

# ANNUAL REPORT 2021

CITY OF  
**PORT**  
COQUITLAM  
BRITISH COLUMBIA, CANADA

## BUILDING A SUSTAINABLE FUTURE



FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021



# TABLE OF CONTENTS

## 5 INTRODUCTORY SECTION

- 6 Message from the Mayor
- 7 Message from the Chief Administrative Officer
- 8 City of Port Coquitlam Organizational Chart
- 9 Port Coquitlam City Council
- 10 City Snapshot
- 11 Economic Snapshot
- 12 Giving Back
- 13 2021 Highlights
- 15 Strategic Direction
- 19 Letter of Transmittal

## 21 Department Overviews

- 22 Office of the Chief Administrative Officer
- 23 Community Safety & Corporate Services
- 24 Development Services
- 25 Engineering & Public Works
- 26 Finance
- 27 Fire & Emergency Services
- 28 Human Resources
- 29 Recreation
- 30 RCMP

## 31 FINANCIAL SECTION

- 33 Auditors' Report to the Mayor and Council
- 36 Consolidated Statement of Financial Position
- 37 Consolidated Statement of Operations
- 38 Consolidated Statement of Change in Net Financial Assets
- 39 Consolidated Statement of Cash Flows
- 40 Notes to the Consolidated Financial Statements
- 54 Allocation of COVID-19 Safe Restart Grant

## 55 STATISTICAL SECTION (UNAUDITED)

- 56 Average Single-Family Home Municipal Taxes and Utilities
- 57 Assessed Values for General Municipal Purposes
- 57 Population Estimates
- 58 Estimated Household Costs of City Services for an Average Single Family Residence
- 59 Property Taxes Levied and Collected
- 59 Taxes, Major Levies and Other Government Collections
- 60 Revenues by Source
- 60 Building Permit Value and Total Tax Collection
- 61 Expense by Function
- 61 Expense by Object
- 62 Capital Expenditures and Net Debt Per Capita
- 62 Capital Expenditures by Source
- 63 Surplus, Net Financial Assets and Debt
- 63 Accumulated Surplus
- 63 Summary of Major Statutory Reserve Funds
- 64 2021 Revenue
- 64 2021 Expenses
- 65 2021 Principal Corporate Taxpayers
- 66 2021 Permissive Property Tax Exemptions

## A YEAR IN PICTURES

The City of Port Coquitlam thanks the photographers whose images bring life to the pages of our 2021 Annual Report.

## ON THE COVER

Learn more about the newly completed Port Coquitlam Community Centre on page 14.



PORT COQUITLAM  
COMMUNITY CENTRE



# ANNUAL REPORT 2021

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

# FINANCIAL REPORTING AWARD

## 16th year

### RECEIVING THE FINANCIAL REPORTING AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the City of Port Coquitlam for its annual financial report for the fiscal year ended December 31, 2020.

The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards.

Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.



Government Finance Officers Association

## Canadian Award for Financial Reporting

Presented to

**City of Port Coquitlam**

**British Columbia**

For its Annual  
Financial Report  
for the Year Ended

**December 31, 2020**

A handwritten signature in black ink that reads "Christopher P. Morrill". The signature is fluid and cursive.

Executive Director/CEO

*The Government Finance Officers of the United States and Canada is a non-profit professional association serving more than 21,000 professionals through North America.*



# INTRODUCTORY SECTION





"While the pandemic roller coaster continued in 2021, we were better equipped to navigate surprises while staying on track with our priorities."



## MESSAGE FROM THE MAYOR

One of the silver linings of the pandemic is that it has taught us, as a city and as individuals, to learn to adapt quickly to change. While the pandemic roller coaster continued in 2021, we were more resilient by then and better equipped to navigate surprises – like sudden changes to health protocols – while staying on track with our priorities. The proof is captured in the pages of our 2021 annual report, "Building a Sustainable Future."

A shining example was the completion of the Port Coquitlam Community Centre, constructed in phases over four years to provide continuous service, and delivered on time and within budget during a global pandemic. We were extremely fortunate to be able to properly celebrate this major milestone at a safe grand opening in October attended by more than 5,000 people.

We also continued to make progress on downtown revitalization, including streetscape upgrades on McAllister Avenue and planning for changes coming in 2022, including opening up Veterans Park and Leigh Square into safe, welcoming and vibrant civic spaces.

Headway was also made on other Council priorities, including financial and asset management. We improved community safety by strengthening our smoking bylaw, joining in a regional FireSmart project to reduce wildfire risk, and responding to unprecedented heat dome and flooding events. We supported families by opening a licensed City-run preschool, and planned for the future by starting work on a new Climate Action Plan, Master Transportation Plan and Housing Needs report.

Maintaining our focus on getting the basics right, we made major investments in pedestrian safety, traffic calming and other transportation projects; rehabilitated neighbourhood roads, curbs and gutters; and improved parks, playgrounds and other infrastructure.

Amid the continuing pandemic we supported community wellbeing and recovery in various ways, such as expanding our Responsible Drinking in Parks program, rolling out safe community events and improving outdoor spaces such as the Shaughnessy Pop-up Park.

Our work to support businesses included bylaw changes to allow for larger craft liquor patios, and becoming the first city in Metro Vancouver to publicly formalize our outdoor spaces program for business use of sidewalks and other rights-of-way.

As we reintroduced recreation services, we reduced barriers to participation by expanding our financial assistance program, freezing rates, and eliminating fees for older seniors and young children. We also maintained affordability for taxpayers with the third lowest property taxes in Metro Vancouver.

Read about these and other highlights throughout this document. On behalf of the City and Council, I am pleased to present our 2021 Annual Report.

A handwritten signature in black ink, appearing to read "BWS".

**Brad West**  
Mayor

"We're all here for the same reason: to serve the community and deliver on Council's priorities."



## MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

The pandemic has underscored the need for local governments – and the communities they serve – to be sustainable and resilient in order to better navigate unforeseen challenges. As we prepared this annual report and looked back over 2021, we found many examples of how our organization's actions contributed toward building sustainability and resiliency into our operations and service-delivery. "Building a Sustainable Future" seemed a fitting theme, representing both our past progress and our long-range perspective.

Since starting my role here in February 2021, one of my key focuses has been to build deeper teams by strengthening relationships and communication throughout our organization: between staff members, between departments, and between staff and Council. In local government, resiliency and sustainability cannot be achieved unless both arms – the service-delivery side (staff) and the governance side (Council) – work closely together. Everyone must understand that when we win, we win together and when we lose, we lose together.

One of the ways we've been working to achieve this is by sharing information with and asking for input from people at all levels of our organization. For example, our front-line staff work directly with the people we serve, so who better than they to suggest improvements based on what they hear from the community?

We're listening and seeking feedback in a variety of ways, including more "town hall" meetings and a greater presence of management in the field. We're making sure all staff know their voice is heard and valued, and that we're open to hearing how we can do things better. We're also encouraging collaboration, knowledge-sharing and cross-training to maintain efficiency and ensure seamless services amid retirements, vacations and other staffing changes.

We're all here for the same reason: to serve the community and deliver on Council's priorities. Deeper teams and open avenues of communication – both up and down – lead to a positive work environment and a resilient organization that can bend and flex as needed. As we've seen in the last two years, teamwork and support for each other allows us to continue to fulfill our commitments when the unexpected happens.

While much of this work is happening behind the scenes, you'll see the results play out in the community through sustainable, reliable municipal services that meet our residents' needs now and in the future – regardless of what tomorrow brings.

**Rob Bremner**  
Chief Administrative Officer

# ORGANIZATIONAL CHART



See the Department Overviews section, page 21, for details about department functions.





**PORT COQUITLAM CITY COUNCIL 2018-2022 – Left to right: Cllr. Laura Dupont, Cllr. Glenn Pollock, Cllr. Darrell Penner, Mayor Brad West, Cllr. Steve Darling, Cllr. Dean Washington and Cllr. Nancy McCurrach.**

## CITY COUNCIL

Elected every four years by the citizens of Port Coquitlam, City Council is a legislative body that provides leadership to the City's government.

Port Coquitlam City Council is committed to ensuring the priorities of local citizens guide its policies and decisions on civic matters such as land use and budgets for operations and capital expenditures.

City Council is made up of the Mayor and six Councillors, all of whom were elected for four-year terms in 2018. The Mayor chairs the Council meetings.

Issues requiring a Council decision appear first before the Committee of Council, which includes all members of Council and is chaired by the Mayor.

Both Committee of Council meetings and regular Council meetings are open to the public.

When required for public health reasons during the pandemic, the City has used an online video platform for meetings and public input opportunities.

Individual Council members are appointed each year as Council designates for the following topics: community safety; environment, climate action and parks; arts, culture and heritage; public works and transportation; housing, sports and recreation; budget and finance; and development, planning, downtown and economic development.


Meeting agendas are available at City Hall or on the City website ([portcoquitlam.ca/councilmeetings](http://portcoquitlam.ca/councilmeetings)). Live and archived broadcasts of Council meetings may also be viewed through the same web address.




**The official opening of the Port Coquitlam Community Centre in 2021 was a highlight of the 2018-2022 Council term. Read more about this facility on page 14.**



# CITY SNAPSHOT



The hometown of Canadian hero Terry Fox, Port Coquitlam has earned national recognition for being a livable city and is known for its affordability, accessible location, extensive parks and trail network, family-oriented services, small-town community spirit, charming historic downtown and business-friendly approach.



Located in the heart of Metro Vancouver

Incorporated March 7, 1913

Total land area 29.17 km<sup>2</sup>



61,498 people\*



23,671 private dwellings\*



4,085 business licences



271 hectares of parks & trails

JOANNA SZYPULSKA PHOTO

\* Source: Statistics Canada - 2021 Census

VISION

Port Coquitlam is a happy, vibrant, safe community with healthy, engaged residents and thriving businesses, supported by sustainable resources and services.

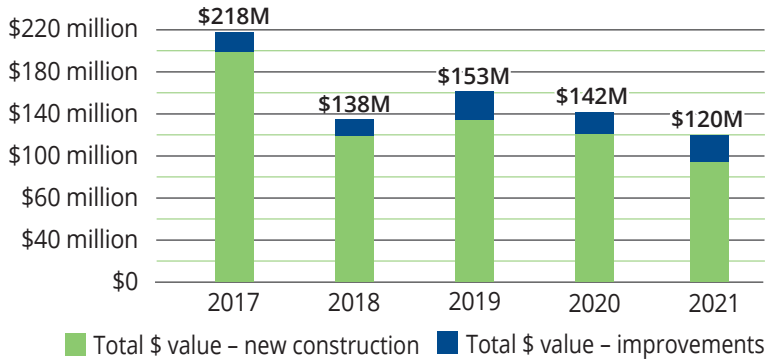
We strive to do it right by researching, planning, building and executing well-balanced solutions.

MISSION

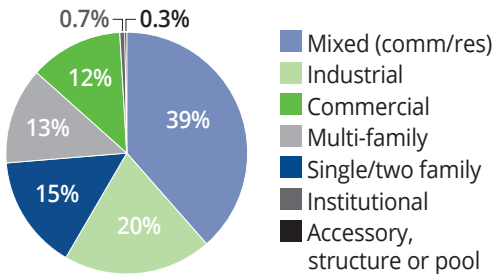


# ECONOMIC SNAPSHOT

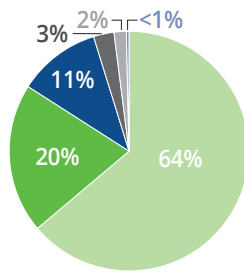
## CONSTRUCTION PERMIT VALUE



### NEW 2021 \$96 MILLION

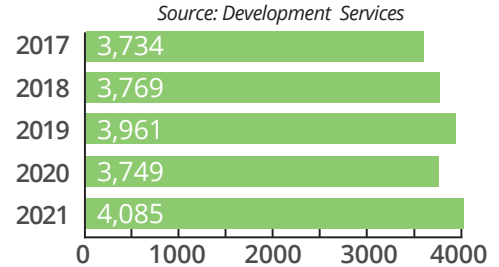


### IMPROVEMENTS 2021 \$24 MILLION



## BUSINESS STATISTICS

### Business licences issued



### Common business types (2021 licences)\*

- 22.4% out-of-town contractors (915)
- 22.0% general (895)
- 20.6% home-based (843)
- 7.1% manufacturers (292)
- 7.1% professional services (289)
- 6.9% intermunicipal licence (281)
- 4.0% retail (165)
- 3.4% restaurant (138)

\* Not all licence types are listed

## POPULATION & DWELLINGS

|                               |        | Port Coquitlam | B.C.       |
|-------------------------------|--------|----------------|------------|
| Population                    | 2021   | 61,498         | 5,000,879  |
|                               | 2016   | 58,612         | 4,648,055  |
|                               | Change | 4.9%           | 7.6%       |
| Private dwellings             | 2021   | 23,671         | 2,211,694  |
|                               | 2016   | 22,586         | 2,063,417  |
| Population density per sq. km | 2021   | 2,108.7        | 5.4        |
|                               | 2016   | 2,009.4        | 5.0        |
| Land area (sq. km)            | 2021   | 29.16          | 920,686.55 |

Source: Statistics Canada - 2021 Census  
Note: Census population estimates are lower than municipal and regional estimates.

## AGE DISTRIBUTION

\* Source: Statistics Canada - 2021 Census. Percentage distribution based on published totals for males and females. The census at the time did not capture those who identified as other than male or female.

| Ages      | Identified as Male* | Identified as Female* | PoCo % | B.C. % |
|-----------|---------------------|-----------------------|--------|--------|
| All       | 30,310              | 31,185                | 100%   | 100%   |
| 0-14 yrs  | 4,940               | 4,685                 | 16%    | 14%    |
| 15-24 yrs | 3,665               | 3,355                 | 11%    | 11%    |
| 25-44 yrs | 8,510               | 8,560                 | 28%    | 28%    |
| 45-64 yrs | 8,780               | 9,355                 | 29%    | 27%    |
| 65+ yrs   | 4,425               | 5,235                 | 16%    | 20%    |

## RESIDENT STATISTICS



- 93% - Canadian citizens
- 32% - Born outside of Canada
- 66% - English is mother tongue



- 2.7 - Average # persons/household
- 77% - Homes are owned
- 88% - Same address 1 year ago
- 63% - Same address 5 years ago



- 55% - Some post-secondary education (ages 15+)



- \$84,096 - Median household income
- 66% - Employed (ages 15+)

Source: Statistics Canada - 2016 Census; 2021 data to be available in 2022.



Firefighters raised \$10,320 with their boot drive for Muscular Dystrophy Canada.



City staff volunteered for a dunk tank, raising \$323 for the Port Coquitlam Community Foundation.

## GIVING BACK

Many volunteers and organizations work hard to make our community a better place.

Because of their efforts, Port Coquitlam is a safer, healthier and more complete community, with an abundance of PoCo Pride: that special combination of community spirit and pride that is unique to the City of Port Coquitlam.

The City of Port Coquitlam provides opportunities for citizens to volunteer in all aspects of civic life, from assisting with recreation programs to serving as citizen advisors to City Council. Our volunteer webpage, [portcoquitlam.ca/volunteer](http://portcoquitlam.ca/volunteer), features volunteer opportunities and online registration.

Each April during National Volunteer Week, we acknowledge and celebrate all volunteers in the community with a Volunteer Recognition Awards & Tribute and other activities.

### A CULTURE OF VOLUNTEERISM

We're proud of the volunteer work undertaken by City staff and Council members. Not a month goes by without some sort of fundraiser, and many also volunteer in their spare time. Although some efforts had to be curtailed during the pandemic, many fundraising initiatives took place. Key 2021 activities are described below.

- The staff Week of Giving campaign raised **\$18,600** for the United Way and local charities through donations, pledges and other activities.
- Staff raised **\$1,130** to buy Christmas hampers for less fortunate Port Coquitlam families.
- Through the Port Coquitlam Professional Firefighters Charitable Society, local firefighters raised **\$59,522** for a variety of causes:
  - **\$22,308** through a charitable gala,
  - **\$17,000** for prostate cancer research and men's health through Movember fundraisers,
  - **\$10,320** at the Muscular Dystrophy Canada boot drive,
  - **\$8,944** from Christmas tree chipping, and
  - **\$950** at the Canada Day salmon barbecue.
- Firefighters also volunteered **768** hours for causes including Abbotsford flood victim relief, Muscular Dystrophy Canada, the Bright Nights event supporting the BC Professional Fire Fighters Burn Fund, the Movember Foundation and the Port Coquitlam Professional Firefighters Charitable Society.
- Staff raised **\$323** for the Port Coquitlam Community Foundation through a dunk tank at a staff appreciation barbecue.
- The Port Coquitlam Community Foundation, which raises and distributes funds for initiatives and programs supporting the community, raised **\$204,000** in donations and sponsorships in 2021 and awarded **\$803,000** in grants and bursaries.



# 2021 HIGHLIGHTS

Here are some of our 2021 highlights – see the next page for the opening of the Port Coquitlam Community Centre, and the Strategic Direction section on page 15 for more.

## REVITALIZING DOWNTOWN

Made significant progress, including the start of construction on a new McAllister Avenue streetscape and the draft design for major updates to Veterans Park, Leigh Square and other parts of the Civic Centre. The vision is to create a safe, welcoming and vibrant pedestrian-friendly commercial and residential zone in the downtown.



## PANDEMIC RECOVERY

Continued to assist community recovery with programs to encourage connection and support residents and businesses struggling financially.



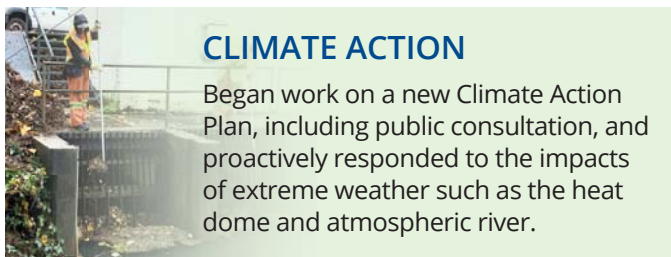
## COMMUNITY GARDEN

Opened the City's third community garden with 16 plots in Terry Fox Hometown Square at the new Community Centre.



## CLIMATE ACTION

Began work on a new Climate Action Plan, including public consultation, and proactively responded to the impacts of extreme weather such as the heat dome and atmospheric river.



