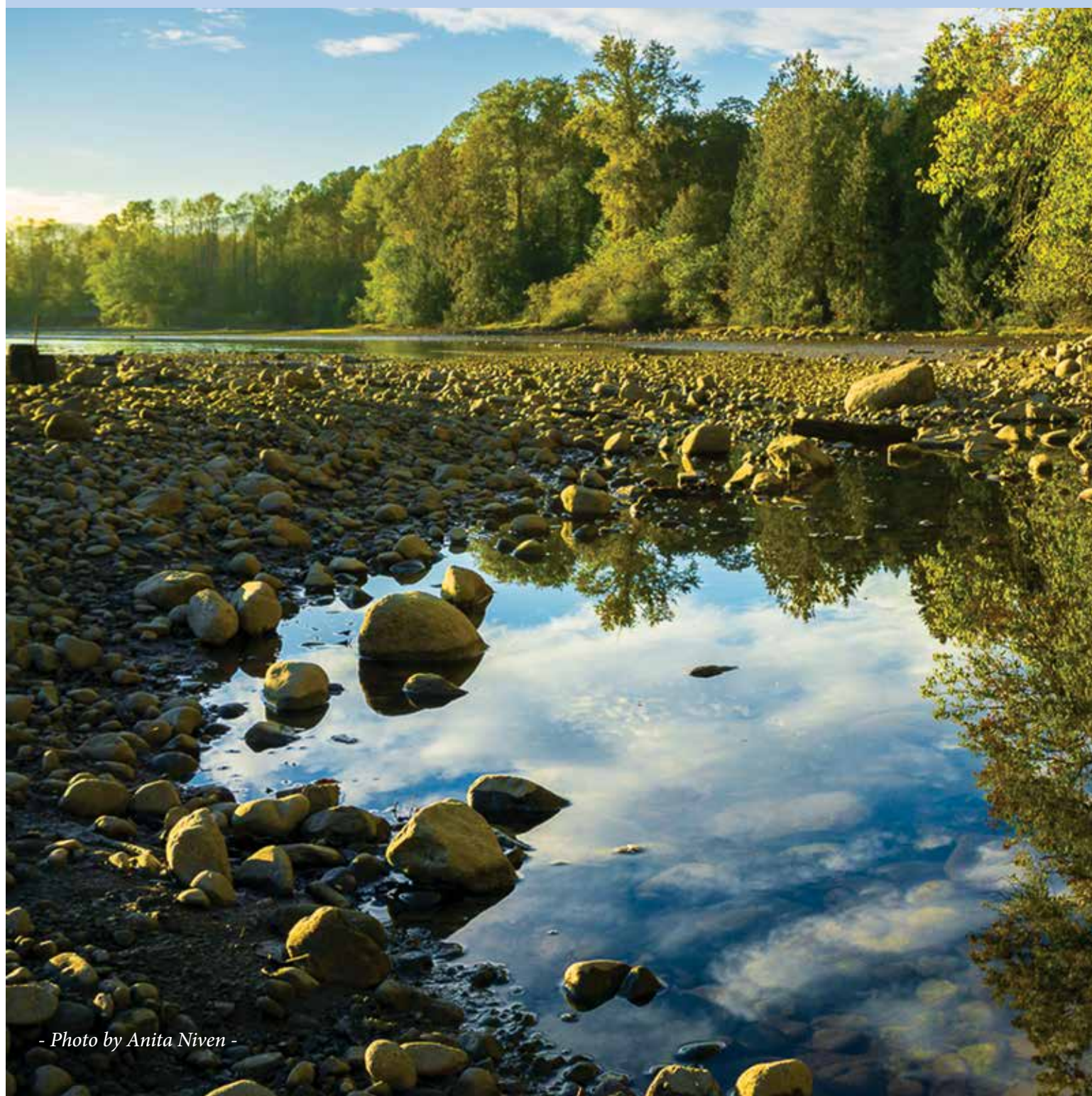




CITY OF PORT MOODY, BRITISH COLUMBIA

# *2018 Annual Report*

FOR THE YEAR ENDING DECEMBER 31, 2018



- Photo by Anita Niven -

**PORT MOODY**  
CITY OF THE ARTS

CITY OF PORT MOODY, BRITISH COLUMBIA

# *2018 Annual Report*

FOR THE YEAR ENDING DECEMBER 31, 2018





*Prepared by the City of Port Moody's Finance and Technology Department,  
in conjunction with the Communications and Engagement Division.*



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*Prepared by the City of Port Moody's Finance and Technology Department in conjunction with the Communications and Engagement Division*

# Mayor and Council

Appointments made December 2018



*Mayor Rob Vagramov*

**Chair:** Police Board

**First Vice President:** LMLGA

**Vice-Chair:** Fire Department Advisory Committee, Transportation Committee

**Representative:** Youth Focus Committee, Emergency Measures Policy and Planning Committee

**Alternative Representative:** Metro Vancouver – Municipal Finance Authority

**Member:** Metro Vancouver Regional District Board, Metro Vancouver Mayors Committee, TransLink Mayors Council, Metro Vancouver Regional Planning, Metro Vancouver Liquid Waste, Metro Vancouver Regional Culture



*Councillor Diana Dilworth*

**Chair:** Heritage Commission, Tourism Committee

**Vice Chair:** Finance Committee

**Representative:** Port Moody Heritage Society

**Alternate:** Municipal Insurance Association



*Councillor Meghan Lahti*

**Chair:** Finance Committee, Climate Action Committee, Community Planning Advisory Committee

**Vice Chair:** Heritage Commission, Environmental Protection Committee



*Councillor Amy Lubik*

**Chair:** Environmental Protection Committee

**Vice Chair:** Climate Action Committee, Seniors Focus Committee

**Representative:** Healthy Community Partnerships



*Councillor Hunter Madsen*

**Chair:** Economic Development Committee, Fire Department Advisory Committee

**Vice Chair:** Parks and Recreation Commission, Tourism Committee

**Representative:** Tri Cities Chamber of Commerce

**Alternate Representative:** Metro Vancouver



*Councillor Steve Milani*

**Chair:** Parks and Recreation Commission, Transportation Committee, Emergency Measures Policy and Planning Committee

**Vice Chair:** Arts and Culture Committee, Community Planning Advisory Committee

**Representative:** Golden Spike Days, Tri-Cities Homelessness and Housing Task Group, Youth Focus Committee

**Alternate Representative:** Emergency Measures Policy and Planning Committee



*Councillor Zoë Royer*

**Chair:** Arts and Culture Committee, Seniors Focus Committee

**Vice Chair:** Economic Development Committee

**Representative:** Arts Centre Society

**Trustee:** Library Board

**Second Alternate:** Municipal Insurance Association

# Message from Council



We are proud to present the City of Port Moody's 2018 Annual Report. The City works hard to deliver services and programs that provide the best value for your tax dollars and make our community a better place to live and work.

In 2018, we focused on what matters most: our people and our natural environment. Maintaining an affordable and diverse housing supply is critical for our residents, and for the economic viability of the City and the region. That's why we developed affordable housing policies, such as the Rental Protection Policy and the Tenant Relocation Assistance Policy. The Rental Protection Policy encourages developers to retain or replace existing rental and affordable housing, as well as provide new rental and affordable units. The Tenant Relocation Assistance Policy outlines the City's expectations with regard to notification, financial compensation, and the designation of a relocation coordinator for tenants who may be displaced as a result of the redevelopment of existing rental housing sites. Two new staff positions, Social Planner and Policy Planner, were created in 2018 to help guide the City in making land use decisions that create a sustainable and liveable community.

2018 was a year of taking increased steps to protect our natural environment. City staff responded to environmental incidents, conducted a variety of public education campaigns, planted Naturescape plants on City lands, and supported volunteers in the removal of invasive plant species. We also created the new staff position of Sustainability and Energy Coordinator to assist with policies and plans that touch on environmental protection, energy management, and community response to climate change.

We worked to highlight the importance of arts, culture, and heritage in Port Moody. The City hosted its first-ever Community Fair, with involvement from 32 community groups, and hired its first Resident Artist, who will engage with residents on community art projects and work to integrate public art with new infrastructure. The City also published a special, commemorative edition of the Port Moody Calendar showcasing historical photos of our city in celebration of the Port Moody Heritage Society's 50th anniversary.

And 2018 was a year of transition, as Port Moody residents participated in a general local municipal and school board election to choose one mayor, six councillors, and two school trustees for a four-year term. Our new Council is proud to represent the people of this unique, inclusive, and resilient community, and we look forward to working with City staff, residents, businesses, and community groups to maintain and improve the amazing quality of life that we all enjoy here in the City of the Arts.



*June 2018* - We hosted our first ever Community Fair. Community members connected with local people, services, and organizations that make Port Moody such a great place to live, work, and play.



*April 2018* - April 20 was the 10-year anniversary of the Recreation Complex expansion, and we celebrated with prizes and activities all day long.



*June 18* - Former Councillor Gerry Nuttall receives the Freedom of the City honour for his long-time service to the community.



*September 2018* - New artist-designed vinyl wraps are unveiled on four of the City's waste collection trucks. The objective of this public art project is to make art accessible to the public through everyday City projects and operations.



*October 2018* - Port Moody residents went to the polls to vote in our 2018 general local election. 38% of eligible voters cast a ballot.

# Message from the City Manager



The City Manager's Office serves Council directly and acts as the primary liaison between staff, City Council, and the Mayor's Office. The City Manager's role is to put Council's priorities into action, guide staff as they provide professional advice and recommendations to Council on items for decision, and ensure that a high level of customer service is maintained for the citizens of Port Moody. This includes leading the implementation of Council's strategic plan, policies, and decisions.

In 2018, City staff made significant progress in achieving the objectives outlined in the Council Strategic Plan. We continued to strengthen and modernize the tools we use to regulate development by preparing a brand new Zoning Bylaw. We also continued to implement the Master Transportation Plan, with projects that support public transportation, encourage walking and cycling, and create effective connections between neighbourhoods.

Throughout the year, City staff demonstrated their commitment to customer service and public safety, and brought people together to celebrate Port Moody's sense of community. We:

- helped 18,081 people register for recreational programs;
- scanned 168,761 fitness membership cards;
- issued 22 filming permits;
- increased the number of electric vehicle charging stations in the City from five to 12 and upgraded existing stations;
- planted 2,000 square metres of City lands with Naturescape plants;
- hosted six major community events;
- engaged with our residents and businesses to obtain their input on 12 different topics;
- supported 14 special events and festivals organized by community groups; and
- responded to more than 1,350 fire/rescue incidents.

I am proud to lead our talented and hard-working team of City staff as we turn our attention to achieving the objectives set by Council in the 2019-2022 Strategic Plan.

A handwritten signature in black ink that reads "Tim Savoie". The signature is written in a cursive, flowing style.

**Tim Savoie, MCIP, RPP**  
City Manager

# Organizational Structure



## City Awards

*Canadian Award for Financial Reporting* The City of Port Moody received the **Canadian Award for Financial Reporting** (CAnFR) for its 2017 Annual Report. This award recognizes Port Moody for preparing comprehensive annual financial reports that are transparent and provide full disclosure. This is the 14<sup>th</sup> year in a row that Port Moody has won this prestigious award.

### *MarCom Awards Honouring Excellence in Marketing and Communications*

The City of Port Moody received a platinum **MarCom Award** in 2018 for outstanding design work for the Arts and Culture Master Plan. The MarCom awards are internationally recognized, and celebrate the creativity and hard work of industry professionals.

# Department *Overviews*



## City Administration

Reporting to Council, the City Manager provides strategic leadership to the organization in carrying out Council's strategic plan and directives. The City Manager also provides professional advice for timely, responsive, effective, and efficient City operations. Office staff provide administrative support to Mayor and Council in the execution of their duties by managing correspondence, budgeting for expenses, and assisting with arrangements for meetings and public engagements.

## Mayor and Council

Port Moody Council is comprised of the Mayor and six councillors. Elected by residents, Mayor and Council drive the vision of the City and its services through their strategic plan, public consultation, policies, and bylaws.

The key function of Port Moody Council is to provide direction to City employees and to carry out the decisions and tasks set by Council as outlined in the Community Charter. Other Council responsibilities are to:

- consider the interests and well-being of the public and the City
- establish and update goals and policies
- determine which services the City provides
- ensure that the City's operations are transparent
- ensure long range financial stability
- plan for the future needs of the City
- ensure that the community is aware of the City's goals, performance, and achievements
- select the City Manager, define their duties and responsibilities, and evaluate performance.

## Department Highlights

- Processed registration information for 18,081 people who signed up for recreation programs, and scanned 168,761 fitness memberships at the Recreation Complex
- Sold 840 unlimited \$20 drop-in passes for children and youth to participate in activities at Port Moody recreation facilities
- Managed 134 Inlet Theatre rental contracts, representing 302 separate bookings – the theatre was in use for 2,167 hours in 2018
- Issued 22 filming permits
- Issued 14 street performers permits – the most in any year
- Supported 14 community-organized festivals and special events
- Presented Barney Bentall and the Legendary Hearts at the City's Canada Day celebration
- Installed the Canada 150 Mural Mosaic in the Recreation Complex plaza, and completed public artworks on four new waste collection vehicles
- Hired the City's first Resident Staff Artist
- Increased the number of electric vehicle charging stations in the City from five to 12, and upgraded existing stations
- Installed a new boiler at the Westhill Pool
- Installed a temporary ice chiller in Arena 2 to address failure of existing unit, losing only five weeks of ice rather than an entire season



## Community Services

### *Cultural Services Division*

We are City of the Arts! Cultural Services facilitates community cultural development in the city. The Division supports cultural groups and manages cultural facilities, festivals, and events, as well as the City's public art program.

### *Facilities Division*

The Facilities team is responsible for 327,200 square feet of facility space and a 50 year lifecycle plan to effectively manage City assets valued at over \$137 million. Facility staff ensure the provision of clean and safe facilities.

### *Recreation Division*

The Recreation Division offers programs, services, and special events, as well as facility and field rentals. The programs and services offered meet the needs of all ages and interests. The division also provides Emergency Support Services to residents during disasters and emergencies.

## Department Highlights

- Clerked 92 Council meetings and 135 committee meetings
- Handled 44 requests for City records filed under the Freedom of Information and Protection of Privacy Act
- Conducted a general local election (with voter turnout of 38%) including a community opinion question; expanded the mail balloting program
- Managed 107+ recruitment and selection processes, placing approximately 180 successful candidates
- Supported 12 public consultations
- Hosted six major City events
- Processed more than 12,000 community engagement responses from residents
- Recorded 1.9 million unique views on the City's website
- Received 6,799 "likes" on the City's Facebook page, and reached 7,702 Twitter followers
- Issued 60 news releases, public service announcements, and advisories
- Placed 101 advertisements
- Held the inaugural Port Moody Community Fair at City Hall with the participation of more than 30 local non-profit organizations, special interest groups, and community associations
- Won the Platinum MarCom design award for the Arts and Culture Master Plan
- Published 24 City publications



## Corporate Services

### *Communications and Engagement Division*

This division leads public awareness of City initiatives, programs, and operations, and creates opportunities for citizen input. Staff offer strategic communications advice, guidance, and planning. They also manage the City's brand, provide in-house graphic design for publications, signage and advertising, manage the website and social media, handle media relations, facilitate community engagement, and organize and support civic events.

### *Human Resources Division*

This division oversees human resources and occupational health & safety. Staff provide professional services in organizational development, compensation and benefits administration, recruitment, learning and development, employee relations, labour relations, health and safety, and recognition programs.

### *Legislative Services*

Legislative Services manages and provides advice on the governance process relating to Council and committee business and elections. Staff manage official corporate records, information requests, legal agreements, policies, and Council meetings.

## Department Highlights

- Completed widening of westbound portion of Barnet Highway Overpass to provide multi-use path in coordination with deck replacement
- Installed rapid-flashing beacon crosswalks at six locations on loco Road and Dewdney Trunk Road
- Completed seven bus stop accessibility upgrades
- Introduced Multi-Family Residential Parking Permit Program in Evergreen Extension areas
- Worked with U-Bicycle to implement bike sharing in Port Moody
- Completed loco Lands Connector Options study
- Collected 6,944 tonnes of solid waste (recycling, green waste, and garbage) while maintaining a 75% diversion rate
- Completed Angela Drive and Cecile Drive Road Rehabilitation Project including installation of curb extensions at the Angela/Cecile intersection
- Completed Avalon Drive storm sewer replacement
- Completed uni-directional flushing of approximately 26 km of the City's water distribution system in the Heritage Woods, Heritage Mountain, Mountain Meadows, Noons Creek, and Twin Creeks neighbourhoods
- Serviced approximately 600 hydrants
- Cleaned approximately 14 km of storm sewer mains
- Cleaned approximately 1,200 catch basins
- Cleaned approximately 12 km of sanitary sewer mains



# Engineering and Operations

## *Engineering Division*

The Engineering team is responsible for the City's infrastructure, including planning, design, and capital construction projects. Staff are responsible for transportation and traffic, water, sewer, storm water, roads and sidewalks, bridges, street lights, traffic signals, and solid waste planning and projects.

## *Operations Division*

The Operations team is responsible for operating and maintaining public works assets valued at \$115 million. This includes all City roads, sidewalks, bridges, street lights, road signs, water mains, sewer mains, and storm water infrastructure. This team also manages the City's fleet and collects green waste, recycling, glass, and garbage.

## Department Highlights

- Organized Nesting Nests, an ecological and community art project to celebrate Bird Week
- Provided on-the-ground response to 52 environmental and pollution incidents
- Conducted a public education campaign on a variety of environmental topics focused around Earth Day (including natural gardening, Chafer Beetle, bear awareness, bat biology, and recycling)
- Supported 155 volunteers who removed 45 cubic metres of invasive plants along the Shoreline Trail during community events
- Planted 2,000 square metres of City lands with Naturescape plants as part of invasive plant removal and restoration projects
- Expanded wildlife management efforts for targeted species (bear, geese, and beaver)
- Resurfaced sections of the Shoreline Trail bike path
- Supported 179 picnic shelter rentals and 21 park events
- Planted 14,500 annual plants and 23,310 bulbs
- Contributed to the development of a Festival and Special Event Handbook, in collaboration with Cultural Services. This publication is designed to help organizers plan and execute events
- Installed seasonal hanging baskets throughout Queens Street Plaza and Moody Centre
- Initiated an update of the City's 20-year-old Environmentally Sensitive Areas Strategy



## Environment and Parks

### *Environment Division*

The Environment Division provides advice with respect to environmental, economic, social, and cultural issues from a community and corporate perspective. The division also handles a diverse range of environmental related matters and regulatory processes.

### *Parks Division*

The Parks team is responsible for managing and maintaining 50 parks which cover more than 400 hectares and amenities valued at \$9,600,000. This includes nine sports fields, 56km of trails, playgrounds, urban forests, horticultural beds, landscaping, and the Rocky Point pier, floats, and boat ramp.

## Department Highlights

- Received the Canadian Award for Financial Reporting for the 2017 Financial Report
- Received a clean, unqualified audit opinion for 2018 for complying with generally accepted accounting practices for Canadian local governments
- Facilitated the annual Five-Year Financial Plan (budget) process as required under the Community Charter, including public consultation – the budget ranges from \$73 million in 2018 to \$77 million in 2022
- Managed a cash and investment portfolio of approximately \$71 million that met the City's capital financing and liquidity needs
- Publicly advertised and awarded 22 City purchasing opportunities (tenders and Requests for Proposals)
- Managed a number of upgrades and implementations to the City's network of computerized information systems including email, GIS mapping, and fuel monitoring
- Purchased and began planning for the implementation of the City's new Parks and Recreation management software
- Implemented new Prevero budget software designed to assist City departments and Council in making more informed, long-term financial operating and capital planning decisions
- Responded to more than 3,500 internal requests for information systems support
- Billed more than \$64 million in total property charges and processed 655 property tax deferrals, an increase of 21% over the previous year



# Finance and Technology

## *Finance*

Finance provides financial accounting, reporting, and analysis services to the City, as well as annual internal and external audits. This area calculates bills and collects annual property taxes and utility charges. Finance is also responsible for the City's annual budget process and payroll services.

## *Information Services Division*

The I.S. team operates the City's telephone and data network with a wide range of information systems and technology services. I.S. also supports online web services, which allow taxpayers to pay bills online, sign up for recreation programs, and access ViewPort, our public-facing GIS system.

## *Purchasing*

Purchasing is a centralized function, responsible for the efficient and economical acquisition and payment of materials, supplies, equipment, rentals, and services for the City's operations and programs. Purchasing also disposes or recycles surplus equipment and materials.

## *Real Estate*

Real Estate facilitates the management of the City's land inventories to maximize the value of these critical assets. The City's land assets are non-renewable and require ongoing stewardship to ensure they provide long-term benefits.

## *Risk Management*

Risk Management provides risk assessments on City parks, facilities and infrastructure; manages property loss and damages claims; negotiates and renews vehicle, property, liability and volunteer insurance; and provides advice to departments to control, transfer and mitigate risks/hazards.



# Planning and Development

## *Building, Bylaw and Licensing Division*

Bylaw enforcement staff undertake activities to achieve compliance with City bylaws. Building officials provide building permit review and inspection services. Licensing staff facilitate the issuance and renewal of all licences required by the City.

## *Development Planning Division*

The Planning Division provides a coordinated one-stop service for development related applications. Staff in this group provide professional land use and development planning services that facilitate all municipal approval processes from the conceptual stage to Council's consideration.

## *Policy Planning Division*

This group supports Council by updating and developing policies and bylaws related to land development and sustainability.

## Department Highlights

- Updated the Zoning Bylaw (adopted by Council in July 2018)
- Created five new staff positions (Social Planner, Policy Planner, Sustainability and Energy Coordinator, Manager of Development Planning, and Assistant Building Official) to improve service to the community
- Developed affordable housing policies including the Rental Protection Policy and the Tenant Relocation Assistance Policy
- Hosted an affordable housing workshop with Port Moody's Citizen Advisory Group to discuss possible options and initiatives that the City could undertake
- Initiated consultation with industry on potential early adoption of BC Energy Step Code
- Processed 76 planning and development-related land use applications for a total revenue of \$374,360
- Issued 439 building permits with a combined construction value of \$124,295,570
- Issued 2,725 business licences for a total revenue of \$654,687
- Conducted 1,700 building inspections
- Issued 1,528 tickets (totalling \$100,250 in fines) for parking infractions
- Conducted late night and early morning patrols that resulted in 316 tickets issued to property owners (\$18,100 in fines) for violations related to placement of solid waste collection carts



## Department Highlights

- Responded to more than 1,350 incidents in 2018, including 313 fire calls, 686 first responder medical calls, and 103 motor vehicle incidents
- Participated in more than 8,195 person-hours of training
- Conducted more than 1,100 property fire inspections
- Participated in high-rise fire scenario training with our neighbouring municipalities
- Engaged stakeholder groups in training exercises including the Canadian Coast Guard for mud-flat rescue training
- Partnered with Port Moody Police to conduct several “Chat with the Chiefs” community information sessions
- Deployed two senior staff to assist the District of Fort St. James in their Emergency Operations Centre when that community was threatened by wildfire
- Deployed Port Moody Fire Rescue wildfire suppression equipment to assist the City of Richmond and the District of Kent when their communities were threatened by wildfire

# Port Moody Fire Rescue

## *Administration*

This division is responsible for budgeting, purchasing, payroll, records management, scheduling, reception, etc. While the Deputy Fire Chief oversees the operations and training divisions, the Fire Chief is responsible for all functions of PMFR.

## *Emergency Measures*

PMFR is responsible for the City’s Emergency Management Program. This includes everything from planning for a major emergency response to managing a complete recovery, training staff and volunteers, and providing emergency planning information to the public.

## *Life Safety Division*

The Life Safety Division performs fire prevention activities such as fire safety inspections, fire code enforcement, and public education. Other responsibilities include property pre-planning, plan examinations for new construction, and fire investigations.

## *Operations Division*

This division is responsible for fire suppression, first responder medical aid, and rescue services. Operations also assist the Life Safety Division with fire safety inspections and public education.

## *Training Division*

This division supports operations by coordinating, delivering, and recording training which is based on industry standards.



## Department Highlights

- Received 7,488 calls for service, including 548 emergency in progress calls – a slight reduction from 2017 in both cases
- Issued 3,085 written traffic warnings (up 28.8% from 2017) and 1,438 violation traffic tickets, with a significant increase in violations for excessive speeding (40km/hr over the posted limit)
- Investigated 223 impaired driving files, an increase of 23% over 2017 (the increase is likely due to increased enforcement)
- Noted that false or abandoned 9-1-1 calls increased by 45% for the highest rate in five years (the main culprit is accidental pocket-dialing from cellphones)
- Initiated a Domestic Violence Officer position
- Partnered with Port Moody Fire Rescue to conduct several “Chat with the Chiefs” community information sessions
- Introduced the very popular “Cops Like Lemonade” youth engagement project, which involved on-duty police officers seeking out community lemonade stands to model positive police interactions
- Partnered with Port Moody Rotary and received a generous donation/grant of more than \$20,000 to purchase a community events trailer
- Hosted inaugural “True 2 U” event celebrating women’s and girls’ empowerment with 140 participants from five different local schools – one of the participants won a Police Chief for the Day contest

# Port Moody Police

## Communications

Communication operators are often the first contact with citizens. They are the link between citizens and officers on the street. Assessing, coordinating, and dispatching are the cornerstones of this section. The PMPD utilizes the services of E-Comm 9-1-1.

## Community Services

Two branches operate in this section: Community Services Section and Victim Services. The Community Services Section includes the Youth Liaison Officer, the Mental Health Officer, the Community Relations Officer, and volunteer programs such as Bike Patrol and the Volunteer Vehicle Patrol. Victim Services provides support services to victims of crime.

## Operational Support

A variety of essential services make up this section: court liaison, criminal and personnel records management, detention services, fleet management, exhibit management, financial services, computer systems and support, quality assurance, and office management.

## Operations

Mandated to ensure public safety, Operations actively responds when needed to address all criminal and service calls from citizens. Operations includes Patrol, Traffic Services, Major Crime, and Forensic Identification. Regional integrated teams such as Emergency Response Team, Police Service Dogs, and the Homicide Team are also included in this section.

