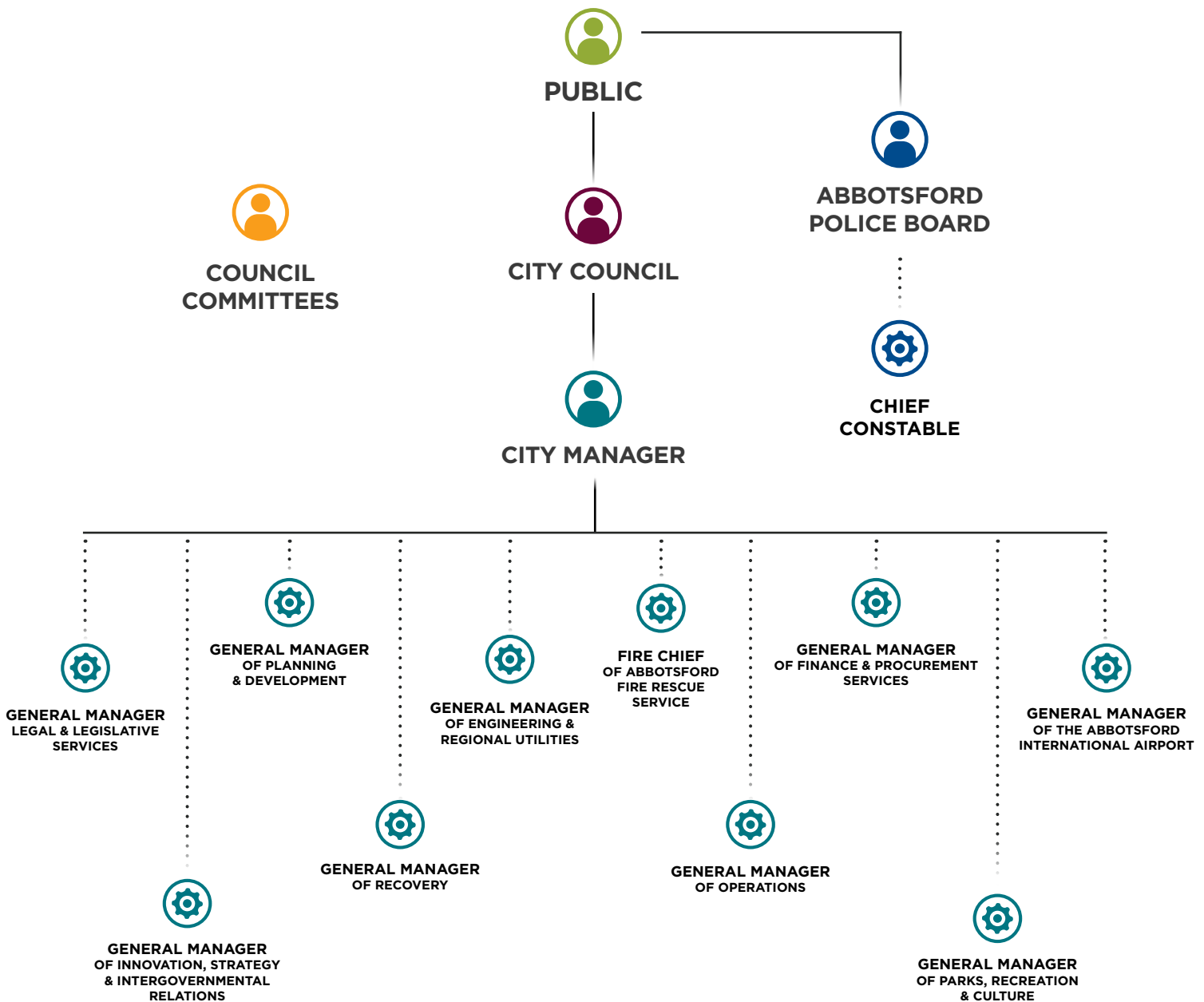
- City Manager's Office
- Engineering & Regional Utilities
- Finance and Procurement Services
- Fire Rescue Services
- Innovation, Strategy & Intergovernmental Relations
- Legal and Legislative Services
- Operations
- Parks, Recreation & Culture
- Planning & Development Services
- Recovery
- Abbotsford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



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 Police Department reports to an Independent Board. 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.



2022

REVENUE SOURCES

Municipal Taxation	50%
Fees & Charges	29%
Grants & Government Transfers	11%
Investment Income	3%
Airport Revenue	3%
Developer Charges Earned	2%
Contributed Tangible Capital Assets	1%
Rent	1%

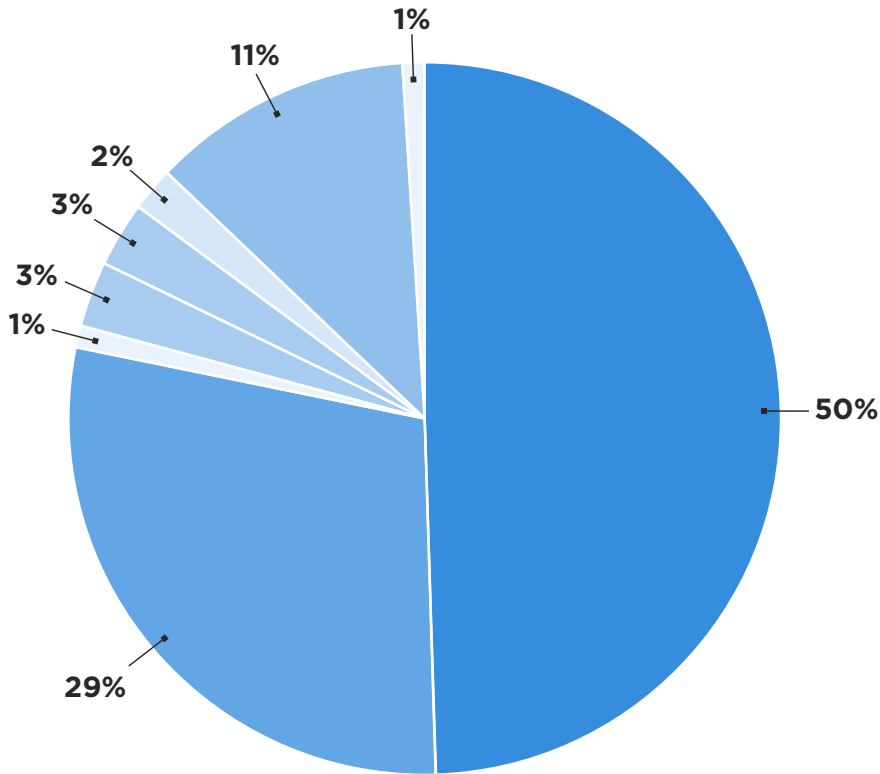
2022

EXPENSES

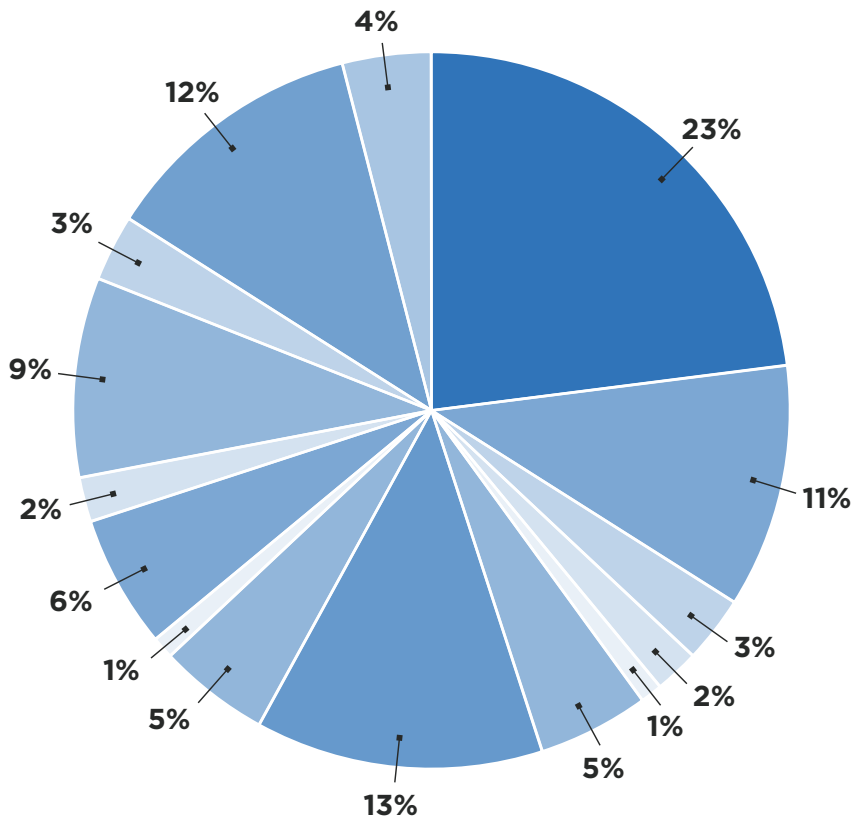
Police	23%
Engineering	13%
General Government	12%
Parks, Recreation & Culture	11%
Fire Rescue	9%
Waterworks	6%
Sanitary Sewer	5%
Transit	5%
Solid Waste	4%
Airport	3%
Storm Drainage	3%
Planning & Development	2%
Library Services	2%
Abbotsford Centre	1%
Diking, Drainage & Irrigation	1%



2022 REVENUE SOURCES



2022 EXPENSES



Expenditures excluding amortization



FIND OUT MORE

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



OUR VISION

The City of Abbotsford is the Hub of the Fraser Valley. As the regional centre of the Fraser Valley, Abbotsford will be home to centralized services and agencies including health care, courts, transportation, university, airport, provincial and federal government, entertainment & cultural facilities, and commerce. We are diverse, inclusive, and connected; we are green, prosperous, and healthy; we are a vibrant and beautiful community.

OUR MISSION

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



2022 STRATEGIC GOALS & ACHIEVEMENTS

In 2022, the City of Abbotsford continued to work towards the vision of becoming the Hub of the Fraser Valley. This vision sees Abbotsford as a preferred destination for businesses and residents alike.

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

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



**VIBRANT
ECONOMY**



**ORGANIZATIONAL
ALIGNMENT**



**COMPLETE
COMMUNITY**



**FISCAL
DISCIPLINE**

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

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



COMPLETE COMMUNITY

OUR GOAL

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



COMPLETE COMMUNITY

- Conducted flood repairs to more than 300 sites.
- Developed our Urban Forestry Strategy.
- Responded to 14,000 Fire Rescue calls for service.
- Adopted the Green Buildings Strategy that requires all new City-owned buildings to be designed to achieve zero greenhouse gas (GHG) emissions in operations.
- Implemented Electric Vehicle (EV) ready parking requirements in all new residential construction.
- Updated our Homelessness in Abbotsford Action Plan.
- Replaced 3,300 streetlights with LED fixtures resulting in over \$15k per month savings in hydro costs.
- Refurbished the tennis courts at MSA Arena and Jubilee Park pickle ball courts, and converted three park washrooms from seasonal to year-round use.
- Re-surfaced 600 meters of flood-damaged trails and developed 700 meters of new trails.
- Completed Mill Lake Park dock replacement and fencing renewals.
- Added two new washrooms to Albert Dyck Park and completed beach access stairs.
- Re-opened Centennial Pool after completing significant mechanical and structural repairs.
- Opened the new fountain at Mill Lake Park to provide water aeration and benefits to the lake ecosystem.





ORGANIZATIONAL ALIGNMENT

OUR GOAL

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



ORGANIZATIONAL ALIGNMENT

- Updated the Employee Engagement Strategy for 2022.
- Started construction of the Abbotsford Police Department Headquarters.
- Held a successful 2022 Local Government election and welcomed our new 2022-2026 City Council.
- Developed a draft 2022-2026 Strategic Plan.
- Updated the Zoning Bylaw (Phase 1).
- Developed the Digital Strategy to ensure the City effectively leverages technology to deliver services that are efficient, convenient and easy to use.
- Developed Succession Plans for senior positions.
- Adopted the Culture Connect Strategy which provides a clear direction and long-term vision to support culture in Abbotsford.
- Completed our COR Audit with 93% success rating.





FISCAL DISCIPLINE

OUR GOAL

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



FISCAL DISCIPLINE

- Developed a Parks & Facilities Allocation Policy.
- Engaged with 7,746 active volunteers to contribute 78,179 volunteer hours to the City to foster community connection.
- Conducted Community Clean Up Month that inspired 4,000 residents to contribute to environmental stewardship.
- Received a grant from TD Tree Days to have volunteers plant over 800 trees in an area badly damaged by flooding.
- Secured grant funding for the JAMES Plant Biogas Upgrading Project that will upgrade biogas to renewable natural gas (RNG) and achieve GHG reductions of approximately 64,000 tCO₂e (tonnes of carbon dioxide equivalent) over 30 years, i.e., equivalent of producing enough RNG to heat 580 BC homes each year for 30 years.
- Completed LED retrofit projects in multiple civic facilities including MSA, ARC, Exhibition Park, to accumulate energy savings of approximately 740,000 kWh, equivalent to reducing electricity usage of approximately 570 BC homes.
- Received Economic Development Canada grant of \$2.3M for the Abbotsford International Airport.
- Abbotsford Police Department received \$1.9M grant for Gang Intervention and Prevention.





VIBRANT ECONOMY

OUR GOAL

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



VIBRANT ECONOMY

- Achieved a successful grant of \$62M for our new water source project.
- Continued the development of the Abbotsford International Airport.
- Recorded a new passenger record for the month of August 2022 at 109,654 passengers at Abbotsford International Airport.
- Constructed 30,000 square feet of new hangar space at the Abbotsford Airport.
- Hosted the 60th Anniversary of the Abbotsford International Airshow.
- Processed more than \$500M in Building Permit construction value, compared to \$426M in 2021.
- Processed 70 filming applications with an economic impact of \$2.6M.
- Presented the Preferred Option for Sumas Prairie Flood Mitigation to senior governments for funding.
- Continued working with the Province and Sumas First Nation on Fraser River bank stabilization and flood mitigation.
- Continued construction of the Vye Road overpass and Highway 11 project in partnership with the Provincial and Federal governments.



2022-2026 AT A GLANCE

The new 2022-2026 Strategic Plan sets out the goals, priorities and actions for the City of Abbotsford through four Guiding Principles which reflect a balanced approach to the municipal organizational planning process.

COUNCIL'S GUIDING PRINCIPLES:



**INCLUSIVE AND CONNECTED
COMMUNITY**



SUSTAINABLE AND SAFE CITY



VIBRANT AND GROWING ECONOMY



**ORGANIZATIONAL EXCELLENCE
AND INTEGRITY**



2022-2026 AT A GLANCE



PRINCIPLE 1: INCLUSIVE AND CONNECTED COMMUNITY

- Embrace diversity as one of our community's greatest strengths
- Capitalize on transportation opportunities in and through the City
- Value recreation and support facilities amenities and activities that connect us
- Ensure development decisions are based on our long-term strategies and are not swayed from our community vision by short-term goals.



PRINCIPLE 2: SUSTAINABLE & SAFE CITY

- Value our community's connection with the environment
- Support a multi-disciplinary approach to public safety
- Facilitate action to mitigate social issues that impact our community



PRINCIPLE 3: VIBRANT & GROWING ECONOMY

- Invest in building relationships that facilitate alignment
- Develop a vibrant and diverse economy
- Recognize the value of innovation in our local economy, especially agriculture



PRINCIPLE 4: ORGANIZATIONAL EXCELLENCE & INTEGRITY

- Our City services and programs are efficient and effective and we provide excellence in customer experiences
- Financial decisions consider long-term costs alongside the value to the community
- We have open and transparent governance
- Our workforce is involved, safe and engaged



2022

FINANCIAL SECTION

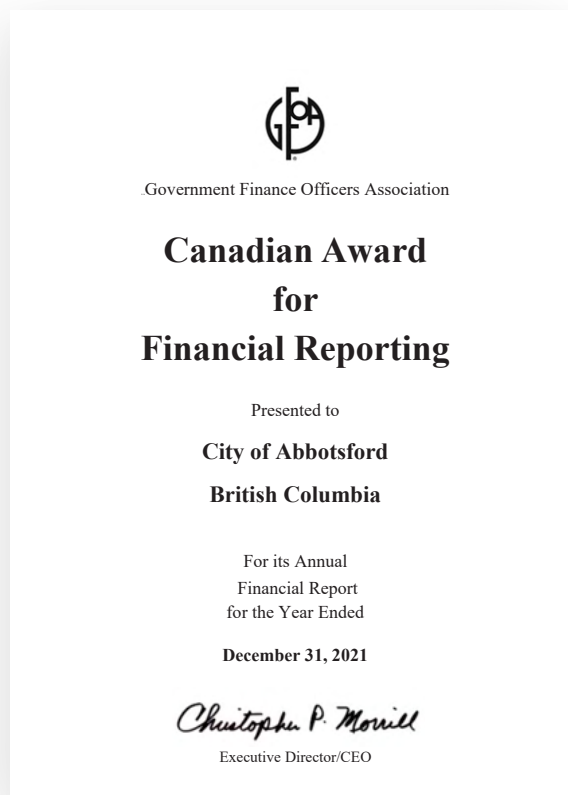
2022 ANNUAL REPORT

*Canadian Award
for Financial
Reporting*

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the City of Abbotsford for its Annual Report of the fiscal year ended December 31, 2021. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

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

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



2022

MANAGEMENT
DISCUSSION
AND ANALYSIS



I am pleased to present the Financial Section of the Annual Report for the City of Abbotsford, for the fiscal year ending December 31, 2022. The purpose of this report is to publish the City's audited Consolidated Financial Statements, pursuant to Section 167 of the Community Charter. The preparation of financial statements is the responsibility of management. The statements are prepared in accordance with reporting standards as prescribed by the Chartered Professional Accountants (CPA) and the Canada Public Sector Accounting Board (PSAB).

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

Financial results in 2022 are aligned closely with Principle 4 Organizational Excellence and Integrity of the 2022-2026 Council Strategic Plan. The City of Abbotsford has strong fiscal discipline, consistent governance and aligned operations. The City manages its finances with exceptional care. A key indicator in assessing the financial health of a local government is its Net Financial Assets. It is a measurement of the available financial resources that the City has to finance future operations and capital investment. The City's Net Financial Assets increased by \$10.4 million in 2022 to a total of \$359.5 million. This increase is mainly due to reduced long-term debt and higher reserve balances.

The City continues to reduce its debt obligations, with total debt repayments of \$4.0 million made in 2022. As a result, total long-term debt at the end of the year was \$40.0 million as compared to \$44.0 million in 2021.

We continue to sustain and enhance our infrastructure by setting aside funds in reserves for future growth and infrastructure replacement. Even with on-going investments in key strategic projects and infrastructures, the City was able to increase its capital reserve balances by a total by \$12.1 million in 2022. The value of our infrastructure assets in 2022 was approximately \$1.49 billion (net book value).

Under the direction of City Council, the City will continue its dedication to providing high quality services for its residents and businesses. We are committed to being fair, equitable, transparent and democratic in our decision-making. Guided by both an inspiring Council Strategic Plan and a well-grounded long-term financial plan, we look forward to another year of operational and financial success in 2023.

Komal Basatia, CPA, CGA

Chief Financial Officer

General Manager, Finance and Procurement Services

May 8, 2023

2022

REPORT FROM THE CHIEF FINANCIAL OFFICER

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

This Management Discussion and Analysis report provides readers with an overview of the City's financial performance with clear insight into the financial results for the City for the fiscal year ended December 31, 2022. The City is responsible for the fairness and completeness of the presentation and all disclosures, and the accuracy of the data. City administration strives to ensure this report fairly represents the financial position of the City.

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

FINANCIAL GOVERNANCE

FINANCIAL PLANNING & REPORT PROCESS

ACCOUNTING PROCESS

MANAGEMENT REPORTING AND CONTROL

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

Based on input from Council, staff, residents, and other stakeholders, Council establishes a five-year financial plan each year as required by Section 165 of the Community Charter. The Financial Plan includes the required revenues to fund the City's delivery of desired programs and services to the community and represents Council's priorities as identified in its Strategic Plan. From year to year, services may be altered when Council identifies a clear need. The operating budget is prepared on a modified accrual basis where revenues are recognized in the period they are deemed available and measurable to meet or pay for liabilities. The operating budget does not include revenue from contributed assets, gains or losses on disposal of tangible capital assets, or amortization expense. Council also establishes an annual capital budget as part of the five-year financial plan. Capital items for the current year are carefully reviewed on a project basis and funded through developer cost charges, government grants, Community Works Funds (Gas Tax funding), reserve transfers, taxation and other sources.

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

MANAGEMENT DISCUSSION AND ANALYSIS

AUDIT PROCESS

As per Section 169 of the Community Charter, which requires City Council to appoint an independent auditor, the City's 2022 Financial Statements have been audited by KPMG LLP. The goal of the independent audit is to provide assurance that the financial statements of the City for the fiscal year ended December 31, 2022 are free from any material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, assessing significant estimates made by management, and evaluating the overall financial statement presentation. Following a comprehensive audit process, working closely with management, the auditor issued an unqualified opinion that the City financial statements for the year ended December 31, 2022 are fairly presented in conformity with Canadian generally accepted accounting principles and the reporting standards as prescribed by the Chartered Professional Accountants (CPA) and the Canada Public Sector Accounting Board (PSAB). The independent auditors' report is presented as the first component of the audited financial statement section of this report.

