

*Stories told*  
*Stories to be created*

# Annual Report

For the year ending December 31, 2016

# 2016

Coquitlam

**On the cover:** One of the highlights of 2016 was the opening of the Town Centre Park Plaza. This new venue accommodates events of various sizes.

In 2016 the new outdoor venue was a focal point for large community events such as Coquitlam 125 anniversary celebrations and Coquitlam Celebrates Canada Day, as well as a variety of community festivals and events throughout the year.

The plaza design provides a flexible, year-round public space, with seating and layout that takes advantage of existing park slopes and landscape features, and provides barrier-free access to the stage area and seating.

[coquitlam.ca/towncentre](http://coquitlam.ca/towncentre)

# Annual Report

*For the year ending December 31, 2016*

# 2016

**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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# Awards

*The City of Coquitlam received the Government Finance Officers Association (GFOA) Canadian Award for Financial Reporting (2015), Outstanding Achievement in Popular Annual Financial Reporting award (2015) and Distinguished Budget Presentation award (2016). 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.*

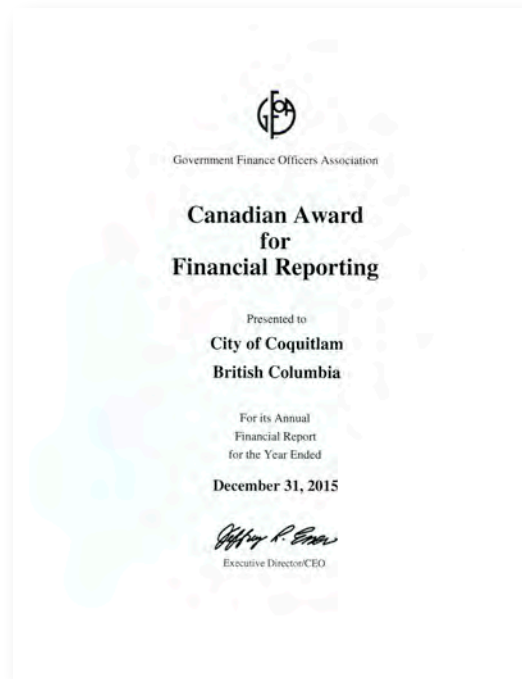
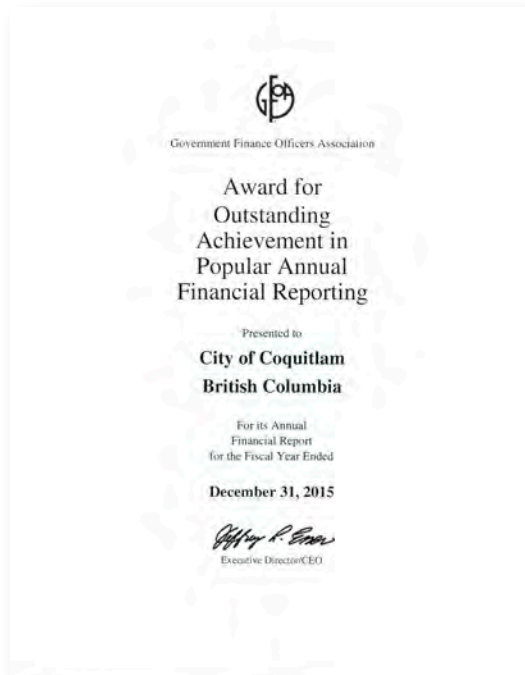




PHOTO: K. REINHEIMER

## 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 nearly 140,000 people who rank among the highest in the province in terms of overall health and educational levels.*

**140,000** people call Coquitlam home

**+6,400** 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

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

**42%** of Coquitlam residents were born outside of Canada (top three countries: China, South Korea, Iran)

**56%** of residents over the age of 25 have post-secondary education

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

**45,745:** total number of housing units

**77%** of residents own their home

**\$748,100:** average MLS selling price for a Coquitlam home (including apartments)

**\$109,712:** average family income of couples with children

**\$67,700:** 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

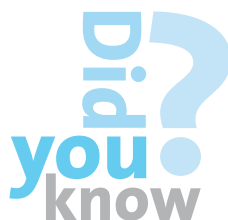


*Councillor*  
Bonita Zarrillo

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.



**30**

In-Committee  
Meetings

**30**

Regular Council  
Meetings

**13**

Public  
Hearings

**11**

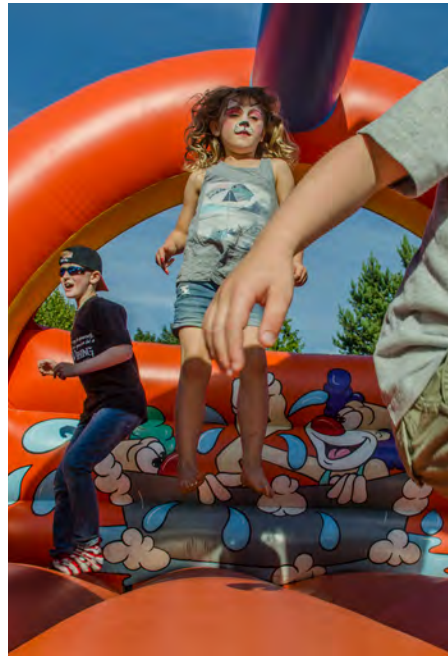
Advisory Committees  
held 60 Meetings



# Message from the Mayor

*The theme of this year's Annual Report is Stories Told, Stories to be Created.*

*Throughout 2016, Coquitlam 125 anniversary celebrations permeated the fabric of our community. We celebrated stories from the last 125 years, and we started the creation of a number of new stories that will be told as we move into the next phase of our City's evolution.*



These stories were of celebration – whether through the many Neighbourhood Nights, a record number of Block Parties, the inaugural Kaleidoscope Arts Festival, and annual favourites such as Coquitlam Celebrates Canada Day or the Lights at Lafarge winter festival. These celebrations strengthen our community connections and provide a sense of belonging for our residents.

Coquitlam also hosted the 2016 55+ BC Games, welcoming some 3,200 athletes and garnering over 1,200 volunteers for this magnificent competition. Plus, 2016 saw Coquitlam earn tremendous recognition, as we won the National Communities in Bloom competition, a remarkable achievement.

Even with all our celebrations, we still managed to achieve great progress on a number of key initiatives in the community including:

- completing construction of the Town Centre Park Plaza in time for last year's Canada Day celebrations;
- completing the Pinetree Way corridor enhancements, to coincide with the arrival of SkyTrain to our community;
- a number of new parks initiated or completed; and
- the implementation of the Housing Affordability Strategy.

Of course, one of the biggest highlights was the completion of the Millennium Line Evergreen Extension to SkyTrain,

which officially opened at the end of 2016, bringing rapid transit to our community. This provides our residents with a new connection between our neighbourhoods and a greater connection for our city with the rest of Metro Vancouver.

Coquitlam is the sixth largest municipality in B.C. and one of the fastest-growing communities in the province. As we continue to grow, it is more important than ever that we continue to work in a strategic way. This places even more significance on our integrated corporate planning framework which links our financial and business plans and is described in detail later in this document. It also means that we need to be vigilant in our planning to support this growth – whether through economic development, transportation planning, community and development planning, parks, recreation and culture services planning or public safety.

We must work to ensure that Coquitlam can continue to create and tell great stories for many generations to come.

Richard Stewart  
Mayor

# Organizational Structure

As of April 1, 2017



Note: in early 2017 two organizational changes occurred in the financial department of the City. First, the name was changed from Financial Services to Finance & Technology to reflect the inclusion of Information and Communication Technology (ICT) Services. Second, Michelle Hunt assumed the role of General Manager. Every effort has been taken to ensure clarity on these changes in this document however, to allow for consistency, we are using the Finance and Technology name and description.

# 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 works closely with the City 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, 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, in consultation with the public and working with City Council, land use strategies, policies and community plans to guide Coquitlam's growth. 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.





*“Municipal government tends to have the largest impact on the public’s day-to-day lives, providing important infrastructure like sewers and roads, public amenities such as community centres and parks, as well as overall community planning, from business licenses to development permits, and from zoning to bylaws. Certainly, because the jurisdiction of the municipal government is wide and largely operational in nature, members of the public are likely to interact with it in a myriad of ways. It is for these reasons that it is in a municipality’s best interest to be contemplative about process and procedure and its impact on the customer experience.”*

**— Peter Steblin, City Manager**



# Integrated Planning Framework

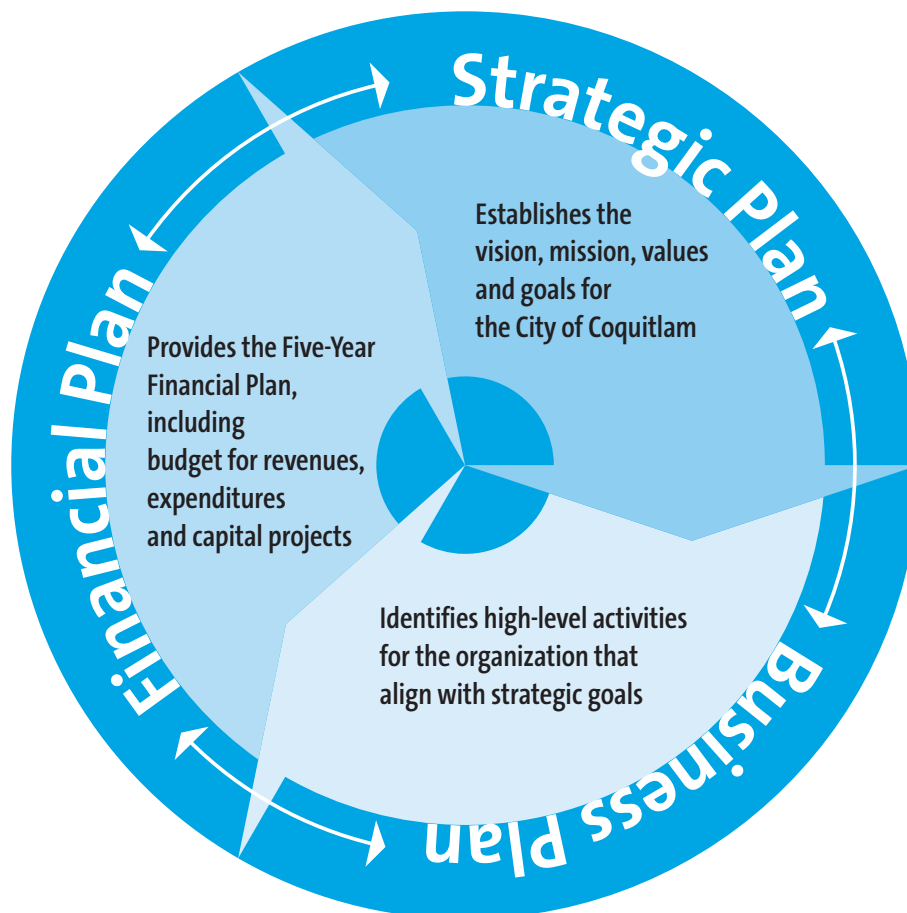
*Integrated planning is the foundation of everything we do. It is a way of ensuring that our actions and initiatives are contributing to our big-picture vision of Coquitlam as a vibrant urban city where people choose to live, learn, work and play.*

Coquitlam's integrated planning framework is comprised 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 and Business plans. 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 2016? 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 concrete 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 comprised 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

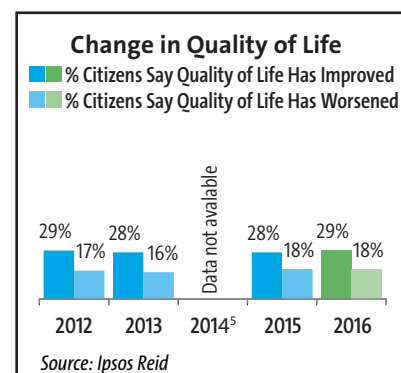
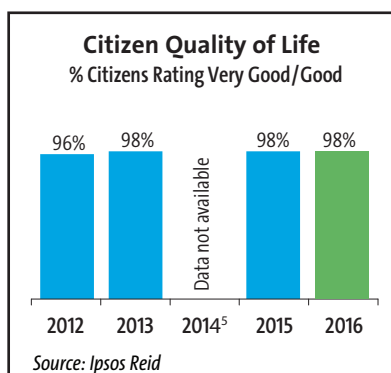
	2012	2013	2014	2015	2016
Crime Rate (Crimes per 1,000 people) <sup>1</sup>	55.7	57	56.8	61	N/A <sup>2</sup>
Police Calls for Service	36,604	38,029	37,419	44,308	43,429
Injuries/Fatalities From Collisions	362	257	346	339	297
Fire Incident Responses	6,245	6,088	6,128	6,932	7,329
<b>Complaints / Service Requests Received<sup>3</sup></b>					
Bylaws	3,689	3,796	4,720	5,025	4,991
Engineering & Public Works	N/A	N/A	N/A	N/A	5,045
<b>Housing (New Units Added)</b>					
Apartments	1,008	698	679	1,029	406
Townhouses	196	233	214	99	44
Single Family	186	206	235	269	312
Other <sup>4</sup>	236	177	236	221	285
<b>Total</b>	<b>1,612</b>	<b>1,320</b>	<b>1,364</b>	<b>1,618</b>	<b>1,047</b>
Rental Vacancy Rate	3.4%	3.2%	1.6%	1.2%	1.7%
Existing Supportive and Subsidized Housing Units	2,762	2,726	2,661	2,793	2,717

1 The crime rate is calculated by the Ministry of Public Safety and Solicitor General. Data is from the 2015 Police Resources Report issued in December 2016. The crime rate is the number of Criminal Code offences (excluding drugs and traffic) reported for every 1,000 people.

2 The 2016 Crime Rate data was not available at the time of publication.

3 Additional tracking was implemented in 2016 to include all city software platforms. The total number represents complaints and service requests, whether related to an enforcement action or not.

4 Includes suites, duplex, triplex, quadruplex.



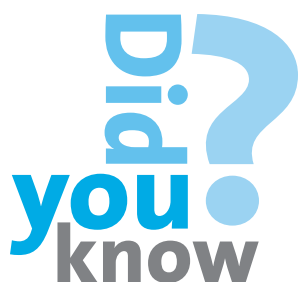
5 Statistics not available as the City did not conduct the Citizen Satisfaction Survey in 2014.



## What We Set Out to Achieve

## What We Achieved

<b>1. Develop complete, well-connected neighbourhoods.</b>	<ul style="list-style-type: none"> <li>➤ Considerable work and public consultation done on the Burquitlam-Lougheed Neighbourhood Plan.</li> <li>➤ Completed the Early Release Framework as well as initiated Phase 3 of the Northwest Burke Vision.</li> </ul>
<b>2. Enhance travel within and between neighbourhoods by building high-quality transportation facilities and improving the quality of streets as a place for people.</b>	<ul style="list-style-type: none"> <li>➤ Completed enhancements along the Pinetree Way corridor, including walkability and cycling infrastructure improvements.</li> <li>➤ Made significant progress on reviewing residential parking standards.</li> </ul>
<b>3. Create a balanced system of facilities, parks and amenities to enhance connectivity and belonging.</b>	<ul style="list-style-type: none"> <li>➤ Finished construction of the Town Centre Park Plaza.</li> <li>➤ Completed multiple park construction projects including: Mundy Park Field House, Leigh Park and a number of facilities upgrades. Significant progress was made on Rochester, Princeton and Victoria Parks, as well as the Maillardville Trail.</li> <li>➤ Undertook planning for a new Place Maillardville Community Centre, beginning with the creation of a service agreement that will serve as a framework for recreation programs and services in Maillardville.</li> <li>➤ Worked with homeowners on resolving encroachment issues on the Coquitlam Crunch.</li> </ul>
<b>4. Encourage a suitable mix of housing in our neighbourhoods.</b>	<ul style="list-style-type: none"> <li>➤ Continued to implement the Housing Affordability Strategy; approximately 1,300 rental units were under application at the end of 2016.</li> <li>➤ Reviewed and updated the City's Housing Choices program and initiated a number of Housing Choices applications.</li> </ul>
<b>5. Support the continued operations and refinement of the fire/safety, crime prevention and emergency response preparedness programs.</b>	<ul style="list-style-type: none"> <li>➤ Conducted over 4,500 fire inspections and provided follow-up on 326 fire protection notices. Fifty firework and pyrotechnic licences were also issued.</li> <li>➤ Continued work on developing fire response protocols and associated training related to the Evergreen Extension to SkyTrain.</li> <li>➤ Crime activity in auto theft decreased in 2016.</li> </ul>
<b>6. Protect and enhance the unique history, heritage and character of our neighbourhoods.</b>	<ul style="list-style-type: none"> <li>➤ Held Coquitlam 125 anniversary celebrations throughout 2016, highlighting the City's history, culture and heritage through numerous public events, sharing of stories and public art pieces.</li> </ul>
<b>7. Facilitate cultural and recreational experiences that foster interaction, connection and a sense of belonging within neighbourhoods and communities.</b>	<ul style="list-style-type: none"> <li>➤ Won National Communities in Bloom competition.</li> <li>➤ Held Coquitlam 125 anniversary celebrations throughout 2016, strengthening connection and a sense of belonging through Neighbourhood Nights and a record number of Block Parties (128).</li> <li>➤ Hosted the 2016 55+ BC Games with 3,200 athletes and over 1,200 volunteers, promoting physical activity, sport and sport tourism.</li> </ul>
<b>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.</b>	<ul style="list-style-type: none"> <li>➤ Partnered with the YMCA to provide the Mind, Exercise, Nutrition, Do It! (MEND) program.</li> <li>➤ Provided afterschool programs to hundreds of Coquitlam kids in partnership with Moresports and School District #43.</li> </ul>



**1,047**

new residential units added to Coquitlam's housing stock

**6.5**

average response time in minutes for Coquitlam Fire/Rescue

**4,500+**

fire inspections performed

**98%**

of residents say they have a good quality of life, according to the 2016 Citizen Satisfaction Survey