## Department Highlights

- Welcomed 320,000 visitors to the library, for an average of 90 people per open hour
- Loaned out 627,703 items
- Offered 684 programs, with a total attendance of 30,190
- Offered the annual Summer Reading Club with more than 1,400 children participating
- Offered more than 235 hours of outreach programming including story times at the SHARE Food Bank and Port Moody Car-Free Day, information at the Ismaili Cultural Centre, and workshops at the YMCA Childcare Resource and Referral Office
- Launched a digitization station that allows customers to convert photos, slides, family videos, documents, and letters into digital formats
- Partnered with Simon Fraser University to present an in-depth introduction to coding for children in grades 3 to 5
- Partnered with New to BC to provide volunteer opportunities for new and recent immigrants to Canada
- Hosted a presentation by local artist Frank Townsley on the landscapes, flora, and fauna of our province as captured in his recent book *British Columbia – Graced By Nature's Palette*
- Presented a comic writing workshop for children in grades 2 to 5 with local author-illustrator Ashely Spires
- Continued with our "Learn About Canadian Culture" series for newcomers, which included a successful session on First Nations

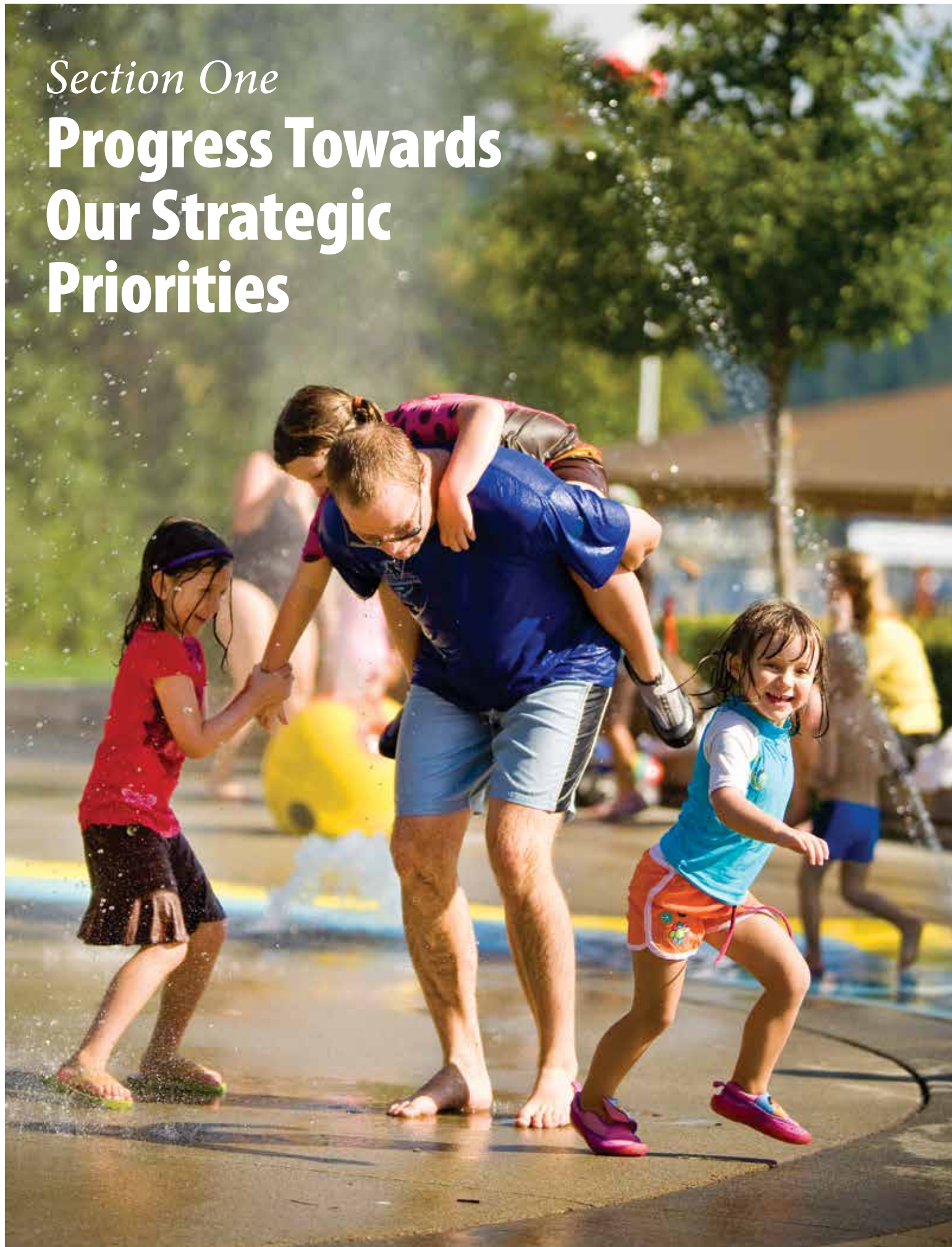


## Port Moody Public Library

The Library's mission is to connect people with ideas and information, to inspire imagination and a love of reading, and to facilitate lifelong learning and discovery. It is a welcoming, open and free community gathering place where all can reflect, learn, create, share, and debate.

We have digital, print and multimedia collections for all ages. Our innovative programs and services support 21<sup>st</sup> century literacies. The library also offers individual and group study space, public internet computers, WiFi, copying and printing, meeting space, and a cozy fireside reading room.

*Section One*  
**Progress Towards  
Our Strategic  
Priorities**



# 2015–2018 *Council Strategic Plan*

Port Moody Council officially adopted their 2015 – 2018 Strategic Plan in May of 2015. This four-year strategic plan articulates priorities and demonstrates how Council plans to lead as Port Moody faces ongoing local, regional and global change. It provides a framework for the decisions Council makes and guides the City's approach for delivering services to the community.

|                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>The path to achieving Council's vision of Port Moody is based on these seven strategic priorities:</b></p>                                                                                                                                   | <p><b>Community Planning</b> </p> <p>Proactive regional, city and neighbourhood planning for the short and long-term that engages neighbourhoods to create a liveable, vibrant, sustainable, orderly and coordinated community.</p> | <p><b>Moving People</b> </p> <p>Develop and implement integrated and responsive transportation plans.</p>                                              | <p><b>Parks &amp; Recreation</b> </p> <p>Establish and maintain park, recreation and open gathering spaces and facilities that enhance the lives of citizens.</p>              |
| <p><b>Preserving the Environment</b> </p> <p>Be leaders, stewards and advocates for the protection, conservation, and enhancement of the natural environment.</p> | <p><b>Service Excellence</b> </p> <p>Develop responsive and sustainable service excellence, community engagement and a culture of transparency.</p>                                                                                 | <p><b>Economic Development</b> </p> <p>Ensure the City is developed and maintained as a complete community with live, work and play opportunities.</p> | <p><b>Arts &amp; Culture</b> </p> <p>Create and nurture community through supporting arts, culture and learning, and recognizing and celebrating the City's rich heritage.</p> |

## *Vision*

Port Moody, City of the Arts, is a unique, safe and vibrant waterfront city of strong neighbourhoods; a complete community that is socially, economically, and environmentally sustainable and values its natural environment and heritage character.

## *Values*

- Excellence
- Protection and enhancement of our natural environment
- Financial sustainability for current and future generations
- Our employees are the key to our successes
- Value and respect of our citizens, stakeholders, employees, and partners
- Courage to lead and embrace new ideas
- Be responsive and adaptive to change
- Bridging community engagement to action
- Building relationships through transparency and integrity

***Reporting on our strategic priorities*** On the following pages, we review our seven strategic priorities and highlight our achievements in 2018.

# How we met our strategic priorities *in 2018*



## Community Planning

### 2015–2018 COUNCIL STRATEGIC PLAN

#### *Outcome: Updated and Improved City's Zoning Bylaw*

| Actions                                                                         | What we achieved in 2018                                                                                                                                                              |
|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Implement new Zoning Bylaw updates after new Official Community Plan directions | <ul style="list-style-type: none"> <li>Presented Zoning Bylaw (No. 2937) updates, including a new laneway housing program, which were adopted by Council on July 10, 2018.</li> </ul> |

#### *Outcome: Strategies for future use of City-owned land*

| Actions                                                                         | What we achieved in 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Explore and recommend options for future use of the former Fire Hall No. 1 site | <ul style="list-style-type: none"> <li>Prepared a Request for Proposals and released it to the development community for potential redevelopment of the former Fire Hall and existing Works Yard sites.</li> <li>Drafted a Community Opinion Question, including communication materials, on the potential sale, partial sale, or lease of the former Fire Hall and existing Works Yard sites. The Community Opinion Question was included on the ballot as part of the 2018 Civic Election.</li> </ul>                                                                                                                                                                                                                                                                  |
| Determine the future of the City Works Yard                                     | <ul style="list-style-type: none"> <li>Began environmental monitoring work at the former Barnet Landfill to support a certificate of compliance.</li> <li>Initiated a Works Yard needs-assessment, including interviews with relevant departments and site visits to other modern works yards.</li> <li>Prepared a Request for Proposals and released it to the development community for potential redevelopment of the former Fire Hall and existing Works Yard sites.</li> <li>Drafted a Community Opinion Question, including communication materials, on the potential sale, partial sale, or lease of the former Fire Hall and existing Works Yard sites. The Community Opinion Question was included on the ballot as part of the 2018 Civic Election.</li> </ul> |
| Develop a City Facilities Capital Plan                                          | <ul style="list-style-type: none"> <li>Reviewed the City's facilities as part of the annual budget process, to determine if upgrades, improvements, or expansions are needed.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

#### *Outcome: Enhance affordable housing policies*

| Actions                                                                                                                                                            | What we achieved in 2018                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Develop a "no net loss of affordable housing" policy <ul style="list-style-type: none"> <li>Rental replacement policy</li> <li>Tenant relocation policy</li> </ul> | <ul style="list-style-type: none"> <li>Introduced a Tenant Relocation Assistance Policy (approved by Council on July 24, 2018).</li> <li>Introduced a Rental Protection Policy (approved by Council on July 24, 2018).</li> </ul> |

## 2015–2018 COUNCIL STRATEGIC PLAN

### *Outcome: Enhanced City transportation planning*

| Actions                                                                 | What we achieved in 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Finalize input, develop, and implement Master Transportation Plan (MTP) | <ul style="list-style-type: none"> <li>• Constructed an interim crosswalk on Murray Street near Rocky Point Park.</li> <li>• Initiated design of the Murray Street Upgrades Project (Hugh Street to Moody Street).</li> <li>• Installed rapid-flashing beacons at crosswalks at six locations on loco Road and Dewdney Trunk Road.</li> <li>• Added accessible pedestrian signals at Moody/Clarke and Noons/Ungless intersections.</li> <li>• Added transit priority signal improvements at St. Johns/Hugh and St. Johns/Williams intersections.</li> <li>• Completed design of Newport Village Crosswalk Improvements Project for construction in early 2019.</li> <li>• Began construction of Gatensbury Road Improvement Project.</li> </ul> |
| Support public transportation                                           | Initiated construction of seven bus stop accessibility upgrades.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

### *Outcome: Effective connections between our neighbourhoods*

| Actions                                                                                         | What we achieved in 2018                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Create safe and connected cycling for commuters                                                 | <ul style="list-style-type: none"> <li>• Began construction of Murray Street Bike Path (from Electronic Avenue to Hugh Street).</li> </ul>                                                                                                                                                                                                                  |
| Ensure compliance of no new traffic on loco Road as/if development of the loco Town site occurs | <ul style="list-style-type: none"> <li>• Completed a technical study to investigate and evaluate all transportation options for a potential route that could connect the loco lands to Inlet Centre, completed public consultation, and reported the results to Council.</li> </ul>                                                                         |
| Create safe and efficient non-vehicle access to Inlet Centre Station                            | <ul style="list-style-type: none"> <li>• Completed widening of the westbound portion of Barnet Highway Overpass to provide a multi-use path in coordination with deck replacement.</li> <li>• Improved drainage adjacent to the sidewalk between Dewdney Trunk Road and Inlet Centre Station (south side of Barnet Highway) to reduce splashing.</li> </ul> |



## Parks and Recreation

### 2015–2018 COUNCIL STRATEGIC PLAN

#### *Outcome: Improved quality and utilization of parks, recreation and open gathering spaces*

| Actions                                                                                                                                  | What we achieved in 2018                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Upgrade Inlet playing fields                                                                                                             | <ul style="list-style-type: none"> <li>Presented a conceptual design option for the Inlet Sport Field, which was approved by Council on March 27, 2018. On March 28, 2018, Council approved the \$240,000 budget to complete the detailed design for the Inlet Park sports fields. The approved design addresses long-term needs while minimizing negative impacts on the environment.</li> </ul> |
| Enhance senior programming and facilities based on recommendations from the Community Care Committee and Parks and Recreation Commission | <ul style="list-style-type: none"> <li>Established a seniors' information kiosk inside the Civic Centre (in the hallway leading to the Library).</li> <li>Established a Recreation Ambassador program with a focus on senior volunteers and supporting senior programs.</li> <li>Completed a tour of seniors' facilities in the Metro Vancouver region in June 2018.</li> </ul>                   |



## Preserving the Environment

### 2015–2018 COUNCIL STRATEGIC PLAN

#### *Outcome: The environment is a higher priority through improvements to administration, planning and policy development*

| Actions                                                                   | What we achieved in 2018                                                                                                                                                |
|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Enhance stream protection as a priority through policy and programs       | <ul style="list-style-type: none"> <li>Updated the Zoning Bylaw with an amendment to enhance and protect streamside areas (adopted by Council in July 2018).</li> </ul> |
| Review and update the Environmentally Sensitive Area (ESA) document/study | <ul style="list-style-type: none"> <li>Completed a scoping study in preparation for updating the ESA document.</li> </ul>                                               |

#### *Outcome: Expanded and enhanced environmental protection and sustainability programs*

| Actions                                                                   | What we achieved in 2018                                                                                                                                             |
|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Enhance the City's environmental and sustainability development practices | <ul style="list-style-type: none"> <li>Hired a Sustainability and Energy Coordinator.</li> <li>Required daylighting of Dallas Creek (Marcon Development).</li> </ul> |



## Preserving the Environment

### *Outcome: Enhanced Solid Waste recycling program*

| Actions                                                                              | What we achieved in 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Expand the City's solid waste program to include multi-family dwellings              | <ul style="list-style-type: none"> <li>Entered into agreements with seven new businesses to provide them with recycling, green waste, and garbage collection services. No new multi-family services were added in 2018.</li> </ul>                                                                                                                                                                                                                                                                                                 |
| Report on current collection and diversion rates and annual benchmark success report | <ul style="list-style-type: none"> <li>Presented the 2016-2017 Solid Waste and Recycling Annual Report to Council.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                      |
| Launch public 'green' campaigns                                                      | <ul style="list-style-type: none"> <li>Participated in Metro Vancouver's Create Memories Not Garbage campaign.</li> <li>Held a Centralized Recycling Day event in January.</li> <li>Shared information about recycling and reducing waste, and/or hosted recycling and waste stations, at seven City events.</li> <li>Launched or supported several social media campaigns that focused on thinking "green," including Earth Day, Waste Reduction Week, Put Waste in its Place, Wipe It, and Zero Waste Halloween tips.</li> </ul> |



## Service Excellence

### 2015–2018 COUNCIL STRATEGIC PLAN

#### *Outcome: An enhanced customer experience*

| Actions                                                                                                                                | What we achieved in 2018                                                                                                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Create easy access to City information for Council, staff, and the public.                                                             | <ul style="list-style-type: none"> <li>Introduced extended hours of service at the Finance counter during tax season and at the Building counter.</li> </ul> |
| Develop and implement a Community Engagement 2.0 plan by enhancing engagement creativity and furthering community association support. | <ul style="list-style-type: none"> <li>Hosted first Port Moody Community Fair, with involvement from 32 community groups.</li> </ul>                         |

#### *Outcome: Extended corporate financial sustainability*

| Actions                             | What we achieved in 2018                                                                                                   |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| Optimize the use of City facilities | <ul style="list-style-type: none"> <li>Optimized existing work spaces and created new work spaces at City Hall.</li> </ul> |

## 2015–2018 COUNCIL STRATEGIC PLAN

### *Outcome:* **Nurtured local businesses and capitalized on the City's unique features and areas**

| <b>Actions</b>                          | <b>What we achieved in 2018</b>                                                                                                                                                                                                             |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Enhance the uniqueness of Clarke Street | <ul style="list-style-type: none"> <li>Continued to implement and enhance the City's festive lighting initiative during the holiday season.</li> <li>Installed seasonal hanging baskets in Queens Street Plaza and Moody Centre.</li> </ul> |
| Develop and implement a tourism plan    | <ul style="list-style-type: none"> <li>Created a new staff position, manager of economic development, to support and attract businesses.</li> </ul>                                                                                         |



## Arts & Culture

## 2015–2018 COUNCIL STRATEGIC PLAN

### *Outcome:* **Enhanced Presence of our Heritage Buildings**

| <b>Actions</b>                                            | <b>What we achieved in 2018</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Promote the stone marker program                          | <ul style="list-style-type: none"> <li>Honoured Chip Kerr VC with a stone marker, located at 2224 Clarke Street in front of the home in which he once lived.</li> <li>Honoured Chip Kerr VC with the City's first storyboard, located in Chip Kerr Park.</li> </ul>                                                                                                                                                                                                                                                 |
| Acknowledge, promote, and celebrate Port Moody's heritage | <ul style="list-style-type: none"> <li>Continued to work with and support the Port Moody Heritage Society and the Port Moody Station Museum, and to support the loco Festival, including the Venosta Radio Show and loco Ghost Town Day.</li> <li>Published a special, commemorative edition of the Port Moody Calendar showcasing historical photos of our city in celebration of the Port Moody Heritage Society's 50th anniversary.</li> <li>Promoted heritage events via the City's online calendar.</li> </ul> |

### *Outcome:* **Advanced Importance of Arts, Culture and Learning**

| <b>Actions</b>                                            | <b>What we achieved in 2018</b>                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Revisit a Public Art Program                              | <ul style="list-style-type: none"> <li>Completed a Request for Proposals process to hire a consultant to lead an Art in Public Spaces Master Plan in 2018. Work is taking place in 2019.</li> </ul>                                                                                                                           |
| Connect economic development with employment and the arts | <ul style="list-style-type: none"> <li>Reviewed the City's StreetArts Banner Program and identified opportunities to leverage the uniqueness of commercial neighborhoods.</li> </ul>                                                                                                                                          |
| Organize and support festivals                            | <ul style="list-style-type: none"> <li>Completed the Festival and Special Event Handbook.</li> <li>Developed the Special Event Waste Management Tool.</li> <li>Updated the Festival and Special Event Assistance Program.</li> <li>Hosted six major City events.</li> <li>Supported 14 community-organized events.</li> </ul> |

## *Section Two*

# 2019–2022 Council Strategic Plan

- Photo by Ugur Okucu -



# 2019–2022 Council Strategic Plan



## OUR VISION *Port Moody, City of the Arts, renowned for our amazing quality of life*

We are an inclusive, resilient, and economically vibrant seaside city that leads in environmental protection, fosters creativity and innovation, and is rooted in nature and loved for our community spirit.

**OUR MISSION** To lead change and embrace growth that enhances our quality of life, and to provide Port Moody with excellent services and a sound financial future.

## OUR VALUES

|                     |                                                                                                        |
|---------------------|--------------------------------------------------------------------------------------------------------|
| <b>TRANSPARENCY</b> | We ensure information is easily accessible and that our operations are easy to understand and observe. |
| <b>INTEGRITY</b>    | We do what we say, with openness, honesty, and accountability.                                         |
| <b>RESPECT</b>      | We treat everyone with fairness, courtesy, and dignity.                                                |
| <b>COMPASSION</b>   | We believe in kindness, caring, and helping others.                                                    |
| <b>RESILIENCE</b>   | We respond to challenges, adapt to change, and help others.                                            |
| <b>INNOVATION</b>   | We are flexible, embracing new ideas, encourage creative thinking and trying new approaches.           |
| <b>INCLUSIVITY</b>  | We are a welcoming community that celebrates and defends diversity.                                    |

*About the Plan* – Our strategic plan provides a framework for the decisions Council will make, and guides our approach for delivering services to our community. We have identified five strategic priorities with specific outcomes and actions that we will pursue to make our vision for Port Moody a reality.



### EXCEPTIONAL SERVICE



### ENVIRONMENTAL LEADERSHIP



### HEALTHY CITY



### ECONOMIC PROSPERITY



### COMMUNITY EVOLUTION

We will report back to the community in our Annual Report published in June, and also with strategic plan management, measurement, and reporting through the City Manager's office.



## STRATEGIC PRIORITY

# Exceptional Service



► Provide exceptional service to our residents, businesses, and stakeholders, by encouraging open communication, partnerships, and a 'can do attitude'.

### Objectives

Ensure our customers are highly satisfied with the quality of our service.

Ensure City employees are engaged, properly equipped to do their work effectively, and motivated to build their careers in Port Moody.

Provide the public with transparent and open government, and opportunities to provide input on City issues.

Form effective relationships with service delivery partners, industries, and stakeholders to improve service delivery.

### Actions

- Commit to a high and consistent standard of service
- Review customer processes on a regular basis to improve accuracy and efficiency, and encourage feedback
- Consider cultural differences and accessibility needs when providing service

- Make professional development a priority and provide City staff with excellent learning and development opportunities
- Commit to strategies for employee engagement
- Encourage innovative, critical, and creative thinking

- Increase access to City information
- Commit to effective public engagement
- Encourage public participation

- Strengthen relationships with other levels of government, First Nations, community groups, and partners
- Seek partnerships where applicable for the provision of amenities



# Environmental Leadership



► Be a leader in the protection, adaptation, and enjoyment of our natural environment through stewardship, advocacy, and proactive policy.

## Objectives

Maintain and enhance Port Moody's natural and built assets while reducing the impact on our planet.

Expand and enhance policies to guide environmental goals and sustainability programs.

Expand and make the most of our parks and green spaces and design them to create positive and diverse experiences throughout the community.

Provide leadership in climate change by thinking globally and acting locally.

## Actions

- Educate the public about the importance of Port Moody's natural assets
- Inspire environmental actions and advocacy
- Reduce the City's impact on the planet

- Review and update existing environmental policies on a regular basis to find leadership opportunities
- Broaden the City's sustainability programs

- Focus on user experience in park planning and design
- Optimize and expand parks to meet the community's needs
- Create diverse, natural, open-space experiences throughout the community

- Respond and adapt to climate change through planning and policy development
- Address global climate change with local actions



## STRATEGIC PRIORITY

# Healthy City



- Create a safe, friendly, and inclusive community that encourages healthy, active living for people of all ages and abilities.

### Objectives

Plan for a variety of housing types to meet community needs.

Provide local services and access to amenities for residents of all ages and abilities.

Encourage lifelong healthy and active living.

Ensure Port Moody is a safe place where local government and public safety agencies are prepared to address natural disasters and other emergencies.

### Actions

- Ensure that available housing meets the community's diverse and emerging needs
- Work with other levels of government and private agencies to support housing and homelessness programs and services

- Ensure plans and programs take into account the diverse needs of residents and factors related to age and other demographics such as income, languages, housing types, and abilities
- Consider accessibility when planning and designing programs, services, facilities, parks, and infrastructure

- Incorporate healthy living opportunities for people of all ages in City programs and services
- Ensure the built environment and infrastructure allows for, and encourages, active living

- Maintain the "no call too small" community safety service level
- Ensure that emergency preparedness plans and strategies are incorporated into all municipal operations



## STRATEGIC PRIORITY

# *Economic Prosperity*



► Foster an environment where businesses can thrive and good local jobs abound, and ensure Port Moody's economy and the City's financial position are sustainable.

### Objectives

Support the growth of businesses and business neighbourhood development.

Attract well-paid jobs and new businesses in key sectors.

Ensure a sustainable and resilient municipal economy and diversify the City's revenue sources.

Create an attractive and vibrant community through events, arts, and culture.

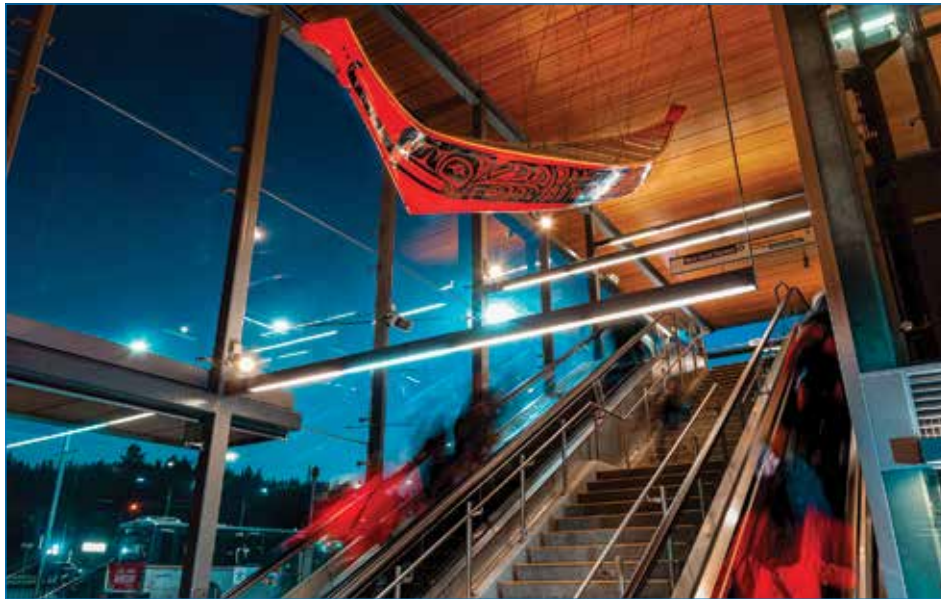
### Actions

- Enhance economic development opportunities in Port Moody
- Identify and explore opportunities to develop economic zones in key neighbourhoods
- Support development and revitalization of commercial neighbourhoods

- Make Port Moody attractive to growth business sectors and targeted industries
- Be proactive in identifying and responding to emerging industries and recognizing challenges to existing industry.
- Support growth in the number of well-paid local jobs
- Retain and encourage green, clean, or creative light industry

- Diversify the City's revenue sources to ensure sustainability
- Leverage funding for projects with grants and partnerships
- Ensure fiscal responsibility by assessing and monitoring lifecycle expenses

- Encourage and promote community opportunities for the public to experience arts, culture, and heritage activities
- Encourage and promote community events



► Plan and develop, for future generations, a vibrant, connected, and livable city, with distinctive places and spaces, where growth is managed in strategic balance with quality of life.

## Objectives

Ensure future community growth is carefully considered and strategically managed consistent with the targets approved in our Official Community Plan.

Provide people with a variety of options to move through and around Port Moody safely and efficiently.

Ensure City assets are optimized, maintained, and funded for current and future needs.

Bring people together by activating public spaces.

