

Annual Report

For the year ending December 31, 2017

2017

A Growing Community



Coquitlam

On the cover: Coquitlam is one of the fastest-growing cities in British Columbia, home to more than 150,000 people.

Almost a quarter of those people live in the City Centre area — Coquitlam's downtown made up of retail, office, industrial, cultural, recreational and educational services.

Learn more about the history of this area, as well as future plans, at coquitlam.ca/ccap.

Annual Report

For the year ending December 31, 2017

2017

Auditors:

KPMG LLP

Bank:

ScotiaBank

Prepared by:

The Finance & Technology
Department, with support
from the Corporate
Planning and Corporate
Communications divisions,
as well as management
and staff of the City of
Coquitlam

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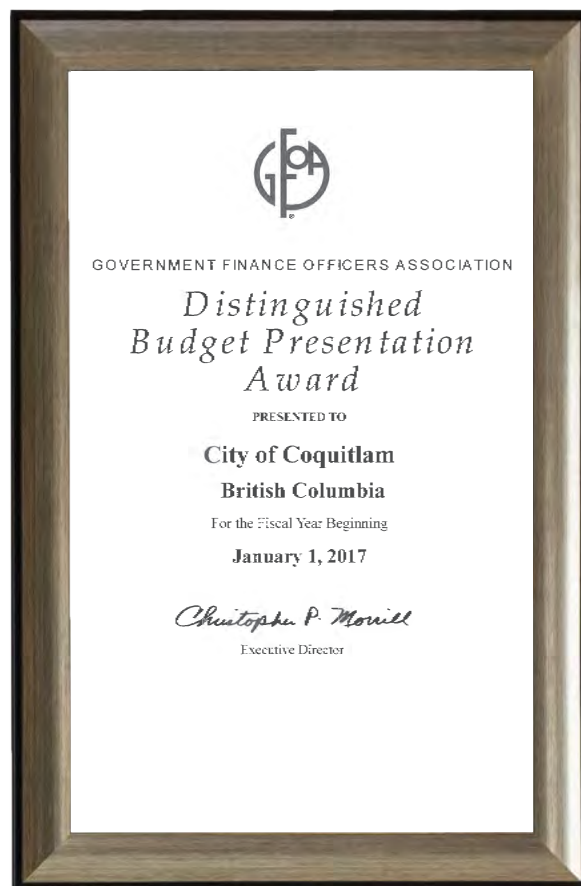
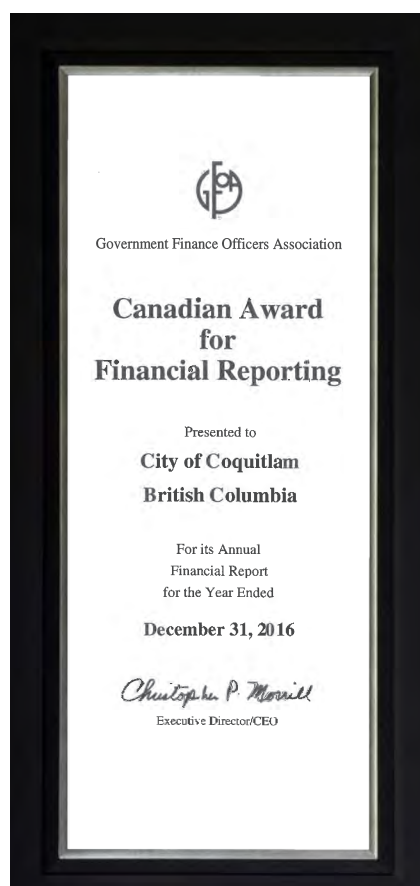
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Awards & Recognition

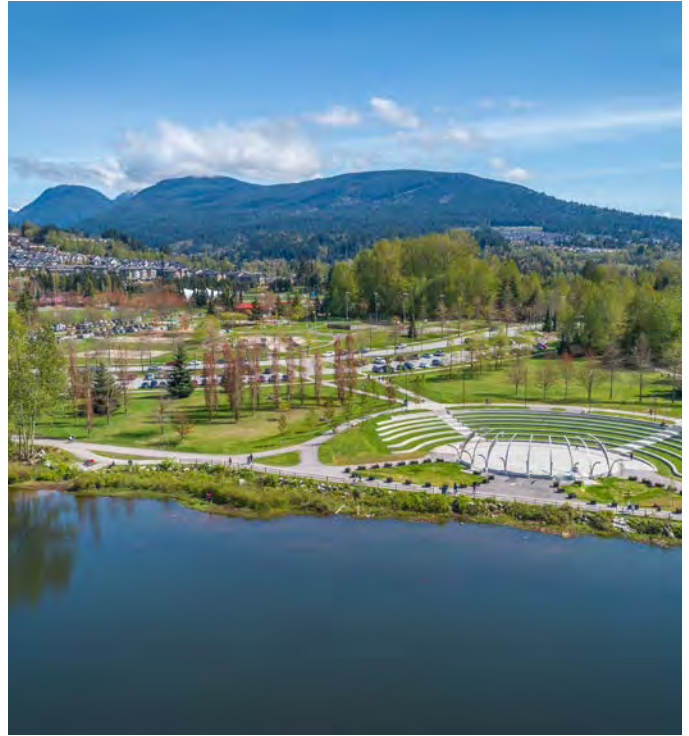


The City of Coquitlam received the Government Finance Officers Association (GFOA) Canadian Award for Financial Reporting (2016), Outstanding Achievement in Popular Annual Financial Reporting Award (2016) and Distinguished Budget Presentation Award (2017).

We believe this current Annual Report continues to conform to the program requirements and we are submitting it to GFOA to determine its eligibility for an award.



Awards & Recognition



Coquitlam received a variety of awards in 2017 including these notable achievements:

Canadian Institute of Planners – Best Public Space in Canada – Town Centre Park

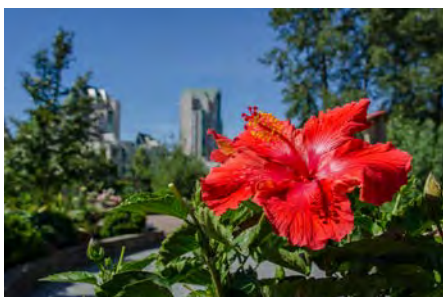
Canadian Association of Municipal Administrators – Professional Development – Leading with Purpose Leadership Program

Communities in Bloom – Five Blooms Silver – International Competition

Planning Institute of B.C. 2017 Awards– Honourable Mention –Housing Affordability Strategy

UBCM Community Excellence Awards – Best Practices, Excellence in Action – Productivity Enhancement Using Web Mapping

UBCM Community Excellence Awards – Partnerships, Honourable Mention – Community Inspired Climate Action Program







Coquitlam at a Glance

HEALTHY, ACTIVE & INVOLVED

An active and vibrant community, Coquitlam is attracting new residents and businesses that appreciate its quality of life, central location in Metro Vancouver and countless opportunities for recreational, cultural and outdoor pursuits. We're the sixth largest – and one of the fastest-growing – cities in B.C., home to over 150,000 people who rank among the highest in the province in terms of overall health and educational levels.

150,000 people call Coquitlam home

+6,700 licensed businesses operate in our community

98% of residents rate the quality of life as "good" or "very good"

1 in 4: over the age of 18 either work or go to school in Coquitlam

40.2 average age of Coquitlam residents (younger than the B.C. average)

44% of Coquitlam residents were born outside of Canada (top three countries: China, South Korea, Iran)

70% of residents over the age of 25 hold a post-secondary degree, diploma or certificate

1: rank of the Coquitlam school district in the Fraser Health Authority in terms of high school completion rates

51,325: total number of private households

72% of residents own their home

\$925,800: average MLS selling price for a Coquitlam home (including apartments) at Dec. 31, 2017

\$93,837: average household income

\$74,383: median household income

Coquitlam City Council



Mayor
Richard Stewart



Councillor
Brent Asmundson



Councillor
Craig Hodge



Councillor
Dennis Marsden



Councillor
Terry O'Neill



Councillor
Mae Reid



Councillor
Teri Towner



Councillor
Chris Wilson

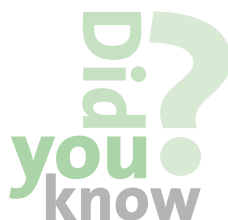


Councillor
Bonita Zarrillo

Coquitlam City Council includes the Mayor and eight Councillors who are elected for a four-year term. Members of the current City Council were elected in November 2014 and took office on December 1, 2014.

City Council is responsible for local government leadership and decision-making — responsibilities that include establishing and implementing the priorities of the City of Coquitlam and for overseeing the overall administration of civic business.

The Mayor and Councillors also serve on many committees, boards and advisory groups on which they provide strategic input and direction on City initiatives, set budget priorities, and advise on regional issues.



29

In-Committee
Meetings

29

Regular Council
Meetings

12

Public
Hearings

8

Advisory Committees
held 35 Meetings

Message from the Mayor



Coquitlam is one of the fastest-growing municipalities in British Columbia, a fact reflected by the theme of our 2017 Annual Report: *A Growing Community*. Our growth is not surprising. We are a diverse, progressive and well-connected city with room to grow, and where – according to the annual Citizen Satisfaction Survey – most residents say they have a good quality of life, are satisfied with City services, and feel safer than in past years.

More growth is coming. Metro Vancouver's Regional Growth Strategy estimates that one million more people will live in the region by 2040, and Coquitlam will need to accommodate its share.

Our citizens can feel confident that we are up for the challenge. Coquitlam has experienced rapid growth for many years, and has developed sophisticated financial, community-planning and decision-making processes to deliver the increasingly complex services required to serve our new and established areas. This solid foundation is enhanced by an ongoing dedication to innovation and improvement.

Amid this exciting environment, we continued to deliver tangible benefits in 2017.

Housing Affordability: We want to be a city where people of all ages and incomes can live. Our Housing Affordability Strategy has resulted in thousands of new rental units being planned or built within the last two years, and earned an honourable mention in the 2017 Planning Institute of British Columbia Awards.

Transportation: We started planning the extensive upgrades coming to Pipeline Road in 2019. Other projects included education and infrastructure to help students walk or bike safely to school, and improved parking and wayfinding

(including signs, maps and kiosks) along the SkyTrain corridor. This is in addition to our ongoing investment in road rehabilitation and expansion, sidewalks and bicycle routes.

Public Safety: This was our highest spending priority of 2017 and included continued support for an increased RCMP presence at local hot spots, and additional Fire/Rescue life safety equipment. More good news: crime statistics showed a decrease in areas such as break and enter, auto theft and collisions.

Parks and Green Spaces: We opened Victoria, Princeton and Rochester parks, started construction of Burke Mountain Pioneer Park, and planned for Cottonwood and Riley parks. We also completed a new master plan for Town Centre Park, which was named 2017's Greatest Public Space in Canada by the Canadian Institute of Planners.

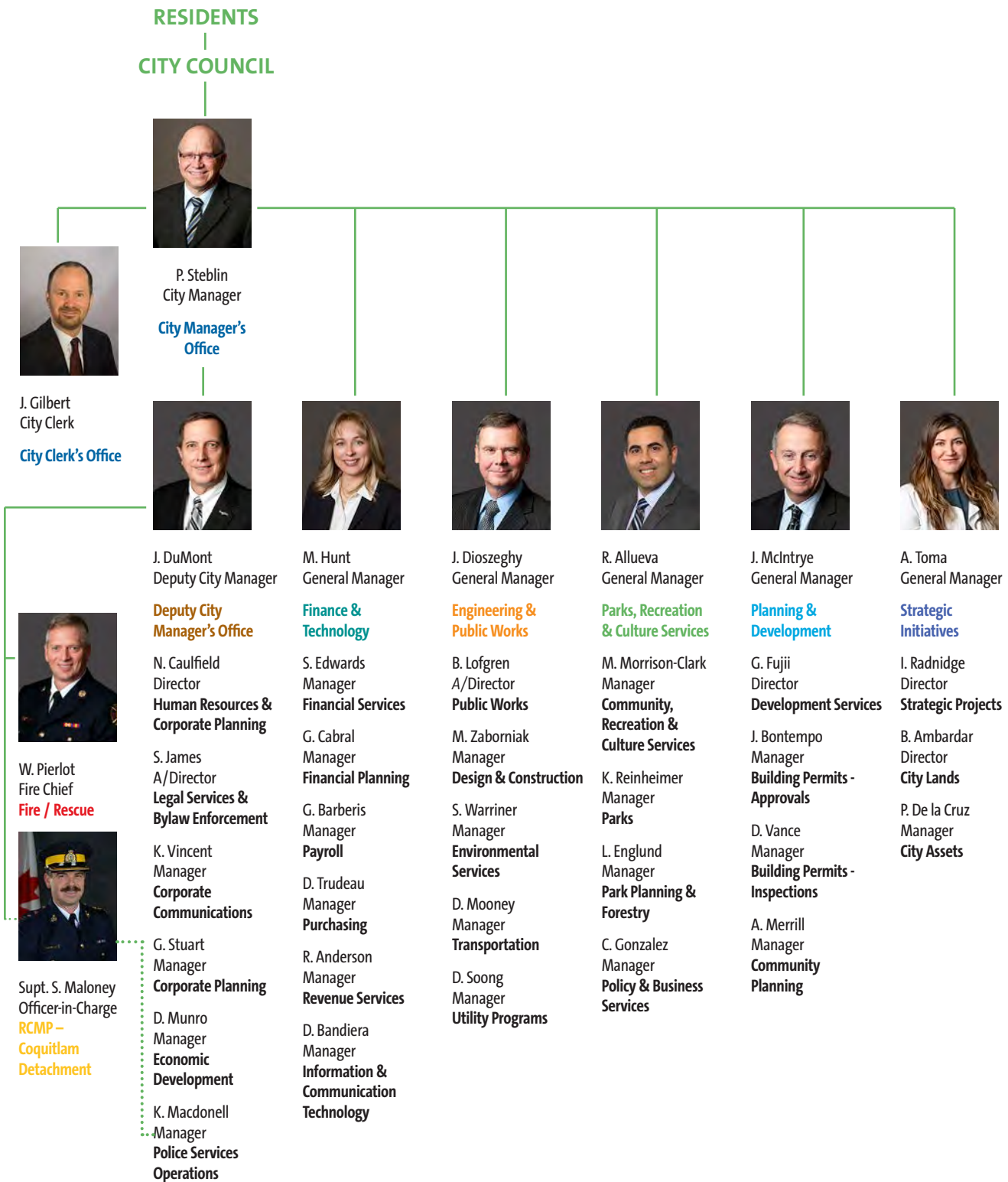
Events and Celebrations: Coquitlam again hosted many amazing events in 2017, including Coquitlam Celebrates Canada Day, year two of the Kaleidoscope Arts Festival, and the first Summer Concert Series.

Read more about these and other achievements throughout this report – evidence of your City's ability to meet the needs of a growing community and harness emerging opportunities while protecting taxpayers with sound planning and financial sustainability.

Richard Stewart
Mayor

Organizational Structure

As of December 31, 2017



City Departments

City Manager's Office

As Council's primary staff liaison, the City Manager provides advice to Council and implements Council's decisions. He also oversees the broad requirements of the organization to ensure efficient services and effective governance.

The City Manager also oversees all departments including the City Clerk's Office, which is responsible for Council meetings, public hearings, elections, corporate records and the City Archives.

Deputy City Manager's Office

The Deputy City Manager is responsible for strategic and business planning and provides support to all other City departments to ensure alignment of City operations with the organization's strategic and business priorities.

The Deputy City Manager also directly oversees a number of City divisions, including Corporate Communications, Economic Development including Tourism, Fire/Rescue Services, Human Resources & Corporate Planning, Legal & Bylaw Services, and administrative support to the Mayor's Office.

This position is also the City's primary liaison to the local RCMP detachment. In addition, the Deputy City Manager is the Emergency Operations Centre Director and is responsible for managing the City's emergency response.

Fire/Rescue

Coquitlam Fire/Rescue provides fire suppression, first responder services, specialized technical rescue, hazmat and wildfire response and fire prevention education to the community including fire and life-safety related building inspections in compliance with the BC Fire Code and the enforcement of City fire and life safety regulations.

In addition, the department also includes the City's Emergency Management Program to help support community emergency preparedness.

Policing (RCMP – Coquitlam Detachment)

The sworn officers and municipal staff that make up the Coquitlam RCMP team provide 24/7 response to calls and investigations, as well as a wide range of crime prevention programs, and community outreach and education initiatives.

Finance & Technology

The Finance & Technology Department supports the long-term financial sustainability of the City and provides systems support through information and communications technology. Finance & Technology provides long-term financial planning, develops the City's annual budget, calculates and collects property taxes and utilities payments, manages the City's investment portfolio, manages corporate purchasing, and conducts all statutory financial reporting. This department also supports all of the City's integrated software applications, data and telecommunications requirements, as well as QNet, a municipal corporation.

Engineering & Public Works

The Engineering & Public Works Department is responsible for the City's infrastructure services, including transportation, water distribution, flood control, storm water management and sewage collection. This department oversees transportation planning and coordinates waste collection and disposal services. Responsibilities also include environmental stewardship, which is supported through public education, outreach and enforcement.

Parks, Recreation & Culture Services

The Parks, Recreation & Culture Services Department operates civic recreational facilities and provides community recreation programs and services, as well as support for cultural events and festivals. This department is also responsible for planning, designing, operating and maintaining parks, sports fields, open green spaces, natural areas, and trails. In addition, Parks, Recreation & Culture Services provides cultural services both directly and through agreements with partner community organizations, including the Coquitlam Public Library, Evergreen Cultural Centre, Place des Arts, Place Maillardville, Coquitlam Heritage Society that operates Mackin House Museum, and others.

Planning & Development

The Planning & Development Department prepares land use strategies, policies and community plans to guide Coquitlam's growth, in consultation with the public and working with City Council. This department is responsible for processing a wide range of development proposals including Official Community Plan amendments, rezoning, subdivision, development permit and building permit applications.

Strategic Initiatives

The Strategic Initiatives Department manages the City's land and real estate holdings as well as oversees large infrastructure construction and improvement projects, including civic facilities and parks. This department is also responsible for civic facilities operations and management.



“Coquitlam is an appreciative community – our residents place a high value on the services they receive from their municipal government. This positivity inspires staff to work passionately towards service excellence to deliver award-winning municipal services.”

— Peter Steblin, City Manager



Integrated Planning Framework

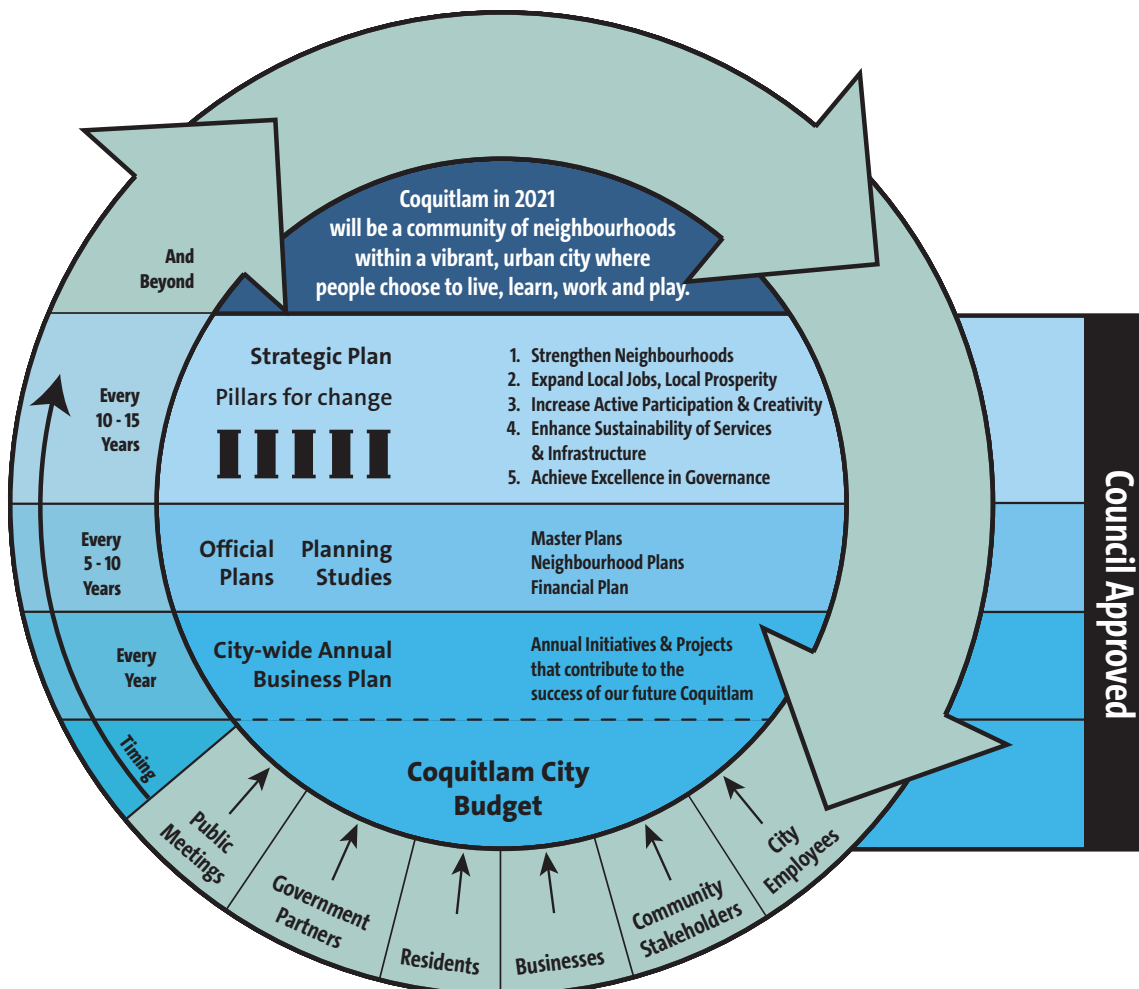
Integrated planning is the foundation of everything we do. It is a way of ensuring that our actions and initiatives are contributing to our big-picture vision of Coquitlam as a vibrant urban city where people choose to live, learn, work and play.

Coquitlam's integrated planning framework comprises of three separate but complementary planning processes. These processes result in a set of integrated plans that support the overall vision and mission of the City, and they enable us to align activities and resources to achieve the strategic goals and annual business plan priorities set by Council.

The *Strategic Plan* is the highest-level statement of the City's aspirations for the future. It is developed with a long timeframe in mind and is updated every four years following the municipal election. The *Strategic Plan* articulates Coquitlam's vision, mission, values and broad strategic goals. We monitor our progress on the plan through an annual review of key performance measures.

The *Business Plan* translates high-level strategic goals into priorities for action. These priorities—and their associated work items—are established annually by Council. We monitor our progress on the business plan through reports to Council every four months and through annual reviews of operational performance measures.

Finally, our *Financial Plan* outlines the financial resources we need to support the *Strategic Plan* and *Business Plan*. Updated annually, the *Financial Plan* is a five-year plan that includes a budget for revenues, expenditures and capital projects.