## HONOURING TERRY FOX

Installed statue permanently at Hyde Creek and introduced Terry Fox Hometown Square at the Community Centre with a Marathon of Hope map embedded into the plaza surface.



## OUTDOOR SPACES PROGRAM

Became the first community in Metro Vancouver to publicly formalize a program allowing businesses to use outdoor spaces such as sidewalks.



## REC FOR LESS

Supported the return to indoor recreation by expanding recreation financial assistance, freezing rates and eliminating fees for older seniors and young children.



## TREE PLANTING

New Greener City program planted 411 new trees – the largest number in the City's history – through City planting and public education and planting events.



## CAPITAL UPGRADES

Continued to prioritize rehabilitating neighbourhood road systems while investing in family-friendly infrastructure such as upgrades to parks and five new playgrounds, as well as larger transportation projects such as upgrades to Prairie Avenue east of Coast Meridian Road and design work for Kingsway Avenue improvements.



## SAFER STREETS

Continued to invest in safety for pedestrians and cyclists focused around schools and parks, including traffic calming measures such as raised crosswalks.



## EQUITY, DIVERSITY AND INCLUSION (EDI)

Continued the EDI Roundtable, held a Pride event, started work on a City anti-racism policy, and worked with kwikwəłəm (Kwikwetlem) First Nation to catalogue items at a memorial for children lost at residential schools.





# 2021 HIGHLIGHTS

## PORT COQUITLAM COMMUNITY CENTRE

A major milestone and one of the year's biggest highlights was the completion of the Port Coquitlam Community Centre in 2021 after more than four years of construction, phased to allow for continuous public use.

One of the City's largest-ever civic construction projects, the \$132-million, 205,000-square-foot facility was delivered on time and within budget despite a global pandemic. More than 5,000 people celebrated the grand opening at a safe community event in October.

The vibrant community hub near the downtown features three ice arenas (one a spectator arena that seats 790), a gymnasium, fitness centre and studios, leisure pool, a concession, lobby café, a games room and Wilson Lounge with designated youth and senior hours, Terry Fox Library, the licensed City Preschool and various multi-purpose spaces. Outdoor plazas feature sport courts, a community garden, play areas and a spray park, and underground parking offers 425 stalls and electric vehicle charging.



Learn more at [portcoquitlam.ca/pccc](https://portcoquitlam.ca/pccc).



# STRATEGIC DIRECTION

The City's budget and service-delivery are guided by Council priorities, confirmed each budget year, along with workplan items intended to comply with new legislation, gain efficiencies, reduce costs, provide better service and follow Council direction. At times, budgets and services may also be affected by unanticipated events beyond the City's control, such as the COVID-19 pandemic.

## 2021 REPORTING & 2022 GOALS

### COUNCIL PRIORITIES 2020-2022

In fall 2019, Council established three new priorities and associated focus areas to guide the City's budget and service delivery from 2020 to 2022. The three priorities are:



**Improving customer service**



**Investing in our Infrastructure**



**Enhancing community safety**

These three priorities translate into budgeted activities with tangible results, organized into six key focus areas: Managing City Finances and Assets Responsibly, Planning for the Future, Creating a Vibrant Downtown, Focusing on Safety, Improving Transportation and Mobility, and Enhancing our Environment.

Key highlights from each focus area are presented on the following pages.

**Pages 16-18** Progress on Council priorities completed in 2021 and goals for 2022

**Pages 21-30** Additional 2021 workplan highlights in the Department Overview section

# 2021 REPORTING & 2022 GOALS



## Managing City Finances and Assets Responsibly

Providing long-term value for tax dollars through sound management of finances and assets.

### 2021 REPORTING

- Continued to develop a new asset management plan for core City assets. Work included refining data, creating condition assessment guidelines, reporting on the state of infrastructure, and risk assessments.
- Updated design criteria in the Servicing Bylaw, which sets out standards for City services for construction of new developments.
- Began review of the Water, Sewer, Drainage and Roads Development Cost Charge Bylaws to ensure they are appropriate and sustainable, benefiting the community while also encouraging investment.
- Conducted annual review of core service levels as part of budget planning.

### 2022 GOALS

- Review sections of the Servicing Bylaw that provide direction to and set out requirements for developers.
- Continue update of the Development Cost Charge Bylaw, including identifying eligible projects, DCC and capital costs, and conducting a public process.
- Continue work on the asset management program including life cycle assessments, service level reviews, and draft asset management plans for core City assets.
- Develop long-term financial and capital plans in conjunction with asset management planning.



## Planning for the Future

Planning for future growth and services in a way that meets community needs and supports quality of life and investment in our community.

### 2021 REPORTING

- Completed the four-year phased construction of the Port Coquitlam Community Centre on time and within budget.
- Began to implement actions in the new Child Care Action Plan including opening the licensed City Preschool, bylaw changes to facilitate more childcare spaces, and reviewing City property for more opportunities to incorporate childcare.
- Continued to make progress on several affordable housing projects bringing almost 450 new subsidized units to Port Coquitlam.
- Invested in public assets such as parks, fields and trails, including new playgrounds at Chelsea, Elks, Imperial, Pinemont and Wellington Parks.

### 2022 GOALS

- Complete a detailed Housing Needs report to provide a comprehensive picture of City's housing supply and future needs, challenges and opportunities.
- Complete review of the City's Density Bonus policy.
- Continue policy reviews to support an updated Official Community Plan.
- Participate in the Regional Growth Strategy (Metro 2050) update process.



# 2021 REPORTING & 2022 GOALS



## Creating a Vibrant Downtown

Revitalizing the downtown, creating a welcoming, pedestrian-friendly destination where people gather, celebrate, shop, work, live and access services.

### 2021 REPORTING

- Began upgrades to transform McAllister Avenue into a lively, walkable and inviting street to kickstart downtown revitalization efforts.
- Developed the draft design and conducted public consultation on the redevelopment of the Civic Centre (including Veterans Park, Leigh Square and an extension of Donald Pathway) into a safe, open, welcoming and accessible space, and set aside \$5.8 million in capital funding for 2022.
- Expanded and improved the downtown Shaughnessy Pop-up Park with a larger mural, family games, seating, seasonal flowers, access to food trucks and a larger stage that hosted a summertime music series.
- Evaluated strategic development applications that support the Downtown Concept Plan.
- Hosted thousands of community members at the Port Coquitlam Community Centre opening celebration.

### 2022 GOALS

- Complete upgrades to McAllister Avenue.
- Begin construction for redevelopment of Veterans Park, Leigh Square and extension of Donald Pathway.
- Continue to seek opportunities to engage the community in festivals and events.



## Focusing on Safety

Ensuring citizens feel safe in their homes and throughout the community.

### 2021 REPORTING

- Improved business safety by producing a crime prevention booklet for businesses and introducing a CCTV registry to give RCMP access to business security camera footage.
- Partnered with Coquitlam, Anmore and Belcarra to share in a half-million dollar BC FireSmart grant to reduce wildfire risk through property assessments, public education and other means.
- Strengthened the smoking bylaw to better protect residents from second-hand smoke and from fires due to requirements for disposing of smoking materials.
- Continued to invest in making streets safer, with a focus on schools and parks, with new sidewalks, raised crosswalks and speed humps, intersection upgrades such as pedestrian-activated flashers, and other traffic calming and pedestrian safety work. In all, improvements were made at more than 30 locations.
- Increased snow removal on City streets, including salting and ploughing.
- Developed a Park and Trail Sign Identification program, including location markers to help the public direct emergency responders when calling 911.

### 2022 GOALS

- Complete installation of location markers in parks and on trails to support improved emergency response.
- Continue to invest in capital improvements promoting safety for pedestrians, cyclists and motorists.
- Launch new emergency notification app and enhance technology for Emergency Social Services.

# 2021 REPORTING & 2022 GOALS



## Improving Transportation and Mobility

Ensuring drivers, pedestrians and cyclists have safe, effective options for getting around the City.

### 2021 REPORTING

- Conducted research and public consultation as part of development of a new Master Transportation Plan, and confirmed focus areas, goals and objectives.
- Began road improvements on Prairie Avenue east of Coast Meridian Road, including road resurfacing, a new multi-use path and sidewalk.
- Completed design work for improvements to Kingsway Avenue for function, safety and appearance.
- Worked with City of Coquitlam to complete the preliminary design for the 4.7-kilometre Fremont Connector to connect the two cities.
- Made progress on railway overpass projects in conjunction with the Port of Vancouver, with plans to proceed at Colony Farms Road and continued consideration for Pitt River Road and Westwood Street.

### 2022 GOALS

- Proceed with public consultation, design and permits for the 4.7-kilometre Fremont Connector arterial road, with construction anticipated to start in 2024 to 2025.
- Complete improvements to Kingsway Avenue.
- Develop an updated Master Transportation Plan and consult the public on proposed projects and strategies.
- Replace McAllister Avenue pedestrian bridge.
- Continue to advocate for SkyTrain extension.



## Enhancing our Environment

Planning for a healthy environment and a changing climate.

### 2021 REPORTING

- Responded to the impacts of climate change through public education, services such as cooling centres, maintaining critical infrastructure, and snow clearing.
- Conducted research, planning and public consultation as part of development of a new Climate Action Plan.
- Introduced the first City-owned electric vehicle charging station at the new Community Centre and a new bike fix-it repair station on the PoCo Trail.
- Conducted City and community tree planting activities through a new Greener City program.
- Promoted proper waste-sorting with public outreach, curbside large-item pickup, extra holiday recycling pickup, and touchless recycling bins at nine parks.
- With City of Coquitlam, completed the Maple Creek Integrated Watershed Management Plan to reduce flooding, improve water quality and protect fish.
- Started work on the South Port Coquitlam Integrated Watershed Plan (IWP).
- Completed the final year of the City-wide conversion of streetlights to LED lights.

### 2022 GOALS

- Complete the new Climate Action Plan.
- Begin infrastructure upgrades for flood resilience.
- Complete a forest management plan with a tree canopy target and strategy.
- Continue to engage the community in tree planting and education through the Greener City program.
- Continue work on the South Port Coquitlam IWP.



# LETTER OF TRANSMITTAL



2580 Shaughnessy Street, Port Coquitlam BC, Canada, V3C 2A8  
Tel 604.927.5425 • Fax 604.927.5401  
taxes@portcoquitlam.ca

## LETTER OF TRANSMITTAL

May 11, 2022

Mayor and Council  
City of Port Coquitlam

I am pleased to present the City's Financial Statements and Annual Report for the fiscal year ending December 31, 2021. Pursuant to Section 98 of the Community Charter, this document shares the City's accomplishments, activities and financial results for the past year and goals for the upcoming year.

While the pandemic continued to impact the City's activities in 2021, we applied and built on what we learned in 2020 to support community recovery, resilience and sustainability. This concept is reflected in the 2021 Annual Report theme "Building a Sustainable Future."

We continued to support the local economy and keep people working by pushing forward the City's \$28.3-million 2021 capital plan, while also facilitating private construction projects and programs supporting business resilience. Capital upgrades in 2021 included 10 kilometres of neighbourhood road and utility works, park and transportation improvements, and continued construction of the Port Coquitlam Community Centre. To support those still affected financially by the pandemic, we gave businesses and households until mid-September to pay their property taxes without penalty. In addition, when we welcomed the public back to our recreation facilities, we expanded our financial assistance program, froze rates, and eliminated fees for those over age 80 and under 5.

The situation was dynamic and remains so in 2022. While the pandemic's economic impact and the City's response affected the City's financial position, measures were put in place to mitigate the effect on operations, with some revenue reductions and costs being offset by savings from reduced staffing levels and the remainder of a \$5.6-million provincial COVID-19 Safe Restart Grant for Local Governments. Reporting of the grant allocation is on page 54.

In terms of the 2021 Annual Report, the preparation and presentation of the Financial Statements (Statements) and related information is the responsibility of the City. The Statements were prepared in accordance with Canadian Public Sector Accounting Standards.

City Council ensures management fulfills its responsibilities for financial reporting, budgeting and internal controls by approving bylaws and policies, reviewing variance reports and financial statements, and having discussions with the City's auditors in a closed meeting of the Committee of Council.

The audit firm of KPMG LLP, appointed by Council, has expressed its opinion that the Statements fairly present the financial position of the City as at December 31, 2021, and the results of 2021 operations are in accordance with Canadian Public Sector Accounting Standards.

The City maintains a system of internal and administrative controls designed to provide reliable and accurate financial information and to ensure assets are appropriately accounted for and adequately safeguarded. Expenditures and revenues are analyzed regularly by departments and finance staff, who update Council on a quarterly basis.

### MUNICIPAL OVERVIEW

The City provides a complete range of municipal services to residents and businesses, including police, fire, water, sewer, transportation, planning, recreation and other programs benefitting the community. Services cost-shared with other cities for cost-effective service delivery include emergency communications, fire dispatch and policing.

The City relies on the Greater Vancouver Water District for water supply, Greater Vancouver Sewerage and Drainage District for sewage disposal, and Metro Vancouver for coordination of common services with other cities.

[www.portcoquitlam.ca](http://www.portcoquitlam.ca)

# LETTER OF TRANSMITTAL

- 2 -

Overall, the City's work and finances in 2021 were guided by Council's current priorities and other workplan items. Please see the Strategic Direction and Department Overview sections of this report for details.

## FINANCIAL OVERVIEW

The City takes a long-term approach to its finances for a sustainable future, including setting aside sufficient funds to replace assets consumed in the year and saving for asset replacement. Steps taken to address future infrastructure funding challenges have included collecting funds in long-term reserves.

The difference between 2021 revenues and 2021 expenses results in a 2021 annual surplus amount of \$14.9 million (2020 - \$18.8 million) and increases the City's accumulated surplus from the 2020 balance of \$816 million up to \$831 million. Of the \$14.9 million in annual surplus, the largest component relates to the increase in the value of capital assets of \$13.5 million and additional general fund surplus due to a land sale and reduced recreation costs in 2021 due to COVID-19. There was a decrease in the restricted reserve funds of \$2.4 million, as reserve balances continue to be used to fund the capital program.

It is important to note that not all of the City's accumulated surplus relates to funds that can be spent on future projects. Of the \$831 million ending balance in 2021, only the \$97.8 million related to restricted and unrestricted reserves is available for use. The remaining \$733 million relates to the City's equity in tangible capital assets and other non-financial assets. Notes 13 through 15 of the consolidated financial statements provide additional breakdown of the various components of accumulated surplus.

Annual operations remained constant and within budget. Fire and emergency services, police protection, water supply, sewer discharge, development, recreation, parks, culture and other primary and support services were delivered to the residents and businesses consistent with prior years, with minor adjustments for changes in demand, market conditions, and health orders due to the pandemic. Specific variances compared to prior years include higher water consumption due to extreme heat weather events, and a higher than expected accrual relating to the RCMP retroactive labor settlement. Note 23 provides a breakdown of the operations by department.

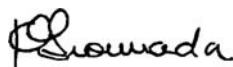
Interest rates remain low and continue to affect City investment decisions and returns. As we look to the future, the challenge ahead is to continue to address the community's recovery from the COVID-19 pandemic, while continuing to save for future infrastructure replacement, keep taxes sustainable and fund other emerging community needs.

## CONCLUSION

City services provide the community with a quality of life that includes safety and protection, essential services, a sense of community and economic sustainability. A long-term approach to the City's finances will ensure these services will be available in the years to come. In addition, following Public Sector Accounting Board recommendations to quantify the long-term financial needs of the City, and taking steps to fund these needs in the City's reserves, has been an important step for the City in its goal to reach sustainability of our finances.

Balancing affordability for the community today and tomorrow will continue to be our financial challenge. The annual financial statements will monitor our progress.

Respectfully,



Karen Grommada, CPA, CMA  
Director of Finance / Deputy Chief Administrative Officer



[www.portcoquitlam.ca](http://www.portcoquitlam.ca)



# DEPARTMENT OVERVIEWS







# OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

The Chief Administrative Officer provides organizational leadership to all City staff.

## KEY RESPONSIBILITIES

- Direct and coordinate the activities of all departments.
- Assist Council to establish the City's vision, plans and priorities.
- Implement strategic projects.
- Oversee the implementation of the City's vision, plans and priorities by:
  - ensuring effective policies are in place and adhered to, and
  - providing leadership that enables an engaged and productive municipal workforce.

## 2021 WORKPLAN HIGHLIGHTS

- See Strategic Direction section on page 15 for additional corporate 2021 highlights and 2022 goals.*
- Continued to lead City's response to the COVID-19 pandemic.
  - Oversaw grand opening of Port Coquitlam Community Centre.
  - Led the City's negotiations with kʷikwəłəm (Kwikwetlem) First Nation relating to provision of municipal services.
  - Worked with staff and Council on strategic initiatives to promote a vibrant downtown.

\$95.5M

ANNUAL OPERATING BUDGET  
OVERSEEN

\$28.3M

ANNUAL CAPITAL BUDGET  
OVERSEEN





# COMMUNITY SAFETY & CORPORATE SERVICES

Community Safety & Corporate Services brings together services and functions that support community safety and the organization as a whole.

## KEY RESPONSIBILITIES

- Provide communications, legislative and administrative functions.
- Oversee bylaw enforcement and Community Policing services.
- Deliver technology and online services.
- Coordinate Council meetings, City records and elections.

## DIVISIONS

- Bylaw Services
- Communications & Administrative Services
- Community Policing
- Corporate Office
- Information Services

## 2021 WORKPLAN HIGHLIGHTS

See Strategic Direction section on page 15 for additional corporate 2021 highlights and 2022 goals.

- Produced a crime prevention booklet for businesses and introduced a CCTV registry.
- Reviewed bylaw enforcement regulations and service levels, including reviewing and updating fines, to ensure efficient, effective service.
- Launched Let's Talk PoCo, a new engagement and feedback platform for residents.
- Oversaw second year of City's Roundtable on Equity, Diversity and Inclusion and related activities.
- Kept community informed of impacts related to pandemic, extreme weather and other incidents.
- Developed partnerships to create 12 graffiti-resistant utility box wraps to beautify the downtown.
- Hosted monthly public webinars on mental health, youth exploitation and other public safety topics.

175  
MEDIA RELEASES

920  
BYLAW ENFORCEMENT  
PATROL HOURS

## MORE STATS & FACTS

- Social media followers (Facebook, Twitter and Instagram): 35,000
- Media inquiries: 107
- Freedom of Information requests: 98
- Bylaws and board of variance applications processed: 10
- Computers and mobile platforms: 497
- Technology support requests: 2,138
- Dog licences issued: 4,336
- Community Policing (CP) front counter hours: 1,107
- CP patrol and program hours: 2,241



## DEVELOPMENT SERVICES

Development Services strategically guides the growth and development of the community.