## Actions

- Develop tools to help us plan and prepare for the future
- Review proposed development projects and updated population projections on a regular basis
- Look for creative ways to enable diverse housing forms and heritage revitalization
- Review the Official Community Plan regularly to ensure it aligns with the community vision

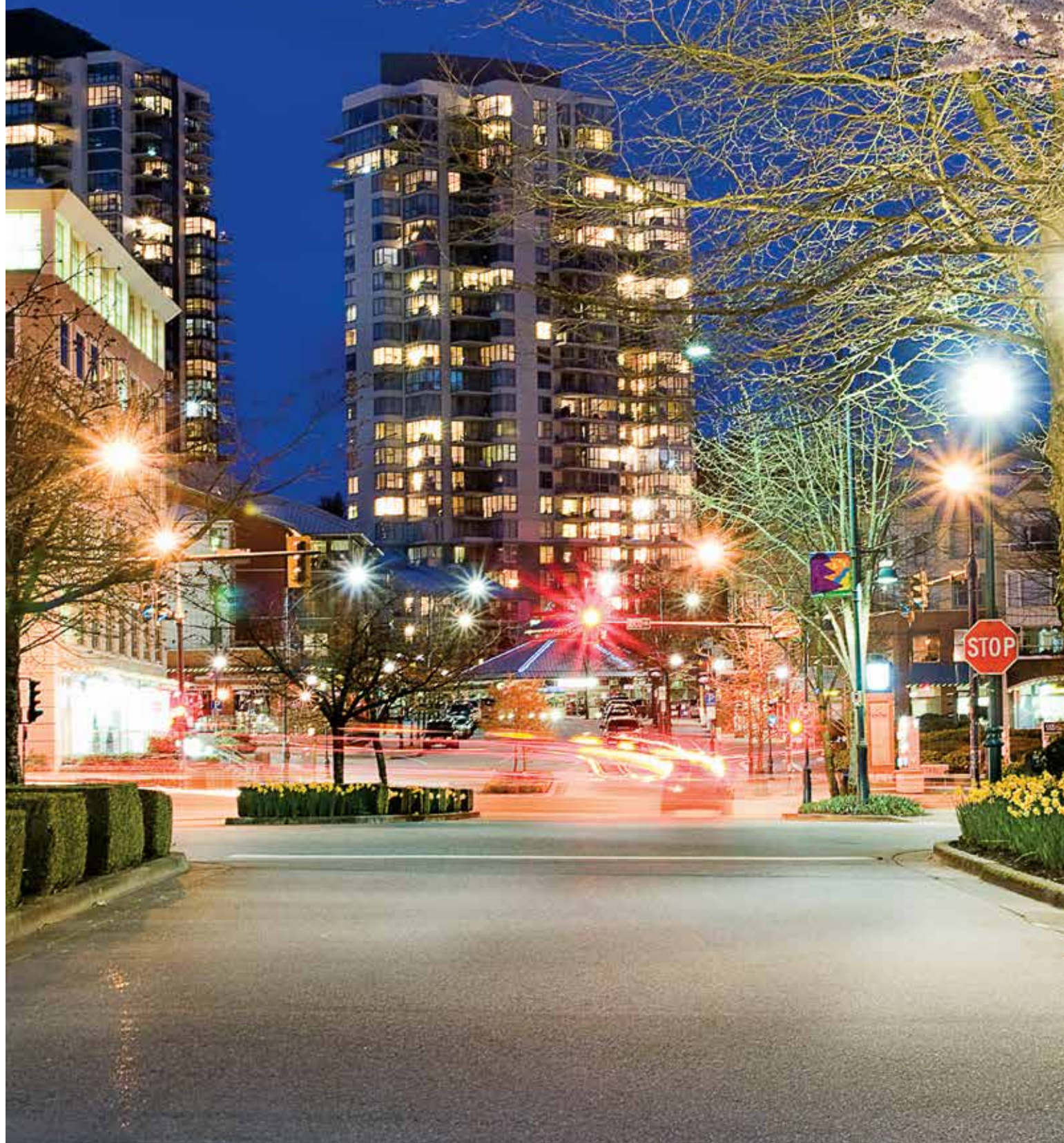
- Improve connections between neighbourhoods
- Reduce the impacts of through-traffic
- Plan for the impact of emerging transportation technologies

- Be stewards of City lands to optimize benefits to community well-being
- Make progress towards the improvement and sustainability of City facilities to meet emerging needs
- Ensure resiliency of City infrastructure and assets

- Create engaging public spaces by incorporating or highlighting arts and culture, innovative urban design, events, recreation, natural assets
- Engage Port Moody's creative community in beautifying the city

# *Section Three* **Financial Statements**

- Photo by Sandra Sigfusson -



## *Chief Financial Officer Letter of Transmittal*

April 26, 2019  
Mayor and Council  
City of Port Moody

Honourable Members of Council:

I am pleased to present the Financial Statements of the City of Port Moody for the year ended December 31, 2018.

### *Financial Statements*

The preparation of the Financial Statements and related information is the responsibility of City Council and the management of the City of Port Moody and is intended to provide reliable and accurate financial information on the state and health of the City's finances to statement readers. Financial Statements provide a meaningful period summary of the sources, allocation and consumption of economic resources, how the activities affected net debt, how activities were financed and how cash requirements were met.

The Financial Statements and related information are prepared in accordance with Generally Accepted Accounting Principles (GAAP) for Canadian local governments as established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants (CPA) of Canada and the Provincial Ministry of Municipal Affairs and Housing, for presentation to City Council as required under Section 167 of the Community Charter. The reporting entity is comprised of all organizations, boards and enterprises financially accountable to the City of Port Moody, including the Port Moody Police Board and the Port Moody Library Board.

The City Council appointed auditors, the public accounting firm of BDO Canada LLP, have given the City an unqualified audit opinion on the City's Financial Statements, stating in their professional opinion, that the Financial Statements present fairly, in all material respects, the financial position of the City of Port Moody as at December 31, 2018 and the results of its operations, changes in net financial assets and changes in cash flows for the year then ended in accordance with Canadian public sector accounting standards. The audit was conducted in accordance with Canadian Generally Accepted Auditing Standards (GAAS) and performed to obtain reasonable assurance that the statements are free from material misstatement.

The Notes to the Financial Statements provide additional financial information and describe and disclose any significant accounting policies the City follows. The accounting policies are discussed in Note 1 to the Financial Statements, and do not include any significant accounting policy changes for 2018.

In addition, the City maintains a system of internal accounting controls designed to provide reasonable assurance for safeguarding assets and the reliability of financial records and documents. City management recognizes that all systems of internal accounting controls have inherent weaknesses, which management mitigates by periodic internal audits and reviews. City Council, at their regular meetings, and the City's Finance Committee, oversaw all City financial matters for 2018 including the budget process and approval, review of auditor reports and recommendations, review of operational and capital progress reports, and all internal and external funding requests of the City.

## *Statement of Financial Position*

This statement is the private sector equivalent of the balance sheet, listing the City's financial and non-financial assets and financial liabilities, totaling to the accumulated surplus or deficit.

For 2018, the City's results show \$75.732 Million in financial assets and \$52.680 Million in financial liabilities resulting in a net positive outcome of \$23.052 Million in net financial assets, providing funds for future activities and placing no immediate financial burden on short term budgets.

The City's non-financial assets includes all the tangible capital assets (TCA) the City owns, as well as inventories and prepaid expenses, with the TCA making up a significant portion of the total. A net increase in non-financial assets indicates that the annual capital replacement of capital assets was greater than the annual amortization and disposal of capital assets, meaning for 2018, assets are being replaced faster than they are being used. For 2018, the City increased its non-financial assets with the purchase of \$16.579 Million in new assets, offset by a \$135,000 reduction in prepaid expenses and inventory combined with \$9.419 Million in TCA amortization and \$621,000 in asset disposals and write downs, for a net increase in non-financial assets of \$6.404 Million. Although the City was successful in increasing its TCA in 2018, it is an ongoing challenge for the City to generate sufficient annual external revenues to offset the future TCA amortizations. This is a national issue as all levels of governments across Canada struggle to finance the replacement of aging infrastructure.

The City's accumulated surplus section is equivalent to the private sector's equity section on the balance sheet. Due to the significant investment in TCA, the City, like other local governments, has a large accumulated surplus. Traditionally, the term accumulated surplus has represented the amount of surplus cash reserves the local government had available to fund capital and operating needs. With the adoption of PSAB 1200 (Financial Statement Presentation), the accumulated surplus section now represents a calculation to sum the net financial assets, or net debt, and the non-financial assets, the result being either the accumulated surplus or the accumulated deficit of the government. The City's healthy \$696.986 Million accumulated surplus in 2018 is up by \$5.182 Million over 2017. This is a result of the City generating a \$1.362 Million operating surplus, increasing TCA by \$6.539 Million (acquisitions less amortizations and disposals), paying \$709,000 in outstanding debt principal and lease obligations, increasing contributions to reserves by \$2.845 Million, offset by the incurrence of \$4.800 Million in new debt obligations and \$827,000 in new capital leases, and appropriating \$646,000 from surplus to fund various capital and operating expenditures.

## *Statement of Operations*

This statement is the private sector equivalent of the income statement. It summarizes revenues raised in the year to fund operating and capital needs, lists expended cost of goods and services consumed during the year (including amortization of assets), presents the organization's change in net value for the period (surplus or deficit) and the new accumulated surplus at year end. This statement reflects the combined operations of the operating and reserve funds for the City.

The City raised \$73.495 Million in revenues in 2018, used \$68.313 Million of those revenues to provide services and infrastructure, generating a surplus of \$5.182 Million. The surplus was generated from the net operating surpluses of the General, Sewer and Water Funds totaling \$1.362 Million, increasing TCA by \$6.539 Million (acquisitions less amortizations and disposals), making \$709,000 in debt principal payments and lease payments, increasing contributions to reserves by \$2.845 Million, offset by \$4.800 Million in new debt obligations, less \$827,000 in new capital leases and a \$646,000 appropriation from the surplus.

### *Statement of Changes in Net Financial Assets (Net Debt)*

This statement is unique to governments, accounting for all revenues against all operating expenses and tangible capital asset expenditures (excluding amortization), to calculate whether the government entity had an increase in net financial assets or a decrease in net financial assets (net debt). This statement is important as it reports the extent to which annual expenditures (cost of goods and services) are met with the revenues recognized within the year.

The City raised \$73.495 Million in revenues. This amount was reduced by \$58.894 Million in goods and services consumed (\$68.313 Million in operating expenses less \$9.419 Million in TCA amortization expenses) for a net operating increase in financial assets of \$14.601 Million. The City sold assets valued at \$124,000 and had a net reduction in prepaid expenses and inventories of \$135,000, increasing the net financial assets to \$14.860 Million. The \$14.860 Million financed the net acquisition of \$16.081 in TCA expenditures (\$16.579 Million in acquisitions less a \$498,000 loss on disposals), resulting in a collective decrease to net financial assets of \$1.222 Million. The \$1.222 Million decrease in net financial assets is the amount of net debt or internal resources the City used to fund tangible capital assets.

### *Statement of Cash Flows*

This statement reports the change to cash and cash equivalents (highly liquid investments readily convertible to cash) for the year, showing how the City financed its activities and met its cash commitments.

In 2018, the City generated \$16.686 Million in cash from operating activities, received \$4.800 Million in new debt proceeds, invested \$8.216 Million in interest bearing instruments, utilized \$709,000 in cash to meet long term debt and capital lease commitments, and utilized \$15.628 Million in cash to finance net capital acquisitions, for a net decrease in cash of \$1.572 Million. The remaining balance of \$26.260 Million in cash and cash equivalents is sufficient to meet the City's current and planned short term needs.

### *Revenues*

The City budgeted to collect \$68.024 Million in total revenues for 2018. The actual amount of revenues collected was \$73.495 Million, resulting in a positive \$5.471 Million variance. The main sources of the variance are a result of the City collecting \$2.198 Million in additional other revenues, some of which have been transferred to reserves, receiving additional private contributions of \$1.841 Million, \$1.070 Million more in sale of services, \$391,000 in additional investment income, and property taxes of \$45,000; offset by \$46,000 in government grants not received due to capital project work not yet completed, and \$34,000 in development levies not utilized for capital projects.

The City's primary sustainable revenue source is property taxation and it comprised approximately 57% of total operating revenues. Revenues are generated from the six different property classes by multiplying the net taxable assessed value of individual properties by the mill rate (tax rate per \$1,000) set for that property class. The City set its property tax rates expecting to generate \$42.042 Million in property taxation but collected \$42.087 Million in actual revenues. The \$45,000 variance resulted from an increase in tax revenue due to higher than anticipated growth and changes to assessed values.

Sale of Services is the second highest sustainable source of revenue budgeted at \$19.466 Million. The actual amount of revenue received was \$20.536 Million, generating a budget surplus of \$1.070 Million. The major component of the Sale of Service revenues is derived from utility fees, comprising approximately 23% of the total. The City budgeted to collect \$15.958 Million in utility fees from its four utilities (water, sewer, garbage &

recycling and storm drainage) and collected \$16.642 Million in actual fees. The \$684,000 variance was the result of a \$567,000 increase in metered water and sewer revenue and \$117,000 increase in solid waste revenue. The other major component of Sale of Services revenues are revenues derived from the Recreation and Cultural services, with the bulk of the revenues generated by the Recreation Centre. Recreation and Cultural Services was budgeted to generate \$3.508 Million in program revenues but exceeded expectations by generating additional revenues of \$386,000, for actual revenues of \$3.894 Million.

*The breakdown of revenues by department can be viewed in the Segmented Information note shown in Note 17.*

## *Expenses*

Collectively, the City met its \$69.070 Million 2018 operating budget for expenses, coming in at \$68.313 Million, or \$757,000 under budget. Three departments did not meet their Council approved budget in 2018. Development Services was provided a budget of \$2.295 Million but incurred actual expenses of \$2.827 Million, Community Services was provided a budget of \$10.771 Million but incurred actual expenses of \$11.366 Million, and Engineering & Operations was provided a budget of \$8.798 Million but incurred actual expenses of \$9.461 Million for a total variance of \$663,000. The Development Services over expenditure was a result of Affordable Housing subsidies, the Community Services over expenditure was a result of restructuring of staff positions, and the Engineering & Operations overage was a result of a depreciation correction for prior years.

The City's largest expense is salaries and wages, including benefits, at \$36.424 Million, comprising approximately 53% of all expenses. The budget for this significant expense was \$36.921 Million, resulting in a surplus of \$497,000.

*The breakdown of expenses by department can be viewed in the Segmented Information note shown in Note 17.*

## *Operating Surplus/Deficit*

The General Operating Fund, the Sewer and Drainage Utility Fund, and the Water Utility Fund recorded surpluses in 2018 of \$963,000, \$38,000 and \$361,000 respectively resulting in a total operating surplus of \$1.362 Million. The accumulated operating surplus of \$8.212 Million at the end of 2018 represents approximately 14% of annual taxes and utility fees. In accordance with past practice and City policy, these surplus funds will be used to provide emergency funding, augment revenue shortfalls, generate interest revenues, fund infrastructure replacements and provide for any unfunded liabilities.

## *Reserve and Development Levy Fund Balances*

Surplus, as well as City budgeted revenues, are strategically set aside by Council in reserves to protect the City against unanticipated events that can trigger budget deficits, balance programs and activities that tend to fluctuate each year, and finance long term capital needs or contingent liabilities. The City has \$54.159 Million in capital and operating reserves and development levy funds to support the planned capital projects, the ongoing replacement of equipment and the City's operating commitments. This is an increase of \$5.056 Million over the 2017 total of \$49.103 Million. Significant transactions affecting the reserves and development levies in 2018 include: \$15.098 Million in capital transfers to the reserves; \$2.051 Million in transfers to operating reserves; \$1.251 Million collected through taxation to fund vehicle and equipment replacements; \$739,000 in interest paid to the reserves; \$1.362 Million from operating surpluses; \$1.281 Million in development levies collected from developers; and \$158,000 from the sale of assets. The reserve increases were offset by the utilization of \$15.986 Million of the reserves to fund projects, \$259,000 to fund debt payments, \$646,000 in appropriations from surplus

for project funding, \$13,000 in legal fees, and 10,000 in public art funding. While the reserve fund balances appear to be significant, it should be noted that the majority of these funds have been designated for specific future projects and activities by City Council.

## *Debt*

Financing capital improvements through debt is an accepted financing strategy utilized by all municipalities, especially as cities become built out and the more traditional methods of financing through land sales and developer contributions are not as prevalent. The Community Charter restricts the City on the amount of long term liabilities it can incur, and dictates the approval process required to incur debt (including capital lease commitments). The legislation limits the borrowings to a percentage of annual sustainable revenues that can be allocated to the annual servicing of debt and leases. The City is also restricted to transacting its long term borrowings through the Municipal Finance Authority (MFA), an entity created by the Province of British Columbia (BC) to provide collective municipal financing through the issuance of long term bonds. Because the MFA is financially backed by local governments and regional districts in BC, the MFA has traditionally received very favorable credit ratings that have translated into lower long term borrowing rates for its member municipalities.

The 2018 Financial Plan included repayments on the four outstanding debt issues the City carries with the MFA for 2018 that included the construction of the Public Safety Building, the construction of the Inlet Centre Fire Hall and capital repairs to the Civic Centre and Recreation Complex. The particulars of these borrowings can be viewed in Note 9 in the Notes to the Financial Statements. Additional debt issues in 2018 increased the debt per capita ratio from \$548 in 2017 to \$596 in 2018 based on a population estimate of 35,000. The \$596 debt per capita ratio is well within the City's financial capacity and a reasonable average debt per capita ratio relative to surrounding municipalities.

## *Investment Portfolio*

The City of Port Moody invests its surplus operating and capital funds in accordance with its corporate Investment Policy and the statutory requirements of the Community Charter. The City maximizes the return on investment while minimizing portfolio risk, ensuring that daily and future cash flow requirements are aligned and met. Generating high returns on investments held in the City's investment portfolio presented a challenge again in 2018, partly due to continued lower short term rates, but also as a result of the City's continued cash flow strategy that requires the City to hold more liquid shorter term investments to accommodate the funding of the City's current capital program. In 2018, the City's \$71.122 Million total investment and cash portfolio increased by \$6.643 Million from the 2017 total of \$64.479 Million. A consistency in the short term global investment market contributed to a greater average annual yield to the portfolio of 1.94%, versus 1.49% in 2017. The investment portfolio generated \$1.389 Million in interest revenue in 2018, a 37% increase over the \$1.014 Million realized in 2017.

## *Tangible Capital Assets*

The City of Port Moody owns, maintains and operates a significant amount of physical assets comprised of roads, bridges, traffic signal controls, sewer and water systems, equipment, vehicles, parks, facilities and other amenities and infrastructure. Comparatively, tangible capital assets represent a significant portion of this level of government's assets and are crucial to the current and future delivery of programs and services, operations and life safety. The collective worth of this equipment and infrastructure at the end of 2018, as outlined in Note 11,

is estimated to be approximately \$673 Million, calculated at historical cost as required by accounting guidelines (PSAB). Although the historical cost is significant, the replacement cost of the assets would be substantially more. The City prepares annual five year capital plans based on the Asset Management Investment Plan (AMIP) that are mostly comprised of the costs of maintaining, replacing or upgrading the large and diverse inventory of assets to keep them in a state of good repair. Some of the infrastructure has been in use for some time and some has been recently upgraded or replaced through capital budget programs. Funding for the replacement of these critical and valuable assets has been an ongoing challenge for municipalities, both locally and nationally.

The City's actual capital expenditures were approximately \$16.579 Million in 2018, funded from taxation, reserves, debt, development levies and grants. Significant projects continuing, completed or started in 2018 included Civic Centre and Recreation Complex remedial repairs, Barnet Landfill closure, Barnet Highway Overpass Bridge upgrades, Arts Centre Repairs, fleet and other equipment upgrades and replacements, various water and sewer main renewals, and road reconstruction and safety improvements.

In order to maintain services, it is important that the City at a minimum, replace its assets at a rate equal to the rate assets are being amortized (used up), keeping in the mind that amortization is based on historical costs rather than replacement costs, which can be significantly different. On this basis, the City's 2018 amortization of \$9.419 Million should be measured against the City's 2018 actual capital expenditures of \$16.579 Million, recognizing that the differences from year to year should be analyzed over a 50 to 100 year infrastructure plan to determine trends, potential gaps and funding shortfalls. TCAs are recorded at cost, which includes all amounts that are directly attributable to the betterment of the asset. The cost of the asset less the estimated salvage value is amortized on a straight-line basis over the estimated useful life, which range from 3 to 100 years.

### *Utility Funds (Water, Sewer, Garbage and Recycling, Storm Drainage)*

The City operates four self-balancing utility services, three of which are funded entirely by user fees (water, sanitary sewer, garbage and recycling) and the fourth by taxation on assessed property value (storm water drainage).

Water, Sewer and Garbage and Recycling are services that are directly delivered to each individual property and therefore, each user is directly billed for the provision of these services. The City collects both metered and flat rate user fees from approximately 13,500 households and commercial enterprises for these services. The fees collected from users pay for City operational and capital infrastructure costs, and Metro Vancouver (regional district) for the supply of regional services. The fees paid to Metro Vancouver comprise a significant portion of these user fees; 42% of the total cost of \$4.986 Million for sewer collection and treatment; 53% of a total cost of \$6.989 Million for water purchases and supply; and 21% of a total cost of \$894,000 for garbage disposal fees.

The Storm Drainage utility is a service that is not delivered directly to any one particular property but is provided throughout the City as a community service, and therefore, is allocated like other broader public services through taxation on an assessed value basis to fund and operate a network of drainage pipelines and water courses to collect storm water. Approximately 28% of the \$1.309 Million total cost of the service is directly related to purchasing water runoff treatment from Metro Vancouver.

## *Financial Sustainability*

The City recognizes that it must strive to be financially sustainable, and along with the other levels of government, develop sustainable funding models that address service and infrastructure demands over the long term. Financial sustainability needs to be a primary goal of all municipalities to ensure each community is living within its means, and not passing along costs, or causing reductions in services, to future generations. It is incumbent upon the current Council and staff to develop and implement proper policies and management practices that protect the current quality of life by ensuring services are affordable, and all options and models for delivery of those services are explored. City Council has adopted the following overarching financial strategies that have been set in place to move the City towards the goal of financial sustainability.

### *Asset Management*

In 2018, the City managed over 11,000 City assets, encompassing land, buildings, infrastructure, equipment and vehicles, collectively valued at approximately \$673 Million. One of the most crucial aspects of financial sustainability is the stewardship over assets. Without the ongoing replacement and proper maintenance of these critical assets, the City could not continue to deliver the services to the same level the community enjoys today to future generations. To this end, City Council adopted its Asset Management Investment Plan (AMIP) in 2014 that identified annual asset funding requirements. The AMIP is intended to provide long term strategies for the funding of the maintenance and replacement of the City's critical asset groups. Foregoing investments in the maintenance and replacement of assets today passes increased costs onto future generations.

Another aspect of proper stewardship over critical assets is the provision of those ongoing and sustainable levels of funding identified in the AMIP. In 2018, the City reaffirmed its strategy to develop and implement sustainable transportation plans by increasing funding from taxation through the dedicated Master Transportation Levy. The Levy was established to be used solely as a funding source to assist with transportation investments and decision-making over the next 25 years and beyond.

### *Strategic and Financial Planning and Reporting*

The City of Port Moody has developed a comprehensive strategic planning process that sets out the goals and objectives of Council for its term in a public strategic plan document. In 2018, Council reviewed and updated their 2015 Strategic Plan for their term of office, reaffirming the goals established in 2015 that are aligned and consistent with interests and needs expressed by the community. The high-level Strategic Plan drives the corporate business plan assigning tasks to individual departments to meet the goals and objectives set by Council.

In 2014, Council adopted the Long Term Strategic Financial Plan that established financial principles intended to move the City towards its strategic goal of financial sustainability. The document is a reference and guideline when financial decisions are contemplated to ensure financial consistency over the long term.

In addition, the City has several other strategic plans that are part of the long term planning process including the Official Community Plan, the Master Transportation Plan, the Parks and Recreation Master Plan, as well as the strategic plans of the Library and Police Boards. As these plans will dictate future service levels, they are important considerations when planning over the long term, ensuring a more financially stable and sustainable future. The integration of these plans instills confidence in the community that decisions are well thought out and periodically reviewed for relevance and affordability.

To ensure results of the long and short term planning is both tracked and monitored, the City deploys a modern suite of computerized accounting, planning and resource management systems. City Council checks in with the community through annual public consultations to allow public input and gauge public response to financial plans and other plans and proposals. The City also engages the community through a variety of online forums, exchanges and surveys utilizing a variety of social media tools on a modern and interactive website.

### *Fiscal Capacity*

City Council has established a set of property tax policies that tries to balance tax fairness and equity under the current *ad valorem* (Latin “according to value”) tax system, which allocates taxes based on the assessed value of property owned.

One of the policies recognizes that a sustainable community must balance the services, and the level of the services it delivers, with the ability of its residents and businesses to sustain the funding of the services. This policy ensures that City Council acknowledges that, while a certain level of services need to be sustained and financed through taxation by the community at large to provide equal access by all citizens to ensure the health, safety and well-being of the community, a reasonable portion of services should also be funded and delivered on a user fee basis to ensure the demand is matched to the willingness to pay, and therefore recovered from those users demanding the service.

City Council recognizes that each tax class has its own unique set of financial challenges and that the present system of allocating taxation through widely fluctuating assessed values can be challenging. To ensure fair treatment to all taxpayers, a property tax policy has been established that distributes the annual tax increase equitably to all classes. The policy recognizes that, while certain classes of tax payers can lobby and present compelling cases from time to time to lower the taxes in their class, lowering taxes for one class will increase property taxes for the other classes.

City Council also recognizes that a sustainable community must include certain religious, philanthropic, cultural and historical institutions and therefore, uses its legislative powers to grant tax exemptions to applicants of this nature to assist these important community benefit providers with their financing.

In closing, I would like to thank City Council for providing their direction and leadership, the City Manager, General Managers and their respective Departments for their cooperation and input throughout the year, as well as staff in the Finance and Technology Department for their continued dedicated service. The commitment and professionalism demonstrated by all has resulted in the City of Port Moody continuing to disclose useful and understandable financial results to our stakeholders, compliant with established municipal accounting, auditing and constantly evolving reporting standards, earning the City for the fourteenth straight year, the Canadian Award for Financial Reporting presented by the Government Financial Officers Association of the United States and Canada.



**Paul M. Rockwood, CPA, CGA, CRM**

General Manager, Finance and Technology Department  
Chief Financial Officer

# Auditors' Report

## Year ended December 31, 2018



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### Independent Auditor's Report

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To the Mayor and Council of the City of Port Moody

#### Opinion

We have audited the financial statements of the City of Port Moody (the City), which comprise the Statement of Financial Position as at December 31, 2018, the Statements of Operations, Changes in Net Financial Assets and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2018, and its results of operations, changes in net financial assets, and 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 Auditor's Responsibilities for the Audit of the Financial Statements section of this 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.

#### Other Matter

The financial statements for the year ended December 31, 2017 were audited by another auditor who expressed an unmodified opinion on those financial statements on May 1, 2018.

#### 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.

#### Auditor's 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 auditor's 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 these financial statements.

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

# Auditors' Report

Year ended December 31, 2018



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 auditor's 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 auditor's 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.

We 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.