Strategic Planning

Coquitlam’s 2016 – 2019 Strategic Plan is goal-oriented and includes the City’s vision, mission, values, strategic goals and directions, and anticipated outcomes and results. This plan forms the foundation for all other long-range planning for the City, including the Official Community Plan, Business Plan, Financial Plan, and other targeted plans related to transportation, land use and parks and recreation planning. The Strategic Plan includes the following components:

Vision

Coquitlam in 2021 will be a community of neighbourhoods within a vibrant city where people choose to live, learn, work and play.

Mission

To sustain Coquitlam’s high quality of life for current and future generations, we serve the public interest through leadership, innovation and a focus on community priorities and strengths.

Values

Organizational values form the foundation for the City’s decision-making framework and relationships with its stakeholders, employees, citizens and customers. By living its values, the City of Coquitlam will be an organization recognized for its excellence in City governance and employee, citizen and customer engagement.

Coquitlam has **four key values** to help achieve this goal:

- 1. Treat People Fairly
- 2. Build Organizational and Community Capacity
- 3. Inform, Involve and Inspire
- 4. Innovate to Sustain Community Quality-of-Life

Strategic Goals

Coquitlam has identified **five strategic goals** to support its vision:

- 1. Strengthen Neighbourhoods
- 2. Expand Local Jobs, Local Prosperity
- 3. Increase Active Participation and Creativity
- 4. Enhance Sustainability of City Services and Infrastructure
- 5. Achieve Excellence in City Governance

Strategic Planning Review Process

In 2006, Coquitlam’s City Council developed a Strategic Plan that included a 15-year vision, mission, values and goals for the entire organization based upon input from the community, employees and other stakeholders. In late 2015 through to early 2016, the Plan was reviewed and updated to ensure it continues to align with Council’s vision and priorities.

Monitoring Success and Performance by Strategic Goal

How did we do in 2017? In the following pages, we review our five strategic goals, looking at what we set out to accomplish and what we actually achieved. We also include key performance indicators that provide data to help us identify where we are on track and where we need to focus our efforts.





STRATEGIC GOAL 1:

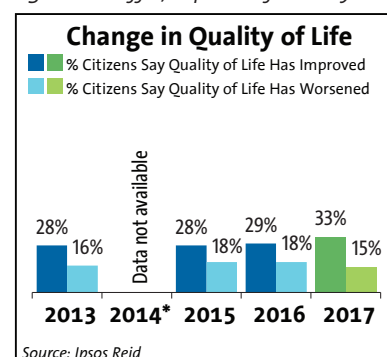
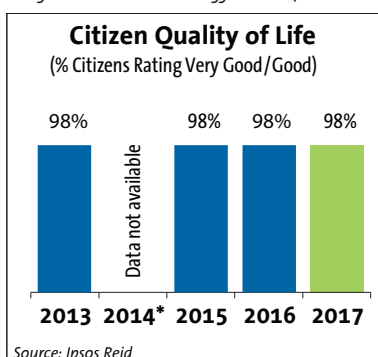
Strengthen Neighbourhoods

Strategic Outcome: A community of clean, safe, green and inclusive neighbourhoods that are connected to a convenient and affordable transportation network and vibrant commercial centres where residents can pursue education,

recreation, sport and cultural interests that enhance their social well-being and strengthen their connection to each other and the community. Neighbourhoods that celebrate their uniqueness, history, heritage and character.

Key Performance Indicators	2013	2014	2015	2016	2017
Crime Rate (crimes per 1,000 people) ¹	57	57	61	58	N/A ²
Police Calls for Service	38,029	37,419	44,308	43,429	41,816
Injuries/Fatalities from Collisions	257	346	339	297	178
Fire Incident Responses	6,088	6,128	6,932	7,329	7,237
Bylaw Enforcement Notices	14,489	15,384	17,070	20,689	19,422
Housing (new units added)					
Apartments	698	679	1,029	406	1,416
Townhouses	233	214	99	44	148
Single Family	206	235	269	312	248
Other ³	199	236	221	285	245
Total	1,320	1,364	1,618	1,047	2,057
Tri-Cities Rental Vacancy Rate (apartments)	3.2%	1.6%	1.2%	1.7%	1.4%
Supportive and Subsidized Housing Units	2,762	2,661	2,793	2,717	2,657

- ¹ The crime rate is calculated by the Ministry of Public Safety and Solicitor General. Data is from the 2016 Police Resources Report, issued in December 2017. The crime rate is the number of Criminal Code offences (excluding drugs and traffic) reported for every 1,000 people.
- ² The 2017 crime rate was not available at the time of publication.
- ³ Includes suites, duplex, triplex and quadruplex.



* Statistics not available as the City did not conduct the Citizen Satisfaction Survey in 2014.

What We Set Out to Achieve / What We Achieved

1. **Develop complete, well connected neighbourhoods.**
 - Completed the Burquitlam-Lougheed Neighbourhood Plan.
 - Established a long-term vision for future development on Northwest Burke Mountain.
2. **Enhance travel within and between neighbourhoods by building high quality transportation facilities and improving the quality of streets as a place for people.**
 - Completed improvements to cycling and walking infrastructure as part of the Middle School Walk/Bike Program.
 - Established new residential parking standards to ensure adequate parking infrastructure is available.
3. **Create a balanced system of facilities, parks and amenities to enhance connectivity and belonging within neighbourhoods.**
 - Completed multiple park construction projects including Rochester Park, Smiling Creek Park, Mackin Park and the Coquitlam Crunch stairs twinning.
 - Made significant progress on planning for Cottonwood Park and Riley Park, as well as the Town Centre Park Master Plan.
4. **Encourage a suitable mix of housing in our neighbourhoods.**
 - Continued to implement the Housing Affordability Strategy; over 700 dedicated rental units and non-market rental units were approved in 2017.
 - Adopted new land use designations as part of the City's Housing Choices Program to facilitate a mix of housing options in Southwest Coquitlam.
5. **Support the continued operations and refinement of the fire/safety, crime prevention and emergency response preparedness programs.**
 - Conducted over 5,000 fire inspections and responded to over 7,000 fire incidents.
 - Improved the RCMP CompStat process, the backbone of the Crime Reduction Strategy.
 - Break and enter and thefts from vehicles decreased for the third straight year, increasing public safety.
6. **Protect and enhance the unique history, heritage and character of our neighbourhoods.**
 - In partnership with, among others, Kwikwetlem First Nation, supported the release of 5,000 sockeye salmon smolts into the Coquitlam River, the first step to restoring the River's historic sockeye population.
7. **Facilitate cultural and recreational experiences that foster interaction, connection, and a sense of belonging to neighbourhoods and communities.**
 - Won Silver in International Communities in Bloom competition by engaging residents, businesses, community organizations and staff.
 - Hosted Coquitlam Celebrates Canada Day, marking the 150th anniversary of Confederation, with record-breaking attendance. It is estimated 80,000 people attended the event, which was supported by 54 volunteers, contributing almost over 300 volunteer hours.
8. **Collaborate with other organizations that support the physical and emotional health of our residents and enhance the overall social well-being of the community.**
 - Partnered with the YMCA to provide the "MEND" program to families who are struggling with achieving healthy weights.
 - Provided after school programs to hundreds of Coquitlam kids in partnership with Moresports and SD43.



2,057

new residential units
added to Coquitlam's
housing stock

7,237

fire incident
responses

5,000+

fire inspections
performed

98%

of residents say they
have a good quality
of life, according
to the 2017 Citizen
Satisfaction Survey



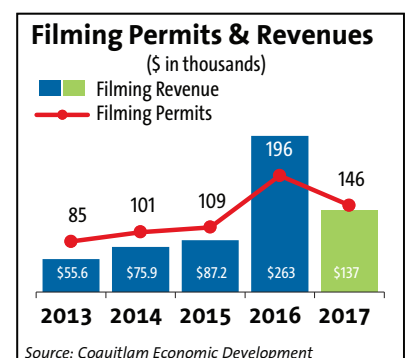
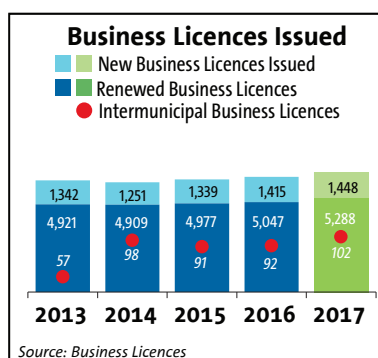
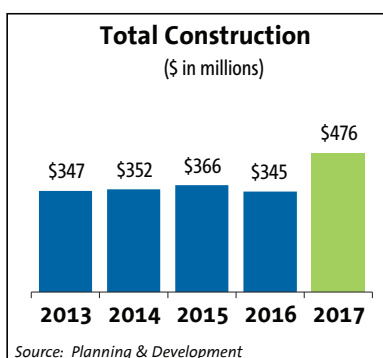
STRATEGIC GOAL 2:

Expand Local Jobs, Local Prosperity

Strategic Outcome: A prosperous, diverse and vibrant local economy.

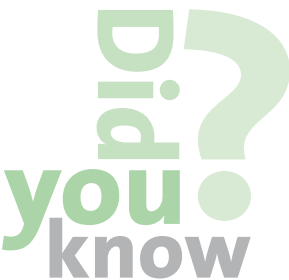
Key Performance Indicators	2013	2014	2015	2016	2017
Housing Starts ¹	1,390	1,598	971	1,625	2,130
Additional Industrial & Commercial m2	9,268	8,461	1,802	22,483	24,254
QNET Fibre Utilization (cumulative metres of fibre)	58,618	62,149	69,337	77,257	79,500
Filming					
Permits	85	101	109	196	146
Revenue (\$,000)	\$55.6	\$75.9	\$87.2	\$263	\$137
Festivals and Events					
Number	66	69	67	114 ²	71
Participants	122,806	125,100	129,130	154,235	165,495

- 1 A 'start' for the Starts and Completions Survey as reported by the Canada Mortgage and Housing Corporation is defined as the beginning of construction work on a building, usually when the concrete has been poured for the footing around the structure.
- 2 Increased number due to Coquitlam 125 anniversary celebration events.



What We Set Out to Achieve / What We Achieved

- 
- Focus on neighbourhood commercial development and revitalization.**
 - Facilitated the addition of 14,244 square metres of new commercial space across the city.
 - Foster local employment opportunities by working with other agencies and groups in promoting a business-friendly climate.**
 - Worked with the Tri-Cities Chamber of Commerce on the 2017 Economic Summit, Small Business Week Business Showcase, CMPNY co-working space project, and the TriCelerate accelerator initiative.
 - Support the retention, expansion and attraction of business to strengthen Coquitlam's economic base.**
 - Held 213 business retention and expansion meetings with local businesses and completed 304 requests for assistance.
 - Held 83 business attraction meetings with various businesses, government agencies and consulates and received 66 business attraction inquiries.
 - Issued 146 film permits, generating \$137,000 in revenue.
 - Support a vital economy by moving people and goods efficiently and capitalize on major transportation infrastructure.**
 - Worked with the Ministry of Transportation and Infrastructure and the City of New Westminster on options to improve the Brunette Interchange.
 - Facilitate vibrancy in sport, culture and recreation to enhance economic growth through partnerships, events, festivals, and business development.**
 - Worked with, and participated in, a variety of events that attracted visitors to Coquitlam such as the BC Highland & Scottish Games, BC Men's Lacrosse Provincials, BC Provincial Track & Field Championships, BC Uncorked Food & Wine Festival, CanWest Games, Coquitlam Craft Beer Festival, Festival du Bois, Hard Rock Casino Ultimate Car Show, Harry Jerome International Track Classic, International Scooter Association North American Qualifier Championships, Pacific Spring Showcase and Spring Classic Hockey Tournaments, and PlayOn Coquitlam.
 - Through a collaborative and holistic approach with citizens and businesses, create an inspiring public realm through public art, and natural and designed spaces, that enhances quality of life and encourages private sector investment.**
 - Held the free Lights at Lafarge Winter Lights Display with an estimated attendance of 223,000 who walked the 1.2-kilometre lakeside trail loop.
 - Sponsored the Coquitlam Public Library's delivery of the Canada 150 Mosaic project, a nation-wide public art project across 150 Canadian communities.
 - Create trade and investment opportunities by building our international relationships and promoting our cultural diversity.**
 - Economic Development met with representatives from Global Affairs Canada, the Ministry of Jobs, Trade and Technology, BC Tech Association, the Canada Korea Business Association and various investment groups.
 - Leverage community assets to drive investment and job creation.**
 - Increased business access to QNET, connecting 11 buildings and adding 1,700 metres of fibre (for a total of 79,500 metres).



24,254 m ²	1,448	165,495	146
of new industrial or commercial space added	new business licences issued	people attended 71 City-sponsored festivals and events	film permits issued, generating over \$137,000 in revenues

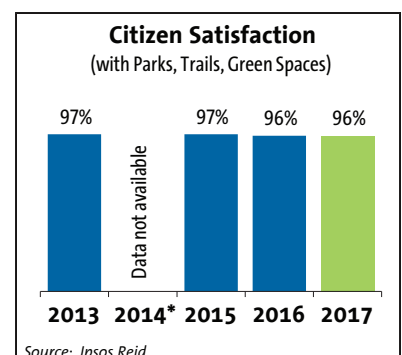
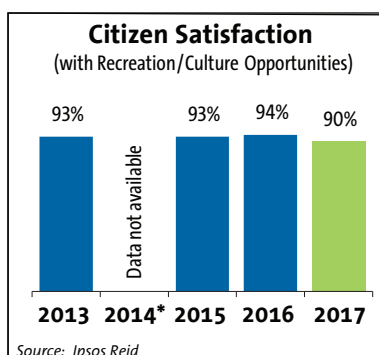


STRATEGIC GOAL 3:

Increase Active Participation & Creativity

Strategic Outcome: A healthy community that includes the physical, spiritual and social wellness of our residents and community.

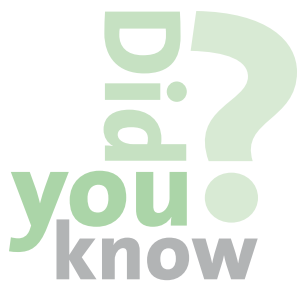
Key Performance Indicators	2013	2014	2015	2016	2017
Paid admissions to all City facilities	931,027	913,332	968,306	986,614	1,057,550
Registration in Low Cost/No Cost Programs	15,444	11,740	14,469	16,169	15,619
Parkland (hectares)	950	954	957	963	979
Evergreen Cultural Centre Patrons	78,000	81,450	79,400	82,500	85,000
Place des Arts Visitors	91,552	91,551	96,085	96,597	103,000
Library Visitors	706,889	764,097	810,000	828,409	853,985



* Statistics not available as the City did not conduct the Citizen Satisfaction Survey in 2014.

What We Set Out to Achieve / What We Achieved

1. Create a balanced offering of programs and services accessible to all ages, abilities, genders, interests, income levels and cultures.
 - Reviewed the City's Get Connected, Get Active financial assistance program for recreation participation and achieved a 5% increase in users of the program.
 - Completed significant work on the development of a Seniors Services Strategy, creating a framework for the future participation of older adults and seniors in recreation, parks and culture.
 - Completed a Tennis and Pickleball Strategy, guiding the delivery of service over the next 20 years to ensure appropriate service levels are maintained.
2. Encourage all citizens to be active through a wide range of recreational activities in our facilities, parks and trails.
 - Registered over 70,000 participants in the City's recreation programs and saw an estimated 240,000 people use the Coquitlam Crunch.
 - Over 3 million people visited City Centre Aquatic Complex and Poirier Sport & Leisure Complex.
 - Saw over 1 million paid admissions to City recreational facilities, an increase of 7% from 2016.
3. Enhance creativity and cultural experiences through programs, performances, multi-cultural events and festivals.
 - Parks, Recreation and Culture supported 71 festivals and cultural events in 2017 attracting over 165,000 participants.
 - Facilitated 97 block parties, and distributed over \$13,000 in Block Party grants.
4. Develop a sustainable system of parks and open space that contribute to the ecological, social and economic well-being of our community.
 - Completed a draft master plan for Town Centre Park, enhancing a significant community amenity in Coquitlam's City Centre.
 - Continued tree planting initiatives with approximately 4,000 native shrubs and trees planted in City parks.
 - Restored approximately 5,000 square metres of natural areas in 2017.
 - Completed upgrades to four parks (Shiloh, Dawes Hill, Good Neighbour and Crestwood) as part of the Southwest Park Revitalization (Park Blitz) program.
5. Support a learning community where residents have access to life-long learning through formal and informal opportunities.
 - Over 1,300 Coquitlam residents attended HEROS training to learn about personal emergency preparedness.
 - Hosted Welcome to Coquitlam event for new residents to facilitate understanding of City business and provide information on other community resources.
6. Develop transportation infrastructure and services to support a healthy environment.
 - Developed a pooled Compass Card program for City staff to encourage business trips on transit, reducing GHG emissions.
 - Completed cycling and sidewalk infrastructure as part of the School Walkability Program and Sidewalk Program to encourage citizens to consider walking as an alternative to driving.



4,000

native trees and shrubs planted in City parks

3,000,000+

visitors to the City Centre Aquatic Complex and Poirier Sport & Leisure Complex

97

block parties facilitated

85,000

visitors to the Evergreen Cultural Centre

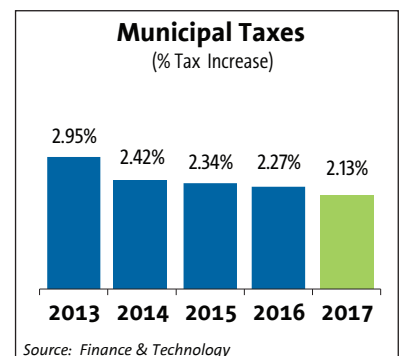
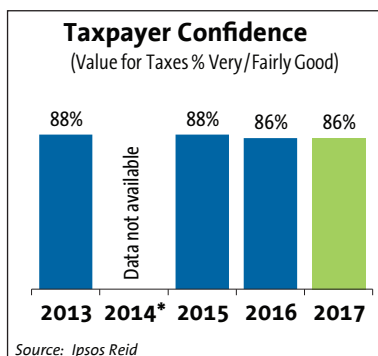


STRATEGIC GOAL 4:

Enhance Sustainability of City Services & Infrastructure

Strategic Outcome: Greater capacity and better capability to deliver high-quality services that are built on social, environmental and economically sustainable service models.

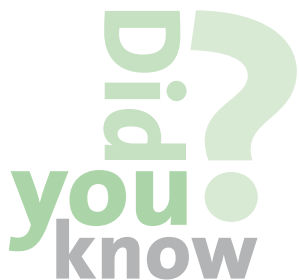
Key Performance Indicators	2013	2014	2015	2016	2017
Spirit of Coquitlam Grants (\$,000)	\$316.2	\$370.9	\$404.4	\$485.5	\$427.8
Solid Waste (tonnes per single-family home)	0.53	0.43	0.31	0.33	0.31
Garbage Diversion (% recycled)	54.5%	63.8%	73.0%	71.4%	71.4%
Annual Water Consumption (litres per capita per day)	144	133	125	124	128
Animals Reclaimed from the Animal Shelter	339	375	350	288	311
Roads Swept (lane kms)	7,121	7,152	7,834	8,355	9,707
Corporate GHG Reduction					
GHG Reduction vs 2012 Base Year (tCO ₂ e)	1,292	1,190	1,428	1,493	1,245
% Reduction year over year	22%	20%	24%	25%	21%



* Statistics not available as the City did not conduct the Citizen Satisfaction Survey in 2014.

What We Set Out to Achieve / What We Achieved

1. Explore service improvements through new opportunities for partnership with community organizations.
 - Facilitated a new operating agreement for the Foster Avenue covered tennis facility.
2. Set high standards and demonstrate responsible public stewardship through social, environmental and economic sustainability practices.
 - Developed a new process for the disposal of excavated material, reducing cost and environmental impact.
 - Enhanced the Town Centre Recycling Depot to offer a wider range of services and customer service assistance.
3. Create an energy-efficient community through conservation of environmental assets, resources and energy by increasing community and organizational awareness and stewardship.
 - Continued to achieve a diversion rate above 70%, resulting in 0.31 tonnes of solid waste per household, below the five-year average.
 - Received provincial Bear Smart accreditation for ongoing work to reduce human-bear conflicts – the only municipality in Metro Vancouver or Fraser Valley Regional District to be recognized.
4. Minimize the impact of City processes and infrastructure on the environment by reducing the City's air emissions, material consumption, energy and water usage.
 - Corporate Green House Gas (GHG) emissions continued to decrease, reaching an approximately 21% reduction compared to the base year (2012).
5. Manage the City's transportation system efficiently as the community evolves and prioritize walking, cycling, transit, and other sustainable modes of transportation.
 - Completed the School Walkability Program and Sidewalk Program to encourage citizens to adopt walking as an alternative to driving.
 - Finalized the Employee Sustainable Commute Program to promote transit use and carpooling.
 - Cleaned over 150 km of sewers and 48 km of watermains, swept 9,707 km of streets and maintained an average pavement condition assessment (% good/very good) of 72%.
6. Ensure sustainable, equitable and effective funding strategies to enable the City to provide a high quality and appropriate level of infrastructure services.
 - Implemented policy changes to the Development Cost Charge and Community Amenity Contribution programs to increase transparency and effectiveness.
 - Finalized changes to public parking regulations around Evergreen Extension SkyTrain stations.
7. Support the continued viability and sustainability of community organizations in their implementation of services, events and programs to the community.
 - Provided over \$440,000 in Spirit of Coquitlam and Block Party grants to the community to support events and experiences.



\$427,800

provided in Spirit of Coquitlam Grants in 2017 to support community-led projects

71.4%

of household waste diverted from the landfill

86%

of residents say they get good value for tax dollars, according to the Citizen Satisfaction Survey

21%

Corporate Greenhouse Gas (GHG) emissions reduction compared to 2012 base year



STRATEGIC GOAL 5:

Achieve Excellence in City Governance

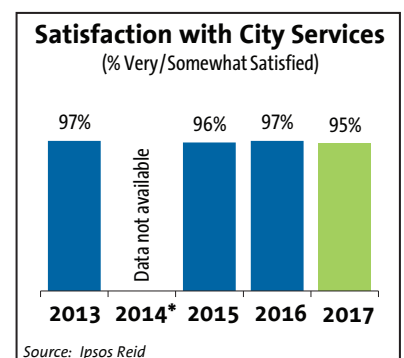
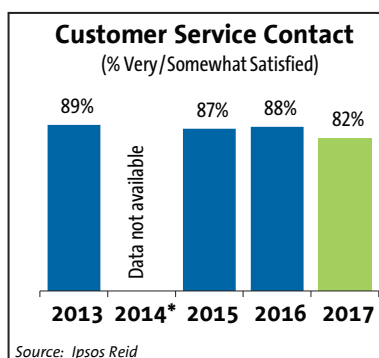
Strategic Outcome: A strong governance model that is based on the principles of openness, fairness and accountability and that ensures informed decision-making throughout the organization and draws on the energies of citizen participation.