## STRATEGIC GOAL 2:

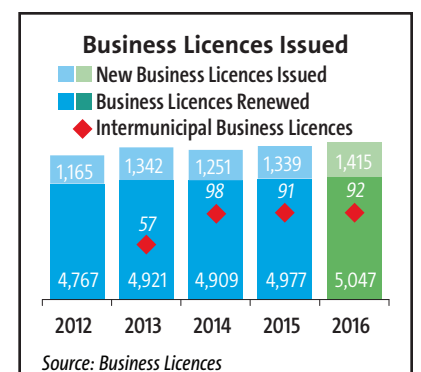
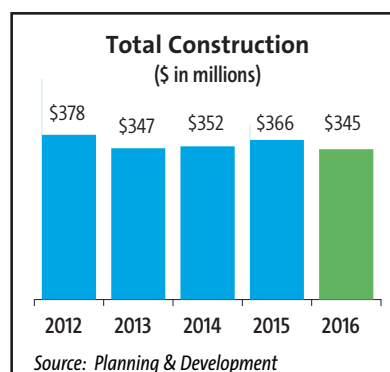
# Expand Local Jobs, Local Prosperity

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

## Key Performance Indicators

	2012	2013	2014	2015	2016
Housing Starts <sup>1</sup>	1,802	1,390	1,598	971	1,625
Additional Industrial & Commercial (m <sup>2</sup> )	6,127	9,268	8,461	8,204	23,485 <sup>2</sup>
QNet Fibre Utilization <sup>3</sup>	56,605	58,341	62,149	69,337	77,257
<b>Filming</b>					
Permits	75	85	101	109	196
Revenues	\$53,296	\$55,570	\$75,859	\$87,200	\$263,000
<b>Festivals &amp; Events</b>					
Number	81	66	69	67	114 <sup>4</sup>
Participants	130,015	122,806	125,100	129,130	154,235 <sup>5</sup>

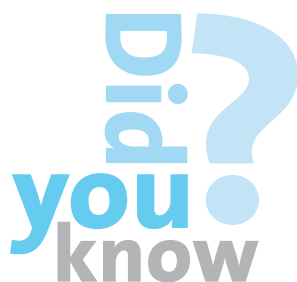
- 1 A "start" for the purposes of the Starts and Completions Survey as reported by Canada Mortgage and Housing Corporation is defined as the beginning of construction work on a building, usually when the concrete has been poured for the whole footing around the structure. The complexity and scale of projects in Coquitlam is getting increasingly complex, which can impact the "start" dates data.
- 2 Increase due to two projects in Fraser Mills as well as Uptown by Bosa.
- 3 Cumulative metres of fibre.
- 4 Includes events led or coordinated through the Cultural Services Events Office and Coquitlam 125 sanctioned events.
- 5 Includes events led or coordinated through the Cultural Services Events Office. Increased number due to Coquitlam 125 events.



## What We Set Out to Achieve

## What We Achieved

- |   |   |
|---|---|
| <b>1. Focus on neighbourhood commercial development and revitalization.</b>   | <ul style="list-style-type: none"> <li>➤ Completed a review of the City's Liquor Bylaws, allowing for new types of businesses to operate within the City of Coquitlam.</li> <li>➤ Facilitated the addition of 6,500 square metres of new commercial space across the city.</li> </ul>   |
| <b>2. Foster local employment opportunities by working with other agencies and groups to promote a business-friendly climate.</b>   | <ul style="list-style-type: none"> <li>➤ Worked with the Tri-Cities Chamber of Commerce on the 2016 Economic Summit, Small Business Week-Business Showcase and the TriCelerate Innovation Hub.</li> </ul>   |
| <b>3. Support the retention, expansion and attraction of business to strengthen Coquitlam's economic base.</b>  | <ul style="list-style-type: none"> <li>➤ Held 121 business retention and expansion meetings with local businesses and completed 443 requests for assistance.</li> <li>➤ Held 145 business attraction meetings with various businesses, government agencies and consulates and received 80 business attraction inquiries.</li> <li>➤ Issued 196 film permits, generating \$263,000 in revenue, which is up \$175,000 from 2015.</li> </ul>   |
| <b>4. Support a vital economy by moving people and goods efficiently and capitalize on major transportation infrastructure.</b>   | <ul style="list-style-type: none"> <li>➤ Worked with the Ministry of Transportation and Infrastructure and City of New Westminster on options to improve the Brunette Interchange.</li> <li>➤ Reached an agreement with City of Port Coquitlam on funding for Victoria Drive improvements.</li> </ul>   |
| <b>5. Facilitate vibrancy in sport, culture and recreation to enhance economic growth through partnerships, events, festivals and business development.</b>   | <ul style="list-style-type: none"> <li>➤ The Tourism Office worked with and participated in a variety of events, which attracted visitors to Coquitlam such as: the BC Highland Games and Scottish Festival, Canadian Collegiate National Men's Volleyball Championships, Coquitlam Kinsmen International Craft Beer Festival, Festival du Bois, FIL U19 World Field Lacrosse Championships, Hard Rock Casino Ultimate Car Show, and the International Scooter Association North American Qualifier Championships.</li> <li>➤ Extended funding for the Tourism Program for 2017 and 2018 to further develop the tourism sector in Coquitlam.</li> </ul> |
| <b>6. Through a collaborative and holistic approach with citizens and businesses, create an inspiring public realm through public art and natural and designed spaces that enhance quality of life and encourage private-sector investment.</b> | <ul style="list-style-type: none"> <li>➤ Completed and installed 11 pieces of public art across the city's four Evergreen Extension SkyTrain stations.</li> <li>➤ Held the free Winter Lights display; an estimated attendance of 100,000 walked the 1.2-kilometre lakeside trail loop.</li> <li>➤ As part of the Coquitlam 125 celebrations, local artists painted 12 salmon sculptures that were installed in locations throughout the city.</li> </ul>   |
| <b>7. Create trade and investment opportunities by building our international relationships and promoting our cultural diversity.</b>   | <ul style="list-style-type: none"> <li>➤ Economic Development met with representatives from Global Affairs Canada, the Ministry of International Trade, the Ministry of Jobs, Tourism and Skills Training, and BC Innovation Council, BC Technology Industry Association, Creative BC and Futurpreneur Canada.</li> </ul>   |
| <b>8. Leverage community assets to drive investment and job creation.</b>   | <ul style="list-style-type: none"> <li>➤ Increased business access to QNET, connecting 18 buildings and adding 7,920 metres of fibre.</li> </ul>  |



**23,485 m<sup>2</sup>**

of new industrial or commercial space added

**1,415**

new business licences issued

**154,235**

people attended 114 City-sponsored festivals and events

**196**

film permits issued, generating over \$263,000 in revenues



#### STRATEGIC GOAL 3:

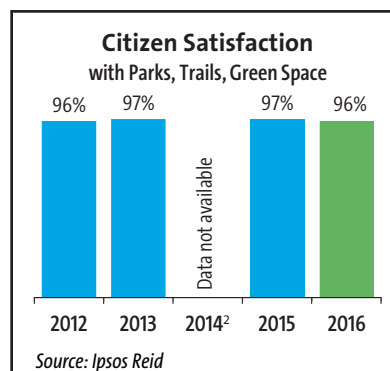
## Increase Active Participation & Creativity

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

### Key Performance Indicators

	2012	2013	2014	2015	2016
Admissions to City Centre Aquatic Complex & Poirier Sport & Leisure Complex <sup>1</sup>	802,950	818,092	791,751	825,318	831,203
Number of Low/No Cost Program Participants	14,593	15,444	11,740	14,469	16,169
Parkland (hectares)	947	950	954	957	963
Evergreen Cultural Centre Patrons	79,800	78,000	81,450	79,400	83,500
Place des Arts Visitors	79,929	91,552	91,551	96,085	96,597
Library Visitors	556,030	706,889	764,097	810,000	828,409

<sup>1</sup> "Admissions" includes admission purchased for swimming, skating and fitness facilities.



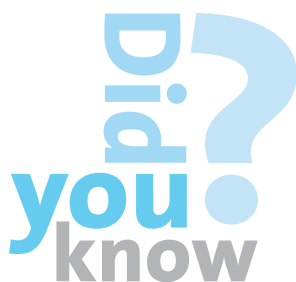
<sup>2</sup> Statistics not available as the City did not conduct the Citizen Satisfaction Survey in 2014.



## What We Set Out to Achieve

## What We Achieved

<b>1. Create a balanced offering of programs and services accessible to all ages, abilities, genders, interests, income levels and cultures.</b>	<ul style="list-style-type: none"> <li>➤ Significant work was completed on the implementation strategy for the Draft Parks, Recreation and Culture Master Plan.</li> <li>➤ The City's Get Connected, Get Active financial assistance program for recreation participation was enhanced, resulting in a nine percent increase in users of the program.</li> <li>➤ Significant work was completed on the development of a Seniors Strategy, creating a framework for the future participation of older adults and seniors in recreation, parks and culture.</li> </ul>
<b>2. Encourage all citizens to be active through a wide range of recreational activities in our facilities, parks and trails.</b>	<ul style="list-style-type: none"> <li>➤ Piloted the Park Host program, organizing volunteers to welcome visitors to Coquitlam's parks and providing information related to nature interpretation and shared park use.</li> <li>➤ Over 2.5 million visits were made to City Centre Aquatic Complex and Poirier Sport &amp; Leisure Complex.</li> </ul>
<b>3. Enhance creativity and cultural experiences through programs, performances, multicultural events and festivals.</b>	<ul style="list-style-type: none"> <li>➤ Through the Cultural Services Events Office, led or coordinated 114 events.</li> <li>➤ As part of the Coquitlam 125 celebrations, held 128 block parties and distributed over \$18,000 in Block Party Grants.</li> </ul>
<b>4. Develop a sustainable system of parks and open space that contributes to the ecological, social and economic well-being of our community.</b>	<ul style="list-style-type: none"> <li>➤ Initiated the environmental review for the Coquitlam River Forest Management Plan.</li> <li>➤ Tree planting initiative continued with 3,677 native shrubs and trees planted in City parks.</li> <li>➤ Over 7,200 square metres of natural areas were restored in 2016.</li> </ul>
<b>5. Support a learning community where residents have access to lifelong learning through formal and informal opportunities.</b>	<ul style="list-style-type: none"> <li>➤ Over 2,100 Coquitlam residents attended HEROS training to learn about emergency preparedness.</li> <li>➤ A significant portion of recreation program offerings continued to be related to skill development and learning: from cooking classes to learning to camp, Parks, Recreation &amp; Culture Services continued to develop and provide opportunities for personal development.</li> </ul>
<b>6. Develop transportation infrastructure and services to support a healthy environment.</b>	<ul style="list-style-type: none"> <li>➤ Extended the public car sharing program as part of the Corporate Employee Sustainable Commute program.</li> <li>➤ Made improvements to 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.</li> <li>➤ Completed streetscape enhancement plans along the Pinetree Way/ Evergreen Extension corridor.</li> </ul>



**3,677**

native trees and shrubs planted in City parks

**830,000+**

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

**128**

block parties held

**83,500**

visitors to the Evergreen Cultural Centre



#### STRATEGIC GOAL 4:

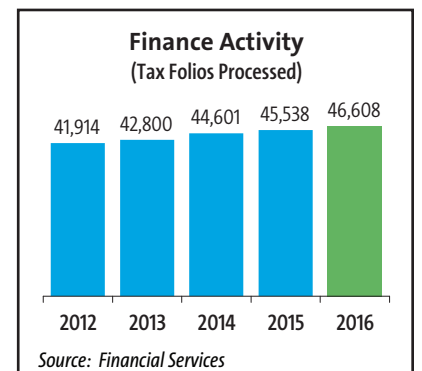
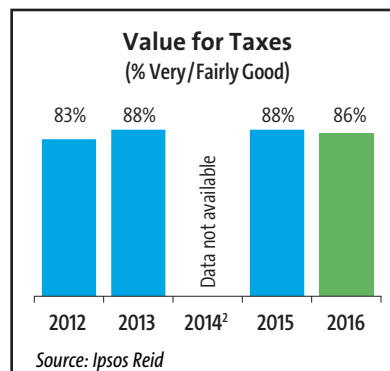
## Enhance Sustainability of City Services & Infrastructure

**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

	2012	2013	2014	2015	2016
Spirit of Coquitlam Grants <sup>1</sup>	\$438,093	\$341,200	\$403,633	\$394,295	\$485,460
Solid Waste (Tonnes per Single Family Home)	0.53	0.53	0.43	0.31	0.33
Garbage Diversion (% Recycled)	55%	55%	64%	73%	71%
Annual Water Consumption per Capita	140	149	150	125	124
Animals Reclaimed from Animal Shelter	378	339	375	350	288
Corporate GHG Reduction					
GHG Reduced vs 2007 Base Year (tCO <sub>2</sub> e)	712	1,293	1,190	1,471	1,486
Percent Reduction from 2007	12%	22%	20%	25%	25%

1 Grants to sports, cultural and non-profit community organizations funded mainly by casino revenues.

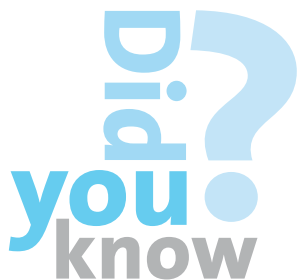


2 Statistics not available as the City did not conduct the Citizen Satisfaction Survey in 2014.

## What We Set Out to Achieve

## What We Achieved

- |   |   |
|---|---|
| 1. Explore service improvements through new opportunities for partnership with community organizations.   | <ul style="list-style-type: none"> <li>➤ As part of implementing the Housing Affordability Strategy, the City entered into an agreement with the Talitha Koum Society to partner on a housing facility.</li> <li>➤ Significant work was completed to finalize the terms of the Master Joint Use Agreement with School District 43.</li> </ul>   |
| 2. Set high standards and demonstrate responsible public stewardship through social, environmental and economic sustainability practices.   | <ul style="list-style-type: none"> <li>➤ Solid Waste Management and Vector Control Bylaws were substantially updated to better address current needs and provide for appropriate enforcement.</li> <li>➤ The Water Shortage Response Plan Bylaw was updated to include Metro Vancouver regional changes.</li> <li>➤ Reviewed the efficiency and effectiveness of the City's Recycling Depots and presented findings to Council, to be followed with options in 2017.</li> </ul> |
| 3. Create an energy-efficient community through conservation of environmental assets, resources and energy by increasing community and organizational awareness and stewardship.  | <ul style="list-style-type: none"> <li>➤ Continued to see a diversion rate of above 70%, resulting in 0.33 tonnes of solid waste per household, below the five-year average.</li> <li>➤ Completed all six criteria to achieve Bear Smart status. Coquitlam anticipates receiving provincial accreditation in 2017.</li> </ul>   |
| 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.                | <ul style="list-style-type: none"> <li>➤ Corporate Greenhouse Gas (GHG) emissions continued to decrease, reaching approximately 25% reduction compared to the base year (2007).</li> <li>➤ Received acknowledgment as a leader in Climate Action by the Community Energy Association. The recognition included an award in the Corporate Operations category, among several other recognitions.</li> </ul>  |
| 5. Manage the City's transportation system efficiently as the community evolves, and prioritize walking, cycling, transit and other sustainable modes of transportation.          | <ul style="list-style-type: none"> <li>➤ Continued to implement the School Walkability Program and Sidewalk Program to encourage citizens to adopt walking as an alternative to driving.</li> <li>➤ As part of a partnership with TransLink's TravelSmart program, continued the program with outreach to schools.</li> </ul>   |
| 6. Ensure sustainable, equitable and effective funding strategies to enable the City to provide a high quality and appropriate level of infrastructure services to the community. | <ul style="list-style-type: none"> <li>➤ Made significant progress on the condition assessment of park infrastructure and the creation of a holistic asset management plan.</li> <li>➤ Implemented changes to public parking regulations around Evergreen Extension SkyTrain stations.</li> </ul>   |
| 7. Support the continued viability and sustainability of community organizations in their implementation of services, events and programs.  | <ul style="list-style-type: none"> <li>➤ Provided over \$500,000 in total grants to the community to promote events and experiences, including over \$485,000 in Spirit of Coquitlam Grants.</li> </ul>   |



**\$485,460**

provided in Spirit of Coquitlam Grants in 2016 in support of 52 community-led projects

**14,000+**

tonnes of green waste diverted from the landfill through curbside collection program

**86%**

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

**25%**

Corporate Greenhouse Gas (GHG) emissions reduction compared to 2007





## STRATEGIC GOAL 5:

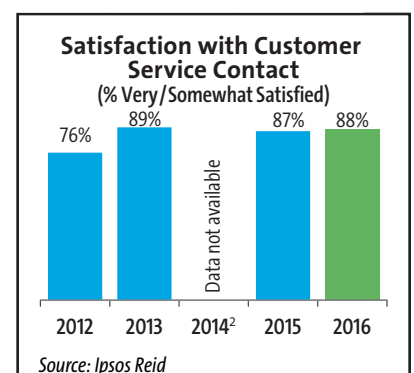
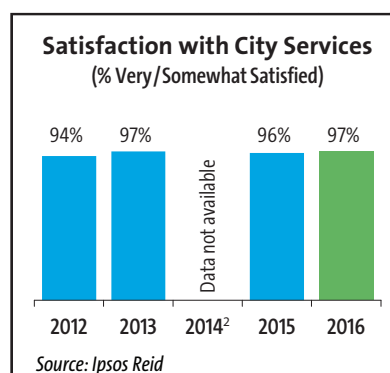
# Achieve Excellence in City Governance

**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

	2012	2013	2014	2015	2016
Recreation & Culture Volunteer Hours	52,945	47,723	49,923	46,189	53,188
Committee Volunteers	112	121	123	144	143
Employee Vacancy Rate (at Dec 31)	4.1%	5.5%	5.3%	4.8%	4.2%
Employee Annual Turnover	9.5%	10.9%	9.7%	8.2%	7.2%
<b>Community Engagement</b>					
Website Users	431,339	458,380	510,914	558,173	674,486
Facebook Likes	1,529	2,472	3,573	4,727	7,706
Twitter Followers	875	1,968	3,319	4,759	6,291
Instagram	N/A	N/A	182	553	1,507
YouTube Views	3,167	2,425	10,249	15,528	21,237
Business Improvements Initiatives Completed <sup>1</sup>	35	19	47	51	58

<sup>1</sup> The Business Improvements Initiatives included both the workplan for the Business Improvements and Customer Service Committee and the Stop Doing List.