*BDO Canada LLP*

Chartered Professional Accountants

Vancouver, British Columbia  
May 7, 2019

# Statement of Financial Position

Year ended December 31, 2018, with comparative figures for 2017

|                                                   | 2018                  | 2017                  |
|---------------------------------------------------|-----------------------|-----------------------|
| <b>Financial Assets:</b>                          |                       |                       |
| Cash                                              | \$ 26,260,309         | \$ 27,832,640         |
| Investments (Note 2)                              | 44,862,000            | 36,646,333            |
| Accounts receivable (Note 3)                      | 4,609,527             | 5,428,873             |
|                                                   | <b>75,731,836</b>     | 69,907,846            |
| <b>Financial Liabilities:</b>                     |                       |                       |
| Accounts payable and accrued liabilities (Note 4) | 5,764,120             | 6,612,540             |
| Refundable deposits (Note 5)                      | 4,063,804             | 3,077,570             |
| Other liabilities (Note 6)                        | 7,086,003             | 6,794,998             |
| Deferred revenue (Note 7)                         | 5,230,712             | 5,026,506             |
| Capital lease obligation (Note 8)                 | 745,582               | 74,634                |
| Debt (Note 9)                                     | 21,227,439            | 16,980,141            |
| Development levies (Note 10)                      | 8,562,389             | 7,067,876             |
|                                                   | <b>52,680,049</b>     | 45,634,265            |
| <b>Net Financial Assets</b>                       | <b>23,051,787</b>     | 24,273,581            |
| <b>Non-Financial Assets:</b>                      |                       |                       |
| Tangible capital assets (Note 11)                 | 673,362,848           | 666,823,527           |
| Prepaid expenses                                  | 392,527               | 542,205               |
| Inventory                                         | 178,940               | 164,654               |
|                                                   | <b>673,934,315</b>    | 667,530,386           |
| <b>Accumulated Surplus (Note 12)</b>              | <b>\$ 696,986,102</b> | <b>\$ 691,803,967</b> |

Commitments and contingent liabilities (Note 13)

See accompanying notes to the financial statements



Paul M. Rockwood, CPA, CGA, CRM  
General Manager, Finance and Technology Department

# Statement of Operations

*Year ended December 31, 2018, with comparative figures for 2017*

|                                                   | 2018 Budget    | 2018           | 2017           |
|---------------------------------------------------|----------------|----------------|----------------|
|                                                   | (Note 1(i))    |                |                |
| <b>Revenue</b>                                    |                |                |                |
| Taxes                                             |                |                |                |
| Real property                                     | \$ 41,596,088  | \$ 41,641,494  | \$ 39,506,691  |
| Private utility companies                         | 445,770        | 445,770        | 460,509        |
|                                                   | 42,041,858     | 42,087,264     | 39,967,200     |
| Payments in lieu of taxes                         | 300,600        | 299,811        | 294,280        |
| Services to other governments                     | 45,000         | 51,433         | 49,812         |
| Sale of services                                  |                |                |                |
| Environmental health services                     | 2,817,750      | 2,934,487      | 2,713,332      |
| Recreational and cultural services                | 3,507,698      | 3,894,011      | 3,900,017      |
| Sewer utility fees and charges                    | 6,266,878      | 6,473,846      | 6,207,796      |
| Water utility fees and charges                    | 6,873,369      | 7,233,540      | 6,859,270      |
| Other revenue (Note 15)                           | 1,429,934      | 3,628,299      | 2,927,203      |
| Investment Income                                 | 682,042        | 1,073,059      | 905,961        |
| Contributed assets                                | -              | -              | 2,047,780      |
| Transfers from other governments (Note 16)        | 3,903,971      | 3,857,705      | 4,830,232      |
| Private contributions                             | 9,147          | 1,850,279      | 282,630        |
| Development levies utilized (Note 10)             | 145,595        | 111,682        | 38,493         |
|                                                   | 68,023,842     | 73,495,416     | 71,024,006     |
| <b>Expenses (Note 17)</b>                         |                |                |                |
| Corporate Administration                          | 8,803,711      | 7,694,203      | 7,490,194      |
| Development Services                              | 2,295,276      | 2,826,756      | 1,934,187      |
| Community Services                                | 10,770,665     | 11,365,741     | 10,669,573     |
| Engineering & Operations                          | 8,797,458      | 9,460,482      | 7,991,511      |
| Environment & Parks                               | 4,028,782      | 3,830,480      | 3,322,233      |
| Library Services                                  | 2,207,858      | 2,002,886      | 1,980,517      |
| Police Services                                   | 11,628,802     | 11,363,136     | 10,469,820     |
| Fire Services                                     | 8,301,513      | 8,194,707      | 7,817,289      |
| Sewer & Drainage Utility                          | 5,870,735      | 5,320,396      | 4,857,973      |
| Water Utility                                     | 6,364,735      | 6,254,494      | 5,960,592      |
|                                                   | 69,069,535     | 68,313,281     | 62,493,889     |
| <b>Annual Surplus (deficit)</b>                   | (1,045,693)    | 5,182,135      | 8,530,117      |
| <b>Accumulated Surplus, beginning of year</b>     | 691,803,967    | 691,803,967    | 683,273,850    |
| <b>Accumulated Surplus, end of year (Note 12)</b> | \$ 690,758,274 | \$ 696,986,102 | \$ 691,803,967 |

# Statement of Changes in Net Financial Assets

*Year ended December 31, 2018, with comparative figures for 2017*

|                                                     | 2018 Budget           | 2018                 | 2017                 |
|-----------------------------------------------------|-----------------------|----------------------|----------------------|
|                                                     | (Note 1(i))           |                      |                      |
| <b>Annual Surplus/Deficit</b>                       | <b>\$ (1,045,693)</b> | <b>\$ 5,182,135</b>  | <b>\$ 8,530,117</b>  |
| <b>Tangible Capital Assets</b>                      |                       |                      |                      |
| Acquisitions                                        | (32,122,184)          | (16,579,185)         | (20,910,379)         |
| Amortization                                        | 8,306,089             | 9,418,617            | 7,553,930            |
| Loss on disposal                                    | -                     | 497,795              | 106,065              |
| Proceeds from disposal                              | -                     | 123,452              | 373,263              |
| <b>Prepaid Expenses</b>                             |                       |                      |                      |
| Acquisition                                         | -                     | (392,527)            | (542,205)            |
| Use                                                 | -                     | 542,205              | 465,040              |
| <b>Inventory</b>                                    |                       |                      |                      |
| Acquisition                                         | -                     | (178,940)            | (164,654)            |
| Use                                                 | -                     | 164,654              | 135,403              |
| <b>Change in Net Financial Assets</b>               | <b>(24,861,788)</b>   | <b>(1,221,794)</b>   | <b>(4,453,420)</b>   |
| <b>Net Financial Assets, beginning of the year</b>  | <b>24,273,581</b>     | <b>24,273,581</b>    | <b>28,727,001</b>    |
| <b>Net Financial Assets (net Debt), end of year</b> | <b>\$ (588,207)</b>   | <b>\$ 23,051,787</b> | <b>\$ 24,273,581</b> |

# Statement of Cash Flows

Year ended December 31, 2018, with comparative figures for 2017

|                                                 | 2018                 | 2017                 |
|-------------------------------------------------|----------------------|----------------------|
| <b>Cash provided by (used in):</b>              |                      |                      |
| <b>Operating Transactions:</b>                  |                      |                      |
| Annual surplus                                  | \$ 5,182,135         | \$ 8,530,117         |
| Items not involving cash:                       |                      |                      |
| Amortization of tangible capital assets         | 9,418,617            | 7,553,930            |
| Loss on disposal of tangible capital assets     | 497,795              | 106,065              |
| Contributed tangible capital assets             | -                    | (2,047,780)          |
| Change in non-cash assets and liabilities:      |                      |                      |
| Accounts receivable                             | 819,346              | (1,749,733)          |
| Accounts payable and accrued liabilities        | (848,420)            | 2,526,786            |
| Deferred revenue                                | 204,206              | 208,291              |
| Refundable deposits                             | 986,234              | 359,612              |
| Other liabilities                               | 291,005              | 18,421               |
| Inventory                                       | (14,286)             | (29,251)             |
| Prepaid expenses                                | 149,678              | (77,165)             |
| Net change in cash from operating transactions  | 16,686,310           | 15,399,293           |
| <b>Capital Transactions:</b>                    |                      |                      |
| Proceeds on disposal of tangible capital assets | 123,452              | 373,263              |
| Cash used to acquire tangible capital assets    | (15,751,893)         | (18,782,023)         |
| Net change in cash from capital transactions    | (15,628,441)         | (18,408,760)         |
| <b>Investing Transactions:</b>                  |                      |                      |
| Investments                                     | (8,215,667)          | (16,791,756)         |
| Net change in cash from investing transactions  | (8,215,667)          | (16,791,756)         |
| <b>Financing Transactions:</b>                  |                      |                      |
| Principal payments on capital lease obligation  | (156,344)            | (1,211,498)          |
| Principal payments on debt                      | (552,702)            | (507,604)            |
| Debt issuance proceeds                          | 4,800,000            | 6,756,494            |
| Development levies                              | 1,494,513            | 129,288              |
| Net change in cash from financing transactions  | 5,585,467            | 5,166,680            |
| <b>Decrease in cash for the year</b>            | <b>(1,572,331)</b>   | <b>(14,634,543)</b>  |
| <b>Cash, beginning of the year</b>              | <b>27,832,640</b>    | <b>42,467,183</b>    |
| <b>Cash, end of the year</b>                    | <b>\$ 26,260,309</b> | <b>\$ 27,832,640</b> |

# Notes to Financial Statements

Year ended December 31, 2018

## 1. Summary of Significant Accounting Policies

The City of Port Moody (the "City") is incorporated under the Local Government Act of British Columbia and follows the requirements of the Community Charter. 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 sewer and drainage.

The accounting policies of the City are in accordance with Canadian Public Sector Accounting Standards as recommended by the Public Sector Accounting Board of CPA Canada and include the following significant policies:

### (a) Basis of Presentation

The financial statements include the accounts of all funds of the City as noted below and reflect a combination of the City's Operating, Capital, and Reserve Funds, the Port Moody Police Department, and the Port Moody Public Library. All interfund balances and transactions have been eliminated.

The General Fund, the Sanitary Sewer and Drainage Fund, and the Water Utility Fund are self-balancing funds and are treated as separate centers of operations responsible for the resources or activities allocated to them.

Statutory Reserve Funds - The purpose of the statutory reserve funds are to hold financial assets of a restricted nature until such time as they are needed to finance future capital projects.

### (b) Cash

Cash includes short-term, highly liquid investments that are readily available to convert to known amounts of cash, that are subject to an insignificant risk of changes in value and with maturity dates within 90 days of acquisition.

### (c) Investments

Self-directed investment instruments are carried at cost. Accrued interest is included in accounts receivable. Discounts/premiums arising on purchase are amortized on a straight-line basis over the period to maturity.

### (d) Deferred Revenue

Receipts that are restricted by the legislation or direction of senior governments or by agreement with external parties are deferred when received. When qualifying expenditures are incurred the related revenue is realized.

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

Revenue received in advance of services to be provided in a later period is recorded as deferred revenue until those services are provided.

### (e) Government Transfers

Restricted transfers from government are deferred and recognized as revenue as the related expenses are incurred or the stipulations in the related agreement are met. Unrestricted transfers are recognized as revenue when received or receivable, provided the amount to be received can be reasonably estimated and collection is reasonably assured.

### (f) Non-Financial Assets:

#### (i) Tangible Capital Assets

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

| Asset Type                                  | Depreciable Life In Years |
|---------------------------------------------|---------------------------|
| Buildings                                   | 15 – 75                   |
| Furniture, Equipment, Technology & Vehicles | 4 – 40                    |
| Water Infrastructure                        | 10 – 100                  |
| Sewer and Drainage Infrastructure           | 10 – 100                  |
| Roads Infrastructure                        | 20 – 80                   |
| Capital Leases                              | 3 – 20                    |

#### (ii) Contributions of Tangible Capital Assets

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

#### (iii) Leased Tangible Capital Assets

Assets under capital lease are initially recorded at the lesser of fair value and the present value of future minimum lease payments at the inception of the lease and amortized over the term of the lease.

#### (iv) Works of Art and Culture

Works of art and culture are not recorded in these financial statements.

# Notes to Financial Statements (continued)

Year ended December 31, 2018

## *(v) Inventories of Supplies*

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

## *(vi) Interest Capitalization*

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

## *(g) Revenue Recognition*

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. Annual levies for non-optional municipal services and general administrative services are recorded as taxes for municipal services in the year they are levied. Levies imposed by other taxing authorities are not included as taxes for municipal purposes.

Through the British Columbia Assessment's appeal process, taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized at the time they are awarded.

## *(h) Expense Recognition*

Expenses are recognized as they are incurred as a result of the receipt of goods and services or the creation of a liability to pay. Interest expense on debenture and other debt is accrued.

## *(i) Budget Information*

Budget information was included in the Port Moody Consolidated Five Year Plan and was adopted through Bylaw # 3140 on May 8, 2018.

## *(j) Debt*

Debt is recorded net of related sinking fund balances.

## *(k) Employee Future Benefits*

The City and its employees make contributions to the Municipal Pension Plan. The Municipal Pension Plan is a multi-employer contributory defined benefit pension plan. These contributions are expensed as paid. The City also accrues sick leave, deferred vacation, float leave, vacation in year of retirement, gratuity, and service severance benefits. The liability relating to these benefits is actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The liability under this benefit plan is accrued based on projected benefits as the employees render services necessary to earn the future benefits.

## *(l) Use of Accounting Estimates*

The preparation of financial statements requires management to make estimates and assumptions that affect the reported

assets, liabilities, contingent assets and liabilities, revenues, and expenditures at the reporting date. Significant areas requiring the use of management estimates relate to the determination of payroll liability, unused vacation, sick benefits, allowance for doubtful accounts, provision for contingencies, value of contributed tangible capital assets, and useful life for amortization. Actual results could differ from these estimates.

## *(m) Segment Disclosures*

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The City has provided definitions of segments as well as presented financial information in segmented format in Note 17.

## *(n) Contaminated Sites*

A liability for contaminated sites is recognized upon occurrence of an unexpected event or when a site is not in productive use and the following criteria are met:

- a) An environmental standard exists;
- b) Contamination exceeds the environmental standard;
- c) The City is directly responsible or accepts responsibility;
- d) It is expected that future economic benefits will be given up; and
- e) A reasonable estimate of the amount can be made.

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

As at December 31, 2018 the City has no liability for contaminated sites.

## *(o) Loans Receivable:*

Loans receivable and advances are stated at the lower of cost and net recoverable value. A valuation allowance is recorded for receivables where recovery is considered uncertain.

## *(p) Contractual Rights:*

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. As at December 31, 2018 the significant contractual rights of the City consisted of developer contributions. These rights exist as the City has entered into a number of public works development agreements which require the developers to contribute various infrastructure assets to the City, including roads and underground utilities. The timing and extent of these future contributions vary depending on development activity and fair value of the assets received at time of contribution. The contributions will be recorded as revenue based on the fair value of the assets received at the time that the City assumes the risks and responsibilities related to the assets.

# Notes to Financial Statements (continued)

Year ended December 31, 2018

## 2. Investments

### Guaranteed Investments:

|                         | Maturity    | Yield Rate | 2018                 | 2017                 |
|-------------------------|-------------|------------|----------------------|----------------------|
| Royal Bank of Canada    | 20-Dec-2021 | 3.22%      | \$ 5,000,000         | \$ -                 |
| National Bank of Canada | 26-Oct-2021 | 3.18%      | 975,000              | -                    |
| Royal Bank of Canada    | 21-Dec-2020 | 3.14%      | 5,000,000            | -                    |
| Coast Capital Savings   | 16-Jan-2020 | 2.75%      | 3,500,000            | -                    |
| Scotiabank              | 27-Dec-2019 | 2.56%      | 2,000,000            | -                    |
| Scotiabank              | 19-Dec-2019 | 2.81%      | 4,000,000            | -                    |
| Scotiabank              | 27-Sep-2019 | 2.50%      | 3,500,000            | -                    |
| TD Canada Trust         | 14-May-2019 | 2.45%      | 3,000,000            | -                    |
| Royal Bank of Canada    | 12-Apr-2019 | 1.45%      | 3,000,000            | 3,000,000            |
| First West Credit Union | 12-Apr-2019 | 1.70%      | 11,187,000           | 11,000,000           |
| G&F Financial Group     | 18-Jan-2019 | 2.50%      | 3,700,000            | -                    |
| G&F Financial Group     | 22-Nov-2018 | 2.35%      | -                    | 2,500,000            |
| Bank of Montreal        | 10-Oct-2018 | 3.05%      | -                    | 1,083,333            |
| First West Credit Union | 27-Jul-2018 | 2.10%      | -                    | 3,063,000            |
| Bank of Montreal        | 11-Apr-2018 | 1.30%      | -                    | 5,000,000            |
| First West Credit Union | 11-Apr-2018 | 1.60%      | -                    | 11,000,000           |
|                         |             |            | <b>\$ 44,862,000</b> | <b>\$ 36,646,333</b> |

# Notes to Financial Statements (continued)

Year ended December 31, 2018

## 3. Accounts Receivable

|                              | 2018                | 2017                |
|------------------------------|---------------------|---------------------|
| Taxes                        | \$ 1,231,401        | \$ 1,077,806        |
| Federal government agencies  | 906,524             | 1,073,684           |
| Provincial government        | 184,099             | 83,456              |
| Local government             | 18,075              | 33,027              |
| Sale of services and sundry  | 2,233,428           | 3,120,400           |
| Loans to other organizations | 36,000              | 40,500              |
|                              | <b>\$ 4,609,527</b> | <b>\$ 5,428,873</b> |

## 4. Accounts Payable and Accrued Liabilities

|                                        | 2018                | 2017                |
|----------------------------------------|---------------------|---------------------|
| Trade payables and accrued liabilities | \$ 5,715,494        | \$ 6,554,768        |
| Provincial and local governments       | 7,431               | 25,192              |
| Federal government                     | 41,195              | 32,580              |
|                                        | <b>\$ 5,764,120</b> | <b>\$ 6,612,540</b> |

## 5. Refundable Deposits

|                                   | Balance<br>December 31, 2017 | Deposits, earnings<br>and contributions | Refunds and<br>expenditures | Balance<br>December 31, 2018 |
|-----------------------------------|------------------------------|-----------------------------------------|-----------------------------|------------------------------|
| Bond - Construction               | \$ 2,686,077                 | \$ 4,293,149                            | \$ (3,711,135)              | <b>\$ 3,268,091</b>          |
| Regional Development Cost Charges | 15,402                       | 440,719                                 | (125,123)                   | <b>330,998</b>               |
| Other                             | 376,091                      | 469,874                                 | (381,250)                   | <b>464,715</b>               |
|                                   | <b>\$ 3,077,570</b>          | <b>\$ 5,203,742</b>                     | <b>\$ (4,217,508)</b>       | <b>\$ 4,063,804</b>          |

# Notes to Financial Statements (continued)

Year ended December 31, 2018

## 6. Other Liabilities

|                           | 2018                | 2017                |
|---------------------------|---------------------|---------------------|
| Accrued payroll liability | \$ 2,599,627        | \$ 2,550,825        |
| Accrued benefit liability | 4,061,000           | 3,927,500           |
| Other                     | 425,376             | 316,673             |
|                           | <b>\$ 7,086,003</b> | <b>\$ 6,794,998</b> |

The City provides future benefits for sick leave, deferred vacation, float leave, vacation in year of retirement, and service severance benefits to all its employees. All employees accumulate these benefit entitlements and can only use these entitlements for paid time off under certain circumstances. The total expense recorded in the financial statements in respect of obligations under this plan amounts to \$459,600 (2017 - \$424,800).

|                                         | 2018                | 2017                |
|-----------------------------------------|---------------------|---------------------|
| Accrued benefit obligation:             |                     |                     |
| Balance, beginning of year              | \$ 3,721,700        | \$ 3,395,100        |
| Current service cost                    | 353,300             | 325,800             |
| Interest cost                           | 119,200             | 122,600             |
| Benefits paid                           | (326,100)           | (262,500)           |
| Actuarial loss                          | 13,400              | 140,700             |
| Accrued benefit obligation, end of year | <b>\$ 3,881,500</b> | <b>\$ 3,721,700</b> |
| Accrued benefit liability:              |                     |                     |
| Obligation, end of year                 | \$ 3,881,500        | \$ 3,721,700        |
| Unamortized actuarial gain              | 179,500             | 205,800             |
|                                         | <b>\$ 4,061,000</b> | <b>\$ 3,927,500</b> |

The accrued benefit liability is included as part of other liabilities on the Statement of Financial Position. The actuarial loss is amortized over a period equal to the employees' average remaining service lifetime of 14 years (2017 - 14 years).

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

|                                |       |       |
|--------------------------------|-------|-------|
| Discount rate                  | 3.30% | 3.00% |
| Expected future inflation rate | 2.50% | 2.50% |

# Notes to Financial Statements (continued)

Year ended December 31, 2018

## 7. Deferred Revenue

|                           | Balance<br>December 31, 2017 | Amounts Received    | Revenue<br>Recognized | Balance<br>December 31, 2018 |
|---------------------------|------------------------------|---------------------|-----------------------|------------------------------|
| Taxes and utilities       | \$ 2,659,896                 | \$ 5,395,118        | \$ 5,403,083          | \$ 2,651,931                 |
| Inlet lease               | 974,999                      | -                   | 21,667                | 953,332                      |
| Parks and recreation fees | 478,991                      | 2,237,045           | 2,139,169             | 576,867                      |
| Business and dog licences | 65,019                       | 246,315             | 236,862               | 74,472                       |
| Future capital works      | 539,968                      | 271,250             | 208,792               | 602,426                      |
| CPR lease prepayment      | 96,251                       | 457                 | 52,750                | 43,958                       |
| Other                     | 211,382                      | 180,675             | 64,331                | 327,726                      |
|                           | <u>\$ 5,026,506</u>          | <u>\$ 8,330,860</u> | <u>\$ 8,126,654</u>   | <u>\$ 5,230,712</u>          |

## 8. Capital Lease Obligation

The following financing commitments are due within the next five years:

| Capital Lease Obligations:                           | Total             |
|------------------------------------------------------|-------------------|
| 2019                                                 | \$ 160,483        |
| 2020                                                 | 149,326           |
| 2021                                                 | 147,618           |
| 2022                                                 | 110,474           |
| 2023                                                 | 100,940           |
| 2024 & Beyond                                        | 151,410           |
| Net minimum capital lease payments                   | 820,251           |
| Less amounts representing interest at 0.80% to 4.98% | 74,669            |
| Capital Lease Obligation                             | <u>\$ 745,582</u> |

# Notes to Financial Statements (continued)

Year ended December 31, 2018

## 9. Debt

The City obtains debt instruments through the MFA pursuant to security issuing bylaws under authority of the Community Charter to finance certain capital expenditures. Sinking fund balances managed by the MFA are offset against related long-term debt. Gross amounts for the debt and the amount for repayments and actuarial adjustments are as follows:

| Bylaw Number               | Purpose                    | Maturity Date | Interest Rate | Authorized    | Repayments and Actuarial Adjustments | 2018          | 2017          |
|----------------------------|----------------------------|---------------|---------------|---------------|--------------------------------------|---------------|---------------|
| 2679                       | Police building debt       | 2026          | 1.75%         | \$ 3,000,000  | \$ 1,556,248                         | \$ 1,443,752  | \$ 1,603,197  |
| 2878                       | Fire Hall #1 building debt | 2042          | 3.40%         | 6,000,000     | 730,129                              | 5,269,871     | 5,403,794     |
| 2878                       | Fire Hall #1 building debt | 2043          | 3.15%         | 3,000,000     | 298,198                              | 2,701,802     | 2,766,209     |
| 3018                       | Capital Remedial Works     | 2043          | 3.20%         | 10,500,000    | -                                    | 10,500,000    | -             |
|                            |                            |               |               | \$ 22,500,000 | \$ 2,584,575                         | \$ 19,915,425 | \$ 9,773,200  |
| <b>Temporary Borrowing</b> |                            |               |               |               |                                      |               |               |
| 3018                       | Capital Remedial Works     | 2018          | 1.94%         | -             | -                                    | -             | 5,700,000     |
|                            |                            |               |               | -             | -                                    | -             | \$ 15,473,200 |

As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA in a Debt Reserve Fund. The City also executes demand notes in connection with each debenture. These demand notes are contingent in nature and are not reflected in the accounts. The details of the debt reserve fund and contingent demand notes at December 31, 2018 are as follows:

| Purpose                    | Cash Deposits | Demand Notes |
|----------------------------|---------------|--------------|
| Police building debt       | \$ 30,000     | \$ 90,273    |
| Fire Hall #1 building debt | 60,000        | 95,490       |
| Fire Hall #1 building debt | 30,000        | 43,995       |
| Capital Remedial Works     | 105,000       | 206,996      |
|                            | \$ 225,000    | \$ 436,754   |

The cash deposits are included as part of accounts receivable on the Statement of Financial Position.

| Resolution        | Purpose   | Term (Months) | Interest Rate | Principal    | Payment    | 2018          | 2017          |
|-------------------|-----------|---------------|---------------|--------------|------------|---------------|---------------|
| B006800080510     | Vehicles  | 60            | Variable      | \$ 416,476   | \$ 55,142  | \$ 361,334    | \$ 376,512    |
| FC15/070          | Equipment | 48            | Variable      | 264,663      | 236,223    | 28,440        | 95,205        |
| B006800100311     | Vehicles  | 60            | Variable      | 60,656       | 25,293     | 35,363        | 46,982        |
| B006800150114     | Vehicles  | 9             | Variable      | 10,721       | 10,721     | -             | 2,404         |
| B006800160614     | Vehicles  | 60            | Variable      | 452,225      | 57,360     | 394,865       | 430,437       |
| B006800170614     | Vehicles  | 60            | Variable      | 593,548      | 101,536    | 492,012       | 555,401       |
|                   |           |               |               | \$ 1,798,289 | \$ 486,275 | \$ 1,312,014  | \$ 1,506,941  |
| Total By-Law Debt |           |               |               |              |            | \$ 19,915,425 | \$ 15,473,200 |
| Other Loans       |           |               |               |              |            | 1,312,014     | 1,506,941     |
|                   |           |               |               |              |            | \$ 21,227,439 | \$ 16,980,141 |

# Notes to Financial Statements (continued)

Year ended December 31, 2018

## 9. Debt (Continued)

Future principal repayments and actuarial adjustments on net outstanding debt over the next five years and thereafter are as follows:

|                      |    |                   |
|----------------------|----|-------------------|
| 2019                 | \$ | 703,346           |
| 2020                 |    | 678,420           |
| 2021                 |    | 680,828           |
| 2022                 |    | 672,290           |
| 2023                 |    | 671,963           |
| Thereafter           |    | 9,815,737         |
| Actuarial Adjustment |    | 8,004,855         |
|                      | \$ | <u>21,227,439</u> |

The City paid \$481,687 in gross interest on long-term debt during the year (2017 - \$289,314).