Key Performance Indicators	2013	2014	2015	2016	2017
Parks, Recreation and Culture Volunteer Hours	44,723	49,923	46,189	53,188 ¹	44,566
Committee Volunteers	121	123	144	143	105 ²
Employee Vacancy Rate (at December 31)	5.5%	5.3%	4.8%	4.20%	5.20%
Annual Employee Turnover Rate	10.9%	9.7%	8.2%	7.20%	7.60%
Business Improvement Initiatives Completed ³	19	47	51	58	70
Community Engagement					
Unique Website Visits	458,380	510,914	558,173	674,486	783,570
Facebook Likes	2,472	3,573	4,727	7,706	10,340
Twitter Followers	1,968	3,319	4,759	6,291	7,689
Instagram	N/A	182	553	1,507	2,693
YouTube Views	N/A	10,249	15,528	21,237	27,195

¹ Increase due to Coquitlam 125 anniversary celebration volunteer opportunities.

² The number of Council-appointed committees and boards was reduced from 15 to ten in 2017.

³ Includes items on the workplan and Stop-Doing List for the Staff Committee on Business Improvements and Customer Service.



* Statistics not available as the City did not conduct the Citizen Satisfaction Survey in 2014.

What We Set Out to Achieve / What We Achieved

1. Maintain prudent financial management policies regarding land management, asset replacement and long-range planning and budgeting so that taxpayers remain confident that tax dollars are being spent wisely.
 - Received WorkSafe BC Certificate of Recognition Rebate for \$195,000 and maintained an experience rating under industry standards, saving a further \$444,000 in insurance costs.
2. Develop strategic partnerships and positive working relationships with the businesses, community groups and many government organizations who work with, for and in Coquitlam.
 - Continued to develop media partnerships throughout the region to promote Coquitlam events, valued at over \$40,000.
 - Diversified on-site programming by expanding partnerships with third party providers, enhancing the range of program experiences for all age groups.
 - Partnered with Fortis BC to deliver Neighbourhood Nights, a free, family event held at various parks throughout the City, and with Envision Financial to host the free Summer Concert Series in Town Centre Park Plaza.
3. Support, encourage and empower employees by living the City's values, recognizing success and fostering a positive team environment.
 - Conducted a speaker series for staff on a variety of topics to enhance leadership skills and abilities. Total attendance exceeded 300 participants.
 - Received Canadian Association of Municipal Administrators (CAMA) Award for the City's Leadership Development Program, 'Leading with Purpose'.
4. Encourage citizen and neighbourhood engagement so that residents contribute to the affairs of the whole community.
 - Over 100 residents and organization representatives volunteered on the City's ten advisory committees and boards in 2017 providing input and advice on a wide range of City programs and policies.
 - Launched Viewpoint, Coquitlam's Community Engagement Research Panel, giving the community more opportunity to engage with the City in addition to more traditional public consultation methods.
5. Improve customer service and enhance efficiency and effectiveness through innovation, high customer service standards, and a commitment to continuous improvement.
 - Introduced an online snow reporting tool, allowing residents to submit service requests online and outside of normal operating hours.
 - Through the Staff Committee on Business Improvements and Customer Service, completed 70 items enhancing the customer experience and reducing red tape.
 - Introduced e-billing for dog licensing, allowing residents to obtain or renew dog licences online.
 - Finance received three Government Finance Officer Association (GFOA) awards for budgeting and financial reporting.
6. Foster awareness of diverse cultural groups and encourage increased understanding of different cultures to further enrich the community.
 - Expanded the annual Kaleidoscope Arts Festival, a celebration of Coquitlam's unique arts, culture and history.



44,566

volunteer-hours
for recreation and
culture activities
in Coquitlam

70

business
improvement
initiatives
completed

783,570

visits to
coquitlam.ca,
a 16% increase
from 2016

100+

residents and organization
representatives volunteered on
City advisory committees and
boards



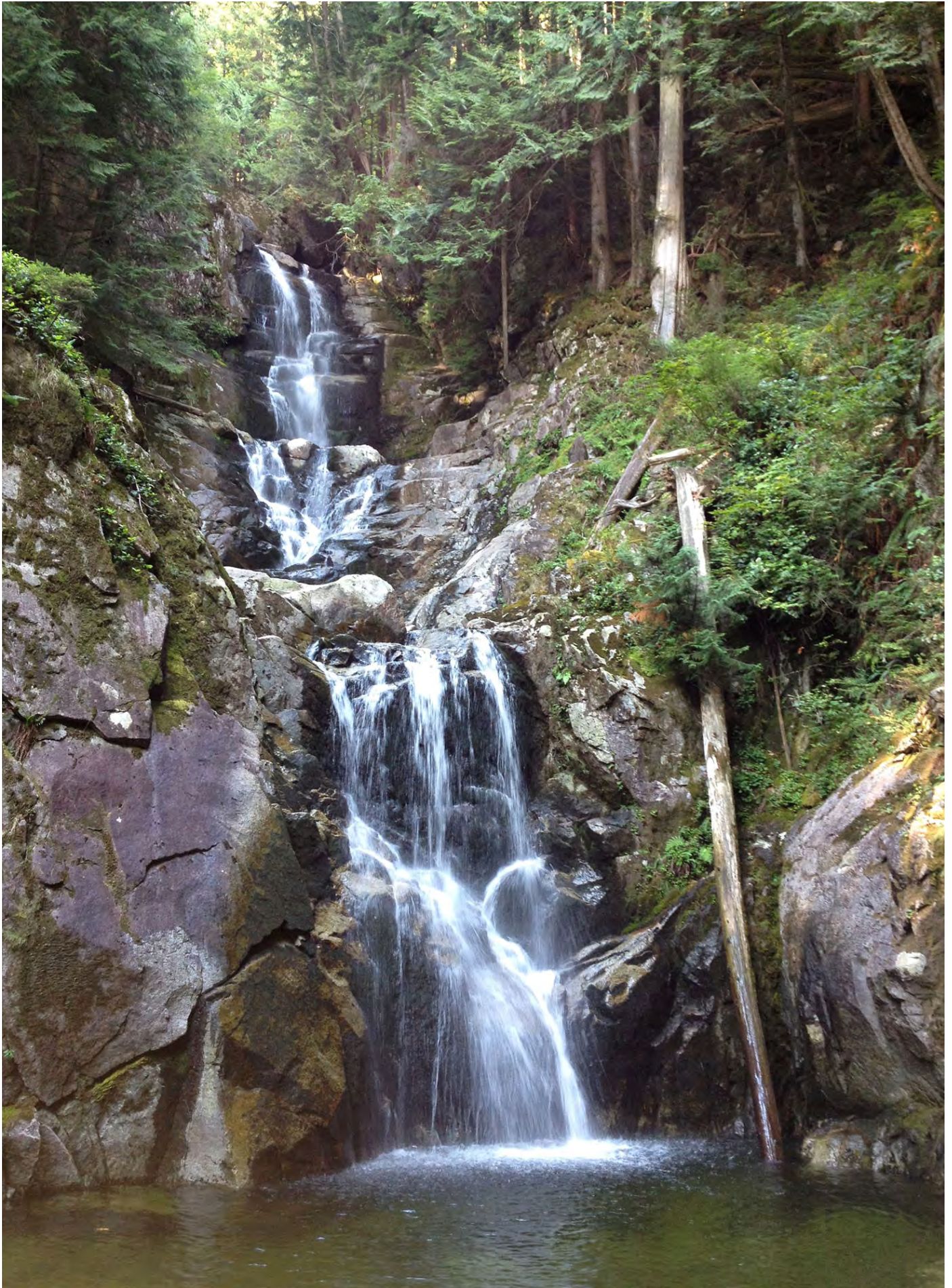
Looking Forward – 2018 Business Plan

What are our priorities for the year ahead?

Our 2018 Business Plan is where we make the connection between strategy and action. Using our Strategic Plan as a guide, we develop the priorities that will be initiated and/or completed in the year ahead. The annual Business Plan priorities help Council and staff allocate resources to the most important City priorities each year.

Strategic Goal 1:	Strategic Goal 2:	Strategic Goal 3:	Strategic Goal 4:	Strategic Goal 5:
Strengthen Neighbourhoods	Expand Local Jobs, Local Prosperity	Increase Active Participation & Creativity	Enhance Sustainability of City Services & Infrastructure	Achieve Excellence in City Governance
<ul style="list-style-type: none"> ➤ Housing Affordability Strategy Implementation ➤ City Centre Area Plan ➤ Partington Creek Neighbourhood Centre ➤ Major Events Expansion & Policy Update ➤ Policing Strategies for Evergreen Line ➤ Burquitlam Community Police Station 	<ul style="list-style-type: none"> ➤ Transit-Oriented Development Application Team ➤ Brunette Interchange Planning ➤ Lougheed Highway Improvements ➤ Economic Development Strategy - Phase 3 ➤ Business LinQ Implementation ➤ Tourism Strategy Implementation 	<ul style="list-style-type: none"> ➤ Place Maillardville Planning ➤ Blue Mountain Park Planning & Construction ➤ Sheffield Park Planning ➤ Fridge Field Turf Replacement ➤ Southwest Parks Revitalization ➤ Smiling Creek, Cottonwood and Riley Park Construction 	<ul style="list-style-type: none"> ➤ LED Streetlight Conversion ➤ Curbside Collection Enhancements ➤ Climate Adaptation Strategy ➤ YMCA Facility Planning ➤ Smiling Creek Recreation Services 	<ul style="list-style-type: none"> ➤ PRC Management System Replacement ➤ Corporate Website Update ➤ Technology Roadmap Implementation ➤ Smart City Strategy ➤ Northeast Recreation Services Needs Assessment ➤ Youth Strategy

The above list highlights some of the initiatives planned for 2018 in consideration of the following criteria: considerable budget impact; human resource effort; significant Council or community interest; dependence on external partners; and mandatory or legislated requirements. The City of Coquitlam's complete 2018 Business Plan is available online at coquitlam.ca/businessplan.



Annual Report

For the year ending December 31, 2017

2017

Consolidated Financial Statements

Auditors:

KPMG LLP

Bank:

ScotiaBank

Prepared by:

The Finance
& Technology
Department of the
City of Coquitlam

Letter of Transmittal

May 7, 2018
Mayor and Council

City of Coquitlam

Your Worship and Members of Council:

I am pleased to present the Annual Report for the fiscal year ending December 31, 2017, which includes the Consolidated Financial Statements and Auditors' Report for the City of Coquitlam pursuant to Section 98 and 167 of the Community Charter. The preparation and presentation of the financial statements, and related information in the 2017 Annual Report, is the responsibility of the management of the City. The financial statements have been prepared in accordance with generally accepted accounting principles for Local Governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and the Provincial Ministry of Municipal Affairs and Housing. The City of Coquitlam maintains a system of internal accounting controls designed to safeguard the assets of the corporation and provide reliable financial information.

The audit firm of KPMG LLP was appointed by Council and is responsible for expressing an opinion as to whether the Consolidated Financial Statements, prepared by management, fairly present the financial position of the City of Coquitlam and the results of its 2017 operations. The auditors have given an unqualified audit opinion on the City's financial statements and these 2017 Audited Financial Statements were presented to the Finance Committee of Council, which acts as the City's Audit Committee.

Financial Overview

The Consolidated Financial Statements include the 2017 results for the City's General Fund, Utility Funds, Trust and Reserve Funds, as well as the Coquitlam Public Library and the Coquitlam Optical Network Corporation (QNet), which is a wholly owned municipal corporation of the City of Coquitlam.

The year 2017 resulted in a surplus on a consolidated basis and reflects the City's continued high level of growth and development. The successful delivery of public services and capital infrastructure projects continues to be expressed both through the presented financial results as well as through residents' feedback as part of the annual Citizen Satisfaction Survey conducted by Ipsos Reid.

Consolidated Statement of Financial Position (\$ in thousands)

	2017 Actual	2016 Actual	Change
		(Recast)	
Financial Assets	599,201	481,738	117,463
Financial Liabilities	183,593	162,521	21,072
Net Financial Assets	415,608	319,217	96,391
Inventory and Prepaid Expenses	2,076	1,621	455
Tangible Capital Assets	1,930,801	1,854,765	76,036
Non-Financial Assets	1,932,877	1,856,386	76,491
Accumulated Surplus	2,348,485	2,175,603	172,882

The City's financial position remains strong with an increase in the financial assets resulting from additions to capital and statutory reserves including the land sales reserve, affordable housing reserve and reserves for development-related revenues. This is offset by liabilities that include deferred revenues related to the collection of Development Cost Charges as well as monies on deposit for particular purposes, including performance deposits from development. The City's long-term debt with the Municipal Finance Authority continues to decline through annual payments and the outstanding balance at the end of 2017 was \$18.7 million or approximately \$125 per capita, which is a decrease of \$12 from 2016.

Under provincial legislation or Council authority, the City has established a number of reserve funds, which are identified in Schedule G of the Financial Statements (p.65-67). These include the Land Sale Reserve, Vehicle Replacement Reserve, Asset and Infrastructure Replacement Reserves and Operating Reserves. During 2017, the City's Reserve Fund balances increased to \$379 million primarily as a result of completed land sale transactions. These funds support the City's capital program and fund growth-related infrastructure projects required to support development and the resulting population growth in the community. The operating reserves are intended to manage any unexpected fluctuations in operating budget expenditures such as extreme weather events or insurance claims.

Letter of Transmittal (continued)

The City invests its funds in a manner that will provide the optimal blend of investment security and return, while meeting the daily cash flow demands of the City's operations and complying with the statutory requirements of the Community Charter. Investment income increased in 2017 to \$9.4 million. The average balance held in external investments for 2017 was \$447 million, which produced a rate of return on the investment of 1.98%. When blended with the cash held on hand, the average rate of return on investments was 1.86%.

The City's tangible capital assets increased by \$76 million from \$1.85 billion to \$1.93 billion, which includes \$59 million in contributions from development. The majority of these additional assets are related to new roads, parks, water, sewer and drainage, which are required to support the growing community.

The City's accumulated surplus of \$2.3 billion includes \$379 million in reserves and \$1.9 billion invested in tangible capital assets. In addition, operating surpluses totaling \$57 million are maintained for the purpose of preserving an appropriate balance to provide working capital, interest earnings and operating contingency fund for extraordinary events.

Consolidated Statement of Operations (\$ in thousands)

	2017 Actual	2016 Actual	Change
		(Recast)	
Revenues	415,568	357,800	57,768
Expenses	242,686	231,911	10,775
Annual Surplus	172,882	125,889	46,993

The City's consolidated revenues for the year totaled \$415 million and represent an increase of \$58 million over 2016. Continuing growth in the community resulted in additional development-related revenues and contributions, as well as increased activity in City programs and services such as those delivered through community recreation facilities. Council also approved a 2.13% average property tax increase in 2017 to deliver enhanced services for the growing community. Land sale revenues reached \$68 million for the year and contributions from development included \$59 million worth of new capital assets.

Expenses increased slightly over last year due to extreme weather events, amortization and costs associated with the addition of new assets and infrastructure and labour costs for firefighters who were deployed to assist with Provincial wildfires and which were reimbursed by the province.

The annual operating surplus reported on a consolidated basis is \$6.3 million. The surplus related to General Fund is \$3 million, Water Fund is \$1.5 million and Sewer and Drainage Fund is \$4.2 million. These are offset by small deficits in the Library, QNet and reserve changes.

The following provides additional details of the financial results in the two major funds:

General Fund

The City's General Fund is the primary fund for most municipal services including Police, Fire, Parks, Recreation and Culture, Engineering and Public Works, and Planning and Development. The General Fund ended the year with an overall surplus of \$3 million and, in accordance with the Council approved Surplus Policy, the City contributed \$2.4 million to the Infrastructure Reserve and maintained an accumulated operating surplus of \$20 million.

The General Fund revenues for the year totaled \$337 million, which combined with additional funding from reserves, covered operating costs of \$187 million and net capital additions of approximately \$63 million. The key capital projects for the year included Mitchell Street and Princeton Avenue road works, Victoria Park redevelopment, Rochester Park redevelopment, as well as development of the City-owned lands in Partington Creek and Smiling Creek. The General Fund has \$1.46 billion invested in tangible capital assets.

Utility Funds

The City operates two major utilities, which are funded by user fees. The Water Utility uses over 400 kilometers of pipes to deliver water purchased from the Greater Vancouver Water District (GVWD) and in 2017, the Utility provided water to approximately 46,000 households and commercial customers.

The Water Utility Fund ended the year with an operating surplus of \$1.5 million bringing the accumulated operating surplus for the Water Fund to \$23 million. During 2017, water revenues of \$31 million funded water operations at a cost of \$25 million, net capital additions of \$6 million and savings for future asset replacement. The largest projects of the year included construction of Mitchell and Princeton water works and Northeast Partington Creek Development. The Water Utility Fund has \$128 million invested in tangible capital assets.

The Sewer and Drainage Utility includes over 400 kilometers of pipes for the collection and transmission of sewerage to the Greater Vancouver Sewerage and Drainage District's (GVSD&DD) Annacis Island Treatment Plant, as well as over 500 kilometers of drainage pipes and facilities to provide environmental and flood protection throughout the city. In 2017, the Utility collected and conveyed sewerage and run-off water from approximately 46,000 households and commercial customers.

The Sewer and Drainage Utility Fund ended the year with an operating surplus of \$4.2 million bringing the total accumulated operating surplus to \$12 million. During 2017, sewer and drainage revenues of \$42 million supported operations at a cost of \$30 million and net capital additions

of \$6 million. The largest project of the year was the replacement of the Lansdowne Sanitary Forcemain. The Sewer and Drainage Fund has \$316 million invested in tangible capital assets.

Financial Sustainability

The City has a number of financial policies adopted by City Council aimed at ensuring the City's long-term financial sustainability. These policies are a significant step toward ensuring that municipal services and infrastructure will be provided for future generations. The following key policies have contributed to the positive results in 2017 and the City's strong financial position:

- *Surplus Policy* – The City's accumulated operating surplus is maintained at a constant percentage (15%) of the annual tax collection to ensure that over time it grows in proportion to the growth in the city. After any specific one-time allocations approved by Council during the budget process, the additional surplus earned will be transferred to an Infrastructure Reserve to support the City's future capital program. As a result of this policy, the City's operating surplus increased to \$57 million in 2017 (2016 - \$50 million).
- *Debt Policy* – The City's policy is to minimize external debt borrowings and, if required, use existing reserves as a means to internally finance required capital expenditures. The City also adheres to the Debt Limit and Liability Servicing Limit requirements as outlined in the Community Charter. The City's Debt Retirement Policy directs operating budget savings achieved as a result of debt retirement to capital improvements in the city. Funding totaling \$3 million achieved as a result of debt retirement from prior years has been used to support the City's annual contribution to asset management as well as for growth-related projects in the Capital Program.
- *Land Sale Reserve Policy* – The City strives to create and maintain sustainable land-based resources, both land inventory and land sale reserve funds for the benefit of the community now and in the future, by adhering to principles for Strategic Land Management in the City. The Land Sale Reserve Investment Fund is funded through a dividend of 5% of the sale of lands held for development and the interest earned on the City's Land Sale Reserve cash balance each year. This fund is allocated to specific projects in the City's Capital Plan to provide immediate benefit to Coquitlam residents. Currently this funding is directed towards enhancing a variety of parks and community amenities and supporting existing infrastructure.
- *Casino Revenue Policy* – Revenue received through the Casino Host Agreement is contributed to a Casino Reserve and allocated to a Community Capital Fund (12.5%), which in 2017 provided \$500,000 in grants to non-profit

community organizations and to support community events during the year, as well as Economic Development and Tourism initiatives and Local Area Services. The remainder (87.5%) is allocated to the Municipal Capital Fund, which funds priority facility and infrastructure projects in the City's Five-Year Capital Plan.

- *Asset Management* – The City has a robust system of asset management, which includes policies and reserves to ensure the long-term sustainability and ongoing replacement of the necessary infrastructure to support the community, including roads, utilities, buildings and park amenities.

In summary, the City's strong economic growth, low debt burden and careful financial management under the direction of City Council has formed the foundation of financial sustainability for the City to provide infrastructure and services to its residents now and into the future.

Respectfully submitted,



Michelle Hunt, CPA, CMA
General Manager, Finance and Technology

Independent Auditors' Report

To the Mayor and Council of the City of Coquitlam

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

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

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

A handwritten signature in blue ink that reads "KPMG LLP". The signature is stylized and includes a long horizontal flourish underneath the letters.

Chartered Professional Accountants

April 19, 2018
Burnaby, Canada

Consolidated Statement of Financial Position

December 31, 2017, with comparative figures for 2016

	2017	2016
		(recast – note 3)
Financial Assets		
Cash and cash equivalents (note 4)	\$ 59,074,736	\$ 72,422,850
Temporary investments (note 4)	516,721,223	381,786,667
Accounts receivable (note 5)	23,405,540	27,270,223
Land held for resale	-	258,407
	599,201,499	481,738,147
Liabilities		
Accounts payable and accrued liabilities (note 6)	47,845,980	42,866,684
Employee future benefits (note 15)	8,543,800	8,321,600
Deferred revenue (note 7)	74,822,936	61,511,142
Deposits (note 8)	33,676,086	29,626,688
Debt (note 9)	18,704,306	20,195,128
	183,593,108	162,521,242
Net financial assets	415,608,391	319,216,905
Non-Financial Assets		
Inventories of supplies	827,424	694,144
Prepaid expenses	1,248,379	926,599
Tangible capital assets (note 10)	1,930,801,238	1,854,765,109
	1,932,877,041	1,856,385,852
Accumulated surplus (note 11)	\$ 2,348,485,432	\$ 2,175,602,757

Commitments and contingencies (note 16)

See accompanying notes to consolidated financial statements.



City Treasurer

Consolidated Statement of Operations

Year ended December 31, 2017, with comparative information for 2016

	2017 budget	2017	2016
	(note 20)		(recast – note 3)
Revenue:			
Taxation (note 12)	\$ 157,384,640	\$ 157,321,046	\$ 150,632,497
Fees, rates and service charges	75,478,580	91,794,489	79,976,946
Grants and grants in lieu (note 13)	14,603,284	10,400,149	10,070,555
Investment income	6,178,398	9,363,173	6,255,790
Casino revenue	7,500,000	8,609,148	7,856,414
Municipal land sales	-	68,504,647	64,560,489
Developers' contributions (note 10(b))	-	58,777,541	26,676,296
Cost recoveries	5,153,355	8,864,114	10,059,017
Penalties and interest on taxes	1,055,500	946,085	876,274
Other	89,014	987,982	835,742
	267,442,771	415,568,374	357,800,020
Expenses:			
General government	19,571,389	19,287,167	18,869,206
Police protection	36,306,000	35,359,777	34,900,728
Fire protection	27,514,061	28,358,354	26,214,636
Other protection	3,020,297	2,722,770	2,593,586
Engineering	32,229,474	33,023,455	31,871,645
Solid waste	6,661,383	6,453,946	6,117,688
Planning and Development	8,565,476	8,956,304	7,885,805
Parks, Recreation and Culture	55,425,772	53,652,632	52,192,605
Water utility	25,877,913	24,800,427	24,211,838
Sanitary and drainage utility	29,215,827	30,070,867	27,052,918
	244,387,592	242,685,699	231,910,655
Annual surplus	23,055,179	172,882,675	125,889,365
Accumulated surplus, beginning of year	2,175,602,757	2,175,602,757	2,049,713,392
Accumulated surplus, end of year	\$ 2,198,657,936	\$ 2,348,485,432	\$ 2,175,602,757

See accompanying notes to consolidated financial statements.

Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2017, with comparative information for 2016

	2017 budget	2017	2016
	(note 20)		(recast – note 3)
Surplus for the year	\$ 23,055,179	\$ 172,882,675	\$ 125,889,365
Reclassification of land held for resale	-	-	258,407
Acquisition of tangible capital assets	(84,317,645)	(58,938,463)	(58,155,617)
Contributed tangible capital assets from developers	-	(58,777,541)	(26,676,296)
Amortization of tangible capital assets	36,072,877	36,562,036	38,690,016
Gain on disposal of tangible capital assets	-	(68,371,142)	(61,773,652)
Proceeds on sale of tangible capital assets	-	73,488,981	68,470,709
	(25,189,589)	96,846,546	86,702,932
Acquisition of inventories of supplies	-	(827,424)	(694,144)
Acquisition of prepaid expenses	-	(1,248,379)	(926,599)
Consumption of inventories of supplies	-	694,144	730,631
Use of prepaid expenses	-	926,599	669,228
	-	(455,060)	(220,884)
Change in net financial assets	(25,189,589)	96,391,486	86,482,048
Net financial assets, beginning of year	319,216,905	319,216,905	232,734,857
Net financial assets, end of year	\$ 294,027,316	\$ 415,608,391	\$ 319,216,905

See accompanying notes to consolidated financial statements.

Consolidated Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
		(recast – note 3)
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 172,882,675	\$ 125,889,365
Items not involving cash:		
Amortization	36,562,036	38,690,016
Gain on disposal of tangible capital assets	(68,371,142)	(61,773,652)
Developers' contributions of tangible capital assets	(58,777,541)	(26,676,296)
Change in non-cash operating working capital:		
Decrease in accounts receivable	3,864,683	4,754,200
Decrease in land held for resale	258,407	-
Increase in prepaid expenses	(321,780)	(257,371)
Decrease (increase) in inventories of supplies	(133,280)	36,487
Increase in accounts payable and accrued liabilities	5,008,019	4,603,531
Increase in employee future benefits	222,200	489,600
Increase in deferred revenue	13,311,794	4,439,821
Increase in deposits	4,049,398	7,207,660
Net change in cash from operating activities	108,555,469	97,403,361
Capital activities:		
Cash used to acquire tangible capital assets	(58,938,463)	(58,155,617)
Proceeds on disposal of tangible capital assets	73,488,981	68,470,709
Net change in cash from capital activities	14,550,518	10,315,092
Financing activities:		
Repayment of debt	(1,490,822)	(1,441,771)
Principal payments on tangible capital lease obligations	(28,723)	(28,988)
Net change in cash from financing activities	(1,519,545)	(1,470,759)
Investing activities:		
Change in temporary investments	(134,934,556)	(112,800,321)
Net change in cash and cash equivalents	(13,348,114)	(6,552,627)
Cash and cash equivalents, beginning of year	72,422,850	78,975,477
Cash and cash equivalents, end of year	\$ 59,074,736	\$ 72,422,850

See accompanying notes to consolidated financial statements.

1. Operations:

The City of Coquitlam (the “City”) is incorporated under the *Local Government Act* of British Columbia. The City’s principal activities include the provision of local government services to residents of the incorporated area. These services include administrative, protective, transportation, environmental, recreational, water and sewer.

2. Significant accounting policies:

These consolidated financial statements are prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants Canada.

(a) Basis of consolidation:

The consolidated financial statements are comprised of the City’s Operating, Capital and Reserve Funds consolidated with the Coquitlam Public Library (the “Library”) and the Coquitlam Optical Network Corporation (“QNet”). The Library financial statements are consolidated with the City’s, as the Library Board is appointed by the City. QNet is consolidated as it is a wholly owned municipal corporation. Interfund transactions, fund balances and activities have been eliminated on consolidation.

Budget reporting:

The budget information reported in the consolidated statement of operations represents the 2017 component of the Financial Plan Bylaw adopted by City Council on December 12, 2016.

Operating Funds:

These funds include the General, Water Utility, and Sewer and Drainage Utility Operating Funds as well as the Library and QNet. They are used to record the operating costs of the services provided by the City.

Capital Funds:

These funds include the General, Water Utility and Sewer, and Drainage Utility Capital Funds. They are used to record the acquisition costs of tangible capital assets and any related debt outstanding.

Reserve Funds:

Under the Community Charter, City Council may, by bylaw, establish reserve funds for specified purposes. Money in a reserve fund, and interest earned thereon, must be expended by bylaw only for the purpose for which the fund was established. If the amount in a reserve fund is greater than required, City Council may, by bylaw, transfer all or part of the amount to another reserve fund.

Trust Funds:

These funds account for assets which must be administered as directed by agreement or statute for certain beneficiaries. In accordance with PSAB recommendations on financial statement presentation for local governments, trust funds are not included in the City’s consolidated financial statements. Trust funds administered by the City are presented in note 17.

(b) Basis of accounting:

The City follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods and services and/or the creation of a legal obligation to pay.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, cash held in accounts with financial institutions and a high interest savings account which is highly liquid.

2. Significant accounting policies (continued):

(d) Temporary investments:

Temporary investments are recorded at cost which approximates market value and are comprised of money market investments and bonds.

(e) Land held for resale:

Land held for resale includes properties which are ready and available to be sold and for which there is a market. They are valued at the lower of cost or expected net realizable value.

(f) Taxes receivable and related revenues:

Property tax billings are prepared by the City based on assessment rolls issued by the British Columbia Assessment Authority (BCAA). Tax rates are established annually by City Council, incorporating amounts to be raised for local services and amounts the City is required to collect on behalf of the Province of British Columbia for education taxes. Taxation revenue is recorded at the time tax billings are issued.

The City is entitled to collect interest and penalties on overdue taxes. This revenue is recorded in the period the interest and penalties are levied.

(g) Deferred revenue:

The City defers a portion of the revenue collected from permits, licences and other fees and recognizes this revenue in the year in which related inspections are performed or other related expenditures are incurred.

Development cost charges, collected to pay for capital costs due to development, are recorded as deferred revenue upon receipt. Development cost charges are recognized as revenue when the related development capital costs are incurred.

(h) Deposits:

Receipts restricted by the legislation of senior governments or by agreement with external parties are deferred and reported as deposits and are refundable under certain circumstances. When qualifying expenditures are incurred, deposits are recognized as revenue at amounts equal to the qualifying expenditures.

(i) Debt:

Debt is recorded net of related sinking fund balances.

(j) Government transfers:

Restricted transfers from governments are deferred and recognized as revenue as the related expenditures are incurred or the stipulations in the related agreement are met. Unrestricted transfers are recognized as revenue when received or if the amount to be received can be reasonably estimated and collection is reasonably assured.

(k) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They are not intended for sale in the ordinary course of operations.

2. Significant accounting policies (continued):

(i) Tangible capital assets:

Tangible capital assets have useful lives extending beyond the current year. They are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful life – Years
Information technology	3 – 85
Park structures	10 – 60
Buildings and building improvements	10 – 50
Vehicles, machinery and equipment	1 – 70
Water, sanitary and drainage infrastructure	1 – 100
Roads infrastructure	1 – 75

Annual amortization is charged commencing when the asset is available for use. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

(iii) Natural resources:

Natural resources, works of art and historic assets are not recognized as assets in the financial statements.

(iv) Works of art and historic assets:

Works of art and historic assets are not recorded as assets in the financial statements.

(v) Interest capitalization:

The City does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(vi) Leased tangible capital assets:

Leases that transfer substantially all of the benefits and risks incidental to ownership of property, are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(vii) Inventories of supplies:

Inventories of supplies held for consumption are recorded at the lower of actual cost and replacement cost.

(l) Contaminated Sites:

Contaminated sites are a result of contamination being introduced into air, soil, water, or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. Liabilities are recorded net of any expected recoveries.

A liability for remediation of contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standards;
- (iii) The City is directly responsible or accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

2. Significant accounting policies (continued):

(m) Employee future benefits:

The City and its employees participate in the Municipal Pension Plan. The Municipal Pension Plan is a multi-employer contributory defined benefit pension plan. Payments in the year are expensed.

Sick leave benefits and retirement severance benefits are also available to the City's employees. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligation under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(n) Use of accounting estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of accrued sick benefits, allowance for doubtful accounts receivable, useful lives of tangible capital assets, and provision for contingencies. Actual results could differ from those estimates. Adjustments, if any, will be reflected in the financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

(o) Segment disclosures:

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The City has provided definitions of segments used by the City as well as presented financial information in segmented format (note 19).

3. Recast of prior year comparative figures:

During the year, the City determined that payments made towards the construction of a Province of British Columbia capital project had been recorded as tangible capital asset additions, rather than being expensed as a transfer to another government. The impact of this immaterial error has been recorded retrospectively and prior periods have been recast as follows:

Accumulated surplus at January 1, 2016:

Accumulated surplus, as previously reported	\$ 2,056,078,779
Net book value of tangible capital assets being expensed	(6,365,387)
Accumulated surplus, as recast	\$ 2,049,713,392

Annual surplus for 2016:

Annual surplus, as previously reported	\$ 125,914,945
Net book value of tangible capital assets being expensed	(25,580)
Annual surplus, as recast	\$ 125,889,365

Tangible capital assets at December 31, 2016:

Tangible capital assets, as previously reported	\$ 1,861,156,076
Net book value of tangible capital assets not previously recorded	(6,390,967)
Tangible capital assets, as recast	\$ 1,854,765,109

Notes to Consolidated Financial Statements

Year ended December 31, 2017

4 Cash and temporary investments:

		2017	2016
Operating funds, unrestricted	\$	333,976,322	\$ 279,906,512
Reserve funds, internally restricted		169,428,603	111,509,524
Development cost charges and deposits, restricted		72,391,034	62,793,481
	\$	575,795,959	\$ 454,209,517
		2017	2016
Cash and cash equivalents	\$	59,074,736	\$ 72,422,850
Temporary investments:			
Money market securities and bonds maturing within five years		516,721,223	381,786,667
	\$	575,795,959	\$ 454,209,517

Average investment portfolio yield is 1.98% (2016 - 1.86%).

The City has available a revolving facility up to a maximum of \$5,000,000 which bears interest at an annual rate of bank prime less 0.50% per annum, and standby letters of credit up to a maximum of \$100,000, for its ongoing operating requirements. The City also has available a revolving facility of \$500,000 which bears interest at an annual rate of bank prime for its ongoing capital requirements. The City provided security for these facilities by way of a general security agreement. No amounts are outstanding under these banking facilities.

5. Accounts receivable:

		2017	2016
Taxes	\$	4,059,353	\$ 3,720,688
Accrued interest		4,837,793	3,272,609
Due from Federal, Provincial and Regional governments		4,420,750	3,451,415
Recreation fees		467,490	585,472
Casino funds receivable from Province of British Columbia		2,177,769	2,024,447
Evergreen Line grant receivable		-	7,000,000
Development cost charges		4,724,099	4,248,679
Local area service fees		525,991	735,408
Water, sewer and solid waste user charges		1,010,843	818,660
Other		1,181,452	1,412,845
	\$	23,405,540	\$ 27,270,223

Notes to Consolidated Financial Statements

Year ended December 31, 2017

6. Accounts payable and accrued liabilities:

		2017		2016
Due to Federal, Provincial and Regional governments	\$	22,368,784	\$	16,071,881
Evergreen Line payable		-		7,000,000
Accounts payable		16,435,346		10,701,293
Wages payable		8,980,686		9,003,623
Tangible capital lease obligation		61,164		89,887
	\$	47,845,980	\$	42,866,684

7. Deferred revenue:

		Balance, December 31, 2016		Amounts received		Revenue recognized		Balance, December 31, 2017
Taxes and utilities	\$	8,697,017	\$	16,583,442	\$	16,297,365	\$	8,983,094
Parks and recreation fees		1,104,692		3,393,001		3,063,657		1,434,036
Business licenses		895,660		961,487		902,691		954,456
Federal, Provincial and Regional future capital works		12,113,494		13,584,471		7,242,355		18,455,610
Other future capital works		1,085,710		186,039		60		1,271,689
Development cost charges		37,415,472		20,255,840		14,232,265		43,439,047
Other		199,097		1,602,081		1,516,174		285,004
	\$	61,511,142	\$	56,566,361	\$	43,254,567	\$	74,822,936

Development cost charges are comprised of restricted cash and temporary investments of \$38,714,947 (2016 - \$33,166,793) and restricted accounts receivable of \$4,724,100 (2016 - \$4,248,679).

8. Deposits:

		Balance, December 31, 2016		Deposits, earnings and contributions		Refunds and expenditures		Balance, December 31, 2017
Public works performance deposits	\$	18,916,425	\$	7,570,341	\$	4,979,103	\$	21,507,663
Gravel remediation fund		801,606		12,321		-		813,927
Building performance bonds		3,001,097		1,105,951		430,566		3,676,482
Development permit bonds		2,763,005		1,294,249		487,422		3,569,832
Pinetree Community Centre contingency		51,822		437		13,627		38,632
Deposits on land sale		4,016,040		4,545,000		4,492,540		4,068,500
Other		76,693		7,287		82,930		1,050
	\$	29,626,688	\$	14,535,586	\$	10,486,188	\$	33,676,086

The City holds irrevocable letters of credit in the aggregate amount of \$63,358,479 (2016 - \$46,984,058) received from depositors to ensure their performance of works to be undertaken within the City. These amounts are not reflected in the financial statements.

Notes to Consolidated Financial Statements

Year ended December 31, 2017

9. Debt:

The City obtains debt instruments through the Municipal Finance Authority ("MFA") pursuant to security issuing bylaws under authority of the Community Charter to finance certain capital expenditures. Sinking fund balances managed by the MFA are netted against related debt. Gross amount of the debt and the amount of the sinking fund assets available to retire the debt are as follows:

	Gross debt	Sinking fund asset	Net debt 2017	Net debt 2016
General Fund	\$ 21,515,000	\$ 10,226,180	\$ 11,288,820	\$ 12,448,918
Water Utility Fund	5,930,000	854,540	5,075,460	5,301,822
Sewer and Drainage Utility Fund	2,734,000	393,974	2,340,026	2,444,388
	\$ 30,179,000	\$ 11,474,694	\$ 18,704,306	\$ 20,195,128

Interest rates on debt range from 2.10% to 7.20% (2016 - 2.10% to 7.20%). The weighted average interest rate for 2017 was 3.73% (2016 - 3.72%).

Principal payments and sinking fund installments on net outstanding debenture debt over the next five years and thereafter are as follows:

	General Fund	Sewer and Drainage Utility Fund	Water Utility Fund	Total
2018	\$ 1,082,834	\$ 107,408	\$ 232,965	\$ 1,423,207
2019	1,027,275	111,704	242,284	1,381,263
2020	1,017,337	116,172	251,975	1,385,484
2021	852,715	120,819	262,054	1,235,588
2022	744,843	125,652	272,537	1,143,032
2023 and thereafter	6,563,816	1,758,271	3,813,645	12,135,732
Total	\$ 11,288,820	\$ 2,340,026	\$ 5,075,460	\$ 18,704,306

Notes to Consolidated Financial Statements

Year ended December 31, 2017

10. Tangible Capital Assets:

2017

	Land & land holdings	Building & building improvements	Park structures	Information technology
Cost:				
Balance, beginning of year	\$848,600,786	\$208,967,610	\$78,916,485	\$29,188,612
Additions, net of transfers	51,951,074	3,325,704	9,202,628	1,272,913
Disposals	(1,988,562)	(345,235)	(955,134)	(564,414)
Balance, end of year	898,563,298	211,948,079	87,163,979	29,897,111
Accumulated amortization:				
Balance, beginning of year	-	83,730,810	37,264,746	15,848,112
Disposals	-	(119,689)	(775,254)	(532,207)
Amortization expense	-	6,894,213	1,662,919	1,722,444
Balance, end of year	-	90,505,334	38,152,411	17,038,349
Net book value, end of year	\$898,563,298	\$121,442,745	\$49,011,568	\$12,858,762
Net book value, beginning of year	\$848,600,786	\$125,236,800	\$41,651,739	\$13,340,500

2016

	Land & land holdings	Building & building improvements	Park structures	Information technology
Cost:				
Balance, beginning of year	\$825,601,268	\$205,138,148	\$72,513,729	\$27,196,627
Additions, net of transfers	27,067,330	3,955,492	6,673,464	2,187,042
Disposals	(3,809,405)	(126,030)	(270,708)	(195,057)
Transfers to land held for resale	(258,407)	-	-	-
Balance, end of year	848,600,786	208,967,610	78,916,485	29,188,612
Accumulated amortization:				
Balance, beginning of year	-	76,720,501	34,329,124	14,307,632
Disposals	-	(32,765)	(183,714)	(119,753)
Amortization expense	-	7,043,074	3,119,336	1,660,233
Balance, end of year	-	83,730,810	37,264,746	15,848,112
Net book value, end of year	\$848,600,786	\$125,236,800	\$41,651,739	\$13,340,500
Net book value, beginning of year	\$825,601,268	\$128,417,647	\$38,184,605	\$12,888,995

Notes to Consolidated Financial Statements

Year ended December 31, 2017

Vehicles, machinery & equipment	Water, sewer & drainage infrastructure	Roads infrastructure	Traffic	Assets under construction	Total
\$46,827,733	\$654,821,440	\$461,620,739	\$64,031,539	\$19,930,873	\$2,412,905,817
7,130,016	20,608,430	10,044,395	2,042,096	12,138,748	117,716,004
(2,930,398)	(2,953,455)	(1,388,900)	-	-	(11,126,098)
51,027,351	672,476,415	470,276,234	66,073,635	32,069,621	2,519,495,723
22,103,906	207,718,342	161,476,815	29,997,977	-	558,140,708
(2,689,824)	(1,029,930)	(861,355)	-	-	(6,008,259)
3,672,613	9,701,502	11,221,886	1,686,459	-	36,562,036
23,086,695	216,389,914	171,837,346	31,684,436	-	588,694,485
\$27,940,656	\$456,086,501	\$298,438,888	\$34,389,199	\$32,069,621	\$1,930,801,238
\$24,723,827	\$447,103,098	\$300,143,924	\$34,033,562	\$19,930,873	\$1,854,765,109
Vehicles, machinery & equipment	Water, sewer & drainage infrastructure	Roads infrastructure	Traffic	Assets under construction	Total
\$45,957,051	\$640,998,610	\$445,534,629	\$56,019,887	\$23,048,308	\$2,342,008,257
3,064,129	16,023,067	20,967,172	8,011,652	(3,117,435)	84,831,913
(2,193,447)	(2,200,237)	(4,881,062)	-	-	(13,675,946)
-	-	-	-	-	(258,407)
46,827,733	654,821,440	461,620,739	64,031,539	19,930,873	2,412,905,817
20,933,917	197,271,928	154,425,059	28,441,420	-	526,429,581
(1,999,629)	(1,004,975)	(3,638,053)	-	-	(6,978,889)
3,169,618	11,451,389	10,689,809	1,556,557	-	38,690,016
22,103,906	207,718,342	161,476,815	29,997,977	-	558,140,708
\$24,723,827	\$447,103,098	\$300,143,924	\$34,033,562	\$19,930,873	\$1,854,765,109
\$25,023,134	\$443,726,682	\$291,109,570	\$27,578,467	\$23,048,308	\$1,815,578,676

Notes to Consolidated Financial Statements

Year ended December 31, 2017

10. Tangible capital assets (continued):

(a) Assets under construction:

Assets under construction with value of \$32,069,621 (2016 - \$26,321,840) have not been amortized. Amortization of these assets will commence when they are put into service.

(b) Contributed tangible capital assets:

Contributed tangible capital assets have been recognized at fair value at the date of contribution. The value of contributed assets received is as follows

	2017	2016
Land and land holdings	\$ 42,864,980	\$ 19,676,680
Vehicles, machinery and equipment	228,605	98,457
Water infrastructure	2,844,772	1,150,319
Sewer infrastructure	3,643,657	971,829
Drainage infrastructure	4,862,535	3,097,612
Road infrastructure	3,618,681	1,224,616
Traffic	714,311	456,783
Developers' contributions revenue	\$ 58,777,541	\$ 26,676,296

(c) Works of art and historical treasures:

The City manages and controls various works of art and non-operational historical assets, including artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

(d) Write-down of tangible capital assets:

There was no write-down of tangible capital assets during the year (2016 - nil).

11. Accumulated surplus:

	Reserves for operating purposes	Reserves for capital purposes	Surplus (deficit)	Invested in tangible capital assets	Total
	(Schedule G)	(Schedule G)			
General Fund (Schedules A, B)	\$ 25,234,989	\$ 155,736,881	\$ 20,021,173	\$ 1,463,059,661	\$ 1,664,052,704
Water Utility Fund (Schedules C, D)	49,084	9,910,269	22,900,615	128,257,327	161,117,295
Sewer and Drainage Fund (Schedules E, F)	550,501	18,003,962	11,982,449	316,318,452	346,855,364
Statutory Reserves	-	169,428,603	4,639,986	-	174,068,589
QNet	-	-	(3,667,252)	3,249,425	(417,827)
Library	-	336,158	796,254	1,676,895	2,809,307
2017	\$ 25,834,574	\$ 353,415,873	\$ 56,673,225	\$ 1,912,561,760	\$ 2,348,485,432
2016	\$ 25,377,555	\$ 264,391,445	\$ 50,359,849	\$ 1,835,473,908	\$ 2,175,602,757

Notes to Consolidated Financial Statements

Year ended December 31, 2017

12. Taxation revenue:

Taxation revenue is comprised of the following. The City is also required to collect taxes on behalf of and transfer these amounts to the government agencies noted below:

	2017	2016
Tax collected:		
General purposes	\$ 134,042,781	\$ 129,193,315
Collections for other governments	93,602,755	88,687,774
Sewer and drainage frontage tax	23,278,265	21,439,182
	250,923,801	239,320,271
Less transfers to other governments:		
Province of British Columbia - school taxes	74,608,520	70,466,459
Greater Vancouver Regional District	2,306,125	2,166,180
B.C. Assessment Authority	2,436,988	2,287,747
South Coast British Columbia Transportation Authority	14,104,313	13,627,042
Austin Heights BIA	10,622	132,220
MFA	136,187	8,126
	93,602,755	88,687,774
Taxation revenue	\$ 157,321,046	\$ 150,632,497

13. Government transfers:

Included in grants and grants in lieu revenue are the following government transfers:

	2017	2016
Federal	\$ 43,344	\$ 1,031,144
Provincial and Regional	6,428,554	5,202,861
	\$ 6,471,898	\$ 6,234,005

14. 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 Plan, including the investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits are based on a formula. The Plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 38,000 contributors from local governments, of which 1,104 (2016 – 1,061) are the City's employees.