### KEY RESPONSIBILITIES

- Institute sustainable and integrated policies and regulations for land use and development.
- Provide guidance on land use and development matters.
- Ensure new developments and buildings meet applicable policies, codes, safety and standards.
- Promote economic development and business support.

### DIVISIONS

- Building (including Plumbing)
- Development Engineering
- Planning (including Business Licensing)

### 2021 WORKPLAN HIGHLIGHTS

*See Strategic Direction section on page 15 for additional corporate 2021 highlights and 2022 goals.*

- Identified changes to bylaws and policies to support business use of outdoor spaces, such as patios.
- Expanded and formalized the responsible consumption of alcohol in parks program.
- Conducted research on housing needs, including a survey, focus groups and targeted stakeholder engagement.
- Updated and streamlined policies and regulations pertaining to coach house development.
- Enhanced and updated the subdivision approval process by providing comprehensive layout assessments for preliminary applications.

# \$120M

BUILDING PERMIT  
CONSTRUCTION VALUE

# 266

PERMITS FOR NEW  
DWELLING UNITS ISSUED

### MORE STATS & FACTS

- Planning applications aligned with Official Community Plan goals: 100%
- New planning applications: 71
- Benchmark development permit application review time: 8 months
- Value of development engineering works processed: \$4.8 million
- Building permits issued: 639





## ENGINEERING & PUBLIC WORKS

Engineering & Public Works provides and maintains essential municipal services and infrastructure.

### KEY RESPONSIBILITIES

- Lead City-wide asset management planning.
- Plan/manage/maintain infrastructure systems (roads, water, sanitary, drainage) and transportation network.
- Provide survey services and maintain PoCoMAP and geographic information system (GIS)
- Collect garbage, recycling and green waste.
- Provide/maintain City parks, trails and open spaces.
- Manage the City fleet.
- Provide water, sewer and drainage services.
- Provide engineering customer services.

### DIVISIONS

- Administration
- Capital Projects
- Infrastructure Planning
- Public Works (including streets, parks, environment, fleet, solid waste, sewer, water and drainage utilities)

### 2021 WORKPLAN HIGHLIGHTS

*See Strategic Direction section on page 15 for additional corporate 2021 highlights and 2022 goals.*

- Oversaw or managed approximately \$28.3 million in capital improvements to a variety of infrastructure, including roads, sidewalks, parks and civic facilities.
- Continued updates to the Servicing Bylaw, included updating drainage design criteria to accommodate more rainfall associated with climate change
- Updated City's Geographic Information System (GIS) and PoCoMap online map.
- Introduced Traffic Impact Assessment Guidelines.
- Achieved \$3.5 million in external grants and partnerships.

# 12,106

TOTAL WASTE COLLECTION  
CUSTOMERS

# 411

NEW TREES PLANTED

### MORE STATS & FACTS

- Public requests and inquiries: 10,180
- Waste collection customers:
  - Single-family units: 11,796
  - Multi-family: 121
  - Institution or business: 189
- Percentage of waste diverted from landfill: 66%
- Waste collected by stream:
  - Garbage: 4,972 tonnes
  - Recycling: 2,558 tonnes
  - Organics (green): 7,007 tonnes
- Water supplied: 10,678,059 cubic meters
- PoCo Sort & Report app registrants: 13,774
- Potholes repaired: 804



# FINANCE

Finance provides financial services to citizens, City departments and City Council.

## KEY RESPONSIBILITIES

- Provides financial planning, accounting, payroll, purchasing and revenue collection services.
- Administers operating funds.
- Provides risk management services (insurance and claims administration).
- Serves as the City liaison for the Port Coquitlam Community Foundation.

## DIVISIONS

- Common Services
- Finance Services
  - Accounting
  - Financial Planning & Systems
  - Payroll
  - Purchasing
  - Revenue Services

## 2021 WORKPLAN HIGHLIGHTS

- See Strategic Direction section on page 15 for additional corporate 2021 highlights and 2022 goals.*
- Continued to manage cash flow impacts of COVID-19 and administration of Safe Restart Grant.
  - Conducted timely operating budget variance reporting to Council.
  - Met requirements to receive both a Canadian Financial Reporting Award and Distinguished Budget Presentation Award from the Government Finance Officers Association.

21,775

TAX CUSTOMERS

16th year

RECEIVING THE FINANCIAL REPORTING AWARD\*

## MORE STATS & FACTS

- Operating Budget: \$93 million
- Billing and collection value: \$97.3 million (includes garbage, green waste and recycling)
- MyPortCoquitlam registrants: 10,069
  - Business Licences: 1,057
  - Development Services: 993
  - Dog Licences: 542
  - Property Taxes: 3,836
  - Utilities (Water and Sewer): 3,641
- MyPortCoquitlam change from 2020: +15 %

\* From Government Finance Officers Association





# FIRE & EMERGENCY SERVICES

Fire & Emergency Services works to safeguard citizens, businesses and visitors with efficient emergency response, health and wellness initiatives and disaster preparedness.

## KEY RESPONSIBILITIES

- Respond to fire, medical and other emergencies.
- Conduct fire bylaw inspections and fire investigations.
- Provide public education programs.
- Develop and implement the City's Operational Emergency Response Plan.
- Deliver public emergency preparedness education and awareness.

## DIVISIONS

- Administration
- Emergency Preparedness
- Fire Suppression
- Training
- Protective Services & Public Education

## 2021 WORKPLAN HIGHLIGHTS

*See Strategic Direction section on page 15 for additional corporate 2021 highlights and 2022 goals.*

- Monitored community for wildfire risks such as improper smoking material disposal and campfires.
- Implemented Park and Trail Identification Program designed to improve emergency response.
- Implemented new Heavy Auto Extrication program.
- Enhanced community resiliency through fire safety, emergency preparedness, and seasonal readiness training to the public.
- Invested in traffic signal pre-emption technology to support improved emergency response.
- Developed and implemented wildland fire reduction strategies targeting high-risk areas.

3,417

TOTAL CALLS FOR SERVICE

72

TOTAL FIREFIGHTERS

## MORE STATS & FACTS

- Total calls for service: 3,417
  - Medical calls: 1,972 (57.7%)
  - Motor vehicle accidents: 242 (7.1%)
  - Alarm systems activated: 327 (9.6%)
  - Public service/assist: 381 (11.2%)
  - Fire calls: 240 (7%)
  - Hazardous materials calls: 55 (1.6%)
  - Other: 200 (5.9%)
- Fire bylaw inspections: 351
- Emergency preparedness course attendees: 21
- Emergency preparedness volunteer hours: 754



# HUMAN RESOURCES

Human Resources serves both internal and external customers by providing specialized advice and assistance in all facets of people management.

## KEY RESPONSIBILITIES

- Champion City-wide initiatives that build on a positive and inclusive organizational culture, which places employees in the best position to provide excellent support and service to citizens and businesses.
- Lead the development and implementation of the organization’s purpose and values and ensure all employees are living and demonstrating these values in their decisions and behaviours every day.
- Recruit City staff and ensure succession planning.
- Manage the City’s labour relations.
- Coordinate the City’s occupational health and safety program.
- Plan and implement staff training and development.
- Administer benefits, attendance and disability management programs.

## 2021 WORKPLAN HIGHLIGHTS

- See Strategic Direction section on page 15 for additional corporate 2021 highlights and 2022 goals.*
- Supported City through pandemic-related human resources issues while regular staffing returned to almost regular levels in summer 2021.
  - Increased staff recruiting with the opening of the new Port Coquitlam Community Centre.
  - Completed employee “pulse check” survey.
  - Provided equity and diversity training to staff.
  - Enhanced employee onboarding to create a stronger connection to the City and support retention.
  - Continued to enhance functionality within the Human Resources Information System.
  - Developed foundation for an Anti-Racial Discrimination and Anti-Racism Policy for staff, Council, volunteers and others working with the City.

603  
TOTAL  
EMPLOYEES

9.6 years  
AVERAGE LENGTH  
OF SERVICE (REGULAR)

## MORE STATS & FACTS

- Total employees: 603
  - 320 full-time
  - 93 part-time
  - 190 casual
- Average regular employee age: 41.7
- Average length of service regular employees: 9.6 years
- Turnover rate: 5.6%
- External hires:
  - 117 total
  - 33 regular





## RECREATION

The Recreation Department provides inclusive recreation, sport, arts and culture services, programs and facilities to support a healthy engaged community.

### KEY RESPONSIBILITIES

- Operate the recreation centres, outdoor pools and Leigh Square Community Arts Village facilities.
- Provide recreation, sport, fitness, social, arts & culture programs, services and events for all ages.
- Coordinate volunteer opportunities and training.
- Support community organizations aligned with services.
- Manage bookings/rentals for City parks and facilities to support individual, local sport and group access.
- Clean and maintain 31 City buildings.
- Act as the City's Liaison for Terry Fox Library.

### DIVISIONS

- Administration
- Cultural Development & Community Services
- Facility Services
- Recreation Services

### 2021 WORKPLAN HIGHLIGHTS

*See Strategic Direction section on page 15 for additional corporate 2021 highlights and 2022 goals.*

- Opened final phase of Port Coquitlam Community Centre and planned safe grand opening festivities.
- Developed and adjusted recreation opportunities in alignment with changing provincial guidelines.
- Provided safe opportunities for community connection and celebration including reformatted May Days and Canada Day events, music at the Shaughnessy Pop-up Park, and Pride in PoCo.
- Supported a safe return to indoor recreation with enhanced cleaning and health protocols.
- Facilitated public art projects including a summer-long artist in residence program in Lions Park.
- Launched the Donald Storywalk featuring an illustrated children's story on the Donald Pathway.

# 50

SPECIAL EVENTS HOSTED  
AND SUPPORTED\*

# 124,377

PRE-REGISTRATIONS FOR  
DROP-IN PROGRAMS

### MORE STATS & FACTS

- Registered programs (in-person & virtual): 2,208
  - Customers: 7,543
  - Total registrations: 12,185
- Pre-registered drop-in programs: 10,545
  - Customers: 22,492
  - Total registrations: 124,377
- Active membership and pass holders: 11,266
  - Number of pass scans: 62,256
- Facility rental permits issued: 1,011
- Volunteers: 222
  - Hours contributed: 4,292
- Active Terry Fox Library cardholders: 24,807

\* 48 in-person, online streams of 2 City virtual events, 1 virtual external event (Terry Fox Hometown Run)



## RCMP

Coquitlam RCMP serves more than 200,000 residents across Anmore, Belcarra, the Kwikwetlem First Nation, Coquitlam and Port Coquitlam.

### KEY RESPONSIBILITIES

- Reduce and prevent crime and protect citizens and property through efficient and effective response-to-call, enforcement and investigations as well as strategic outreach and education initiatives.
- Identify and address emerging public safety issues.
- Work in partnership with the City and citizens to ensure Port Coquitlam is a healthy, vibrant and safe community.

### 2021 WORKPLAN HIGHLIGHTS

See *Strategic Direction* section on page 15 for additional corporate 2021 highlights and 2022 goals.

- Continued to implement the crime-reduction strategy, focusing on prolific offenders, using data to inform decisions about crime hotspots, and identifying and addressing the root causes of crime.
- Port Coquitlam crime rate has reached a historic low in 2021 and is largely influenced by a reduced number of property crimes in 2021.

# 11,960

CALLS FOR SERVICE

# 241

POLICE OFFICERS IN  
COQUITLAM RCMP

| Crime Types                              | 2020  | 2021  | Change |
|--|-------|-------|--------|
| Person Crimes <sup>1</sup>               | 691   | 691   | 0%     |
| Property Crimes <sup>2</sup>             | 2,048 | 1,842 | -10%   |
| Other (Breach of Probation) <sup>3</sup> | 1,176 | 996   | -15%   |
| Drugs <sup>4</sup>                       | 224   | 228   | 2%     |
| Traffic <sup>5</sup>                     | 395   | 368   | -7%    |

<sup>1</sup> All person offences including abduction, assault, attempted murder, murder (1st and 2nd degree), manslaughter, robbery, sex offences, and utter threats against person.

<sup>2</sup> All property offences including arson, break and enter, fraud, mischief, possession of property obtained by crime, shoplifting, theft, and theft off/from vehicle.

<sup>3</sup> All other criminal code violations, including breach of probation, breach/bail violations, weapons offences, cause disturbance, indecent acts/exposing, child pornography, and trespass at night.

<sup>4</sup> All drug offences under the *Controlled Drug & Substance Act* including possession, trafficking, production, importing/exporting of illicit drugs, and the *Cannabis Act*.

<sup>5</sup> Collision (fatal, injury and property damage), dangerous operation, impaired operation (alcohol/drugs), prohibited driver, roadside prohibitions and immediate roadside prohibitions.

*These lists are not exhaustive.*

### Data Notes and Qualifiers:

- Data extracted on May 16, 2022; in cases of discrepancy, the most current data will take precedence.
- Statistics include offences that occurred in the City of Port Coquitlam ONLY, and do not include offences that occurred in Coquitlam, Anmore and Belcarra.
- Collision data only includes incidents where police attendance was required and not all files reported to the Insurance Corporation of British Columbia (ICBC).



# FINANCIAL STATEMENTS



LAURA THOMAS PHOTO





SUSAN PAGE PHOTO



# AUDITORS' REPORT TO MAYOR AND COUNCIL



KPMG LLP  
PO Box 10426 777 Dunsmuir Street  
Vancouver BC V7Y 1K3  
Canada  
Telephone (604) 691-3000  
Fax (604) 691-3031

## INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Corporation of the City of Port Coquitlam

### ***Opinion***

We have audited the consolidated financial statements of the Corporation of the City of Port Coquitlam (the "City"), which comprise:

- the consolidated statement of financial position as at December 31, 2021
- the consolidated statement of operations for the year then ended
- the consolidated statement of change in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2021, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

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

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

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

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

# AUDITORS' REPORT TO MAYOR AND COUNCIL



Corporation of the City of Port Coquitlam  
Page 2

## ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

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

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

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

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

We also:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.



# AUDITORS' REPORT TO MAYOR AND COUNCIL



Corporation of the City of Port Coquitlam  
Page 3

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities with the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants

Vancouver, Canada  
May 10, 2022

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31

|  |         | 2021           | 2020           |
|--|---------|----------------|----------------|
| <b>FINANCIAL ASSETS</b>                                  |         |                |                |
| Cash and cash equivalents                                |         | \$76,755,415   | \$ 97,025,794  |
| Investments  | Note 3  | 115,183,218    | 110,083,031    |
| Accounts and other receivables                           | Note 4  | 7,340,239      | 8,585,984      |
| Due from other governments                               | Note 5  | 364,655        | 639,379        |
|  |         | 199,643,527    | 216,334,188    |
| <b>LIABILITIES</b>                                       |         |                |                |
| Accounts payable and accrued liabilities                 | Note 6  | 24,465,474     | 34,422,442     |
| Deferred revenue   | Note 7  | 18,803,144     | 17,769,213     |
| Deposits   | Note 8  | 12,327,836     | 11,147,354     |
| Development cost charges                                 | Note 9  | 43,265,301     | 40,625,392     |
| Post-employment future benefits and compensated absences | Note 10 | 2,932,000      | 2,791,000      |
| Debt   | Note 11 | 68,396,913     | 70,222,541     |
|  |         | 170,190,668    | 176,977,942    |
| <b>NET FINANCIAL ASSETS</b>                              |         | 29,452,859     | 39,356,246     |
| <b>NON-FINANCIAL ASSETS</b>                              |         |                |                |
| Tangible capital assets                                  | Note 12 | 800,288,162    | 775,544,683    |
| Inventories  |         | 636,389        | 576,376        |
| Prepaid expenses   |         | 595,318        | 563,638        |
|  |         | 801,519,869    | 776,684,697    |
| <b>ACCUMULATED SURPLUS</b>                               |         | \$ 830,972,728 | \$ 816,040,943 |

Commitments and contingencies

Note 17

See accompanying Notes to the Consolidated Financial Statements



Rob Bremner  
Chief Administrative Officer



Karen Grommada, CPA, CMA  
Director of Finance / Deputy Chief Administrative Officer



# CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31

|   |         |    | 2021<br>Budget<br>(Notes 2(c)<br>and 22) | 2021           | 2020           |
|---|---------|----|--|----------------|----------------|
| <b>REVENUE</b>                                    |         |    |  |                |                |
| Taxation  | Note 20 | \$ | 73,120,900                               | \$ 73,308,654  | \$ 70,505,258  |
| Utility charges                                   |         |    | 25,447,600                               | 25,937,206     | 24,825,080     |
| Sale of services                                  |         |    | 7,955,500                                | 5,021,158      | 3,987,571      |
| Contributions                                     | Note 21 |    | 5,964,400                                | 5,708,509      | 9,432,075      |
| Permits and licences                              |         |    | 2,767,500                                | 3,438,052      | 2,946,660      |
| Investment income                                 |         |    | 2,578,300                                | 2,272,344      | 3,821,949      |
| Penalties and fines                               |         |    | 494,000                                  | 440,824        | 277,735        |
| Other   |         |    | 155,300                                  | 2,474,894      | 2,816,244      |
| Gain on disposals of tangible capital assets      |         |    | -  | 2,903,978      | -              |
|   |         | \$ | 118,483,500                              | \$ 121,505,619 | \$ 118,612,572 |
| <b>EXPENSES</b>                                   |         |    |  |                |                |
| General government                                |         | \$ | 11,869,300                               | \$ 12,154,221  | \$ 10,568,832  |
| Engineering and public works                      |         |    | 12,590,400                               | 18,358,800     | 18,611,618     |
| Recreation  |         |    | 18,660,400                               | 15,465,560     | 12,108,185     |
| Police services                                   |         |    | 18,682,700                               | 17,350,771     | 16,964,939     |
| Fire and emergency services                       |         |    | 15,118,700                               | 14,058,305     | 13,716,140     |
| Development services                              |         |    | 4,770,900                                | 2,748,313      | 3,453,652      |
| Solid waste operations                            |         |    | 5,255,800                                | 4,871,461      | 4,613,024      |
| Water operations                                  |         |    | 11,415,800                               | 12,814,138     | 11,373,505     |
| Sanitary sewer operations                         |         |    | 9,134,100                                | 8,752,265      | 8,396,204      |
|   |         | \$ | 107,498,100                              | \$ 106,573,834 | \$ 99,806,099  |
| <b>ANNUAL SURPLUS</b>                             |         | \$ | 10,985,400                               | \$ 14,931,785  | \$ 18,806,473  |
| <b>ACCUMULATED SURPLUS,<br/>beginning of year</b> |         |    | 816,040,943                              | 816,040,943    | 797,234,470    |
| <b>ACCUMULATED SURPLUS,<br/>end of year</b>       |         | \$ | 827,026,343                              | \$ 830,972,728 | \$ 816,040,943 |