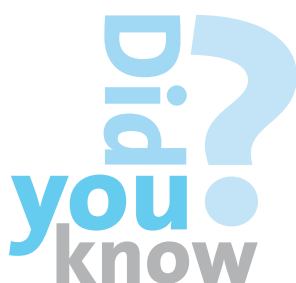
<sup>2</sup> Statistics not available as the City did not conduct the Citizen Satisfaction Survey in 2014.



## What We Set Out to Achieve

## What We Achieved

- |   |   |
|---|---|
| <b>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.</b> | <ul style="list-style-type: none"> <li>➤ Made improvements to the parks design and construction process.</li> <li>➤ Council approved an updated and expanded Community Amenity Contribution program.</li> <li>➤ Through the efficient and effective implementation of the City's development and marketing strategies in northeast Coquitlam, generated \$64 million in land sales.</li> </ul>  |
| <b>2. Develop strategic partnerships and positive working relationships with the businesses, community groups and many government organizations who work with, for and in Coquitlam.</b>                                | <ul style="list-style-type: none"> <li>➤ Continued to work with the YMCA and Concert Properties to finalize agreements to build and operate a community centre in the Burquitlam-Lougheed area.</li> <li>➤ Finalized an agreement to provide continuity at the Waste Transfer Station until the end of 2019.</li> </ul>   |
| <b>3. Support, encourage and empower employees by living the City's values, recognizing success and fostering a positive team environment.</b>  | <ul style="list-style-type: none"> <li>➤ Numerous employee teams continued to lead initiatives such as Carbon Cutters, TeamGoFitlam and the Business Improvements and Customer Service Committee.</li> <li>➤ Offered various training programs to staff including skills for supervisors, human resources training, computer upgrade training, and training on business writing, teambuilding and communication.</li> <li>➤ Introduced Leading with Purpose speaker series and continued strategic and core leadership development programs.</li> </ul>   |
| <b>4. Encourage citizen and neighbourhood engagement so that residents contribute to the affairs of the whole community.</b>  | <ul style="list-style-type: none"> <li>➤ 143 residents and organization representatives volunteered on the City's 11 advisory committees and boards in 2016 providing input and advice on a wide range of City programs and policies.</li> <li>➤ Expanded the annual Welcome to Coquitlam event to include 16 external agencies; over 500 attendees participated to learn information on all facets of the community.</li> </ul>  |
| <b>5. Improve customer service and enhance efficiency and effectiveness through innovation, high customer service standards and a commitment to continuous improvement.</b>   | <ul style="list-style-type: none"> <li>➤ Undertook a public education campaign, community forum and targeted stakeholder engagement on the City's Secondary Suite Enforcement program. In 2016, 207 inspections were conducted.</li> <li>➤ Increased the number of dog licences issued to 6,835 as a result of the 'Train Your Human' public education campaign.</li> <li>➤ Initiated Phase One of the Electronic Plans Management project, including software implementation and configuration.</li> <li>➤ Through the Staff Committee on Business Improvements and Customer Service, completed 58 items that enhanced the customer experience and reduced red tape.</li> <li>➤ Conducted over 140,000 online transactions, including dog licence renewals, utility bill payments, and bylaw enforcement notice payments.</li> <li>➤ The City's Financial Services Department received three Government Finance Officer Association awards for budgeting and financial reporting.</li> </ul> |
| <b>6. Foster awareness of diverse cultural groups and encourage increased understanding of different cultures to further enrich the community.</b>  | <ul style="list-style-type: none"> <li>➤ Introduced the Kaleidoscope Arts Festival, a celebration of Coquitlam's unique arts, culture and history.</li> </ul>   |



**53,188**

volunteer-hours  
for recreation and  
culture activities  
in Coquitlam

**58**

business  
improvement  
initiatives  
completed

**674,486**

visits to  
coquitlam.ca, a  
121% increase  
from 2015

**140,000**

online transactions including  
dog license renewals,  
utility bill payments and  
bylaw enforcement notice  
payments



# Looking Forward – 2017 Business Plan

*What are our priorities for the year ahead?*

*Our 2017 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"> <li>➤ Complete the Burquitlam-Lougheed Neighbourhood Plan</li> <li>➤ Implement the Housing Affordability Strategy</li> <li>➤ Continue the Partington Creek Neighbourhood Centre Master Plan</li> <li>➤ Plan for the Burquitlam Community Police Station</li> <li>➤ Continue the Communities in Bloom initiative</li> <li>➤ Celebrate Canada 150</li> </ul>	<ul style="list-style-type: none"> <li>➤ Complete the Middle School Walk/Bike Initiative</li> <li>➤ Implement Phase Two of the Economic Development Strategy</li> <li>➤ Extend David Avenue</li> <li>➤ Implement the City Wayfinding Plan</li> <li>➤ Continue Policing Strategies for Evergreen Extension</li> <li>➤ Implement the Tourism Strategy</li> </ul>	<ul style="list-style-type: none"> <li>➤ Continue to plan for Place Maillardville</li> <li>➤ Continue work on Town Centre Park Master Plan</li> <li>➤ Revitalize 12 of the oldest parks in Southwest Coquitlam</li> <li>➤ Make improvements to the Coquitlam Crunch</li> <li>➤ Implement the updated Facility Allocation Policy</li> <li>➤ Plan and consult for Riley Park</li> </ul>	<ul style="list-style-type: none"> <li>➤ Complete Tree Risk Management work</li> <li>➤ Continue work on the YMCA facility in Burquitlam</li> <li>➤ Implement the Recycling Depot Strategy</li> <li>➤ Provide continuity for the Waste Transfer Station</li> <li>➤ Review the Pinetree Agreement</li> <li>➤ Replace the Foster Covered Tennis Facility</li> </ul>	<ul style="list-style-type: none"> <li>➤ Continue work on the Business Improvement and Customer Service Work Plan and Stop Doing List</li> <li>➤ Develop a Community Engagement Framework</li> <li>➤ Implement the Arts, Culture &amp; Heritage Strategy</li> <li>➤ Conduct a review of Housing Choices</li> <li>➤ Improve the Facility Asset Management Processes</li> <li>➤ Develop a Seniors Strategy</li> </ul>

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*The above list highlights some of the initiatives planned for 2017 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 2017 Business Plan is available online at [coquitlam.ca/businessplan](http://coquitlam.ca/businessplan).*





# Annual Report

*For the year ending December 31, 2016*

# 2016

## Consolidated Financial Statements

**Auditors:**

KPMG LLP

**Bank:**

ScotiaBank

**Prepared by:**

The Finance  
& Technology  
Department of the  
City of Coquitlam





# Letter of Transmittal

May 6, 2016  
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, 2016. The purpose of this report is to publish the Consolidated Financial Statements and Auditors' Report for the City of Coquitlam pursuant to Section 167 of the Community Charter. The preparation and presentation of the financial statements and related information in the 2016 Annual Report is the responsibility of the management of the City. These 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 Community, Sport and Cultural Development. 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 2016 operations. The auditors have given an unqualified audit opinion on the City's financial statements and these 2016 Audited Financial Statements were presented to and approved by the Finance Committee of Council which acts as the City's Audit Committee.

## *Financial Overview*

### **2016 Operating Results**

The Consolidated Financial Statements presented include the 2016 results for the City's General Fund, Utility Fund, Trust and Reserve Funds, as well as the Coquitlam Public Library and QNet. From a financial perspective, 2016 resulted in a surplus on a consolidated basis. Moreover, it is a credit to Council and staff who have worked diligently on hundreds of activities and projects throughout the year to provide quality services to the community while maintaining a positive bottom line. This is evident in our annual Citizen Satisfaction Survey which indicates that 98% of Coquitlam taxpayers are satisfied with the overall level and quality of the City's services and 86% believe they receive good value for their tax dollars.

During the year, the City's tangible capital assets increased by \$40 million from \$1.82 billion to \$1.86 billion. The City's debt decreased from \$21 million to \$20 million. The City ended the year with a cash position of \$454 million.

As a result of a 2.27% property tax increase, continuing growth in the community that produces additional development-related revenues, and the sale of City lands, consolidated revenues for the year totaled \$358 million and represent an increase over 2015. City revenues combined with additional funding from City Reserves covered operating costs of \$232 million and capital additions of \$85 million. Expenses increased over last year due to extreme weather events, the addition of new assets and infrastructure, and Coquitlam's 125 anniversary, a year-long celebration that honoured our rich history and brought the community together in a variety of different ways.

### **General Fund**

The City's General Fund is the primary fund for most municipal services including Police, Fire, Parks and Recreation, Engineering and Public Works, and Planning. The City's General Operating Fund ended the year with a surplus of \$700,000, primarily as a result of labour savings due to vacant positions across the organization.

General Fund revenues for the year totaled \$290 million, which combined with additional funding from City Reserves, covered operating costs of \$180 million and capital additions of approximately \$55 million. The key projects for the year included \$11 million for Pinetree Way improvements, \$3.2 million for Town Centre Park Plaza, \$1.4 million for the Mundy Park Fieldhouse, as well as development of the City-owned lands in Partington Creek and Smiling Creek.

### **Utilities**

The City operates two major utilities, which are funded by user fees.

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 (GVS&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. During 2016, 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 a planned operating surplus of \$2.8 million. During 2016, sewer and drainage revenues of \$33 million supported operations at a cost of \$27 million and net capital additions of \$4 million. The largest project of the year was the upgrade of the City Centre Gravity Trunk Sewer at a cost of \$2.5 million.

# Letter of Transmittal *(continued)*

The Water Utility also uses over 400 kilometers of pipes to deliver water purchased from the Greater Vancouver Water District (GVWD). During 2016, the Utility also provided water to approximately 46,000 households and commercial customers.

The Water Utility Fund ended the year with an operating surplus of \$4 million. During 2016, water revenues of \$29 million funded water operations at a cost of \$24 million, net capital additions of \$1.4 million and savings for future asset replacement. The largest projects of the year included development in the Smiling Creek and Partington Creek areas as well as water main replacements to manage the long term sustainability of our water infrastructure.

## **Investment Portfolio**

It is the policy of the City of Coquitlam to invest City 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 and complying with the statutory requirements of the Community Charter. Investment income increased in 2016, from \$5.4 million to \$6.2 million. The average balance held in external investments for 2016 was \$295 million which produced a rate of return on the investment of 1.86%. When blended with the cash held on hand, the average rate of return on investments was 1.63%.

## **Trusts and Reserves**

The City holds a number of trust funds that represent monies on deposit for particular purposes. During 2016, the trust fund balances increased from \$22 million to \$29 million. The City also has a number of reserve funds including the Land Sale Reserve and the Vehicle Replacement Reserve. During 2016, the City's Reserve Fund balances increased to \$289 million. These funds will support the City's Capital Program and fund growth-related infrastructure projects necessitated by increased development and the resulting population growth in the community.

## **Debt**

Outstanding long-term debt at the end of 2016 was \$20 million or approximately \$137 per capita, which is a decrease of \$13 per capita from 2015.

## **Financial Sustainability**

The following improvements in the City's Balance Sheet are the result of a number of long-range Financial Policies adopted by City Council aimed at ensuring the City's financial sustainability:

- The City of Coquitlam's cash surplus increased from \$43 million in 2015 to \$50 million in 2016, as a result of labour cost savings and lower water consumption. This surplus is held for the purpose of maintaining an appropriate balance to provide working capital, generate interest earnings and provide an emergency fund.
- Revenue received through the Casino Host Agreement was contributed to a Casino Reserve and allocated as follows:
  - \$982,000 to fund Community Capital Projects of which almost \$500,000 was issued in grants to non-profit community organizations and funds to support community events during the year, and the remainder was allocated to support Economic Development initiatives.
  - \$6.8 million to fund Municipal Capital Projects. All of the Municipal Capital Funds received to date have been allocated to fund priority infrastructure projects in the City's Five-Year Capital Program.
- 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 sustain our existing assets and infrastructure as well as for growth-related projects in the Capital Program.

These Council policies are a positive step in ensuring the long-term financial sustainability of City infrastructure in 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, 2016, 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, 2016 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 10, 2017  
Burnaby, Canada



## Consolidated Statement of Financial Position

December 31, 2016, with comparative figures for 2015

	2016	2015
<b>Financial Assets</b>		
Cash (note 3)	\$ 72,422,850	\$ 78,975,477
Temporary investments (note 3)	381,786,667	268,986,346
Accounts receivable (note 4)	27,270,223	32,024,423
Land held for resale	258,407	-
	481,738,147	379,986,246
<b>Liabilities</b>		
Accounts payable and accrued liabilities (note 5)	51,188,284	46,124,141
Deferred revenue (note 6)	61,511,142	57,071,321
Deposits (note 7)	29,626,688	22,419,028
Debt (note 8)	20,195,128	21,636,899
	162,521,242	147,251,389
Net financial assets	319,216,905	232,734,857
<b>Non-Financial Assets</b>		
Inventories of supplies	694,144	730,631
Prepaid expenses	926,599	669,228
Tangible capital assets (note 9)	1,861,156,076	1,821,944,063
	1,862,776,819	1,823,343,922
Accumulated surplus (note 10)	\$ 2,181,993,724	\$ 2,056,078,779

*Commitments and contingencies (note 15)*

*See accompanying notes to consolidated financial statements.*



City Treasurer

## Consolidated Statement of Operations

Year ended December 31, 2016, with comparative information for 2015

	2016 budget (note 19)	2016	2015
Revenue:			
Taxation (note 11)	\$ 151,005,119	\$ 150,632,497	\$ 145,483,212
Fees, rates and service charges	73,187,463	79,976,946	80,197,289
Grants and grants in lieu (note 12)	9,848,504	10,070,555	8,738,513
Investment income	5,370,739	6,255,790	5,457,671
Casino revenue	6,500,000	7,856,414	7,096,803
Municipal land sales	-	64,560,489	135,218
Developer's contribution (note 9(b))	-	26,676,296	24,728,377
Cost recoveries	5,541,723	10,059,017	9,698,075
Penalties and interest on taxes	1,140,500	876,274	1,068,680
Other	72,814	835,742	982,394
	252,666,862	357,800,020	283,586,232
Expenses:			
General government	18,841,758	18,869,206	17,822,271
Police protection	35,466,509	34,900,728	30,725,319
Fire protection	29,167,299	26,214,636	26,359,831
Other protection	2,823,981	2,593,586	2,551,479
Engineering	30,131,043	31,846,065	29,059,110
Solid waste	6,157,203	6,117,688	5,494,119
Planning and development	7,997,972	7,885,805	7,018,966
Parks, recreation and culture	52,430,718	52,192,605	49,603,564
Water utility	24,031,695	24,211,838	21,796,867
Sanitary and drainage utility	27,298,067	27,052,918	27,844,221
	234,346,245	231,885,075	218,275,747
Annual surplus	18,320,617	125,914,945	65,310,485
Accumulated surplus, beginning of year	2,056,078,779	2,056,078,779	1,990,768,294
Accumulated surplus, end of year	\$ 2,074,399,396	\$ 2,181,993,724	\$ 2,056,078,779

See accompanying notes to consolidated financial statements.

## Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2016, with comparative information for 2015

	2016 budget (note 19)	2016	2015
Surplus for the year	\$ 18,320,617	\$ 125,914,945	\$ 65,310,485
Reclassification of land held for resale	-	258,407	-
Acquisition of tangible capital assets in cash and financed by capital lease	(75,298,786)	(58,181,197)	(53,284,258)
Contributed tangible capital assets from developers	-	(26,676,296)	(24,728,377)
Amortization of tangible capital assets	34,700,000	38,690,016	35,133,587
Loss (gain) on disposal of tangible capital assets	-	(61,773,652)	454,554
Proceeds on sale of tangible capital assets	-	68,470,709	1,970,750
	(22,278,169)	86,702,932	24,856,741
Acquisition of inventories of supplies	-	(694,144)	(730,631)
Acquisition of prepaid expenses	-	(926,599)	(669,228)
Consumption of inventories of supplies	-	730,631	703,507
Use of prepaid expenses	-	669,228	636,125
	-	(220,884)	(60,227)
Change in net financial assets	(22,278,169)	86,482,048	24,796,514
Net financial assets, beginning of year	232,734,857	232,734,857	207,938,343
Net financial assets, end of year	\$ 210,456,688	\$ 319,216,905	\$ 232,734,857

See accompanying notes to consolidated financial statements.



## Consolidated Statement of Cash Flows

Year ended December 31, 2016, with comparative information for 2015

	2016	2015
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 125,914,945	\$ 65,310,485
Items not involving cash:		
Amortization	38,690,016	35,133,587
Loss (gain) on disposal of tangible capital assets	(61,773,652)	425,528
Developer contributions of tangible capital assets	(26,676,296)	(24,728,377)
Change in non-cash operating working capital:		
Decrease in accounts receivable	4,754,200	92,591
Increase in prepaid expenses	(257,371)	(33,103)
Decrease (increase) in inventories of supplies	36,487	(27,124)
Increase in accounts payable and accrued liabilities	5,093,131	478,339
Increase in deferred revenue	4,439,821	3,001,793
Increase in deposits	7,207,660	1,628,086
Net change in cash from operating activities	97,428,941	81,281,805
Capital activities:		
Cash used to acquire tangible capital assets	(58,181,197)	(53,165,292)
Proceeds on disposal of tangible capital assets	68,470,709	1,970,750
Net change in cash from capital activities	10,289,512	(51,194,542)
Financing activities:		
Repayment of debt	(1,441,771)	(3,618,822)
Principal payments on tangible capital lease obligations	(28,988)	(17,236)
Net change in cash from financing activities	(1,470,759)	(3,636,058)
Investing activities:		
Change in temporary investments	(112,800,321)	(19,726,993)
Net change in cash	(6,552,627)	6,724,212
Cash, beginning of year	78,975,477	72,251,265
Cash, end of year	\$ 72,422,850	\$ 78,975,477
Supplementary information:		
Non-cash transactions:		
Tangible capital assets financed by capital lease	\$ -	\$ 118,966
Gain on disposal of assets under capital lease	-	(29,026)

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 2016 component of the Financial Plan Bylaw adopted by City Council on December 7, 2015.