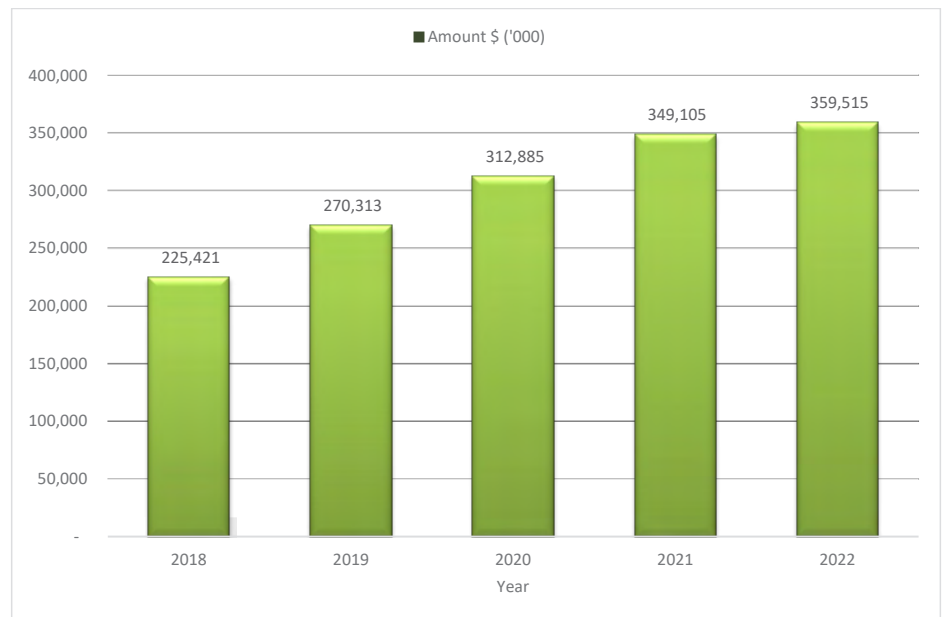
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(\$ MILLIONS)

	2022 Actual	2021 Actual	Difference (\$)
Financial Assets	699.6	666.1	33.5
Financial Liabilities	(300.1)	(273.0)	(27.1)
Long-term Debt	(40.0)	(44.0)	4.0
Net Financial Assets	359.5	349.1	10.4
Tangible Capital Assets	1,493.9	1,451.5	42.4
Inventories and Prepaid Expenses	4.8	2.7	2.1
Non-Financial Assets	1,498.7	1,454.2	44.5
Accumulated Surplus	1,858.2	1,803.3	54.9

NET FINANCIAL ASSETS

A key indicator in assessing the financial health of a local government is its Net Financial Assets (financial assets less liabilities). It is a measurement of the available financial resources that the City has to finance future operations. This ratio increased by \$10.4 million during the year, to \$359.5 million in net financial assets at the end of 2022. This was mainly due to increased balances in capital reserves for sustaining and enhancing City infrastructure and reduced long-term debt.



CASH & PORTFOLIO INVESTMENTS

Cash and portfolio investments increased by \$29.1 million during 2022. This was mainly due to the annual cash surplus from operating activities being invested into portfolio investments in order to provide additional funds for future capital expenditures. The majority of the portfolio investments continue to consist of primarily short-term investments, as investment in recent years has been restricted to short-term maturities in anticipation of rising rates. However, rising rates in 2022 provided the opportunity to reinvest approximately 30% of the portfolio into longer-maturity investments, taking advantage of increased yields.

MANAGEMENT DISCUSSION AND ANALYSIS

LONG-TERM DEBT

Total debt repayments of \$4.0 million were made in 2022. Total long-term debt at the end of the year, all held in the general fund, was \$40.0 million (2021 - \$44.0 million). Exhibit 5 provides more detailed information on debt currently held by the City.

NON-FINANCIAL ASSETS

Non-financial assets are comprised of capital assets, inventory and pre-paid expenses. The net book value of non-financial assets increased by \$44.5 million in 2022 to \$1,498.7 million.

Category	2022 Change \$ (in millions)	Dec. 31, 2022 \$ (in millions)
Land & land improvements	4.0	461.0
Park improvements	(0.4)	17.0
Buildings	(2.1)	108.2
Machinery & equipment	4.5	12.3
Vehicles	1.8	18.5
Airport	(1.0)	21.0
Waterworks	0.1	227.5
Sanitary sewer	(0.1)	154.4
Transportation	(6.7)	175.0
Diking, drainage & irrigation	(0.7)	17.1
Storm drainage and detention	(0.7)	185.7
Assets under construction	43.7	96.2
Inventory and pre-paid expenses	2.1	4.8
Total non-financial assets	44.5	1,498.7

FINANCIAL

TANGIBLE CAPITAL ASSETS & OTHER NON-FINANCIAL ASSETS

ACCUMULATED SURPLUS

Equity in financial assets is determined by the amount of financial assets less liabilities (excluding long-term debt). Financial equity for the year ended December 31, 2022 increased by \$6.4 million to \$399.5 million. This increase was mainly due to cash flow timing differences related to project schedules and higher returns earned in portfolio investments.

Equity in non-financial assets is determined by the amount of capital and other non-financial assets, less long-term debt. Equity in non-financial assets for the year ended December 31, 2022, increased by \$48.5 million over last year, ending at \$1,458.7 million. This resulted from the retirement of debt principal and from the total value of acquired assets exceeding amortization expense for the year.

CONSOLIDATED STATEMENT OF OPERATIONS

(\$ MILLIONS)

	2022 Actual	2021 Actual	Difference (\$)
Revenue	346.6	324.3	22.3
Expenses	(291.7)	(271.3)	(20.4)
Annual Surplus	54.9	53.0	1.9

REVENUE

The total 2022 consolidated revenue was higher than in 2021 by \$22.3 million and above budget by \$28.0 million.

Majority of the revenue variance (\$20.7 million) was related to the November 2021 flood event. Provincial government and insurance payments related to flood response and recovery activities totalled \$14.8 million. In addition, the provincial government also provided a \$5.9 million grant to assist with flood recovery. These revenues were not included in the 2022 budget.

The City received another \$3.0 million in contributed tangible capital assets in 2022 which consist of parks, roads, water mains, storm drainage infrastructure, etc., that have been constructed by developers and contributed to the City. In 2021, contributed capital assets were \$11.4 million. The City does not budget for contributed tangible capital assets as the value is difficult to predict from year to year.

Lastly, the City received \$2.2 million more in general tax revenue than was budgeted due to taxes from new development. The City budgeted for \$1.5 million in additional tax revenue from this source, but received a total of \$3.7 million, due to significant development activity over the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS

EXPENSES

Total consolidated 2022 expenses were higher than 2021 by \$20.4 million and \$40.8 million greater than budget for the year. This includes \$41.9 million of amortization expense, which is a non-cash expense and is not budgeted for.

ACCUMULATED ANNUAL SURPLUS

On a consolidated basis, the City experienced an annual PSAB surplus of \$54.9 million in 2022, an increase from the \$53.0 million surplus in 2021. Unplanned surplus in the general operating fund was \$16.9 million, all of which was transferred to the general capital reserve, with \$10 million of that earmarked to fund the police headquarters expansion project.

Note 13, Accumulated Surplus, details the sources of the consolidated annual surplus for 2022:

Category	\$ (in millions)
General operating reserve	(5.9)
Capital Reserves:	
General	3.0
Waterworks	3.5
Sanitary sewer	5.0
Airport	3.4
Other	(2.6)
Non-financial assets:	
Tangible capital assets	46.4
Inventory & pre-paid expenses	2.1
Total annual surplus	\$ 54.9

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

**GENERAL
OPERATING FUND
- SCHEDULE A**

This schedule provides the details of revenues and expenses for the City’s general operating fund – everything except water, sewer, airport and capital funds. The general operating fund had an unplanned surplus of \$16.9 million in 2022 (2021 – \$17.9 million) which was transferred to capital reserves for future infrastructure needs.

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

Increased Revenue	Amount	Explanation
Unbudgeted grants received	\$5.9M	Additional provincial grant funding received for flood recovery
Taxation revenue	\$2.2M	Higher than expected taxation revenue due to non-market change (development)
Soil removal and building permit revenue	\$2.2M	Higher than expected activity in soil removal permits and building permits resulted in more revenue than planned

Decreased Expense	Amount	Explanation
Salaries and benefits	\$6.5M	Increased position vacancies due to external/internal market conditions
Transit favorable expense (net of unfavorable revenue variance)	\$1.4M	Lower charges from BC Transit than budgeted due to lower insurance, repairs, and operating expenses

**WATER
OPERATING FUND
- SCHEDULE B**

The 2022 change in unappropriated surplus was \$0.1 million and it was transferred to water capital reserve along with the budgeted amount of \$10.8 million, for a total of \$10.9 million.

2022 expenditures were lower than budget by \$1.1 million for the year. Reduced expenditures, mainly in the supply and transmission function, were due to staff vacancies and related activity levels, creating a favorable variance against budget.

MANAGEMENT DISCUSSION AND ANALYSIS

SEWER OPERATING FUND - SCHEDULE C

The 2022 change in unappropriated surplus was \$0.2 million. Reduced expenditures, mainly in the Joint Abbotsford-Mission Environmental Services (JAMES) treatment plant and maintenance areas contributed to this surplus. \$7.5 million was transferred into the sewer capital reserve, which was made up of a budgeted \$7.3 million transfer and \$0.2 million in unappropriated surplus.

AIRPORT OPERATING FUND - SCHEDULE D

The 2022 annual surplus before amortization was \$4.8 million. As expected in the plan, this surplus is mainly driven by increased passenger volume, resulting in a \$4.0 million increase in fees and charges revenue from the prior year. The transfer to airport capital reserve was \$4.8 million for the year.

RESERVES - EXHIBIT 4

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

CAPITAL RESERVES

Total capital reserves increased by \$12.1 million from 2021 (\$279.2 million) to 2022 (\$291.3 million).

OPERATING RESERVES

The operating reserve decreased by \$5.7 million from 2021 (\$83.0 million) to 2022 (\$77.3 million).



2022
CONSOLIDATED
FINANCIAL
STATEMENTS

2022 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 City of Abbotsford

Opinion

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

- the consolidated statement of financial position as at December 31, 2022
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2022, and its results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

2022 CONSOLIDATED FINANCIAL STATEMENTS

AUDITORS' REPORT PAGE 2

City of Abbotsford
Page 2

Responsibilities of Management for the Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

2022 CONSOLIDATED FINANCIAL STATEMENTS

AUDITORS' REPORT PAGE 3

*City of Abbotsford
Page 3*

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



Chartered Professional Accountants

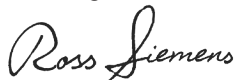
Abbotsford, Canada

May 8, 2023

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2022 with comparative information as at December 31, 2021 (in thousands)

	2022	2021
FINANCIAL ASSETS		
Cash and cash equivalents (Note 3)	\$ 43,104	\$ 63,059
Accounts receivable (Note 4)	52,777	48,434
Portfolio investments (Note 5)	603,729	554,630
	<u>699,610</u>	<u>666,123</u>
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	133,227	116,757
Restricted revenue (Note 7)	150,861	140,024
Deferred revenue (Note 8)	16,035	16,272
	<u>300,123</u>	<u>273,053</u>
Long-term debt (Note 9)	39,972	43,965
	<u>340,095</u>	<u>317,018</u>
	<u>359,515</u>	<u>349,105</u>
NET FINANCIAL ASSETS		
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 10)	1,493,892	1,451,504
Inventories (Note 11)	1,716	1,685
Pre-paid expenses (Note 12)	3,084	982
	<u>1,498,692</u>	<u>1,454,171</u>
	<u>\$ 1,858,207</u>	<u>\$ 1,803,276</u>
ACCUMULATED SURPLUS (Note 13)		
Contingent liabilities (Note 17)		



ROSS SIEMENS, MAYOR



KOMAL BASATIA, CPA, CGA
CFO

 See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

	2022 Plan (Note 20)	2022 Actual	2021 Actual
REVENUE			
Municipal taxation(Note 2)	\$ 167,527	\$ 172,007	\$ 162,748
Fees and other charges	84,311	108,615	93,240
Developer charges earned	9,813	7,565	3,511
Contributed tangible capital assets	-	3,036	11,392
Grants and government transfers	46,084	40,278	38,648
Portfolio investment income	6,060	8,491	9,026
Interest and penalties	960	1,261	1,119
Rent	3,953	5,397	4,674
	<u>318,708</u>	<u>346,650</u>	<u>324,358</u>
EXPENSE			
General government	33,591	31,385	37,349
Planning & development services	8,611	6,869	6,148
Protective services	83,557	83,592	84,590
Parks, recreation, culture & libraries	35,502	39,112	37,818
Transit	15,204	13,341	11,934
Engineering	39,928	74,472	52,427
Diking, drainage & irrigation	3,965	3,174	3,748
Waterworks	13,981	17,615	17,023
Sanitary sewer	11,417	15,051	13,937
Airport	5,165	7,108	6,351
	<u>250,921</u>	<u>291,719</u>	<u>271,325</u>
ANNUAL SURPLUS	<u>67,787</u>	<u>54,931</u>	<u>53,033</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>1,803,276</u>	<u>1,803,276</u>	<u>1,750,243</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$1,871,063</u>	<u>\$1,858,207</u>	<u>\$1,803,276</u>

 See notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

	2022	2021
OPERATING ACTIVITIES		
Annual Surplus	\$ 54,931	\$ 53,033
Non-cash items included in annual surplus:		
Amortization expense	41,898	42,767
Contributed tangible capital assets	(3,036)	(11,392)
Gain on disposal of tangible capital assets	(188)	(1,868)
Recognition of restricted revenue	(7,595)	(3,521)
Changes in non-cash operating items:		
Accounts receivable	(4,343)	(10,883)
Inventories	(31)	(294)
Pre-paid expenses	(2,102)	(75)
Accounts payable and accrued liabilities	16,470	25,541
Deferred revenue	(237)	(399)
	<u>95,767</u>	<u>92,909</u>
INVESTING ACTIVITIES		
Increase in portfolio investments	(49,099)	(41,551)
FINANCING ACTIVITIES		
Collection of and interest on restricted revenue	18,432	16,071
Debt principal repaid	(3,993)	(3,839)
	<u>14,439</u>	<u>12,232</u>
CAPITAL ACTIVITIES		
Proceeds from disposal of tangible capital assets	1,083	3,539
Acquisition of tangible capital assets	(82,145)	(49,489)
	<u>(81,062)</u>	<u>(45,950)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	(19,955)	17,640
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>63,059</u>	<u>45,419</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 43,104</u>	<u>\$ 63,059</u>

 See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

	2022 Plan (Note 20)	2022 Actual	2021 Actual
ANNUAL SURPLUS	\$ 67,787	\$ 54,931	\$ 53,033
TANGIBLE CAPITAL ASSETS:			
Acquisition of tangible capital assets	(255,579)	(82,145)	(49,489)
Contributed tangible capital assets	-	(3,036)	(11,392)
Amortization	-	41,898	42,767
Proceeds from disposal of tangible capital assets	-	1,083	3,538
Gain on disposal of tangible capital assets	-	(188)	(1,868)
	(255,579)	(42,388)	(16,444)
OTHER NON-FINANCIAL ASSETS:			
Increase in inventory	-	(31)	(294)
Increase in pre-paid expenses	-	(2,102)	(75)
	-	(2,133)	(369)
INCREASE/(DECREASE) IN NET FINANCIAL ASSETS	(187,792)	10,410	36,220
NET FINANCIAL ASSETS, BEGINNING OF YEAR	349,105	349,105	312,885
NET FINANCIAL ASSETS, END OF YEAR	\$ 161,313	\$ 359,515	\$ 349,105

 See notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

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

SIGNIFICANT ACCOUNTING POLICIES:

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

(a) Principles of Consolidation:

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

(b) Fund Accounting:

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

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

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

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

(c) Financial Plan:

The Community Charter (Section 165) requires revenues and expenses to be in accordance with the five-year financial plan adopted annually by Council. The 2022 Plan amounts in the financial statements reflect the first year of the five-year financial plan adopted by Council on December 20, 2021, with the exception of adjustments detailed in Note 20 to the Consolidated Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

1. SIGNIFICANT ACCOUNTING POLICIES: CONTINUED

(d) Cash and Cash Equivalents:

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

(e) Portfolio Investments:

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

1. SIGNIFICANT ACCOUNTING POLICIES: CONTINUED

(f) Non-Financial Assets:

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

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

Tangible Capital Assets

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

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

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

1. SIGNIFICANT ACCOUNTING POLICIES: CONTINUED

(g) Accrued Liabilities:

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

(h) Financial Instruments:

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

(i) Revenue Recognition:

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

(j) Expense Recognition:

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

(k) Government Transfers:

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

1. SIGNIFICANT ACCOUNTING POLICIES: CONTINUED

(l) Use of Estimates:

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

(m) Contaminated Sites:

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

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

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

(n) Comparative Figures:

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

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

2. MUNICIPAL TAXATION

Taxation revenues consist of the following:

	2022	2021
Municipal tax	\$ 163,408	\$ 154,978
Grants in lieu of taxes	2,674	2,533
Specified area taxes	2,550	2,447
Utility 1% tax	2,327	2,244
Hotel tax	1,048	546
Total	<u>\$ 172,007</u>	<u>\$ 162,748</u>

3. CASH AND CASH EQUIVALENTS:

	2022	2021
Cash	\$ 40,870	\$ 59,868
MFA short-term money-market investment pools	2,234	3,191
	<u>\$ 43,104</u>	<u>\$ 63,059</u>

4. ACCOUNTS RECEIVABLE:

	2022	2021
Fees and charges	\$ 27,050	\$ 27,574
Taxes	6,255	4,796
Grants	13,029	10,327
Development cost charges	3,546	2,544
Local improvement/service charges	2,897	3,193
	<u>\$ 52,777</u>	<u>\$ 48,434</u>

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

5. PORTFOLIO INVESTMENTS:

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

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

	2022		2021	
	Cost	Market	Cost	Market
	\$ 603,729	\$ 600,611	\$ 554,630	\$ 554,542
	Short-term	Long-term	Short-term	Long-term
Average holdings	472,074	76,820	478,672	17,350
Annual yield	1.41 %	3.82 %	2.02 %	1.82 %

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES:

	2022	2021
Accounts payable:		
Trade payables	\$ 32,124	\$ 27,458
Deposits	56,646	47,666
Tax prepayments	16,725	15,538
Salaries and wages	6,690	5,938
Due to Cemetery Care Trust Fund	2,208	2,074
Accrued liabilities:		
Retirement allowance liability	12,905	13,111
Liability claims	1,109	401
Vacation pay	2,701	2,660
Landfill restoration liability	2,119	1,911
	<u>\$ 133,227</u>	<u>\$ 116,757</u>

(a) Retirement Allowance Liability:

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

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

In 2022, an independent actuarial valuation of the retirement allowance liability was performed. The actuarial valuation for these benefits was updated to determine the City's benefit obligation as at December 31, 2022. The difference between the actuarially determined benefit obligation of \$11,962,000 and the accrued benefit liability of \$12,905,000 as at December 31, 2022, was an unamortized actuarial gain of \$943,000, (2021 loss - \$915,000) 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, 2023.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: CONTINUED

(a) Retirement Allowance Liability: continued

	<u>2022</u>	<u>2021</u>
Actuarial benefit obligation	\$ 11,962	\$ 14,026
Unamortized actuarial gain/(loss)	943	(915)
Accrued benefit liability	<u>\$ 12,905</u>	<u>\$ 13,111</u>

Accrued benefit liability:

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 13,111	\$ 12,790
Current service cost	1,092	1,155
Interest cost	362	308
Benefits paid	(1,782)	(1,278)
Amortization of net actuarial loss	122	136
Balance, end of year	<u>\$ 12,905</u>	<u>\$ 13,111</u>

Actuarial Assumptions used to determine the benefit obligation:

	<u>2022</u>	<u>2021</u>
Discount rate	4.5 %	2.5 %
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 %

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: CONTINUED

(b) Landfill Restoration Liability:

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

There are two landfills subject to these regulations - Valley Road Landfill and Trethewey Street Landfill - that were operated and closed to various stages between 1978 and 1989. The Trethewey site has been inactive since 1985. The Valley Road site in 2014 re-opened its permit to deposit sediment dredged from the Sumas River.

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

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

The 2020 Valley Road Landfill Closure Plan was revised in 2022, however, analysis of remaining wood waste is still ongoing into 2023. The Valley Road Landfill site is expected to require care up to and including the year 2050, primarily for monitoring of groundwater, surface water, leachate, and sediment. The capacity of the site is estimated by the closure plan at 40,500 cubic meters, of which 3,778 cubic meters have been used at the end of 2022. This capacity is projected to be fully used by 2025, however the revised plan notes it will likely be extended given the capacity used to date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES: CONTINUED

(b) Landfill Restoration Liability: continued

The liability of \$2,119,000, at December 31, 2022 (2021 - \$1,911,000), is calculated based on the discounted estimated future cash flows associated with closure and post-closure activities for both landfills. An additional \$837,000 (present value) is estimated to be required for closure activities related to future sediment deposits at the Valley Road site; only a portion of this liability has been included as only 9.3% of the capacity has been used.

The discount rate used in 2022 was 4.5% (2021 – 2.5%) and the inflation rate used in 2022 was 2.6% (2021 - 2.6%). Landfill closure costs in 2022 were \$135,779 (2021 - \$107,014). There are no assets designated for settling the post-closure care liability.

	2022	2021
Restoration liability, beginning of year	\$ 1,911	\$ 1,269
Adjustment to liability	208	642
Restoration liability, end of year	\$ 2,119	\$ 1,911

(c) Liability for Contaminated Sites:

The City has determined that as of December 31, 2022, no contamination in excess of an environmental standard exists related to sites not in productive use for which the City is responsible.