## 10. Development Levies

|                                              | Development Cost Charges |              |              |            |                     | North Shore | Town Centre | Total               |              |
|----------------------------------------------|--------------------------|--------------|--------------|------------|---------------------|-------------|-------------|---------------------|--------------|
|                                              | Water                    | Roads        | Open Spaces  | Drainage   | Total               |             |             | 2018                | 2017         |
| <b>Opening Balance</b>                       | \$ 1,667,391             | \$ 2,188,346 | \$ 1,897,982 | \$ 320,166 | <b>\$ 6,073,885</b> | \$ 138,638  | \$ 855,353  | <b>\$ 7,067,876</b> | \$ 6,938,588 |
| Investment Income Allocated                  | 82,901                   | 117,779      | 98,252       | 16,719     | <b>315,651</b>      |             |             | <b>315,651</b>      | 106,911      |
| Payments from Developers                     | 191,979                  | 633,814      | 383,817      | 70,934     | <b>1,280,544</b>    |             |             | <b>1,280,544</b>    | 50,870       |
| Art Works Reserve Transfer                   |                          |              |              |            |                     | (46)        |             | <b>(46)</b>         | (46)         |
| Reserve Repayment for Rec Centre Expansion   |                          |              |              |            |                     |             | (10,000)    | <b>(10,000)</b>     | (10,000)     |
| Development Levies Utilized                  |                          |              |              |            |                     | (101,636)   |             | <b>(101,636)</b>    | (28,447)     |
| Repayment (financing) for Old Mill Boathouse |                          |              |              |            |                     |             | 10,000      | <b>10,000</b>       | 10,000       |
| <b>Ending Balance</b>                        | \$ 1,942,271             | \$ 2,939,939 | \$ 2,380,051 | \$ 407,819 | <b>\$ 7,670,080</b> | \$ 36,956   | \$ 855,353  | <b>\$ 8,562,389</b> | \$ 7,067,876 |

# Notes to Financial Statements (continued)

Year ended December 31, 2018

## 11. Tangible Capital Assets, Year ended December 31, 2018

|                                       | Land           | Buildings     | Road Infrastructure | Sewer and Drainage Infrastructure | Water Infrastructure | Furniture, Equipment, Technology and Vehicles | Capital Leases | Construction in Progress | Total 2018     |
|---------------------------------------|----------------|---------------|---------------------|-----------------------------------|----------------------|-----------------------------------------------|----------------|--------------------------|----------------|
| <b>Cost</b>                           |                |               |                     |                                   |                      |                                               |                |                          |                |
| Balance, beginning of year            | \$ 453,093,901 | \$ 95,108,677 | \$ 93,755,843       | \$ 69,353,754                     | \$ 31,067,880        | \$ 29,130,006                                 | \$ 2,990,116   | \$ 15,023,881            | \$ 789,524,058 |
| Additions                             | -              | 839,795       | 596,965             | 528,071                           | 1,196,313            | 2,008,183                                     | 827,292        | 10,582,564               | 16,579,183     |
| Disposals                             | -              | -             | -                   | (10,182)                          | (193,067)            | (1,026,667)                                   | -              | (339,518)                | (1,569,434)    |
| Construction in Progress Transfer     | -              | 497,140       | 1,857,624           | 105,054                           | 386,930              | 398,886                                       | -              | (3,245,634)              | -              |
| Balance, end of year                  | 453,093,901    | 96,445,612    | 96,210,432          | 69,976,697                        | 32,458,056           | 30,510,408                                    | 3,817,408      | 22,021,293               | 804,533,807    |
| <b>Accumulated Amortization</b>       |                |               |                     |                                   |                      |                                               |                |                          |                |
| Balance, beginning of year            | -              | 30,715,708    | 42,572,251          | 22,346,266                        | 10,042,435           | 15,224,994                                    | 1,798,877      | -                        | 122,700,531    |
| Amortization                          | -              | 2,138,150     | 2,056,130           | 937,522                           | 548,546              | 3,498,063                                     | 240,206        | -                        | 9,418,617      |
| Accumulated amortization on disposals | -              | -             | -                   | (7,241)                           | (58,141)             | (882,807)                                     | -              | -                        | (948,189)      |
| Balance, end of year                  | -              | 32,853,858    | 44,628,381          | 23,276,547                        | 10,532,840           | 17,840,250                                    | 2,039,083      | -                        | 131,170,959    |
| <b>Net Book Value, end of year</b>    | \$ 453,093,901 | \$ 63,591,754 | \$ 51,582,051       | \$ 46,700,150                     | \$ 21,925,216        | \$ 12,670,158                                 | \$ 1,778,325   | \$ 22,021,293            | \$ 673,362,848 |

## Tangible Capital Assets, Year ended December 31, 2017

|                                       | Land           | Buildings     | Road Infrastructure | Sewer and Drainage Infrastructure | Water Infrastructure | Furniture, Equipment, Technology and Vehicles | Capital Leases | Construction in Progress | Total 2017     |
|---------------------------------------|----------------|---------------|---------------------|-----------------------------------|----------------------|-----------------------------------------------|----------------|--------------------------|----------------|
| <b>Cost</b>                           |                |               |                     |                                   |                      |                                               |                |                          |                |
| Balance, beginning of year            | \$ 453,093,901 | \$ 94,334,275 | \$ 87,981,445       | \$ 66,266,298                     | \$ 29,640,232        | \$ 25,990,877                                 | \$ 3,044,175   | \$ 10,548,063            | \$ 770,899,266 |
| Additions                             | 204,906        | 735,497       | 1,608,344           | 2,363,658                         | 797,268              | 3,239,773                                     | 80,576         | 11,880,357               | 20,910,379     |
| Disposals                             | (204,906)      | (4,118)       | (17,880)            | (14,465)                          | (115,075)            | (1,791,008)                                   | (134,635)      | (3,500)                  | (2,285,587)    |
| Construction in Progress Transfer     | -              | 43,023        | 4,183,934           | 738,263                           | 745,455              | 1,690,364                                     | -              | (7,401,039)              | -              |
| Balance, end of year                  | 453,093,901    | 95,108,677    | 93,755,843          | 69,353,754                        | 31,067,880           | 29,130,006                                    | 2,990,116      | 15,023,881               | 789,524,058    |
| <b>Accumulated Amortization</b>       |                |               |                     |                                   |                      |                                               |                |                          |                |
| Balance, beginning of year            | -              | 28,653,549    | 40,769,967          | 21,433,876                        | 9,553,431            | 14,815,789                                    | 1,726,248      | -                        | 116,952,860    |
| Amortization                          | -              | 2,065,282     | 1,816,063           | 920,346                           | 531,916              | 2,040,034                                     | 180,289        | -                        | 7,553,930      |
| Accumulated amortization on disposals | -              | (3,123)       | (13,779)            | (7,956)                           | (42,912)             | (1,630,829)                                   | (107,660)      | -                        | (1,806,259)    |
| Balance, end of year                  | -              | 30,715,708    | 42,572,251          | 22,346,266                        | 10,042,435           | 15,224,994                                    | 1,798,877      | -                        | 122,700,531    |
| <b>Net Book Value, end of year</b>    | \$ 453,093,901 | \$ 64,392,969 | \$ 51,183,592       | \$ 47,007,488                     | \$ 21,025,445        | \$ 13,905,012                                 | \$ 1,191,239   | \$ 15,023,881            | \$ 666,823,527 |

Contributed tangible capital assets are recorded at their estimated fair value. Where an estimate of fair value can not be made, contributed tangible capital assets are recognized at a nominal value.

In 2018, the City did not receive any contributed assets (2017 - \$2,047,779).

# Notes to Financial Statements (continued)

Year ended December 31, 2018

## 12. Accumulated Surplus and Accumulated Surplus Reserve Funds

### (a) Accumulated Surplus

|                                             | 2018           | 2017           |
|---------------------------------------------|----------------|----------------|
| <b>Surplus</b>                              |                |                |
| <b>General Fund</b>                         |                |                |
| Opening balance                             | \$ 1,185,444   | \$ 1,088,248   |
| Appropriation from surplus                  | (645,523)      | (114,463)      |
| Operating surplus for the year              | 962,599        | 211,659        |
| Ending Balance                              | 1,502,520      | 1,185,444      |
| <b>Sewer &amp; Drainage Utility Fund</b>    |                |                |
| Opening balance                             | 1,931,421      | 1,854,335      |
| Appropriation from surplus                  | -              | -              |
| Operating surplus for the year              | 37,990         | 77,086         |
| Ending Balance                              | 1,969,411      | 1,931,421      |
| <b>Water Utility Fund</b>                   |                |                |
| Opening balance                             | 4,378,610      | 4,217,767      |
| Appropriation from surplus                  | -              | -              |
| Operating surplus (deficiency) for the year | 360,967        | 160,843        |
| Ending Balance                              | 4,739,577      | 4,378,610      |
| <b>Operating Funds Surplus</b>              | 8,211,508      | 7,495,475      |
| <b>Invested in Tangible Capital Assets</b>  | 651,389,827    | 649,768,752    |
| <b>Total Surplus</b>                        | \$ 659,601,335 | \$ 657,264,227 |
| <b>Reserves</b>                             |                |                |
| Community Charter                           |                |                |
| Equipment replacement reserve               | \$ 3,733,611   | \$ 3,763,936   |
| Land sales                                  | 368,900        | 468,788        |
| Local improvement reserve fund              | 216,809        | 207,074        |
| Tax sale reserve                            | 42,233         | 40,337         |
| Off-road parking reserve                    | 84,502         | 88,659         |
|                                             | 4,446,055      | 4,568,794      |
| City Bylaws                                 |                |                |
| General reserve fund                        | 50,645         | 48,371         |
| Heritage reserve fund                       | 1,417,619      | 1,353,965      |
|                                             | 1,468,264      | 1,402,336      |
|                                             | 5,914,319      | 5,971,130      |
| Council Resolutions                         |                |                |
| Operating reserves                          | 8,740,975      | 7,314,017      |
| Capital reserves                            | 22,729,473     | 21,254,593     |
|                                             | 31,470,448     | 28,568,610     |
| <b>Total Reserves</b>                       | 37,384,767     | 34,539,740     |
|                                             | \$ 696,986,102 | \$ 691,803,967 |

# Notes to Financial Statements (continued)

Year ended December 31, 2018

## (b) Accumulated Surplus Reserve Funds

|                                        | Equipment Replacement Reserve | Land Sales Reserve | Local Improvement Reserve | Tax Sale Reserve | Off Road Parking Reserve | General Reserve  | Heritage Reserve    | 2018                | 2017                |
|----------------------------------------|-------------------------------|--------------------|---------------------------|------------------|--------------------------|------------------|---------------------|---------------------|---------------------|
| <b>Opening Balance</b>                 | \$ 3,763,936                  | \$ 468,788         | \$ 207,074                | \$ 40,337        | \$ 88,659                | \$ 48,371        | \$ 1,353,965        | <b>\$ 5,971,130</b> | \$ 7,689,849        |
| Investment income                      | 172,115                       | 19,239             | 9,735                     | 1,896            | 3,977                    | 2,274            | 63,654              | <b>272,890</b>      | 151,457             |
| Equipment Replacement Recoveries       | 1,052,492                     | -                  | -                         | -                | -                        | -                | -                   | <b>1,052,492</b>    | 928,744             |
| Project Funding                        | (1,609,750)                   | (115,958)          | -                         | -                | (8,134)                  | -                | -                   | <b>(1,733,842)</b>  | (3,356,300)         |
| Sale of Assets                         | 157,986                       | -                  | -                         | -                | -                        | -                | -                   | <b>157,986</b>      | 372,304             |
| Art Works Reserve Transfer             | (2,043)                       | -                  | -                         | -                | -                        | -                | -                   | <b>(2,043)</b>      | (6,043)             |
| Repayment for Garbage Trucks and Carts | 198,875                       | -                  | -                         | -                | -                        | -                | -                   | <b>198,875</b>      | 202,375             |
| Legal and Professional Services        | -                             | (3,169)            | -                         | -                | -                        | -                | -                   | <b>(3,169)</b>      | (11,256)            |
| <b>Ending Balance</b>                  | <b>\$ 3,733,611</b>           | <b>\$ 368,900</b>  | <b>\$ 216,809</b>         | <b>\$ 42,233</b> | <b>\$ 84,502</b>         | <b>\$ 50,645</b> | <b>\$ 1,417,619</b> | <b>\$ 5,914,319</b> | <b>\$ 5,971,130</b> |

# Notes to Financial Statements (continued)

Year ended December 31, 2018

## 13. Commitments and Contingent Liabilities

- (a) Loan agreements with the Greater Vancouver Water District and the Greater Vancouver Sewerage and Drainage District provide that, if at any time the scheduled payments provided for in the agreements are not sufficient to meet the obligations in respect to such borrowings, the resulting deficiency becomes the joint and several liability of the City and the other member municipalities.

Any liability that may arise as a result of the above noted contingency will be accounted for in the period in which the amount becomes payable.

- (b) At December 31, 2018, management has accrued likely losses based on pending claims in which the City is involved. The loss amount is based on management's best estimate; the actual amount of the loss incurred may be above or below the amount recorded in the financial statements. The extent of the losses recorded has not been disclosed as it could have an adverse impact on settling the claim. There are several lawsuits pending in which the City is defendant. An estimate of the potential outcome of the claims cannot be made at this time. It is considered that the potential claims against the City resulting from such litigation and not covered by insurance would not materially affect the financial statements of the City.

- (c) The City is a participant in the Municipal Insurance Association of British Columbia (the "Association"). Should the Association pay out claims in excess of the premiums received, it is possible that the City, along with the other participants, would be required to contribute towards the deficit. Management does not consider external payments under this contingency to be likely and therefore no amounts have been accrued.

- (d) The City is a shareholder and member of Emergency Communications for British Columbia Incorporated ("E-Comm") whose services include: regional 9-1-1 call centre; Wide Area Radio network; dispatch operations; and records management. The City has 2 Class A Shares (Police and Fire) and 1 Class B Share (Operations) (of a total of 28 Class A and 23 Class B shares issued and outstanding as at December 31, 2016). As a Class A shareholder, the City shares in both funding the future operations and debt and repayment 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. As a Class B shareholder, the City is only obligated to share in funding of the ongoing operating costs.
- (e) The City has entered into contractual operating lease agreements that extend to 2022. The net minimum lease payments for the following four years are:

| <i>Year</i> | <i>Minimum Lease Payment</i> |
|-------------|------------------------------|
| 2019        | 66,930                       |
| 2020        | 35,726                       |
| 2021        | 21,442                       |
| 2022        | 594                          |
|             | <u>\$ 124,692</u>            |

## 14. 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, 2018, the plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 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 valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The City of Port Moody paid \$3,218,311 (2017 - \$3,100,290) for employer contributions while employees contributed \$2,613,987 (2017 - \$2,486,943) to the plan in fiscal 2018.

The next valuation will be as at December 31, 2018, with results available in 2019.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution 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.

# Notes to Financial Statements (continued)

Year ended December 31, 2018

## 15. Other Revenue

|                                          | 2018 Budget         | 2018                | 2017                |
|------------------------------------------|---------------------|---------------------|---------------------|
| <b>General Fund</b>                      |                     |                     |                     |
| Licenses and permits                     | \$ 740,850          | \$ 2,004,366        | \$ 1,151,241        |
| Other revenue                            | 666,184             | 1,555,663           | 1,617,460           |
| Gain on sale of assets                   | -                   | 32,068              | 128,265             |
|                                          | <b>1,407,034</b>    | <b>3,592,097</b>    | <b>2,896,966</b>    |
| <b>Sewer &amp; Drainage Utility Fund</b> |                     |                     |                     |
| Other revenue                            | 11,200              | 13,277              | 16,332              |
| <b>Water Utility Fund</b>                |                     |                     |                     |
| Other revenue                            | 11,700              | 22,925              | 13,905              |
|                                          | <b>\$ 1,429,934</b> | <b>\$ 3,628,299</b> | <b>\$ 2,927,203</b> |

## 16. Transfer From Other Governments

|                                      | 2018 Budget         | 2018                | 2017                |
|--------------------------------------|---------------------|---------------------|---------------------|
| <b>General Fund</b>                  |                     |                     |                     |
| Federal - conditional                | \$ -                | \$ 16,097           | \$ -                |
| Provincial - unconditional operating | 516,500             | 496,675             | 518,109             |
| Provincial - conditional operating   | 332,661             | 346,149             | 1,019,717           |
| Project funding                      | 1,593,422           | 1,359,593           | 1,408,973           |
| Other                                | 1,408,540           | 1,585,218           | 1,463,673           |
|                                      | <b>3,851,123</b>    | <b>3,803,732</b>    | <b>4,410,472</b>    |
| <b>Sewer &amp; Drainage Fund</b>     |                     |                     |                     |
| Other                                | 52,848              | 53,973              | 52,245              |
| <b>Water Fund</b>                    |                     |                     |                     |
| Project Funding                      | -                   | -                   | 367,515             |
|                                      | <b>\$ 3,903,971</b> | <b>\$ 3,857,705</b> | <b>\$ 4,830,232</b> |

## 17. Segmented Information

Segmented information has been identified based upon lines of service provided by the City. City services are provided by departments and their activities are reported by functional area in the body of the financial statements. Certain lines of service that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

### *Corporate Administration*

Corporate Administration is responsible for the development of appropriate administrative and corporate policies and proper legislative practices, ensuring effective financial, human resource and asset management. Corporate Administration is also responsible for the implementation and support for computer information systems, monitoring performance and ensuring that the high quality city service standards are adhered to.

### *Development Services*

Development Services is responsible for ensuring sustainable development of the City through land use plans, city bylaws and proper review of new development.

### *Community Services*

Community Services is responsible for providing, facilitating the development of and maintaining high quality recreational facilities for the enjoyment, health and fitness of the community as well as the maintenance and operation of civic facilities. Additionally they are responsible for developing and enhancing a creative community by supporting local artists and entertainers.

### *Engineering & Operations*

Engineering & Operations is responsible for the delivery of municipal services such as transportation services, garbage and recycling.

### *Environment & Parks*

Environment and Parks is responsible for environmental stewardship and providing, facilitating the development of, and maintaining high quality parks for the community's enjoyment.

### *Library Services*

The Library provides the public with access to information and fosters the development of imagination and creative pursuits.

### *Police Services*

The Police are responsible for maintaining and enhancing the quality of life in the City. Through strong community partnerships, they protect life and property by providing services that resolve problems and prevent crime.

### *Fire Services*

Fire is responsible for preventing and minimizing the loss of life and property from fire and natural or man-made emergencies.

### *Sewer & Drainage and Water Services*

The Sewer & Drainage and Water Services are responsible for ensuring safe drinking water and effective operation of sanitary and storm sewers for residents.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

# Notes to Financial Statements (continued)

Year ended December 31, 2018

## 17 (a). Segmented Information – Segmented Disclosure (continued)

|                                      | Corporate<br>Administration | Development<br>Services | Community<br>Services | Engineering &<br>Operations | Environment &<br>Parks | Library        |
|--------------------------------------|-----------------------------|-------------------------|-----------------------|-----------------------------|------------------------|----------------|
| <b>Revenues</b>                      |                             |                         |                       |                             |                        |                |
| <b>Taxes</b>                         |                             |                         |                       |                             |                        |                |
| Real property                        | \$ 41,342,181               | \$ -                    | \$ -                  | \$ -                        | \$ -                   | \$ -           |
| Private utility companies            | 445,770                     | -                       | -                     | -                           | -                      | -              |
|                                      | 41,787,951                  | -                       | -                     | -                           | -                      | -              |
| Payments in lieu of taxes            | 299,811                     | -                       | -                     | -                           | -                      | -              |
| Services to other governments        | -                           | -                       | -                     | -                           | -                      | -              |
| Sale of services                     | -                           | -                       | 3,660,608             | 2,934,487                   | 233,403                | -              |
| Other revenue                        | 576,952                     | 2,449,658               | 124,853               | 239,664                     | 21,392                 | 78,607         |
| Investment Income                    | 603,169                     | -                       | -                     | -                           | -                      | -              |
| Contributed Assets                   | -                           | -                       | -                     | -                           | -                      | -              |
| Transfers from other governments     | 242,163                     | 5,906                   | 593,844               | 2,151,804                   | -                      | 162,842        |
| Private contributions                | -                           | 1,693,685               | 5,000                 | -                           | 14,667                 | 3,674          |
| Development levies utilized          | 10,046                      | -                       | -                     | 86,068                      | 15,568                 | -              |
|                                      | 43,520,092                  | 4,149,249               | 4,384,305             | 5,412,023                   | 285,030                | 245,123        |
| <b>Expenses</b>                      |                             |                         |                       |                             |                        |                |
| Salaries and benefits                | 4,891,499                   | 2,106,257               | 6,428,013             | 3,405,429                   | 2,110,433              | 1,546,209      |
| Personnel services                   | 323,532                     | 25,154                  | 31,143                | 43,985                      | 15,276                 | 6,151          |
| Contracted services                  | 161,412                     | 8,009                   | 1,436,240             | 1,292,346                   | 270,732                | 8,869          |
| Consulting and Professional Services | 1,076,115                   | 111,191                 | 63,514                | 340,786                     | 130,737                | 9,779          |
| Utilities                            | -                           | -                       | 615,975               | 376,009                     | 12,092                 | -              |
| Telephone and Communications         | 303,679                     | 20,260                  | 119,294               | 55,590                      | 3,290                  | 9,851          |
| Insurance and Claims                 | 201,215                     | -                       | 164,028               | 42,322                      | 23,496                 | 4,656          |
| Leases and Rentals                   | -                           | 126                     | -                     | 31,880                      | 2,737                  | -              |
| Supplies and Materials               | 72,198                      | 51,698                  | 452,740               | 263,447                     | 221,645                | 138,343        |
| Equipment                            | 115,691                     | 34,981                  | 452,637               | 587,652                     | 247,516                | 66,610         |
| Government Payments                  | -                           | -                       | -                     | 202,764                     | -                      | -              |
| Sundry                               | 78,715                      | 45,681                  | 146,546               | 141,071                     | 33,558                 | 10,798         |
| Grants and Donations                 | 27,823                      | 499,895                 | 76,560                | -                           | -                      | -              |
| Recoveries                           | (1,056,491)                 | (84,203)                | (253,418)             | (807,301)                   | 23,467                 | 15             |
| Amortization                         | 660,963                     | 7,707                   | 1,632,469             | 3,484,502                   | 735,501                | 201,605        |
| <b>Total Operating Expenses</b>      | 6,856,351                   | 2,826,756               | 11,365,741            | 9,460,482                   | 3,830,480              | 2,002,886      |
| Fiscal Services (Note 17b)           | 837,852                     | -                       | -                     | -                           | -                      | -              |
|                                      | 7,694,203                   | 2,826,756               | 11,365,741            | 9,460,482                   | 3,830,480              | 2,002,886      |
| <b>Annual Surplus (deficit)</b>      | \$ 35,825,889               | \$ 1,322,493            | \$ (6,981,436)        | \$ (4,048,459)              | \$ (3,545,450)         | \$ (1,757,763) |

# Notes to Financial Statements (continued)

Year ended December 31, 2018

| Police          | Fire           | Sewer & Drainage<br>Utility Fund | Water<br>Utility Fund | Statutory<br>Reserve Funds | 2018          | 2017          |
|-----------------|----------------|----------------------------------|-----------------------|----------------------------|---------------|---------------|
| \$ 299,313      | \$ -           | \$ -                             | \$ -                  | \$ -                       | \$ 41,641,494 | \$ 39,506,691 |
| -               | -              | -                                | -                     | -                          | 445,770       | 460,509       |
| 299,313         | -              | -                                | -                     | -                          | 42,087,264    | 39,967,200    |
| -               | -              | -                                | -                     | -                          | 299,811       | 294,280       |
| 51,433          | -              | -                                | -                     | -                          | 51,433        | 49,812        |
| -               | -              | 6,473,846                        | 7,233,540             | -                          | 20,535,884    | 19,680,415    |
| 53,851          | 47,120         | 13,277                           | 22,925                | -                          | 3,628,299     | 2,927,203     |
| -               | -              | 102,000                          | 95,000                | 272,890                    | 1,073,059     | 905,961       |
| -               | -              | -                                | -                     | -                          | -             | 2,047,780     |
| 627,193         | 19,980         | 53,973                           | -                     | -                          | 3,857,705     | 4,830,232     |
| 19,375          | 25,993         | -                                | 87,885                | -                          | 1,850,279     | 282,630       |
| -               | -              | -                                | -                     | -                          | 111,682       | 38,493        |
| 1,051,165       | 93,093         | 6,643,096                        | 7,439,350             | 272,890                    | 73,495,416    | 71,024,006    |
| 8,366,041       | 6,720,559      | 389,918                          | 459,590               | -                          | 36,423,948    | 34,767,600    |
| 154,991         | 59,144         | 2,146                            | 2,569                 | -                          | 664,091       | 663,373       |
| 109,571         | 29,040         | 169,426                          | 237,196               | -                          | 3,722,841     | 3,175,595     |
| 830,878         | 5,414          | 243,278                          | 49,207                | -                          | 2,860,899     | 2,311,960     |
| 72,296          | -              | 12,206                           | 175,031               | -                          | 1,263,609     | 1,244,358     |
| 69,284          | 19,388         | 381                              | 4,336                 | -                          | 605,353       | 540,301       |
| 16,428          | 9,395          | 37,316                           | 46,523                | -                          | 545,379       | 481,014       |
| 3,553           | -              | 823                              | 100                   | -                          | 39,219        | 54,883        |
| 167,676         | 182,289        | 33,780                           | 65,889                | -                          | 1,649,705     | 1,719,648     |
| 549,317         | 414,825        | 214,238                          | 159,034               | -                          | 2,842,501     | 2,344,052     |
| 158,870         | 219,413        | 2,448,566                        | 3,695,165             | -                          | 6,724,778     | 6,612,895     |
| 81,205          | 54,319         | 240,833                          | 150,276               | -                          | 983,002       | 677,562       |
| -               | 7,700          | -                                | -                     | -                          | 611,978       | 157,127       |
| 26,639          | 131,831        | 563,163                          | 566,136               | -                          | (890,162)     | (500,042)     |
| 756,387         | 341,390        | 960,141                          | 637,953               | -                          | 9,418,618     | 7,553,930     |
| 11,363,136      | 8,194,707      | 5,316,215                        | 6,249,005             | -                          | 67,465,759    | 61,804,256    |
| -               | -              | 4,181                            | 5,489                 | -                          | 847,522       | 689,633       |
| 11,363,136      | 8,194,707      | 5,320,396                        | 6,254,494             | -                          | 68,313,281    | 62,493,889    |
| \$ (10,311,971) | \$ (8,101,614) | \$ 1,322,700                     | \$ 1,184,856          | \$ 272,890                 | \$ 5,182,135  | \$ 8,530,117  |

# Notes to Financial Statements (continued)

Year ended December 31, 2018

## 17. Fiscal Services

|                                        | 2018 Budget         | 2018              | 2017       |
|----------------------------------------|---------------------|-------------------|------------|
| <b>General Fund</b>                    |                     |                   |            |
| Debt interest                          | \$ 684,238          | \$ 349,135        | \$ 269,111 |
| Other charges                          | 411,510             | 220,554           | 219,613    |
| Employee benefits                      | 250,622             | 268,163           | 192,667    |
|                                        | <b>1,346,370</b>    | <b>837,852</b>    | 681,391    |
| <b>Sewer and Drainage Utility Fund</b> |                     |                   |            |
| Employee benefits                      | 2,506               | 4,181             | 3,344      |
|                                        | <b>2,506</b>        | <b>4,181</b>      | 3,344      |
| <b>Water Utility Fund</b>              |                     |                   |            |
| Employee benefits                      | 4,652               | 5,489             | 4,898      |
|                                        | <b>4,652</b>        | <b>5,489</b>      | 4,898      |
| <b>Statutory Reserves</b>              |                     |                   |            |
| Other charges                          | -                   | -                 | -          |
|                                        | <b>\$ 1,353,528</b> | <b>\$ 847,522</b> | \$ 689,633 |