#### *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 16.

### (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) Temporary investments:

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

### 2. Significant accounting policies (continued):

(d) 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.

(e) 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.

(f) 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.

(g) 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.

(h) Debt:

Debt is recorded net of related sinking fund balances.

(i) 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.

(j) 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 and landfill sites, 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 in the year of acquisition and in the year of disposal. 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 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, 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.

### (vii) Inventories of supplies:

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

### (k) 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.

# Notes to Consolidated Financial Statements

Year ended December 31, 2016

## 2. Significant accounting policies (continued):

### (l) 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.

### (m) 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.

### (n) 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 18).

## 3. Cash and temporary investments:

		2016		2015
Operating funds, unrestricted	\$	279,906,512	\$	232,282,924
Reserve funds, internally restricted		111,509,524		59,319,729
Deferred revenue and deposits, restricted		62,793,481		56,359,170
	\$	454,209,517	\$	347,961,823
		2016		2015
Cash balances	\$	72,422,850	\$	78,975,477
Temporary investments:				
Money market securities and bonds maturing within three years		381,786,667		268,986,346
	\$	454,209,517	\$	347,961,823

Average portfolio yield is 1.63% (2015 - 1.57%).

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.

# Notes to Consolidated Financial Statements

Year ended December 31, 2016

## 4. Accounts receivable:

	2016	2015
Taxes	\$ 3,720,688	\$ 4,042,987
Accrued interest	3,272,609	1,785,496
Due from other governments	5,475,862	5,712,308
Evergreen Line grant receivable	7,000,000	7,000,000
Development cost charges	4,248,679	9,172,619
Local area service fees	735,408	972,615
Water, sewer and solid waste user charges	818,660	987,790
Other	1,998,317	2,350,608
	\$ 27,270,223	\$ 32,024,423

## 5. Accounts payable and accrued liabilities:

	2016	2015
Due to other governments	\$ 16,071,881	\$ 12,523,167
Evergreen Line payable	7,000,000	7,000,000
Accounts payable	10,701,293	12,175,314
Wages payable	9,003,623	6,474,785
Accrued sick and retirement liability (note 14)	8,321,600	7,832,000
Tangible capital lease obligation	89,887	118,875
	\$ 51,188,284	\$ 46,124,141

## 6. Deferred revenue:

	Balance, December 31, 2015	Amounts received	Revenue recognized	Balance, December 31, 2016
Taxes and utilities	\$ 8,326,299	\$ 16,285,911	\$ 15,915,193	\$ 8,697,017
Parks and recreation fees	977,764	2,800,274	2,673,346	1,104,692
Business licenses	912,786	895,660	912,786	895,660
Federal, Provincial and Regional future capital works	3,278,014	14,586,957	5,751,477	12,113,494
Other future capital works	256,266	841,990	12,546	1,085,710
Development cost charges	43,112,761	9,604,555	15,301,844	37,415,472
Other	207,431	3,487,445	3,495,779	199,097
	\$ 57,071,321	\$ 48,502,792	\$ 44,062,971	\$ 61,511,142

Development cost charges are comprised of restricted cash and temporary investments of \$33,166,793 (2015 - \$33,940,142) and restricted accounts receivable of \$4,248,679 (2015 - \$9,172,619).



## Notes to Consolidated Financial Statements

Year ended December 31, 2016

### 7. Deposits:

	Balance, December 31, 2015	Deposits, earnings and contributions	Refunds and expenditures	Balance, December 31, 2016
Public works performance deposits	\$ 16,421,880	\$ 5,578,549	\$ 3,084,004	\$ 18,916,425
Gravel remediation fund	792,443	9,163	-	801,606
Building performance bonds	2,672,020	1,096,032	766,955	3,001,097
Development permit bonds	1,937,702	993,382	168,079	2,763,005
Pinetree Community Centre contingency	44,534	7,288	-	51,822
Deposits on land sale	475,000	11,527,904	7,986,864	4,016,040
Other	75,449	6,581	5,337	76,693
	\$ 22,419,028	\$ 19,218,899	\$ 12,011,239	\$ 29,626,688

The City holds irrevocable letters of credit in the aggregate amount of \$46,984,058 (2015 - \$44,014,849) received from depositors to ensure their performance of works to be undertaken within the City. These amounts are not reflected in the financial statements.

### 8. 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 2016	Net debt 2015
General Fund	\$ 21,515,000	\$ 9,066,082	\$ 12,448,918	\$ 13,572,668
Water Utility Fund	5,930,000	628,178	5,301,822	5,519,491
Sewer and Drainage Utility Fund	2,734,000	289,612	2,444,388	2,544,740
	\$ 30,179,000	\$ 9,983,872	\$ 20,195,128	\$ 21,636,899

Interest rates on debt range from 2.10% to 7.20% (2015 - 2.10% to 7.30%). The weighted average interest rate for 2016 was 3.72% (2015 - 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
2017	\$ 1,160,925	\$ 103,277	\$ 224,005	\$ 1,488,207
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 and thereafter	7,307,832	1,885,008	4,088,539	13,281,379
Total	\$ 12,448,918	\$ 2,444,388	\$ 5,301,822	\$ 20,195,128

## Notes to Consolidated Financial Statements

Year ended December 31, 2016

### 9. Tangible Capital Assets:

	Land & land holdings	Building & building improvements	Park structures	Information technology
<b>2016</b>				
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
	Land & land holdings	Building & building improvements	Park structures	Information technology
<b>2015</b>				
Cost:				
Balance, beginning of year	\$811,036,420	\$188,269,183	\$71,851,311	\$24,969,740
Additions, net of transfers	14,875,707	17,654,351	1,878,014	2,383,052
Disposals	(310,859)	(785,386)	(1,215,596)	(156,165)
Balance, end of year	825,601,268	205,138,148	72,513,729	27,196,627
Accumulated amortization:				
Balance, beginning of year	-	70,399,262	32,399,104	12,777,980
Disposals	-	(409,907)	(1,119,324)	(148,190)
Amortization expense	-	6,731,146	3,049,344	1,677,842
Balance, end of year	-	76,720,501	34,329,124	14,307,632
Net book value, end of year	\$825,601,268	\$128,417,647	\$38,184,605	\$12,888,995
Net book value, beginning of year	\$811,036,420	\$117,869,921	\$39,452,207	\$12,191,760

# Notes to Consolidated Financial Statements

Year ended December 31, 2016

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	\$29,413,695	\$2,348,373,644
3,064,129	16,023,067	20,967,172	8,011,652	(3,091,855)	84,857,493
(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	26,321,840	2,419,296,784
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	\$26,321,840	\$1,861,156,076
\$25,023,134	\$443,726,682	\$291,109,570	\$27,578,467	\$29,413,695	\$1,821,944,063
Vehicles, machinery & equipment	Water, sewer & drainage infrastructure	Roads infrastructure	Traffic	Assets under construction	Total
\$43,157,435	\$618,519,830	\$433,319,486	\$53,461,413	\$32,202,617	\$2,276,787,435
4,050,952	23,888,250	13,504,630	2,566,601	(2,788,922)	78,012,635
(1,251,336)	(1,409,470)	(1,289,487)	(8,127)	-	(6,426,426)
45,957,051	640,998,610	445,534,629	56,019,887	29,413,695	2,348,373,644
18,873,680	188,893,780	144,955,136	26,998,174	-	495,297,116
(1,095,768)	(482,893)	(736,913)	(8,127)	-	(4,001,122)
3,156,005	8,861,041	10,206,836	1,451,373	-	35,133,587
20,933,917	197,271,928	154,425,059	28,441,420	-	526,429,581
\$25,023,134	\$443,726,682	\$291,109,570	\$27,578,467	\$29,413,695	\$1,821,944,063
\$24,283,755	\$429,626,050	\$288,364,350	\$26,463,239	\$32,202,617	\$1,781,490,319



## Notes to Consolidated Financial Statements

Year ended December 31, 2016

### 9. Tangible capital assets (continued):

#### (a) Assets under construction:

Assets under construction with value of \$26,321,840 (2015 - \$29,413,695) 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 market value at the date of contribution. The value of contributed assets received is as follows:

	2016	2015
Land and land holdings	\$ 19,676,680	\$ 7,608,509
Vehicles, machinery and equipment	98,457	14,471
Water infrastructure	1,150,319	2,988,748
Sewer infrastructure	971,829	3,588,524
Drainage infrastructure	3,097,612	5,582,885
Road infrastructure	1,224,616	4,138,615
Traffic	456,783	806,625
Developer's contribution revenue	\$ 26,676,296	\$ 24,728,377

#### (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 (2015 - nil).

### 10. 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)	\$ 24,822,492	\$ 127,258,565	\$ 19,378,418	\$ 1,402,541,677	\$ 1,574,001,152
Water Utility Fund (Schedules C, D)	45,950	10,658,438	21,364,065	122,599,569	154,668,022
Sewer and Drainage Fund (Schedules E, F)	509,113	14,668,360	7,752,049	311,914,824	334,844,346
Statutory Reserves	-	111,509,524	4,933,494	-	116,443,018
QNet	-	-	(3,881,776)	3,154,597	(727,179)
Library	-	296,558	813,599	1,654,208	2,764,365
2016	\$ 25,377,555	\$ 264,391,445	\$ 50,359,849	\$ 1,841,864,875	\$ 2,181,993,724
2015	\$ 26,934,716	\$ 186,395,992	\$ 42,898,351	\$ 1,799,849,720	\$ 2,056,078,779

# Notes to Consolidated Financial Statements

Year ended December 31, 2016

## 11. Taxation revenue:

The City is required to collect taxes on behalf of and transfer these amounts to the government agencies noted below:

	2016	2015
Tax collected:		
General purposes	\$ 129,193,315	\$ 124,740,645
Collections for other governments	88,687,774	85,112,647
Sewer and drainage frontage tax	21,439,182	20,742,567
	239,320,271	230,595,859
Less transfers to other governments:		
Province of B.C. - school taxes	70,466,459	67,470,132
Greater Vancouver Regional District	2,166,180	2,049,614
B.C. Assessment Authority	2,287,747	2,168,435
South Coast British Columbia Transportation Authority	13,627,042	13,289,020
Austin Heights BIA	132,220	128,369
MFA	8,126	7,077
	88,687,774	85,112,647
Taxation revenue	\$ 150,632,497	\$ 145,483,212

## 12. Government transfers:

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

	2016	2015
Federal	\$ 1,031,144	\$ 442,178
Provincial and Regional	5,202,861	4,567,736
	\$ 6,234,005	\$ 5,009,914

## 13. 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 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, of which 1,061 (2015 – 1,054) are the City's employees.

The most recent valuation 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 \$7,652,216 (2015 - \$7,781,251) for employer contributions to the Plan in fiscal 2016. Employees paid \$6,476,959 (2015 - \$6,590,542) for employee contributions to the Plan in fiscal 2016.

## Notes to Consolidated Financial Statements

Year ended December 31, 2016

### 14. 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 February 2017.

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

	Sick leave	Retirement benefit payments	2016 Total	2015 Total
Accrued benefit obligation:				
Balance, beginning of year	\$ 4,382,400	\$ 4,178,800	\$ 8,561,200	\$ 8,215,200
Current service cost	401,000	376,400	777,400	758,400
Interest cost	147,700	140,800	288,500	276,100
Benefits paid	(365,900)	(423,100)	(789,000)	(884,000)
Actuarial loss (gain)	(833,600)	507,200	(326,400)	195,500
Accrued benefit obligation, end of year	\$ 3,731,600	\$ 4,780,100	\$ 8,511,700	\$ 8,561,200

Actuarial gains and losses are amortized over 11.4 years, being the expected average remaining service period of the related employee group, commencing the year after the gain or loss arises.

	Sick leave	Retirement benefit payments	2016 Total	2015 Total
Accrued benefit obligation, end of year	\$ 3,731,600	\$ 4,780,100	\$ 8,511,700	\$ 8,561,200
Unamortized actuarial loss (gain)	1,059,100	(1,249,200)	(190,100)	(729,200)
Accrued benefit liability, end of year	\$ 4,790,700	\$ 3,530,900	\$ 8,321,600	\$ 7,832,000

The accrued benefit liability is included as part of accounts payable and accrued liabilities on the statement of financial position (note 5).

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

	2016	2015
Discount rates	3.40%	3.20%
Expected future inflation rates	2.50%	2.50%
Expected wage and salary increases	2.50%	2.50%



## 15. 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 Greater Vancouver Regional District, 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.
  - Greater Vancouver Regional District
  - B.C. Assessment Authority
  - Greater Vancouver Transportation Authority
  - MFA
- (d) There are several lawsuits pending in which the City is involved. 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) As of 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:

	2016	2015
Operating funds:		
General	\$ 800,411	\$ 800,411
Water utility	154,438	154,438
Sewer and drainage utility	71,168	71,168
	\$ 1,026,017	\$ 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 the Greater Vancouver Regional District; 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 28 Class A and 23 Class B shares issued and outstanding as at December 31, 2016). 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, 2016

### 16. Trust funds:

Trust fund balance sheet:

	2016	2015
Assets:		
Investments	\$ 2,769,838	\$ 2,659,528
Due from City of Coquitlam	39,622	47,679
	<u>\$ 2,809,460</u>	<u>\$ 2,707,207</u>
Net assets:		
Cemetery perpetual care fund (a)	\$ 2,031,531	\$ 1,929,278
Gravel pit fund (b)	777,929	777,929
	<u>\$ 2,809,460</u>	<u>\$ 2,707,207</u>

(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.

### 17. 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.

### 18. Segmented information:

The City is a diversified municipal government institution that provides a wide range of services to its citizens, including Protection Services, Recreation and Culture Services, General Government Services, Engineering Services, Solid Waste Services, Planning and Development 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.

### **18. Segmented information (continued):**

#### ***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.

#### ***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.

#### ***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.

#### ***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 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.

## Notes to Consolidated Financial Statements

Year ended December 31, 2016

### 18. Segmented information (continued):

	General Government (including QNet)	Water Utility	Protection Services	Engineering	Solid Waste
Taxation, net	\$ 129,193,315	\$ -	\$ -	\$ -	-
User rates	-	25,226,106	-	-	-
Fees and service charges	2,016,200	1,838,468	3,524,130	6,003,648	-
Developer built/gifted assets	21,456,537	1,150,319	-	-	-
Municipal land sale	64,560,489	-	-	-	-
Solid waste levies	-	-	-	-	7,335,950
Cost recoveries	310,058	9,063	3,796,250	2,096,446	6,574
Casino revenue	7,856,414	-	-	-	-
Grants	431,869	-	1,453,260	3,424,112	-
Investment income	4,052,598	511,350	-	-	-
Grants, in lieu of taxes	3,624,302	-	-	-	-
Rents and leases	1,417,304	-	13,949	-	-
Penalties and interest on taxes	761,128	-	-	-	46,506
Inspection and other fees	25,200	466,288	-	-	-
Other	556,715	9,500	40,101	-	-
<b>Total Revenue</b>	<b>\$ 236,262,129</b>	<b>\$ 29,211,094</b>	<b>\$ 8,827,690</b>	<b>\$ 11,524,206</b>	<b>\$ 7,389,030</b>



## Notes to Consolidated Financial Statements

Year ended December 31, 2016

	Sewer & Drainage Utility	Planning and Development	Recreational and Cultural (including Library)	Reserves & Other Funds	2016 Total	2015 Total
\$	21,439,182	\$ -	\$ -	\$ -	\$ 150,632,497	\$ 145,483,212
	5,267,507	-	-	-	30,493,613	30,501,478
	1,451,065	9,520,026	13,218,556	-	37,572,093	38,253,740
	4,069,440	-	-	-	26,676,296	24,728,377
	-	-	-	-	64,560,489	135,218
	-	-	-	-	7,335,950	7,136,491
	97,708	59,705	1,051,213	2,632,000	10,059,017	9,698,075
	-	-	-	-	7,856,414	7,096,803
	52,123	28,000	1,056,889	-	6,446,253	5,193,029
	187,269	-	36,050	1,468,523	6,255,790	5,457,671
	-	-	-	-	3,624,302	3,545,484
	-	-	2,123,191	-	3,554,444	3,303,721
	-	-	68,640	-	876,274	1,068,680
	529,358	-	-	-	1,020,846	1,001,859
	10,620	21,382	41,135	156,289	835,742	982,394
\$	33,104,272	\$ 9,629,113	\$ 17,595,674	\$ 4,256,812	\$ 357,800,020	\$ 283,586,232

## Notes to Consolidated Financial Statements

Year ended December 31, 2016

### 18. Segmented information (continued):

	General Government (including QNet)	Water Utility	Protection Services	Engineering	Solid Waste
Salaries and benefits	\$ 15,675,571	\$ 2,389,439	\$ 32,855,847	\$ 10,571,261	\$ 444,743
Consulting and professional services	716,698	182,730	26,198,626	2,167,945	3,240,613
Amortization	2,466,131	5,424,227	1,719,885	13,150,120	-
Regional District utility charges	-	11,482,224	-	18,694	-
Supplies and equipment	1,806,923	1,555,123	2,112,710	10,671,719	274,770
Grants and sponsorship	566,341	-	21,375	-	-
Utilities	25,560	361,963	222,329	1,195,236	-
Garbage collection and disposal	-	52,440	24,834	54,625	1,774,622
Maintenance	1,887,078	-	165,547	339,929	-
Debenture interest payments	-	228,354	-	702,819	-
Insurance and claims	858,557	47,262	15,627	242,231	-
Courses and meetings	367,797	46,874	178,783	78,678	4,301
Telephone and communications	278,227	20,836	94,802	47,435	128
Advertising and media	213,079	10,760	18,908	3,807	29,909
Legal	209,916	-	19,991	-	-
Internal allocations	(6,385,258)	2,358,894	-	(7,414,904)	348,547
Other	182,586	50,712	59,686	16,470	55
<b>Total Expenses</b>	<b>\$ 18,869,206</b>	<b>\$ 24,211,838</b>	<b>\$ 63,708,950</b>	<b>\$ 31,846,065</b>	<b>\$ 6,117,688</b>
<b>Annual Surplus (Deficit)</b>	<b>\$ 217,392,923</b>	<b>\$ 4,999,256</b>	<b>\$ (54,881,260)</b>	<b>\$ (20,321,859)</b>	<b>\$ 1,271,342</b>