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

7. RESTRICTED REVENUE LIABILITY:

	Development Cost Charges	Development Fees	Airport Fees	2022 Total	2021 Total
Balance, beginning of year	\$ 103,190	\$ 34,063	\$ 2,771	\$ 140,024	\$ 127,474
Add:					
Current year contributions	10,339	4,755	-	15,094	13,936
Interest	2,449	840	49	3,338	2,135
	115,978	39,658	2,820	158,456	143,545
Less: Amounts recognized as revenue					
Developer charges earned - capital expenditures	6,613	952	-	7,565	3,511
Airport fees - eligible airport expenditures	-	-	30	30	10
	6,613	952	30	7,595	3,521
Balance, end of year	\$ 109,365	\$ 38,706	\$ 2,790	\$ 150,861	\$ 140,024

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

(a) Development Cost Charges (DCC):

Developers are entitled to pay development cost charges (DCCs) in equal installments over three years if the total amount payable is equal to, or greater than, \$50,000. Installments due for the next two years are recorded as accounts receivable and are guaranteed by the developer by providing a letter of credit payable on demand to the City for the remaining amount of DCCs owing. As at December 31, 2022, the amount of DCCs due over the next two years is \$3,545,774 (2021 - \$2,543,661).

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, 2022 (Tabular amounts are in thousands of dollars)

7. RESTRICTED REVENUE LIABILITY: CONTINUED

(a) **Development Cost Charges (DCC): continued**

	<u>2022</u>	<u>2021</u>
Storm drainage	\$ 12,612	\$ 12,221
Parks	21,185	23,663
Waterworks - supply	27,216	24,700
Waterworks - distribution	2,557	2,247
Sanitary sewer - collection	7,489	6,667
Sanitary sewer - treatment plant	11,038	9,746
Roads	27,268	23,946
	<u>\$ 109,365</u>	<u>\$ 103,190</u>

(b) **Development Fees:**

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

(c) **Airport Fees:**

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

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

8. DEFERRED REVENUE:

	Balance, Beginning of Year	Externally restricted inflows	Revenue earned	Balance, December 31, 2022
Fees and charges	\$ 3,307	\$ 5,814	\$ (5,534)	\$ 3,587
Grants	12,965	2,503	(3,020)	12,448
	<u>\$ 16,272</u>	<u>\$ 8,317</u>	<u>\$ (8,554)</u>	<u>\$ 16,035</u>

9. LONG-TERM DEBT:

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

	Total
2023	\$ 4,112
2024	4,277
2025	4,448
2026	4,626
2027	4,810
2028 and thereafter	17,699
	<u>\$ 39,972</u>

All debt is held by the General Capital fund. Interest rates on borrowed funds are disclosed in the accompanying debt schedules (see Exhibit 5). The City's interest expense on long-term debt totaled \$2,573,600 in 2022 (2021 - \$2,718,400).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

10. TANGIBLE CAPITAL ASSETS:

Tangible Capital Assets consist of the following:

	<u>2022</u>	<u>2021</u>
General		
Land	\$ 455,715	\$ 451,424
Land improvements	5,282	5,533
Park improvements	17,003	17,434
Buildings	108,213	110,323
Machinery & equipment	12,339	7,792
Vehicles	18,529	16,723
Infrastructure		
Airport	20,950	21,968
Waterworks	227,539	227,448
Sanitary sewer	154,353	154,473
Transportation	174,954	181,652
Storm drainage and detention	185,722	186,430
Diking, drainage & irrigation	17,056	17,774
Assets under construction	96,237	52,530
	<u>\$ 1,493,892</u>	<u>\$ 1,451,504</u>

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

The value of contributed capital assets received and recognized in the year 2022 from developers, for various infrastructure works and related land and parks is \$3,036,178 (2021 – \$11,391,617).

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.

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (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:

	<u>2022</u>	<u>2021</u>
Stock	\$ 739	\$ 613
Fuel	106	90
Gravel	871	982
	<u>\$ 1,716</u>	<u>\$ 1,685</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.

	<u>2022</u>	<u>2021</u>
General	\$ 3,084	\$ 982

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

13. ACCUMULATED SURPLUS:

	2022	2021
Unappropriated Balance		
General operations	\$ 19,627	\$ 19,627
Waterworks operations	4,263	4,263
Sanitary sewer operations	5,799	5,799
Airport operations	1,176	1,176
	30,865	30,865
Appropriated Surplus		
General operations reserve	77,264	82,970
Statutory capital reserves	291,356	279,234
	368,620	362,204
Investment in tangible capital assets	1,453,922	1,407,540
Investment in other non-financial assets	4,800	2,667
Total Accumulated Surplus	<u>\$ 1,858,207</u>	<u>\$ 1,803,276</u>

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

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

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (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:

	2022	2021
Interest paid	\$ 2,698	\$ 2,812
Interest received	6,382	6,679

15. SUPPLEMENTAL GRANT REVENUE INFORMATION:

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

	2022	2021
Federal transfers	\$ 7,716	\$ 15,867
Provincial transfers	32,562	22,781
	\$ 40,278	\$ 38,648

16. EXPENSE BY OBJECT:

	2022	2021
Salaries and benefits	\$ 124,950	\$ 122,148
Operating goods and services	79,725	80,097
Minor capital projects	24,232	9,213
Amortization	41,898	42,767
Loss (gain) on disposal of tangible capital assets	(188)	(1,868)
Transfer payments to other governments and agencies	18,528	16,250
Long-term debt interest	2,574	2,718
Total expense by object	\$ 291,719	\$ 271,325

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

17. 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 2022 the City reports a liability of \$1,109,167 (2021 – \$401,361) which, at this time, is management's best estimate of expected future settlements.

(c) Municipal Pension Plan:

The City and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The board of trustees, representing Plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined-benefit pension plan. Basic pension benefits provided are based on a formula. The Plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 1,100 contributors from the City of Abbotsford.

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

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

17. CONTINGENT LIABILITIES: CONTINUED

(c) Municipal Pension Plan: continued

The most recent actuarial valuation as at December 31, 2021 indicated a \$3,761,000,000 funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2024, with results available in 2025. In 2022, the City paid \$10,613,709 (2021 - \$11,067,999) for employer contributions while employees contributed \$8,760,220 (2021 - \$8,736,351) to the plan.

(d) Municipal Finance Authority:

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

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

The City has a cash receivable with the Authority, from the one percent paid to the Debt Reserve Fund, totaling \$1,287,024 (2021 - \$1,258,906). The balance of the City's portion of the Debt Reserve Fund totals \$2,442,730 (2021 - \$2,442,730), for which the City has also executed demand notes in connection with each debenture totaling \$2,442,730 (2021 - \$2,442,730), whereby the City may be required to loan extra amounts to the Authority.

(e) Abbotsford International Airport:

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

17. CONTINGENT LIABILITIES: CONTINUED

(f) Agricultural Land Commission:

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

(g) Clayburn Village Project

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

18. CONTRACTUAL OBLIGATIONS:

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

	Extent of Contracts	Estimated Remaining Expenditure
Operational services	\$ 89,500	\$ 79,024
Road construction	14,126	4,744
Sanitary sewer construction	5,923	4,180
Storm drainage	3,862	3,341
Vehicles & equipment	966	685
Waterworks construction	5,478	4,044
	\$ 119,855	\$ 96,018

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

19. CONTRACTUAL RIGHTS:

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

	Extent of Contracts
2023	\$ 39,046
2024	8,061
2025	4,217
2026	3,567
2027	3,145
2028 and thereafter	31,051
	\$ 89,087

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

20. 2022 BUDGET FIGURES:

The budget figures included in the financial statements reflect the amended planned budget adopted through Bylaw No. 3258-2022 on May 9, 2022. The City of Abbotsford has elected to present the amended budget, which was adopted prior to the tax rates bylaw, as it reflects the City's comprehensive budget figures and includes on-going prior years' commitments related to capital expenditures and relevant government grants.

	Annual Budget	Amended Budget	Change
Revenues			
Municipal assessment taxes	\$ 167,515	\$ 167,515	-
Fees and charges	74,842	74,997	155
Developer charges earned	3,161	9,813	6,652
Contributions from other governments	9,230	9,230	-
Government grants	17,180	46,084	28,904
Rent	5,882	5,882	-
Interest and penalties	7,016	7,016	-
Other sources	3,894	4,918	1,024
	<u>\$ 288,720</u>	<u>\$ 325,454</u>	<u>\$ 36,735</u>
Expenses			
Capital expenditures	54,765	255,579	200,814
Protective services	83,527	83,527	-
Parks, recreation and cultural services	31,502	31,816	314
Engineering services	29,226	29,976	750
General government	29,399	32,455	3,056
Water services	12,327	12,856	529
Sewer services	10,483	10,704	221
Transit services	15,204	15,204	-
Airport services	5,165	5,165	-
Development services	7,970	8,609	675
Diking services	3,232	3,232	-
Debt interest	2,624	2,624	-
Debt principal repayment	3,954	3,954	-
	<u>\$ 289,377</u>	<u>\$ 495,700</u>	<u>\$ 206,323</u>
Net Revenue (Expenses)	<u>(658)</u>	<u>(170,246)</u>	<u>(169,588)</u>
Debt proceeds	-	36,000	36,000
Transfers (to) from operating reserves	152	(30,998)	(31,150)
Transfers (to) from capital reserves	(810)	(103,248)	(102,438)
	<u>(658)</u>	<u>(134,246)</u>	<u>(133,588)</u>
Net Budgeted Surplus	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

20. 2022 BUDGET FIGURES: CONTINUED

Reconcile to Consolidated Statement of Operations

Net Revenue (Expenses) per Bylaw 3258-2022	\$ (170,246)
Add:	
Capital expenditures	255,579
Debt principal repayment	3,954
Water/Sewer/Cemetery fund reserve revenue	-
Less:	
Minor capital expenses	(17,015)
Collections for other governments	(4,485)
Annual surplus per Statement of Operations	<u>\$ 67,787</u>

21. 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, 2022, the trust fund balance is \$4,523,595 (2021 - \$4,364,554).

22. FINANCIAL RISKS:

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

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

23. CITY SERVICES FINANCIAL INFORMATION:

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

General Government Services

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

Police Protection Services

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

Fire Rescue Services

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

Engineering Services

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

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

23. CITY SERVICES FINANCIAL INFORMATION: CONTINUED

Parks, Recreation & Culture Services

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

Solid Waste Services

Collection & disposal
Composting & recycling
Environmental education

Diking & Irrigation Services

Diking infrastructure
Water management of City diking & drainage areas
Irrigation services & infrastructure

Sanitary Sewer Services

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

Airport Services

National & international flights
Passenger & cargo services

Planning & Development Services

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

Transit Services

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

Drainage Services

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

Waterworks Services

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

24. SEGMENT INFORMATION – REVENUES & EXPENSES BY FUNCTION:

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
GENERAL OPERATING FUND			
General government services	\$ 108,344	\$ 132,632	\$ 136,051
Planning & development services	6,197	7,686	7,940
Police services	61,399	61,928	60,305
Fire rescue services	200	357	174
Parks, recreation & culture services	5,585	6,526	4,394
Abbotsford Centre	50	12	2,395
Library services	5,247	5,235	5,135
Transit services	9,576	9,119	7,749
Engineering services	4,185	7,820	4,797
Solid waste services	9,880	10,345	9,259
Storm drainage services	3,728	3,762	3,751
Diking, drainage and irrigation services	2,139	2,187	2,113
	216,530	247,609	244,063
WATERWORKS OPERATING FUND	22,403	21,283	21,263
SANITARY SEWER OPERATING FUND	16,949	16,575	16,118
AIRPORT OPERATING FUND	11,264	10,074	8,097
CAPITAL FUNDS	46,767	42,593	29,214
RESERVE FUNDS	4,795	8,516	5,603
	318,708	346,650	324,358

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

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

	2022 Plan	2022 Actual	2021 Actual
EXPENSES			
GENERAL OPERATING FUND			
General government services	32,457	31,123	36,233
Planning & development services	8,611	6,870	6,147
Police services	61,415	61,190	60,703
Fire rescue services	22,112	23,989	22,420
Parks, recreation & culture services	26,794	28,570	25,451
Abbotsford Centre	2,678	4,185	6,834
Library services	4,979	5,095	5,023
Transit services	15,204	13,341	11,934
Engineering services	16,498	33,643	28,775
Solid waste services	9,945	10,345	10,910
Storm drainage services	3,533	7,230	7,450
Diking, drainage and irrigation services	3,232	2,998	3,528
	207,458	228,579	225,408
WATERWORKS OPERATING FUND	11,571	17,025	16,750
SANITARY SEWER OPERATING FUND	9,713	14,807	13,877
AIRPORT OPERATING FUND	5,165	7,076	6,077
CAPITAL FUNDS	17,014	24,232	9,213
	250,921	291,719	271,325
ANNUAL SURPLUS	\$ 67,787	\$ 54,931	\$ 53,033

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

25. REVENUES & EXPENSES BY FUNCTION LESS AMORTIZATION:

For the 2022 operating expenses, the City did not budget for amortization and loss/gain on disposal of tangible capital assets (non-cash expenses). The following table provides information on all City revenues and expenses compared to budget.

	2022 Plan	2022 Actual (less Amortization)	2021 Actual (less Amortization)
REVENUE			
GENERAL OPERATING FUND			
General government services	\$ 108,344	\$ 132,632	\$ 136,051
Planning & development services	6,197	7,686	7,940
Police services	61,399	61,928	60,305
Fire rescue services	200	357	174
Parks, recreation & culture services	5,585	6,526	4,394
Abbotsford Centre	50	12	2,395
Library services	5,247	5,235	5,135
Transit services	9,576	9,119	7,749
Engineering services	4,185	7,820	4,797
Solid waste services	9,880	10,345	9,259
Storm drainage services	3,728	3,762	3,751
Diking, drainage and irrigation services	2,139	2,187	2,113
	<u>216,530</u>	<u>247,609</u>	<u>244,063</u>
WATERWORKS OPERATING FUND	22,403	21,283	21,263
SANITARY SEWER OPERATING FUND	16,949	16,575	16,118
AIRPORT OPERATING FUND	11,264	10,074	8,097
CAPITAL FUNDS	46,767	42,593	29,214
RESERVE FUNDS	4,795	8,516	5,603
	<u>318,708</u>	<u>346,650</u>	<u>324,358</u>

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022 (Tabular amounts are in thousands of dollars)

25. REVENUES & EXPENSES BY FUNCTION LESS AMORTIZATION: CONTINUED

	2022 Plan	2022 Actual (less Amortization)	2021 Actual (less Amortization)
EXPENSES			
GENERAL OPERATING FUND			
General government services	32,457	29,165	34,381
Planning & development services	8,611	6,870	6,147
Police services	61,415	60,075	59,710
Fire rescue services	22,112	23,008	21,446
Parks, recreation & culture services	26,794	25,682	22,626
Abbotsford Centre	2,678	3,306	5,958
Library services	4,979	4,951	4,814
Transit services	15,204	13,329	11,922
Engineering services	16,498	18,923	14,696
Solid waste services	9,945	10,092	10,869
Storm drainage services	3,533	3,310	3,313
Diking, drainage and irrigation services	3,232	2,285	2,792
	207,458	200,996	198,674
WATERWORKS OPERATING FUND	11,571	10,424	9,927
SANITARY SEWER OPERATING FUND	9,713	9,098	8,371
AIRPORT OPERATING FUND	5,165	5,259	4,241
CAPITAL FUNDS	17,014	24,232	9,213
AMORTIZATION	-	41,898	42,767
LOSS/(GAIN) ON DISPOSAL OF TANGIBLE CAPITAL ASSETS	-	(188)	(1,868)
	250,921	291,719	271,325
ANNUAL SURPLUS	\$ 67,787	\$ 54,931	\$ 53,033

STATEMENT OF FINANCIAL POSITION - BY FUND

As at December 31, 2022 with comparative information as at December 31, 2021 (in thousands)

EXHIBIT 1

	Operating Funds				Reserve Funds
	General	Waterworks	Sanitary		
			Sewer	Airport	
FINANCIAL ASSETS					
Cash and cash equivalents	\$ 43,104	\$ -	\$ -	\$ -	\$ -
Due from other funds	2,245	28,986	21,578	3,794	368,618
Accounts receivable	29,824	5,447	4,020	458	-
Portfolio investments	603,729	-	-	-	-
	<u>678,902</u>	<u>34,433</u>	<u>25,598</u>	<u>4,252</u>	<u>368,618</u>
FINANCIAL LIABILITIES					
Accounts payable and accrued liabilities	132,862	153	-	212	-
Due to other funds	424,920	-	-	-	-
Restricted revenue	98,257	30,016	19,798	2,790	-
Deferred revenue	3,235	-	-	74	-
	<u>659,274</u>	<u>30,169</u>	<u>19,798</u>	<u>3,076</u>	<u>-</u>
Long-term debt	-	-	-	-	-
	<u>659,274</u>	<u>30,169</u>	<u>19,798</u>	<u>3,076</u>	<u>-</u>
NET FINANCIAL ASSETS	<u>19,628</u>	<u>4,264</u>	<u>5,800</u>	<u>1,176</u>	<u>368,618</u>
NON-FINANCIAL ASSETS					
Tangible capital assets	-	-	-	-	-
Inventories	1,716	-	-	-	-
Pre-paid expenses	3,084	-	-	-	-
	<u>4,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ACCUMULATED SURPLUS	<u>\$ 24,428</u>	<u>\$ 4,264</u>	<u>\$ 5,800</u>	<u>\$ 1,176</u>	<u>\$368,618</u>

 See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION - BY FUND

As at December 31, 2022 with comparative information as at December 31, 2021 (in thousands)

EXHIBIT 1 - CONTINUED

Capital Funds					Consolidation Adjustments	Total 2022	Total 2021
General	Waterworks	Sanitary Sewer	Airport				
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	43,104	\$ 63,059
867	721	209	-	(427,018)	-	-	-
10,273	-	5	2,750	-	-	52,777	48,434
-	-	-	-	-	-	603,729	554,630
11,140	721	214	2,750	(427,018)	-	699,610	666,123
-	-	-	-	-	-	133,227	116,757
-	-	-	2,098	(427,018)	-	-	-
-	-	-	-	-	-	150,861	140,024
11,139	721	214	652	-	-	16,035	16,272
11,139	721	214	2,750	(427,018)	-	300,123	273,053
39,972	-	-	-	-	-	39,972	43,965
51,111	721	214	2,750	(427,018)	-	340,095	317,018
(39,971)	-	-	-	-	-	359,515	349,105
1,023,313	235,962	166,079	68,538	-	-	1,493,892	1,451,504
-	-	-	-	-	-	1,716	1,685
-	-	-	-	-	-	3,084	982
1,023,313	235,962	166,079	68,538	-	-	1,498,692	1,454,171
\$ 983,342	\$ 235,962	\$ 166,079	\$ 68,538	\$ -	\$ -	\$ 1,858,207	\$ 1,803,276

 See notes to Consolidated Financial Statements.

STATEMENT OF FINANCIAL ACTIVITIES - BY FUND

As at December 31, 2022 with comparative information for 2021 (in thousands)

EXHIBIT 2

	Operating Funds				Reserve Funds Schedule R
	General	Waterworks	San Sewer	Airport	
	Schedule A	Schedule B	Schedule C	Schedule D	
REVENUE					
Municipal taxation	\$ 172,007	\$ -	\$ -	\$ -	-
Fees and charges	45,684	21,222	16,505	8,307	-
Developer charges earned	-	-	-	-	-
Contributed tangible capital assets	-	-	-	-	-
Grants and government transfers	25,149	-	-	-	-
Investment income	1,136	19	70	44	8,481
Rent	3,633	42	-	1,723	-
Other sources	-	-	-	-	35
Contributions (to)/from other funds	-	-	-	-	-
	<u>247,609</u>	<u>21,283</u>	<u>16,575</u>	<u>10,074</u>	<u>8,516</u>
EXPENSE					
General government services	29,166	-	-	-	-
Planning & development services	6,870	-	-	-	-
Protective services	83,084	-	-	-	-
Parks, recreation, culture, libraries	33,939	-	-	-	-
Transit services	13,329	-	-	-	-
Engineering services	31,429	-	-	-	-
Diking, drainage and irrigation services	3,181	-	-	-	-
Waterworks services	-	10,424	-	-	-
Sanitary sewer services	-	-	9,097	-	-
Airport services	-	-	-	5,258	-
Amortization	28,116	6,548	5,417	1,818	-
Loss/(gain) on disposal of TCA	(534)	53	293	-	-
	<u>228,580</u>	<u>17,025</u>	<u>14,807</u>	<u>7,076</u>	<u>-</u>
ANNUAL SURPLUS/(DEFICIT)	<u>19,029</u>	<u>4,258</u>	<u>1,768</u>	<u>2,998</u>	<u>8,516</u>
RECONCILE TO BUDGET BASIS SURPLUS/(DEFICIT)					
Operating reserve	7,591	-	-	-	(7,591)
General capital reserve	(50,013)	-	-	-	2,765
Storm drainage capital reserve	-	-	-	-	(3,778)
Waterworks capital reserve	(273)	(10,859)	-	-	1,780
Sanitary sewer capital reserve	(77)	-	(7,477)	-	3,330
Airport capital reserve	-	-	-	(4,816)	2,818
Property acquisition reserve	(709)	-	-	-	709
Eliminate amortization and loss/gain	28,445	6,601	5,709	1,818	-
Change in inventory/pre-paid expenses	2,133	-	-	-	(2,133)
Debt principle repayments	(3,993)	-	-	-	-
ANNUAL SURPLUS/(DEFICIT)	<u>2,133</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,416</u>
SURPLUS, BEGINNING OF YEAR	<u>22,295</u>	<u>4,265</u>	<u>5,799</u>	<u>1,176</u>	<u>362,204</u>
SURPLUS, END OF YEAR	<u>\$ 24,428</u>	<u>\$ 4,265</u>	<u>\$ 5,799</u>	<u>\$ 1,176</u>	<u>\$ 368,620</u>

 See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL ACTIVITIES - BY FUND

As at December 31, 2022 with comparative information for 2021 (in thousands)

EXHIBIT 2 - CONTINUED

Capital Funds					
General Schedule Q	Waterworks Schedule Q	San Sewer Schedule Q	Airport Schedule Q	Total 2022	Total 2021
\$ -	\$ -	\$ -	\$ -	\$ 172,007	\$ 162,748
16,202	625	36	-	108,581	93,174
7,145	16	404	-	7,565	3,511
2,344	401	291	-	3,036	11,392
12,107	222	51	2,750	40,279	38,648
-	-	-	-	9,750	10,106
-	-	-	-	5,398	4,695
-	-	-	-	35	18
(320)	356	(36)	-	-	-
37,478	1,620	746	2,750	346,651	324,292
263	-	-	-	29,429	35,602
-	-	-	-	6,870	6,147
(1,588)	-	-	-	81,496	82,621
1,262	-	-	-	35,201	33,909
-	-	-	-	13,329	11,922
23,254	-	-	-	54,683	34,026
176	-	-	-	3,357	2,988
-	590	-	-	11,014	10,201
-	-	244	-	9,341	8,431
-	-	-	31	5,289	4,515
-	-	-	-	41,899	42,765
-	-	-	-	(188)	(1,868)
23,367	590	244	31	291,720	271,259
14,111	1,030	502	2,719	54,931	53,033
-	-	-	-	-	-
47,248	-	-	-	-	14,193
3,778	-	-	-	-	-
-	9,352	-	-	-	(104)
-	-	4,224	-	-	355
-	-	-	1,998	-	-
-	-	-	-	-	-
(28,445)	(6,601)	(5,709)	(1,818)	-	(14,444)
-	-	-	-	-	-
3,993	-	-	-	-	-
40,685	3,781	(983)	2,899	54,931	53,033
942,657	232,181	167,062	65,638	1,803,276	1,750,243
\$ 983,342	\$ 235,962	\$ 166,079	\$ 68,537	\$ 1,858,207	\$ 1,803,276

 See notes to Consolidated Financial Statements.