The most recent valuation for the Plan as at December 31, 2015 indicated a \$2,224 million funding surplus for basic pension benefits. The next actuarial valuation will be performed as at December 31, 2018, with results available in 2019. Defined contribution plan accounting is applied to the Plan, as the Plan exposes the participating entities to actuarial risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocation the obligation, Plan assets and cost to individual entities participating in the Plan.

The City paid \$8,289,910 (2016 – \$7,652,216) for employer contributions to the Plan in 2017. Employees paid \$6,865,096 (2016 – \$6,476,959) for employee contributions to the Plan in 2017.

Notes to Consolidated Financial Statements

Year ended December 31, 2017

15. Employee future benefits:

The City provides benefits for sick leave and certain other retirement benefit arrangements to its employees.

All employees accumulate sick leave entitlement on a monthly basis and can only use this entitlement for paid time off under certain circumstances. Retirement benefit payments represent the City's share of the cost to provide employees with various benefits upon retirement. The accrued benefit obligation and the net periodic benefit cost were estimated by an actuarial valuation completed in January 2018.

Information about liabilities for the City's employee benefit plans is as follows:

	Sick leave	Retirement benefit payments	2017 Total	2016 Total
Accrued benefit obligation:				
beginning of year	\$ 3,731,600	\$ 4,780,100	\$ 8,511,700	\$ 8,561,200
Current service cost	325,400	402,200	727,600	777,400
Interest cost	132,400	167,800	300,200	288,500
Benefits paid	(411,600)	(565,200)	(976,800)	(789,000)
Actuarial loss (gain)	235,800	250,200	486,000	(326,400)
Accrued benefit obligation, end of year	4,013,600	5,035,100	9,048,700	8,511,700
Unamortized actuarial gain (loss)	829,200	(1,334,100)	(504,900)	(190,100)
Accrued benefit liability, end of year	\$ 4,842,800	\$ 3,701,000	\$ 8,543,800	\$ 8,321,600

The significant actuarial assumptions adopted in measuring the City's accrued benefit obligation are as follows:

	2017	2016
Discount rates	3.00%	3.40%
Expected future inflation rates	2.50%	2.50%
Expected wage and salary increases	2.50%	2.50%
Expected average remaining service period	11.4 years	11.4 years

Notes to Consolidated Financial Statements

Year ended December 31, 2017

16. Commitments and contingencies:

- (a) The City has entered into various agreements and contracts for services and construction with periods ranging from one to five years.
- (b) The City has a contingent liability with respect to debentures of the Greater Vancouver Water District, Greater Vancouver Sewerage and Drainage District and Metro Vancouver, to the extent provided for in their respective Enabling Acts, Acts of Incorporation and Amending Acts. Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.
- (c) The City is obligated to collect and transmit property taxes levied on Coquitlam taxpayers in respect of the following bodies:
- Ministry of Education, Province of B.C.
 - Metro Vancouver
 - B.C. Assessment Authority
 - South Coast British Columbia Transportation Authority
 - Municipal Finance Authority
- (d) The City is a defendant in several lawsuits in various stages. The potential claims against the City resulting from such litigation and not covered by insurance are currently undeterminable. Management considers that any outcome would not materially affect the consolidated financial statements of the City
- (e) Subsequent to January 1, 2012, the City self-insures liabilities up to \$1,500,000. Historical liabilities with an occurrence date prior to December 31, 2011 are insured by the Municipal Insurance Association of British Columbia.
- (f) The City obtains debt instruments through the MFA. The City is also required to execute demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the MFA. The demand notes are contingent in nature and are not reflected in the accounts. Details of the contingent demand notes are as follows:

	2017	2016
Operating funds:		
General	\$ 745,314	\$ 800,411
Water utility	154,438	154,438
Sewer and drainage utility	71,168	71,168
	\$ 970,920	\$ 1,026,017

- (g) The City is a shareholder of the Emergency Communications for Southwest British Columbia Incorporated (E-Comm) whose services provided include: regional 9-1-1 call centre for Metro Vancouver; Wide Area Radio network; dispatch operations; and records management. The City has 2 Class A shares and 1 Class B share (of a total of 29 Class A and 23 Class B shares issued and outstanding as at December 31, 2017). As a Class A shareholder, the City shares in both funding the future operations and capital obligations of E-Comm (in accordance with a cost sharing formula), including any lease obligations committed to by E-Comm up to the shareholder's withdrawal date.
- (h) In 2015, the City entered into an agreement-in-principle with YMCA of Greater Vancouver and Concert Properties to build a community recreation complex in the Burquitlam neighbourhood of the City. The City's contribution to the project is estimated at \$25 million which will be recovered by community amenity contributions paid by developers.

Notes to Consolidated Financial Statements

Year ended December 31, 2017

17. Trust funds:

Trust fund balance sheet:

	2017	2016
Assets:		
Investments	\$ 2,888,613	\$ 2,769,838
Due from City of Coquitlam	22,975	39,622
	\$ 2,911,588	\$ 2,809,460
Net assets:		
Cemetery perpetual care fund (a)	\$ 2,133,659	\$ 2,031,531
Gravel pit fund (b)	777,929	777,929
	\$ 2,911,588	\$ 2,809,460

(a) Cemetery perpetual care fund:

The City operates the Robinson Memorial Park Cemetery and maintains a cemetery perpetual care fund in accordance with the Cremation, Interment and Funeral Services Act.

(b) Gravel pit fund:

The City is holding funds in trust for a third party to be used for the future remediation of land. Interest earned since March 1993 accrues to the City.

18. Related party transactions:

The City provides facilities to the following cultural groups at no cost:

Evergreen Cultural Centre
Place des Arts
Mackin House Museum

These cultural groups provide services to the community.

19. Segmented information:

The City is a diversified municipal government institution that provides a wide range of services to its citizens, including General Government Services, Protection Services, Engineering Services, Solid Waste Services, Planning and Development Services, Recreation and Culture Services, Water Supply Services, and Sewer and Drainage Services. For management reporting purposes, the City's operations and activities are organized and reported by Service Areas. Service Areas were created for the purpose of recording specific activities to attain certain objectives in accordance with regulations, restrictions and limitations.

City Services are provided by departments and their activities are reported in these Service Areas. Departments disclosed in the segmented information, along with the services they provide, are as follows:

General Government Services – Mayor & Council, City Manager and Deputy City Manager, Corporate Services, Corporate Planning, Clerk's Office, Strategic Initiatives, Legal Services, Financial Services, Information Technology, QNet, Communications, and Human Resources Departments

The Departments within General Government Services are responsible for adopting bylaws; adopting administrative policy; levying and collecting taxes and utilities; acquiring, disposing and managing City assets; support of the City's integrated software, internet and intranet applications; ensuring effective financial management and communication; monitoring performance; and ensuring that high quality City service standards are met.

19. Segmented information (continued):

Protection Services – Police, Fire/Rescue, Emergency Planning, Licensing, and Bylaw Enforcement

The mandate of the Protection Services areas is to enforce laws, prevent crime, and maintain peace, order, and security by protecting life, property and the environment through the provision of emergency response, ensuring safety for the public.

Engineering Services

Engineering & Public Works is responsible for the systems that enable the community to use transportation facilities, including roads and signal systems.

Solid Waste Services

The Solid Waste Department is responsible for the garbage collection, green waste collection and recycling.

Planning and Development Services

The Planning and Development Department is responsible for preparing land use plans, bylaws and policies for sustainable development of the City and for reviewing and approving new development.

Recreation and Culture – Parks, Recreation & Culture Services and Public Library

The Parks, Recreation and Culture area is responsible for providing, facilitating the development of, and maintaining high quality parks, recreation facilities and cultural services, including public libraries.

Water Supply Services

The Water Utility Department operates and distributes over 18 million cubic meters of drinking water, maintains water mains, pump stations and storage reservoirs.

Sewer and Drainage Services

The Sewer and Drainage Division is responsible for the disposal of sanitary sewage and drainage, as well as the network of sewer mains, storm sewers and pump stations.

Notes to Consolidated Financial Statements

Year ended December 31, 2017

18. Segmented information (continued):

	General Government (including QNet)	Protection Services	Engineering	Solid Waste	Planning and Development
Taxation, net	\$ 134,042,781	\$ -	\$ -	\$ -	-
User rates	-	-	-	-	-
Fees and service charges	1,462,689	3,641,957	6,378,909	-	20,139,613
Developer built/gifted assets	47,426,577	-	-	-	-
Municipal land sale	68,504,647	-	-	-	-
Solid waste levies	-	-	-	7,633,658	-
Cost recoveries	346,377	4,812,968	2,376,857	1,675	38,511
Casino revenue	8,609,148	-	-	-	-
Grants	436,493	1,359,997	3,088,458	3,000	25,000
Investment income	5,472,234	-	-	-	-
Grants, in lieu of taxes	3,837,951	-	-	-	-
Rents and leases	918,945	8,670	-	-	-
Penalties and interest on taxes	820,278	-	-	48,977	-
Inspection and other fees	76,011	-	-	-	-
Other	855,556	36,652	150	-	20,510
Total Revenue	\$ 272,809,687	\$ 9,860,244	\$ 11,844,374	\$ 7,687,310	\$ 20,223,634

Notes to Consolidated Financial Statements

Year ended December 31, 2017

Parks, Recreational and Cultural (including Library)	Water Utility	Sewer & Drainage Utility	Reserves & Other Funds	2017 Total	2016 Total
\$ -	\$ -	\$ 23,278,265	\$ -	\$ 157,321,046	\$ 150,632,497
-	26,137,705	5,982,319	-	32,120,024	30,493,613
11,844,826	1,025,973	3,427,578	-	47,921,545	37,572,093
-	2,844,772	8,506,192	-	58,777,541	26,676,296
-	-	-	-	68,504,647	64,560,489
-	-	-	-	7,633,658	7,335,950
664,764	5,733	14,729	602,500	8,864,114	10,059,017
-	-	-	-	8,609,148	7,856,414
873,791	571,495	203,964	-	6,562,198	6,446,253
40,283	658,157	436,561	2,755,938	9,363,173	6,255,790
-	-	-	-	3,837,951	3,624,302
2,239,933	-	-	-	3,167,548	3,554,444
76,830	-	-	-	946,085	876,274
-	307,612	568,091	-	951,714	1,020,846
40,547	9,500	10,617	14,450	987,982	835,742
\$ 15,780,974	\$ 31,560,947	\$ 42,428,316	\$ 3,372,888	\$ 415,568,374	\$ 357,800,020

Notes to Consolidated Financial Statements

Year ended December 31, 2017

19. Segmented information (continued):

	General Government (including QNet)	Protection Services	Engineering	Solid Waste	Planning and Development
Salaries and benefits	\$ 15,576,921	\$ 34,185,000	\$ 10,675,864	\$ 507,419	\$ 7,957,498
Consulting and professional services	703,283	26,982,290	2,650,621	3,246,043	331,509
Amortization	2,521,134	2,109,149	13,826,106	-	-
Regional District utility charges	-	-	19,814	-	-
Supplies and equipment	2,592,734	2,453,085	10,403,925	288,615	657,996
Grants and sponsorship	423,327	21,375	-	-	-
Utilities	11,577	258,096	1,258,871	-	-
Garbage collection and disposal	-	24,655	157,007	1,994,804	-
Maintenance	1,945,653	96,669	467,805	-	-
Debenture interest payments	-	-	710,798	-	-
Insurance and claims	963,859	16,512	299,221	-	-
Courses and meetings	372,474	127,885	76,140	1,198	102,358
Telephone and communications	269,606	99,077	48,089	470	31,777
Advertising and media	324,155	14,953	12,375	35,574	3,137
Legal	41,985	1,118	-	-	-
Internal allocations	(6,609,351)	(7,782)	(7,596,110)	379,718	(131,681)
Other	149,810	58,819	12,929	105	3,710
Total Expenses	\$ 19,287,167	\$ 66,440,901	\$ 33,023,455	\$ 6,453,946	\$ 8,956,304
Annual surplus (deficit)	\$ 253,522,520	\$ (56,580,657)	\$ (21,179,081)	\$ 1,233,364	\$ 11,267,330

Notes to Consolidated Financial Statements

Year ended December 31, 2017

Recreational and Cultural (including Library)	Water Utility	Sewer & Drainage Utility	Reserves & Other Funds	2017 Total	2016 Total
\$ 24,631,616	\$ 2,649,218	\$ 2,730,615	\$ -	\$ 98,914,151	\$ 95,016,047
3,544,559	820,792	2,963,734	-	41,242,831	38,503,991
8,059,738	2,889,590	7,156,319	-	36,562,036	38,690,016
-	13,514,791	11,232,726	-	24,767,331	21,944,242
6,546,082	1,564,801	2,571,162	-	27,078,400	24,140,979
7,440,515	-	-	-	7,885,217	7,916,381
2,211,115	414,622	160,362	-	4,314,643	3,941,537
197,141	42,352	96,073	-	2,512,032	2,309,332
11,303	139	4,109	-	2,525,678	2,397,777
-	228,355	105,282	-	1,044,435	1,036,455
136	50,948	11,852	-	1,342,528	1,175,993
127,209	28,903	35,509	-	871,676	889,280
85,960	24,807	22,925	-	582,711	571,129
86,625	10,297	-	-	487,116	435,717
-	-	-	-	43,103	229,907
(194,907)	2,516,264	2,928,102	-	(8,715,747)	(8,524,832)
905,540	44,548	52,097	-	1,227,558	1,236,704
\$ 53,652,632	\$ 24,800,427	\$ 30,070,867	\$ -	\$ 242,685,699	\$ 231,910,655
\$ (37,871,658)	\$ 6,760,520	\$ 12,357,449	\$ 3,372,888	\$ 172,882,675	\$ 125,889,365

Notes to Consolidated Financial Statements

Year ended December 31, 2017

20. Budget data:

The budget data presented in these consolidated financial statements is based upon the 2017 operating and capital budgets approved by Council on December 12, 2016. The chart below reconciles the approved budget to the budget figure reported in these consolidated financial statements.

	Budget Amount
Operating budget:	
Revenue	\$ 267,442,771
Expenses	(231,523,440)
Capital budget carried forward from prior years	(12,864,152)
	(244,387,592)
Annual surplus per statement of operations	23,055,179
Less capital expenses	(84,317,645)
Add capital funding from reserves	61,262,466
Approved budget	\$ -

21. Comparative Information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted for the current year.

	2017	2016
Financial Assets		
Cash and deposits	\$ 273,136,920	\$ 226,118,654
Accounts receivable	17,271,758	21,642,940
Deposit, MFA	302,215	333,199
	290,710,893	248,094,793
Liabilities		
Accounts payable and accrued liabilities	42,405,133	38,880,114
Employee future benefits	8,391,800	8,189,900
Deferred revenue	23,830,222	16,435,870
Debt	11,288,820	12,448,918
	85,915,975	75,954,802
Net financial assets	204,794,918	172,139,991
Non-Financial Assets		
Tangible capital assets	1,457,346,568	1,393,986,955
Inventories of supplies	746,015	612,329
Prepaid expenses	1,165,203	870,910
	1,459,257,786	1,395,470,194
Accumulated surplus	\$ 1,664,052,704	\$ 1,567,610,185

General Fund – Statement of Operations

Year ended December 31, 2017, with comparative information for 2016

Schedule B

	Budget	2017	2016
Revenue:			
Taxation, net	\$ 134,056,170	\$ 134,042,781	\$ 129,193,315
Grants	5,783,284	5,482,364	6,091,493
Grants, in lieu of taxes	3,715,000	3,837,951	3,624,302
Fees and service charges	26,762,554	43,426,997	34,253,602
Solid waste levies	8,045,280	7,633,658	7,335,950
Rents	2,360,399	2,585,385	2,820,448
Investment income	5,447,925	5,580,751	4,152,316
Penalties and interest on taxes	1,055,500	869,255	807,634
Casino revenue	7,500,000	8,609,148	7,856,414
Developers' contributions	-	47,424,245	21,456,537
Cost recoveries	5,114,755	8,151,715	7,249,907
Sundry	38,314	896,984	633,969
Municipal land sale	-	68,504,647	64,560,489
	199,879,181	337,045,881	290,036,376
Expenses:			
General government	15,238,140	15,066,165	15,052,333
Police protection	35,992,273	35,040,566	34,338,340
Fire protection	25,245,419	25,589,892	24,702,251
Other protection	2,944,997	2,637,699	2,516,809
Engineering	14,358,390	14,246,367	13,060,869
Solid waste	6,661,383	6,453,946	6,117,688
Planning and Development	8,044,723	8,435,551	7,401,935
Parks, Recreation and Culture	41,333,423	42,879,833	40,901,614
Debt interest payments	747,248	710,798	702,819
Retroactive and severance pay	1,010,000	922,703	1,704,125
Amortization	26,000,000	25,846,876	26,226,557
Tangible capital assets adjustments	10,904,762	9,177,962	7,075,015
	188,480,758	187,008,358	179,800,355
	11,398,423	150,037,523	110,236,021
Transfer from Land Sale Reserve	18,784,056	15,467,366	14,827,805
Transfer to Vehicle Replacement Reserve	(2,244,623)	(2,393,077)	(2,118,723)
Transfer to Land Sale Reserve	(2,455,219)	(71,944,350)	(71,588,423)
Transfer from Reserve Funds	10,489,898	5,275,057	11,709,285
Transfer (to) from other funds	-	-	(3,048,026)
Annual surplus	35,972,535	96,442,519	60,017,939
Accumulated surplus, beginning of year	1,567,610,185	1,567,610,185	1,507,592,246
Accumulated surplus, end of year	\$ 1,603,582,720	\$ 1,664,052,704	\$ 1,567,610,185

	2017	2016
Financial Assets		
Cash and deposits	\$ 34,326,688	\$ 33,181,630
Accounts receivable	720,436	641,929
Deposit, MFA	67,177	65,892
	35,114,301	33,889,451
Liabilities		
Accounts payable and accrued liabilities	4,173,129	2,903,967
Debt	5,075,460	5,301,822
	9,248,589	8,205,789
Net financial assets	25,865,712	25,683,662
Non-Financial Assets		
Tangible capital assets	135,190,911	128,924,486
Inventories of supplies	60,672	59,874
	135,251,583	128,984,360
Accumulated surplus	\$ 161,117,295	\$ 154,668,022

Water Utility Fund – Statement of Operations
Year ended December 31, 2017, with comparative information for 2016

Schedule D

	Budget	2017	2016
Revenue:			
User rates	\$ 25,463,808	\$ 26,137,705	\$ 25,226,106
Grants	4,814,000	571,495	-
Water connection fees	1,430,650	1,025,973	1,838,468
Inspection and other fees	377,000	307,612	466,288
Investment income	515,650	658,157	511,350
Developers' contributions	-	2,844,772	1,150,319
Sinking fund surplus	-	9,500	9,500
Cost recoveries	-	5,733	9,063
	32,601,108	31,560,947	29,211,094
Expenses:			
Administration	4,523,709	4,326,980	3,972,644
Water supply	14,287,907	13,514,791	11,444,508
Pumping	1,043,443	959,462	905,611
Maintenance	2,555,077	2,255,308	2,159,126
Debenture interest payments	228,305	228,355	228,354
Amortization	2,800,000	2,889,590	5,424,227
Tangible capital assets adjustments	439,472	625,941	77,368
	25,877,913	24,800,427	24,211,838
	6,723,195	6,760,520	4,999,256
Transfer from Statutory Reserves	-	-	23
Transfer to Statutory Reserves	(299,157)	(311,247)	(333,976)
Transfer (to) from other funds	-	-	3,048,026
Annual surplus	6,424,038	6,449,273	7,713,329
Accumulated surplus, beginning of year	154,668,022	154,668,022	146,954,693
Accumulated surplus, end of year	\$ 161,092,060	\$ 161,117,295	\$ 154,668,022

Sewer and Drainage Utility Fund – Statement of Financial Position

December 31, 2017, with comparative information for 2016

Schedule E

	2017	2016
Financial Assets		
Cash and deposits	\$ 24,997,344	\$ 18,994,998
Accounts receivable	162,819	128,919
Deposit, MFA	30,957	30,364
	25,191,120	19,154,281
Liabilities		
Accounts payable and accrued liabilities	816,990	427,155
Deferred revenue	7,461,836	7,659,800
Debt	2,340,026	2,444,388
	10,618,852	10,531,343
Net financial assets	14,572,268	8,622,938
Non-Financial Assets		
Tangible capital assets	332,262,359	326,199,467
Inventories of supplies	20,737	21,941
	332,283,096	326,221,408
Accumulated surplus	\$ 346,855,364	\$ 334,844,346

Sewer and Drainage Utility Fund – Statement of Operations

Year ended December 31, 2017, with comparative information for 2016

Schedule F

	Budget	2017	2016
Revenue:			
Sewer frontage tax	\$ 23,328,470	\$ 23,278,265	\$ 21,439,182
User rates	6,164,490	5,982,319	5,267,507
Grants	-	203,964	52,123
Fees and service charges	3,692,171	3,427,578	1,451,065
Inspection and other fees	350,000	568,091	529,358
Investment income	199,823	436,561	187,269
Developers' contributions	-	8,506,192	4,069,440
Sinking fund surplus	-	10,616	10,619
Cost recoveries	6,500	14,730	97,709
	33,741,454	42,428,316	33,104,272
Expenses:			
Administration	5,596,329	5,012,329	4,888,390
Collection and disposal	3,155,451	3,018,339	3,053,277
Pumping	914,085	724,982	763,231
Greater Vancouver Sewerage & Drainage District	11,324,785	10,783,726	10,026,324
Debt interest payments	105,259	105,282	105,282
Amortization	6,600,000	7,156,319	6,389,024
Tangible capital assets adjustments	1,519,918	3,269,890	1,827,390
	29,215,827	30,070,867	27,052,918
	4,525,627	12,357,449	6,051,354
Transfer to reserves	(312,021)	(346,431)	(370,934)
Annual surplus	4,213,606	12,011,018	5,680,420
Accumulated surplus, beginning of year	334,844,346	334,844,346	329,163,926
Accumulated surplus, end of year	\$ 339,057,952	\$ 346,855,364	\$ 334,844,346