## Notes to Consolidated Financial Statements

Year ended December 31, 2016

	Sewer & Drainage Utility	Planning and Development	Recreational and Cultural (including Library)	Reserves & Other Funds	2016 Total	2015 Total
\$	2,793,620	\$ 6,934,231	\$ 23,351,335	\$ -	\$ 95,016,047	\$ 89,961,577
	2,154,440	417,926	3,425,013	-	38,503,991	34,730,899
	6,389,024	-	9,540,629	-	38,690,016	35,133,587
	10,443,324	-	-	-	21,944,242	21,984,943
	1,911,409	547,292	5,235,453	-	24,115,399	22,185,088
	-	-	7,328,665	-	7,916,381	7,635,709
	140,190	-	1,996,259	-	3,941,537	3,771,331
	192,424	-	210,387	-	2,309,332	2,633,660
	3,704	-	1,519	-	2,397,777	2,311,421
	105,282	-	-	-	1,036,455	1,302,057
	11,253	-	1,063	-	1,175,993	1,090,712
	51,964	84,190	76,693	-	889,280	870,432
	18,568	23,521	87,612	-	571,129	545,012
	-	1,027	158,227	-	435,717	347,359
	-	-	-	-	229,907	129,698
	2,779,860	(131,681)	(80,290)	-	(8,524,832)	(8,539,246)
	57,856	9,299	860,040	-	1,236,704	2,181,508
\$	27,052,918	\$ 7,885,805	\$ 52,192,605	\$ -	\$ 231,885,075	\$ 218,275,747
\$	6,051,354	\$ 1,743,308	\$ (34,596,931)	\$ 4,256,812	\$ 125,914,945	\$ 65,310,485

## Notes to Consolidated Financial Statements

Year ended December 31, 2016

### 19. Budget data:

The budget data presented in these consolidated financial statements is based upon the 2016 operating and capital budgets approved by Council on December 7, 2015. The chart below reconciles the approved budget to the budget figure reported in these consolidated financial statements.

		Budget Amount
Operating budget:		
Revenue	\$	252,666,862
Expenses		234,346,245
Annual surplus per statement of operations		18,320,617
Less capital expenses		(75,298,786)
Add capital funding from reserves		56,978,169
Approved budget	\$	-

### 20. Comparative Information:

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



# General Fund –Statement of Financial Position

December 31, 2016, with comparative information for 2015

## Schedule A

	2016	2015
<b>Financial Assets</b>		
Cash and deposits	\$ 226,118,654	\$ 192,573,103
Accounts receivable	21,642,940	21,355,884
Deposit, MFA	333,199	434,083
	248,094,793	214,363,070
<b>Liabilities</b>		
Accounts payable and accrued liabilities	47,070,014	40,881,169
Deferred revenue	16,435,870	13,952,455
Debt	12,448,918	13,572,668
	75,954,802	68,406,292
Net financial assets	172,139,991	145,956,778
<b>Non-Financial Assets</b>		
Tangible capital assets	1,400,377,922	1,366,743,417
Inventories of supplies	612,329	641,849
Prepaid expenses	870,910	615,589
	1,401,861,161	1,368,000,855
Accumulated surplus	\$ 1,574,001,152	\$ 1,513,957,633

# General Fund – Statement of Operations

Year ended December 31, 2016, with comparative information for 2015

## Schedule B

	Budget	2016	2015
Revenue:			
Taxation, net	\$ 129,651,656	\$ 129,193,315	\$ 124,740,645
Grants	5,792,250	6,091,493	4,896,900
Grants, in lieu of taxes	3,765,000	3,624,302	3,545,484
Fees and service charges	25,002,355	34,253,602	34,822,891
Solid waste levies	7,615,070	7,335,950	7,136,491
Rents	2,346,438	2,820,448	2,837,679
Investment income	4,761,157	4,152,316	3,921,263
Penalties and interest on taxes	1,055,500	807,634	1,005,676
Casino revenue	6,500,000	7,856,414	7,096,803
Developers' contributions	-	21,456,537	12,559,320
Cost recoveries	5,507,223	7,249,907	6,159,123
Sundry	38,314	633,969	780,621
Municipal land sale	-	64,560,489	135,218
	192,034,963	290,036,376	209,638,114
Expenses:			
General government	15,152,295	15,052,333	14,408,939
Police protection	34,942,534	34,338,340	30,347,589
Fire protection	24,822,756	24,702,251	25,019,460
Other protection	2,744,081	2,516,809	2,473,831
Engineering	13,680,360	13,060,869	12,254,046
Solid waste	6,157,203	6,117,688	5,494,119
Planning and development	7,483,603	7,401,935	6,638,980
Parks, recreation and culture	40,013,908	40,901,614	38,397,693
Debt interest payments	961,710	702,819	968,421
Retroactive and severance pay	2,153,805	1,704,125	4,450
Amortization	25,500,000	26,226,557	25,224,115
Tangible capital assets adjustments	5,528,080	7,049,435	6,670,208
	179,140,335	179,774,775	167,901,851
	12,894,628	110,261,601	41,736,263
Transfer from Land Sale Reserve	23,132,720	14,827,805	6,231,366
Transfer to Vehicle Replacement Reserve	(2,083,781)	(2,118,723)	(2,607,941)
Transfer to Land Sale Reserve	(2,922,242)	(71,588,423)	(3,350,200)
Transfer from Reserve Funds	6,733,479	11,709,285	3,547,940
Transfer (to) from other funds	-	(3,048,026)	2,008,029
Annual surplus	37,754,804	60,043,519	47,565,457
Accumulated surplus, beginning of year	1,513,957,633	1,513,957,633	1,466,392,176
Accumulated surplus, end of year	\$ 1,551,712,437	\$ 1,574,001,152	\$ 1,513,957,633

# Water Utility Fund – Statement of Financial Position

December 31, 2016, with comparative information for 2015

## Schedule C

	2016	2015
<b>Financial Assets</b>		
Cash and deposits	\$ 33,181,630	\$ 27,547,132
Accounts receivable	641,929	698,554
Deposit, MFA	65,892	64,153
	33,889,451	28,309,839
<b>Liabilities</b>		
Accounts payable and accrued liabilities	2,903,967	3,438,927
Debt	5,301,822	5,519,491
	8,205,789	8,958,418
Net financial assets	25,683,662	19,351,421
<b>Non-Financial Assets</b>		
Tangible capital assets	128,924,486	127,540,932
Inventories of supplies	59,874	62,340
	128,984,360	127,603,272
Accumulated surplus	\$ 154,668,022	\$ 146,954,693

**Water Utility Fund – Statement of Operations**  
*Year ended December 31, 2016, with comparative information for 2015*

**Schedule D**

	<b>Budget</b>	<b>2016</b>	<b>2015</b>
Revenue:			
User rates	\$ 25,071,148	\$ 25,226,106	\$ 25,135,738
Water connection fees	568,695	1,838,468	1,149,482
Inspection and other fees	377,000	466,288	439,804
Investment income	398,731	511,350	422,830
Developers' contributions	-	1,150,319	2,988,748
Sinking fund surplus	-	9,500	9,500
Cost recoveries	-	9,063	11,627
	26,415,574	29,211,094	30,157,729
Expenses:			
Administration	4,302,431	3,972,644	3,767,269
Water supply	13,536,244	11,444,508	11,249,093
Pumping	1,005,149	905,611	897,566
Maintenance	2,407,717	2,159,126	2,374,807
Debenture interest payments	228,305	228,354	228,364
Amortization	2,700,000	5,424,227	2,664,446
Tangible capital assets adjustments	(148,151)	77,368	667,555
	24,031,695	24,211,838	21,849,100
	2,383,879	4,999,256	8,308,629
Transfer from Statutory Reserves	-	23	1,280
Transfer to Statutory Reserves	(321,886)	(333,976)	(269,633)
Transfer (to) from other funds	-	3,048,026	(2,008,029)
Annual surplus	2,061,993	7,713,329	6,032,247
Accumulated surplus, beginning of year	146,954,693	146,954,693	140,922,446
Accumulated surplus, end of year	\$ 149,016,686	\$ 154,668,022	\$ 146,954,693



# Sewer and Drainage Utility Fund – Statement of Financial Position

December 31, 2016, with comparative information for 2015

## Schedule E

	2016	2015
<b>Financial Assets</b>		
Cash and deposits	\$ 18,994,998	\$ 10,663,734
Accounts receivable	128,919	184,591
Deposit, MFA	30,364	29,563
	19,154,281	10,877,888
<b>Liabilities</b>		
Accounts payable and accrued liabilities	427,155	1,117,393
Deferred revenue	7,659,800	-
Debt	2,444,388	2,544,740
	10,531,343	3,662,133
Net financial assets	8,622,938	7,215,755
<b>Non-Financial Assets</b>		
Tangible capital assets	326,199,467	321,921,729
Inventories of supplies	21,941	26,442
	326,221,408	321,948,171
Accumulated surplus	\$ 334,844,346	\$ 329,163,926

# Sewer and Drainage Utility Fund – Statement of Operations

Year ended December 31, 2016, with comparative information for 2015

## Schedule F

	Budget	2016	2015
Revenue:			
Sewer frontage tax	\$ 21,353,463	\$ 21,439,182	\$ 20,742,567
User rates	5,777,544	5,267,507	5,365,740
Grants	-	52,123	-
Fees and service charges	5,297,541	1,451,065	2,258,879
Inspection and other fees	350,000	529,358	540,175
Investment income	195,851	187,269	183,243
Developers' contributions	-	4,069,440	9,171,410
Sinking fund surplus	-	10,619	10,617
Cost recoveries	4,500	97,709	33,062
	32,978,899	33,104,272	38,305,693
Expenses:			
Administration	5,302,906	4,888,390	4,916,439
Collection and disposal	3,198,290	3,053,277	3,918,338
Pumping	898,816	763,231	791,311
Greater Vancouver Sewerage & Drainage District	10,505,367	10,026,324	10,256,134
Debt interest payments	105,259	105,282	105,273
Amortization	6,500,000	6,389,024	6,562,772
Tangible capital assets adjustments	787,429	1,827,390	1,311,787
	27,298,067	27,052,918	27,862,054
	5,680,832	6,051,354	10,443,639
Transfer to reserves	(336,524)	(370,934)	(307,183)
Annual surplus	5,344,308	5,680,420	10,136,456
Accumulated surplus, beginning of year	329,163,926	329,163,926	319,027,470
Accumulated surplus, end of year	\$ 334,508,234	\$ 334,844,346	\$ 329,163,926

## Reserve Fund Balances

Year ended December 31, 2016, with comparative information for 2015

## Schedule G

	General Fund	Sewer and Drainage Fund	Water Utility Fund	2016 Total	2015 Total
Reserves for operating purposes:					
Insurance reserve	\$ 11,595,868	\$ -	\$ -	\$ 11,595,868	\$ 10,870,036
Waste utility reserve	2,725,436	-	-	2,725,436	1,761,796
Soil removal fees reserve	555,373	-	-	555,373	945,961
Work in progress reserve	403,613	-	-	403,613	1,556,379
Public safety reserve	1,167,544	-	-	1,167,544	2,379,784
Tax appeals reserve	1,194,254	-	-	1,194,254	1,194,254
Building maintenance reserve	1,000,000	509,113	45,950	1,555,063	2,242,240
Commodity tax payable reserve	500,000	-	-	500,000	1,044,455
Cemetery reserve	232,185	-	-	232,185	233,600
Other operating reserves	1,265,686	-	-	1,265,686	1,086,639
WCB/Powersmart reserve	272,879	-	-	272,879	191,770
Specified area reserve	993,077	-	-	993,077	908,827
Election reserve	500,000	-	-	500,000	518,975
Extreme weather reserve	1,916,577	-	-	1,916,577	2,000,000
Economic development reserve	500,000	-	-	500,000	-
Total reserves for operating purposes	\$ 24,822,492	\$ 509,113	\$ 45,950	\$ 25,377,555	\$ 26,934,716

## Reserve Fund Balances

Year ended December 31, 2016, with comparative information for 2015

## Schedule G (continued)

	General Fund	Sewer and Drainage Utility Fund	Water Utility Fund
Reserves for capital purposes:			
Specific projects - in progress reserve	\$ 14,475,438	\$ 6,124,878	\$ 908,846
Infrastructure reserve	12,477,163	-	-
Equipment and component replacement reserve	9,544,133	8,119,066	5,990,181
Restricted debt reserve	1,514,723	295,409	249,017
Debt reserve	196,264	129,007	3,510,394
Local area service reserve	2,235,208	-	-
Prepaid water main reserve	-	-	-
Casino revenue reserve - municipal capital	7,215,163	-	-
Casino revenue reserve - community	109,064	-	-
Internal financing reserve	564,157	-	-
Land sale investment reserve	3,946,647	-	-
Affordable housing bylaw #3866	9,471,219	-	-
Bonus density - City Centre amenities	7,485,922	-	-
Bonus density - Austin Heights amenities	593,545	-	-
Bonus density - Burquitlam/Lougheed	6,433,858	-	-
Community amenity contribution	2,238,828	-	-
Waste utility reserve	479,653	-	-
Legacy building replacement reserve	28,426,693	-	-
Legacy road replacement reserve	10,998,721	-	-
DCC matching reserve	8,001,323	-	-
Waste bin asset replacement reserve	850,843	-	-
	127,258,565	14,668,360	10,658,438
Land sale statutory reserve	-	-	-
Vehicle replacement statutory reserve	-	-	-
Water utility statutory reserve	-	-	-
Parkland statutory reserve	-	-	-
Capital street works statutory reserve	-	-	-
	-	-	-
<b>Total</b>	<b>\$ 127,528,565</b>	<b>\$ 14,668,360</b>	<b>\$ 10,658,438</b>



Statutory Reserves			Library	2016 Total	2015 Total
\$	-	\$	296,558	\$ 21,805,720	\$ 21,470,764
	-		-	12,477,163	11,691,673
	-		-	23,653,380	19,367,015
	-		-	2,059,149	2,043,101
	-		-	3,835,665	1,150,447
	-		-	2,235,208	2,215,048
	-		-	-	785
	-		-	7,215,163	6,610,830
	-		-	109,064	687,255
	-		-	564,157	555,108
	-		-	3,946,647	-
	-		-	9,471,219	2,122,845
	-		-	7,485,922	10,746,421
	-		-	593,545	584,025
	-		-	6,433,858	2,934,683
	-		-	2,238,828	1,766,122
	-		-	479,653	486,744
	-		-	28,426,693	25,654,300
	-		-	10,998,721	9,777,471
	-		-	8,001,323	6,705,089
	-		-	850,843	506,537
	-		296,558	152,881,921	127,076,263
87,622,698			-	87,622,698	29,612,489
14,540,810			-	14,540,810	17,557,085
807,419			-	807,419	794,492
8,536,282			-	8,536,282	11,341,726
2,315			-	2,315	13,937
111,509,524			-	111,509,524	59,319,729
\$ 111,509,524	\$	\$296,558	\$	264,391,445	\$ 186,395,992



# Annual Report

*For the year ending December 31, 2016*

# 2016

## 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, 2016, 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, 2016 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". The signature is stylized and includes a long horizontal flourish underneath the letters.

Chartered Professional Accountants  
March 6, 2017  
Burnaby, Canada



## Statement of Financial Position

December 31, 2016, with comparative information for 2015

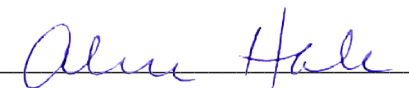
	2016	2015
<b>Financial Assets</b>		
Cash	\$ 1,309,935	\$ 1,324,023
Temporary investments (note 3)	300,000	172,003
Accounts receivable	35,196	32,783
	<u>1,645,131</u>	<u>1,528,809</u>
<b>Liabilities</b>		
Accrued salaries and benefits (note 9)	461,002	391,053
Accounts payable and accrued liabilities	123,885	45,550
Deferred revenue	-	5,630
Tangible capital lease obligations (note 4)	89,887	118,875
	<u>674,774</u>	<u>561,108</u>
Net financial assets	970,357	967,701
<b>Non-Financial Assets</b>		
Tangible capital assets (note 5)	1,744,095	1,804,269
Prepaid expenses	49,913	48,063
	<u>1,794,008</u>	<u>1,852,332</u>
Commitment (note 10)		
Accumulated surplus (note 6)	\$ 2,764,365	\$ 2,820,033

See accompanying notes to financial statements.

Approved on behalf of the Library Board:



Director



Director

## Statement of Operations

Year ended December 31, 2016, with comparative information for 2015

	2016 Budget	2016	2015
	(note 11)		
Revenue:			
Grants (note 7)	\$ 5,047,614	\$ 5,095,096	\$ 5,180,241
Interest	15,000	15,578	16,717
Fines and fees	85,000	68,640	63,004
Photocopying services	-	28,958	22,488
Book sales	5,500	9,366	7,288
Fundraising activities	15,000	1,530	54,602
Other	14,000	14,468	29,267
	5,182,114	5,233,636	5,373,607
Expenses:			
Amortization	485,455	530,984	541,729
Building and grounds maintenance	164,000	161,339	169,926
Conferences and courses	46,000	46,406	33,889
Insurance	32,000	36,549	31,281
InterLINK assessment	63,000	61,651	61,028
Magazines and online subscriptions	175,000	155,496	130,444
Professional fees	24,000	94,113	80,721
Promotion and publicity	35,000	24,459	30,669
Salaries and benefits	3,601,114	3,747,046	3,693,832
Supplies and equipment	98,500	61,305	71,790
Telecommunications, computer charges and utilities	306,750	262,767	285,019
Transportation	26,000	27,872	37,246
Rental, administration and other	74,750	79,317	65,233
	5,131,569	5,289,304	5,232,807
Annual surplus (deficit)	50,545	(55,668)	140,800
Accumulated surplus, beginning of year	2,820,033	2,820,033	2,679,233
Accumulated surplus, end of year	\$ 2,870,578	\$ 2,764,365	\$ 2,820,033

See accompanying notes to financial statements.