SCHEDULE OF TANGIBLE CAPITAL ASSETS

As at December 31, 2022 with comparative information for 2021 (in thousands)

EXHIBIT 3

	Cost						Closing Balance
	Opening Balance	Add		Less			
		Additions	Transfer from asset class	Disposals	Transfer to asset class		
General							
Land	\$ 451,424	\$ 4,502	\$ -	\$ (6)	\$ (205)	\$ 455,715	
Land improvements	16,751	137	12	(38)	-	16,862	
Park improvements	63,573	820	455	(297)	-	64,551	
Buildings	244,100	487	1,339	(325)	-	245,601	
Machinery & equipment	40,198	1,375	5,548	(836)	-	46,285	
Vehicles	37,804	4,102	647	(2,283)	-	40,270	
Infrastructure							
Airport	37,239	-	-	-	-	37,239	
Waterworks	356,443	4,496	2,133	(240)	-	362,832	
Sanitary sewer	274,596	2,608	2,970	(361)	-	279,813	
Transportation	569,638	3,880	3,031	(176)	-	576,373	
Storm drainage	282,823	2,678	460	(53)	-	285,908	
Diking, drainage & irrigation	51,969	-	-	-	-	51,969	
Assets Under Construction	52,531	60,096	-	-	(16,390)	96,237	
	\$2,479,089	\$ 85,181	\$ 16,595	\$ (4,615)	\$ (16,595)	\$2,559,655	

 See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE OF TANGIBLE CAPITAL ASSETS

As at December 31, 2022 with comparative information for 2021 (in thousands)

EXHIBIT 3 - CONTINUED

Opening Balance	Accumulated Amortization		Closing Balance	Net Book Value Dec 31, 2022	Net Book Value Dec 31, 2021
	Add Amortization	Less Accumulated Amortization on Disposals			
\$ -	\$ -	\$ -	\$ -	455,715	\$ 451,424
11,218	399	(37)	11,580	5,282	5,533
46,140	1,687	(279)	47,548	17,003	17,433
133,777	3,914	(303)	137,388	108,213	110,323
32,407	2,127	(588)	33,946	12,339	7,791
21,081	2,741	(2,081)	21,741	18,529	16,723
15,271	1,018	-	16,289	20,950	21,968
128,997	6,466	(170)	135,293	227,539	227,446
120,122	5,406	(68)	125,460	154,353	154,474
387,986	13,567	(134)	401,419	174,954	181,652
96,391	3,855	(60)	100,186	185,722	186,432
34,195	718	-	34,913	17,056	17,774
-	-	-	-	96,237	52,531
\$ 1,027,585	\$ 41,898	\$ (3,720)	\$ 1,065,763	\$ 1,493,892	\$ 1,451,504

 See notes to Consolidated Financial Statements.

APPROPRIATED SURPLUS (RESERVES) CONTINUITY SCHEDULE

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

EXHIBIT 4

	Balance, Beginning of Year	(To)/From Operating Fund	(To)/From Other Funds	Interest Earned	Balance, December 31, 2022
STATUTORY CAPITAL RESERVES					
General	\$ 105,895	\$ 48,053	\$ (47,456)	\$ 2,407	\$ 108,899
Storm drainage	10,120	-	(3,778)	218	6,560
Waterworks	66,222	11,132	(9,284)	1,618	69,688
Sanitary sewer	65,785	7,554	(4,224)	1,621	70,736
Airport	24,584	4,817	(1,998)	563	27,966
Affordable housing	1,250	-	-	30	1,280
Property acquisition	5,378	709	-	141	6,228
	<u>279,234</u>	<u>72,265</u>	<u>(66,740)</u>	<u>6,598</u>	<u>291,357</u>
GENERAL OPERATING RESERVE					
Planned Transfers					
New facility operations	2,708	-	-	82	2,790
Water system contingency	866	-	-	26	892
Insurance	2,614	-	-	63	2,677
Tradex	88	831	(79)	3	843
Election	316	(316)	-	-	-
Community Works Fund	45,496	(13,593)	-	641	32,544
Climate action	2,342	255	-	57	2,654
Community projects	491	-	-	15	506
Storm sewers	52	-	-	2	54
	<u>54,973</u>	<u>(12,823)</u>	<u>(79)</u>	<u>889</u>	<u>42,960</u>
Operating Surplus Transfers					
Police	2,000	(58)	-	58	2,000
Winter operations	3,251	-	-	98	3,349
Storm drainage	7,001	1,644	-	260	8,905
Sumas Prairie diking, drainage & irrigation	70	(110)	-	(1)	(41)
Matsqui Prairie diking, drainage & irrigation	317	(12)	-	9	314
Solid waste	(3,231)	-	-	(97)	(3,328)
Infrastructure maintenance	4,818	-	-	145	4,963
	<u>14,226</u>	<u>1,464</u>	<u>-</u>	<u>472</u>	<u>16,162</u>
Other Transfers					
General government	5,719	(2,570)	-	95	3,244
Flood Event 2021	-	5,901	-	177	6,078
Planning & development	651	(139)	-	15	527
Fire rescue services	-	40	-	1	41
Parks & recreation	320	41	-	11	372
Engineering	926	(149)	-	23	800
Traffic fine revenue	223	(223)	-	-	-
Transit provision	4,489	-	-	135	4,624
Debt provision	1,443	947	-	65	2,455
	<u>13,771</u>	<u>3,848</u>	<u>-</u>	<u>522</u>	<u>18,141</u>
	<u>82,970</u>	<u>(7,511)</u>	<u>(79)</u>	<u>1,883</u>	<u>77,263</u>
Total Reserves	<u>\$ 362,204</u>	<u>\$ 64,754</u>	<u>\$ (66,819)</u>	<u>\$ 8,481</u>	<u>\$ 368,620</u>

 See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

DEBT OUTSTANDING AND DEBT SERVICING BY FUND & FUNCTION

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

EXHIBIT 5

	Bylaw Number	MFA Issue Number	Year of Maturity	Interest Rate (%)	Debt Outstanding, Beginning of Year	2022 Debt Servicing			Debt Outstanding December 31, 2022
						Principal	Interest	Total	
GENERAL FUND									
Parks, Recreation and Culture									
Abbotsford Centre	1586	102/103	2032	5.00	\$ 31,722	\$ 2,265	\$ 1,799	\$ 4,064	\$ 29,457
Cultural Centre	1587	102/103	2027	5.00	4,081	576	258	834	3,505
Community Centre	1588	102/103	2027	5.00	8,162	1,152	516	1,668	7,010
Total Long-term Debt					\$ 43,965	\$ 3,993	\$ 2,573	\$ 6,566	\$ 39,972

 See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE A

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Municipal taxation:			
General	\$ 97,454	\$ 100,297	\$ 94,237
Police	57,876	57,876	55,607
Library	5,247	5,235	5,135
Diking, drainage & irrigation	1,952	1,970	1,949
Utility tax	2,000	2,327	2,244
Business improvement assessment	392	580	497
Hotel tax	400	1,048	546
Grants in lieu of taxes:			
Federal government	900	848	863
Provincial governments and agencies	1,305	1,826	1,670
Fees and charges:			
Transit	2,997	3,228	2,404
Police	689	1,250	1,788
Solid waste	9,880	10,345	8,789
Storm drainage	3,728	3,762	3,751
Parks, recreation and culture	5,528	6,526	4,277
Abbotsford Centre	50	4	2,377
Other	2,533	8,981	14,772
Licenses and permits:			
Building permits	2,851	3,955	3,986
Soil removal fees	2,900	3,986	3,297
Business licences	1,325	1,440	1,424
Secondary suite fees	1,375	1,467	1,435
Other licences and permits	546	740	946
Rental:			
Police	41	45	45
Other	2,270	3,588	2,768
Investment income	1,955	1,108	4,346
Municipal Finance Authority refunds	36	28	21
Grants and government transfers:			
Transit	6,579	5,891	5,345
Police	2,793	2,758	2,866
Other	7,668	16,500	16,683
	<u>223,270</u>	<u>247,609</u>	<u>244,068</u>

 See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE A - CONTINUED

	2022 Plan	2022 Actual	2021 Actual
EXPENSE			
General government services (Schedule E)	32,457	29,165	34,381
Planning & development services (Schedule F)	8,611	6,870	6,147
Protective services			
Police services (Schedule G)	61,415	60,077	59,711
Fire rescue services (Schedule H)	22,112	23,008	21,446
Parks, recreation & culture services (Schedule I)	26,794	25,682	22,626
Abbotsford Centre (Schedule J)	2,678	3,306	5,958
Library services (Schedule K)	4,979	4,951	4,814
Transit services (Schedule L)	15,204	13,329	11,922
Engineering services (Schedule M)	16,497	18,922	15,146
Solid waste services (Schedule N)	9,945	10,092	10,867
Storm drainage services (Schedule O)	3,534	2,415	2,398
Diking, drainage and irrigation			
Matsqui Prairie (Schedule P)	1,254	1,191	1,161
Sumas Prairie (Schedule P)	1,979	1,990	1,631
	<u>207,459</u>	<u>200,998</u>	<u>198,208</u>
ANNUAL SURPLUS BEFORE AMORTIZATION	15,811	46,611	45,860
Amortization (Schedules E - P)	-	28,116	28,822
Loss/(gain) on disposal of tangible capital assets (Schedules E - P)	-	(534)	(2,329)
	<u>15,811</u>	<u>19,029</u>	<u>19,367</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(1,084)	(3,472)
Transfer to general capital reserve	(11,619)	(49,988)	(34,042)
Transfer to operating reserve	(7,718)	(16,247)	(16,449)
Transfer from operating reserve	7,480	23,838	\$ 8,774
Debt principal repayments	(3,954)	(3,993)	(3,839)
Inventory and pre-paid expenses	-	2,133	369
Eliminate amortization and loss/gain	-	28,445	29,715
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ 2,133</u>	<u>\$ 423</u>

 See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE B

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Fees and charges:			
User rates	\$ 20,447	\$ 20,334	\$ 20,195
Other fees and charges	1,906	907	1,028
Rent	50	42	40
	22,403	21,283	21,263
EXPENSE			
Abbotsford-Mission supply and transmission	4,653	4,000	3,891
Administration	3,559	2,985	2,889
Local supply and distribution	2,137	2,358	1,973
Meters	664	538	561
Hydrants	438	261	345
Maintenance	121	282	268
	11,572	10,424	9,927
ANNUAL SURPLUS BEFORE AMORTIZATION	10,831	10,859	11,336
Amortization	-	6,548	6,555
Loss/(Gain) on disposal of tangible capital assets	-	53	267
ANNUAL SURPLUS	10,831	4,258	4,514
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to waterworks capital reserve	(10,831)	(10,859)	(11,333)
Eliminate amortization and loss/gain	-	6,601	6,819
CHANGE IN UNAPPROPRIATED SURPLUS	\$ -	\$ -	\$ -

See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE C

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Fees and charges:			
User rates	\$ 14,144	\$ 14,081	\$ 13,754
Industrial surcharges	1,301	1,354	1,139
Other fees and charges	1,425	1,070	1,115
Investment income	79	70	110
	<u>16,949</u>	<u>16,575</u>	<u>16,118</u>
EXPENSE			
Joint Abbotsford-Mission Environmental Systems (JAMES) treatment plant	5,515	5,147	4,685
Administration	2,504	2,400	2,317
Maintenance	1,694	1,550	1,369
	<u>9,713</u>	<u>9,097</u>	<u>8,371</u>
ANNUAL SURPLUS BEFORE AMORTIZATION	<u>7,236</u>	<u>7,478</u>	<u>7,747</u>
Amortization	-	5,417	5,256
Loss/(Gain) on disposal of tangible capital assets	-	293	251
ANNUAL SURPLUS	<u>7,236</u>	<u>1,768</u>	<u>2,240</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to sanitary sewer capital reserve	(7,236)	(7,477)	(7,747)
Eliminate amortization and loss/gain	-	5,709	5,507
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

 See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE D

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Fees and charges:			
Aeronautical fees	\$ 2,773	\$ 2,176	\$ 1,274
Public parking fees	3,911	3,126	1,373
Concessions	2,503	2,555	1,397
Other fees and charges	390	450	270
Rent	1,592	1,723	1,771
Investment income	96	44	98
Grants and government transfers	-	-	1,914
	<u>11,265</u>	<u>10,074</u>	<u>8,097</u>
EXPENSE			
Administration	1,750	1,882	1,516
Marketing	72	46	12
Terminal building	930	904	588
Airside	1,900	1,784	1,734
Mobile equipment	305	324	241
Parking	208	318	150
	<u>5,165</u>	<u>5,258</u>	<u>4,241</u>
ANNUAL SURPLUS BEFORE AMORTIZATION	<u>6,100</u>	<u>4,816</u>	<u>3,856</u>
Amortization	-	1,818	1,893
Loss/(Gain) on disposal of tangible capital assets	-	-	(57)
ANNUAL SURPLUS/(DEFICIT)	<u>6,100</u>	<u>2,998</u>	<u>2,020</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to airport capital reserve (asset sales)	-	-	(67)
Transfer to airport capital reserve	(6,100)	(4,816)	(3,856)
Eliminate amortization and loss/gain	-	1,818	1,903
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

 See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE E

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Municipal taxation	\$ 102,451	\$ 106,927	\$ 100,057
Fees and charges	1,272	5,042	12,849
Rent	2,006	3,588	2,681
Investment income	1,925	1,045	4,288
Grants and government transfers	7,488	16,002	16,050
Municipal Finance Authority refunds	36	28	21
	<u>115,178</u>	<u>132,632</u>	<u>135,946</u>
EXPENSE			
MAYOR & COUNCIL	897	862	652
CITY MANAGER'S OFFICE	1,144	411	488
FINANCE & PROCUREMENT			
Corporate Administration	384	346	446
Finance	3,367	2,411	2,446
Procurement	1,052	1,010	906
LEGAL & LEGISLATIVE SERVICES			
City clerk	2,368	2,155	1,476
Bylaw enforcement	1,860	3,398	3,124
Risk management	2,732	2,880	1,808
Real estate services	478	1,215	402
INNOVATION, STRATEGY & INTERGOVERNMENTAL RELATIONS			
ISIR administration	699	635	889
Corporate communications and marketing	1,258	1,029	832
Economic development	1,250	1,176	767
Human resources	2,980	2,585	2,495
Information technology	6,797	5,967	5,476
Housing services	3,345	3,066	2,226
OTHER			
Provincial emergency response	-	839	11,295
Restorative Justice	149	148	148
Transfer to other agencies	907	1,752	1,167
Common services	3,984	816	706
Less: Cost recoveries	(3,192)	(3,536)	(3,367)
	<u>32,459</u>	<u>29,165</u>	<u>34,382</u>
ANNUAL SURPLUS BEFORE AMORTIZATION	82,719	103,467	101,564
Amortization	-	1,949	1,747
Loss/(Gain) on disposal of tangible capital assets	-	8	-
ANNUAL SURPLUS	82,719	101,510	99,817
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve	2,070	(37,801)	(19,486)
Transfer to operating reserve	(6,223)	(12,935)	(15,457)
Transfer from operating reserve	3,848	22,903	5,742
Inventory and pre-paid expenses	-	2,133	369
Eliminate amortization and loss/gain	-	1,957	1,747
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ 82,414</u>	<u>\$ 77,767</u>	<u>\$ 72,732</u>

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE F

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Licences and permits:			
Business licences	\$ 1,325	\$ 1,440	\$ 1,424
Development permit application fees	150	201	256
Rezoning application fees	200	299	437
Subdivision application fees	100	160	167
Building permits	2,851	3,955	3,986
Secondary suite fees	1,375	1,467	1,435
Other licences and permits	83	64	72
Fees and charges:			
Development fees on Engineering projects	30	9	71
Other fees and charges	83	91	92
Grants	-	-	-
	6,197	7,686	7,940
EXPENSE			
Development approvals	5,178	3,642	3,221
Licence inspection	-	33	2
Building inspections	3,432	3,195	2,924
	8,610	6,870	6,147
ANNUAL SURPLUS/(DEFICIT)	(2,413)	816	1,793
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to operating reserve	-	(50)	-
Transfer from operating reserve	641	190	48
CHANGE IN UNAPPROPRIATED SURPLUS	\$ (1,772)	\$ 956	\$ 1,841

See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE G

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Municipal taxation	\$ 57,876	\$ 57,876	\$ 55,607
Fees and charges:			
Salary recoveries	150	704	1,116
Other revenue	539	546	671
Government grants:			
Traffic fine revenue - sharing	2,000	2,000	2,000
Other government grants	793	758	866
Rent	41	45	45
	<u>61,399</u>	<u>61,929</u>	<u>60,305</u>
EXPENSE			
EXECUTIVE ADMINISTRATION	1,447	1,438	1,306
ADMINISTRATION DIVISION			
Strategic services	1,415	1,878	1,258
Finance and budgets	692	599	685
Human resources	2,495	3,499	2,951
Support services	9,215	9,354	8,628
Vehicle maintenance	1,322	1,476	1,320
Police building	719	654	631
OPERATIONS DIVISION			
Criminal investigations	9,751	9,686	9,903
Patrol	19,057	19,306	19,254
Investigations support	4,779	4,662	4,569
Operations support	5,489	4,744	5,111
COMMON SERVICES & SECONDMENT			
	<u>5,033</u>	<u>2,781</u>	<u>4,094</u>
	<u>61,414</u>	<u>60,077</u>	<u>59,710</u>
ANNUAL SURPLUS BEFORE AMORTIZATION	(15)	1,852	595
Amortization	-	934	1,074
Loss/(Gain) on disposal of tangible capital assets	-	181	(81)
ANNUAL SURPLUS	<u>(15)</u>	<u>737</u>	<u>(398)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(67)	(488)
Transfer from operating reserve	978	113	360
Transfer to operating reserve	-	(781)	-
Transfer to general capital reserve	(963)	(963)	(912)
Eliminate amortization and loss/gain	-	961	1,438
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, 2022 with comparative information for 2021 (in thousands)

SCHEDULE H

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Fees and charges	\$ 138	\$ 284	\$ 96
Licences and permits	10	9	11
Grants	-	-	-
Emergency services recovery	52	64	67
	<u>200</u>	<u>357</u>	<u>174</u>
EXPENSE			
ABBOTSFORD FIRE RESCUE SERVICES			
Administration	702	1,854	666
Fire prevention and inspection	891	782	778
Emergency response	19,602	19,507	19,104
Fire halls and ground maintenance	648	630	643
EMERGENCY SERVICES			
Search and rescue	77	90	84
City emergency response	191	145	171
	<u>22,111</u>	<u>23,008</u>	<u>21,446</u>
ANNUAL (DEFICIT) BEFORE AMORTIZATION	<u>(21,911)</u>	<u>(22,651)</u>	<u>(21,272)</u>
Amortization	-	1,041	1,015
Loss/(Gain) on disposal of tangible capital assets	-	(60)	(41)
ANNUAL (DEFICIT)	<u>(21,911)</u>	<u>(23,632)</u>	<u>(22,246)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(87)	(54)
Transfer from operating reserve	-	-	805
Transfer to operating reserve	-	-	-
Transfer to general capital reserve	(533)	(533)	(533)
Eliminate amortization and loss/gain	-	1,068	1,029
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (22,444)</u>	<u>\$ (23,184)</u>	<u>\$ (20,999)</u>