Reserve Fund Balances

Year ended December 31, 2017, with comparative information for 2016

Schedule G

	General Fund	Sewer and Drainage Fund	Water Utility Fund	2017 Total	2016 Total
Reserves for operating purposes:					
Insurance reserve	\$ 12,224,140	\$ -	\$ -	\$ 12,224,140	\$ 11,595,868
Waste utility reserve	3,686,459	-	-	3,686,459	2,725,436
Soil removal fees reserve	825,253	-	-	825,253	555,373
Work in progress reserve	339,327	-	-	339,327	403,613
Public safety reserve	1,122,027	-	-	1,122,027	1,167,544
Tax appeals reserve	1,218,543	-	-	1,218,543	1,194,254
Building maintenance reserve	1,000,000	550,501	49,084	1,599,585	1,555,063
Commodity tax payable reserve	500,000	-	-	500,000	500,000
Cemetery reserve	232,427	-	-	232,427	232,185
Other operating reserves	1,468,845	-	-	1,468,845	1,265,686
WCB/Powersmart reserve	412,087	-	-	412,087	272,879
Specified area reserve	1,056,180	-	-	1,056,180	993,077
Election reserve	500,000	-	-	500,000	500,000
Extreme weather reserve	169,833	-	-	169,833	1,916,577
Economic development reserve	479,868	-	-	479,868	500,000
Total reserves for operating purposes	\$ 25,234,989	\$ 550,501	\$ 49,084	\$ 25,834,574	\$ 25,377,555

Reserve Fund Balances

Year ended December 31, 2017, with comparative information for 2016

Schedule G (continued)

	General Fund	Sewer and Drainage Fund	Water Utility Fund
Reserves for capital purposes:			
Specific projects - in progress reserve	\$ 13,719,887	\$ 5,177,455	\$ 1,175,841
Infrastructure reserve	12,540,777	-	-
Equipment and component replacement reserve	12,181,520	12,478,974	7,151,708
Restricted debt reserve	1,541,727	306,026	258,517
Debt reserve	87,002	41,507	1,324,203
Local area service reserve	2,243,318	-	-
Casino revenue reserve - municipal capital	11,866,677	-	-
Casino revenue reserve - community	140,048	-	-
Internal financing reserve	574,650	-	-
Land sale investment reserve	9,297,192	-	-
Affordable housing bylaw #3866	10,580,354	-	-
Bonus density - City Centre amenities	6,465,998	-	-
Bonus density - Austin Heights amenities	604,585	-	-
Bonus density - Burquitlam/Lougheed	16,395,244	-	-
Community amenity contribution	4,073,659	-	-
Waste utility reserve	484,971	-	-
Legacy building replacement reserve	30,540,246	-	-
Legacy road replacement reserve	12,296,631	-	-
DCC matching reserve	8,899,293	-	-
Waste bin asset replacement reserve	1,203,102	-	-
	\$ 155,736,881	\$ 18,003,962	\$ 9,910,269
Statutory reserves:			
Land sale statutory reserve	-	-	-
Vehicle replacement statutory reserve	-	-	-
Water utility statutory reserve	-	-	-
Parkland statutory reserve	-	-	-
Capital street works statutory reserve	-	-	-
	-	-	-
Total	\$ 155,736,881	\$ 18,003,962	\$ 9,910,269

Statutory Reserves		Library		2017 Total	2016 Total
\$	-	\$	\$336,158	\$ 20,409,341	\$ 21,805,720
	-		-	12,540,777	12,477,163
	-		-	31,812,202	23,653,380
	-		-	2,106,270	2,059,149
	-		-	1,452,712	3,835,665
	-		-	2,243,318	2,235,208
	-		-	11,866,677	7,215,163
	-		-	140,048	109,064
	-		-	574,650	564,157
	-		-	9,297,192	3,946,647
	-		-	10,580,354	9,471,219
	-		-	6,465,998	7,485,922
	-		-	604,585	593,545
	-		-	16,395,244	6,433,858
	-		-	4,073,659	2,238,828
	-		-	484,971	479,653
	-		-	30,540,246	28,426,693
	-		-	12,296,631	10,998,721
	-		-	8,899,293	8,001,323
	-		-	1,203,102	850,843
\$	-	\$	336,158	\$ 183,987,270	\$ 152,881,921
	146,729,320		-	146,729,320	87,622,698
	16,598,161		-	16,598,161	14,540,810
	822,437		-	822,437	807,419
	5,276,327		-	5,276,327	8,536,282
	2,358		-	2,358	2,315
	169,428,603		-	169,428,603	111,509,524
\$	169,428,603	\$	336,158	\$ 353,415,873	\$ 264,391,445

Annual Report

For the year ending December 31, 2017

2017

Financial Statements of Coquitlam Public Library Board

Auditors:
KPMG LLP

Prepared by:
The Coquitlam Public
Library Board

Independent Auditors' Report

To the Chair and Members of Coquitlam Public Library

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design

audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Coquitlam Public Library as at December 31, 2017 and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in blue ink that reads "KPMG LLP". Below the signature is a horizontal line.

Chartered Professional Accountants
February 28, 2018
Burnaby, Canada

Statement of Financial Position

December 31, 2017, with comparative information for 2016

	2017	2016
Financial Assets		
Cash	\$ 1,053,512	\$ 1,309,935
Temporary investments (note 3)	455,535	300,000
Accounts receivable	39,615	35,196
	<u>1,548,662</u>	<u>1,645,131</u>
Liabilities		
Accrued salaries and benefits (note 9)	364,490	461,002
Accounts payable and accrued liabilities	126,648	123,885
Obligations for leased tangible capital assets (note 4)	61,164	89,887
	<u>552,302</u>	<u>674,774</u>
Net financial assets	996,360	970,357
Non-Financial Assets		
Tangible capital assets (note 5)	1,738,059	1,744,095
Prepaid expenses	74,888	49,913
	<u>1,812,947</u>	<u>1,794,008</u>
Commitment (note 10)		
Accumulated surplus (note 6)	\$ 2,809,307	\$ 2,764,365

See accompanying notes to financial statements.

Approved on behalf of the Library Board:


 _____ Director


 _____ Director

Statement of Operations

Year ended December 31, 2017, with comparative information for 2016

	2017 Budget	2017	2016
	(note 11)		
Revenue:			
Grants (note 7)	\$ 5,248,479	\$ 5,278,457	\$ 5,095,096
Interest	15,000	20,003	15,578
Fines and fees	82,000	76,830	68,640
Photocopying services		40,996	28,958
Book sales	8,500	8,867	9,366
Fundraising activities	15,000	9,842	1,530
Other	27,200	18,101	14,468
	5,396,179	5,453,096	5,233,636
Expenses:			
Amortization	514,879	534,117	530,984
Building and grounds maintenance	165,000	157,008	161,339
Conferences and courses	53,500	54,147	46,406
Insurance	36,000	34,422	36,549
InterLINK assessment (note 10)	63,000	62,126	61,651
Magazines and online subscriptions	230,000	221,847	155,496
Professional fees	65,000	68,287	94,113
Promotion and publicity	36,000	43,904	24,459
Salaries and benefits	3,665,000	3,736,753	3,747,046
Supplies and equipment	92,000	67,782	61,305
Telecommunications, computer charges and utilities	288,000	300,561	262,767
Transportation	36,000	31,377	27,872
Rental, administration and other	78,169	95,823	79,317
	5,322,548	5,408,154	5,289,304
Annual surplus (deficit)	73,631	44,942	(55,668)
Accumulated surplus, beginning of year	2,764,365	2,764,365	2,820,033
Accumulated surplus, end of year	\$ 2,837,996	\$ 2,809,307	\$ 2,764,365

See accompanying notes to financial statements.

Statement of Changes in Net Financial Assets

Year ended December 31, 2017, with comparative information for 2016

	2017 Budget		2017		2016
	(note 11)				
Annual surplus (deficit)	\$	73,631	\$	44,942	\$ (55,668)
Acquisition of tangible capital assets		(588,510)		(528,081)	(470,810)
Amortization of tangible capital assets		514,879		534,117	530,984
		-		50,978	4,506
Acquisition of prepaid expenses		-		(74,888)	(49,913)
Use of prepaid expenses		-		49,913	48,063
Change in net financial assets		-		26,003	2,656
Net financial assets, beginning of year		970,357		970,357	967,701
Net financial assets, end of year	\$	970,357	\$	996,360	\$ 970,357

See accompanying notes to financial statements.

Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ 44,942	\$ (55,668)
Amortization, an item not involving cash	534,117	530,984
Changes in non-cash operating working capital:		
Increase in accounts receivable	(4,419)	(2,413)
Increase in prepaid expenses	(24,975)	(1,850)
Increase (decrease) in accrued salaries and benefits	(96,512)	69,949
Increase in accounts payable and accrued liabilities	2,763	78,335
Decrease in deferred revenue	-	(5,630)
	455,916	613,707
Capital activities:		
Cash used to acquire tangible capital assets	(528,081)	(470,810)
Principal payments under obligations for leased tangible capital assets	(28,723)	(28,988)
	(556,804)	(499,798)
Investing activities:		
Increase in temporary investments	(155,535)	(127,997)
Net change in cash	(256,423)	(14,088)
Cash, beginning of year	1,309,935	1,324,023
Cash, end of year	\$ 1,053,512	\$ 1,309,935

See accompanying notes to financial statements.

Notes to Financial Statements

Year ended December 31, 2017

1. Operations:

The Coquitlam Public Library (the "Library"), which is funded primarily by the City of Coquitlam (the "City"), was established in 1977 pursuant to the *Library Act of British Columbia* (Part 2) as a Municipal Public Library. The Library is governed by a nine member municipally appointed Board of Trustees (the "Board"). The Board, on behalf of the residents and taxpayers of the City, oversees the management and operation of the Library and further serves as a policy making body for the organization.

2. Significant accounting policies:

These financial statements are prepared in accordance with Canadian public sector accounting standards, and include the following specific policies:

(a) Budget information:

Budget information, presented in these financial statements, is based on the 2017 operating and capital budgets developed by management. The 2017 budget was approved by the Board on February 22, 2017. Note 11 reconciles the budget developed by management to the budget figures reported in the financial statements.

(b) Temporary investments:

Temporary investments are recorded at cost which approximates market value.

(c) Deferred revenue:

Contributions restricted for the acquisition of tangible capital assets and program related expenditures are deferred and recorded as revenue in the period that the funds are spent.

(d) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(e) Tangible capital assets:

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. The cost, less residual value of the tangible capital assets, is amortized on either a straight-line basis or declining balance basis over their estimated useful lives as follows:

Asset	Rate
Automotive	Straight line – 5 to 10 years
Leasehold improvements	Straight line – 5 years
Library collections	Straight line – 5 years
Security equipment	Straight-line – 5 years
Computer equipment	Declining balance – 30%
Furniture and equipment	Declining balance – 7% to 20%
Assets under capital lease	Straight-line over lease term

Notes to Financial Statements (continued)

Year ended December 31, 2017

2. Significant accounting policies (continued):

Land and buildings acquired for library purposes, but funded by the City, are recorded in the City's financial statements and are not included in these financial statements.

Amortization commences when the asset is available for use.

(i) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are recorded as revenue.

(ii) Leased tangible capital assets:

Leases, which transfer substantially all of the benefits and risks incidental to ownership of property, are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(f) Functional and object reporting:

The operations of the Library are comprised of a single function, library operations. As a result, the expenses of the Library are presented by object in the statement of operations.

(g) Employee future benefits:

The Library and its employees make contributions to the Municipal Pension Plan (the "Plan"). These contributions are expensed as incurred.

Sick leave benefits and retirement severance benefits are also available to the Library's employees. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligation under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(h) Government transfers:

Restricted transfers from governments are deferred and are recognized as revenue in the year in which the related expenditures are incurred or the stipulations in the related agreement are met. Unrestricted transfers are recognized as revenue when received

(i) Fines and fees revenue:

The Library recognizes fines and fees as revenue upon receipt.

(j) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of accrued sick and retirement benefits and useful lives of tangible capital assets. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

3. Temporary investments:

The temporary investments balance of \$455,535 (2016 - \$300,000) is comprised of guaranteed investment certificates ("GICs") earning interest at 1.20% to 1.35% (2016 – 0.85% to 0.95%) and maturing in 2018.

Notes to Financial Statements (continued)

Year ended December 31, 2017

4. Obligations for leased tangible capital assets:

The tangible capital lease obligation for the Library’s photocopier is as follows:

2018	\$	22,688
2019		22,456
2020		16,723
Total minimum lease payments		61,867
Less amount representing interest (at Municipal Finance Authority borrowing rate of 1.00%)		703
Present value of minimum capital lease payments	\$	61,164

Notes to Financial Statements (continued)

Year ended December 31, 2017

5. Tangible capital assets:

Cost	Balance, December 31, 2016	Additions	Transfers	Disposals	Balance December 31, 2017
Automotive	\$ 61,480	\$ -	\$ -	\$ -	\$ 61,480
Leasehold improvements	88,856	-	-	-	88,856
Library collections	1,937,654	439,813	-	316,905	2,060,562
Security equipment	172,634	19,053	-	-	191,687
Computer equipment	657,036	50,102	-	-	707,138
Furniture and equipment	1,259,810	19,113	25,902	-	1,304,825
Leased tangible capital assets	144,868	-	(25,902)	-	118,966
	\$ 4,322,338	\$ 528,081	\$ -	\$ 316,905	\$ 4,533,514

Accumulated Amortization	Balance, December 31, 2016	Amortization Expense	Transfers	Disposals	Balance December 31, 2017
Automotive	\$ 37,355	\$ 6,419	\$ -	\$ -	\$ 43,774
Leasehold improvements	82,755	1,408	-	-	84,163
Library collections	1,113,278	338,499	-	316,905	1,134,872
Security equipment	124,719	18,121	-	-	142,840
Computer equipment	489,496	56,064	-	-	545,560
Furniture and equipment	673,611	85,754	25,383	-	784,748
Leased tangible capital assets	57,029	27,852	(25,383)	-	59,498
	\$ 2,578,243	\$ 534,117	\$ -	\$ 316,905	\$ 2,795,455

Net book value	Balance, December 31, 2016	Balance December 31, 2017
Automotive	\$ 24,125	\$ 17,706
Leasehold improvements	6,101	4,693
Library collections	824,376	925,690
Security equipment	47,915	48,847
Computer equipment	167,540	161,578
Furniture and equipment	586,199	520,077
Leased tangible capital assets	87,839	59,468
	\$ 1,744,095	\$ 1,738,059

Notes to Financial Statements (continued)

Year ended December 31, 2017

6. Accumulated surplus:

Accumulated surplus consists of fund surplus and reserve funds as follows:

		2017		2016
Invested in tangible capital assets	\$	1,676,895	\$	1,654,208
Operating surplus		796,254		813,599
Capital reserves		336,158		296,558
	\$	2,809,307	\$	2,764,365

7. Grant revenue:

	2017 Budget		2017		2016
City of Coquitlam	\$	4,957,479	\$	4,974,082	\$ 4,792,459
Province of British Columbia		282,500		289,289	282,461
Community Service Clubs		7,500		13,961	19,051
Other		1,000		1,125	1,125
	\$	5,248,479	\$	5,278,457	\$ 5,095,096

8. Pension Plan:

The Library 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 the investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 189,000 active members and approximately 85,000 retired members. Active members include approximately 37,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of plan funding. The most recent valuation as at December 31, 2015 indicated a \$2.224 billion funding surplus for basic pension benefits on a going concern basis. The next actuarial valuation will be performed as at December 31, 2018 with results available in 2019. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The Library paid \$291,679 (2016 - \$290,000) for employer contributions to the Plan in 2017. Employees paid \$240,900 (2016 - \$228,000) for employee contributions to the Plan in 2017.

9. Employee future benefits:

The Library provides benefits for sick leave and certain other retirement benefit arrangements to its employees.

All employees accumulate sick leave entitlement on a monthly basis and can only use this entitlement for paid time off under certain circumstances. Retirement benefit payments represent the Library's share of the cost to provide employees with various benefits upon retirement. The accrued benefit obligation and the net periodic benefit cost were estimated by an actuarial valuation completed in February 2013.

The total expenses recorded in the financial statements in respect of obligations under these plans amount to \$37,300 (2016 - \$34,400).

Notes to Financial Statements (continued)

Year ended December 31, 2017

9. Employee future benefits (continued):

Information about liabilities for the Library's employee benefit plans is as follows:

	Sick leave	Retirement benefit payments	2017 Total	2016 Total
Accrued benefit obligation:				
Balance, beginning of year	\$ 120,400	\$ 88,400	\$ 208,800	\$ 228,000
Current service cost	8,700	6,700	15,400	16,300
Interest cost	4,200	3,100	7,300	7,500
Benefits paid	(13,000)	(4,000)	(17,000)	(85,600)
Actuarial loss (gain)	3,800	(1,800)	2,000	42,600
Benefit obligation, end of year	124,100	92,400	216,500	208,800
Unamortized actuarial loss	2,600	(67,100)	(64,500)	(77,100)
Accrued sick and retirement liability	\$ 126,700	\$ 25,300	\$ 152,000	\$ 131,700

The accrued sick and retirement liabilities are included as part of accrued salaries and benefits on the statement of financial position.

The significant actuarial assumptions adopted in measuring the Library's accrued benefit obligation are as follows:

	2017	2016
Discount rates	3.0%	3.4%
Expected future inflation rates	2.5%	2.5%
Expected wage and salary increases	2.5%	2.5%

10. Commitment:

The Library is a member of InterLINK, which provides interlibrary loans for Coquitlam Public Library patrons from 16 other participating libraries in other municipalities. The Library has a contractual agreement with InterLINK to pay the annual assessment fee which, for 2017, is \$62,126 (2016 - \$61,651). The annual assessment fee for 2018 and subsequent years cannot currently be determined.

Notes to Financial Statements (continued)

Year ended December 31, 2017

11. Budget data:

The budget data presented in these financial statements is based upon the 2017 budget developed by management. The 2017 budget was approved by the Board on February 22, 2017. The chart below reconciles the budget developed by management to the budget figures reported in these financial statements.

Revenue:	
Operating budget	\$ 5,396,179
Expenses:	
Operating	4,807,669
Capital	1,103,389
	5,911,058
Annual deficit per budget	(514,879)
Add: capital expenditures recorded as tangible capital assets	588,510
Annual surplus per statement of operations	\$ 73,631

Annual Report

For the year ending December 31, 2017

2017

Financial Statements of Coquitlam Optical Network Corporation (QNet)

Auditors:

KPMG LLP

Prepared by:

The Finance
& Technology
Department of the
City of Coquitlam

Independent Auditors' Report

To the Board of Directors of Coquitlam Optical Network Corporation (QNET)

We have audited the accompanying financial statements of Coquitlam Optical Network Corporation (QNET), which comprise the statement of financial position as at December 31, 2017, the statements of operations, changes in net debt and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Coquitlam Optical Network Corporation (QNET) as at December 31, 2017, and its results of operations and the changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Chartered Professional Accountants

April 5, 2018
Burnaby, Canada

Coquitlam Optical Network Corporation (QNet)**Statement of Financial Position***December 31, 2017, with comparative information for 2016*

	2017	2016
Financial Assets		
Cash	\$ 6,323	\$ 1,295
Accounts receivable	86,464	143,105
	92,787	144,400
Liabilities		
Accounts payable and accrued liabilities	50,424	112,374
Deferred revenue	91,833	-
Due to City of Coquitlam (note 4)	4,639,986	4,933,494
	4,782,243	5,045,868
Net debt	(4,689,456)	(4,901,468)
Non-Financial Assets		
Tangible capital assets (note 3)	4,263,341	4,168,513
Prepaid expenses	8,288	5,776
	4,271,629	4,174,289
Accumulated deficit	\$ (417,827)	\$ (727,179)
Accumulated deficit is comprised of:		
Share capital	\$ 1	\$ 1
Accumulated deficit	(417,828)	(727,180)
	\$ (417,827)	\$ (727,179)

*Economic dependence (note 6)**See accompanying notes to financial statements.*

Approved on behalf of the Board:



Pete Steblin,
City Manager & QNet Board Chair

Statement of Operations

Year ended December 31, 2017, with comparative information for 2016

	2017 Budget	2017	2016
	(note 7)		
Revenue:			
Fibre lease	\$ 503,088	\$ 398,063	\$ 555,996
Rack lease	178,000	184,100	178,000
Installation fees	28,000	76,011	25,200
Power cost recovery	32,100	35,568	31,890
Revenue sharing	41,140	53,868	38,448
Developer's contribution	-	2,332	-
Other	-	19,622	-
	782,328	769,564	829,534
Expenses:			
General and administrative	209,611	236,842	229,475
Amortization	157,998	135,133	119,224
Interest (note 4)	80,416	88,237	79,246
	448,025	460,212	427,945
Annual surplus	334,303	309,352	401,589
Accumulated deficit, beginning of year	(727,180)	(727,180)	(1,128,769)
Accumulated deficit, end of year	\$ (392,877)	\$ (417,828)	\$ (727,180)

See accompanying notes to financial statements.

Statement of Changes in Net Debt

Year ended December 31, 2017, with comparative information for 2016

	2017 Budget		2017		2016
	(note 7)				
Annual surplus for the year	\$	344,303	\$	309,352	\$ 401,589
Acquisition of tangible capital assets		(306,203)		(229,961)	(354,020)
Amortization of tangible capital assets		157,998		135,133	119,224
Increase in prepaid expense		-		(2,512)	(200)
Change in net debt		196,098		212,012	166,593
Net debt, beginning of year		(4,901,468)		(4,901,468)	(5,068,061)
Net debt, end of year	\$	(4,705,370)	\$	(4,689,456)	\$ (4,901,468)

See accompanying notes to financial statements.

Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 309,352	\$ 401,589
Amortization of tangible capital assets, an item not involving cash	135,133	119,224
Change in non-cash operating working capital balances:		
Prepaid expenses	(2,512)	(200)
Accounts receivable	56,641	(90,912)
Accounts payable and accrued liabilities	(61,950)	(19,275)
Deferred revenue	91,833	-
Net change in cash from operating activities	528,497	410,426
Capital activities:		
Cash used to acquire tangible capital assets	(229,961)	(354,020)
Financing activities:		
Decrease in due to City of Coquitlam	(293,508)	(58,040)
Change in cash	5,028	(1,634)
Cash, beginning of year	1,295	2,929
Cash, end of year	\$ 6,323	\$ 1,295

See accompanying notes to financial statements.

Notes to Financial Statements

Year ended December 31, 2017

1. Operations:

Coquitlam Optical Network Corporation (QNet) (the "Company") was incorporated on November 12, 2008 under the British Columbia Business Corporations Act. The Company's business involves providing open access to optical fibre networks. It is a wholly municipal-owned subsidiary of the City of Coquitlam (the "City") and operates its business within the City municipality boundaries. The Company is a local government corporation and is exempt from income taxes.

2. Significant accounting policies:

These financial statements have been prepared by management in accordance with Canadian public sector accounting standards:

(a) Revenue recognition:

The Company recognizes revenue when services are provided to customers, the price is fixed or determinable, and collectability is reasonably assured.

(b) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets:

Tangible capital assets have useful lives extending beyond the current year and are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value of the tangible capital assets, is amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Rate
Software	8 years
Data centre equipment	5 - 25 years
Building entrance - civil	85 years
Building entrance - fibre	25 years
Arterial fibre - civil	85 years
Arterial fibre - fibre	25 years
Leasehold improvements and leased equipment	over term of lease

Notes to Financial Statements (continued)

Year ended December 31, 2017

2. Significant accounting policies (continued):

(b) Non-financial assets (continued):

(i) Tangible capital assets (continued):

The Company does not capitalize interest costs.