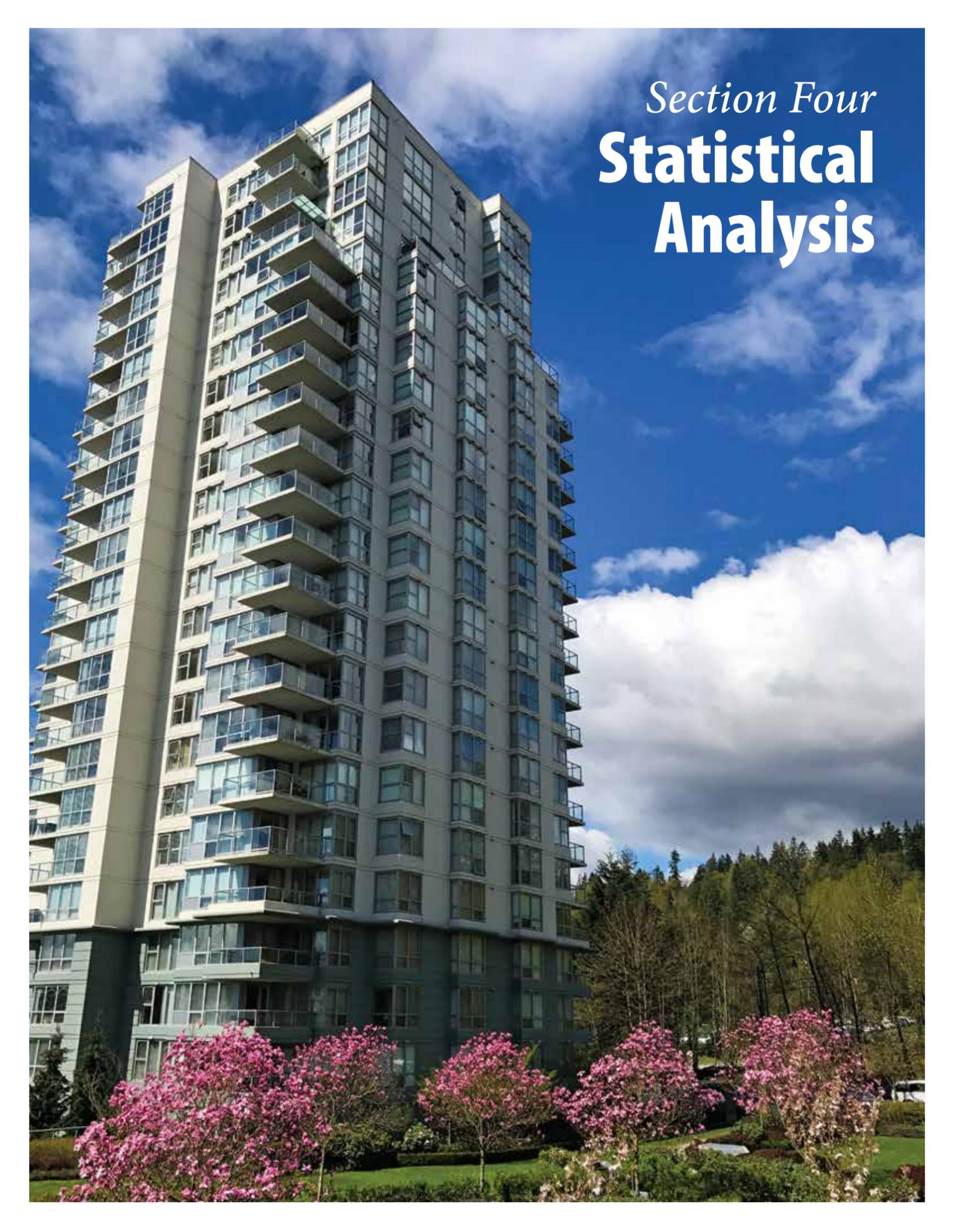
## 18. Other Government Taxes

The City collected on behalf of and remitted taxes to other taxing jurisdictions as follows, all of which are excluded from the revenues of the City:

|                                                | 2018                 | 2017          |
|------------------------------------------------|----------------------|---------------|
| Provincial Government - School Tax             | \$ 17,861,057        | \$ 17,264,126 |
| Greater Vancouver Regional District            | 650,278              | 567,887       |
| South Coast British Columbia Transit Authority | 3,536,476            | 3,330,859     |
| British Columbia Assessment Authority          | 651,610              | 618,564       |
| Municipal Finance Authority                    | 2,816                | 2,514         |
|                                                | <b>\$ 22,702,237</b> | \$ 21,783,950 |

## 19. Comparative Figures

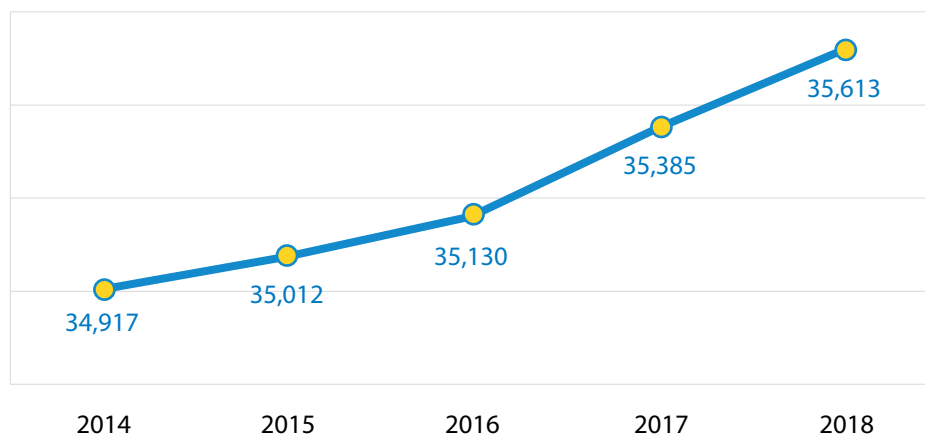
Certain prior year figures have been reclassified for comparative purposes to conform with the current year presentation.



*Section Four*  
**Statistical  
Analysis**

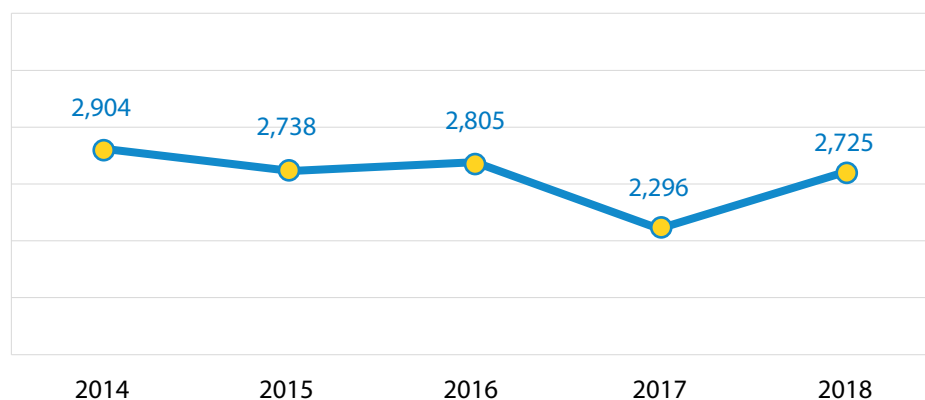
# Statistical Analysis

## Population, 2014–2018



Source: Population Estimates, B.C. Stats.

## Business Licences, 2014–2018



Source: City of Port Moody Development Services Department - Bylaw and Licensing Division

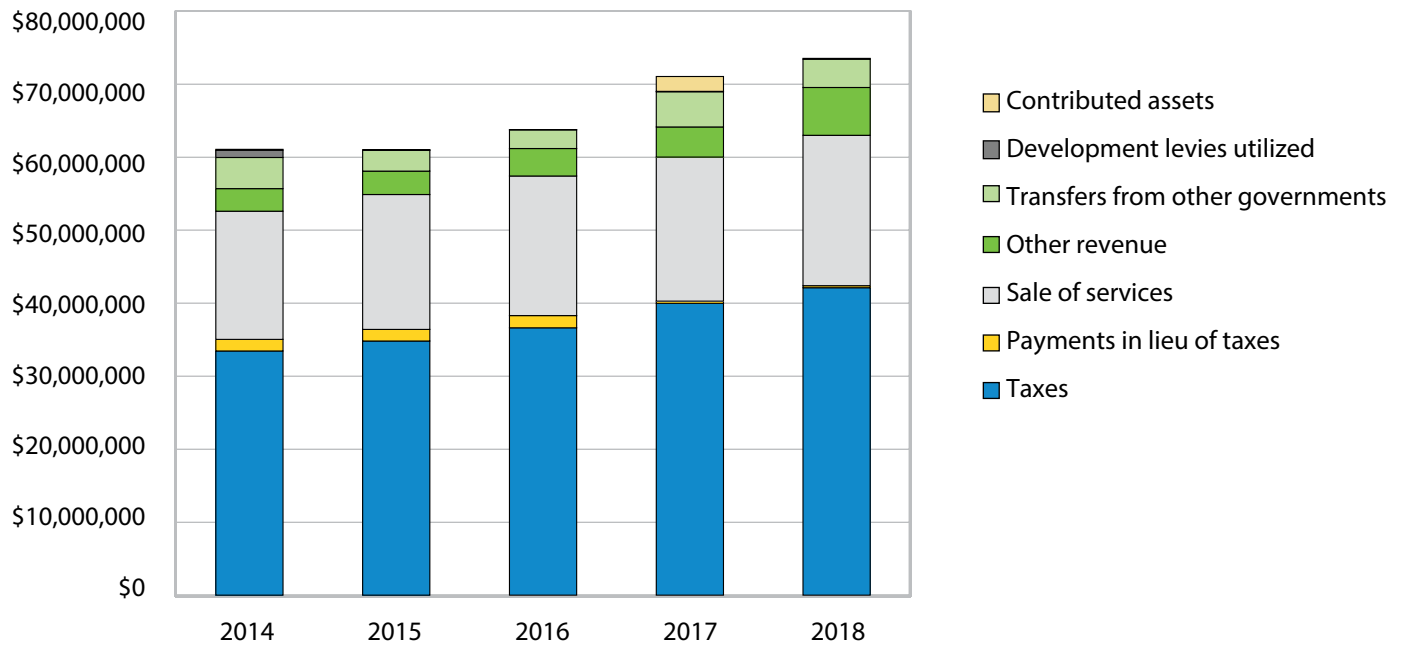
## Building Permit Values, 2014–2018 (in millions of dollars)

| Year | Residential | Commercial | Industrial | Institutional | Total            |
|------|-------------|------------|------------|---------------|------------------|
| 2018 | \$ 116.72   | \$ 2.48    | \$ 5.1     | \$ 0.00       | \$ <b>124.30</b> |
| 2017 | 17.37       | 3.61       | 0.00       | 10.20         | <b>31.18</b>     |
| 2016 | 44.20       | 3.33       | 0.00       | 0.00          | <b>47.53</b>     |
| 2015 | 7.14        | 1.79       | 0.00       | 17.76         | <b>26.69</b>     |
| 2014 | 7.56        | 1.25       | 0.00       | 1.67          | <b>10.48</b>     |

Source: City of Port Moody Planning and Development - Building Division

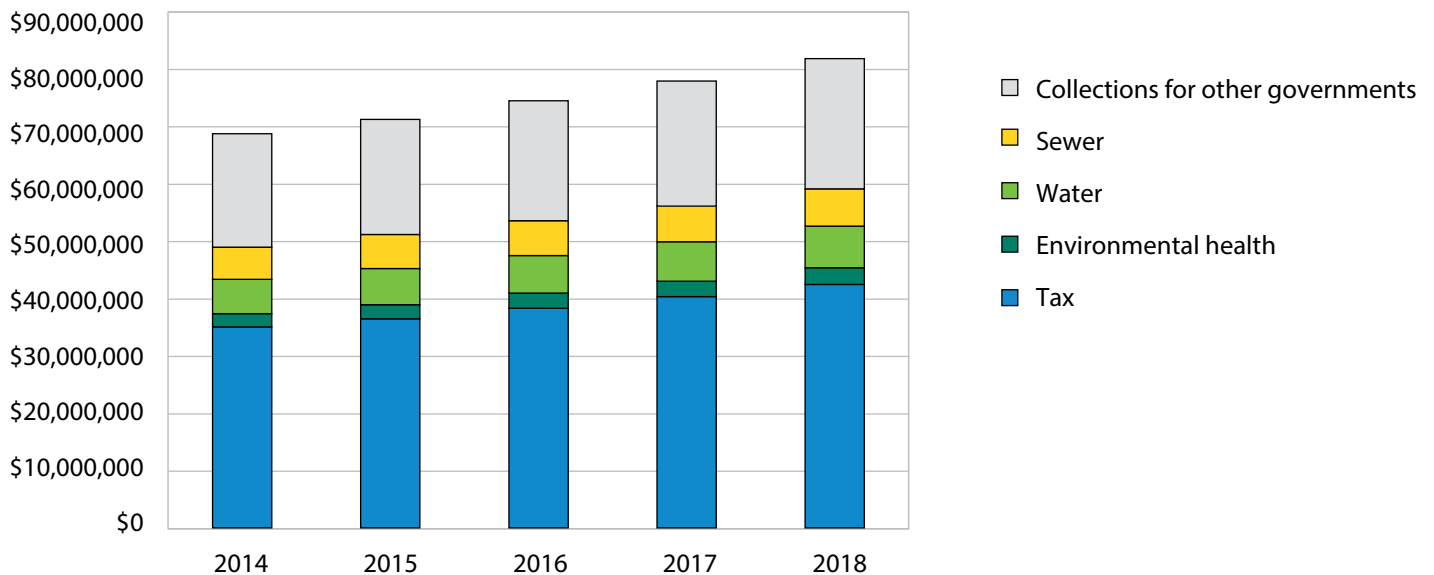
# Statistical Analysis

## Revenues by Source, 2014–2018



Source: City of Port Moody Finance Division

## Property Tax Collections, Other Major Levies and Collections, 2014–2018



Source: City of Port Moody Finance Division

# Statistical Analysis

## 2018 Assessed Taxable Values (includes processed Supplementary Rolls)

| Class                | For General Purposes     | % of Taxable Values | % of General Taxation |
|----------------------|--------------------------|---------------------|-----------------------|
| 1 - Residential      | \$ 11,097,224,822        | 90.93%              | 65.19%                |
| 2 - Utilities        | 3,734,140                | 0.03%               | 0.30%                 |
| 4 - Major Industrial | 161,736,800              | 1.33%               | 18.57%                |
| 5 - Light Industrial | 46,962,400               | 0.38%               | 1.58%                 |
| 6 - Commercial       | 865,019,706              | 7.09%               | 14.23%                |
| 8 - Recreation       | 27,782,500               | 0.23%               | 0.14%                 |
| <b>Total</b>         | <b>\$ 12,202,460,368</b> | <b>100.00%</b>      | <b>100.00%</b>        |

Source: City of Port Moody Finance Division

## 2018 Mill Rates (per \$1,000 Assessed Taxable Values)

| Class                   | Municipal | School  | GVTA   | BCAA   | MFA    | GVRD   | Total          |
|-------------------------|-----------|---------|--------|--------|--------|--------|----------------|
| 1 - Residential         | 2.4729    | 1.1358  | 0.2115 | 0.0403 | 0.0002 | 0.0464 | <b>3.9071</b>  |
| 2 - Utilities           | 34.2865   | 13.4000 | 2.4557 | 0.5037 | 0.0007 | 0.1624 | <b>50.8090</b> |
| 3 - Supportive housing  | 2.4729    | 0.1000  | -      | -      | 0.0002 | 0.0464 | <b>2.6195</b>  |
| 4 - Major Industrial    | 70.6531   | 1.6800  | 1.6993 | 0.5037 | 0.0007 | 0.1578 | <b>74.6946</b> |
| 5 - Light Industrial    | 14.1856   | 4.2000  | 1.1620 | 0.1241 | 0.0007 | 0.1578 | <b>19.8302</b> |
| 6 - Commercial          | 6.9254    | 4.2000  | 0.9396 | 0.1241 | 0.0005 | 0.1137 | <b>12.3033</b> |
| 7 - Managed Forest Land | 7.4187    | 1.9000  | -      | 0.2560 | 0.0006 | 0.1392 | <b>9.7145</b>  |
| 8 - Recreation          | 2.1159    | 2.5000  | 0.1858 | 0.0403 | 0.0002 | 0.0464 | <b>4.8886</b>  |
| 9 - Farm                | 2.4729    | 7.0000  | -      | 0.0403 | 0.0002 | 0.0464 | <b>9.5598</b>  |

Source: City of Port Moody Finance Division

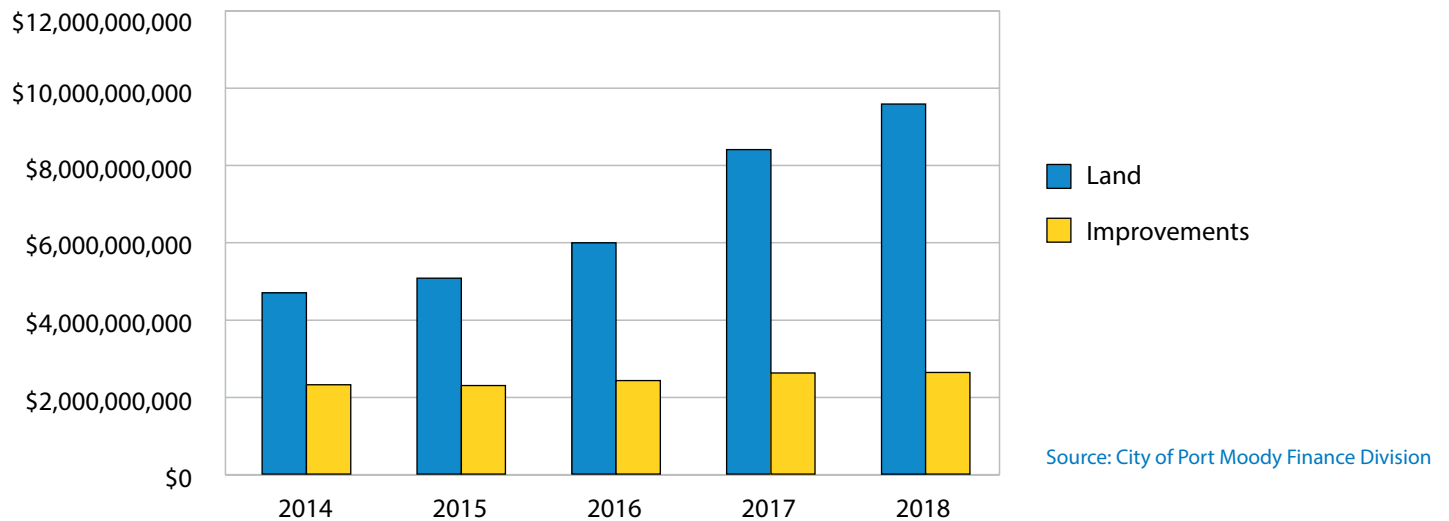
## Collections for Other Taxing Authorities

|                                     | 2018                 | 2017          | 2016          | 2015          | 2014          |
|-------------------------------------|----------------------|---------------|---------------|---------------|---------------|
| Province of BC - School Tax         | <b>\$ 17,861,057</b> | \$ 17,264,126 | \$ 16,600,114 | \$ 15,932,113 | \$ 15,651,722 |
| Greater Vancouver Transit Authority | <b>3,536,476</b>     | 3,330,859     | 3,197,979     | 3,085,385     | 3,065,487     |
| BC Assessment Authority             | <b>651,610</b>       | 618,564       | 575,315       | 545,650       | 535,905       |
| Greater Vancouver Regional District | <b>650,278</b>       | 567,887       | 535,190       | 503,516       | 493,723       |
| Municipal Finance Authority         | <b>2,816</b>         | 2,514         | 1,937         | 1,692         | 1,606         |
| <b>Total</b>                        | <b>\$ 22,702,237</b> | \$ 21,783,950 | \$ 20,910,535 | \$ 20,068,356 | \$ 19,748,443 |

Source: City of Port Moody Finance Division

# Statistical Analysis

## Assessed Values for General Municipal Purposes, 2014–2018



## Composition of Tax Revenue and Assessment, 2004–2018

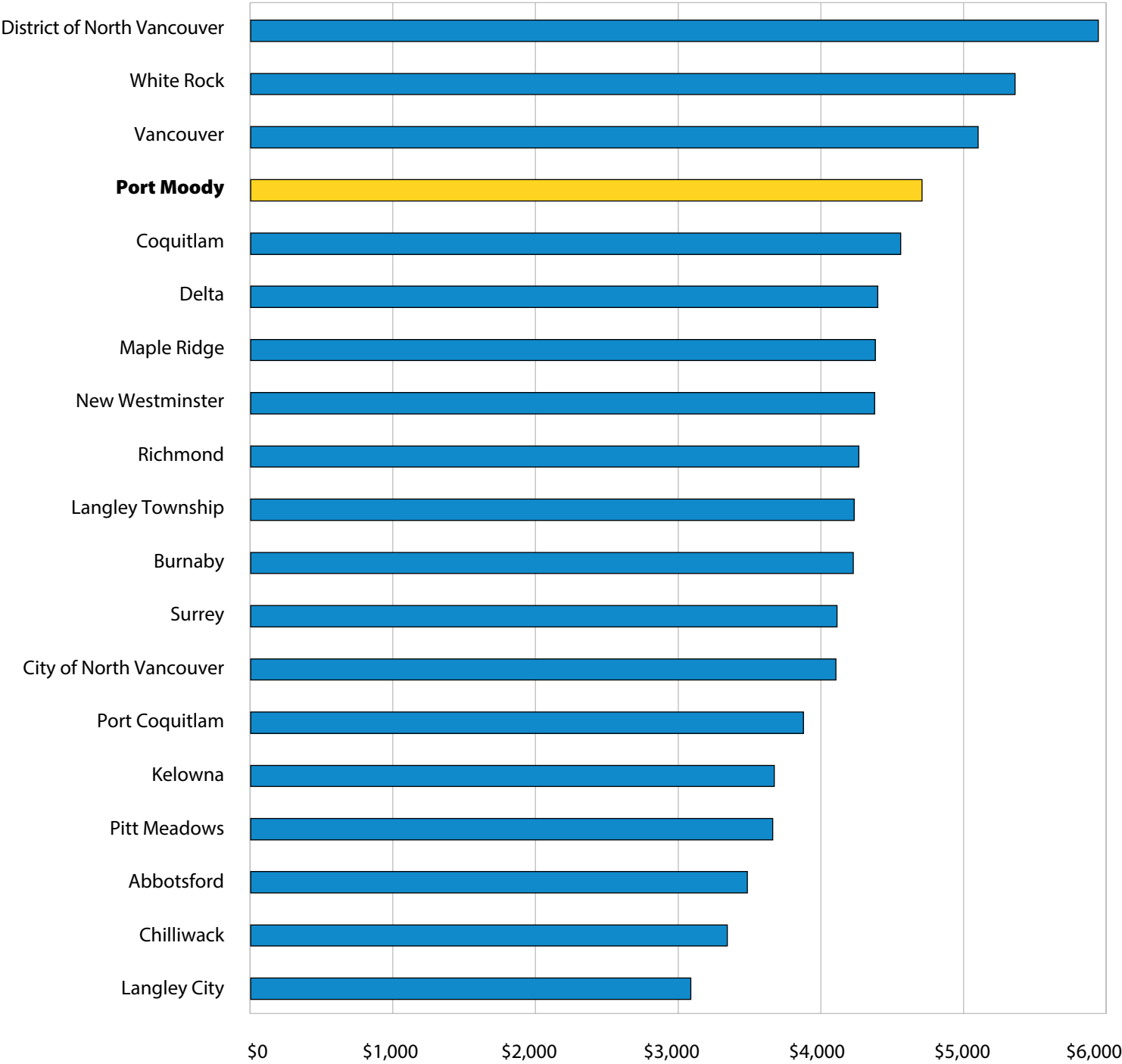
Over the last fifteen years, the proportion of Port Moody's tax revenue from industrial and commercial activities has gone from 36.93% in 2004 to 34.38% in 2018.

| Tax Portion (Municipal Portion) |                   |                                                      |                                        | Assessments  |                                                         |
|---------------------------------|-------------------|------------------------------------------------------|----------------------------------------|--------------|---------------------------------------------------------|
|                                 | Total Tax Revenue | Industrial & Commercial Tax Revenue (Class 4, 5 & 6) | % from Industrial & Commercial Revenue | Total        | % from Industrial & Commercial Revenue (Class 4, 5 & 6) |
| Year                            | \$ Millions       | \$ Millions                                          | %                                      | \$ Billions  | %                                                       |
| 2004                            | 16.40             | 6.06                                                 | 36.93%                                 | 2.71         | 9.85%                                                   |
| 2005                            | 17.06             | 6.10                                                 | 35.76%                                 | 3.35         | 8.19%                                                   |
| 2006                            | 19.18             | 6.71                                                 | 35.00%                                 | 3.95         | 8.01%                                                   |
| 2007                            | 21.39             | 7.24                                                 | 33.82%                                 | 5.05         | 7.49%                                                   |
| 2008                            | 22.63             | 7.49                                                 | 33.11%                                 | 5.87         | 7.91%                                                   |
| 2009                            | 24.96             | 8.14                                                 | 32.60%                                 | 6.21         | 7.84%                                                   |
| 2010                            | 26.48             | 8.62                                                 | 32.54%                                 | 6.09         | 8.58%                                                   |
| 2011                            | 27.84             | 9.02                                                 | 32.39%                                 | 6.54         | 8.12%                                                   |
| 2012                            | 29.36             | 9.11                                                 | 31.01%                                 | 6.72         | 8.16%                                                   |
| 2013                            | 30.84             | 9.76                                                 | 31.64%                                 | 6.92         | 8.13%                                                   |
| 2014                            | 32.14             | 10.06                                                | 31.31%                                 | 7.00         | 8.14%                                                   |
| 2015                            | 34.23             | 10.65                                                | 31.10%                                 | 7.36         | 8.26%                                                   |
| 2016                            | 35.29             | 11.22                                                | 31.79%                                 | 8.41         | 8.57%                                                   |
| 2017                            | 38.61             | 13.16                                                | 34.08%                                 | 8.77         | 7.96%                                                   |
| <b>2018</b>                     | <b>40.80</b>      | <b>14.03</b>                                         | <b>34.38%</b>                          | <b>10.74</b> | <b>8.80%</b>                                            |