 See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE I

	2022	2022				2022	2021
	Plan	General	Parks	Recreation	Culture	Actual	Actual
REVENUE							
Fees and charges	\$ 5,528	\$ 154	\$ 2,027	\$ 4,345	\$ -	\$ 6,526	\$ 4,297
Rent	57	-	-	-	-	-	67
Grants and government transfers	-	-	-	-	-	-	30
	<u>5,585</u>	<u>154</u>	<u>2,027</u>	<u>4,345</u>	<u>-</u>	<u>6,526</u>	<u>4,394</u>
EXPENSE							
Operations	25,998	1,617	10,596	11,397	1,297	24,907	21,789
Long-term debt interest	796	-	-	516	258	774	837
	<u>26,794</u>	<u>1,617</u>	<u>10,596</u>	<u>11,913</u>	<u>1,555</u>	<u>25,681</u>	<u>22,626</u>
ANNUAL (DEFICIT) BEFORE AMORTIZATION	(21,209)	(1,463)	(8,569)	(7,568)	(1,555)	(19,155)	(18,232)
Amortization	-	-	1,932	800	135	2,867	2,767
Loss/(Gain) on disposal of tangible capital assets	-	-	-	21	-	21	58
ANNUAL (DEFICIT)	<u>(21,209)</u>	<u>(1,463)</u>	<u>(10,501)</u>	<u>(8,389)</u>	<u>(1,690)</u>	<u>(22,043)</u>	<u>(21,057)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS							
Debt principal repayments	(1,711)	-	-	(1,152)	(576)	(1,728)	(1,662)
Transfer to general capital reserve	(1,519)	(107)	(794)	(545)	(73)	(1,519)	(1,519)
Transfer to cemetery capital reserve	(160)	-	(117)	-	-	(117)	(129)
Transfer to operating reserve	-	(56)	-	-	-	(56)	(232)
Transfer from operating reserve	339	-	-	-	14	14	17
Eliminate amortization and loss/gain	-	-	1,932	821	136	2,889	2,825
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (24,260)</u>	<u>\$ (1,626)</u>	<u>\$ (9,480)</u>	<u>\$ (9,265)</u>	<u>\$ (2,189)</u>	<u>\$ (22,560)</u>	<u>\$ (21,757)</u>

 See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE J

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Fees and charges	\$ 50	\$ 4	\$ 2,377
Investment income	-	8	18
	<u>50</u>	<u>12</u>	<u>2,395</u>
EXPENSE			
Operations	850	1,507	4,077
Long-term debt interest	1,828	1,799	1,881
	<u>2,678</u>	<u>3,306</u>	<u>5,958</u>
ANNUAL (DEFICIT) BEFORE AMORTIZATION	<u>(2,628)</u>	<u>(3,294)</u>	<u>(3,563)</u>
Amortization	-	878	876
ANNUAL (DEFICIT)	<u>(2,628)</u>	<u>(4,172)</u>	<u>(4,439)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Debt principal repayments	(2,243)	(2,265)	(2,178)
Eliminate amortization and loss/gain	-	878	876
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (4,871)</u>	<u>\$ (5,559)</u>	<u>\$ (5,741)</u>

 See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE K

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Municipal tax	\$ 5,247	\$ 5,235	\$ 5,135
EXPENSE			
Transfer to Fraser Valley Regional Library	4,616	4,616	4,479
Operating costs	363	335	335
	<u>4,979</u>	<u>4,951</u>	<u>4,814</u>
ANNUAL SURPLUS BEFORE AMORTIZATION	268	284	321
Amortization	-	145	174
Loss/(gain) on disposal of tangible capital assets ¹	-	-	(35)
ANNUAL SURPLUS	<u>268</u>	<u>139</u>	<u>112</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve	(268)	(284)	(300)
Transfer to operating reserve	-	-	(21)
Eliminate amortization and loss/gain	-	145	209
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

 See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE L

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Grants and government transfers	\$ 6,579	\$ 5,891	\$ 5,345
Fares	2,108	2,157	1,512
BC bus pass program	691	685	683
Advertising and other	198	387	209
	<u>9,576</u>	<u>9,120</u>	<u>7,749</u>
EXPENSE			
Transfer to BC Transit	15,037	13,111	11,771
Other	168	218	151
	<u>15,205</u>	<u>13,329</u>	<u>11,922</u>
ANNUAL (DEFICIT) BEFORE AMORTIZATION	<u>(5,629)</u>	<u>(4,209)</u>	<u>(4,173)</u>
Amortization	-	12	12
ANNUAL (DEFICIT)	<u>(5,629)</u>	<u>(4,221)</u>	<u>(4,185)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Eliminate amortization and loss/gain	-	12	12
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (5,629)</u>	<u>\$ (4,209)</u>	<u>\$ (4,173)</u>

 See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE M

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Fees and charges:			
Engineering capital recoveries	\$ -	\$ 1,243	\$ 846
Recoveries	186	1,747	371
Parking lot tickets	-	44	13
Other	710	285	222
Licenses and permits:			
Soil removal fees	2,900	3,986	3,297
Other	3	8	3
Grants	180	509	25
Developer contributions	-	-	-
Rent	207	-	20
	<u>4,186</u>	<u>7,822</u>	<u>4,797</u>
EXPENSE			
ADMINISTRATION	2,038	2,149	2,062
ENGINEERING	3,544	2,900	3,234
TRANSPORTATION			
Services	4,009	3,155	3,138
Operations - roads	6,158	8,027	6,069
EQUIPMENT FLEET			
Operations	4,693	4,919	4,698
Internal recoveries	(6,511)	(6,377)	(6,265)
MUNICIPAL BUILDINGS	2,863	4,446	2,376
LESS: COST RECOVERIES	(297)	(297)	(387)
	<u>16,497</u>	<u>18,922</u>	<u>14,925</u>
ANNUAL (DEFICIT) BEFORE AMORTIZATION	(12,311)	(11,100)	(10,128)
Amortization	-	15,434	16,787
Loss/(Gain) on disposal of tangible capital assets	-	(714)	(2,605)
ANNUAL (DEFICIT)	<u>(12,311)</u>	<u>(25,820)</u>	<u>(24,310)</u>
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	(930)	(3,195)
Transfer to general capital reserve	(11,508)	(8,636)	(11,508)
Transfer to operating reserve	(170)	(483)	(386)
Transfer from operating reserve	726	402	33
Eliminate amortization and loss/gain	-	15,650	17,221
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (23,263)</u>	<u>\$ (19,817)</u>	<u>\$ (22,145)</u>

 See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE N

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Fees and charges:			
Solid waste user fees	\$ 7,363	\$ 7,584	\$ 6,564
Garbage stickers	-	-	8
Recycling, compost and yard waste fees	993	1,076	934
Recoveries & other	1,524	1,685	1,285
Grants	-	-	468
	9,880	10,345	9,259
EXPENSE			
Planning, design and management	1,325	1,334	1,400
Collection	3,722	3,567	3,712
Disposal	4,898	5,191	5,757
	9,945	10,092	10,869
ANNUAL (DEFICIT) BEFORE AMORTIZATION	(65)	253	(1,610)
Amortization	-	253	37
Loss/(gain) on disposal of tangible capital assets	-	-	4
ANNUAL (DEFICIT)	(65)	-	(1,651)
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to general capital reserve (asset sales)	-	-	-
Transfer to general capital reserve	867	(253)	-
Transfer to operating reserve	(1,325)	-	-
Transfer from operating reserve	523	-	1,610
Eliminate amortization and loss/gain	-	253	41
CHANGE IN UNAPPROPRIATED SURPLUS	\$ -	\$ -	\$ -

 See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE O

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Storm drainage user fees	\$ 3,722	\$ 3,729	\$ 3,725
Other	7	33	26
	<u>3,729</u>	<u>3,762</u>	<u>3,751</u>
EXPENSE			
Storm sewers and detention	2,889	1,885	2,020
Urban watercourses	165	120	77
Rural drainage	480	410	301
	<u>3,534</u>	<u>2,415</u>	<u>2,398</u>
ANNUAL SURPLUS BEFORE AMORTIZATION	195	1,347	1,353
Amortization	-	3,889	3,836
Loss/(Gain) on disposal of tangible capital assets	-	30	301
ANNUAL SURPLUS/(DEFICIT)	195	(2,572)	(2,784)
Matsqui Prairie (Schedule P)	(537)	(685)	(685)
Sumas Prairie (Schedule P)	(556)	(1,022)	(730)
TOTAL ANNUAL (DEFICIT)	(898)	(4,279)	(4,199)
RECONCILE TO CHANGE IN UNAPPROPRIATED SURPLUS			
Transfer to operating reserve	(906)	(1,719)	(25)
Transfer from operating reserve	25	13	160
Transfer to general capital reserve	207	-	-
Reconcile to contribution from storm drainage-Matsqui Prairie	536	215	183
Reconcile to contribution from storm drainage-Sumas Prairie	557	596	317
Eliminate amortization and loss/gain	-	3,919	4,056
CHANGE IN UNAPPROPRIATED SURPLUS	<u>\$ (479)</u>	<u>\$ (1,255)</u>	<u>\$ 492</u>

 See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE P

	2022 Plan	2022 Actual	2021 Actual	2022 Plan	2022 Actual	2021 Actual
	Matsqui Prairie			Sumas Prairie		
REVENUE						
General tax levy	\$ 701	\$ 708	\$ 707	\$ 1,252	\$ 1,262	\$ 1,242
Other revenue	16	-	-	171	216	164
	<u>717</u>	<u>708</u>	<u>707</u>	<u>1,423</u>	<u>1,478</u>	<u>1,406</u>
EXPENSE						
Diking	61	47	53	83	98	47
Drainage	674	643	628	777	624	563
Storm	217	200	195	-	-	-
Irrigation	128	133	122	151	131	122
Administration	158	168	163	234	224	219
Pump stations	-	-	-	724	913	680
Recoverable work	16	-	-	10	-	-
	<u>1,254</u>	<u>1,191</u>	<u>1,161</u>	<u>1,979</u>	<u>1,990</u>	<u>1,631</u>
ANNUAL (DEFICIT) BEFORE AMORTIZATION	(537)	(483)	(454)	(556)	(512)	(225)
Amortization	-	202	231	-	510	505
ANNUAL (DEFICIT)	(537)	(685)	(685)	(556)	(1,022)	(730)
RECONCILE TO CONTRIBUTION FROM STORM DRAINAGE						
Transfer to general capital reserve	55	-	-	132	(24)	(24)
Transfer to operating reserve	482	-	(48)	424	-	(164)
Transfer from operating reserve	-	12	-	-	111	-
Eliminate amortization and loss/gain	-	202	231	-	510	505
CONTRIBUTION FROM STORM DRAINAGE	<u>\$ -</u>	<u>\$ (471)</u>	<u>\$ (502)</u>	<u>\$ -</u>	<u>\$ (425)</u>	<u>\$ (413)</u>

 See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE Q

	2022		Sanitary			2022	2021
	Plan	General	Waterworks	Sewer	Airport	Actual	Actual
REVENUE							
Fees and charges	\$ 1,167	\$ 16,202	\$ 625	\$ 36	\$ -	\$ 16,863	\$ 2,471
Developer charges earned	9,813	7,145	16	404	-	7,565	3,511
Contributed tangible capital assets	2,256	2,344	401	291	-	3,036	11,392
Grants and government transfers	29,044	12,107	222	51	2,750	15,130	11,840
Contributions (to)/from other funds	-	(320)	356	(36)	-	-	-
	<u>42,280</u>	<u>37,478</u>	<u>1,620</u>	<u>746</u>	<u>2,750</u>	<u>42,594</u>	<u>29,214</u>
EXPENSE							
Minor capital projects							
General government	1,136	263	-	-	-	263	1,221
Police services	5	(1,588)	-	-	-	(1,588)	1,457
Fire services	25	-	-	-	-	-	7
Park services	1,051	1,236	-	-	-	1,236	430
Recreation services	-	26	-	-	-	26	81
Transportation services	9,361	8,329	-	-	-	8,329	4,669
2021 Flood Event	-	14,782	-	-	-	14,782	-
Equipment fleet services	20	9	-	-	-	9	151
Solid waste services	-	8	-	-	-	8	34
Storm drainage services	571	126	-	-	-	126	335
Diking, drainage & irrigation	733	176	-	-	-	176	220
Waterworks	2,409	-	590	-	-	590	274
Sanitary sewer	1,704	-	-	244	-	244	60
Airport	-	-	-	-	31	31	274
	<u>17,015</u>	<u>23,367</u>	<u>590</u>	<u>244</u>	<u>31</u>	<u>24,232</u>	<u>9,213</u>
ANNUAL SURPLUS	<u>25,265</u>	<u>14,111</u>	<u>1,030</u>	<u>502</u>	<u>2,719</u>	<u>18,362</u>	<u>20,001</u>
RECONCILE TO CHANGE IN CAPITAL EQUITY							
General capital reserve	118,417	47,248	-	-	-	47,248	30,405
Storm drainage reserve	2,780	3,778	-	-	-	3,778	1,085
Waterworks capital reserve	5,885	-	9,352	-	-	9,352	5,009
Sanitary sewer capital reserve	6,656	-	-	4,224	-	4,224	4,191
Airport capital reserve	7,850	-	-	-	1,998	1,998	(32)
Tangible capital assets	-	(28,445)	(6,601)	(5,709)	(1,818)	(42,573)	(43,975)
Debt principal repayment	3,954	3,993	-	-	-	3,993	3,839
CHANGE IN CAPITAL EQUITY	<u>\$170,807</u>	<u>\$ 40,685</u>	<u>\$ 3,781</u>	<u>\$ (983)</u>	<u>\$ 2,899</u>	<u>\$ 46,382</u>	<u>\$ 20,523</u>

 See notes to Consolidated Financial Statements.

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

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

SCHEDULE R

	2022 Plan	2022 Actual	2021 Actual
REVENUE			
Investment income	\$ 4,796	\$ 8,481	\$ 5,585
Fees and charges	-	35	18
	<u>4,796</u>	<u>8,516</u>	<u>5,603</u>
ANNUAL SURPLUS	4,796	8,516	5,603
RECONCILE TO CHANGE IN APPROPRIATED SURPLUS			
Operating reserve	(32,092)	(7,591)	7,090
General capital reserve	(105,734)	632	3,966
Affordable housing reserve	-	-	-
Storm drainage reserve	(3,467)	(3,778)	(1,085)
Waterworks capital reserve	4,191	1,780	6,434
Sanitary sewer capital reserve	(190)	3,330	3,677
Airport capital reserve	(1,751)	2,818	3,962
Property acquisition reserve	-	709	2,683
CHANGE IN APPROPRIATED SURPLUS	<u>\$ (134,247)</u>	<u>\$ 6,416</u>	<u>\$ 32,330</u>

 See notes to Consolidated Financial Statements.

2022 CONSOLIDATED FINANCIAL STATEMENTS

CEMETERY CARE TRUST FUND



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

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of City of Abbotsford

Opinion

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

- the consolidated statement of financial position as at December 31, 2022
- and notes to the consolidated financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City of Abbotsford Cemetery Care Trust Fund as at December 31, 2022 in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

Responsibilities of Management for the Financial Statements

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

AUDITORS' REPORT PAGE 2

*Cemetery Care Trust Fund.
Page 2*

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

Those charged with governance are responsible for overseeing the City of Abbotsford Cemetery Care Trust Fund's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Abbotsford Cemetery Care Trust Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

2022 CONSOLIDATED FINANCIAL STATEMENTS

AUDITORS' REPORT PAGE 3

Cemetery Care Trust Fund.
Page 3

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



Chartered Professional Accountants

Abbotsford, Canada

May 8, 2023

CEMETERY CARE TRUST FUND – STATEMENT OF FINANCIAL POSITION

For the year ended December 31, 2022 with comparative information for 2021 (in thousands)

	2022	2021
	Actual	Actual
FINANCIAL ASSETS		
Portfolio investments	\$ 2,315	\$ 2,290
Accounts receivable	2,209	2,075
NET FINANCIAL ASSETS	<u>4,524</u>	<u>4,365</u>
ACCUMULATED SURPLUS		
Balance, beginning of year	4,365	4,225
Contributions	159	140
Investment earnings	66	110
Transfer to general operating fund	(66)	(110)
Balance, end of year	<u>\$ 4,524</u>	<u>\$ 4,365</u>

 See notes to Consolidated Financial Statements

2022 CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CEMETERY CARE TRUST FUND

For the year ended December 31, 2022

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.

3. Investments:

Investments for 2022 are comprised of corporate and government investments.

(in thousands)	2022		2021	
	Cost	Market	Cost	Market
Portfolio Investments	\$2,315	\$2,255	\$2,290	\$3,348
	Long-Term		Long-Term	
Duration	2 - 15 Years		2 - 15 Years	
Average Holdings	\$2,303		\$2,246	
Annual Yield	0.99%		3.03%	

NOTES TO THE CEMETERY CARE TRUST FUND

For the year ended December 31, 2022

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 2022, \$66,000 (2021 - \$110,000) was transferred to the general operating fund for cemetery operations. Contributions and investment earnings for the year ended December 31, 2022, 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.



2022

FINANCIAL STATISTICS

2022 ANNUAL REPORT

ACCUMULATED SURPLUS

in thousands

	2016	2017	2018	2019	2020	2021	2022
ACCUMULATED SURPLUS							
Unappropriated Surplus							
General	\$ 19,570	\$ 19,570	\$ 19,570	\$ 19,550	\$ 19,570	\$ 19,627	\$ 19,627
Waterworks	4,265	4,265	4,265	4,265	4,265	4,263	4,263
Sanitary sewer	5,799	5,799	5,799	5,801	5,799	5,799	5,799
Airport	1,176	1,176	1,176	1,176	1,176	1,176	1,176
	30,810	30,810	30,810	30,792	30,810	30,865	30,865
Appropriated Surplus							
General Operating Reserve	41,250	47,515	51,293	66,964	75,674	82,970	77,264
Statutory Capital Reserves							
General	49,583	66,642	77,436	83,752	99,281	105,895	108,899
Affordable housing	11	11	212	717	1,230	1,250	1,280
Property acquisition			46	1,953	2,616	5,378	6,228
Airport	15,923	17,562	17,709	20,653	20,244	24,584	27,966
Infrastructure renewal:							
Storm drainage	12,266	12,598	12,294	11,339	11,022	10,120	6,560
Waterworks	26,172	33,396	41,557	50,433	58,760	66,222	69,688
Sanitary sewer	37,426	43,663	49,830	55,385	61,048	65,785	70,735
	182,631	221,387	250,377	291,196	329,875	362,204	368,620
Investment in tangible capital assets	1,320,634	1,307,016	1,366,948	1,387,888	1,387,256	1,407,540	1,453,922
Investment in other non-financial assets	2,382	1,919	2,173	2,086	2,302	2,667	4,800
Total Accumulated Surplus	\$ 1,536,457	\$ 1,561,135	\$ 1,650,308	\$ 1,711,962	\$ 1,750,243	\$ 1,803,276	\$ 1,858,207

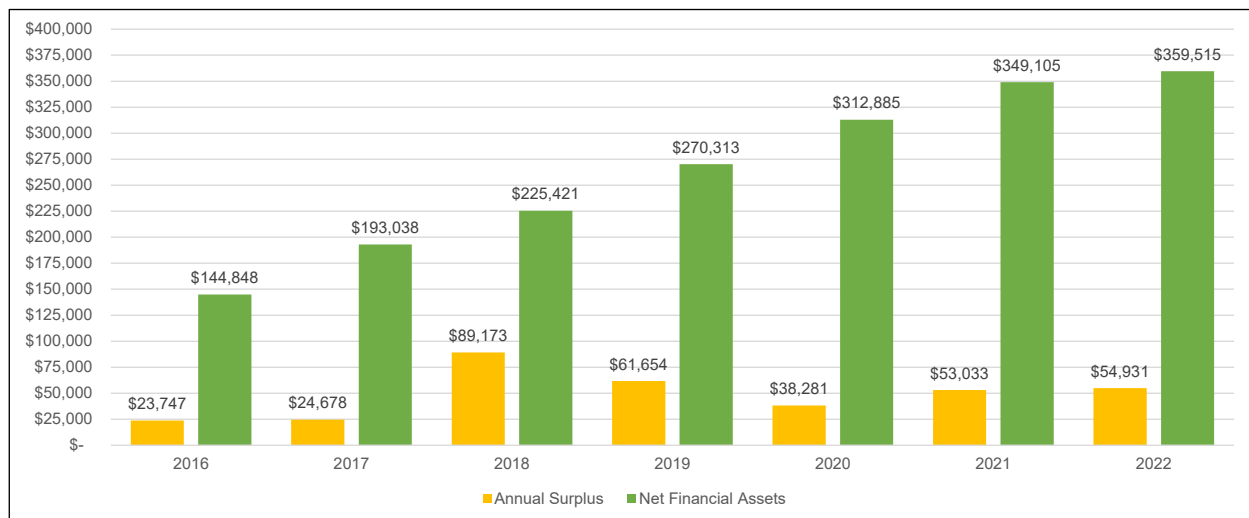
FINANCIAL STATISTICS

CONSOLIDATED ANNUAL SURPLUS AND NET FINANCIAL ASSETS in thousands

	2016	2017	2018	2019	2020	2021	2022
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CONSOLIDATED ANNUAL SURPLUS AND NET FINANCIAL ASSETS