See accompanying Notes to the Consolidated Financial Statements

# CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

FOR THE YEAR ENDED DECEMBER 31

|   | 2021<br>Budget<br>(Notes 2(c)<br>and 22) | 2021          | 2020          |
|---|--|---------------|---------------|
| Annual surplus                                      | \$ 10,985,400                            | \$ 14,931,785 | \$ 18,806,473 |
| Acquisition of tangible capital assets              | (53,272,900)                             | (37,916,879)  | (54,414,795)  |
| Developer contributions of tangible capital assets  | (1,000,000)                              | (1,647,385)   | (1,532,264)   |
| Amortization of tangible capital assets             | 12,000,000                               | 13,699,478    | 12,887,236    |
| (Gain) loss on disposals of tangible capital assets | -  | (2,903,978)   | 523,675       |
| Proceeds on disposals of tangible capital assets    | -  | 4,025,285     | 88,654        |
| Increase of inventories                             | -  | (60,013)      | (204,645)     |
| Increase of prepaid expenses                        | -  | (31,680)      | (312,661)     |
| <b>CHANGE IN NET FINANCIAL ASSETS</b>               | (31,287,500)                             | (9,903,387)   | (24,158,327)  |
| <b>NET FINANCIAL ASSETS, beginning of year</b>      | 39,356,246                               | 39,356,246    | 63,514,573    |
| <b>NET FINANCIAL ASSETS, end of year</b>            | \$ 8,068,746                             | \$ 29,452,859 | \$39,356,246  |

See accompanying Notes to the Consolidated Financial Statements



SUSAN KING-WILSON PHOTO



# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31

|  | 2021                 | 2020                |
|--|----------------------|---------------------|
| <b>CASH PROVIDED (USED) BY:</b>                          |                      |                     |
| <b>OPERATING ACTIVITIES</b>                              |                      |                     |
| Annual surplus   | \$ 14,931,785        | \$18,806,473        |
| Items not involving cash:                                |                      |                     |
| Developer contributions of tangible capital assets       | (1,647,385)          | (1,532,264)         |
| Amortization of tangible capital assets                  | 13,699,478           | 12,887,236          |
| (Gain) loss on disposal of tangible capital assets       | (2,903,978)          | 523,675             |
| Change in non-cash operating assets and liabilities:     |                      |                     |
| Accounts receivable                                      | 1,245,745            | 592,085             |
| Due from other governments                               | 274,724              | 236,213             |
| Accounts payable and accrued liabilities                 | (9,956,968)          | 16,070,461          |
| Deferred revenue   | 1,033,931            | 1,180,835           |
| Deposits   | 1,180,482            | 2,362,634           |
| Development cost charges                                 | 2,639,909            | 1,856,677           |
| Post-employment future benefits and compensated absences | 141,000              | (84,000)            |
| Inventories  | (60,013)             | (204,645)           |
| Prepaid expenses   | (31,680)             | (312,661)           |
| <b>Cash provided by operating activities</b>             | <b>20,547,030</b>    | <b>52,382,719</b>   |
| <b>FINANCING ACTIVITIES</b>                              |                      |                     |
| Debt repayment   | (1,825,628)          | (1,765,396)         |
| <b>Cash provided by (used in) financing activities</b>   | <b>(1,825,628)</b>   | <b>(1,765,396)</b>  |
| <b>CAPITAL ACTIVITIES</b>                                |                      |                     |
| Cash used to acquire tangible capital assets             | (34,266,898)         | (54,414,795)        |
| Proceeds on disposals of tangible capital assets         | 375,304              | 88,654              |
| <b>Cash used in capital activities</b>                   | <b>(33,891,594)</b>  | <b>(54,326,141)</b> |
| <b>INVESTING ACTIVITIES</b>                              |                      |                     |
| Purchase of investments                                  | (107,000,000)        | (22,600,000)        |
| Redemption of investments                                | 101,899,813          | 92,860,076          |
| <b>Cash provided by (used in) investing activities</b>   | <b>(5,100,187)</b>   | <b>70,260,076</b>   |
| <b>INCREASE IN CASH AND CASH EQUIVALENTS</b>             | <b>(20,270,379)</b>  | <b>66,551,258</b>   |
| <b>CASH AND CASH EQUIVALENTS, beginning of year</b>      | <b>\$97,025,794</b>  | <b>30,474,536</b>   |
| <b>CASH AND CASH EQUIVALENTS, end of year</b>            | <b>\$ 76,755,415</b> | <b>\$97,025,794</b> |
| <b>Supplementary information</b>                         |                      |                     |
| Non-cash transactions:                                   |                      |                     |
| Land sold for assets under construction                  | \$ 3,650,000         |                     |

See accompanying Notes to the Consolidated Financial Statements

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

## 1. OPERATIONS

The Corporation of the City of Port 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 include administrative, protective, transportation, environmental, recreational, water and sanitary sewer services.

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This resulted in governments worldwide, including the Canadian federal and provincial governments enacting emergency measures to combat the spread of the virus. The economic conditions and the City's response to the pandemic continue to materially impact the City's operating results and financial position in 2021. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the City is not known at this time.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the City are prepared in accordance with Canadian Public Sector Accounting Standards as issued by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

### a. BASIS OF PRESENTATION

The consolidated financial statements comprise the City's General, Water, Sewer and Reserve funds and the Port Coquitlam Community Foundation. All inter-fund and inter-entity balances and transactions have been eliminated on consolidation.

Under the Community Charter, City Council may, by bylaw, establish reserve funds for specified purposes:

- (i) Internally restricted reserves are in accordance with City policy and with bylaws adopted by City Council pursuant to the Community Charter. The policy and bylaws define the funding source for each reserve and their usage.
- (ii) Statutorily restricted reserves are reserves restricted by the provincial government in accordance with the Community Charter. The legislation defines the funding source for each reserve and their usage.

Trust funds are those that are administered for certain beneficiaries. In accordance with PSAB guidance, trust funds are not included in the City's consolidated financial statements. Trust funds administered by the City are presented in Note 19.

### b. BASIS OF ACCOUNTING

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

### c. BUDGET INFORMATION

The budget information reported in the consolidated statement of operations and the consolidated statement of change in net financial assets reflects the 2021-2025 Financial Plan Bylaw adopted by City Council on May 11, 2021.

### d. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash, highly liquid money market investments, and investments with maturities of less than 90 days at acquisition.

### e. INVESTMENTS

Investments have maturity dates of more than 90 days at acquisition and are recorded at cost, adjusted for amortization of premiums or discounts. Provisions for losses are recorded when they are considered to be other than temporary.

### f. REVENUE RECOGNITION

Taxes are recorded at estimated amounts when they meet the definition of an asset, they are authorized and the taxable event occurs. Levies imposed by other taxing authorities are not included as taxes for municipal purposes. British Columbia Assessment Authority's appeal process may adjust taxes by way of supplementary roll adjustments. These adjustments are recognized in the year they are adjusted.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## g. DEFERRED REVENUE

The City defers a portion of the revenue collected from permits, licenses and recreation and other fees and recognizes this revenue in the year in which related services are performed or other related expenditures are incurred. The City also defers prepaid property taxes which are recognized in the taxation year to which they relate.

## h. DEPOSITS

Deposits represent cash collected by the City as security against work performed by property developers. The security is returned to the developer upon satisfactory completion of the work, or recognized into revenue if the work is not performed in accordance with the applicable bylaws.

## i. DEVELOPMENT COST CHARGES

Development cost charges, collected to pay for capital projects due to be developed, are deferred upon receipt and are recognized as revenue when the capital costs for which they were collected are incurred.

## j. POST-EMPLOYMENT FUTURE BENEFITS AND COMPENSATED ABSENCES

The City and its employees make contributions to the Municipal Pension Plan. As this plan is a multi-employer plan, contributions are expensed as incurred.

Post-employment future benefits and compensated absences also accrue to City employees. Liabilities related to these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. Liabilities under these benefits plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

## k. DEBT

Debt is recorded in the consolidated financial statements net of sinking fund credits.

## l. 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.

### *Tangible Capital Assets*

Tangible capital assets are initially recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, is amortized on a straight line basis over the asset's useful life as follows:

| MAJOR ASSET CATEGORY            | USEFUL LIFE     | MAJOR ASSET CATEGORY | USEFUL LIFE     |
|---------------------------------|-----------------|----------------------|-----------------|
| Land                            | Not amortized   | Drainage             | 25 to 100 years |
| Parks infrastructure            | 3 to 100 years  | Land improvements    | 45 to 100 years |
| Vehicles, machinery & equipment | 5 to 25 years   | Water                | 25 to 80 years  |
| Transportation infrastructure   | 10 to 100 years | Sanitary sewer       | 25 to 100 years |
| Buildings                       | 20 to 70 years  |                      |                 |

Amortization begins once the asset is in use and ends when the asset is disposed or decommissioned. Assets under construction are not amortized until the asset is available for productive use.

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

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.

Natural resources, works of art and historic assets are not recorded as assets in these consolidated financial statements.

### *Inventories*

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## m. GOVERNMENT TRANSFERS

Restricted transfers from governments are deferred and recognized as revenue as the related expenditures are incurred and eligibility terms are met 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.

## n. LIABILITIES FOR CONTAMINATED SITES

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic, 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:

- An environmental standard exists;
- Contamination exceeds the environmental standards;
- The City is directly responsible or accepts responsibility;
- It is expected that future economic benefits will be given up; and
- 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.

## o. USE OF ESTIMATES

The preparation of consolidated 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 consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from management's estimates as additional information becomes available. Adjustments, if any, will be reflected in the consolidated 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.

## p. SEGMENT DISCLOSURE

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. Financial information is presented in segmented format in Note 23.

## 3. INVESTMENTS

|   |    | 2021                  | 2020                  |
|---|----|-----------------------|-----------------------|
| Deposits                                      | a. | \$ 107,769,514        | \$ 102,290,337        |
| Municipal Finance Authority Intermediate Fund | b. | 6,728,991             | 6,561,149             |
| Portfolio Investments                         | c. | 684,713               | 1,231,545             |
|   |    | <u>\$ 115,183,218</u> | <u>\$ 110,083,031</u> |

- Deposits include term deposits in credit unions guaranteed by the Province of British Columbia with varying maturity dates from February, 2022 to July, 2023 (2020 - January, 2021 to September, 2021) and have rates of return ranging from 1.15% to 1.50% (2020 - 1.55% to 2.75%).
- The carrying value of the Municipal Finance Authority Intermediate Fund at December 31, 2021 was \$6,728,991 (2020 - \$6,561,149) and the market value at December 31, 2021 was \$6,325,868 (2020 - \$6,326,284).
- The Port Coquitlam Community Foundation's portfolio investments are comprised of fixed income and equity securities. The fixed income securities have varying maturity dates from March, 2022 to May, 2026 (2020 - March, 2021 to November, 2023) and have rates of return ranging from 1.13% to 3.87% (2020 - 1.92% to 3.87%).



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 4. ACCOUNTS RECEIVABLE

|  | 2021                | 2020                |
|--|---------------------|---------------------|
| Accounts receivable                      | \$ 2,287,933        | \$ 3,672,291        |
| Property tax and utility receivable      | 3,565,074           | 3,588,453           |
| Development cost charges receivable      | 466,223             | 156,840             |
| Municipal Finance Authority Debt Reserve | 890,262             | 875,373             |
| Other                                    | 130,747             | 293,027             |
|  | <u>\$ 7,340,239</u> | <u>\$ 8,585,984</u> |

## 5. DUE FROM OTHER GOVERNMENTS

|                         | 2021              | 2020              |
|-------------------------|-------------------|-------------------|
| Federal                 | \$ 355,107        | \$ 533,086        |
| Provincial and regional | 9,548             | 106,293           |
|                         | <u>\$ 364,655</u> | <u>\$ 639,379</u> |

## 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

|  | 2021                 | 2020                 |
|--|----------------------|----------------------|
| Accounts payable and accrued liabilities | \$ 18,501,207        | \$ 14,265,553        |
| Wages and benefits payable               | 2,744,017            | 2,317,664            |
| Holdbacks                                | 1,542,756            | 5,443,801            |
| Due to other governments                 | 1,677,494            | 12,395,424           |
|  | <u>\$ 24,465,474</u> | <u>\$ 34,422,442</u> |



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 7. DEFERRED REVENUE

|  | December 31,<br>2020 | Additions            | Revenue<br>earned      | December 31,<br>2021 |
|--|----------------------|----------------------|------------------------|----------------------|
| Property taxes and utilities prepayments | \$ 9,525,712         | \$ 15,850,166        | \$ (15,494,900)        | \$ 9,880,978         |
| Programs and services                    | 1,405,414            | 3,605,758            | (3,267,162)            | 1,744,010            |
| Other                                    | 6,838,087            | 6,822,811            | (6,482,742)            | 7,178,156            |
|  | <u>\$ 17,769,213</u> | <u>\$ 26,278,735</u> | <u>\$ (25,244,804)</u> | <u>\$ 18,803,144</u> |

## 8. DEPOSITS

Deposits represent cash collected as security for highway use, subdivision servicing, soil removal and other development activities.

## 9. DEVELOPMENT COST CHARGES

| AREA 1         | December 31,<br>2020 | Third Party<br>Contributions | Interest<br>Allocation | Capital<br>Expenditures | December 31,<br>2021 |
|----------------|----------------------|------------------------------|------------------------|-------------------------|----------------------|
| Drainage       | \$ 5,141,743         | \$ 109,458                   | \$ 74,310              | \$ -                    | \$ 5,325,511         |
| Transportation | 12,638,778           | 817,196                      | 186,577                | -                       | 13,642,551           |
| Parks          | 5,637,022            | 506,511                      | 84,231                 | -                       | 6,227,764            |
| Water          | 5,218,975            | 48,331                       | 74,977                 | -                       | 5,342,283            |
| Sanitary       | 1,745,445            | 28,329                       | 25,162                 | -                       | 1,798,936            |
| <b>AREA 2</b>  |                      |                              |                        |                         |                      |
| Drainage       | 538,317              | 54,690                       | 8,089                  | \$ -                    | 601,096              |
| Transportation | 5,123,292            | 539,877                      | 77,123                 | -                       | 5,740,292            |
| Parks          | 1,249,122            | 4,386                        | 17,894                 | -                       | 1,271,402            |
| Water          | 1,622,108            | 9,458                        | 23,264                 | -                       | 1,654,830            |
| Sanitary       | 967,976              | 6,305                        | 13,887                 | -                       | 988,168              |
| Parks interest | 742,614              | -                            | 10,046                 | (80,192)                | 672,468              |
|                | <u>\$ 40,625,392</u> | <u>\$ 2,124,541</u>          | <u>\$ 595,560</u>      | <u>\$ (80,192)</u>      | <u>\$ 43,265,301</u> |

## 10. POST-EMPLOYMENT FUTURE BENEFITS AND COMPENSATED ABSENCES

The City provides sick leave and retirement benefits to its employees. Eligible employees accumulate sick leave entitlement on a monthly basis and can only use this entitlement for paid time off under certain circumstances. Retirement benefits represent the City's share of the cost to provide eligible employees with severance pay upon retirement.

The amount recorded for these benefits is based on an actuarial valuation done by an independent firm of actuaries using a projected benefit actuarial valuation method pro-rated on services. The most recent actuarial valuation of the City's future benefits was completed as at December 31, 2020, and extrapolated to December 31, 2021.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 10. POST-EMPLOYMENT FUTURE BENEFITS AND COMPENSATED ABSENCES (cont.)

Information regarding the City's obligations for these benefits is as follows:

|   | Non-vested Sick Leave | Severance    | 2021         | 2020         |
|---|-----------------------|--------------|--------------|--------------|
| Accrued benefit obligation, beginning of year | \$ 879,000            | \$ 2,752,000 | \$ 3,631,000 | \$ 3,268,000 |
| Service cost                                  | 73,000                | 148,000      | 221,000      | 205,000      |
| Interest cost                                 | 19,000                | 57,000       | 76,000       | 89,000       |
| Benefit payments                              | (61,000)              | (219,000)    | (280,000)    | (454,000)    |
| Amortization of net actuarial loss (gain)     | (37,000)              | (188,000)    | (225,000)    | 523,000      |
| Accrued benefit obligation, end of year       | 873,000               | 2,550,000    | 3,423,000    | 3,631,000    |
| Unamortized actuarial loss                    | (287,000)             | (204,000)    | (491,000)    | (840,000)    |
| Accrued benefit liability                     | \$ 586,000            | \$ 2,346,000 | \$ 2,932,000 | \$ 2,791,000 |

The unamortized actuarial loss is amortized over a period equal to the employees' expected average remaining service lifetime. The significant actuarial assumptions adopted in measuring the City's accrued benefit obligation are as follows:

|   | 2021          | 2020          |
|---|---------------|---------------|
| Discount rate                               | 2.50%         | 2.10%         |
| Expected future inflation rate              | 2.50%         | 2.50%         |
| Expected compensation increase              | 2.58% - 4.63% | 2.58% - 4.63% |
| Expected average remaining service lifetime | 10.6 years    | 10.6 years    |

## 11. DEBT

The City incurs debt through the Municipal Finance Authority ("MFA") in accordance with the Community Charter to finance certain capital expenditures. Sinking fund credits managed by the MFA are netted against related debt. The gross amount of debt and the amount of sinking fund credits available to retire the debt are as follows:

|  | 2021          |                      |               | 2020          |
|--|---------------|----------------------|---------------|---------------|
|  | Gross Debt    | Sinking Fund Credits | Net Debt      | Net Debt      |
| Coast Meridian Overpass,<br>Bylaw 3611, 2.25%, due 2039        | \$ 25,000,000 | \$ (6,634,030)       | \$ 18,365,970 | \$ 19,058,127 |
| Port Coquitlam Community Centre,<br>Bylaw 4004, 2.24% due 2049 | 52,000,000    | (1,969,057)          | 50,030,943    | 51,164,414    |
|  | \$ 77,000,000 | \$ (8,603,087)       | \$ 68,396,913 | \$ 70,222,541 |

Future payments on net outstanding debt over the next five years and thereafter are paid from the General Fund and are as follows:

|                                 |               |
|---------------------------------|---------------|
| 2022                            | \$ 3,266,054  |
| 2023                            | 3,266,054     |
| 2024                            | 3,266,054     |
| 2025                            | 3,266,054     |
| 2026                            | 3,266,054     |
| Thereafter                      | 65,036,716    |
| Principal and interest payments | 81,366,986    |
| Amount representing interest    | 12,970,073    |
| Debt principal repayments       | \$ 68,396,913 |

The City paid \$1,712,411, net of earnings on the debt reserve deposit, in interest on debt during the year (2020 - \$1,710,373).