## Statement of Changes in Net Financial Assets

Year ended December 31, 2016, with comparative information for 2015

	2016 Budget		2016		2015
	(note 11)				
Annual surplus (deficit)	\$	50,545	\$	(55,668)	\$ 140,800
Acquisition of tangible capital assets		(536,000)		(470,810)	(635,977)
Disposal of assets under capital lease		-		-	29,026
Amortization of tangible capital assets		485,455		530,984	541,729
		-		4,506	75,578
Acquisition of prepaid expenses		-		(49,913)	(48,063)
Use of prepaid expenses		-		48,063	38,767
Change in net financial assets		-		2,656	66,282
Net financial assets, beginning of year		967,701		967,701	901,419
Net financial assets, end of year	\$	967,701	\$	970,357	\$ 967,701

See accompanying notes to financial statements.

## Statement of Cash Flows

Year ended December 31, 2016, with comparative information for 2015

	2016	2015
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ (55,668)	\$ 140,800
Items not involving cash:		
Amortization	530,984	541,729
Change in non-cash operating working capital:		
Decrease (increase) in accounts receivable	(2,413)	185
Decrease (increase) in prepaid expenses	(1,850)	(9,296)
Increase in accrued salaries and benefits	69,949	58,989
Increase (decrease) in accounts payable and accrued liabilities	78,335	(36,299)
Increase (decrease) in deferred revenue	(5,630)	630
	613,707	696,738
Capital activities:		
Cash used to acquire tangible capital assets	(470,810)	(517,011)
Principal payments under tangible capital lease obligations	(28,988)	(17,236)
	(499,798)	(534,247)
Investing activities:		
Increase in temporary investments	(127,997)	(1,913)
Net change in cash	(14,088)	160,578
Cash, beginning of year	1,324,023	1,163,445
Cash, end of year	\$ 1,309,935	\$ 1,324,023
Non-cash transactions:		
Tangible capital assets financed by capital lease	\$ -	\$ 118,966
Disposal of assets under capital lease	-	(29,026)

See accompanying notes to financial statements.

## Notes to Financial Statements

Year ended December 31, 2016

**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 2016 operating and capital budgets developed by management. The 2016 budget was approved by the Board on February 24, 2016. 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

Year ended December 31, 2016

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### 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. 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 dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. 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 \$300,000 is comprised of GICs earning interest at 0.85% to 0.95% (2015 – 0.85%) and maturing in 2017.

## Notes to Financial Statements

Year ended December 31, 2016

**4. Tangible capital lease obligations:**

2017	\$	29,050
2018		23,197
2019		22,456
2020		16,652
Total minimum lease payments		91,355
Less amount representing interest (at Municipal Finance Authority borrowing rate of 1.00% to 2.25%)		(1,468)
Present value of minimum capital lease payments		\$ 89,887

## Notes to Financial Statements

Year ended December 31, 2016

## 5. Tangible capital assets:

Cost	Balance, December 31, 2015		Additions		Disposals		Balance December 31, 2016
Automotive	\$	61,480	\$	-	\$	-	\$ 61,480
Leasehold improvements		81,817		7,039		-	88,856
Library collections		1,955,978		328,853		347,177	1,937,654
Security equipment		138,991		33,643		-	172,634
Computer equipment		617,137		39,899		-	657,036
Furniture and equipment		1,198,434		61,376		-	1,259,810
Assets under capital lease		166,621		-		21,753	144,868
	\$	4,220,458	\$	470,810	\$	368,930	\$ 4,322,338
Accumulated Amortization	Balance, December 31, 2015		Disposals		Amortization Expense		Balance December 31, 2016
Automotive	\$	28,074	\$	-	\$	9,281	\$ 37,355
Leasehold improvements		81,817		-		938	82,755
Library collections		1,137,501		347,177		322,954	1,113,278
Security equipment		114,639		-		10,080	124,719
Computer equipment		426,242		-		63,254	489,496
Furniture and equipment		579,623		-		93,988	673,611
Assets under capital lease		48,293		21,753		30,489	57,029
	\$	2,416,189	\$	368,930	\$	530,984	\$ 2,578,243
							Net book value December 31, 2016
							Net book value December 31, 2015
Automotive					\$	33,406	\$ 24,125
Leasehold improvements						-	6,101
Library collections						818,477	824,376
Security equipment						24,352	47,915
Computer equipment						190,895	167,540
Furniture and equipment						618,811	586,199
Assets under capital lease						118,328	87,839
					\$	1,804,269	\$ 1,744,095

## Notes to Financial Statements

Year ended December 31, 2016

**6. Accumulated surplus:**

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

		2016		2015
Invested in tangible capital assets	\$	1,654,208	\$	1,685,394
Operating surplus		813,599		878,206
Capital reserves		296,558		256,433
	\$	2,764,365	\$	2,820,033

**7. Grant revenue:**

		2016 Budget		2016		2015
City of Coquitlam	\$	4,756,360	\$	4,792,459	\$	4,884,112
Province of British Columbia		282,904		282,461		282,904
Community Service Clubs		7,500		19,051		12,100
Other		850		1,125		1,125
	\$	5,047,614	\$	5,095,096	\$	5,180,241

**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 \$290,000 (2015 - \$282,000) for employer contributions to the Plan in 2016. Employees paid \$228,000 (2015 - \$225,000) for employee contributions to the Plan in 2016.

**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 \$34,400 (2015 - \$34,400).

## Notes to Financial Statements

Year ended December 31, 2016

**9. Employee future benefits (continued):**

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

	Sick leave	Retirement benefit payments	2016 Total	2015 Total
Accrued benefit obligation:				
Balance, beginning of year	\$ 148,400	\$ 79,600	\$ 228,000	\$ 221,400
Current service cost	10,600	5,700	16,300	15,900
Interest cost	4,900	2,600	7,500	7,400
Benefits paid	(12,700)	(72,900)	(85,600)	(13,900)
Actuarial loss (gain)	(30,800)	73,400	42,600	(2,800)
Benefit obligation, end of year	120,400	88,400	208,800	228,000
Unamortized actuarial loss	(2,100)	(75,000)	(77,100)	(45,100)
Accrued sick and retirement liability	\$ 118,300	\$ 13,400	\$ 131,700	\$ 182,900

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:

	2016	2015
Discount rates	3.4%	3.2%
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 2016, is \$61,651 (2015 - \$61,028).

## Notes to Financial Statements

Year ended December 31, 2016

**11. Budget data:**

The budget data presented in these financial statements is based upon the 2016 budget developed by management. The 2016 budget was approved by the Board on February 24, 2016. The chart below reconciles the budget developed by management to the budget figures reported in these financial statements.

Revenue:	
Operating budget	\$ 5,182,114
Expenses:	
Operating	4,646,114
Capital	1,021,455
	5,667,569
Annual deficit per budget	(485,455)
Add: capital funding	536,000
Annual surplus per statement of operations	\$ 50,545



# Annual Report

*For the year ending December 31, 2016*

# 2016

## 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, 2016, 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, 2016, 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 4, 2017  
Burnaby, Canada

## Statement of Financial Position

December 31, 2016, with comparative information for 2015

	2016	2015
<b>Financial Assets</b>		
Cash	\$ 1,295	\$ 2,929
Accounts receivable	143,105	52,193
	144,400	55,122
<b>Liabilities</b>		
Accounts payable and accrued liabilities	112,374	131,649
Due to City of Coquitlam (note 4)	4,933,494	4,991,534
	5,045,868	5,123,183
Net debt	(4,901,468)	(5,068,061)
<b>Non-Financial Assets</b>		
Tangible capital assets (note 3)	4,168,513	3,933,717
Prepaid expenses	5,776	5,576
	4,174,289	3,939,293
Accumulated deficit	\$ (727,179)	\$ (1,128,768)
Accumulated deficit is comprised of:		
Share capital	\$ 1	\$ 1
Accumulated deficit	(727,180)	(1,128,769)
	\$ (727,179)	\$ (1,128,768)

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, 2016, with comparative information for 2015

	2016 Budget	2016	2015
	(note 7)		
Revenue:			
Lease	\$ 756,872	\$ 733,996	\$ 466,042
Installation fees	24,800	25,200	14,400
Power cost recovery	30,000	31,890	29,550
Revenue sharing	-	38,448	19,250
Developers' contributions	-	-	8,900
Project management fees	-	-	7,480
Other	-	-	7,113
	811,672	829,534	552,735
Expenses:			
General and administrative	212,615	229,475	161,080
Amortization	149,454	119,224	140,526
Bad debt	-	-	12,441
Interest (note 4)	90,846	79,246	78,273
	452,915	427,945	392,320
Annual surplus	358,757	401,589	160,415
Accumulated deficit, beginning of year	(1,128,769)	(1,128,769)	(1,289,184)
Accumulated deficit, end of year	\$ (770,012)	\$ (727,180)	\$ (1,128,769)

See accompanying notes to financial statements.

## Statement of Changes in Net Debt

Year ended December 31, 2016, with comparative information for 2015

	2016 Budget		2016		2015
	(note 7)				
Annual surplus for the year	\$	358,757	\$	401,589	\$ 160,415
Acquisition of tangible capital assets		(445,207)		(354,020)	(244,889)
Amortization of tangible capital assets		149,454		119,224	140,526
Increase in prepaid expense		-		(200)	(229)
Change in net debt		63,004		166,593	55,823
Net debt, beginning of year		(5,068,061)		(5,068,061)	(5,123,884)
Net debt, end of year	\$	(5,005,057)	\$	(4,901,468)	\$ (5,068,061)

See accompanying notes to financial statements.



## Statement of Cash Flows

Year ended December 31, 2016, with comparative information for 2015

	2016	2015
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 401,589	\$ 160,415
Amortization of tangible capital assets, an item not involving cash	119,224	140,526
Change in non-cash operating working capital balances:		
Prepaid expenses	(200)	(229)
Accounts receivable	(90,912)	9,663
Accounts payable and accrued liabilities	(19,275)	112,059
Net change in cash from operating activities	410,426	422,434
Capital activities:		
Cash used to acquire tangible capital assets	(354,020)	(244,889)
Financing activities:		
Decrease in due to City of Coquitlam	(58,040)	(179,499)
Net change in cash	(1,634)	(1,954)
Cash, beginning of year	2,929	4,883
Cash, end of year	\$ 1,295	\$ 2,929

See accompanying notes to financial statements.

## Notes to Financial Statements

Year ended December 31, 2016

### 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 and operates its business within the City of Coquitlam 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

Year ended December 31, 2016

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### 2. Significant accounting policies (continued):

(b) Non-financial assets (continued):

(i) Tangible capital assets (continued):

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

Leases which 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.

## Notes to Financial Statements

Year ended December 31, 2016

## 3. Tangible Capital Assets

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

December 31, 2015	Software	Data centre equipment	Building entrance - fibre	Building entrance - civil
Cost:				
Balance, beginning of year	\$ 84,050	\$ 940,617	\$ 242,770	\$ 280,495
Additions, net of transfers	-	4,759	31,514	95,005
Balance, end of year	84,050	945,376	274,284	375,500
Accumulated amortization:				
Balance, beginning of year	69,650	264,201	33,589	13,515
Amortization expense	10,793	56,568	9,780	3,903
Balance, end of year	80,443	320,769	43,369	17,418
Net book value, end of year	\$ 3,607	\$ 624,607	\$ 230,915	\$ 358,082
Net book value, beginning of year	\$ 14,400	\$ 676,416	\$ 209,181	\$ 266,980

There was no write-down of tangible capital assets during the year (2015-nil).

## Notes to Financial Statements

Year ended December 31, 2016

	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
	Arterial fibre - civil	Arterial fibre - fibre	Leasehold improvements and leased equipment	Assets under construction	Total
\$	1,607,971	\$ 212,916	\$ 932,876	\$ 74,850	\$ 4,376,545
	139,292	6,298	-	(31,979)	244,889
	1,747,263	219,214	932,876	42,871	4,621,434
	70,925	23,761	71,550	-	547,191
	28,007	8,143	23,332	-	140,526
	98,932	31,904	94,882	-	687,717
\$	1,648,331	\$ 187,310	\$ 837,994	\$ 42,871	\$ 3,933,717
\$	1,537,046	\$ 189,155	\$ 861,326	\$ 74,850	\$ 3,829,354

## Notes to Financial Statements

Year ended December 31, 2016

**4. Due to City of Coquitlam:**

The amount due to City of Coquitlam at December 31, 2016 of \$4,933,494 (2015 - \$4,991,534) 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 of Coquitlam until December 15, 2051. Included in the amount due to City of Coquitlam is \$932,876 (2015 - \$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 1.60% (2015 - 1.57%) and have no set terms of repayment.

**5. Related party transactions**

During the year, certain employees of the City of Coquitlam performed administrative services for the Company, including purchasing, accounting, clerical and other operational-type services. The Company was not charged by the City of Coquitlam for these services for the year ended December 31, 2016 (2015 - nil). Management costs and direct infrastructure services related to the Company of \$107,511 (2015 - \$94,339) were charged from the City of Coquitlam and are shown as expenses in the financial statements.

**6. Economic dependence:**

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

**7. Budget data:**

The budget data presented in these financial statements is based upon the 2016 budget approved by the Board of Directors on March 29, 2016. The chart below reconciles the approved budget figures reported in these financial statements.

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Revenue:	
Operating budget	\$ 811,672
Expenses:	
Operating budget	897,942
<hr/>	
Annual deficit per approved budget	(86,270)
Add: capital funding	445,027
<hr/>	
Annual surplus per statement of operations	\$ 358,757

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# Annual Report

*For the year ending December 31, 2016*

# 2016

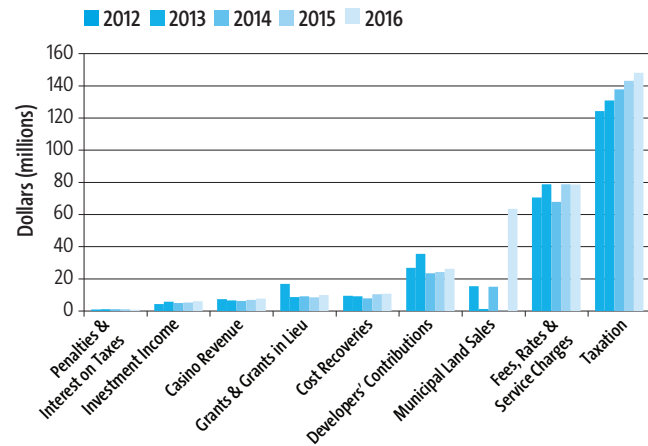
## Statistical Analysis



# Statistical Analysis

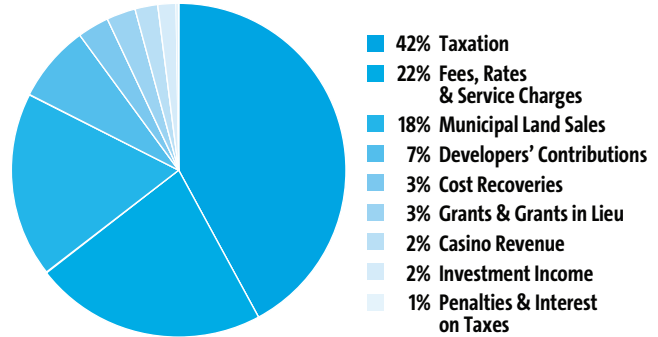
## Revenue by Source (\$) 2012–2016

(Source: City of Coquitlam Finance & Technology Department)



## Revenue by Source (%) 2016

(Source: City of Coquitlam Finance & Technology Department)



## Revenues

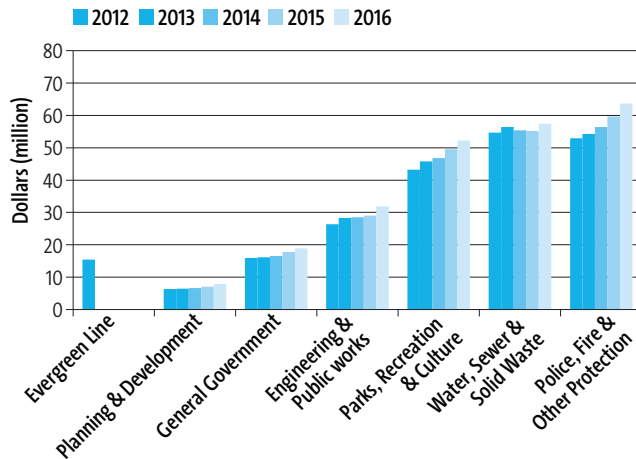
### Last Five Fiscal Years Comparison

	2012	2013	2014	2015	2016
Taxation	\$ 126,365,623	\$ 133,104,670	\$ 140,092,846	\$ 145,483,212	\$ 150,632,497
Penalties & Interest on Taxes	1,047,459	1,111,029	1,167,074	1,068,680	876,274
Fees, Rates & Service Charges	71,714,012	80,056,487	69,060,029	80,197,289	79,976,946
Developers' Contributions	27,248,902	36,209,937	23,797,423	24,728,377	26,676,296
Investment Income	4,438,210	5,858,896	5,129,766	5,457,671	6,255,790
Grants & Grants in Lieu	17,083,907	8,778,184	9,286,386	8,738,513	10,070,555
Municipal Land Sales	15,704,619	1,265,221	15,409,337	135,218	64,560,489
Casino Revenue	7,556,341	6,730,968	6,442,834	7,096,803	7,856,414
Cost Recoveries	9,585,890	9,386,539	8,005,187	10,680,469	10,894,759
<b>Total Revenue</b>	<b>\$ 280,744,963</b>	<b>\$ 282,501,931</b>	<b>\$ 278,390,882</b>	<b>\$ 283,586,232</b>	<b>\$ 357,800,020</b>