Any assets under construction are not amortized until the asset is available for productive use.

Leases that transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. Amortization is provided over the term of the lease.

(ii) Impairment of tangible capital assets:

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Company's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations

(c) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that could affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of allowance for doubtful accounts, useful lives for amortization of tangible capital assets, and provisions for contingencies. Actual results could differ from those estimates.

(d) Functional and object reporting:

The operations of the Company are comprised of a single function, optical fibre networks operations. As a result, the expenses of the Company are presented by object in the statement of operations.

(e) Financial instruments:

Financial instruments are recorded at fair value on initial recognition and are subsequently recorded at cost or amortized cost, unless management is required or has elected to carry the instruments at fair value. The Company has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Company determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset, or the amount the Company expects to realize by exercising its rights to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

Notes to Financial Statements (continued)

Year ended December 31, 2017

3. Tangible Capital Assets

December 31, 2017	Software	Data centre equipment	Building entrance - fibre	Building entrance - civil
Cost:				
Balance, beginning of year	\$ 84,050	\$ 951,603	\$ 406,730	\$ 585,051
Additions, net of transfers	-	-	76,950	50,577
Balance, end of year	84,050	951,603	483,680	635,628
Accumulated amortization:				
Balance, beginning of year	82,108	375,478	55,717	26,548
Amortization expense	1,665	54,733	17,485	10,541
Balance, end of year	83,773	430,211	73,202	37,089
Net book value, end of year	\$ 277	\$ 521,392	\$ 410,478	\$ 598,539
Net book value, beginning of year	\$ 1,942	\$ 576,125	\$ 351,013	\$ 558,503

December 31, 2016	Software	Data centre equipment	Building entrance - fibre	Building entrance - civil
Cost:				
Balance, beginning of year	\$ 84,050	\$ 945,376	\$ 274,284	\$ 375,500
Additions, net of transfers	-	6,227	132,446	209,551
Balance, end of year	84,050	951,603	406,730	585,051
Accumulated amortization:				
Balance, beginning of year	80,443	320,769	43,369	17,418
Amortization expense	1,665	54,709	12,348	9,130
Balance, end of year	82,108	375,478	55,717	26,548
Net book value, end of year	\$ 1,942	\$ 576,125	\$ 351,013	\$ 558,503
Net book value, beginning of year	\$ 3,607	\$ 624,607	\$ 230,915	\$ 358,082

There was no write-down of tangible capital assets during the year (2016-nil).

Notes to Financial Statements (continued)

Year ended December 31, 2017

	Arterial fibre - civil	Arterial fibre - fibre	Leasehold improvements and leased equipment	Assets under construction	Total				
\$	1,758,056	\$	222,359	\$	932,876	\$	34,729	\$	4,975,454
	66,448		65,606		-		(29,620)		229,961
	1,824,504		287,965		932,876		5,109		5,205,415
	108,135		40,741		118,214		-		806,941
	17,816		9,561		23,332		-		135,133
	125,951		50,302		141,546		-		942,074
\$	1,698,553	\$	237,663	\$	791,330	\$	5,109	\$	4,263,341
\$	1,649,921	\$	181,618	\$	814,662	\$	34,729	\$	4,168,513
	Arterial fibre - civil	Arterial fibre - fibre	Leasehold improvements and leased equipment	Assets under construction	Total				
\$	1,747,263	\$	219,214	\$	932,876	\$	42,871	\$	4,621,434
	10,793		3,145		-		(8,142)		354,020
	1,758,056		222,359		932,876		34,729		4,975,454
	98,932		31,904		94,882		-		687,717
	9,203		8,837		23,332		-		119,224
	108,135		40,741		118,214		-		806,941
\$	1,649,921	\$	181,618	\$	814,662	\$	34,729	\$	4,168,513
\$	1,648,331	\$	187,310	\$	837,994	\$	42,871	\$	3,933,717

Notes to Financial Statements (continued)

Year ended December 31, 2017

4. Due to City of Coquitlam:

The amount due to City of Coquitlam at December 31, 2017 of \$4,639,986 (2016 - \$4,933,494) is related to funding for the purchase of tangible capital assets and funding for operating expenses of the Company. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration negotiated and agreed to by the related parties.

During 2011, the Company entered into a lease agreement to lease leasehold improvements and equipment from the City until December 15, 2051. Included in the amount due to City of Coquitlam is \$932,876 (2016 - \$932,876) for the use of leasehold improvements and equipment for the term of the lease.

Amounts due to City of Coquitlam are unsecured, bear interest at the City's average borrowing cost of 1.86% (2016 - 1.63%) and have no set terms of repayment.

5. Related party transactions

During the year, certain employees of the City performed administrative services for the Company, including purchasing, accounting, clerical and other operational-type services. The Company also used the City's rack space and ducts. The Company was not charged by the City for these services for the year ended December 31, 2017 (2016 - nil). Management costs and direct infrastructure services related to the Company of \$96,479 (2016 - \$107,511) were charged from the City and are shown as expenses in the financial statements.

The City uses fibre and the data center owned by the Company at no charge (2016 – nil).

6. Economic dependence:

The Company's operations are currently partially funded by the City and accordingly, operations of the Company for the foreseeable future are dependent upon the continued financial support of the City.

7. Budget data:

The budget data presented in these financial statements is based upon the 2017 budget approved by the Board of Directors on April 4, 2017. The chart below reconciles the approved budget figures reported in these financial statements.

Revenue:		
Operating budget	\$	782,328
Expenses:		
Operating budget		209,611
Capital budget		544,617
		<u>754,228</u>
Annual surplus per budget		28,100
Add: tangible capital assets included in capital budget		306,203
Annual budgeted surplus per statement of operations	\$	<u>334,303</u>

8. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted for the current year.

Annual Report

For the year ending December 31, 2017

2017

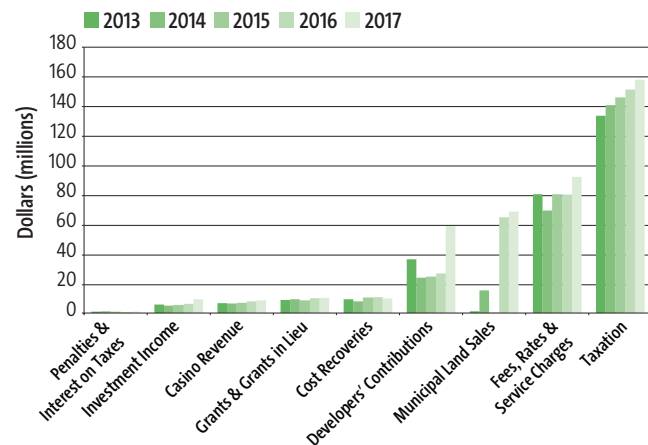
Statistical Analysis

Statistical Analysis

Revenues

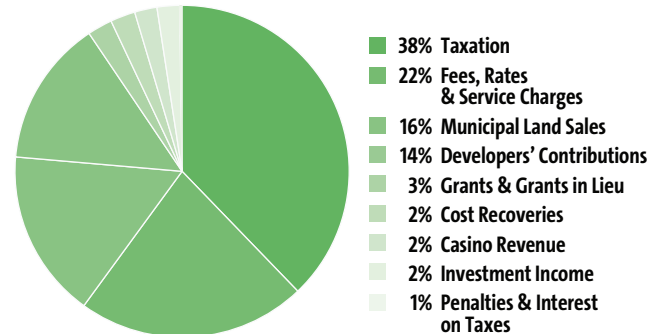
Revenue by Source (\$) 2013–2017

(Source: City of Coquitlam Finance & Technology Department)



Revenue by Source (%) 2017

(Source: City of Coquitlam Finance & Technology Department)



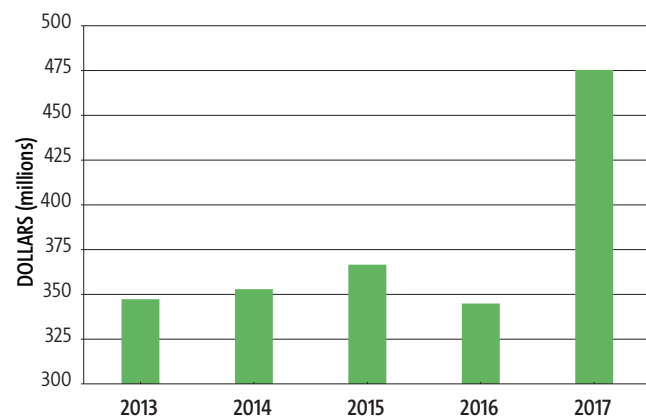
Revenues

Last Five Fiscal Years Comparison

	2013	2014	2015	2016	2017
Taxation	\$ 133,104,670	\$ 140,092,846	\$ 145,483,212	\$ 150,632,497	\$ 157,321,046
Penalties & Interest on Taxes	1,111,029	1,167,074	1,068,680	876,274	946,085
Fees, rates & Service Charges	80,056,487	69,060,029	80,197,289	79,976,946	91,794,489
Developer's Contribution	36,209,937	23,797,423	24,728,377	26,676,296	58,777,541
Investment Income	5,858,896	5,129,766	5,457,671	6,255,790	9,363,173
Grants & Grants in Lieu	8,778,184	9,286,386	8,738,513	10,070,555	10,400,149
Municipal Land Sales	1,265,221	15,409,337	135,218	64,560,489	68,504,647
Casino Revenue	6,730,968	6,442,834	7,096,803	7,856,414	8,609,148
Cost Recoveries	9,386,539	8,005,187	10,680,469	10,894,759	9,852,096
Total Revenue	\$ 282,501,931	\$ 278,390,882	\$ 283,586,232	\$ 357,800,020	\$ 415,568,374

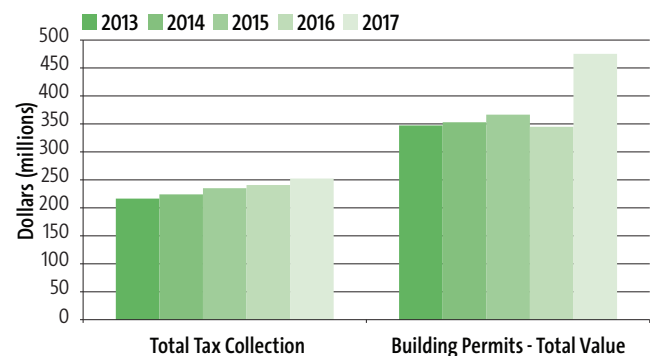
Total Value of Building Permits (\$ 2013–2017

(Source: City of Coquitlam Planning & Development Department)



Building Permits and Total Tax Collection (\$ 2013–2017

(Source: City of Coquitlam Finance & Technology Department and Planning & Development Department)

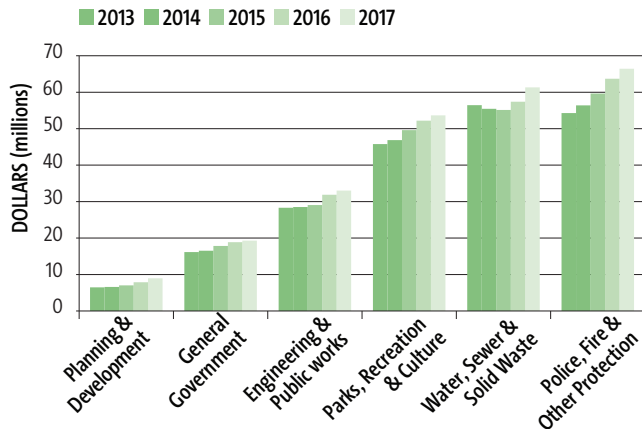


Statistical Analysis

Expenses

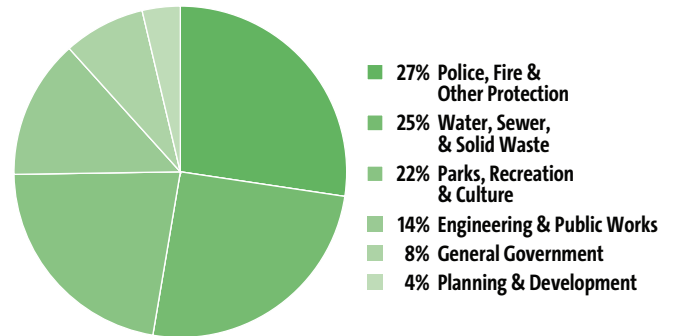
Expenses by Function (\$ 2013–2017)

(Source: City of Coquitlam Finance & Technology Department)



Expenses by Function (%) 2017

(Source: City of Coquitlam Finance & Technology Department)



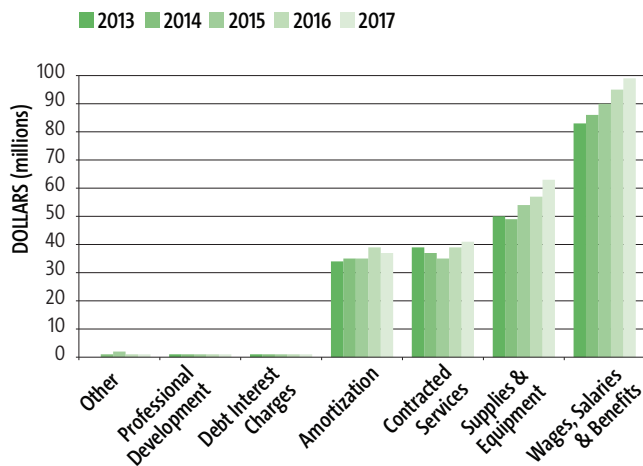
Expenses

Analysis by Functions

	2013	2014	2015	2016	2017
General Government	\$ 16,143,203	\$ 16,517,296	\$ 17,822,271	\$ 18,869,206	\$ 19,287,167
Police, Fire & Other Protection	54,266,851	56,385,569	59,636,629	63,708,950	66,440,901
Engineering	28,317,525	28,516,245	29,059,110	31,871,645	33,023,455
Planning & Development	6,476,006	6,604,996	7,018,966	7,885,805	8,956,304
Parks, Recreation and Culture	45,767,039	46,852,652	49,603,564	52,192,605	53,652,632
Water, Sewer & Solid Waste	56,459,187	55,437,872	55,135,207	57,382,444	61,325,240
Total Expenses by Functions	\$ 207,429,811	\$ 210,314,630	\$ 218,275,747	\$ 231,910,655	\$242,685,699

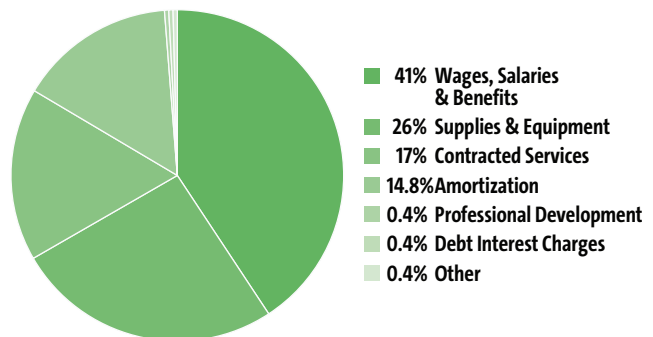
Expenses by Account (\$ 2013–2017)

(Source: City of Coquitlam Finance & Technology Department)



Expenses by Account (%) 2017

(Source: City of Coquitlam Finance & Technology Department)



Expenses

Analysis by Account

	2013	2014	2015	2016	2017
Wages, Salaries and Benefits	\$ 82,598,738	\$ 86,202,279	\$ 89,961,577	\$ 95,016,047	\$ 98,914,151
Professional Development	729,581	801,903	870,432	889,280	871,676
Contracted Services	38,799,325	36,614,364	34,730,899	38,503,991	41,242,831
Supplies and Equipment	48,898,559	48,692,025	54,095,687	56,538,162	62,823,012
Other	1,338,815	1,234,067	2,181,508	1,236,704	1,227,558
Debt Interest Charges	1,471,882	1,327,007	1,302,057	1,036,455	1,044,435
Amortization	33,592,911	35,442,985	35,133,587	38,690,016	36,562,036
Total Expenses by object	\$ 207,429,811	\$ 210,314,630	\$ 218,275,747	\$ 231,910,655	\$ 242,685,699

Total Number of City Employees, 2013–2017

(Source: City of Coquitlam Human Resources & Corporate Planning Division)

Year	Number of FTE Not Including RCMP Members	Number of FTE Including RCMP Members
2013	938	1066
2014	959	1093
2015	988	1119
2016	1014	1165
2017	1029	1183

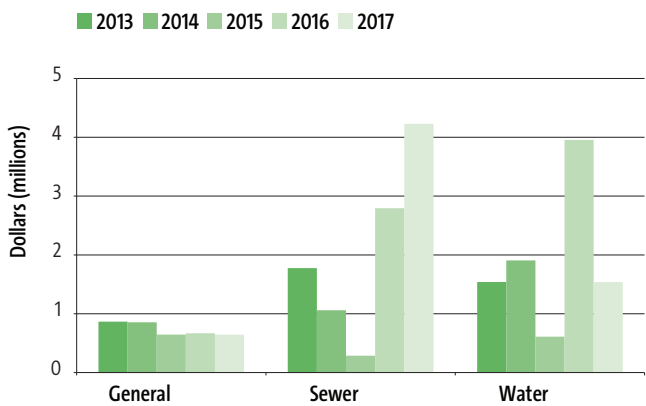
Note: Full-Time Equivalent (FTE) includes full-time, part-time and auxiliary staff

Statistical Analysis

Surplus

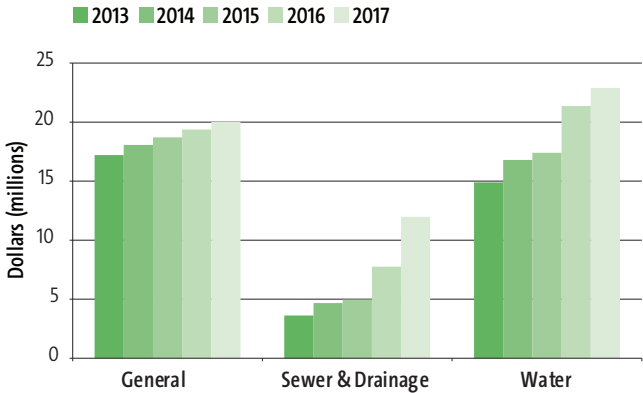
Surplus for the Year (\$ 2013–2017)

(Source: City of Coquitlam Finance & Technology Department)



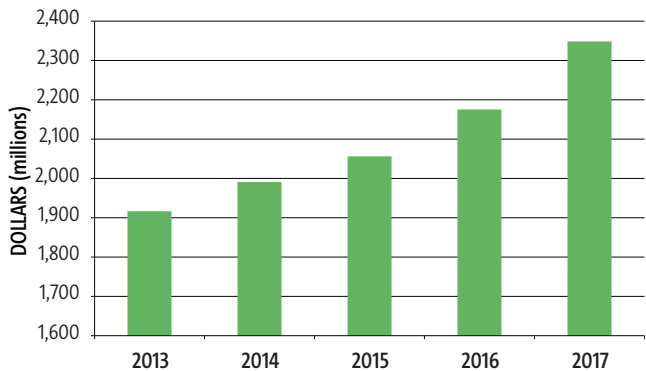
Accumulated Operating Surplus (General, Water and Sewer & Drainage) (\$ 2013–2017)

(Source: City of Coquitlam Finance & Technology Department)



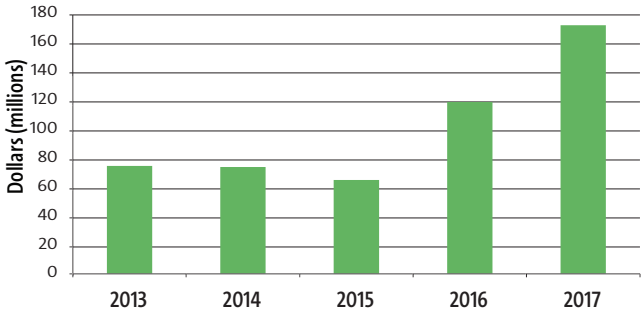
Accumulated Consolidated Surplus (\$ 2013–2017)

(Source: City of Coquitlam Finance & Technology Department)



Annual Consolidated Surplus (\$ 2013–2017)

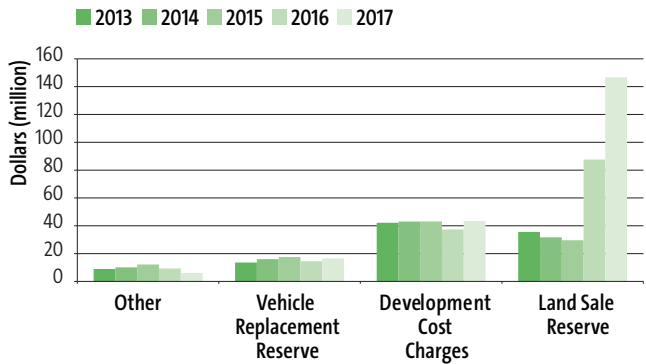
(Source: City of Coquitlam Finance & Technology Department)



Reserves

Summary of Statutory Reserve Funds (\$ 2013–2017)

(Source: City of Coquitlam Finance & Technology Department)

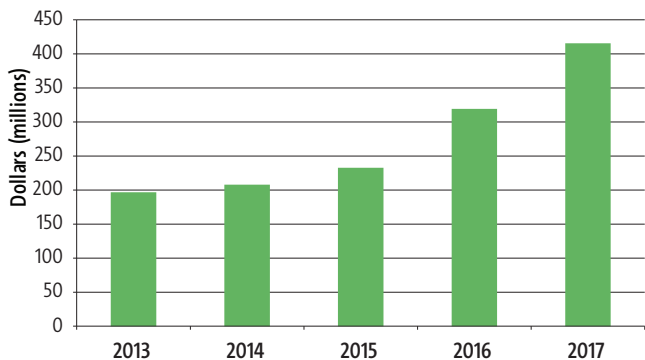


Statistical Analysis

Assets

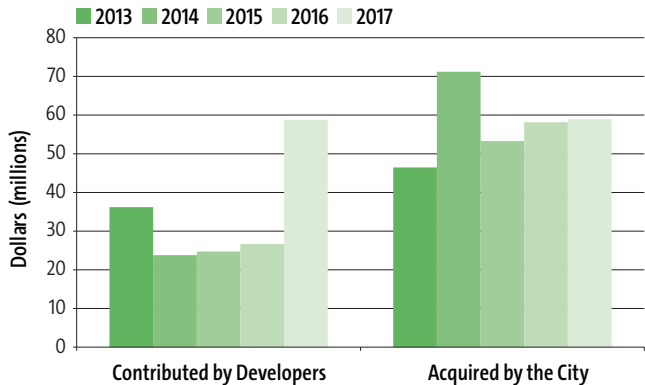
**Net Financial Assets
(\$)
2013–2017**

(Source: City of Coquitlam Finance & Technology Department)