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 per annum. The City provided security for the facility by way of a general security agreement. No amounts are outstanding under the banking facility.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 12. TANGIBLE CAPITAL ASSETS

- a. Assets Under Construction: Assets under construction having a value of \$36,240,743 (2020 - \$67,790,796) have not been amortized. Amortization of these assets will commence when the assets are put into service. Assets under construction include \$3,650,000 in future commercial space.
- b. Contributed Tangible Capital Assets: Contributed tangible capital assets (including transportation infrastructure, drainage, water and sanitary sewer assets) have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$1,647,385 (2020 - \$1,532,264).

*Please note: Note 12 spans two pages.*

### AS AT DECEMBER 31, 2021

|                                  | Land           | Parks<br>Infrastructure | Vehicles,<br>Machinery,<br>Equipment | Transportation<br>Infrastructure |
|----------------------------------|----------------|-------------------------|--------------------------------------|----------------------------------|
| <b>COST</b>                      |                |                         |                                      |                                  |
| Opening balance                  | \$ 235,278,638 | \$ 24,275,866           | \$ 32,241,203                        | \$ 279,658,195                   |
| Add: Additions                   | 2,010,599      | 32,863                  | 916,268                              | 1,876,394                        |
| Add/(Deduct): Transfers from AUC | -              | 714,726                 | 2,040,701                            | 2,137,921                        |
| Less: Disposals                  | (400,000)      | (31,323)                | (327,162)                            | (1,177,929)                      |
| Closing balance                  | 236,889,237    | 24,992,132              | 34,871,010                           | 282,494,581                      |

### ACCUMULATED AMORTIZATION

|                   |   |            |            |            |
|-------------------|---|------------|------------|------------|
| Opening balance   | - | 13,569,014 | 17,753,972 | 74,474,457 |
| Add: Amortization | - | 926,675    | 1,563,569  | 4,610,306  |
| Less: Disposals   | - | (31,323)   | (281,605)  | (770,185)  |
| Closing balance   | - | 14,464,366 | 19,035,936 | 78,314,578 |

|   |                       |                      |                      |                       |
|---|-----------------------|----------------------|----------------------|-----------------------|
| <b>Net book value as at December 31, 2021</b> | <b>\$ 236,889,237</b> | <b>\$ 10,527,766</b> | <b>\$ 15,835,074</b> | <b>\$ 204,180,003</b> |
|---|-----------------------|----------------------|----------------------|-----------------------|

### AS AT DECEMBER 31, 2020

|                                  | Land           | Parks<br>Infrastructure | Vehicles,<br>Machinery,<br>Equipment | Transportation<br>Infrastructure |
|----------------------------------|----------------|-------------------------|--------------------------------------|----------------------------------|
| <b>COST</b>                      |                |                         |                                      |                                  |
| Opening balance                  | \$ 232,121,859 | \$ 23,737,699           | \$ 30,714,688                        | \$ 276,458,370                   |
| Add: Additions                   | 3,138,577      | 570,032                 | 2,306,142                            | 1,180,300                        |
| Add/(Deduct): Transfers from AUC | 18,202         | 57,585                  | 10,515                               | 2,933,661                        |
| Less: Disposals                  | -              | (89,450)                | (790,142)                            | (914,136)                        |
| Closing balance                  | 235,278,638    | 24,275,866              | 32,241,203                           | 279,658,195                      |

### ACCUMULATED AMORTIZATION

|                   |   |            |            |            |
|-------------------|---|------------|------------|------------|
| Opening balance   | - | 12,745,904 | 16,801,727 | 70,411,877 |
| Add: Amortization | - | 921,258    | 1,574,095  | 4,601,387  |
| Less: Disposals   | - | (98,148)   | (621,850)  | (538,807)  |
| Closing balance   | - | 13,569,014 | 17,753,972 | 74,474,457 |

|   |                       |                      |                      |                       |
|---|-----------------------|----------------------|----------------------|-----------------------|
| <b>Net book value as at December 31, 2020</b> | <b>\$ 235,278,638</b> | <b>\$ 10,706,852</b> | <b>\$ 14,487,231</b> | <b>\$ 205,183,738</b> |
|---|-----------------------|----------------------|----------------------|-----------------------|



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

- c. Works of art and historical treasures: The City manages and controls some works of art and non-operational historical assets 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: The write-down of tangible capital assets during the year was nil (2020 - nil).

| Buildings      | Drainage       | Land Improvements | Water         | Sanitary Sewer | Assets Under Construction ("AUC") | 2021 Total       |
|----------------|----------------|-------------------|---------------|----------------|-----------------------------------|------------------|
| \$ 98,084,384  | \$ 100,812,872 | \$ 20,628,930     | \$ 83,144,410 | \$ 62,378,637  | \$ 67,790,796                     | \$ 1,004,293,931 |
| 11,170,744     | 234,498        | -                 | 452,471       | 222,471        | 22,647,975                        | 39,564,283       |
| 45,592,041     | 2,339,099      | -                 | 1,146,270     | 227,270        | (54,198,028)                      | -                |
| (49,099)       | (102,111)      | (165,789)         | (70,888)      | (52,947)       | -                                 | (2,377,248)      |
| 154,798,070    | 103,284,358    | 20,463,141        | 84,672,263    | 62,775,431     | 36,240,743                        | 1,041,480,966    |
| 16,847,096     | 35,890,898     | 7,134,946         | 38,516,587    | 24,562,278     | -                                 | 228,749,248      |
| 2,200,828      | 1,556,114      | 283,928           | 1,622,439     | 935,619        | -                                 | 13,699,478       |
| -              | (72,912)       | (53,728)          | (32,131)      | (14,038)       | -                                 | (1,255,922)      |
| 19,047,924     | 37,374,100     | 7,365,146         | 40,106,895    | 25,483,859     | -                                 | 241,192,804      |
| \$ 135,750,146 | \$ 65,910,258  | \$ 13,097,995     | \$ 44,565,368 | \$ 37,291,572  | \$ 36,240,743                     | \$ 800,288,162   |

| Buildings     | Drainage      | Land Improvements | Water         | Sanitary Sewer | Assets Under Construction ("AUC") | 2020 Total     |
|---------------|---------------|-------------------|---------------|----------------|-----------------------------------|----------------|
| \$ 68,910,440 | \$ 96,333,527 | \$ 20,607,773     | \$ 81,496,686 | \$ 60,588,264  | \$ 59,301,539                     | \$ 950,270,845 |
| -             | 159,285       | 21,157            | 308,458       | 170,653        | 48,092,455                        | 55,947,059     |
| 29,173,944    | 4,334,017     | -                 | 1,449,480     | 1,625,794      | (39,603,198)                      | -              |
| -             | (13,957)      | -                 | (110,214)     | (6,074)        | -                                 | (1,923,973)    |
| 98,084,384    | 100,812,872   | 20,628,930        | 83,144,410    | 62,378,637     | 67,790,796                        | 1,004,293,931  |
| 15,353,440    | 34,392,743    | 6,848,366         | 36,966,441    | 23,653,158     | -                                 | 217,173,656    |
| 1,493,656     | 1,508,010     | 286,580           | 1,590,045     | 912,205        | -                                 | 12,887,236     |
| -             | (9,855)       | -                 | (39,899)      | (3,085)        | -                                 | (1,311,644)    |
| 16,847,096    | 35,890,898    | 7,134,946         | 38,516,587    | 24,562,278     | -                                 | 228,749,248    |
| \$ 81,237,288 | \$ 64,921,974 | \$ 13,493,984     | \$ 44,627,823 | \$ 37,816,359  | \$ 67,790,796                     | \$ 775,544,683 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 13. ACCUMULATED SURPLUS

|  |         | 2021          | 2020           |
|--|---------|---------------|----------------|
| Unrestricted Reserves:                 |         |               |                |
| General                                |         | \$20,355,907  | \$ 15,666,895  |
| Water                                  |         | 568,225       | 1,460,710      |
| Sewer                                  |         | 1,762,252     | 1,782,547      |
| Port Coquitlam Community Foundation    |         | 740,163       | 696,713        |
|  |         | 23,426,547    | 19,606,865     |
| Restricted Reserves                    | Note 14 | 74,423,225    | 76,858,394     |
| Investment in tangible capital assets  | Note 15 | 731,891,249   | 718,435,670    |
| Investment in inventories and prepaids |         | 1,231,707     | 1,140,014      |
|  |         | 733,122,956   | 719,575,684    |
|  |         | \$830,972,728 | \$ 816,040,943 |

## 14. RESTRICTED RESERVES

|                                   | December 31, 2020 | Contributions/<br>Transfers | Interest<br>Allocation | Use of<br>Reserves | December 31, 2021 |
|-----------------------------------|-------------------|-----------------------------|------------------------|--------------------|-------------------|
| Building maintenance              | \$ 268,573        | \$ -                        | \$ 3,030               | \$ (113,373)       | \$ 158,230        |
| Cemetery expansion                | 230,578           | 85,336                      | 3,907                  | -                  | 319,821           |
| Community amenities               | 672,265           | -                           | 6,753                  | (400,000)          | 279,018           |
| Community Centre                  | 1,058,412         | -                           | 15,135                 | -                  | 1,073,547         |
| Environmental                     | 503,201           | -                           | 6,356                  | (117,408)          | 392,149           |
| Equipment                         | 9,853,549         | 1,851,122                   | 148,071                | (848,975)          | 11,003,767        |
| Gas tax                           | 770,329           | 471,747                     | 7,489                  | (965,000)          | 284,565           |
| General capital                   | 9,149,763         | 10,452,914                  | 107,902                | (13,661,232)       | 6,049,347         |
| Land sale                         | 8,931,082         | -                           | 121,233                | (906,525)          | 8,145,790         |
| Long term infrastructure          | 12,829,703        | 1,524,000                   | 194,361                | -                  | 14,548,064        |
| Operating                         | 6,021,627         | 373,295                     | 48,077                 | (3,170,819)        | 3,272,180         |
| Parking                           | 2,856,109         | 763,820                     | 46,244                 | (8,311)            | 3,657,862         |
| Parks and recreation              | 753,007           | 125,900                     | 36,773                 | -                  | 915,680           |
| Parkland acquisition              | 2,508,555         | -                           | 10,768                 | -                  | 2,519,323         |
| Public safety building            | 67,913            | 11,373                      | 1,052                  | -                  | 80,338            |
| RCMP                              | 1,923,578         | -                           | 27,507                 | (300,000)          | 1,651,085         |
| Roads and drainage infrastructure | 1,248,511         | 541,042                     | 16,686                 | (704,325)          | 1,101,914         |
| Sewer                             | 6,497,877         | 1,371,000                   | 94,949                 | (1,087,113)        | 6,876,713         |
| Social housing                    | 841,809           | -                           | 11,444                 | (83,000)           | 770,253           |
| Water                             | 9,871,953         | 2,952,900                   | 150,472                | (1,651,746)        | 11,323,579        |
|                                   | \$ 76,858,394     | \$ 20,524,449               | \$ 1,058,209           | \$ (24,017,827)    | \$ 74,423,225     |



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 15. INVESTMENT IN TANGIBLE CAPITAL ASSETS

|   |         | 2021                  | 2020                  |
|---|---------|-----------------------|-----------------------|
| Cost of tangible capital assets   | Note 12 | \$ 800,288,162        | \$ 775,544,683        |
| Debt incurred to purchase tangible capital assets                         | Note 11 | (68,396,913)          | (70,222,541)          |
| Unspent proceeds from debt for future community centre construction costs |         | -                     | 13,113,528            |
|   |         | <u>\$ 731,891,249</u> | <u>\$ 718,435,670</u> |

## 16. PENSION PLAN

The City and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors from local governments.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The City paid \$3,351,045 (2020 - \$3,162,307) for employer contributions while employees contributed \$2,734,540 (2020 - \$2,586,738) to the plan in 2021.

The next valuation will be as at December 31, 2021, with results available in 2022.

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, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

## 17. COMMITMENTS AND CONTINGENCIES

- The loan agreements with the Metro Vancouver Regional District and the Municipal Finance Authority provide that, if at any time the scheduled payments provided for in the agreements are not sufficient to meet the authorities' obligations in respect of such borrowing, the resulting deficiency becomes a joint and several liability of the City and the other participants.
- The City obtains debt instruments from 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 totaling \$1,098,027 (2020 - \$1,098,027) are contingent in nature and are not reflected in the consolidated financial statements.
- A number of legal claims have been initiated against the City in varying or unspecified amounts. The outcome of these claims cannot reasonably be determined at this time. The amount of loss, if any, arising from these claims will be recorded in the period in which the loss is assessed as being likely to occur and the amount can be reasonably estimated. Liability insurance is carried by the City, subject to a deductible of \$250,000. The City self insures claims under \$250,000.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 17. COMMITMENTS AND CONTINGENCIES (cont.)

- d. The City is a shareholder and member of E-Comm Emergency Communications for 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 36 Class A and 19 Class B shares issued and outstanding as at December 31, 2021).

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.

- e. The City provides a share of both the ongoing operations and any additional costs relating to tangible capital assets (in accordance with a negotiated agreement) for the RCMP building located at 2986 Guildford Way, Coquitlam, BC.

## 18. CONTRACTUAL RIGHTS

The City's contractual rights arise from rights to receive payments from rentals, grants and advertising. The City is scheduled to receive the following amounts in the next five years and thereafter:

|            |                     |
|------------|---------------------|
| 2022       | \$ 848,174          |
| 2023       | 864,177             |
| 2024       | 871,998             |
| 2025       | 626,668             |
| 2026       | 632,185             |
| Thereafter | 329,165             |
| Total      | <u>\$ 4,172,367</u> |

The City receives certain payments under grant and cost sharing agreements, however the timing and revenue from these agreements can vary depending on development activity. As a result, the revenue from these agreements has not been included in the above amounts.

## 19. TRUST FUNDS

Certain assets have been conveyed or assigned to the City to be administered as directed by an agreement or statute. The City holds the assets for the benefit of, and stands in a fiduciary relationship, to the beneficiary. The following trust funds are excluded from the City's consolidated financial statements.

| <b>Cemetery Perpetual Care Fund</b> | <b>2021</b>         | <b>2020</b>         |
|-------------------------------------|---------------------|---------------------|
| Cash balance, beginning of year     | \$ 1,936,393        | \$ 1,803,003        |
| Net contributions received          | 122,907             | 86,860              |
| Interest earned                     | 26,662              | 46,530              |
| Cash balance, end of year           | <u>\$ 2,085,962</u> | <u>\$ 1,936,393</u> |
| <b>Campaign Funds Held in Trust</b> |                     |                     |
| Cash balance, beginning of year     | \$ 58,041           | \$ 56,614           |
| Interest earned                     | 809                 | 1,427               |
| Cash balance, end of year           | <u>\$ 58,850</u>    | <u>\$ 58,041</u>    |



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 20. TAXATION AND OTHER LEVIES

In addition to levying and collecting real property tax for municipal purposes, the City is required to levy and collect taxes on behalf of other jurisdictions as noted below. The amounts are reflected on a net basis within the Consolidated Statement of Operations:

|   | 2021           | 2020           |
|---|----------------|----------------|
| Gross taxes levied on property                              | \$ 116,902,893 | \$ 102,782,971 |
| Taxes levied and collected on behalf of other jurisdictions |                |                |
| Province of British Columbia - School Taxes                 | 33,288,118     | 22,957,724     |
| Metro Vancouver Regional District                           | 1,493,702      | 1,276,893      |
| BC Assessment Authority                                     | 1,120,402      | 1,049,237      |
| South Coast British Columbia Transportation Authority       | 7,686,669      | 6,988,905      |
| Municipal Finance Authority                                 | 5,348          | 4,954          |
|   | 43,594,239     | 32,277,713     |
| Taxation revenue  | \$ 73,308,654  | \$ 70,505,258  |

## 21. GOVERNMENT TRANSFERS

Included in contributions are the following government transfers:

|                         | 2021         | 2020         |
|-------------------------|--------------|--------------|
| Federal                 | \$ 128,606   | \$ 249,631   |
| Provincial and Regional | 3,005,866    | 7,072,617    |
|                         | \$ 3,134,472 | \$ 7,322,248 |

## 22. BUDGET INFORMATION

The budget information presented in these consolidated financial statements is based upon the 2021-2025 Financial Plan Bylaw approved by City Council on May 11, 2021. The chart below reconciles the approved budget to the budget figure reported in these consolidated financial statements.

|   | Budget Amount  |
|---|----------------|
| Revenue   | \$ 118,483,500 |
| Expenses  | (107,498,100)  |
| Annual surplus per consolidated statement of operations | 10,985,400     |
| Add:  |                |
| Amortization  | 12,000,000     |
| Transfers from reserves                                 | 19,712,800     |
| Cash from external borrowing                            | 13,113,500     |
| Less:   |                |
| Capital expenditures                                    | (53,272,900)   |
| Capital contributed by developers                       | (1,000,000)    |
| Debt principal repayments                               | (1,538,800)    |
| Approved budget   | \$ -           |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 23. OPERATIONS BY SEGMENT

The City provides a wide range of municipal services to its residents, businesses, industries, farms and other properties within its boundaries. The City's operations and activities are organized and reported by segments broadly based on departmental business units. The departments disclosed in the segmented information, along with the services they provide, are as follows:

### General Government:

**General:** Includes activities that are attributable to multiple segments, such as insurance, claims, phone and office expenses.

**Community safety and corporate services (CSCS):** These support services include: communications and administrative services, corporate office, community policing, bylaw services and information services.