# Statistical Analysis

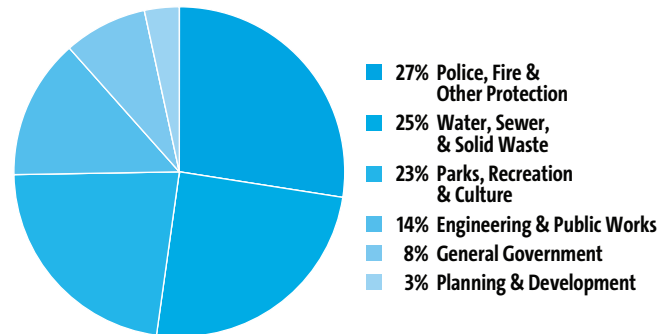
## Expenses by Function (\$ 2012–2016)

(Source: City of Coquitlam Finance & Technology Department)



## Expenses by Function (%) 2016

(Source: City of Coquitlam Finance & Technology Department)



## Expenses

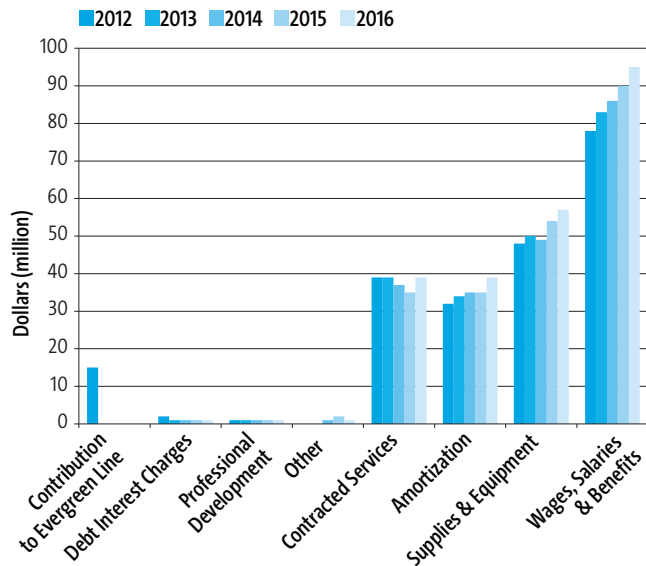
### Analysis by Functions

	2012	2013	2014	2015	2016
Police, Fire & Other Protection	\$ 52,958,035	\$ 54,266,851	\$ 56,385,569	\$ 59,636,629	\$ 63,708,950
Water, Sewer & Solid Waste	54,698,696	56,459,187	55,437,872	55,135,207	57,382,444
Parks, Recreation & Culture	43,271,870	45,767,039	46,852,652	49,603,564	52,192,605
Engineering & Public Works	26,394,940	28,317,525	28,516,245	29,059,110	31,846,065
General Government	15,901,449	16,143,203	16,517,296	17,822,271	18,869,206
Planning & Development	6,370,912	6,476,006	6,604,996	7,018,966	7,885,805
Evergreen Line <sup>1</sup>	15,411,632	0	0	0	0
<b>Total Expenses by Functions</b>	<b>\$ 215,007,534</b>	<b>\$ 207,429,811</b>	<b>\$ 210,314,630</b>	<b>\$ 218,275,747</b>	<b>\$ 231,885,075</b>

1 Evergreen Line represents the agreement between the City and Province of BC for Lincoln station and Evergreen Line SkyTrain.

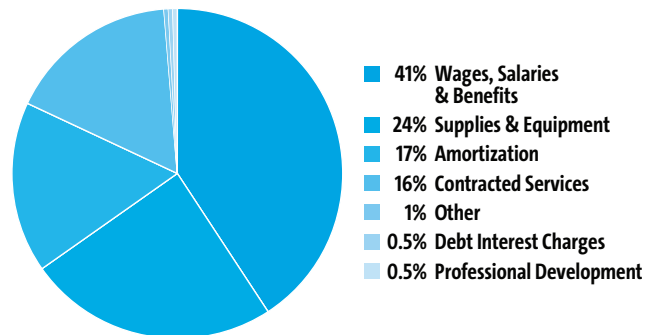
### Expenses by Object (\$ 2012–2016)

(Source: City of Coquitlam Finance & Technology Department)



### Expenses by Object (%) 2016

(Source: City of Coquitlam Finance & Technology Department)



### Expenses

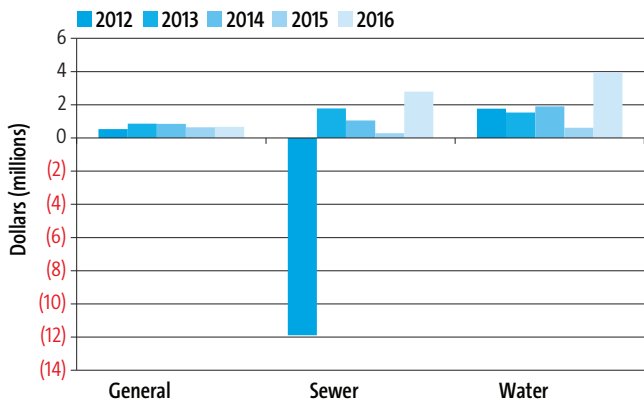
Analysis by Object

	2012	2013	2014	2015	2016
Wages, Salaries and Benefits	\$78,280,856	\$82,598,738	\$86,202,279	\$89,961,577	\$95,016,047
Professional Development	746,980	729,581	801,903	870,432	889,280
Contracted Services	39,087,123	38,799,325	36,614,364	34,730,899	38,503,991
Supplies and Equipment	47,537,873	48,898,559	48,692,025	54,095,687	56,512,582
Other	424,440	1,338,815	1,234,067	2,181,508	1,236,704
Debt Interest Charges	1,731,143	1,471,882	1,327,007	1,302,057	1,036,455
Amortization	31,787,487	33,592,911	35,442,985	35,133,587	38,690,016
Evergreen Line	15,411,632	-	-	-	-
<b>Total Expenses by Object</b>	<b>\$215,007,534</b>	<b>\$207,429,811</b>	<b>\$210,314,630</b>	<b>\$218,275,747</b>	<b>\$231,885,075</b>

# Statistical Analysis

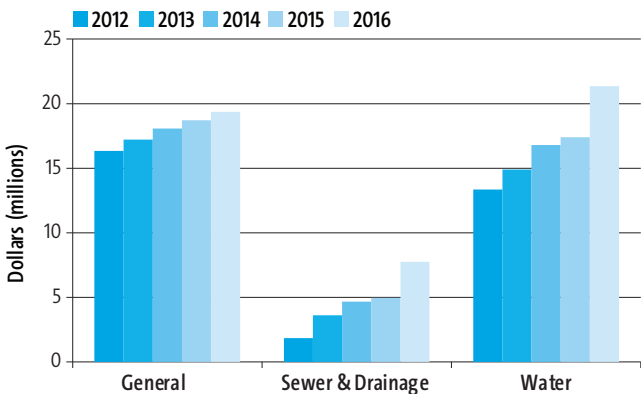
Surplus for the Year  
(\$)  
2012–2016

(Source: City of Coquitlam Finance & Technology Department)



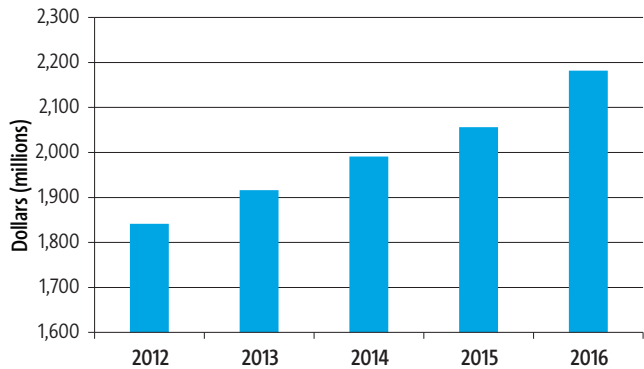
Accumulated Operating Surplus  
(General, Water and Sewer & Drainage)  
(\$)  
2012–2016

(Source: City of Coquitlam Finance & Technology Department)



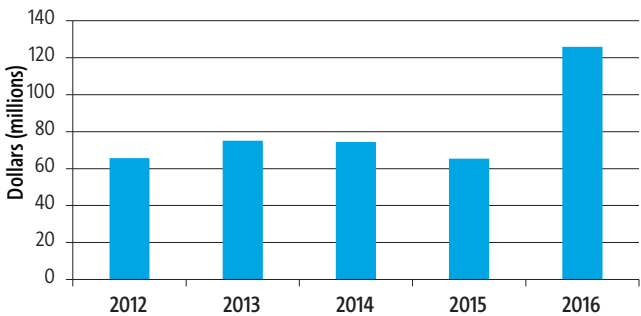
Accumulated Consolidated Surplus  
(\$)  
2012–2016

(Source: City of Coquitlam Finance & Technology Department)



Annual Consolidated Surplus  
(\$)  
2012–2016

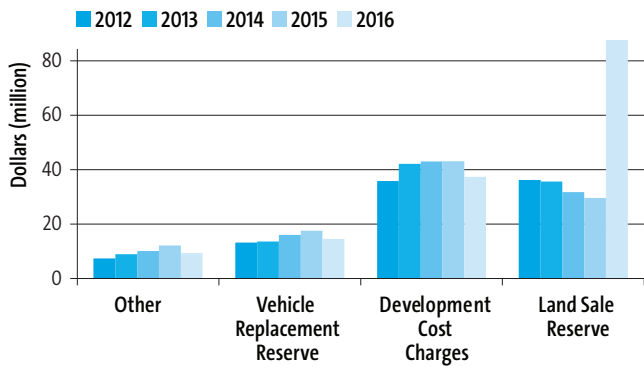
(Source: City of Coquitlam Finance & Technology Department)





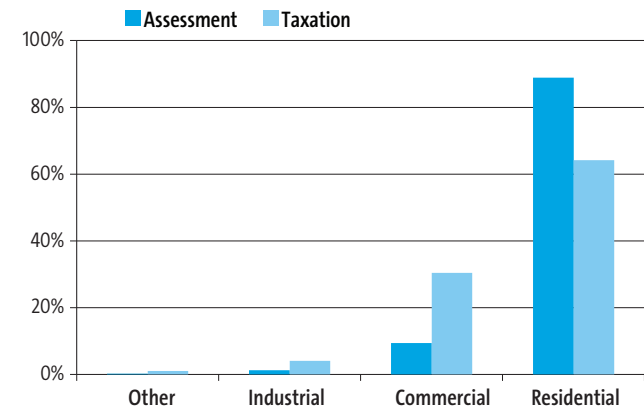
### Summary of Statutory Reserve Funds (\$) 2012–2016

(Source: City of Coquitlam Finance & Technology Department)



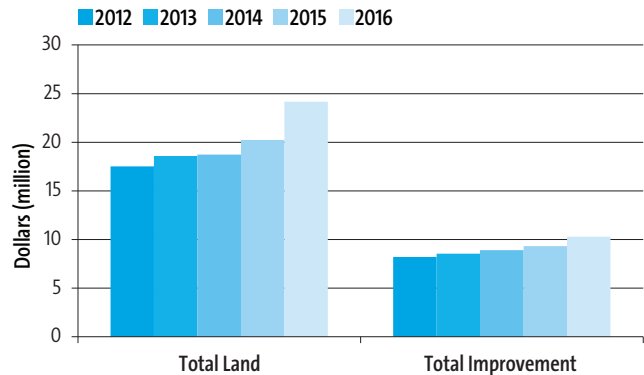
### Assessment & Taxation By Property Class (\$) 2016

(Source: City of Coquitlam Finance & Technology Department)



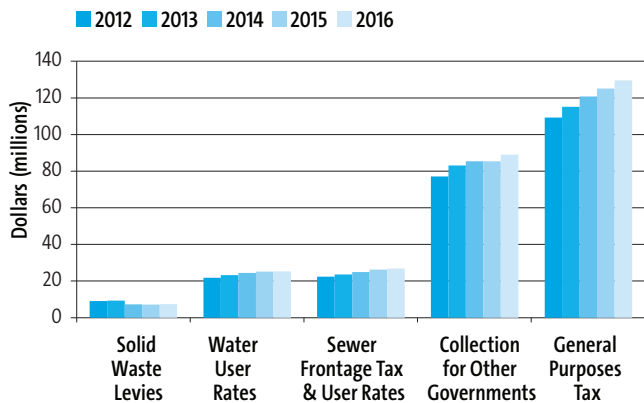
### Assessed Values for General Municipal Purposes (\$) 2012–2016

(Source: City of Coquitlam Finance & Technology Department)



### Property Tax Collection, Other Major Levies & Collections (\$) 2012–2016

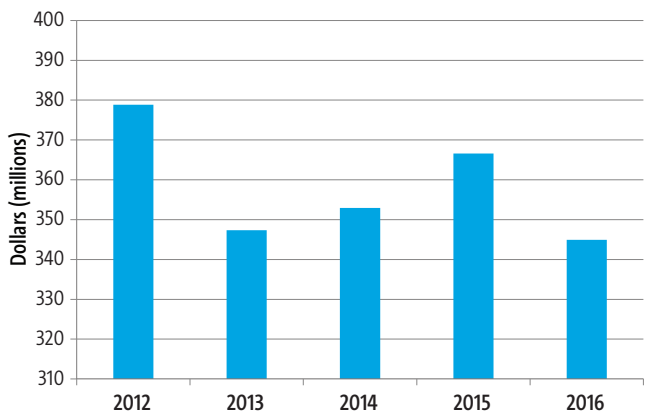
(Source: City of Coquitlam Finance & Technology Department)



# Statistical Analysis

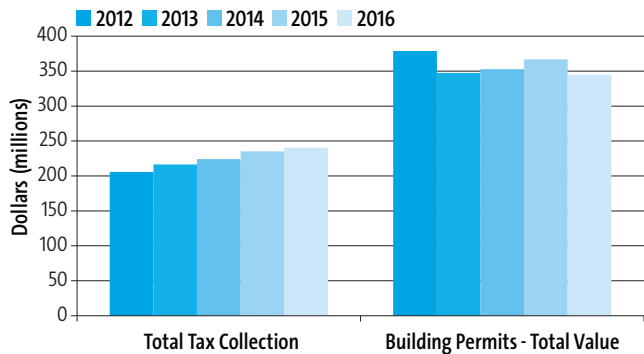
## Total Value of Building Permits (\$ 2012–2016

(Source: City of Coquitlam Finance & Technology Department)



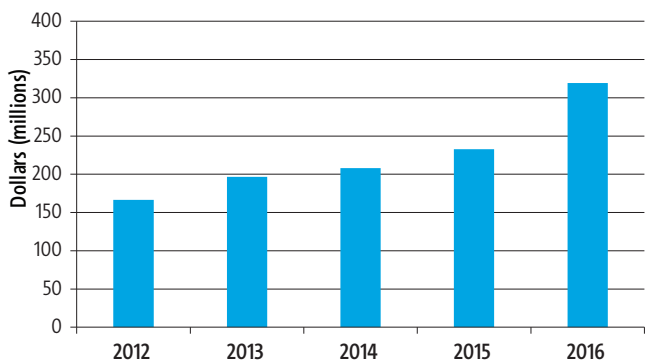
## Building Permits and Total Tax Collection (\$ 2012–2016

(Source: City of Coquitlam Finance & Technology Department)



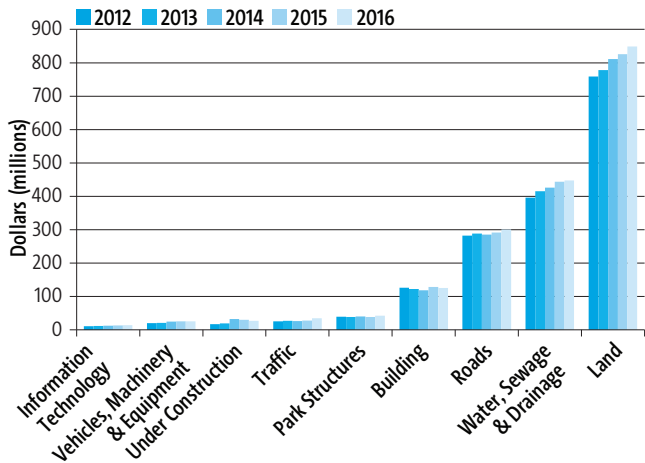
## Net Financial Assets (\$ 2012–2016

(Source: City of Coquitlam Finance & Technology Department)



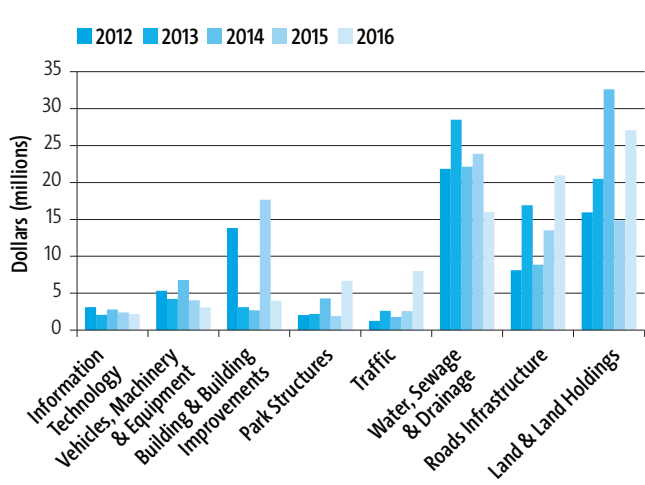
### Net Book Value of Tangible Capital Assets (\$ 2012–2016