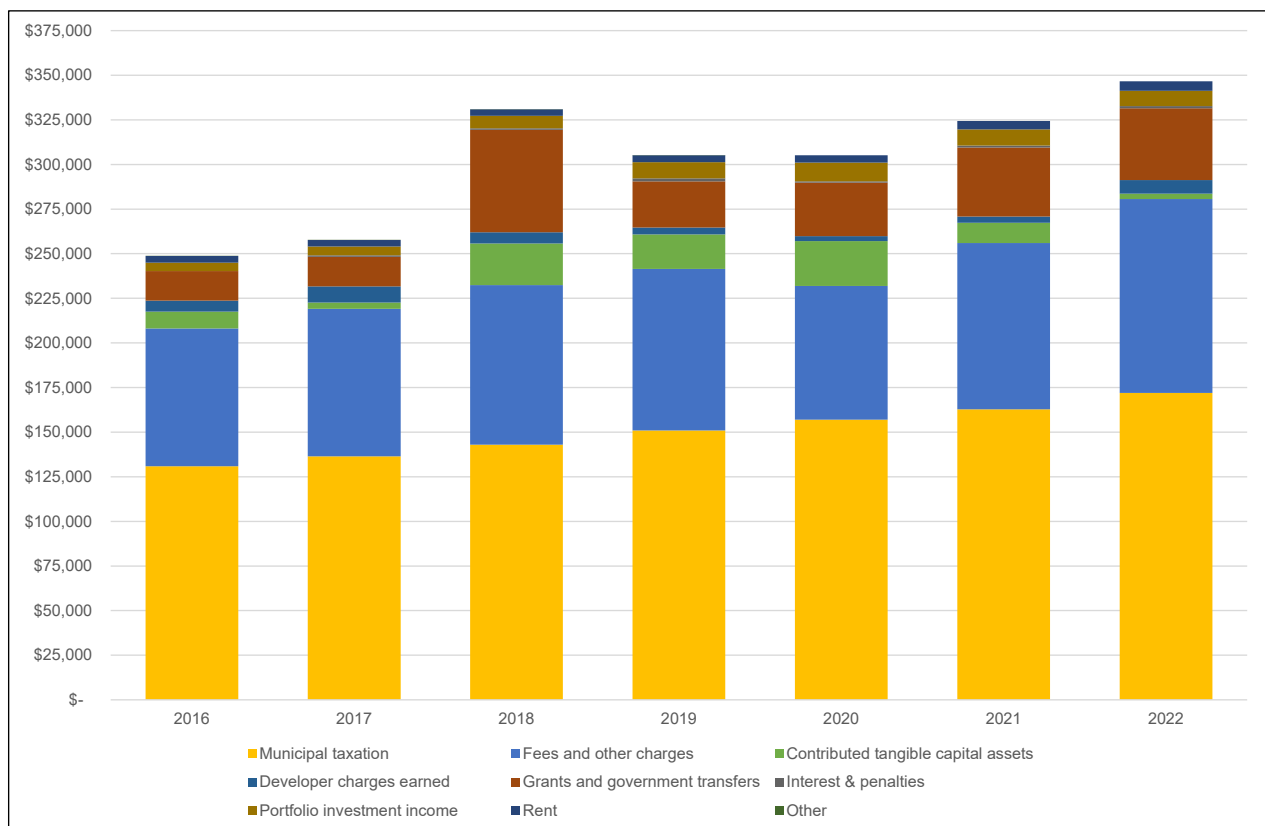
Annual Surplus	\$ 23,747	\$ 24,678	\$ 89,173	\$ 61,654	\$ 38,281	\$ 53,033	\$ 54,931
Net Financial Assets	144,848	193,038	225,421	270,313	312,885	349,105	359,515



CONSOLIDATED REVENUE BY SOURCE

in thousands

	2016	2017	2018	2019	2020	2021	2022
CONSOLIDATED REVENUE BY SOURCE							
Municipal taxation	\$ 130,856	\$ 136,493	\$ 142,971	\$ 150,969	\$ 157,009	\$ 162,748	\$ 172,007
Fees and other charges	77,264	82,664	89,488	90,481	74,956	93,240	108,615
Developer charges earned	6,197	9,156	6,283	3,867	2,780	3,511	7,565
Contributed tangible capital assets	9,403	3,423	23,277	19,372	25,145	11,392	3,036
Grants and government transfers	16,505	16,507	57,436	25,832	29,880	38,648	40,278
Portfolio investment income	4,744	4,985	7,065	9,076	10,558	9,026	8,491
Interest & penalties	-	797	755	1,740	777	1,119	1,261
Rent	3,746	3,685	3,669	3,861	4,042	4,674	5,397
Other	46	45	20	4	-	-	-
Total Consolidated Revenue	\$ 248,761	\$ 257,755	\$ 330,964	\$ 305,202	\$ 305,147	\$ 324,358	\$ 346,650

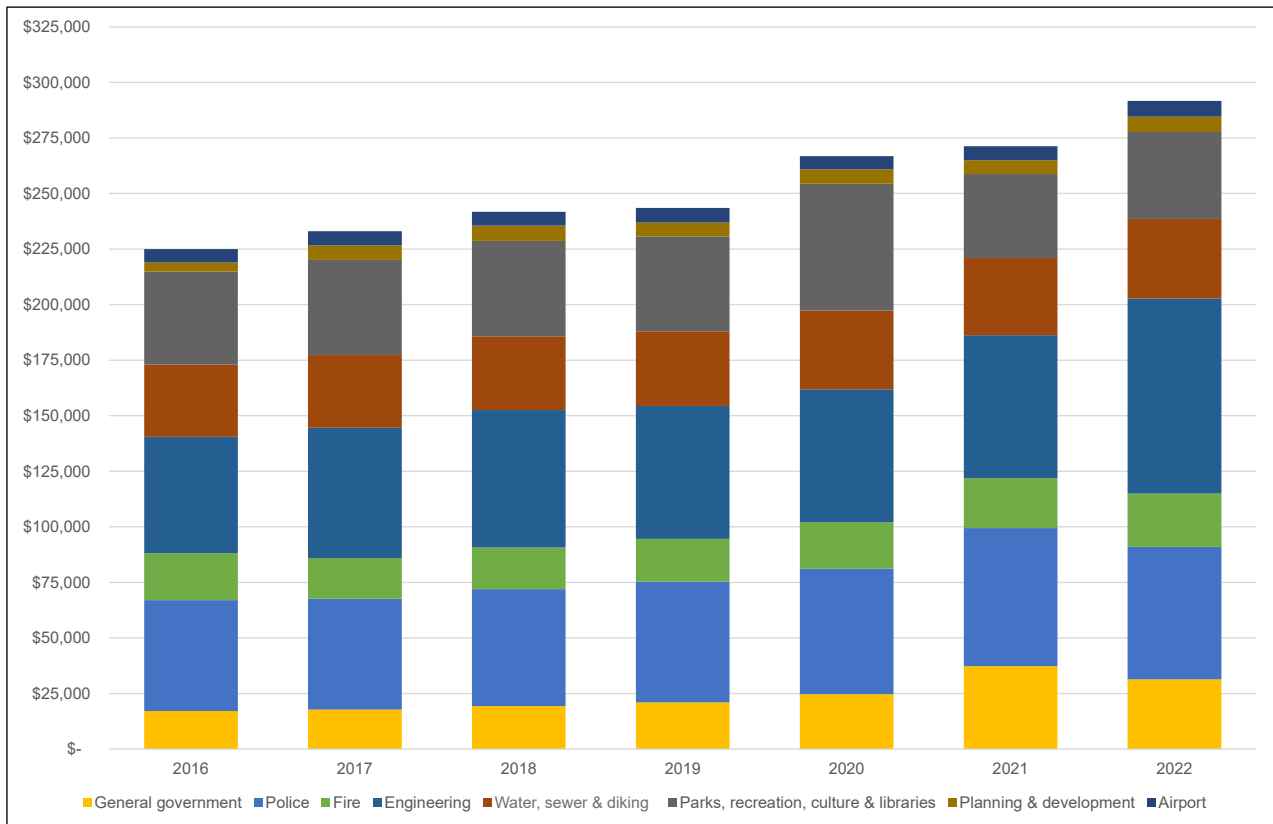


FINANCIAL STATISTICS

CONSOLIDATED EXPENSES BY FUNCTION

in thousands

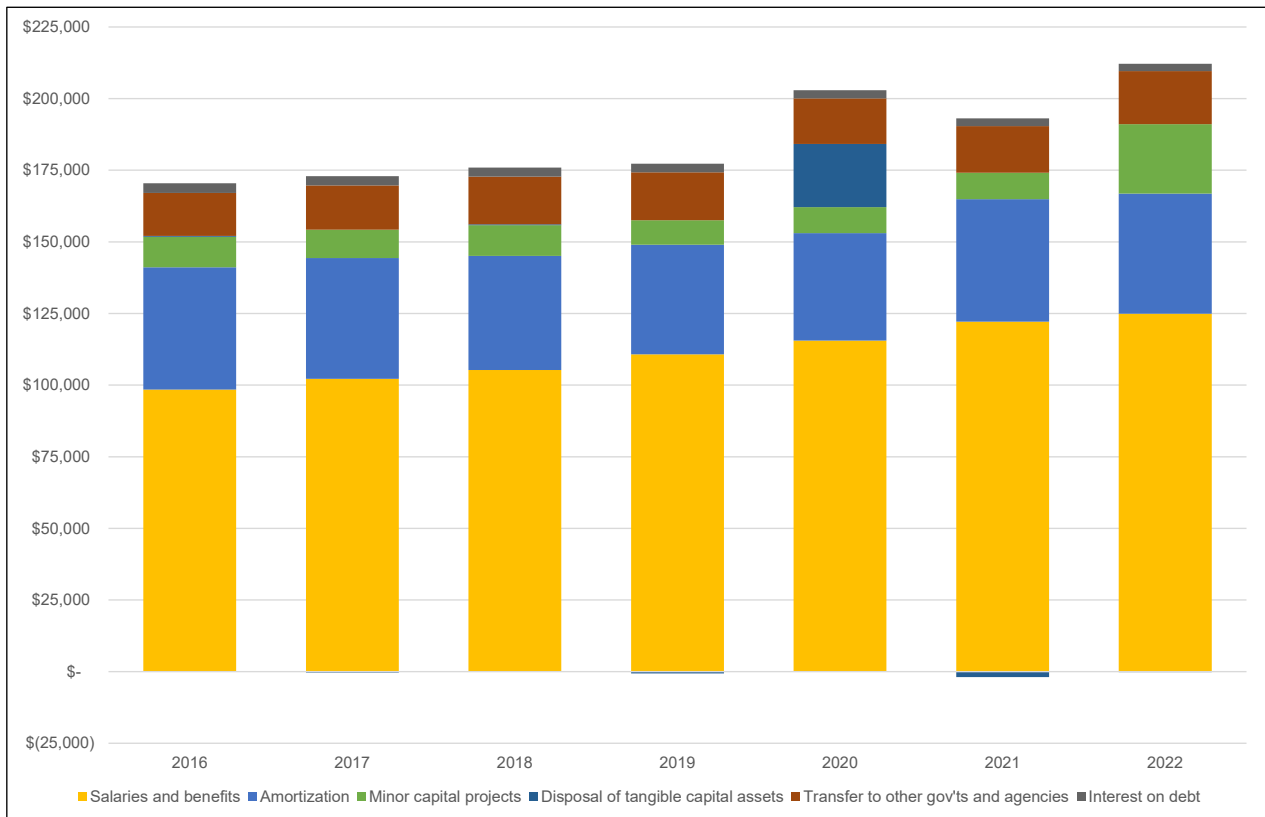
	2016	2017	2018	2019	2020	2021	2022
CONSOLIDATED EXPENSES BY FUNCTION							
General government	\$ 17,136	\$ 17,833	\$ 19,343	\$ 21,020	\$ 24,724	\$ 37,349	\$ 31,385
Planning & development	4,095	6,456	6,905	6,263	6,424	6,148	6,869
Protective services:							
Police	49,882	49,884	52,646	54,376	56,503	62,162	59,603
Fire	21,116	18,275	18,705	19,173	20,838	22,428	23,989
Parks, recreation, culture & libraries	41,755	42,827	42,914	42,644	57,061	37,818	39,112
Engineering	52,371	58,642	61,915	59,812	59,810	64,361	87,813
Water, sewer & diking	32,592	32,715	33,131	33,641	35,520	34,708	35,840
Airport	6,067	6,445	6,232	6,617	5,986	6,351	7,108
Total Consolidated Expenses	\$ 225,014	\$ 233,077	\$ 241,791	\$ 243,546	\$ 266,866	\$ 271,325	\$ 291,719



CONSOLIDATED EXPENSES BY OBJECT

in thousands

	2016	2017	2018	2019	2020	2021	2022
CONSOLIDATED EXPENSES BY OBJECT							
Salaries and benefits	\$ 98,449	\$ 102,164	\$ 105,261	\$ 110,726	\$ 115,518	\$ 122,148	\$ 124,950
Operating goods and services	54,563	60,469	65,841	66,902	63,957	80,097	79,725
Minor capital projects	10,631	9,905	10,793	8,610	9,083	9,213	24,232
Amortization	42,669	42,158	39,806	38,252	37,562	42,767	41,898
Disposal of tangible capital assets	334	(342)	271	(653)	22,023	(1,868)	(188)
Transfer to other gov'ts and agencies	14,960	15,444	16,672	16,700	15,858	16,250	18,528
Interest on debt	3,408	3,279	3,147	3,011	2,865	2,718	2,574
Total Consolidated Expenses	\$ 225,014	\$ 233,077	\$ 241,791	\$ 243,548	\$ 266,866	\$ 271,325	\$ 291,719

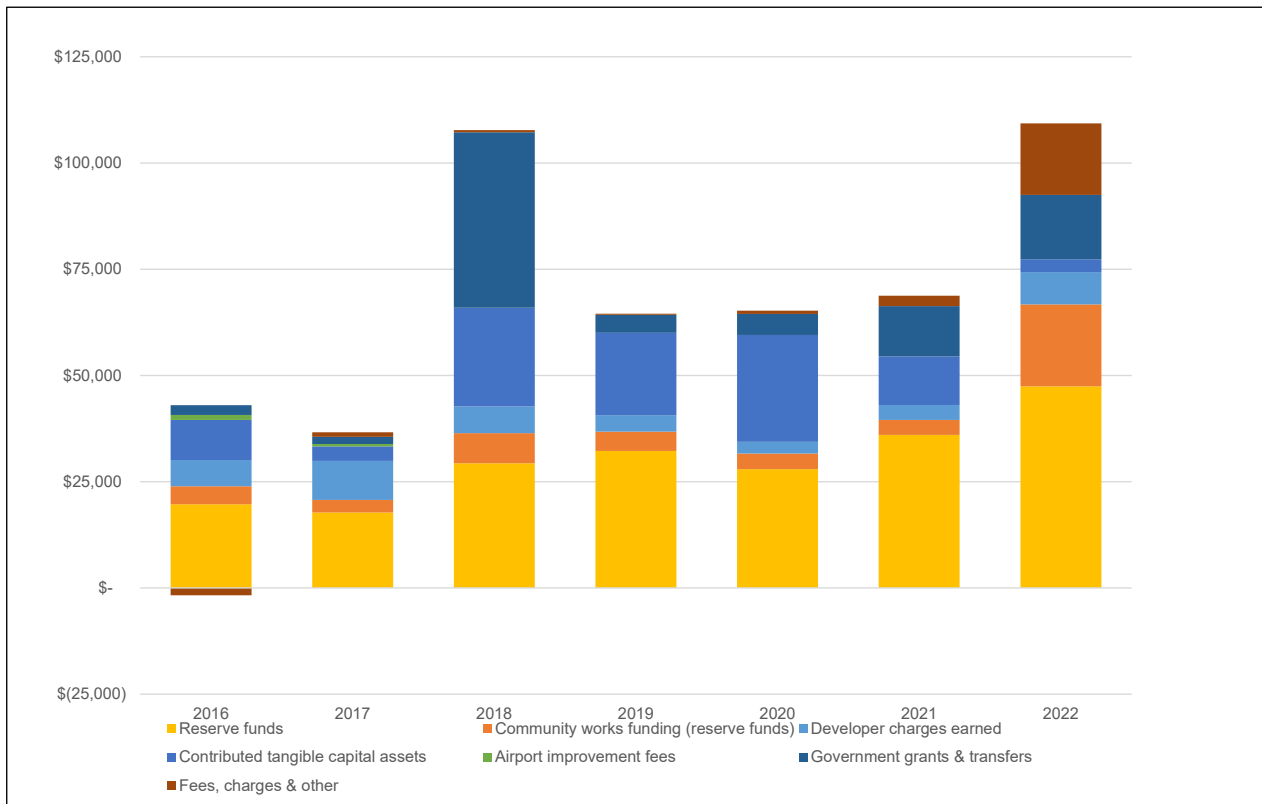


FINANCIAL STATISTICS

SOURCES OF CAPITAL FUNDING

in thousands

	2016	2017	2018	2019	2020	2021	2022
SOURCES OF CAPITAL FUNDING							
Reserve funds	\$ 19,681	\$ 17,732	\$ 29,336	\$ 32,235	\$ 27,980	\$ 36,008	\$ 47,446
Community works funding (reserve funds)	\$ 4,237	\$ 2,985	\$ 7,069	\$ 4,568	\$ 3,635	\$ 3,553	\$ 19,294
Developer charges earned	6,197	9,156	6,283	3,867	2,780	3,511	7,565
Contributed tangible capital assets	9,403	3,423	23,276	19,372	25,145	11,392	3,036
Airport improvement fees	1,210	593	1	-	5	-	-
Government grants & transfers	2,293	1,654	41,267	4,246	4,943	11,840	15,130
Fees, charges & other	(1,757)	1,077	498	267	762	2,471	16,863
Total Capital Funding	\$ 41,264	\$ 36,620	\$ 107,730	\$ 64,555	\$ 65,250	\$ 68,775	\$ 109,334



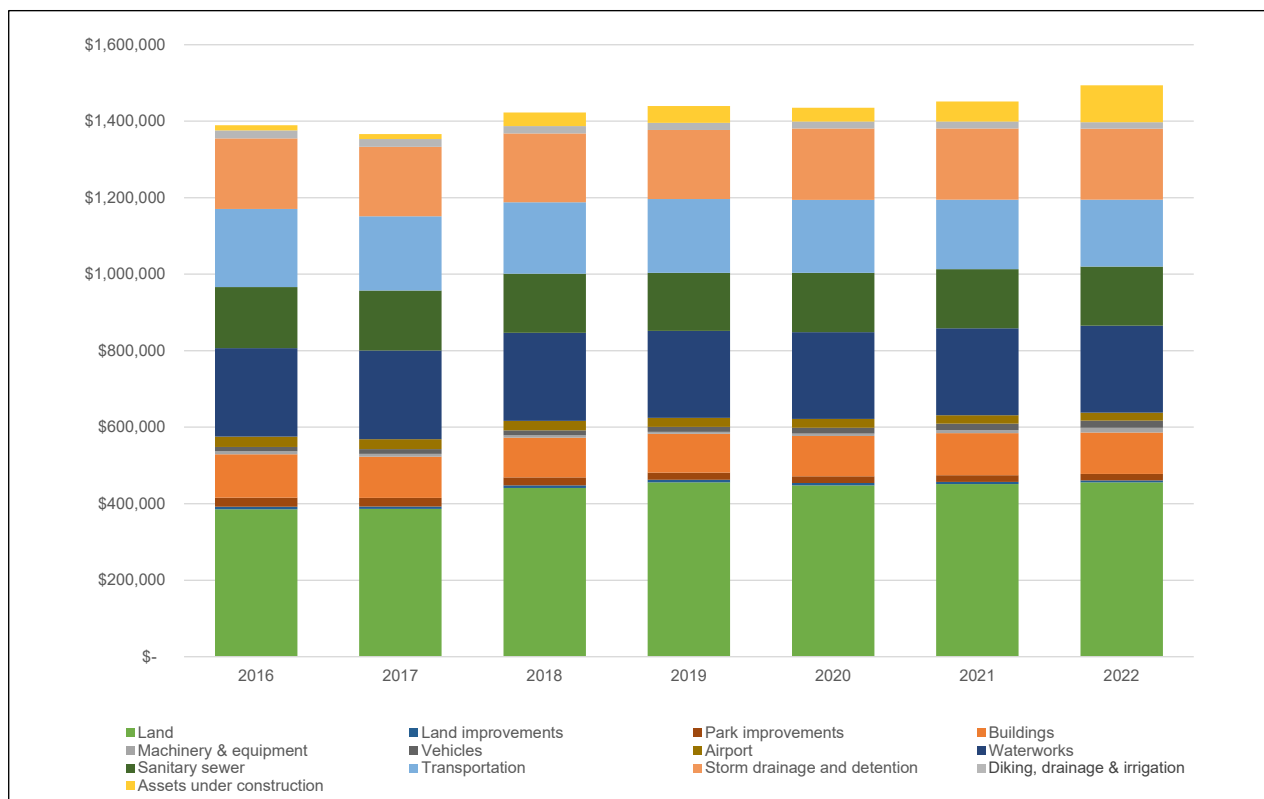
TANGIBLE CAPITAL ASSETS BY ASSET CATEGORY

in thousands

	2016	2017	2018	2019	2020	2021	2022
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TANGIBLE CAPITAL ASSETS (NET BOOK VALUE) BY ASSET CATEGORY

General							
Land	\$ 385,183	\$ 386,241	\$ 441,222	\$ 455,844	\$ 447,992	\$ 451,424	\$ 455,715
Land improvements	6,915	6,522	6,962	6,571	6,154	5,533	5,282
Park improvements	23,764	22,313	20,495	18,852	17,460	17,434	17,003
Buildings	113,448	107,778	104,192	101,584	105,749	110,323	108,213
Machinery & equipment	7,854	7,683	6,063	4,980	5,815	7,792	12,339
Vehicles	11,253	12,336	12,733	12,797	15,449	16,723	18,529
Infrastructure							
Airport	26,961	25,938	24,918	23,901	22,888	21,968	20,950
Waterworks	231,142	231,539	230,248	227,183	226,874	227,448	227,539
Sanitary sewer	160,102	156,882	154,419	151,683	155,381	154,473	154,353
Transportation	203,991	194,060	186,628	193,083	190,819	181,652	174,954
Storm drainage and detention	184,604	181,705	180,175	180,527	186,411	186,430	185,722
Diking, drainage & irrigation	20,904	20,192	19,462	18,729	18,351	17,774	17,056
Assets under construction	13,107	12,987	35,197	43,829	35,717	52,530	96,237
Total Tangible Capital Assets	\$ 1,389,228	\$ 1,366,176	\$ 1,422,714	\$ 1,439,563	\$ 1,435,060	\$ 1,451,504	\$ 1,493,892