**Finance:** Provides financial services to citizens, City departments and City Council including financial planning and systems, accounting services, revenue and collections, payroll, purchasing and risk management.

**Human resources:** Provides specialized advice and assistance in all facets of people management including recruitment, labour relations, occupational health and safety, staff training and development, benefit administration, wage and salary administration.

**Office of the CAO:** Oversees the implementation of the vision, plans and priorities by ensuring effective policies are in place and adhered to and by providing leadership that enables an engaged and productive municipal workforce.

*Please note: Note 23 spans two pages.*

|  | General Government |                |                |                 |                   |                            |
|--|--------------------|----------------|----------------|-----------------|-------------------|----------------------------|
| REVENUE                                      | General            | CSCS           | Finance        | Human Resources | Office of the CAO | Engineering & Public Works |
| Taxation                                     | \$ 73,141,174      | \$ -           | \$ -           | \$ -            | \$ -              | \$ -                       |
| Utility charges                              | (113,595)          | -              | -              | -               | -                 | -                          |
| Sale of services                             | 642,894            | 9,248          | 203,524        | -               | -                 | 1,271,240                  |
| Contributions                                | 1,260,778          | 15,300         | -              | -               | -                 | 2,345,230                  |
| Permits and licences                         | -                  | 189,593        | 58,431         | -               | -                 | 35,370                     |
| Investment income                            | 2,272,296          | -              | 48             | -               | -                 | -                          |
| Penalties and fines                          | 125,557            | 124,854        | -              | -               | -                 | 12,000                     |
| Other  | 927,301            | 62,242         | 48,478         | -               | -                 | 1,306,236                  |
| Gain on disposals of tangible capital assets | 3,600,000          | -              | -              | -               | -                 | (618,349)                  |
|  | \$ 81,856,405      | \$ 401,237     | \$ 310,481     | \$ -            | \$ -              | \$ 4,351,727               |
| EXPENSES                                     |                    |                |                |                 |                   |                            |
| Personnel                                    | \$ 1,729           | \$ 3,362,094   | \$ 2,323,560   | \$ 938,912      | \$ 305,549        | \$ 8,484,878               |
| Contracted and other services                | 152,935            | 1,854,319      | 103,570        | 167,095         | -                 | 1,847,019                  |
| Telephone, utilities and rent                | 49,933             | 63,821         | -              | 582             | -                 | 572,405                    |
| Materials and supplies                       | 100,012            | 889,012        | 29,097         | 3,338           | -                 | 2,527,691                  |
| Internal charges (recoveries)                | (766,200)          | (499,558)      | (249,179)      | 2,713           | -                 | (3,137,623)                |
| Insurance and claims                         | 597,278            | 74             | -              | -               | -                 | 111,517                    |
| Interest and bank charges                    | 1,465,334          | 23,961         | 1,100          | -               | -                 | 2,897                      |
| Grants and financial assistance              | 803,263            | 39,150         | -              | -               | -                 | -                          |
| Amortization                                 | 61,289             | 329,438        | -              | -               | -                 | 7,950,016                  |
| Loss on disposals of tangible capital assets | -                  | -              | -              | -               | -                 | -                          |
|  | \$ 2,465,573       | \$ 6,062,311   | \$ 2,208,148   | \$ 1,112,640    | \$ 305,549        | \$ 18,358,800              |
| ANNUAL SURPLUS (DEFICIT)                     | \$ 79,390,832      | \$ (5,661,074) | \$ (1,897,667) | \$ (1,112,640)  | \$ (305,549)      | \$ (14,007,073)            |



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**Engineering and public works:** Provides and maintains a number of essential municipal services and infrastructure including transportation, parks, trails, athletic fields, roads and drainage, environmental protection, management of the City's fleet and related engineering services.

**Recreation:** Delivery of recreation, sport, community, arts and cultural programs, events and services, recreation facility operations, and maintenance of all civic facilities.

**Police services:** Is a shared service with the City of Coquitlam, they are mandated to provide for the safety of the lives and property in the community, preserving the peace through law enforcement and working with citizens to prevent crime and maintain order.

**Fire and emergency services:** Protects life, property and the environment through the provision of emergency response, inspections, code enforcement and public education.

**Development services:** Ensures orderly and safe development within the City, including Planning, Building and Development Engineering services.

**Solid waste operations:** Includes curbside garbage, recycling and organics collection and glass collection from depot locations across the City.

**Water operations:** The water utility is an essential service delivered by the City to its residents and businesses for the supply of high quality, potable water at flows and pressures suitable for fire protection.

**Sanitary sewer operations:** The sanitary sewer utility is an essential service provided by the City to its residents and businesses for the collection and disposal of liquid wastes.

| Recreation      | Police Services | Fire & Emergency Services | Development Services | Solid Waste Operations | Water Operations | Sanitary Sewer Operations | 2021           | 2020           |
|-----------------|-----------------|---------------------------|----------------------|------------------------|------------------|---------------------------|----------------|----------------|
| \$ -            | \$ -            | \$ -                      | \$ 167,480           | \$ -                   | \$ -             | \$ -                      | \$ 73,308,654  | \$ 70,505,258  |
| -               | -               | -                         | -                    | 3,314,420              | 13,239,612       | 9,496,769                 | 25,937,206     | 24,825,080     |
| 2,018,397       | 27,067          | 34,768                    | 199,856              | 616,343                | (2,179)          | -                         | 5,021,158      | 3,987,571      |
| 200,447         | 679,860         | 500                       | 1,206,394            | -                      | -                | -                         | 5,708,509      | 9,432,075      |
| -               | -               | 1,540                     | 3,129,168            | -                      | 23,950           | -                         | 3,438,052      | 2,946,660      |
| -               | -               | -                         | -                    | -                      | -                | -                         | 2,272,344      | 3,821,949      |
| -               | -               | -                         | -                    | -                      | 104,430          | 73,983                    | 440,824        | 277,735        |
| -               | 18,871          | 93,155                    | 14,611               | 3,000                  | 1,000            | -                         | 2,474,894      | 2,816,244      |
| (8)             | -               | -                         | -                    | -                      | (38,757)         | (38,908)                  | 2,903,978      | -              |
| \$ 2,218,836    | \$ 725,798      | \$ 129,963                | \$ 4,717,509         | \$ 3,933,763           | \$ 13,328,056    | \$ 9,531,844              | \$ 121,505,619 | \$ 118,612,572 |
| \$ 7,776,162    | \$ -            | \$ 12,809,107             | \$ 3,028,965         | \$ 1,239,744           | \$ 796,152       | \$ 245,130                | \$ 41,311,982  | \$ 38,678,034  |
| 3,331,065       | 17,321,064      | 432,873                   | 335,405              | 1,687,372              | 8,889,007        | 6,105,566                 | 42,227,290     | 39,497,463     |
| 1,030,199       | -               | 65,585                    | 388                  | 1,429                  | 31,424           | 83,381                    | 1,899,147      | 1,476,761      |
| 648,247         | -               | 186,039                   | (787,856)            | 146,088                | 148,654          | 83,813                    | 3,974,135      | 3,626,982      |
| (48,629)        | -               | 221,353                   | 55,078               | 1,796,827              | 1,326,462        | 1,298,756                 | -              | -              |
| -               | -               | -                         | -                    | -                      | -                | -                         | 708,869        | 959,177        |
| 119,017         | -               | -                         | 18,333               | 1                      | -                | -                         | 1,630,643      | 1,635,937      |
| 181,877         | -               | -                         | 98,000               | -                      | -                | -                         | 1,122,290      | 520,834        |
| 2,427,622       | 29,707          | 343,348                   | -                    | -                      | 1,622,439        | 935,619                   | 13,699,478     | 12,887,236     |
| -               | -               | -                         | -                    | -                      | -                | -                         | -              | 523,675        |
| \$ 15,465,560   | \$ 17,350,771   | \$ 14,058,305             | \$ 2,748,313         | \$ 4,871,461           | \$ 12,814,138    | \$ 8,752,265              | \$ 106,573,834 | \$ 99,806,099  |
| \$ (13,246,724) | \$ (16,624,973) | \$ (13,928,342)           | \$ 1,969,196         | \$ (937,698)           | \$ 513,918       | \$ 779,579                | \$ 14,931,785  | \$ 18,806,473  |

# 2021 ALLOCATION OF THE COVID-19 SAFE RESTART GRANT FOR LOCAL GOVERNMENTS FUNDING (UNAUDITED)

| Description                                |   |             |
|--|---|-------------|
| Reserved for future use, December 31, 2020 |   | \$2,521,639 |
| Recreation                                 | Lower sale of services revenue due to health orders | (2,240,776) |
| Finance                                    | Lower penalties and fines revenue                   | (192,442)   |
| Engineering & Public Works                 | COVID-19 safety supplies, one-time response costs   | (88,421)    |
| Reserved for Future Use, December 31, 2021 |   | \$ -        |



TERESA ACOSTA PHOTO



# STATISTICAL SECTION (UNAUDITED)

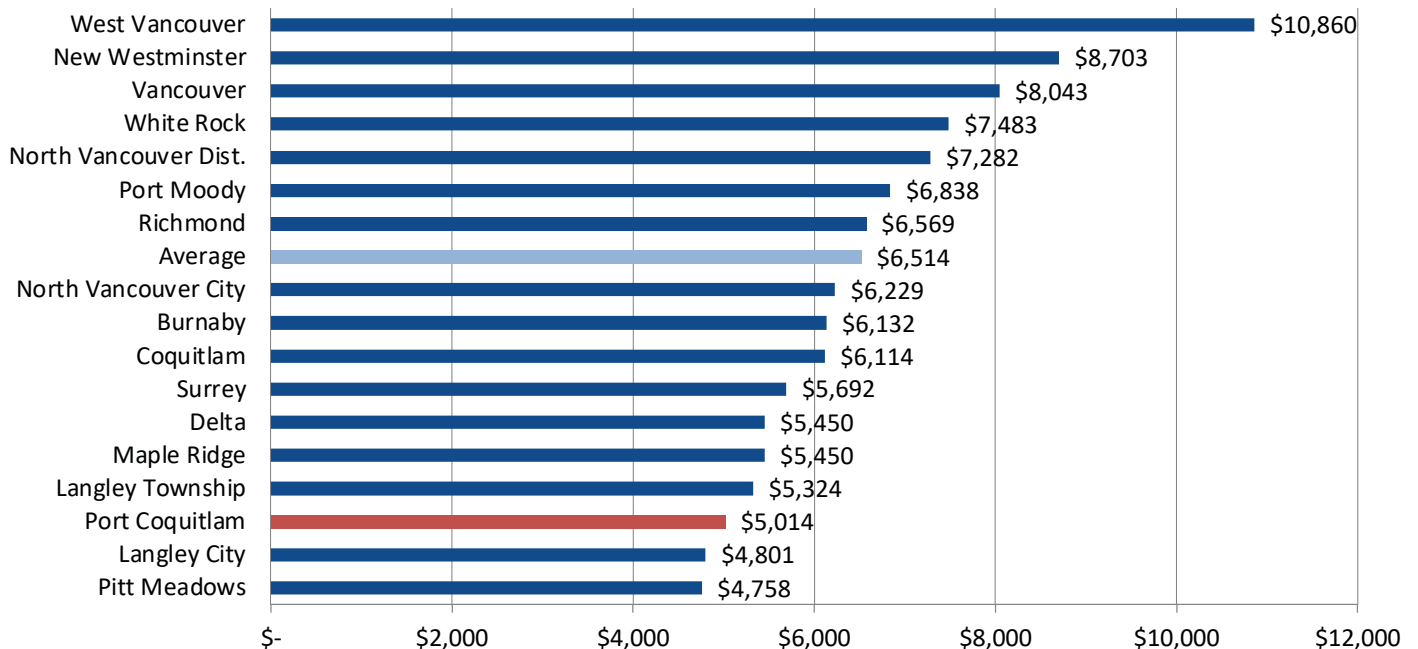


SUSAN PAGE PHOTO



# AVERAGE SINGLE-FAMILY HOME MUNICIPAL TAXES AND UTILITIES

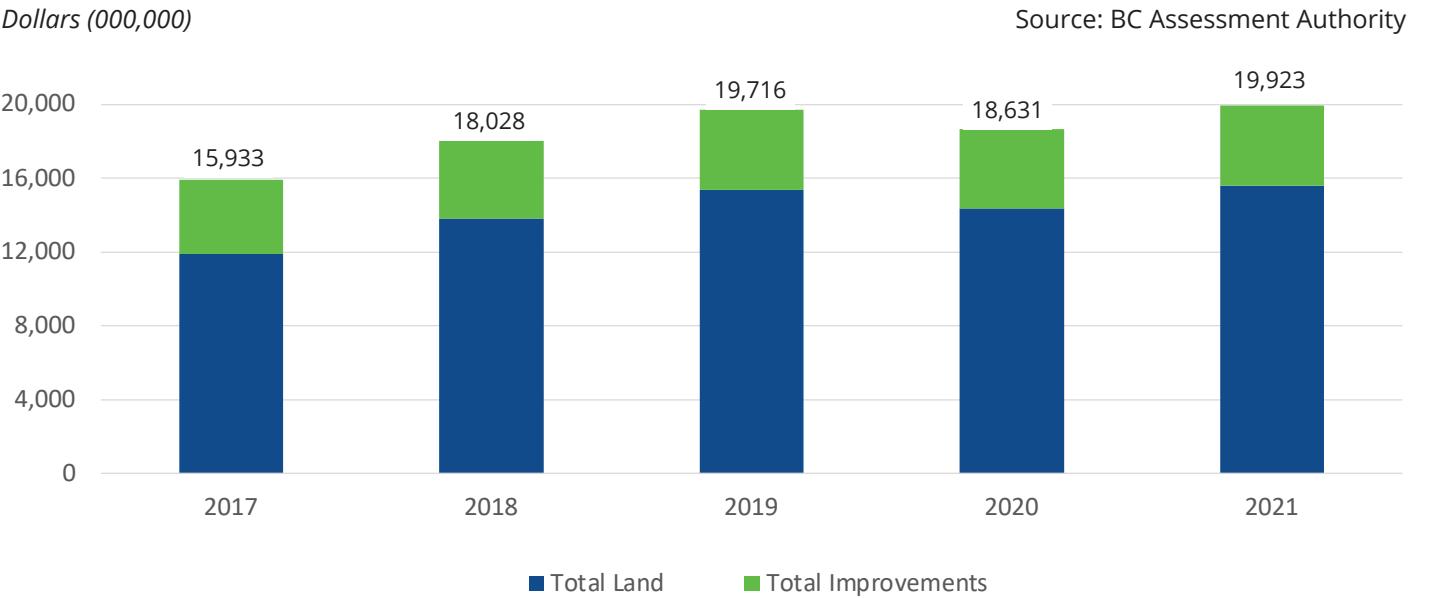
Source: BC Ministry of Municipal Affairs and Housing