Source: City of Port Moody Finance Division

# Statistical Analysis

## 2018 Municipal Tax and Utility Charges for an Average Home



\*Includes collection of other government levies

Source: City of Port Moody Finance Division

## 2018 Principal Taxpayers in Port Moody

| Registered Owner                                                       | Total Tax Levied in 2018* |
|------------------------------------------------------------------------|---------------------------|
| Petro Canada                                                           | \$ 4,440,821.56           |
| Pacific Coast Terminals Co Ltd                                         | 2,362,692.72**            |
| Mill & Timber Products Ltd                                             | 1,855,296.77              |
| Onni Property Management Services Ltd                                  | 1,278,542.90              |
| Imperial Oil Ltd                                                       | 1,216,457.77              |
| Bosa Development Corp                                                  | 571,617.16                |
| Reichhold Industries Ltd                                               | 524,644.22                |
| OpenRoad Auto Group Ltd                                                | 498,650.65                |
| Rastad Construction Ltd                                                | 437,218.44                |
| 50 Electronic (Commercial) Holdings Ltd / Panatch Holdings Ltd         | 327,368.86                |
| Onni Development (Ioco Road) Corporation                               | 311,559.03                |
| Dick Irwin Ltd                                                         | 309,321.01                |
| R M Berezan & Son Ltd                                                  | 228,493.81                |
| Choi, Key-Joo & Choi, Yeong-Ja                                         | 223,024.95                |
| Mountainview Cooperative Housing Association                           | 218,867.92                |
| Townline Ventures (Clarke Street)                                      | 217,720.46                |
| Mosaic Murray Master Holdings Ltd                                      | 216,970.46                |
| 1135653 BC Ltd                                                         | 205,910.91                |
| Andromeda Investments Ltd                                              | 198,242.35                |
| Fernco Development Ltd / Lenco Development Ltd / Norco Development Ltd | 197,678.70                |
| Land Castle Development Corp                                           | 172,604.40                |
| Andrew Peller Ltd                                                      | 160,159.05                |
| Rocky Point Joint Venture Ltd                                          | 153,711.29                |
| Captain's Square Holdings Ltd                                          | 149,429.29                |
| Berezan Management (Port Moody) Ltd                                    | 143,349.59                |

\*Includes amounts collected on behalf of other government authorities

\*\* Net of Port Competitiveness Grant

Source: City of Port Moody Finance Division

# Statistical Analysis

## 2018 Tax Exemptions Bylaw No. 3108

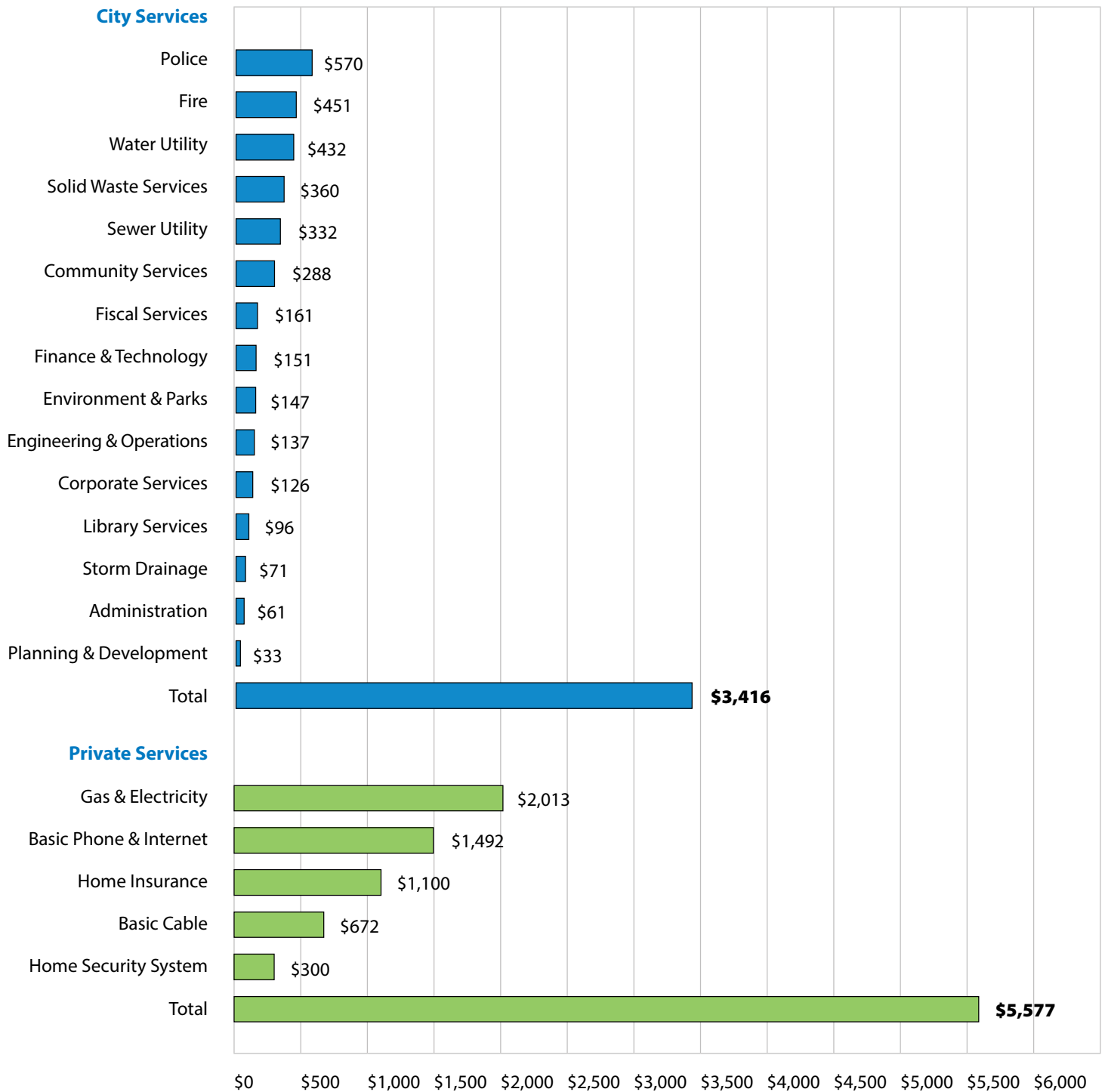
|                                                 | Bylaw<br>Ref | Folio #   | Authority to<br>Grant Exemption | Exempt<br>Assessment | Class | Municipal<br>Tax |           |
|-------------------------------------------------|--------------|-----------|---------------------------------|----------------------|-------|------------------|-----------|
| Statutory Exemptions (Provincially Exempted)    |              |           |                                 |                      |       |                  |           |
| Churches and Hospitals                          |              |           |                                 |                      |       |                  |           |
| Mennonite Church                                | 2.1.1        | 03161-000 | Section 220 (1) (h) (i)         | 2,739,000            | 8     | \$               | 6,558     |
| Catholic Church                                 | 2.1.2        | 03350-002 | Section 220 (1) (h) (i)         | 441,900              | 8     |                  | 1,058     |
| United Church                                   | 2.1.3        | 04023-001 | Section 220 (1) (h) (i)         | 292,500              | 8     |                  | 700       |
| United Church                                   | 2.1.4        | 08947-001 | Section 224 (2) (f) (i,ii,iii)  | 65,000               | 8     |                  | 156       |
| United Church                                   | 2.1.5        | 08958-001 | Section 220 (1) (h) (ii)        | 333,200              | 8     |                  | 798       |
| Anglican Church                                 | 2.1.6        | 04086-001 | Section 220 (1) (h) (i)         | 286,000              | 8     |                  | 685       |
| Fraser Health Authority (Note 1)                |              | 16476-000 | Section 220 (1) (j)             | 117,485,000          | 6     |                  | 988,154   |
| Total Statutory Exemptions                      |              |           |                                 |                      |       | \$               | 998,109   |
| Permissive Exemptions (Council's Consideration) |              |           |                                 |                      |       |                  |           |
| Churches and Hospitals                          |              |           |                                 |                      |       |                  |           |
| Mennonite Church                                | 2.1.1        | 03161-000 | Section 224 (2) (f) (i,ii,iii)  | 1,343,000            | 8     | \$               | 3,216     |
| Catholic Church                                 | 2.1.2        | 03350-002 | Section 224 (2) (f) (i,ii,iii)  | 651,800              | 8     |                  | 1,561     |
| United Church                                   | 2.1.3        | 04023-001 | Section 224 (2) (f) (i,ii,iii)  | 1,175,000            | 8     |                  | 2,813     |
| United Church                                   | 2.1.4        | 08947-001 | Section 224 (2) (f) (i,ii,iii)  | 1,130,000            | 8     |                  | 2,706     |
| United Church                                   | 2.1.5        | 08958-001 | Section 224 (2) (f) (i,ii,iii)  | 733,900              | 8     |                  | 1,757     |
| Anglican Church                                 | 2.1.6        | 04086-001 | Section 224 (2) (f) (i,ii,iii)  | 1,152,800            | 8     |                  | 2,760     |
| Subtotal Churches & Hospitals                   |              |           |                                 |                      |       | \$               | 14,813    |
| Other:                                          |              |           |                                 |                      |       |                  |           |
| Simon Fraser Society for Community Living       | 2.1.7        | 02050-000 | Section 224 (2) (a)             | 1,414,000            | 1     | \$               | 3,790     |
| Port Moody Heritage Society                     | 2.1.8        | 03053-000 | Section 224 (2) (d) (i, ii)     | 894,800              | 6     |                  | 7,526     |
| Port Moody Ecological Society                   | 2.1.9        | 02089-010 | Section 224 (2) (d) (i, ii)     | 3,313,100            | 6     |                  | 27,866    |
| Port Moody Senior Housing Society               | 2.1.10       | 03351-000 | Section 224 (2) (h)             | 10,744,000           | 1     |                  | 28,799    |
| Port Moody Arts Centre Society                  | 2.1.11       | 03219-001 | Section 224 (2) (d) (i, ii)     | 43,500               | 6     |                  | 366       |
| Association of Neighbourhood Houses of BC       | 2.1.12       | 16712-000 | Section 224 (2) (a)             | 230,000              | 6     |                  | 1,935     |
| Association of Neighbourhood Houses of BC       | 2.1.12       | 16712-000 | Section 224 (2) (a)             | 689,000              | 8     |                  | 1,650     |
| Community Ventures Society                      | 2.1.13       | 04027-000 | Section 224 (2) (a)             | 1,583,000            | 6     |                  | 13,314    |
| City of Port Moody                              | 2.1.14       | 08977-020 | Section 224 (2) (i)             | 724,000              | 8     |                  | 1,733     |
| City of Port Moody                              | 2.1.15       | 17000-003 | Section 224 (2) (d)             | 42,000               | 8     |                  | 101       |
| City of Port Moody                              | 2.1.16       | 17000-005 | Section 224 (2) (d)             | 60,000               | 8     |                  | 144       |
| City of Port Moody                              | 2.1.17       | 17000-011 | Section 224 (2) (d)             | 198,000              | 8     |                  | 474       |
| Subtotal Other                                  |              |           |                                 |                      |       | \$               | 87,698    |
| Total Municipal exemptions                      |              |           |                                 |                      |       | \$               | 1,100,620 |

Note 1: Fraser Health Authority has no reference on the permissive exemption bylaw as there is no permissive exemption component related to this organization.

# Statistical Analysis

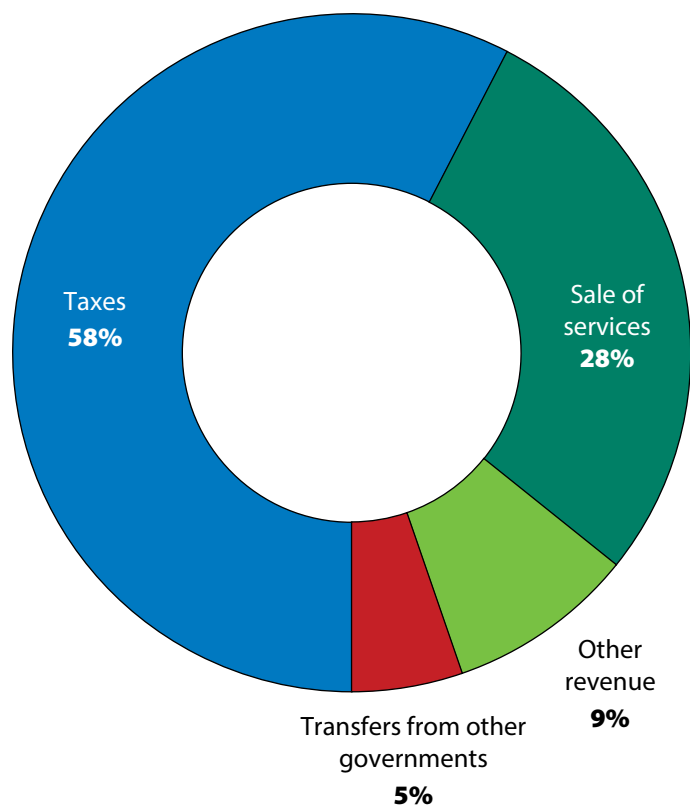
## Standard Household Costs, 2018

Comparing the average 2018 standard household costs to the budgeted cost of all City services



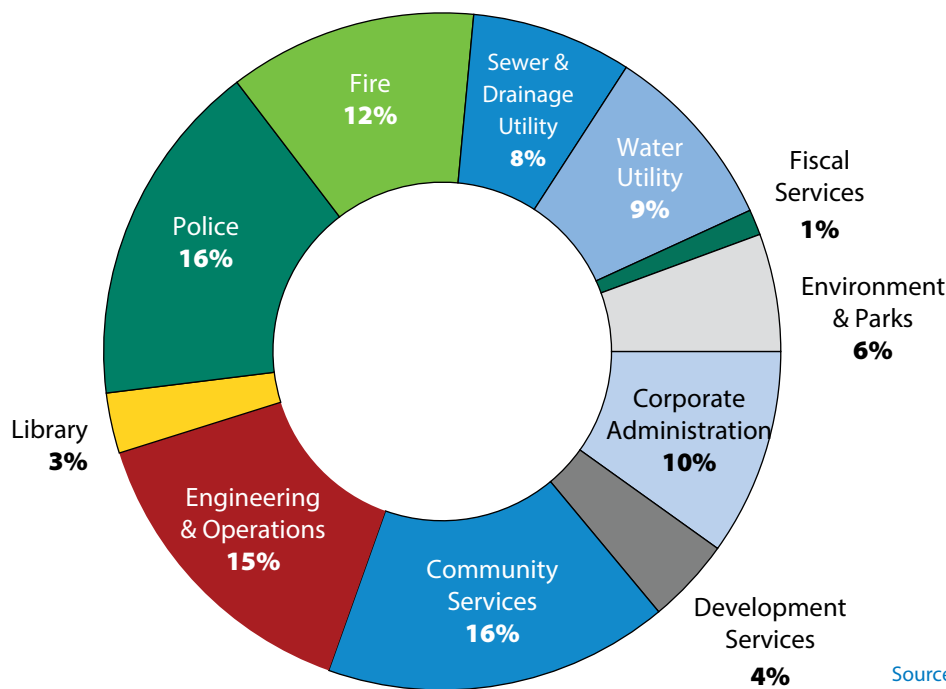
# Statistical Analysis

2018 Revenue Sources



Source: City of Port Moody Finance Division

2018 Department Expenses



Source: City of Port Moody Finance Division

# Statistical Analysis

## 2018 Revenues and Expenses by Department and Service Categories

|                                           | 2018             | 2017             | 2016             | 2015             | 2014             |
|-------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Revenues (in thousands of dollars)</b> |                  |                  |                  |                  |                  |
| Taxes                                     | \$ 42,087        | \$ 39,967        | \$ 36,613        | \$ 34,793        | \$ 33,429        |
| Payments in lieu of taxes                 | 300              | 294              | 1,661            | 1,600            | 1,582            |
| Sale of Services                          | 20,587           | 19,730           | 19,127           | 18,471           | 17,558           |
| Other Revenue                             | 6,552            | 4,116            | 3,757            | 3,210            | 3,088            |
| Transfers from other governments          | 3,858            | 4,830            | 2,552            | 2,840            | 4,274            |
| Development levies utilized               | 111              | 39               | 32               | 52               | 1,012            |
| Contributed Assets                        | -                | 2,048            | -                | 30               | 100              |
|                                           | <u>\$ 73,495</u> | <u>\$ 71,024</u> | <u>\$ 63,742</u> | <u>\$ 60,996</u> | <u>\$ 61,043</u> |

|                                                           |                  |                  |                  |                  |                  |
|-----------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses - By Department (in thousands of dollars)</b> |                  |                  |                  |                  |                  |
| Corporate Administration                                  | \$ 6,856         | \$ 6,809         | \$ 6,749         | \$ 6,239         | \$ 5,886         |
| Development Services                                      | 2,827            | 1,934            | 1,623            | 1,461            | 1,381            |
| Community Services                                        | 11,434           | 10,732           | 10,402           | 9,813            | 9,746            |
| Engineering & Operations                                  | 10,202           | 8,626            | 7,831            | 8,692            | 7,742            |
| Environment & Parks                                       | 3,898            | 3,382            | 3,193            | 2,417            | 2,759            |
| Library                                                   | 2,003            | 1,981            | 1,859            | 1,819            | 1,798            |
| Police                                                    | 11,509           | 10,614           | 10,542           | 9,772            | 10,134           |
| Fire                                                      | 8,224            | 7,844            | 7,333            | 7,079            | 6,882            |
| Sewer & Drainage Utility                                  | 5,316            | 4,855            | 4,590            | 4,966            | 4,223            |
| Water Utility                                             | 6,249            | 5,956            | 5,406            | 6,065            | 5,441            |
| Fiscal Services                                           | 848              | 690              | 1,086            | 960              | 872              |
| Equipment Replacement                                     | (1,053)          | (929)            | (859)            | (793)            | (789)            |
| Total                                                     | <u>\$ 68,313</u> | <u>\$ 62,494</u> | <u>\$ 59,755</u> | <u>\$ 58,490</u> | <u>\$ 56,075</u> |

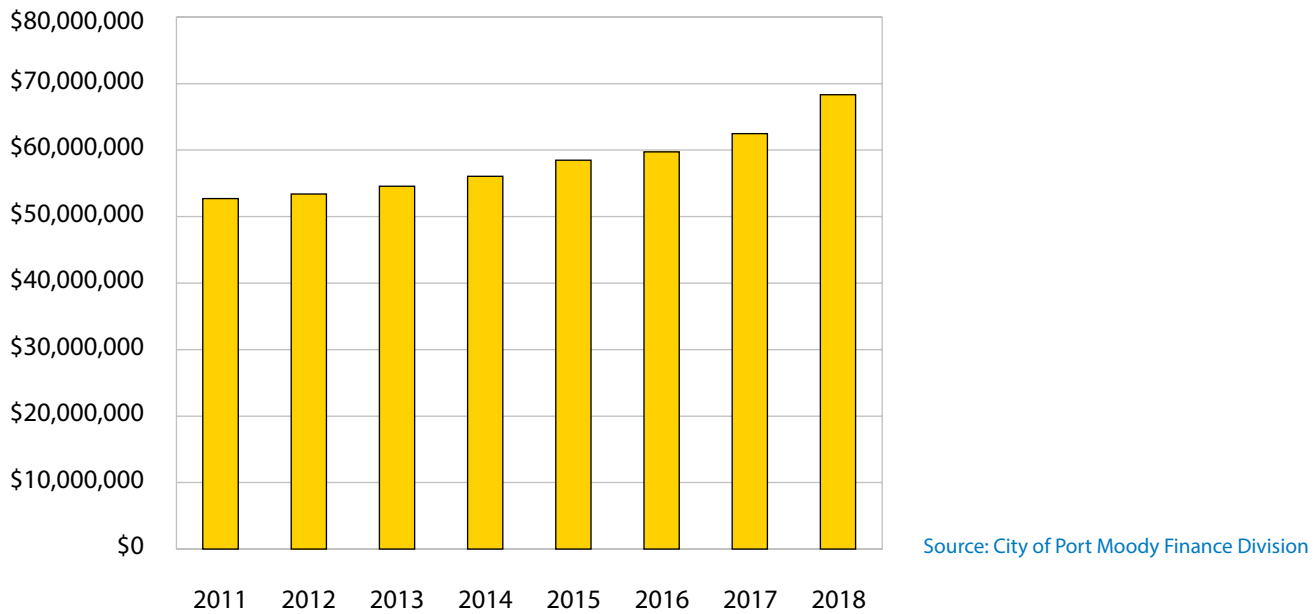
|                                                     |                  |                  |                  |                  |                  |
|-----------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses - By Type (in thousands of dollars)</b> |                  |                  |                  |                  |                  |
| Salaries and Benefits                               | \$ 36,702        | \$ 34,969        | \$ 34,092        | \$ 32,332        | \$ 30,909        |
| Goods and Services                                  | 21,843           | 19,702           | 18,497           | 19,088           | 17,661           |
| Amortization                                        | 9,419            | 7,554            | 6,859            | 6,664            | 7,044            |
| Debt Interest                                       | 349              | 269              | 307              | 406              | 461              |
|                                                     | <u>\$ 68,313</u> | <u>\$ 62,494</u> | <u>\$ 59,755</u> | <u>\$ 58,490</u> | <u>\$ 56,075</u> |

|                       |                 |                 |                 |                 |                 |
|-----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Annual Surplus</b> | <u>\$ 5,182</u> | <u>\$ 8,530</u> | <u>\$ 3,987</u> | <u>\$ 2,504</u> | <u>\$ 4,968</u> |
|-----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|

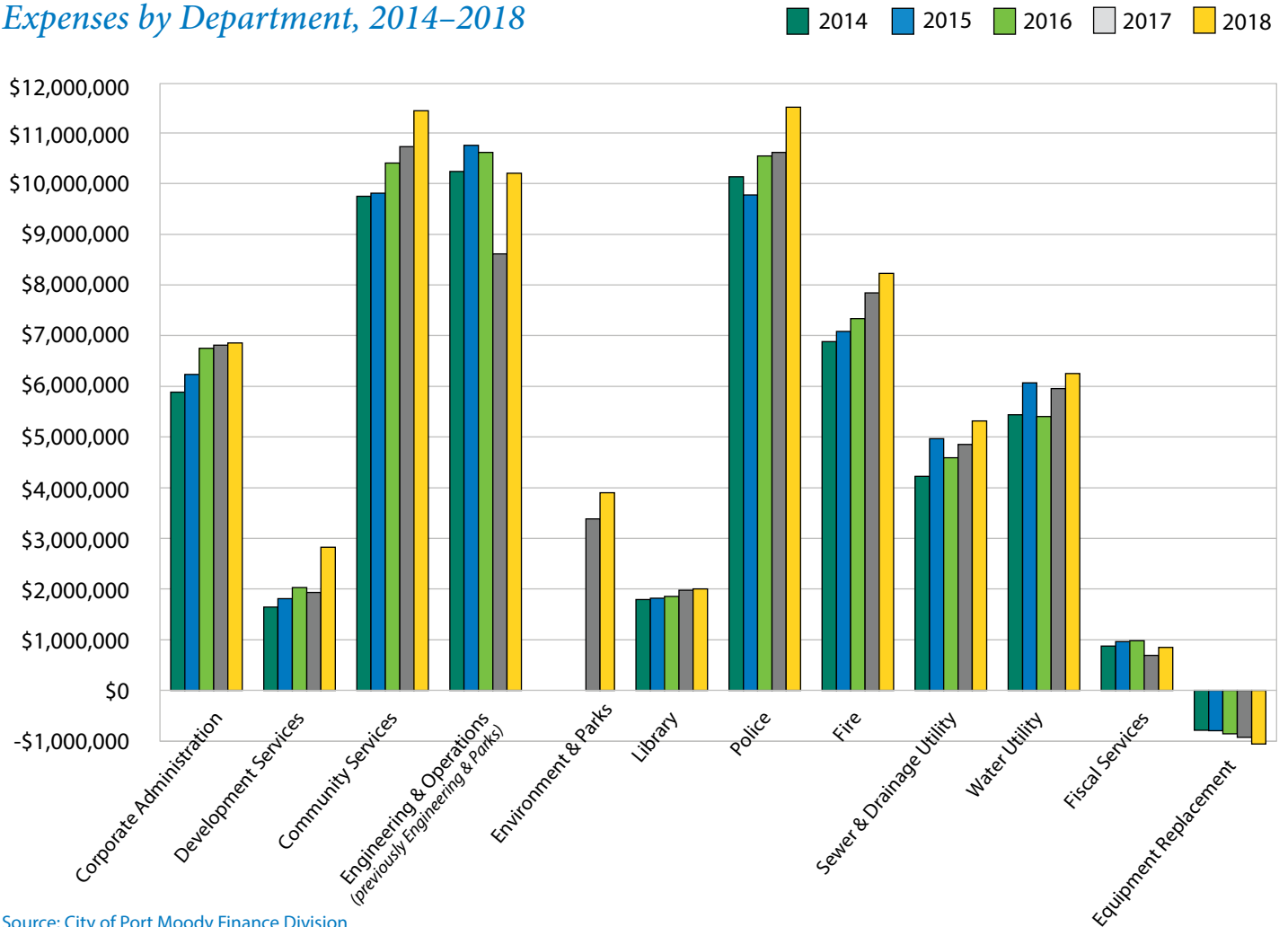
|                             |                  |                  |                  |                  |                  |
|-----------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Net Financial Assets</b> | <u>\$ 23,052</u> | <u>\$ 24,274</u> | <u>\$ 28,831</u> | <u>\$ 27,962</u> | <u>\$ 25,028</u> |
|-----------------------------|------------------|------------------|------------------|------------------|------------------|