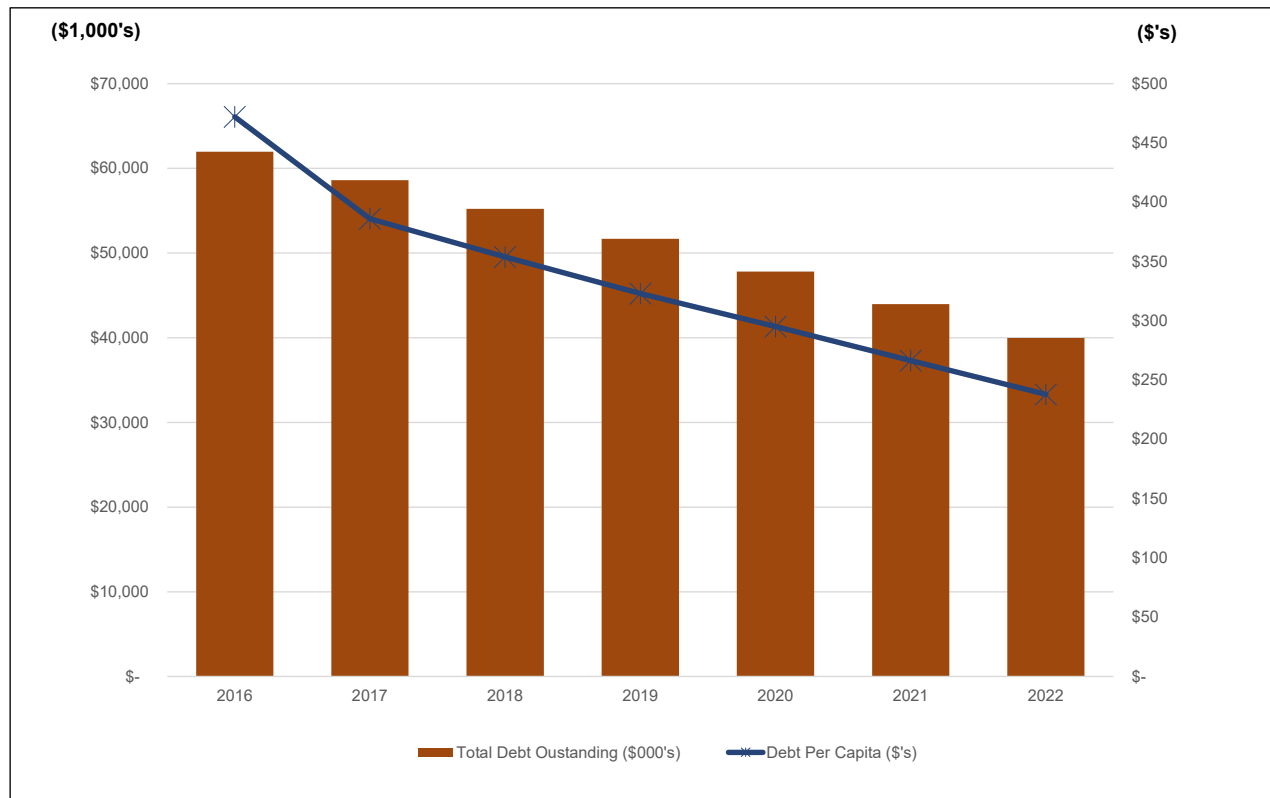
FINANCIAL STATISTICS

DEBT OUTSTANDING BY FUNCTION

in thousands, except as noted

	2016	2017	2018	2019	2020	2021	2022
DEBT OUTSTANDING							
Parks, recreation & culture *	\$ 61,955	\$ 58,598	\$ 55,204	\$ 51,675	\$ 47,804	\$ 43,965	\$ 39,972
Waterworks	-	-	-	-	-	-	-
Sanitary sewer	-	-	-	-	-	-	-
Total Debt Outstanding (\$000's)	\$ 61,955	\$ 58,598	\$ 55,204	\$ 51,675	\$ 47,804	\$ 43,965	\$ 39,972
Debt Per Capita (\$'s)	\$ 472	\$ 386	\$ 354	\$ 323	\$ 295	\$ 266	\$ 238

* Property tax supported debt



ANNUAL DEBT SERVICING

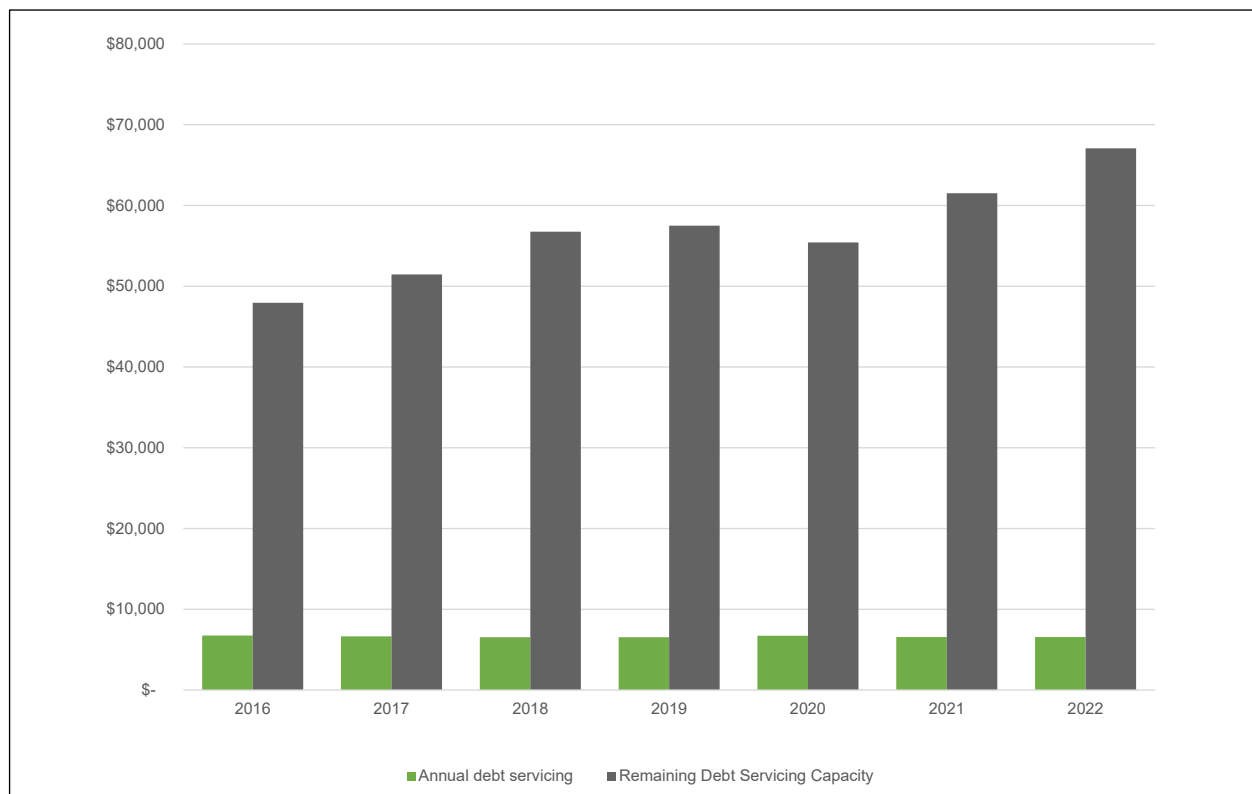
in thousands

	2016	2017	2018	2019	2020	2021	2022
ANNUAL DEBT SERVICING							
Legal debt servicing limit	\$ 54,715	\$ 58,106	\$ 63,312	\$ 64,033	\$ 62,155	\$ 68,066	\$ 73,650
Annual debt servicing *	\$ 6,751	\$ 6,636	\$ 6,541	\$ 6,540	\$ 6,736	\$ 6,557	\$ 6,566
% of total expenditures	2.9%	2.7%	2.7%	2.5%	2.5%	2.2%	2.3%
Remaining Debt Servicing Capacity	\$ 47,964	\$ 51,470	\$ 56,771	\$ 57,493	\$ 55,419	\$ 61,509	\$ 67,084

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

OVERLAPPING DEBT

City of Abbotsford	\$ 61,955	\$ 58,598	\$ 55,204	\$ 51,675	\$ 47,804	\$ 43,965	\$ 39,972
Fraser Valley Regional District	15,446	16,828	19,414	17,154	16,052	14,692	25,953
Fraser Valley Regional Hospital District	40,706	37,811	34,800	31,668	29,902	25,514	20,129
	\$ 118,107	\$ 113,237	\$ 109,418	\$ 100,497	\$ 93,758	\$ 84,171	\$ 86,054



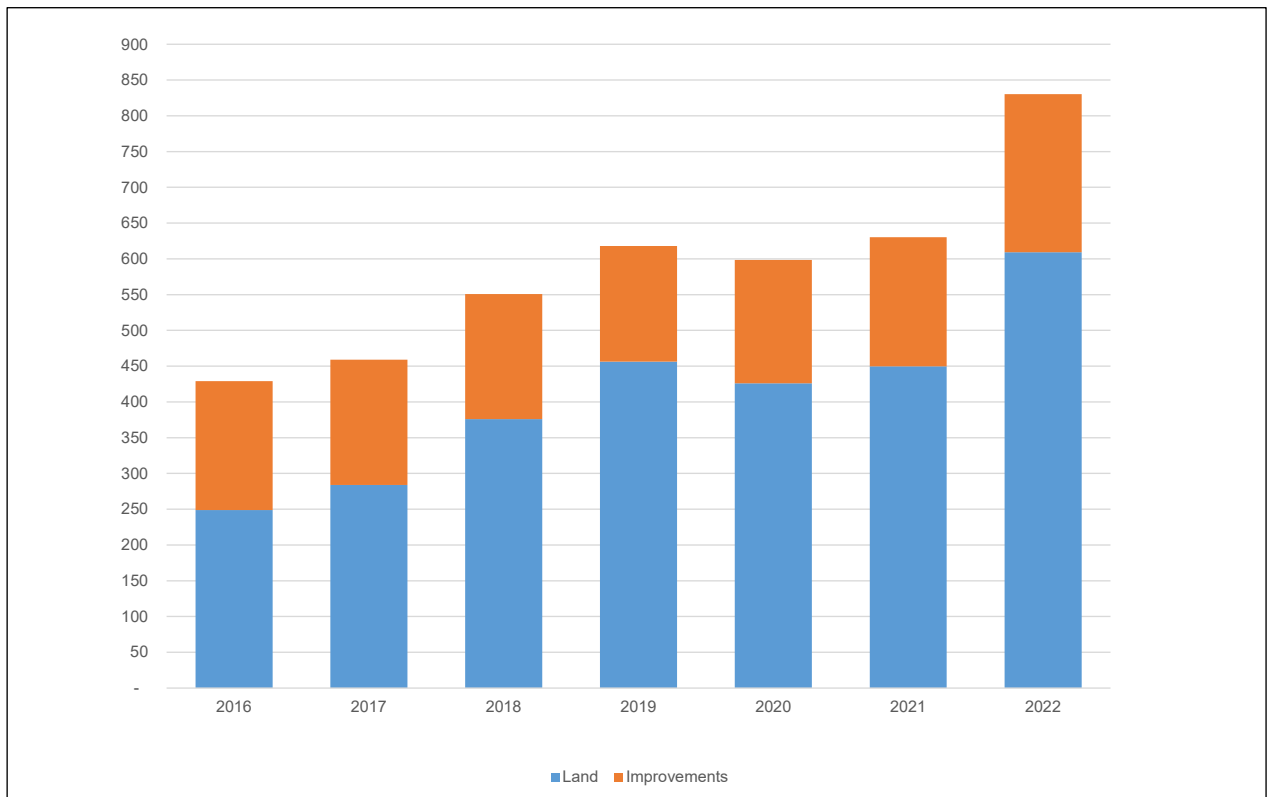
FINANCIAL STATISTICS

PROPERTY ASSESSMENT

in thousands, except as noted

	2016	2017	2018	2019	2020	2021	2022
PROPERTY ASSESSMENT							
General Assessment							
Land	\$11,323,055	\$15,503,172	\$20,125,835	\$24,857,019	\$24,497,858	\$26,589,250	\$36,077,988
Improvements	8,187,966	9,929,770	10,179,851	9,857,819	10,591,434	10,892,556	13,425,218
	\$19,511,021	\$25,432,942	\$30,305,686	\$34,714,839	\$35,089,292	\$37,481,806	\$49,503,206
Average Residential Assessed Values (including residential Strata and Single Family)							
Land	249	284	376	456	426	450	609
Improvements	180	175	175	161	172	180	221
	\$ 429	\$ 459	\$ 551	\$ 618	\$ 599	\$ 630	\$ 830
New Construction and Development (in thousands)							
Building permits issued *	1,610	1,688	1,683	1,596	1,811	1,219	1,193
Building permit construction value	\$ 250,958	\$ 481,416	\$ 552,202	\$ 582,565	\$ 404,205	\$ 426,834	\$ 500,500
New construction	\$ 207,127	\$ 419,829	\$ 483,811	\$ 485,540	\$ 308,635	\$ 360,630	\$ 334,022

* Actual numbers



PROPERTY TAXATION

in thousands, except as noted

	2016	2017	2018	2019	2020	2021	2022
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PROPERTY TAXATION

Tax Levy

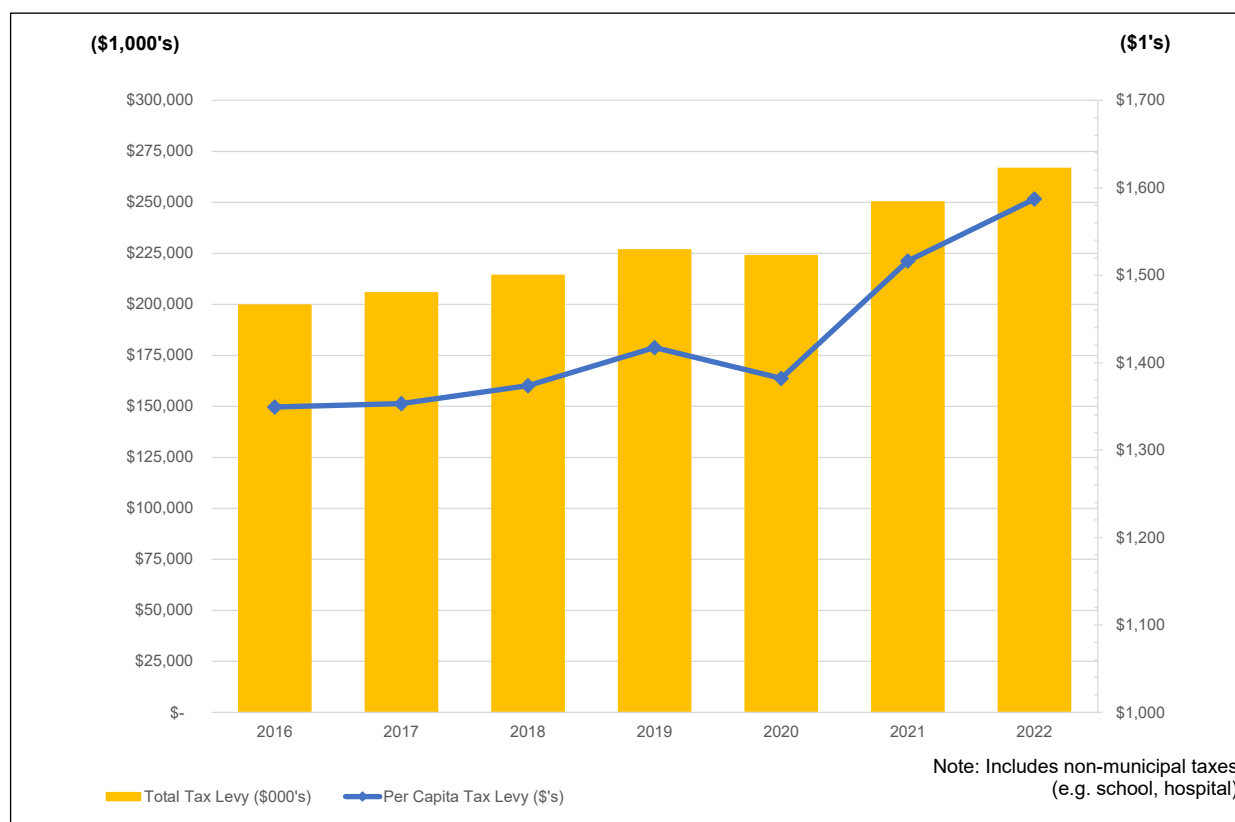
Current tax levy	\$ 198,790	\$ 204,858	\$ 213,302	\$ 225,700	\$ 222,771	\$ 249,096	\$ 265,375
Penalties & interest	902	842	988	1,065	1,111	1,080	1,272
Total Tax Levy (\$000's)	\$ 199,692	\$ 205,700	\$ 214,290	\$ 226,765	\$ 223,882	\$ 250,176	\$ 266,647

Per Capita Tax Levy (\$'s)

	\$ 1,349	\$ 1,353	\$ 1,374	\$ 1,417	\$ 1,382	\$ 1,516	\$ 1,587
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Taxes Collected

Current taxes collected	\$ 197,850	\$ 204,036	\$ 211,855	\$ 224,700	\$ 221,784	\$ 248,550	\$ 263,821
% current taxes collected	99.08	99.19	98.86	99.09	99.06	99.35	98.94



	2016	2017	2018	2019	2020	2021	2022
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TAXES COLLECTED FOR OTHER AGENCIES

School	\$ 57,163	\$ 58,655	\$ 60,575	\$ 64,636	\$ 53,808	\$ 74,070	\$ 82,017
Fraser Valley Regional Hospital District	5,378	5,373	5,494	5,616	5,792	5,912	5,960
Fraser Valley Regional District	2,301	2,384	3,273	3,634	4,196	4,427	4,474
BC Assessment	1,503	1,551	1,656	1,771	1,951	2,073	2,337
Greater Vancouver Regional District *	814	835	-	-	-	-	-
Municipal Finance Authority	5	6	8	9	9	10	12
Total	\$ 67,164	\$ 68,804	\$ 71,006	\$ 75,665	\$ 65,756	\$ 86,492	\$ 94,800

FINANCIAL STATISTICS

ASSESSMENTS AND TAX RATES

ASSESSMENT AND TAX RATES

General and Specific Municipal Purposes

City of Abbotsford Properties

Land Classification	Net Taxable Values (in thousands)	Dollars of tax per \$1,000 Taxable Value				
		General			Specified Areas	
		Municipal General (Police)	Municipal General (Other)	Fraser Valley Regional Library	Matsqui Diking	Sumas Diking
Class 1 - Residential	41,016,141	0.89119	1.50062	0.08061	0.66216	0.54682
Class 2 - Utilities	117,235	14.41807	24.27781	1.30412	0.66216	11.29044
Class 3 - Supportive housing	-	0.89119	1.50062	0.08061	0.66216	0.54682
Class 5 - Light industry	1,536,578	1.77865	2.99498	0.16088	0.66216	9.01125
Class 6 - Business and other	6,580,167	2.58386	4.35082	0.23371	0.66216	4.50564
Class 8 - Recreation/Non-profit	23,201	1.63039	2.74532	0.14747	0.66216	0.54682
Class 9 - Farm	142,995	7.76155	13.06926	0.70204	0.66216	
	\$ 49,416,317					

2022 Tax Rates - Other Governments & Agencies

Land Classification	Dollars of tax per \$1,000 Taxable Value				
	Fraser Valley Regional District	Fraser Valley Regional Hospital District	Municipal Finance Authority	BC Assessment	School
Class 1 - Residential	0.07195	0.09584	0.00020	0.03490	1.17630
Class 2 - Utilities	0.25181	0.33544	0.00070	0.46620	12.72000
Class 3 - Supportive housing	0.07195	0.09584	0.00020	-	0.10000
Class 5 - Light industry	0.24462	0.32585	0.00070	0.10360	3.52000
Class 6 - Business and other	0.17627	0.23481	0.00050	0.10360	3.52000
Class 8 - Recreation/Non-profit	0.07195	0.09584	0.00020	0.03490	2.03000
Class 9 - Farm	0.07195	0.09584	0.00020	0.03490	6.98000

OTHER STATISTICS

	2016	2017	2018	2019	2020	2021	2022
OTHER STATISTICS							
Registered Electors (in thousands)	87	87	94	94	94	97	100
Properties on Tax Roll (in thousands)	46	47	47	48	48	49	50
Abbotsford Airport							
Aircraft movements (in thousands)	127	135	162	182	140	170	175
Passengers (in thousands)	530	677	842	1,008	316	511	993
Number of Employees (Approved FTE's)⁹							
Airport	15	16	17	17	17	17	18
Engineering	230	219	221	231	233	226	230
Fire Rescue & Emergency Services	101	101	107	109	116	116	120
Fire Rescue Services (Auxiliary) ¹	13	13	15	12	14	14	14
Parks, Recreation & Culture	93	106	110	109	116	117	120
Innovation, Strategy & Intergovernmental Relations		37	40	32	54	62	64
Police (civilians)	92	76	78	79	81	81	85
Police (uniformed)	212	215	219	221	225	227	227
City Manager's Office	23	3	2	2	2	2	2
Finance & Procurement	89	74	77	88	73	39	39
Legal & Legislative Services ³						35	35
Planning & Development Services ²	60	61	65	59	59	63	65
	928	921	952	959	989	998	1,019

Notes:

⁹Includes both full-time and part-time, excludes one-year temporary positions

¹Auxiliary converted to FTE positions

²Planning & Development includes Building Inspections

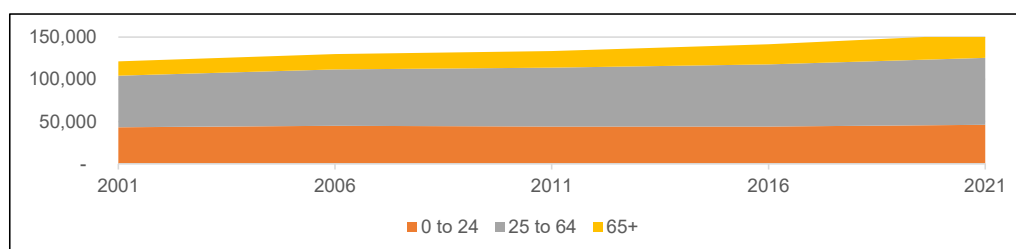
³In 2021 the Legal & Legislative Services team was reorganized into a separate division from Finance & Procurement.