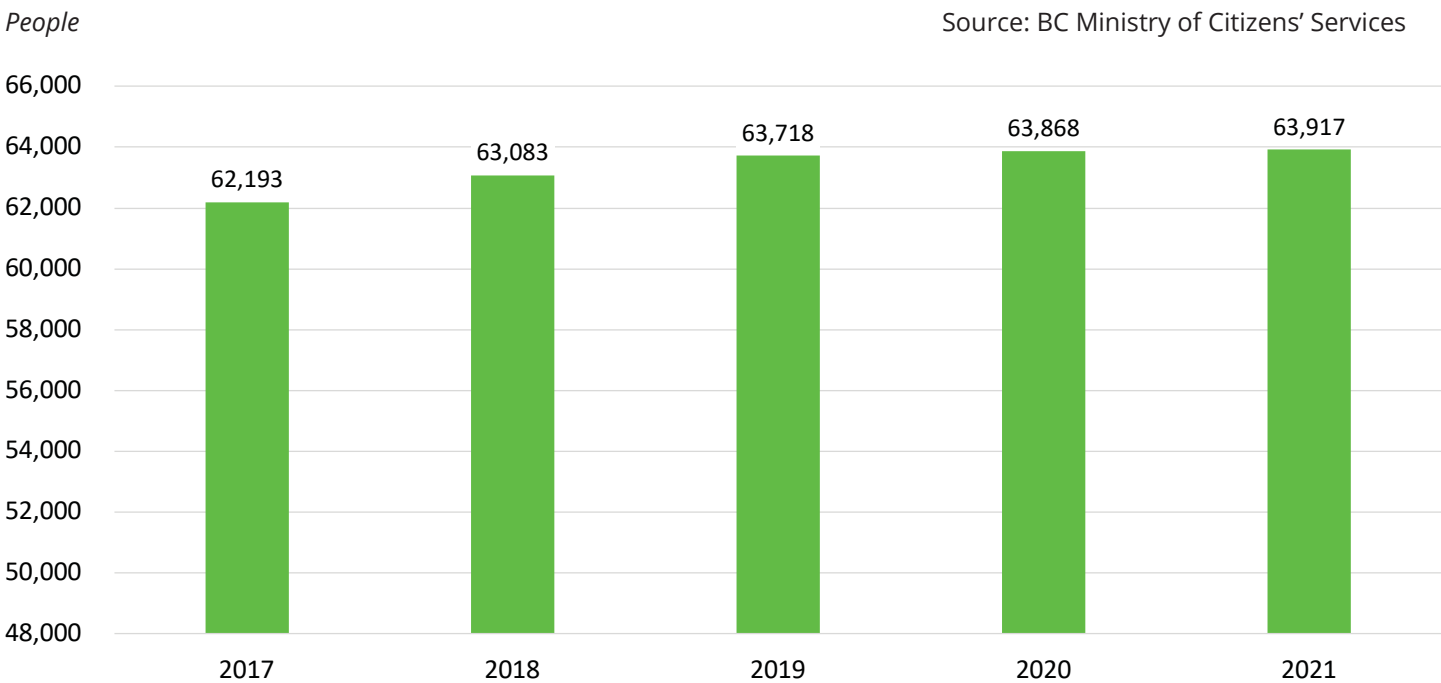


# COMMUNITY STATISTICS

## ASSESSED VALUES FOR GENERAL MUNICIPAL PURPOSES



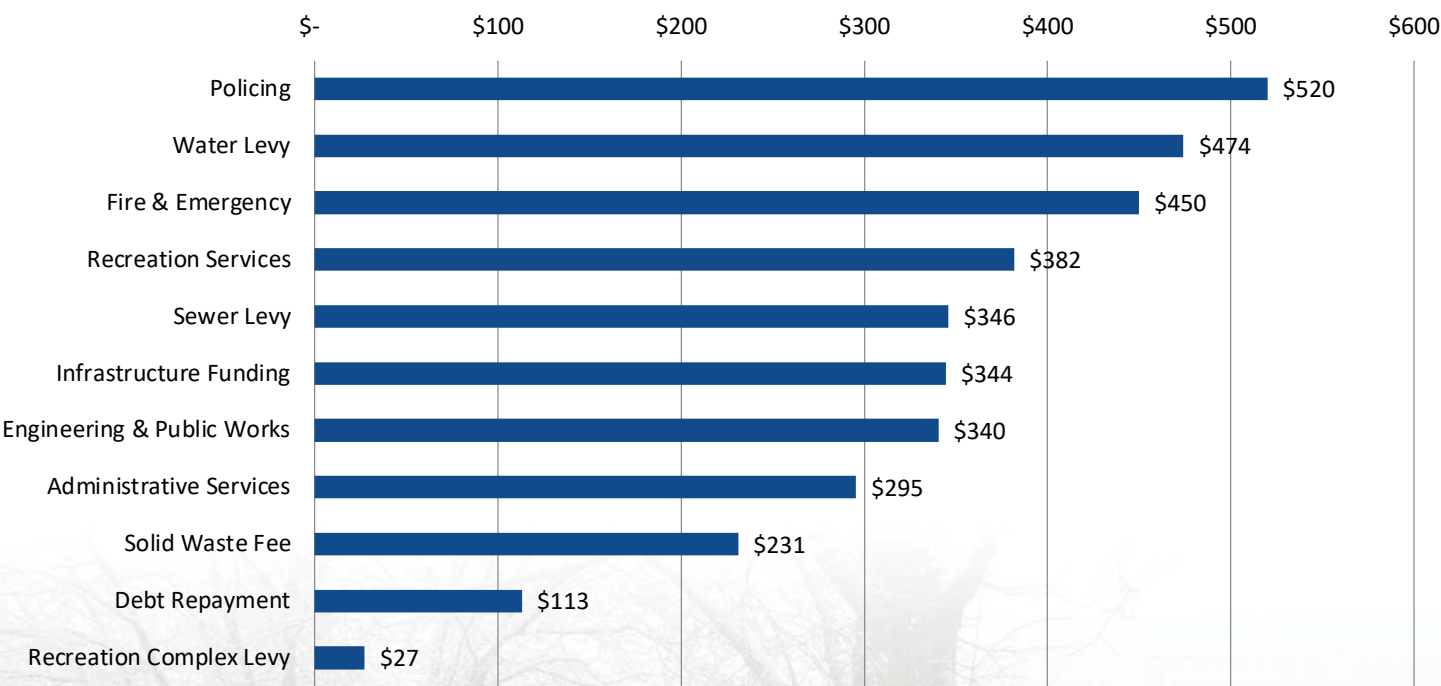
## POPULATION ESTIMATES



# HOUSEHOLD COST OF CITY SERVICES

## ESTIMATED HOUSEHOLD COSTS OF CITY SERVICES FOR AN AVERAGE SINGLE-FAMILY RESIDENCE

Source: City of Port Coquitlam Finance Department





# PROPERTY TAXES

## PROPERTY TAXES LEVIED AND COLLECTED

Thousands

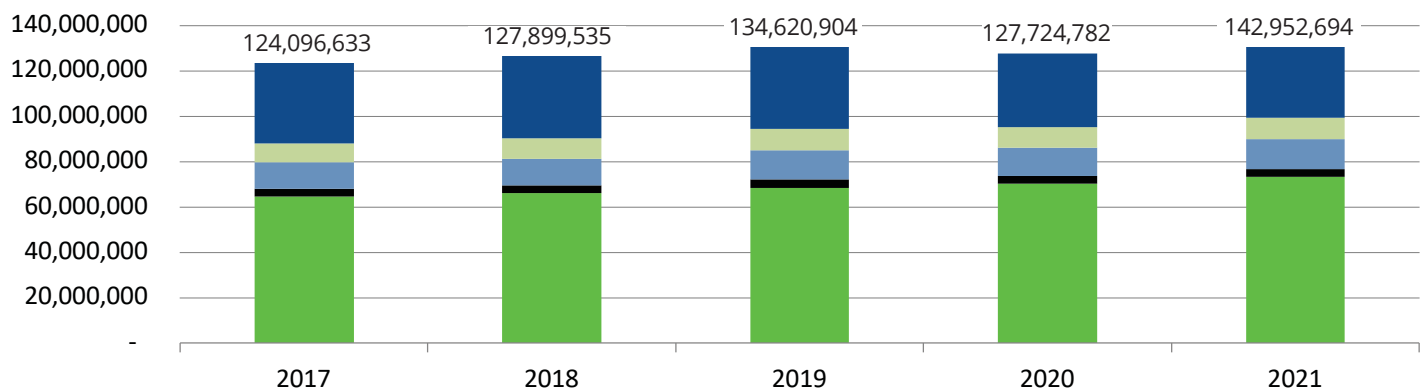
Source: City of Port Coquitlam Finance Department

|                                   | 2017              | 2018              | 2019              | 2020              | 2021              |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| City of Port Coquitlam - Tax      | \$ 64,793         | \$ 66,347         | \$ 68,621         | \$ 70,505         | \$ 73,309         |
| Regional District                 | 866               | 1,010             | 1,091             | 1,277             | 1,494             |
| BC Assessment                     | 929               | 975               | 1,016             | 1,049             | 1,120             |
| Finance Authority                 | 4                 | 5                 | 5                 | 5                 | 5                 |
| School District                   | 28,483            | 29,672            | 31,358            | 22,958            | 33,288            |
| BC Transit Authority              | 5,715             | 6,043             | 6,654             | 6,989             | 7,687             |
| <b>TOTAL CURRENT TAXES LEVIED</b> | <b>100,790</b>    | <b>104,052</b>    | <b>108,745</b>    | <b>102,783</b>    | <b>116,903</b>    |
| Current tax collected (\$)        | 99,585            | 103,132           | 107,452           | 101,277           | 115,306           |
| Current tax collected (%)         | 98.80%            | 99.12%            | 98.81%            | 98.53%            | 98.63%            |
| Tax arrears beginning of year     | 1,667             | 1,553             | 1,816             | 1,755             | 2,075             |
| Tax arrears collected (\$)        | 1,318             | 1,131             | 1,354             | 1,031             | 1,558             |
| Tax arrears collected (%)         | 79.06%            | 72.83%            | 74.56%            | 58.75%            | 75.08%            |
| <b>TOTAL TAX COLLECTIONS (\$)</b> | <b>\$ 100,903</b> | <b>\$ 104,263</b> | <b>\$ 108,806</b> | <b>\$ 102,308</b> | <b>\$ 116,864</b> |

## TAXES, MAJOR LEVIES AND OTHER GOVERNMENT COLLECTIONS

Dollars

Source: City of Port Coquitlam Finance Department



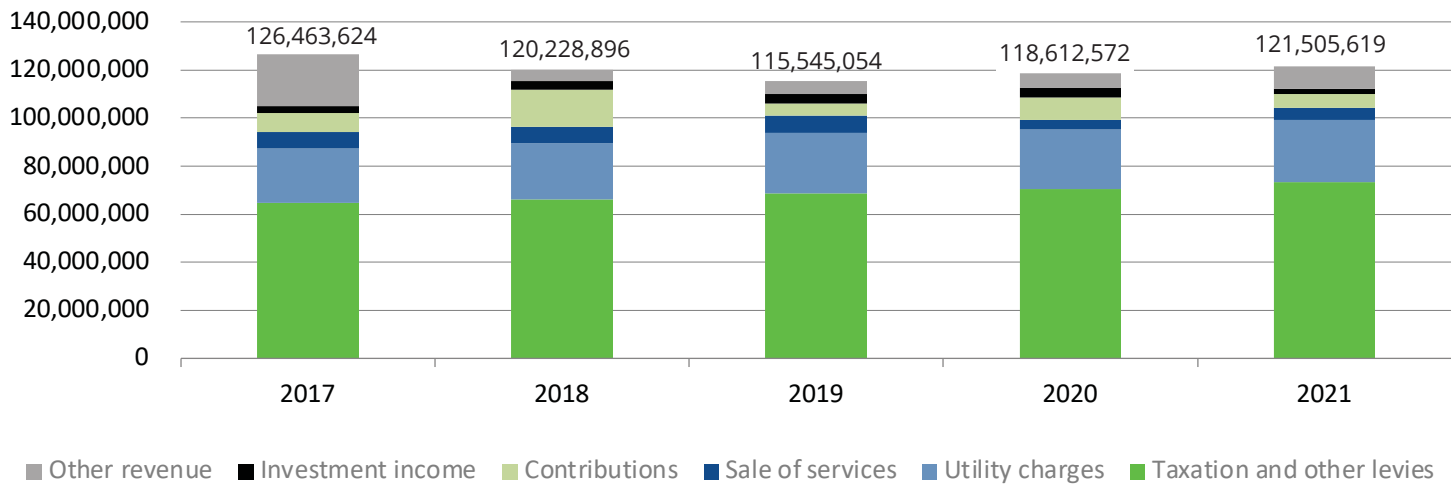
■ Collections for Other Governments ■ Sewer User Rates ■ Water User Rates ■ Solid Waste Levies ■ General Purposes Tax

# TAXES AND REVENUES

## REVENUES BY SOURCE

Dollars

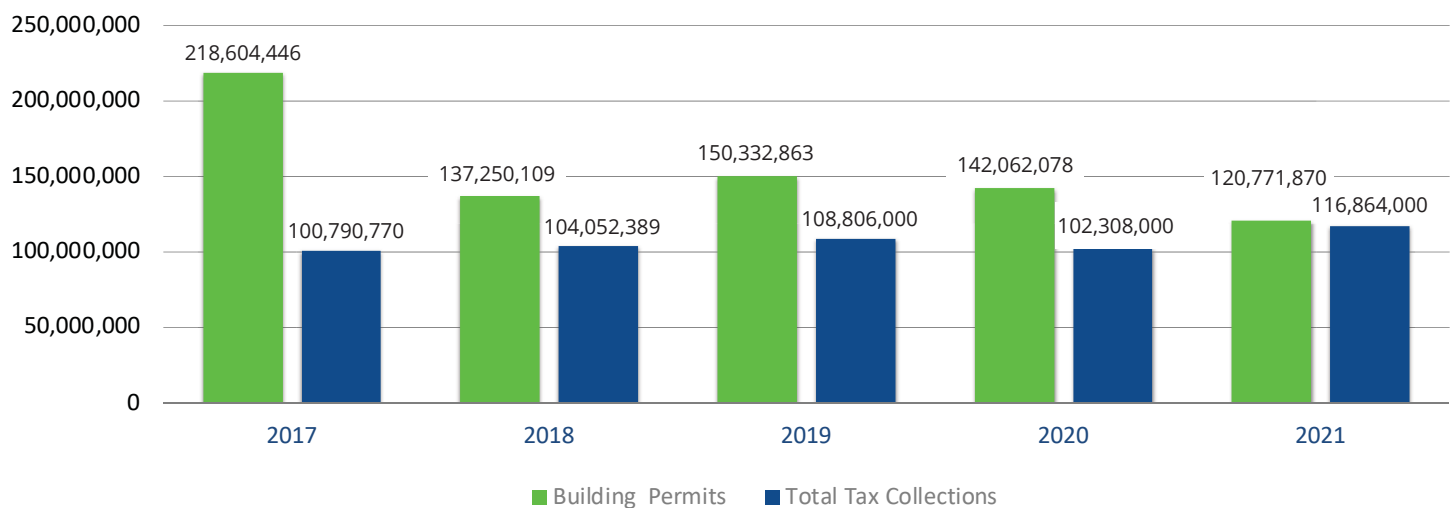
Source: City of Port Coquitlam Finance Department



## BUILDING PERMIT VALUE AND TOTAL TAX COLLECTION

Dollars

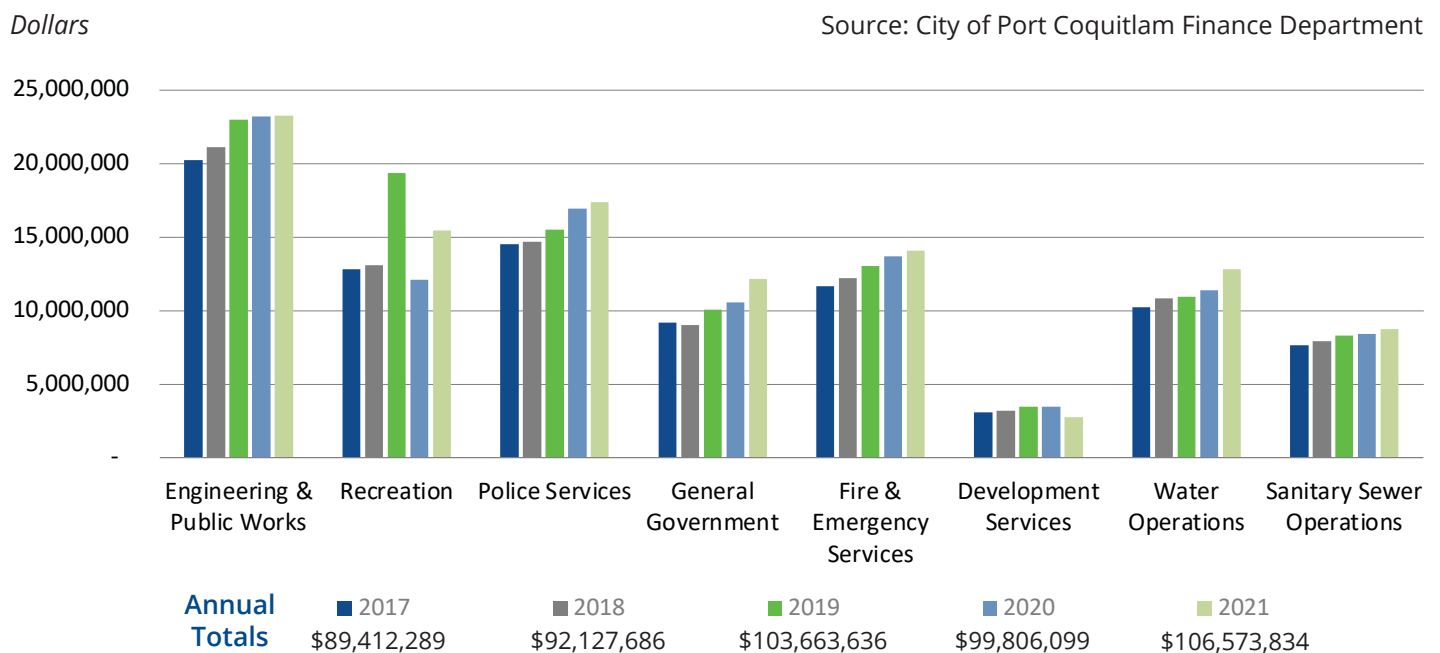
Source: City of Port Coquitlam Finance Department