(Source: City of Coquitlam Finance & Technology Department)



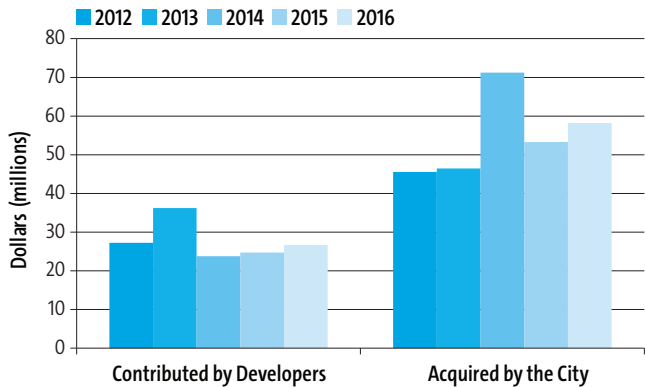
### Assets Aquisition by Category (\$ 2012–2016

(Source: City of Coquitlam Finance & Technology Department)



### Total Assets Aquisition (\$ 2012–2016

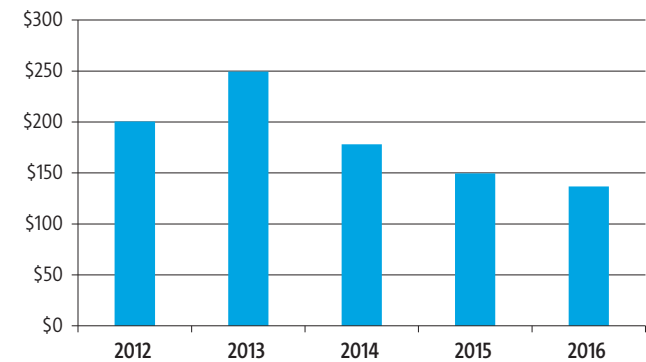
(Source: City of Coquitlam Finance & Technology Department)



# Statistical Analysis

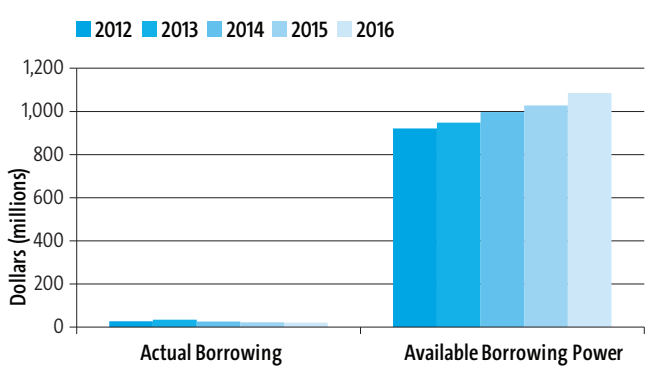
**Coquitlam Debt per Capita (\$)** 2012–2016

(Source: City of Coquitlam Finance & Technology Department)



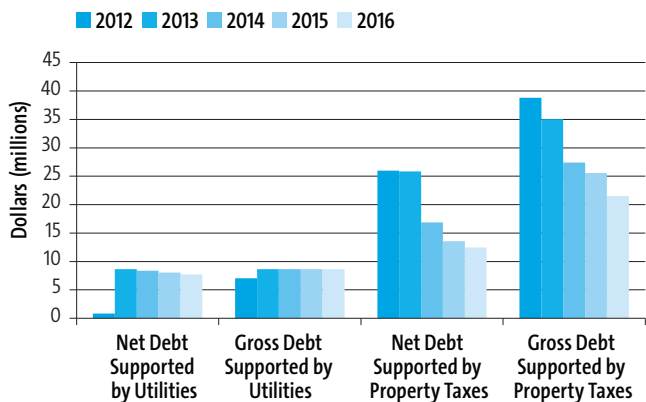
**Legal Debt Limit (\$)** 2012–2016

(Source: City of Coquitlam Finance & Technology Department)



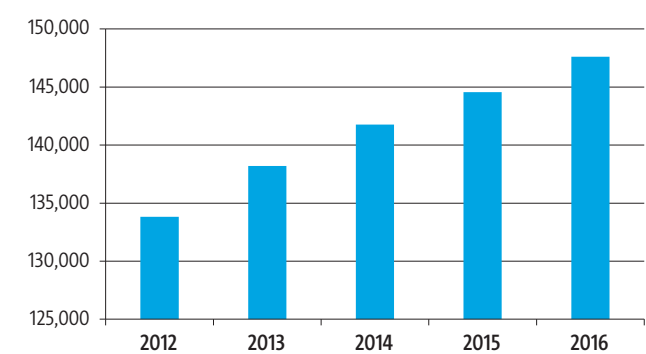
**Gross & Net Long Term Debt (\$)** 2012–2016

(Source: City of Coquitlam Finance & Technology Department)



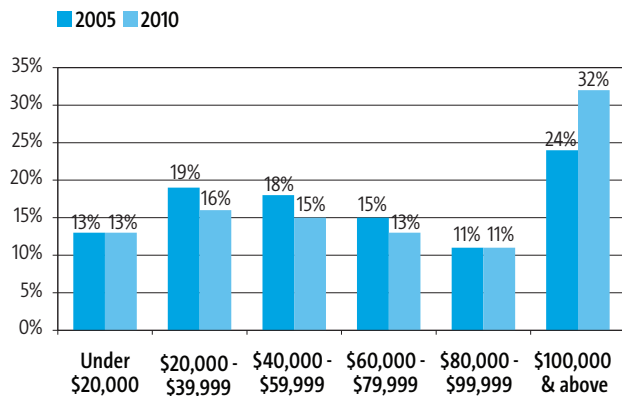
**Population Estimate** 2012–2016

(Source: City of Coquitlam Finance & Technology Department)



### Household Income in Coquitlam 2005 & 2010

(Source: Statistics Canada)

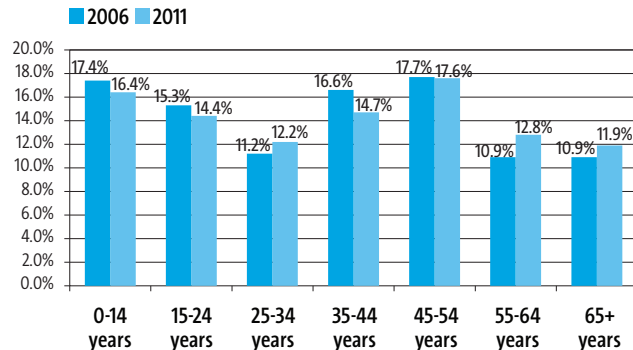


### Coquitlam Residents by Marital Status 1996–2011

(Source: Statistics Canada, 2011 Census)

Marital Status	1996	2001	2006	2011
Legally Married	55%	54%	53%	59%
Never Married	30%	31%	32%	30%
Separated	3%	3%	3%	2%
Divorced	7%	7%	7%	5%
Widowed	5%	5%	5%	4%

### Coquitlam's Population by Age as a Percentage of Population (Source: Statistics Canada 2006 & 2011 Censuses)



### Top Ten Languages Spoken at Home in Coquitlam

(Source: Statistics Canada, 2011 Census)

Language	2011	
	Number	%
English	84,920	72.0%
Korean	6,210	5.3%
Mandarin	4,640	3.9%
Cantonese	4,350	3.7%
Persian (Farsi)	4,275	3.6%
Chinese (not otherwise specified)	3,560	3.0%
Spanish	1,115	0.9%
Russian	1,105	0.9%
Tagalog (Pilipino, Filipino)	940	0.8%
Romanian	615	0.5%

### Total Number of City Employees, 2012–2016

(Source: City of Coquitlam Finance & Technology Department)

Year	Number of FTE Not Including RCMP Members	Number of FTE Including RCMP Members
2012	915	1050
2013	938	1066
2014	959	1093
2015	988	1119
2016	1014	1165

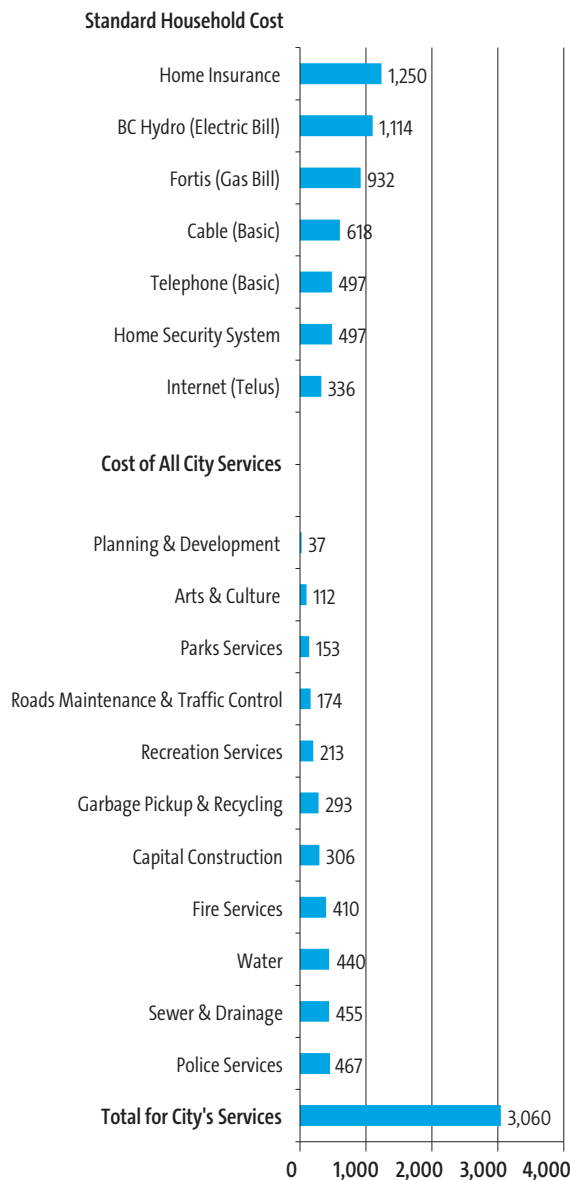
Note: Full-Time Equivalent (FTE) includes full-time, part-time and auxiliary staff

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

# Statistical Analysis

## Comparison of the Average 2016 Annual Tax Bill for all City Services to Other Standard Household Costs

(Source: City of Coquitlam Finance & Technology Department)



Based on 2016 average single-family residence.

## Principal Employers in Coquitlam (over 200 employees reported)

(Source: City of Coquitlam)

Business Type	Name
Retail Sales	The Real Canadian Superstore (2 stores)
Casino	Hard Rock Casino
Retail Sales	Ikea
Manufacturer	Factors Group of Nutritional Companies Inc
Restaurant Sales	McDonald's Restaurants (6 restaurants)
Retail Sales	Canada Safeway (3 stores)
Warehouse	WN Pharmaceuticals Ltd.
Retail Sales	Save On Foods (2 stores)
Restaurant Sales	Tim Hortons (5 restaurants)
Manufacturer	Superior Poultry Processors Ltd
Retail Sales	Shoppers Drug Mart (5 stores)
Manufacturer	Jack Cewe Ltd

Note: Information on employment numbers (over 200) is provided by the business licence applicant and may or may not be the most current.

## 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 .....	\$ 7,193,919
Loblaw Properties West Inc.	Shopping Centre .....	3,303,565
BC Hydro & Power Authority	Electric Power Systems .....	1,792,006
Great Canadian Casinos Inc.	Stores & Service Commercial .....	1,424,541
Sun Life Assurance Co of Canada	Shopping Centre .....	1,305,120
Ikea Properties Ltd.	Miscellaneous .....	1,270,693
Pinetree Village Holdings Inc.	Shopping Centre .....	1,239,853
Burquitlam Building Ltd.	Shopping Centre .....	1,026,149
Sunnyland Enterprises Ltd.	Shopping Centre .....	854,524
FortisBC Energy Inc.	Gas Distribution Systems .....	776,771
655870 BC Ltd.	Storage & Warehousing .....	768,591
Lafarge Canada Inc.	Concrete Mixing Plants .....	733,155
Fraser Mills Properties Ltd.	Industrial .....	704,702
Double Kappa Holdings Ltd.	Vacant Land .....	659,897
Investors Group Trust Co. Ltd.	Shopping Centre .....	609,709
Spire LP (Lougheed Super Centre) Ltd.	Lumber Yard or Building Supplies .....	600,526
Brenhill Developments Ltd.	Theatre Buildings .....	591,196
Busung Investment Co Ltd.	Shopping Centre .....	565,070
1051578 BC LTD	Shopping Centre Neighbourhood .....	558,339
Home Depot Holdings Inc.	Stores & Service Commercial .....	539,577
Coquitlam Inn & Convention Centre Ltd.	Motel & Auto Court .....	529,022
No. 186 Seabright Holdings Ltd.	Warehouse Storage .....	486,105
Kebet Holdings Ltd.	Storage & Warehousing .....	469,526
West Mall Hotels Ltd.	Hotel .....	454,533
Aragon (Austin Station) Properties Ltd.	Shopping Centre .....	426,098
WKR Inc.	Storage & Warehousing .....	418,344
424116 BC Ltd.	Apartment (High Rise) .....	410,967
South Coast BC Transportation Auth.	Parking-Lot .....	389,013
Bosa Properties (Coquitlam) Inc.	Apartment (High Rise) .....	373,433
Viam Holdings Ltd.	Strata Apartment .....	372,055
B U K Investments Ltd.	Auto. Paint Shop. Garage, Etc. ....	370,099
ONNI Development (Glen Drive) Corp.	Stores & Offices .....	361,801
1046561 BC LTD	Storage & Warehousing .....	356,195
ONNI Westwood Street Holdings Corp.	Office Building .....	352,799
32 Fawcett Investments Ltd.	Warehouse Distribution .....	350,361
Honeysuckle Developments Inc.	Manufacturing Operation .....	350,101
Toys R Us (Canada) Ltd.	Retail Sales .....	343,142



# Statistical Analysis

Corporate taxpayers over \$250,000		
Registered Owner	Primary Property	Taxes Levied
0854995 BC LTD	Warehouse, Storage .....	341,284
Unimet Investments Ltd.	Developer .....	340,577
McDonald's Restaurants of Canada	Fast Food Restaurants .....	339,700
Boma Industries Ltd.	Storage & Warehousing .....	335,563
Pacific Reach Home Furnishings	Stores & Service Commercial .....	334,147
Domtar Inc.	Miscellaneous & Industrial .....	330,156
Henderson Civic Centre Ltd.	Shopping Centre .....	319,391
Apollo Sheet Metal Holdings Ltd.	Storage & Warehousing .....	317,655
288 PROPERTIES LTD	Automobile Dealership .....	313,155
Petro Canada	Convenience Store/Service Station .....	308,732
John Volken Foundation Inc.	Warehouse Showroom Store .....	308,675
390200 BC LTD	Shopping Centre - Neighbourhood .....	306,658
Coca-Cola Refreshments Canada	Storage & Warehousing .....	306,329
655868 BC Ltd.	Storage & Warehousing .....	305,396
Mason Investments Ltd.	Strata Warehouse .....	299,370
ONNI Holdings Ltd.	Storage & Warehousing .....	299,158
Damka Lumber & Developments Ltd.	Neighbourhood Pub .....	298,802
Polygon Windsor Gate Ltd.	Apartment .....	295,265
Crown Provincial	Gravel Pit .....	294,050
925834 Ontario Inc.	Stores & Service Commercial .....	279,232
634510 BC LTD	Warehouse, Storage .....	272,228
Concert Cottonwood Lands Ltd.	Multi Family Apartment Block .....	272,020
Derik King Edward Property Ltd.	Shopping Centre - Neighbourhood .....	262,261
Robco Enterprises Ltd.	Stores & Offices/Mobile Home Park/Restaurant .....	261,450
SDLP Snowcat Limited	Food Market .....	260,319
Newcorp Properties Ltd.	Warehouse & Storage .....	259,424
437909 BC Ltd.	Auto. Paint Shop. Garage .....	253,600
		<u>\$ 41,446,091</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:

<b>Burquitlam Care Society</b> .....	<b>\$21,593</b>
Nursing homes for seniors	
<b>Burquitlam Senior Housing Society</b> .....	<b>\$15,945</b>
Accommodations for senior residents on limited incomes	
<b>Colony Farm Community Gardens Society</b> .....	<b>\$5,301</b>
Gardening opportunities for community and related activities	
<b>Community Living Society Inc.</b> .....	<b>\$2,292</b>
Supports people with disabilities	
<b>Community Living Society Inc.</b> .....	<b>\$2,292</b>
Supports people with disabilities	
<b>Greater Vancouver Water District</b> .....	<b>\$16,513</b>
Land leased to the City of Coquitlam	
<b>Howe Sound Rehabilitation Services Society</b> .....	<b>\$2,153</b>
Residential and day program to people with brain injuries, developmental, physical and medical health care needs	
<b>Nature Trust of British Columbia</b> .....	<b>\$1,006</b>
Land conservation organization	
<b>Nature Trust of British Columbia</b> .....	<b>\$4,581</b>
Land conservation organization	
<b>Nature Trust of British Columbia</b> .....	<b>\$31,779</b>
Land conservation organization	
<b>Nature Trust of British Columbia</b> .....	<b>\$54,993</b>
Land conservation organization	
<b>Nature Trust of British Columbia</b> .....	<b>\$70,895</b>
Land conservation organization	
<b>Royal Canadian Legion Branch No. 263</b> .....	<b>\$28,394</b>
Support for veterans, members and the community	
<b>Simon Fraser Society For Community Living</b> .....	<b>\$2,369</b>
Supports healthy development of all people	
<b>Simon Fraser Society For Community Living</b> .....	<b>\$2,582</b>
Supports healthy development of all people	
<b>Sisters of The Immaculate Heart of Mary Society</b> .....	<b>\$1,599</b>
Education-based daycare centre	
<b>Societe du Foyer Maillard</b> .....	<b>\$20,822</b>
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 are estimates only.



**City of Coquitlam**

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