DEMOGRAPHICS

Population by Age Group

Source: Statistics Canada Census age distribution

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



Population Growth

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

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

Abbotsford Annual Population Estimates (in thousands)

Source: BC Stats Population Estimates

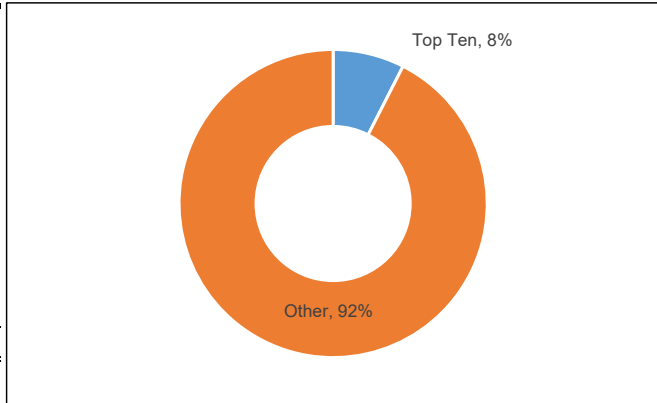
2016	2017	2018	2019	2020	2021	2022
148	152	156	160	162	165	168

DEMOGRAPHICS

Top 10 Principal Corporate Taxpayers

(in thousands)

Industry	Contribution
Utility	\$ 2,912
Utility	1,628
Retail	1,301
Retail	1,300
Commercial	1,251
Utility	1,179
Utility	975
Utility	924
Commercial	686
Retail	626
Total Top Ten	\$ 12,780
Total Abbotsford General Tax	\$ 170,379



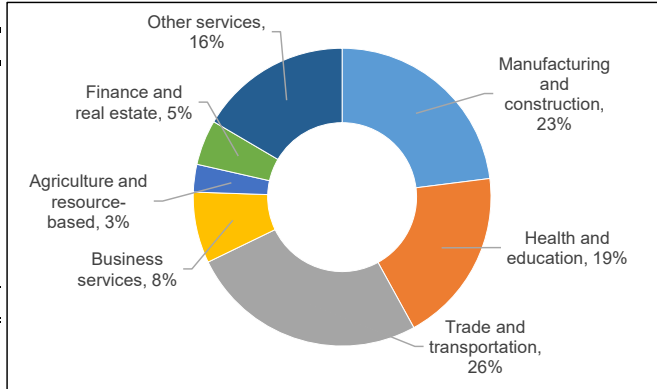
Employment by Industry - Abbotsford/Mission

(actuals #'s)

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

Prepared by: Statistics Canada

Industry	Employed
Manufacturing and construction	25,300
Health and education	20,900
Trade and transportation	28,400
Business services	8,500
Agriculture and resource-based	3,300
Finance and real estate	5,400
Other services	18,200
Total	110,000



Unemployment Rate - Abbotsford/Mission

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

Prepared by: Statistics Canada

Year	2016	2017	2018	2019	2020	2021	2022
Unemployment Rate	6.0%	4.7%	4.5%	5.2%	7.3%	6.7%	4.9%

FINANCIAL STATISTICS

PERMISSIVE TAX EXEMPTIONS

	2022	2021
Abbotsford Airport Revitalization	\$ 6,161	\$ 8,780
Athletic or Service Club/Associations	308,066	310,149
Charitable Organizations	539,949	573,289
Downtown Abbotsford Revitalization	30,401	23,329
Local Authorities	215,073	287,198
Independent Schools	5,491	4,255
Religious Organizations	843,223	906,428
	\$ 1,948,364	\$ 2,113,428

PERMISSIVE TAX EXEMPTIONS

Folio	Name	Civic Address	2022 Exemption \$
ABBOTSFORD AIRPORT REVITALIZATION			
9700007610	Corp Air Ltd.	30460 Liberator Ave	4,136
9700007620	Godspeed Aviation Inc.	30490 Liberator Ave	2,025
			6,161
ATHLETIC OR SERVICE CLUB/ASSOCIATIONS			
9500013980	861 Silverfox Sponsoring Committee	32470 Haida Dr	9,039
6233053231	Abbotsford Curling Club	2555 McMillan Rd	26,322
9332020911	Abbotsford Fish & Game Club	4161 Lakemount Rd	5,795
3156041609	Abbotsford Horseshoe Club	2308 Adanac St	7,885
5165048000	Abbotsford Judo Club	31410 Maclure Rd	6,924
6223029707	Abbotsford Seniors' Association	33889 Essendene Ave	7,620
6223031501	Abbotsford Social Activity Association	2631 Cyril St	7,536
9500005906	Bradner Community Club	28780 Myrtle Ave	3,642
9500006108	Bradner Community Club	5305 Bradner Rd	4,996
9500006303	Bradner Community Club	5227 Bradner Rd	9,063
7207062000	Clayburn Village Community Society	4315 Wright St	5,729
9500006819	Clayburn Village Community Society	4304 Wright St	2,997
9500015109	Clayburn Village Community Society	34819 Clayburn Rd	7,251
1013055810	Elks Recreation Children's Camp Society	27863 0 Ave	8,140
9500013100	Fraser Valley Antique Farm Machinery Association	32470 Haida Dr	806
7187058120	Fraser Valley Conservancy	33350 Industrial Ave	77,892
7180040510	Fraser Valley Conservancy	35790 McKee Rd	1,153
1052028820	Fraser Valley Conservancy	South Fraser Way	126
9500007307	Girl Guides of Canada	5315 Willet Rd	12,411
3156028220	Jubilee Lawn Bowling Club	33015 Bevan Ave	4,270
7180060060	Ledgeview Golf & Country Club	35997 McKee Rd	45,715
9500004501	Matsqui Prairie Community Association	5783 Wallace St	3,505
9500006901	Matsqui Prairie Community Association	33676 St Olaf Ave	3,539
9500007009	Mount Lehman Community Association	6418 Mt Lehman Rd	4,193
9500006601	Mount Lehman Community Association	6418 Mt Lehman Rd	8,567
9500004707	Ridgedale Rod & Gun Club	35606 Harris Rd	8,453
8213060000	Ridgedale Rod & Gun Club	35655 Harris Rd	5,550
0002422050	Scouts Properties (BC/Yukon)	36760 Foxglove Lane	5,161
9324004207	Straiton Community Club	4698 Sumas Mountain Rd	4,354
9500013970	Twisters Gymnastics Club	32470 Haida Dr	9,434
			308,066
CHARITABLE ORGANIZATIONS			
6223051608	Abbotsford Alano Club	2584 Cyril St	5,767
6154002221	Abbotsford Bibles for Mission Society	2337 West Railway St	18,021
9500016250	Abbotsford Ravine Park Salmon Enhancement Society	2395 Crescent Way	1,756
5163034310	Archway Community Services	31943 South Fraser Way	33,218
6223051402	Archway Community Services	33914 Essendene Ave	7,875
6223057301	Archway Community Services	2420 Montrose Ave	47,815
6223063811	Archway Community Services	2539 Montvue Ave	7,608
6223074321	Archway Community Services	33780 Laurel St	17,877
7186073200	Society of Bethel Reformed Church of Abbotsford	3260 Gladwin Rd	3,117
7189086100	Bethesda Christian Association	3215 Trethewey St	769
1053073330	Bethesda Christian Foundation Society	31126 Kingfisher Dr	2,927
5166055101	Bethesda Christian Foundation Society	32553 Willingdon Cres	2,633
7191076160	Bethesda Christian Foundation Society	32704 Chilcotin Dr	3,585
6223075801	Big Brothers Big Sisters of the Fraser Valley	2445 West Railway St	8,330
6151045811	Canadian Red Cross Society	34220 South Fraser Way, Units #1 and #2	6,760
6172066006	Communitas Supportive Care Society	2837 Babich St	3,899
6223019105	Creative Centre Society for Mental Wellness	2676 Gladys Ave	6,299
6171068100	Fraser Valley Child Development Centre	32885 Ventura Ave	29,161

FINANCIAL STATISTICS

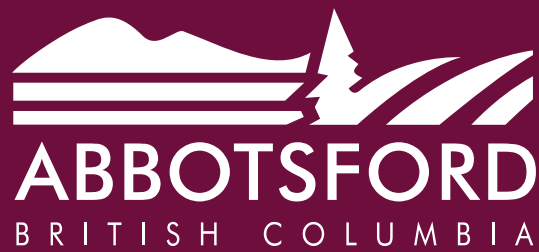
Folio	Name	Civic Address	2022 Exemption \$
6171076508	Fraser Valley Child Development Centre	32868 Ventura Ave	13,262
6151005806	Governing Council of the Salvation Army in Canada	34081 Gladys Ave	44,926
6171015410	H.O.M.E.S: Healthy Opportunities for Meaningful Experiences Society	33140 Mill Lake Rd	19,576
5168002710	John Howard Society Pacific Region	32160 Tims Ave	2,537
6223077002	John Howard Society Pacific Region	2411 West Railway St	1,750
1022067100	Kinghaven Peardonville House Society	825 Peardonville Rd	10,785
4158048801	L.I.F.E. Recovery Association	32122 Melmar Ave	2,461
5163006605	L.I.F.E. Recovery Association	2693 Braeside St	2,675
6170092910	Lynnhaven Society	33585 Braun Ave	11,114
6170092920	Lynnhaven Society	33580 Braun Ave	11,114
4159012020	MAC Campus of Care Abbotsford	32772 Marshall Rd	17,520
2101018706	Matsqui Unit #315 Army Navy and Air Force Veterans in Canada	30346 McNeil Ave	2,878
5163080810	Mennonite Central Committee BC	31872 South Fraser Way	21,849
6223044400	Mennonite Central Committee BC	33933 Gladys Ave	90,573
4159092810	Mennonite Museum Society	1818 Clearbrook Rd	21,106
4159095604	Mennonite Museum Society	1834 Clearbrook Rd	292
9500009920	MSA Society for Community Living	2391 Crescent Way	7,775
6170059606	Northview Community Church (Cyrus Centre)	2616 Ware St	6,265
6171074202	Phoenix Drug & Alcohol Recovery and Education Society	32883 South Fraser Way, Units #108 and #108A	10,717
6223068811	Royal Canadian Legion Branch No.015	2513 West Railway St	4,881
5166071700	SARA For Women Society	2474 Sugarpine St	2,828
6171070810	Supportive Care Holdings Society	104-2776 Bourquin Cres W	3,776
6171070820	Supportive Care Holdings Society	105-2776 Bourquin Cres W	3,216
6171070830	Supportive Care Holdings Society	103-2776 Bourquin Cres W	7,928
6171070840	Supportive Care Holdings Society	102-2776 Bourquin Cres W	3,556
6171070860	Supportive Care Holdings Society	208-2776 Bourquin Cres W	1,122
6171070870	Supportive Care Holdings Society	207-2776 Bourquin Cres W	1,422
6171070880	Supportive Care Holdings Society	206-2776 Bourquin Cres W	1,330
6171070890	Supportive Care Holdings Society	205-2776 Bourquin Cres W	1,442
6171070910	Supportive Care Holdings Society	203-2776 Bourquin Cres W	1,855
			539,949
DOWNTOWN ABBOTSFORD REVITALIZATION			
6223062810	Abbotsford Downtown Real Estate Collective	33780 Essendene Ave	1,125
6223059610	Algra Bros Developments (Downtown) Ltd	33721 South Fraser Way	86
6223076311	Aprario Development Inc.	33827 South Fraser Way	3,047
6223076001	Aprario Development Inc.	2455 West Railway St	1,634
6223076101	Aprario Development Inc.	33821 South Fraser Way	2,079
6223062503	Fig Properties Ltd.	33760 Essendene Ave	2,738
6223059910	Flatiron 2539 Montrose Inc	2539 Montrose Ave	2,910
6223030410	Gladys Investments Ltd.	101-2630 Gladys Ave	760
6223030420	Gladys Investments Ltd.	201-2630 Gladys Ave	925
6223030430	Gladys Investments Ltd.	202-2630 Gladys Ave	581
6223072020	Gill Professional Management Inc.	102-2483 Montrose Ave	5,864
6223072030	Gill Professional Management Inc.	103-2483 Montrose Ave	2,337
6223072040	Gill Professional Management Inc.	104-2483 Montrose Ave	2,337
6223072050	Gill Professional Management Inc.	105-2483 Montrose Ave	3,978
			30,401
LOCAL AUTHORITIES			
5168017100	Reach Cultural Centre Society	32388 Veterans Way	116,286
9700002430	Tourism Abbotsford Society (Tradex)	1190 Cornell St	98,788
			215,073
INDEPENDENT SCHOOLS			
7194047210	Mennonite Educational Institute Society	31638 Downes Rd	5,491
			5,491
RELIGIOUS ORGANIZATIONS			
6154037701	Abbotsford Baptist Church	33651 Busby Rd	6,070

PERMISSIVE TAX EXEMPTIONS

Folio	Name	Civic Address	2022 Exemption \$
9500003405	Abbotsford City Fellowship Society	2413 McCallum Rd	2,868
6223021011	Abbotsford Gospel Society	33868 Pine St	22,928
6232067605	Abbotsford Gospel Society	2480 McMillan Rd	3,822
9500003300	Abbotsford Korean Presbyterian Church	2597 Bourquin Cr E	6,758
9500002770	Abbotsford Pentecostal Assembly	3095 Gladwin Rd	39,845
9500000106	Abbotsford Slavic Gospel Church	29394 Huntingdon Rd	6,400
1044021007	Aberdeen Baptist Church	28163 Swensson Ave	9,720
4162052207	BC Conference of Mennonite Brethren Churches	2311 Clearbrook Rd	3,949
4162052402	BC Conference of Mennonite Brethren Churches	31980 Oak Ave	3,261
4162052608	BC Conference of Mennonite Brethren Churches	31966 Oak Ave	3,261
4162066504	BC Conference of Mennonite Brethren Churches	2245 Clearbrook Rd	3,121
4162066607	BC Conference of Mennonite Brethren Churches	2231 Clearbrook Rd	3,284
4162066610	BC Conference of Mennonite Brethren Churches	2228 Holly St	4,550
4162067302	BC Conference of Mennonite Brethren Churches	2244 Holly St	4,550
7175063600	BC Conference of Mennonite Brethren Churches	3130 McMillan Rd	8,110
9032003604	BC Conference of Mennonite Brethren Churches	310 Arnold Rd	5,364
9500000410	BC Conference of Mennonite Brethren Churches	3160 Ross Rd	5,156
9500001310	BC Conference of Mennonite Brethren Churches	32424 Huntingdon Rd	7,088
9500002607	BC Conference of Mennonite Brethren Churches	2285 Clearbrook Rd	13,475
9500002701	BC Conference of Mennonite Brethren Churches	2719 Clearbrook Rd	17,030
6153026308	BC Muslim Association	1980 Salton Rd	3,619
1051085901	Catholic Independent Schools of Vancouver Archdiocese (St. James Parish)	2767 Townline Rd	48,422
3155040220	Central Heights Church	1661 McCallum Rd	27,071
9500003508	Central Valley Baptist Church of Clearbrook	33393 Old Yale Rd	3,184
1055034110	Christian & Missionary Alliance (Canadian Pacific District)	3440 Mt Lehman Rd	24,697
5166040650	Christian & Missionary Alliance (Canadian Pacific District)	2575 Gladwin Rd	25,153
7211072700	Christian Life Community Church	35131 Straiton Rd	5,405
9500000710	Church of God in Christ (Mennonite)	29623 Downes Rd	8,155
1055048406	Church of Jesus Christ of Latter-day Saints in Canada	30635 Blueridge Rd	28,804
6141000321	Church of the Nazarene (Canada Pacific District)	2390 McMillan Rd	10,363
9500004100	Community Baptist Bible Church of Fraser Valley	5525 Gladwin Rd	5,839
4161068900	Conference of United Mennonite Churches of BC	2051 Windsor St	10,132
9500003004	Conference of United Mennonite Churches of BC	32027 Peardonville Rd	6,341
9133040611	Congregation of the Prairie Chapel	1929 Interprovincial Hwy	3,492
1055008680	Emmanuel Free Reformed Church	3366 Mt Lehman Rd	6,581
9500000908	Fraser Valley Buddhist Temple	28941 Haverman Rd	3,460
3148009204	Fraser Valley Hindu Cultural Society	31545 Walmsley Ave	5,912
9500009100	Gateway Community Christian Reformed Church	2884 Gladys Ave	8,865
7186060010	Gladwin Heights United Church	3474 Gladwin Rd	4,736
6142039207	Grace Communities Corp	35190 Delair Rd	24,217
6144048901	Grace Evangelical Bible Church Society	2087 McMillan Rd	14,795
9500001408	Grace Tabernacle	721 Gladwin Rd	5,939
5163046830	Gurdwara Baba Banda Singh Bahadar Sikh Society	31631 South Fraser Way	35,416
9500022001	Immanuel Covenant Reformed Church	35063 Page Rd	5,568
1053052820	Immanuel Fellowship Baptist Church	2950 Blue Jay St	10,231
1055026410	Kalgidhar Darbar Sahib Society Inc	30640 Blueridge Dr	31,332
6171021908	Khalsa Diwan Society of Abbotsford	33091 Mill Lake Rd	2,104
6171050601	Khalsa Diwan Society of Abbotsford	33117 Mill Lake Rd	3,062
6171050702	Khalsa Diwan Society of Abbotsford	33094 South Fraser Way	32,766
6171061001	Khalsa Diwan Society of Abbotsford	33089 South Fraser Way	13,285
6154003000	Life Spring Church Abbotsford	2393 West Railway St	4,360
7182099706	Living Hope Christian Reformed Church	34631 Old Clayburn Rd	8,286
7190043010	Maranatha Baptist Church	3580 Clearbrook Rd	9,956
9500004306	Matsqui Evangelical Lutheran Church	5781 Riverside St	896
7192056090	Mennonite Church BC	3471 Clearbrook Rd	15,469
3154096510	Mill Lake Church	33218 Marshall Rd	10,819
6142053611	New Life Christian Reformed Church	35270 Delair Rd	7,472

FINANCIAL STATISTICS

Folio	Name	Civic Address	2022 Exemption \$
6154039104	New Life Pentecostal Church	33668 McDougall Ave	3,121
7191035510	Northview Community Church	32040 Downes Rd	6,509
5167065910	Olivet Church Abbotsford	2630 Langdon St	11,878
6144048401	Parish of St. Matthew Abbotsford	2010 Guilford Dr	9,698
9500002210	Peace Evan Lutheran Church	2029 Ware St	4,881
3157024401	Roman Catholic Archbishop of Vancouver - St. Ann's Parish	33333 Mayfair Ave	28,071
6143033201	Seventh-Day Adventist Church BC Conference	1921 Griffiths Rd	7,504
7186073200	Society of Bethel Reformed Church of Abbotsford	3260 Gladwin Rd	11,480
6032038611	Solid Rock Christian Fellowship World Outreach Society	34371 4th Ave	10,046
7189086100	Trinity Christian Reformed Church	3215 Trethewey St	10,851
7191075030	Trinity Lutheran Church	3845 Gladwin Rd	10,919
9500001007	Trustees of Bradner Congregation of Presbyterian Church in Canada	5275 Bradner Rd	2,809
7186022509	Trustees of Congregation of Calvin Presbyterian Church of Abbotsford	33911 Hazelwood Ave	7,432
9500002905	Trustees of Congregation of Abbotsford Gospel Hall	2464 Parkview St	4,103
6150015002	Trustees of Congregation of Canadian Reformed Church	33947 King Rd	5,776
3150082800	Trustees of Congregation of King Road Mennonite Brethren Church	32068 King Rd	9,128
9500001512	Trustees of Congregation of Level Ground Mennonite Church	31216 King Rd	9,037
6150009101	Trustees of McCallum Congregation of Jehovah	1672 Salton Rd	5,735
9500001202	Trustees of Mt Lehman Congregation of United Church	6256 Mt Lehman Rd	4,596
1053041030	Trustees of Mt. Lehman Congregation of Jehovah's Witnesses	31165 Gardner Ave	8,698
6223011003	Trustees of Trinity Memorial Congregation of United Church	33737 George Ferguson Way	3,501
6142034507	Zion Christian Reformed Church Abbotsford	35199 Delair Rd	10,634
			843,223
Total Permissive and Revitalization Tax Exemptions			\$ 1,948,364



CITY OF ABBOTSFORD

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