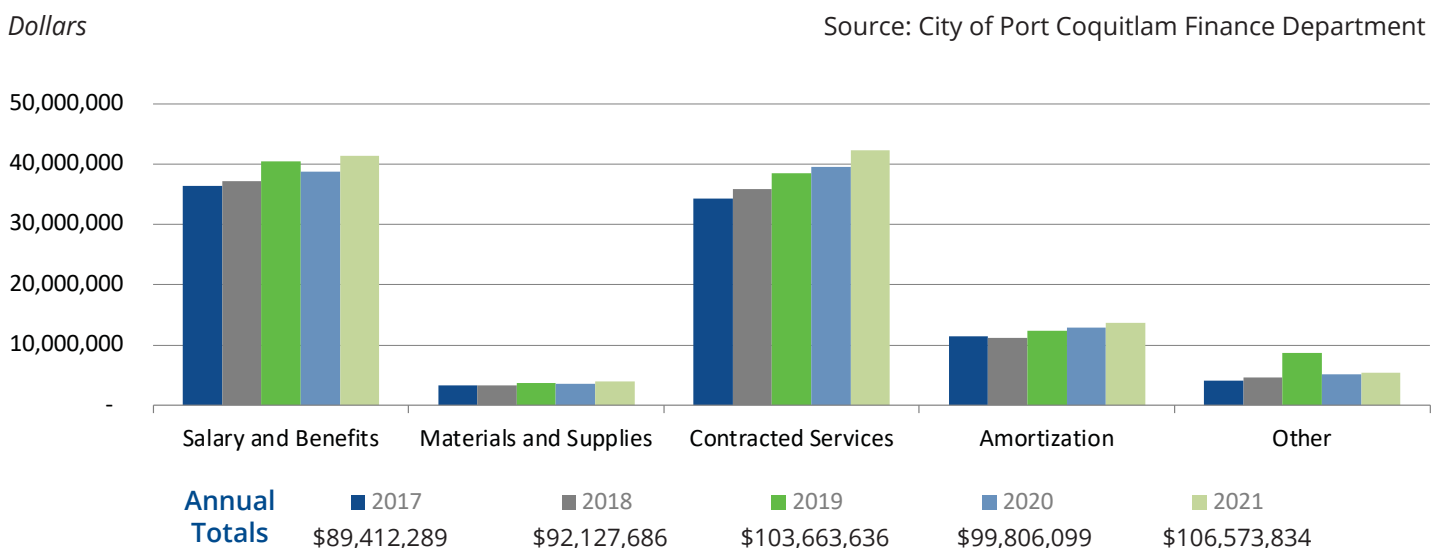


# EXPENSES

## EXPENSE BY FUNCTION



## EXPENSE BY OBJECT

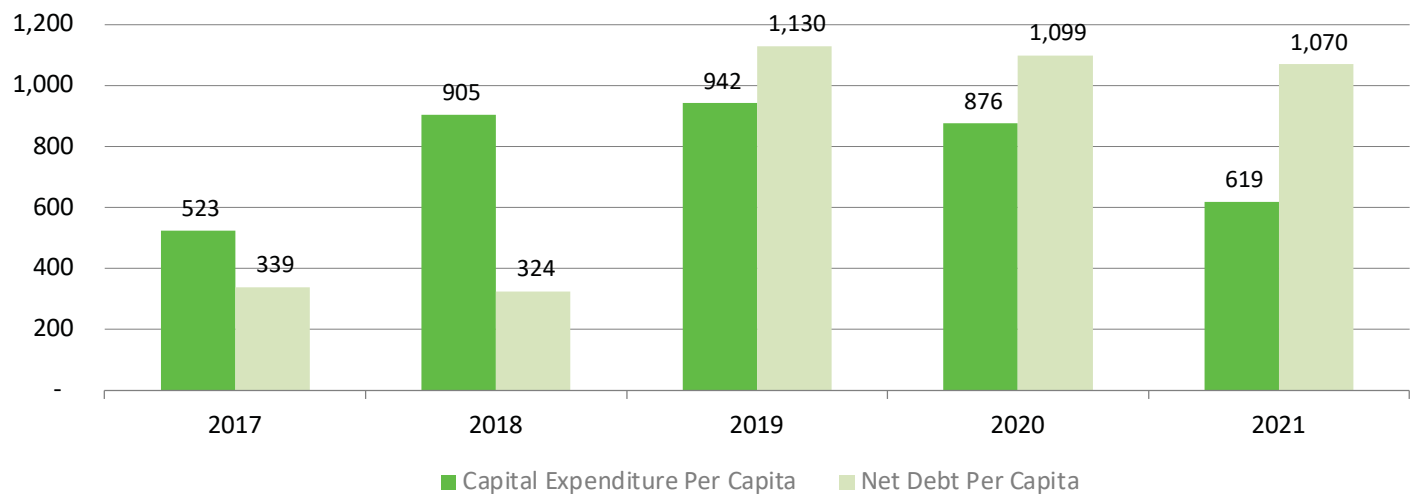


# CAPITAL EXPENDITURES

## CAPITAL EXPENDITURES AND NET DEBT PER CAPITA

Dollars

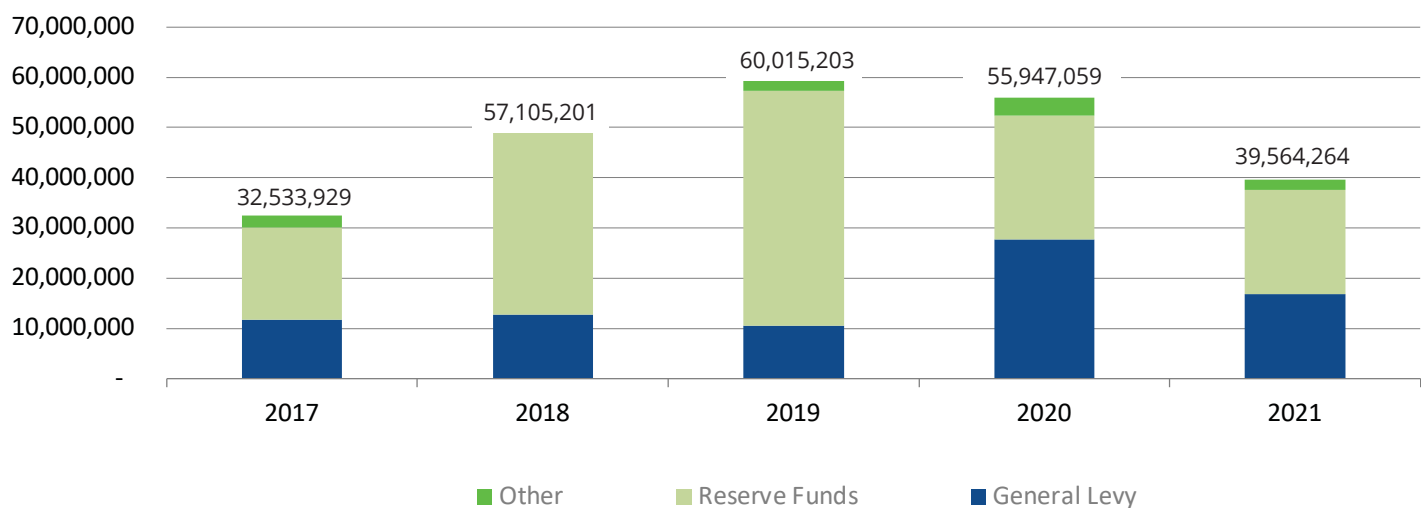
Source: City of Port Coquitlam Finance Department



## CAPITAL EXPENDITURES BY SOURCE

Dollars

Source: City of Port Coquitlam Finance Department



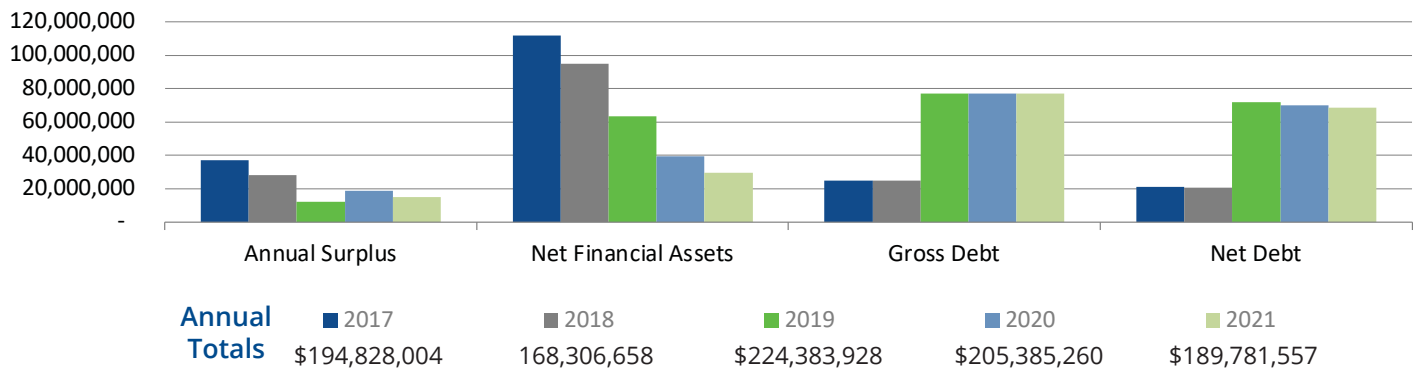


# SURPLUS, RESERVES AND DEBT

## SURPLUS, NET FINANCIAL ASSETS AND DEBT

Dollars

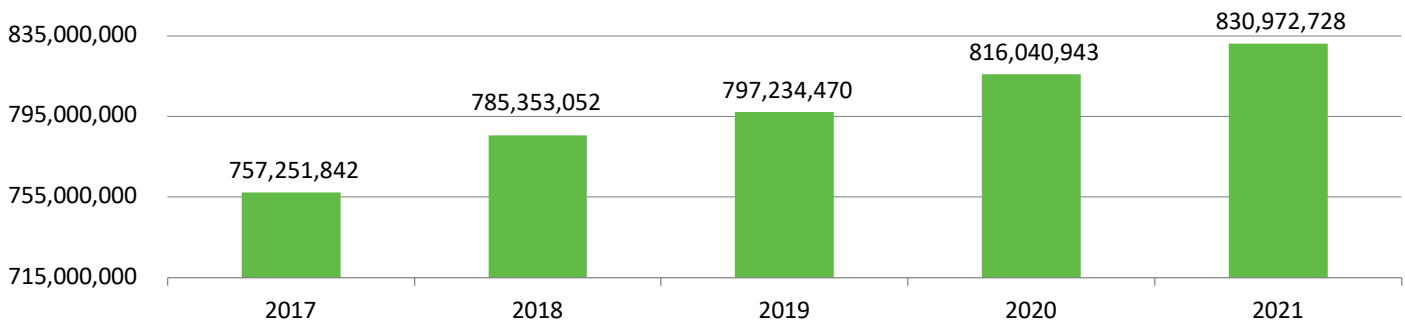
Source: City of Port Coquitlam Finance Department



## ACCUMULATED SURPLUS

Dollars

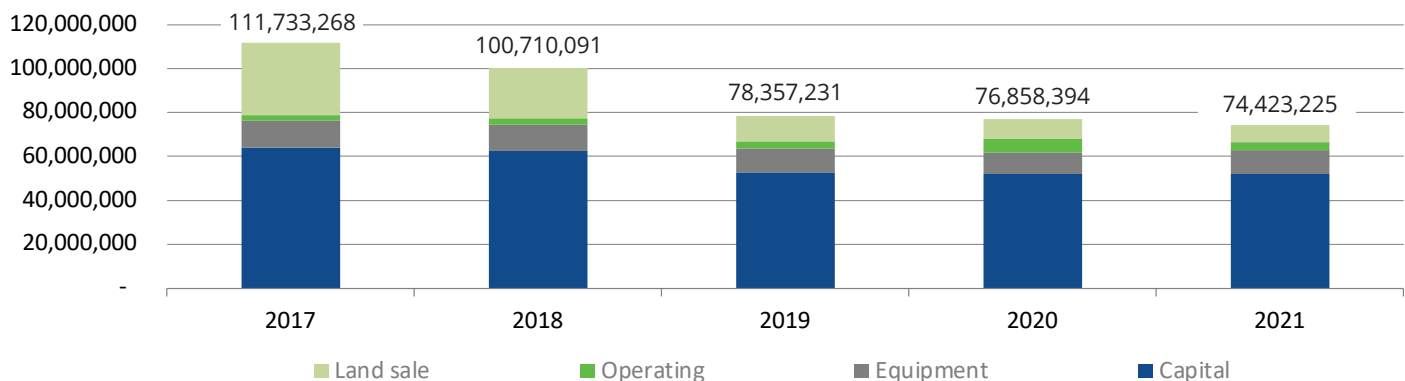
Source: City of Port Coquitlam Finance Department



## SUMMARY OF MAJOR STATUTORY RESERVE FUNDS

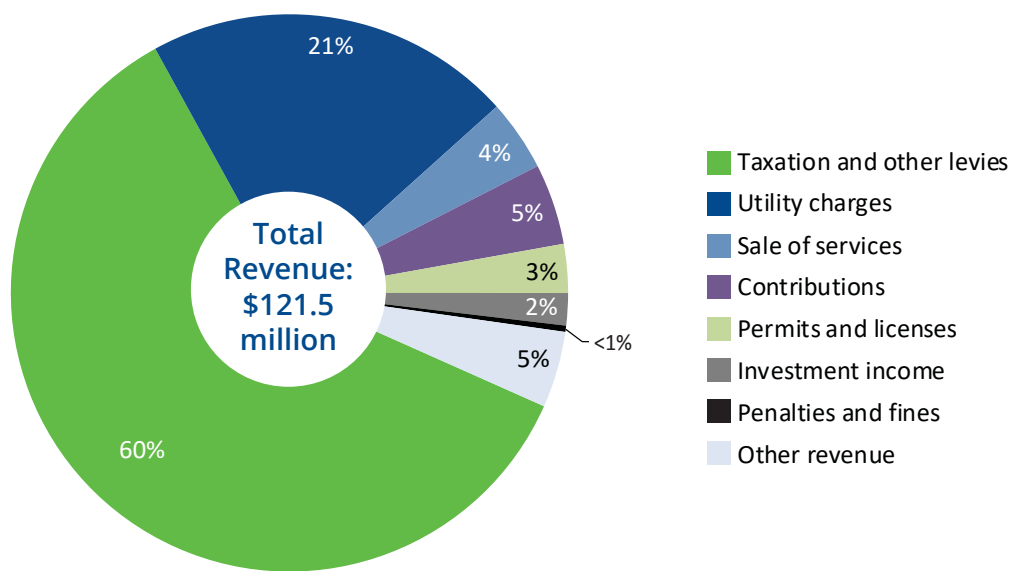
Dollars

Source: City of Port Coquitlam Finance Department

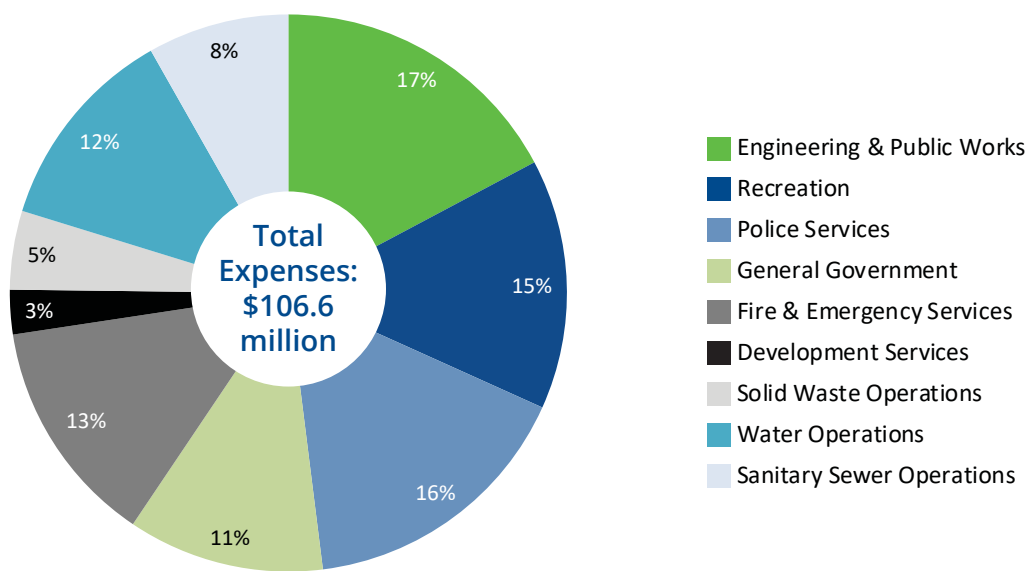


# TOTAL REVENUE AND EXPENSES

## 2021 REVENUE



## 2021 EXPENSES



# PRINCIPAL CORPORATE TAXPAYERS

## MUNICIPAL PROPERTY TAXES PAID IN 2021

| Registered Owner                           | Primary Property       | Taxes Levied        |
|--|------------------------|---------------------|
| 0697788 BC Ltd                             | Shopping Centre        | \$2,694,503         |
| Canadian Pacific Railway Co                | Railyard               | 1,220,752           |
| Kebet Holdings Ltd                         | Miscellaneous          | 760,477             |
| 629654 BC Ltd                              | Warehouse Distribution | 618,757             |
| De Gobbi Industries Ltd                    | Miscellaneous          | 590,003             |
| Saputo/Beedie Holdings Ltd (Kingsway Ave)  | Manufacturing          | 539,097             |
| Artis Poco Place Ltd                       | Shopping Centre        | 466,766             |
| Sysco Canada Inc                           | Food Distributor       | 456,539             |
| Viam Holdings Ltd                          | Warehouse, Storage     | 388,713             |
| Vancouver Fraser Port Authority            | Warehouse, Storage     | 374,186             |
| Beedie (Kingsway Ave) Holdings Ltd         | Manufacturing          | 362,229             |
| 566203 B C Ltd                             | Warehouse, Storage     | 356,475             |
| 1134754 BC Ltd                             | Warehouse, Storage     | 341,966             |
| 1510060 Ontario Inc                        | Shopping Centre        | 334,027             |
| Westlo Financial Corp                      | Shopping Centre        | 333,243             |
| Costco Wholesale Canada Ltd                | Retail Sales           | 326,940             |
| 677129 BC Ltd                              | Warehouse, Storage     | 292,250             |
| Greater Vancouver Transportation Authority | Service Repair Garage  | 290,584             |
| RPMG Holdings Ltd                          | Warehouse Storage      | 286,556             |
| Lwest Holdings Ltd                         | Warehouse Distribution | 281,587             |
| Liberty Properties (DT) Inc                | Warehouse, Storage     | 249,973             |
| Breezy Properties Ltd                      | Manufacturing          | 240,420             |
| Home Depot Holdings Inc                    | Retail Sales           | 239,324             |
| Yen Hoy Enterprises Ltd                    | Shopping Centre        | 237,322             |
| Lloyd Investments Ltd                      | Warehouse, Storage     | 231,765             |
|  |                        | <u>\$12,514,454</u> |



# TAX EXEMPTIONS

## PERMISSIVE PROPERTY TAX EXEMPTIONS IN 2021\*

| Name  | Tax Relief       |
|---|------------------|
| Foursquare Gospel Church of Canada                                  | \$131,454        |
| Our Lady of Assumption Roman Catholic Church & Elementary School    | 60,348           |
| Church in Coquitlam   | 33,528           |
| Kinsight Community Society  | 32,843           |
| Northview Community Church  | 27,060           |
| Port Coquitlam Senior Citizens Housing Society                      | 22,862           |
| Fellowship Deaconry Association of BC                               | 22,487           |
| Royal Canadian Legion Port Coquitlam Branch No. 133                 | 22,468           |
| Trustees of the Trinity Congregation of the United Church of Canada | 21,772           |
| Vancouver Bible-Presbyterian Church                                 | 19,707           |
| Southside Baptist Church  | 16,058           |
| Pentecostal Assemblies of Canada                                    | 15,818           |
| Coquitlam Evangelical Chinese Bible Church                          | 15,283           |
| Islamic Society of BC   | 14,040           |
| Coquitlam Chinese Evangelical Free Church                           | 12,999           |
| Kinsmen Club of Port Coquitlam                                      | 12,388           |
| New Chelsea Society   | 11,330           |
| Hyde Creek Watershed Society  | 10,634           |
| Hope Lutheran Church Port Coquitlam                                 | 9,308            |
| Victory Baptist Church  | 7,714            |
| Affordable Housing Charitable Association                           | 7,708            |
| Port Coquitlam Heritage & Cultural Society                          | 7,346            |
| Community Integration Services Society                              | 6,034            |
| Innervisions Recovery Society of BC                                 | 4,805            |
| Cheshire Homes Society of BC  | 3,463            |
| New View Society  | 2,855            |
|   | <u>\$552,312</u> |

\* Local governments have the authority to exempt eligible properties from property taxation for a specified period of time. Such exemptions must be provided by bylaw. Permissive exemptions are different to statutory exemptions, which are automatic and therefore not at the discretion of a local council or board. This list does not include statutory exemptions provided by the Province.







Tel: 604.927.5411  
[info@portcoquitlam.ca](mailto:info@portcoquitlam.ca)

2580 Shaughnessy Street  
Port Coquitlam, British Columbia  
Canada V3C 2A8  
[portcoquitlam.ca](http://portcoquitlam.ca)

THE CORPORATION OF  
THE CITY OF  
**PORT**  
COQUITLAM  
BRITISH COLUMBIA, CANADA