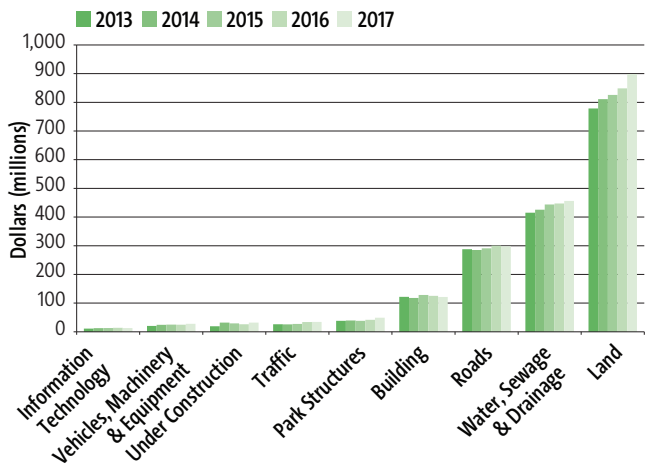
**Total Assets Aquisition
(\$)
2013–2017**

(Source: City of Coquitlam Finance & Technology Department)



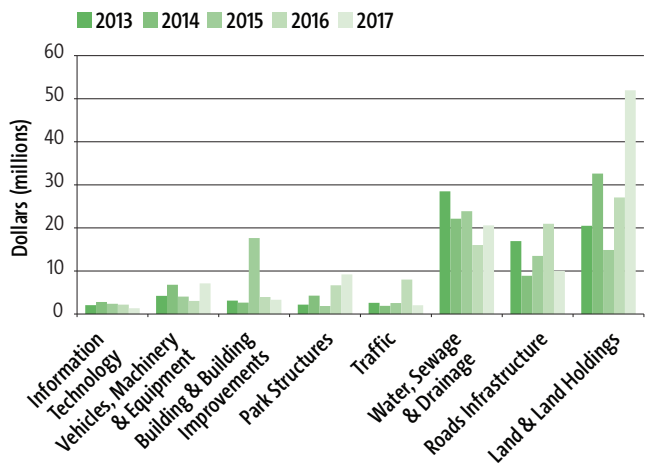
**Net Book Value of Tangible Capital Assets
(\$)
2013–2017**

(Source: City of Coquitlam Finance & Technology Department)



**Assets Aquisition by Category
(\$)
2013–2017**

(Source: City of Coquitlam Finance & Technology Department)

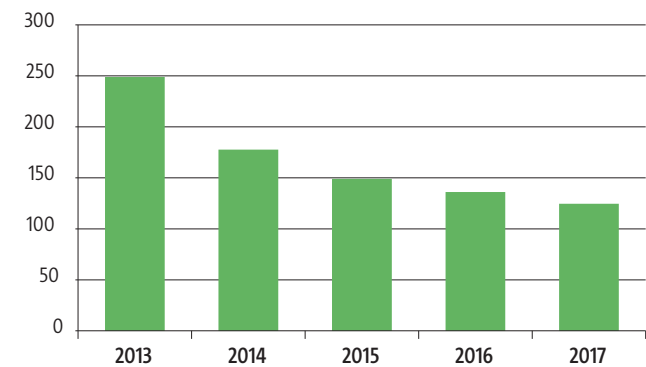


Statistical Analysis

Debt

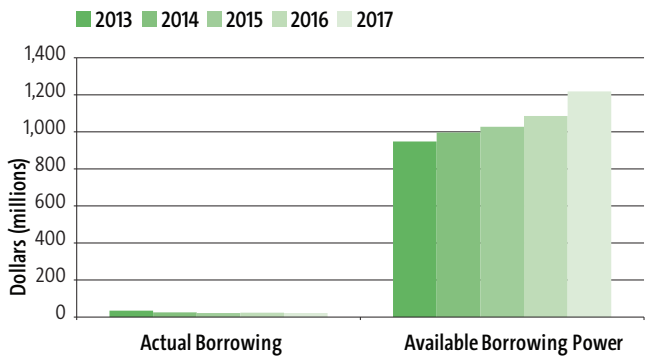
Coquitlam Debt per Capita (\$) 2013–2017

(Source: City of Coquitlam Finance & Technology Department)



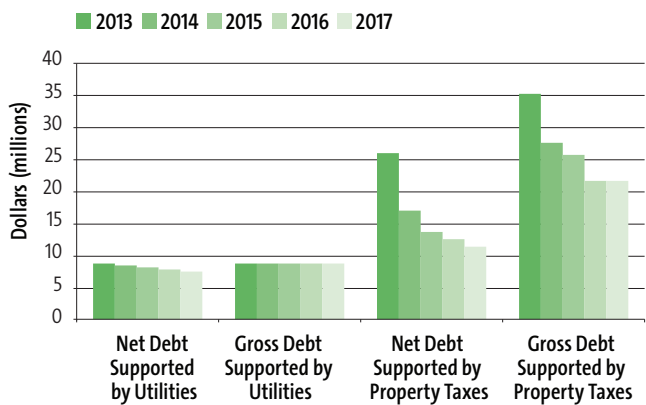
Legal Debt Limit (\$) 2013–2017

(Source: City of Coquitlam Finance & Technology Department)



Gross & Net Long Term Debt (\$) 2013–2017

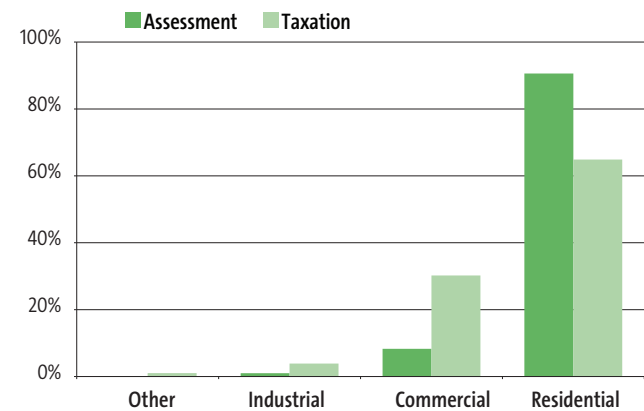
(Source: City of Coquitlam Finance & Technology Department)



Property Assessment & Taxation

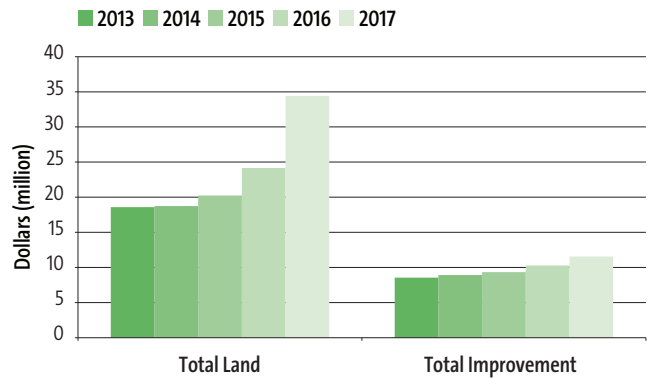
Assessment & Taxation By Property Class (\$) 2017

(Source: City of Coquitlam Finance & Technology Department)



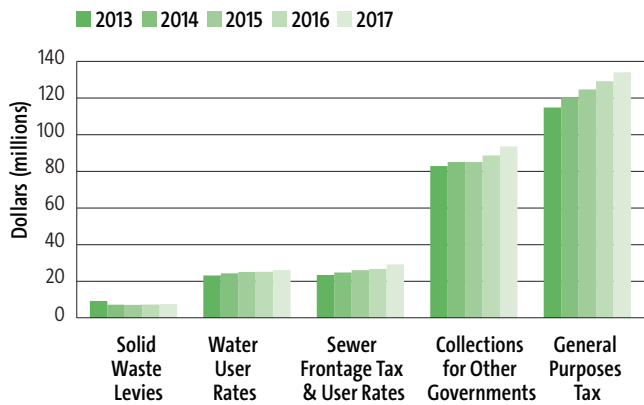
Assessed Values for General Municipal Purposes (\$) 2013–2017

(Source: City of Coquitlam Finance & Technology Department)



Property Tax Collection, Other Major Levies & Collections (\$) 2013–2017

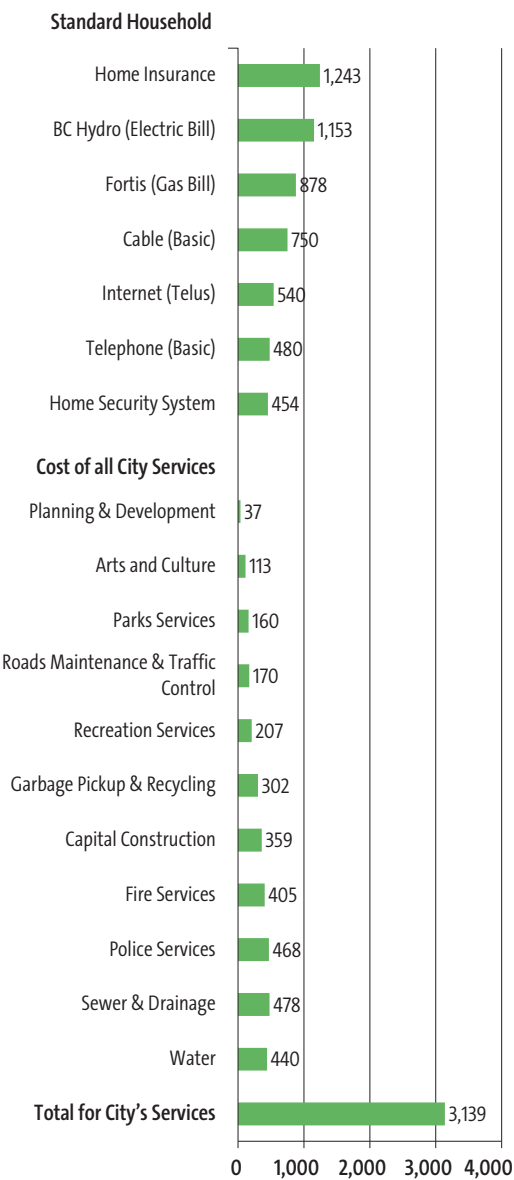
(Source: City of Coquitlam Finance & Technology Department)



Statistical Analysis

Comparison of the Average 2017 Annual Tax Bill for all City Services to Other Standard Household Costs

(Source: City of Coquitlam Finance & Technology Department)



Based on 2017 average single-family residence.

Principal Corporate Taxpayers (over \$250,000)

(Source: City of Coquitlam Finance & Technology Department)

Corporate taxpayers over \$250,000		
Registered Owner	Primary Property	Taxes Levied
Pensionfund Realty Ltd.	Shopping Centre	\$ 7,264,693
Loblaw Properties West Inc.	Shopping Centre	3,349,202
BC Hydro & Power Authority	Electric Power Systems	1,863,393
Burquitlam Building Ltd.	Shopping Centre	1,472,813
Ikea Properties Ltd.	Miscellaneous	1,460,372
Great Canadian Casinos Inc.	Stores & Service Commercial	1,359,387
Fraser Mills Properties Ltd.	Industrial	1,313,495
Sun Life Assurance Co of Canada	Shopping Centre	1,304,750
Pinetree Village Holdings Inc.	Shopping Centre	1,244,157
Sunnyland Enterprises Ltd.	Shopping Centre	861,877
FortisBC Energy Inc.	Gas Distribution Systems	765,413
655870 BC Ltd.	Storage & Warehousing	737,494
Lafarge Canada Inc.	Concrete Mixing Plants	699,079
Coquitlam Inn & Convention Centre Ltd.	Motel & Auto Court	645,815
Spire LP (Lougheed Super Centre) Ltd.	Community Shopping Centre	618,628
Double Kappa Holdings Ltd.	Vacant Land	608,053
Busung Investment Co Ltd.	Shopping Centre	565,353
1051578 BC LTD	Shopping Centre Neighbourhood	529,615
Brenhill Developments Ltd.	Theatre Buildings	524,856
Home Depot Holdings Inc.	Stores & Service Commercial	520,832
No. 186 Seabright Holdings Ltd.	Warehouse Storage	495,261
West Mall Hotels Ltd.	Hotel	480,673
Kebet Holdings Ltd.	Storage & Warehousing	461,426
Polygon Development 314 Ltd.	Civic Institute - Vacant	426,819
Aragon (Austin Station) Properties Ltd.	Shopping Centre	425,215
McDonald's Restaurants of Canada	Fast Food Restaurants	415,607
WKR Inc.	Storage & Warehousing	400,630
424116 BC Ltd.	Apartment (High Rise)	376,299
Pacific Reach Home Furnishings	Stores & Service Commercial	376,151
Domtar Inc.	Miscellaneous & Industrial	371,212
South Coast BC Transportation Auth.	Parking-Lot	369,791
B U K Investments Ltd.	Auto. Paint Shop. Garage, Etc.	368,426
Viam Holdings Ltd.	Strata Apartment	362,603
Investors Group Trust Co. Ltd.	Shopping Centre	361,501
Honeysuckle Developments Inc.	Manufacturing Operation	351,624
John Volken Foundation Inc.	Warehouse Showroom Store	347,632
1046561 BC LTD	Storage & Warehousing	343,606

Statistical Analysis

Corporate taxpayers over \$250,000		
Registered Owner	Primary Property	Taxes Levied
ONNI Development (Glen Drive) Corp.	Stores & Offices	340,962
Henderson Civic Centre Ltd.	Shopping Centre	339,161
32 Fawcett Investments Ltd.	Warehouse Distribution	332,240
Toys R Us (Canada) Ltd.	Retail Sales	330,590
Unimet Investments Ltd.	Developer	326,747
0854995 BC LTD	Warehouse, Storage	325,852
Apollo Sheet Metal Holdings Ltd.	Storage & Warehousing	318,334
655868 BC Ltd.	Storage & Warehousing	298,016
390200 BC LTD	Shopping Centre - Neighbourhood.....	294,732
Coca-Cola Refreshments Canada	Storage & Warehousing	294,016
ONNI Holdings Ltd.	Storage & Warehousing	292,508
Mason Investments Ltd.	Strata Warehouse	290,175
Bosa Properties (Uptown 2) Inc.	Multi Family High Rise	286,770
Dayhu Investments Ltd.	Warehouse Showroom Store	281,258
Marcon Clarke Properties Ltd.	Stores & Service Commercial	279,150
Crown Provincial	Gravel Pit.....	278,402
925834 Ontario Inc.	Stores & Service Commercial	271,106
634510 BC LTD	Warehouse, Storage	269,135
Bosa Properties (Uptown) Inc.	Multi Family High Rise	268,240
Concert Cottonwood Lands Ltd.	Multi Family Apartment Block	267,996
Hermes Holdings Ltd.	Warehouse Showroom Store	266,672
Hirex Holdings Ltd.	Automobile Dealership	261,046
Telus Communications Inc.	Public Utility Use (Telephone).....	257,915
Derik King Edward Property Ltd.	Shopping Centre - Neighbourhood.....	256,094
Newcorp Properties Ltd.	Warehouse & Storage	255,100
LM Burquitlam Homes Ltd.	Stores & Offices	253,416
437909 BC Ltd.	Auto. Paint Shop. Garage	250,387
		<u>\$ 42,229,773</u>

Permissive Tax Exemptions

(Source: City of Coquitlam Finance & Technology Department)

The intent of the Taxation Exemption Bylaw is to grant property taxation exemptions to the following categories of land and/or improvements:

Burquitlam Senior Housing Society	\$15,945
Accommodations for senior residents on limited incomes	
Colony Farm Community Gardens Society	\$5,301
Gardening opportunities for community and related activities	
Community Living Society Inc.	\$2,292
Supports people with disabilities	
Community Living Society Inc.	\$2,292
Supports people with disabilities	
Greater Vancouver Water District	\$16,513
Land leased to the City of Coquitlam	
Nature Trust of British Columbia	\$1,006
Land conservation organization	
Nature Trust of British Columbia	\$4,581
Land conservation organization	
Nature Trust of British Columbia	\$31,779
Land conservation organization	
Nature Trust of British Columbia	\$54,993
Land conservation organization	
Nature Trust of British Columbia	\$70,895
Land conservation organization	
Royal Canadian Legion Branch No. 263	\$28,394
Support for veterans, members and the community	
Simon Fraser Society For Community Living	\$2,369
Supports healthy development of all people	
Simon Fraser Society For Community Living	\$2,582
Supports healthy development of all people	
Sisters of The Immaculate Heart of Mary Society	\$1,599
Education based daycare centre	
Societe du Foyer Maillard	\$20,822
Bilingual nursing homes for seniors	

This list does not include statutory exemptions provided by the province or the permissive exemptions provided by the City of Coquitlam under section 224 subsection (2) (f) [buildings for public worship] and the City's properties.

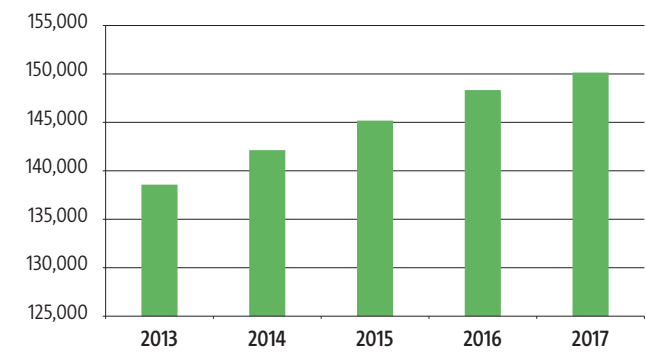
The tax figures provided above are estimates only.

Statistical Analysis

Coquitlam Demographics

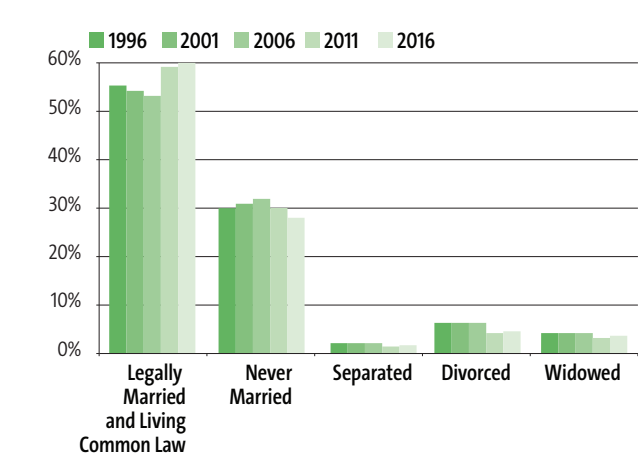
**Population Estimate
2013–2017**

(Source: BC Stats)



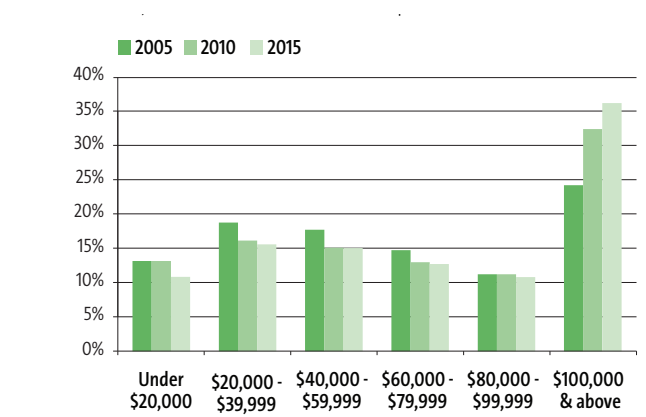
**Coquitlam Residents by Marital Status
1996–2016**

(Source: Statistics Canada, 2016 Census)



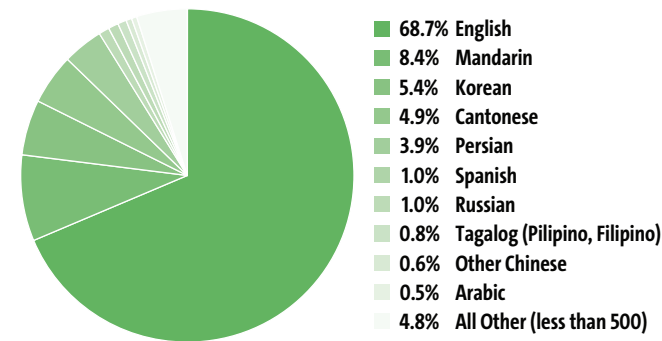
**Household Income in Coquitlam
2005, 2010 & 2015**

(Source: Statistics Canada)



Top Ten Languages Spoken at Home in Coquitlam

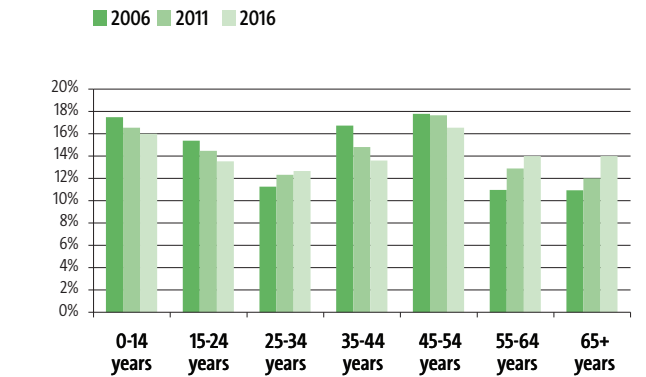
(Source: Statistics Canada, 2016 Census)



Definition of Home Language: Refers to the language spoken most often or on a regular basis at home.

Coquitlam’s Population by Age as a Percentage of Population

(Source: Statistics Canada 2006, 2011 & 2016 Censuses)



Major Employers in Coquitlam with 150 or more Employees

(Source: City of Coquitlam)

Institutional, Commercial and Industrial Employers

Name

Education	School District #43
Education	Douglas College
Local Government	City of Coquitlam
Retail Sales	The Real Canadian Superstore (2 stores)
Retail Sales	Ikea
Casino	Hard Rock Casino
Manufacturer	Factors Group of Nutritional Companies Inc
Restaurant Sales	McDonald's Restaurants (6 restaurants)
Warehouse	WN Pharmaceuticals Ltd.
Manufacturer	Superior Poultry Processors Ltd
Retail Sales	Canada Safeway (2 stores)
Retail & Wholesale Sales/ Warehouse	Leavitt Machinery
Manufacturer	Jack Cewe Ltd.
Restaurant Sales	Tim Hortons (4 restaurants)
Retail Sales	Shoppers Drug Mart (6 stores)
Golf Courses	Westwood Plateau Golf & Country Club
Warehouse	McKesson Canada
Retail Sales	Home Depot Canada
Theatre/Concert Hall	Cineplex SilverCity (Theatres)
Contractor/Industrial Services	Waste Management of Canada Corporation
Retail Sales	Value Village
Industrial Services	Smithrite Disposal Ltd
Retail Sales	Save-on-Foods
Retail Sales	T & T Supermarket
Retail Sales	Sears Canada Inc
Manufacturer	Associated Labels and Packaging
Restaurant Sales	Cactus Club Café
Retail Sales	Winners and Homesense

Note: Information on employment numbers (over 150) is provided by the business licence applicant and may or may not be the most current.



City of Coquitlam

Finance & Technology
3000 Guildford Way,
Coquitlam, BC, V3B 7N2
604-927-3000
Fax: 604-927-3035
www.coquitlam.ca



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