# Statistical Analysis

## Total Expenses, 2011–2018

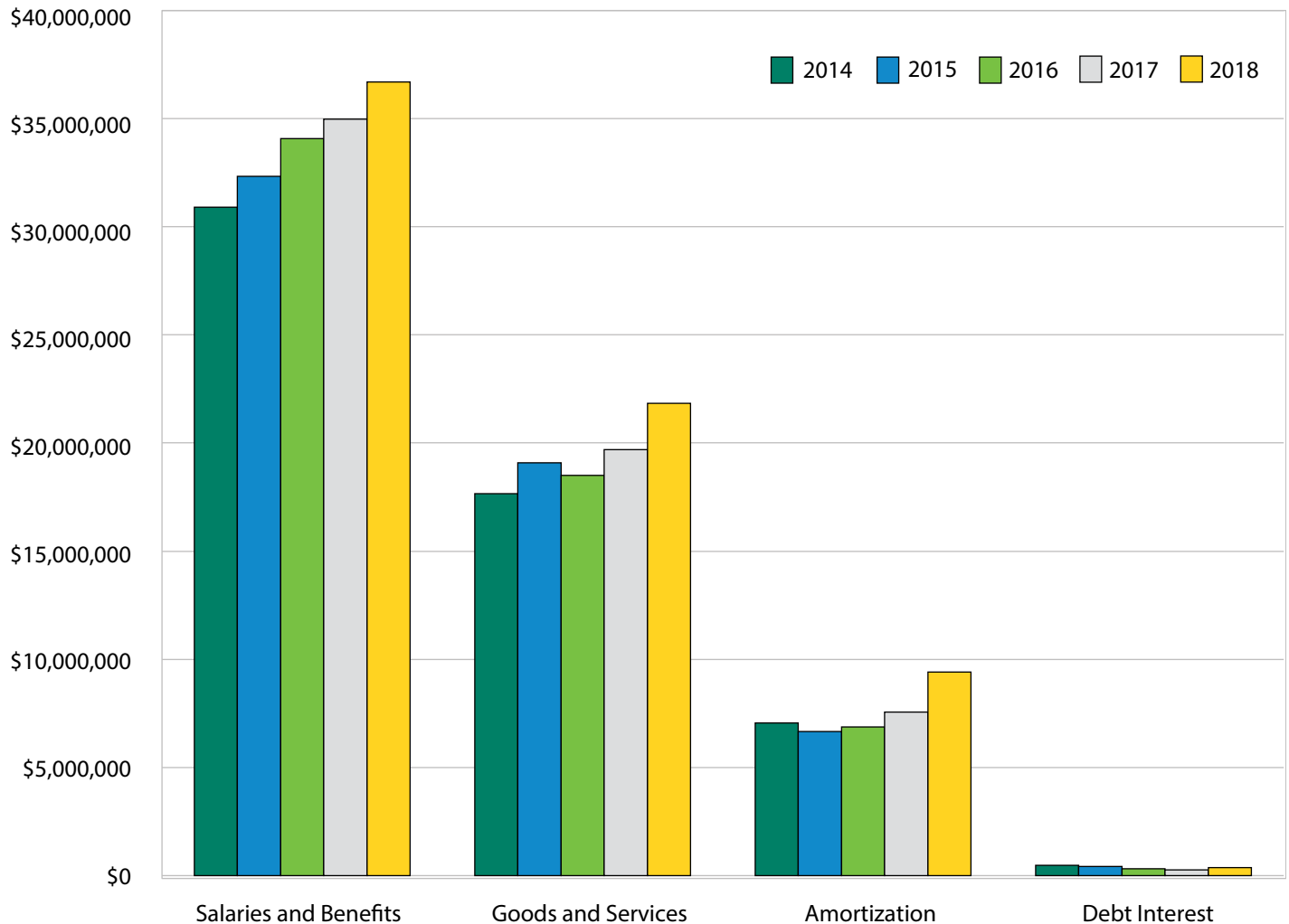


## Expenses by Department, 2014–2018



# Statistical Analysis

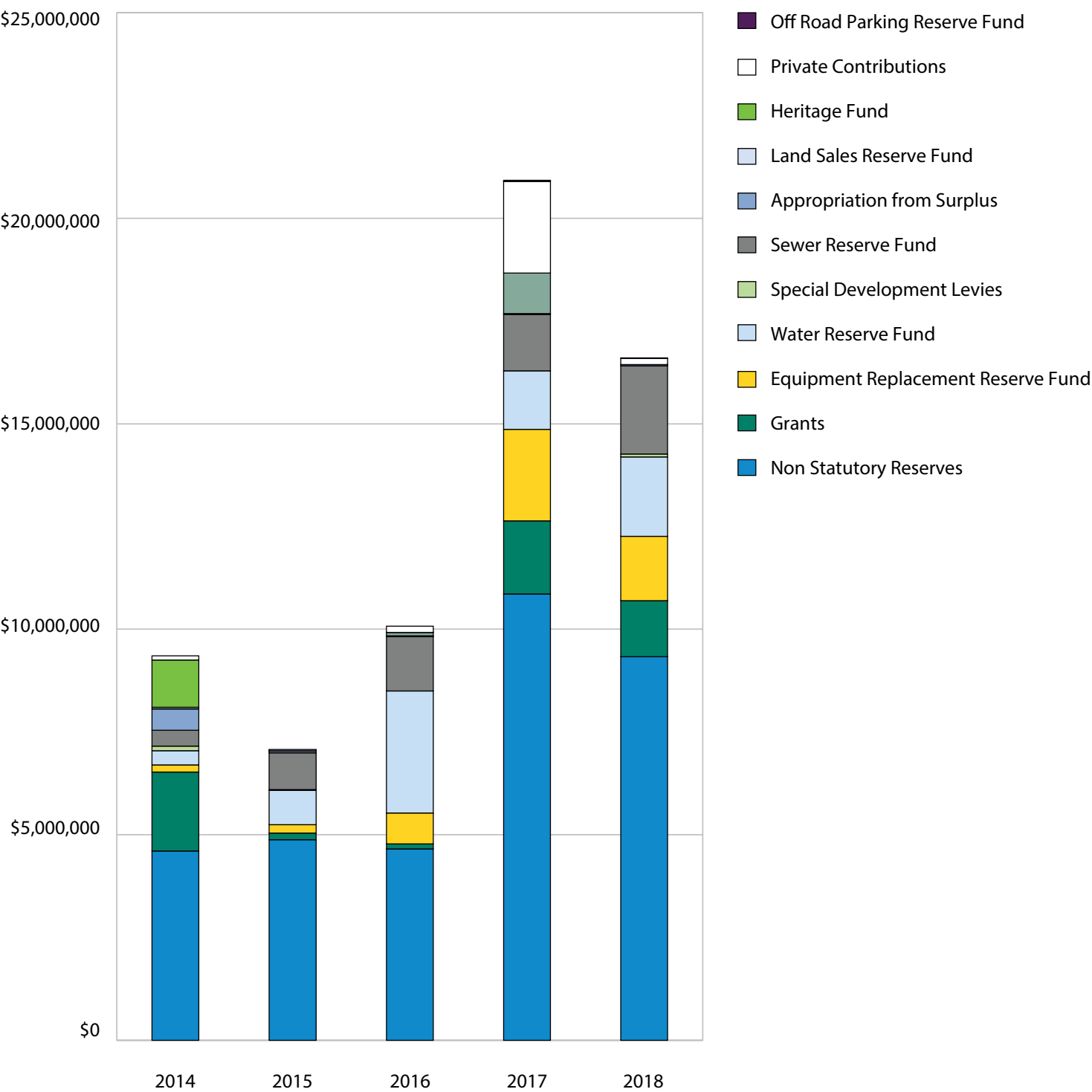
## Expenses by Category, 2014–2018



Source: City of Port Moody Finance Division

# Statistical Analysis

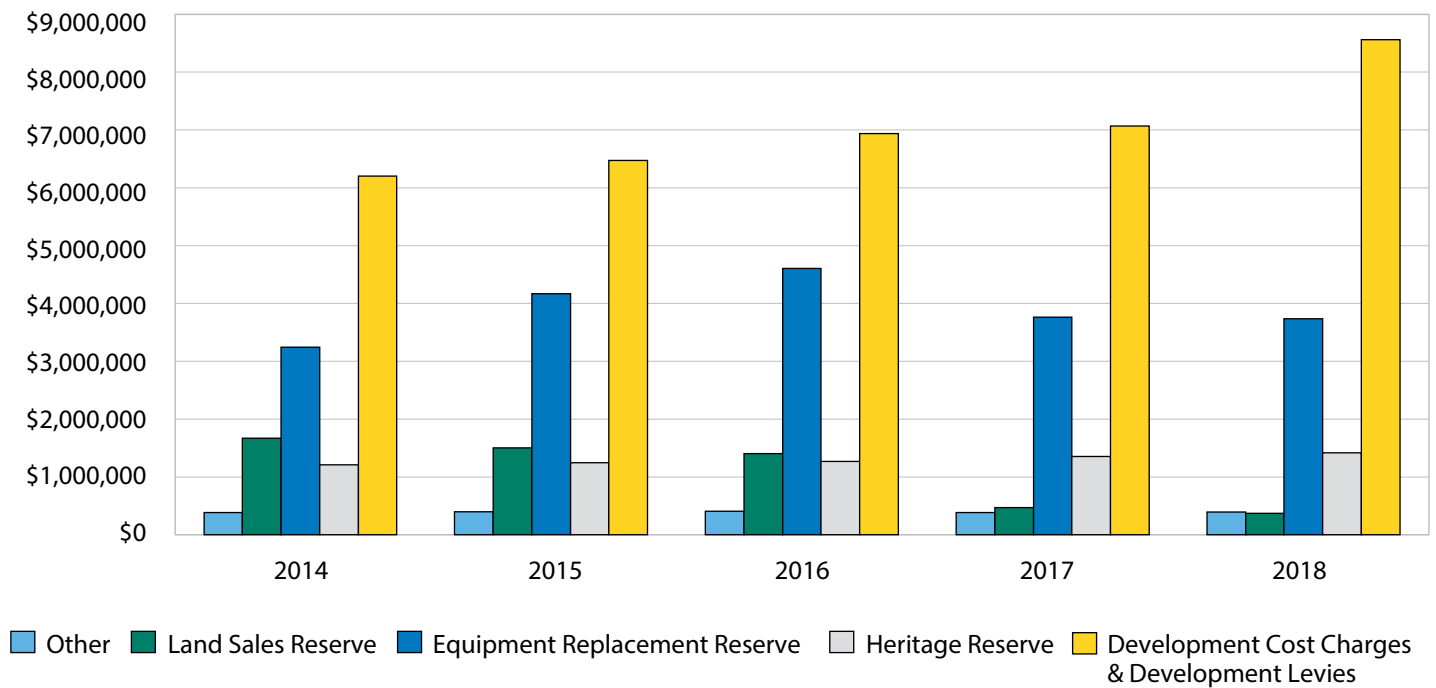
Capital Expenses by Source, 2014–2018



Source: City of Port Moody Finance Division

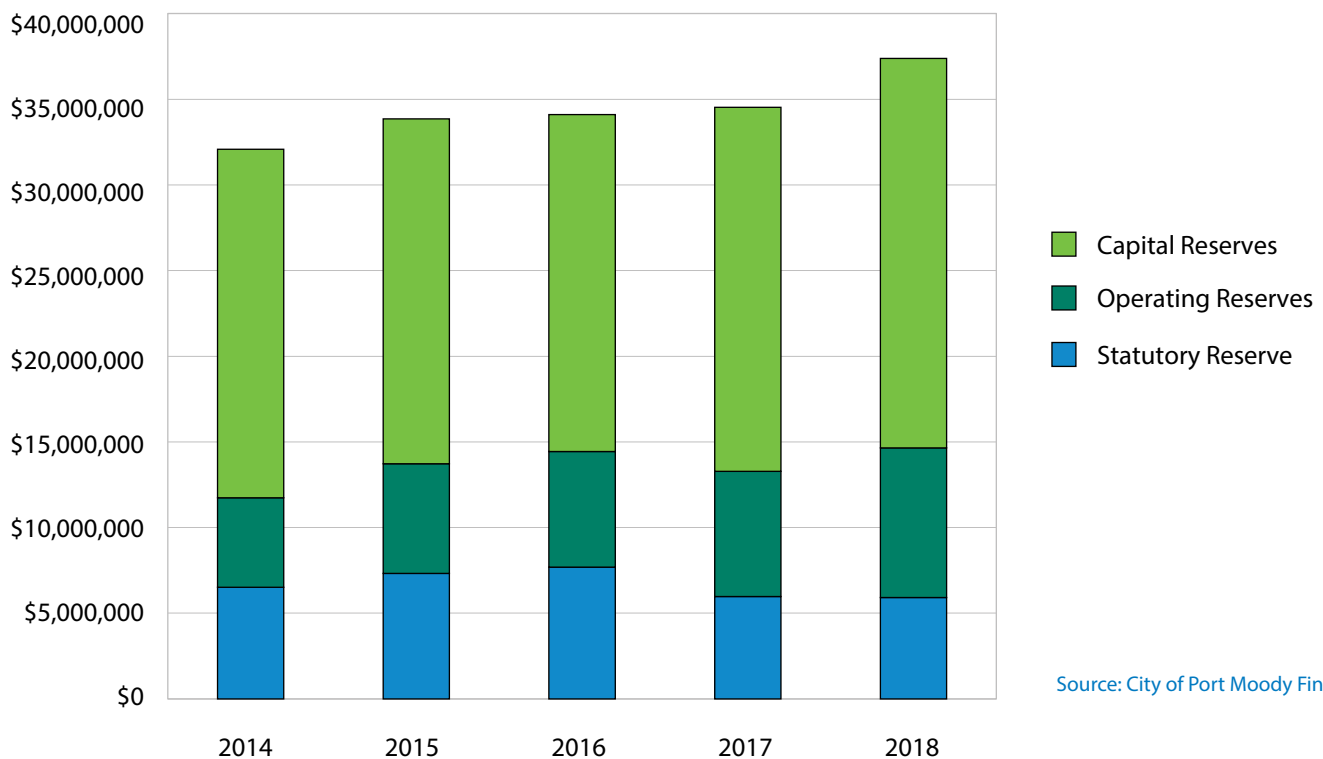
# Statistical Analysis

## Summary of Statutory Reserve Funds, 2014–2018



Source: City of Port Moody Finance Division

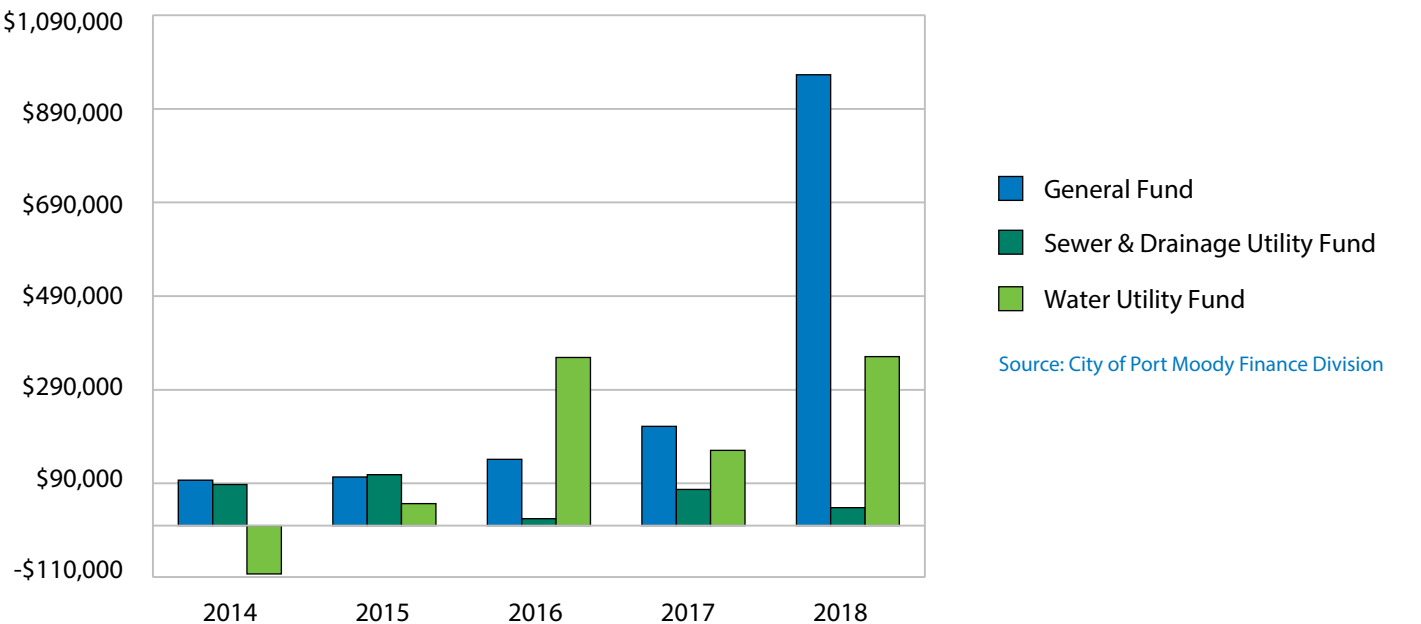
## Summary of Reserve Funds, 2014–2018



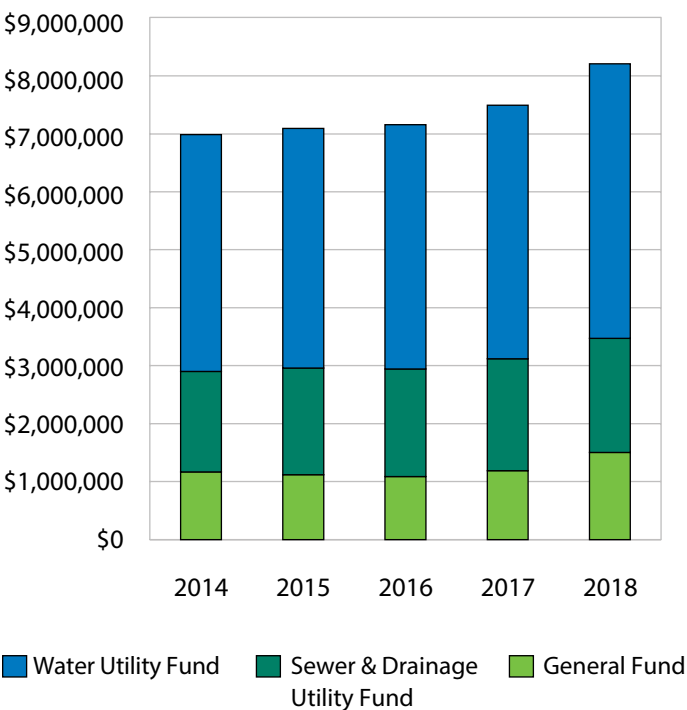
Source: City of Port Moody Finance Division

# Statistical Analysis

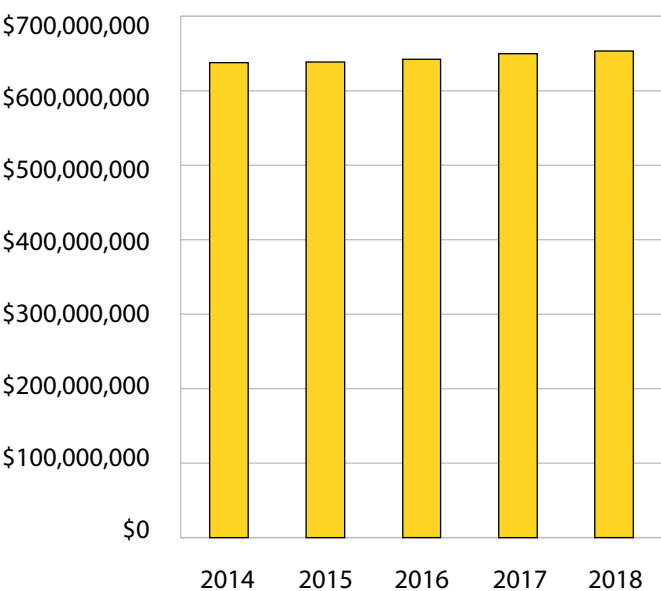
Operating Surplus, 2014–2018



General, Sewer, and Water Fund  
Accumulated Surplus, 2014–2018



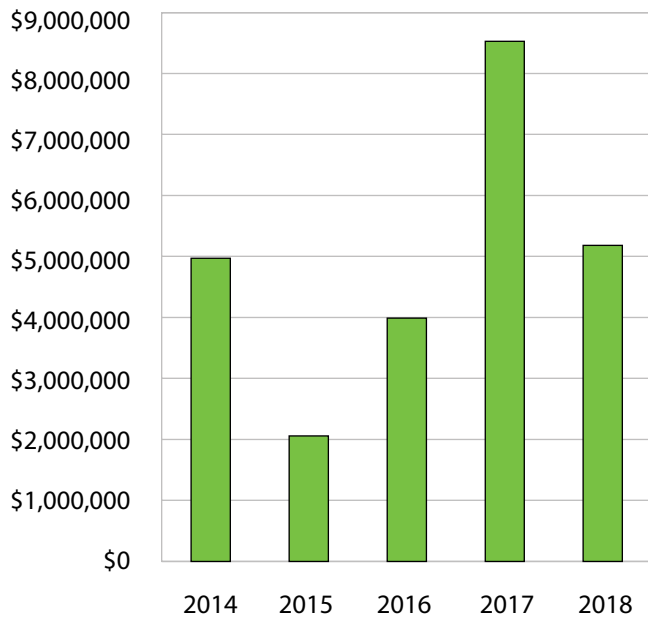
Tangible Capital Assets  
Accumulated Surplus, 2014–2018



Sources: City of Port Moody Finance Division

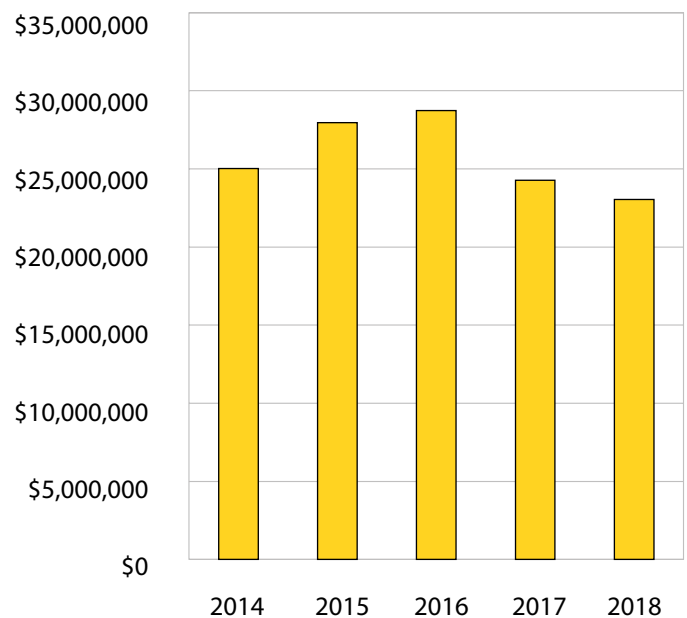
# Statistical Analysis

*Annual Surplus, 2014–2018*



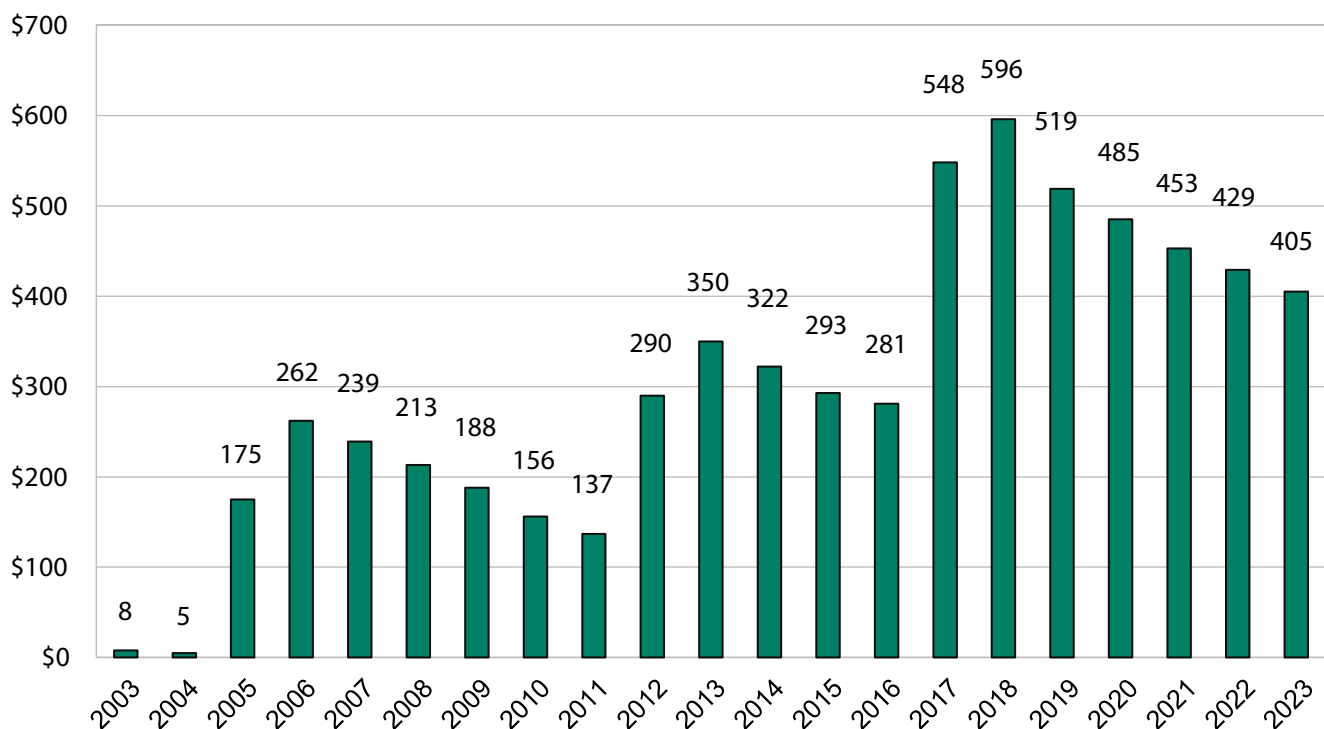
Source: City of Port Moody Finance Division

*Net Financial Assets (Net Debt), 2014–2018*



Source: City of Port Moody Finance Division

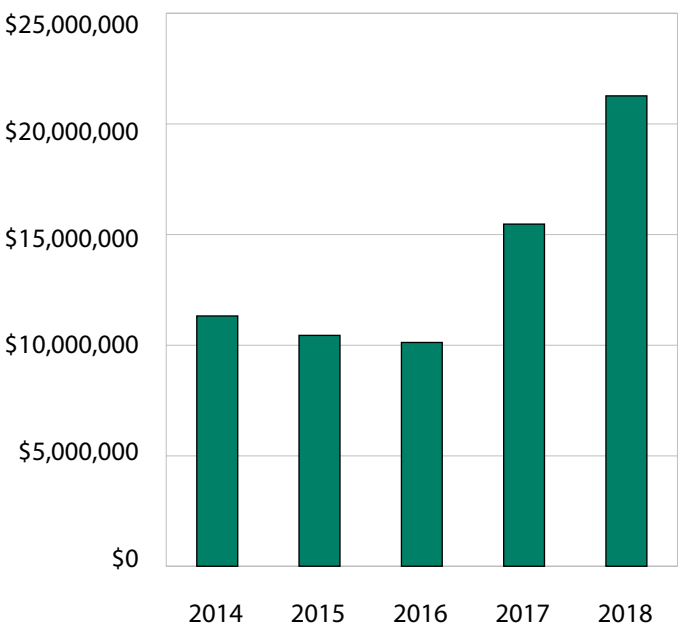
*Debt Per Capita, 2003–2023*



Source: City of Port Moody Finance Division

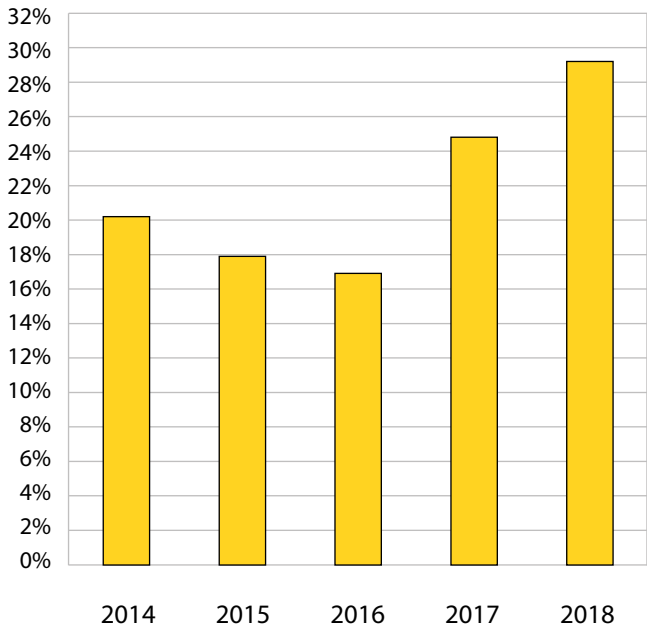
# Statistical Analysis

Long Term Debt, 2014–2018



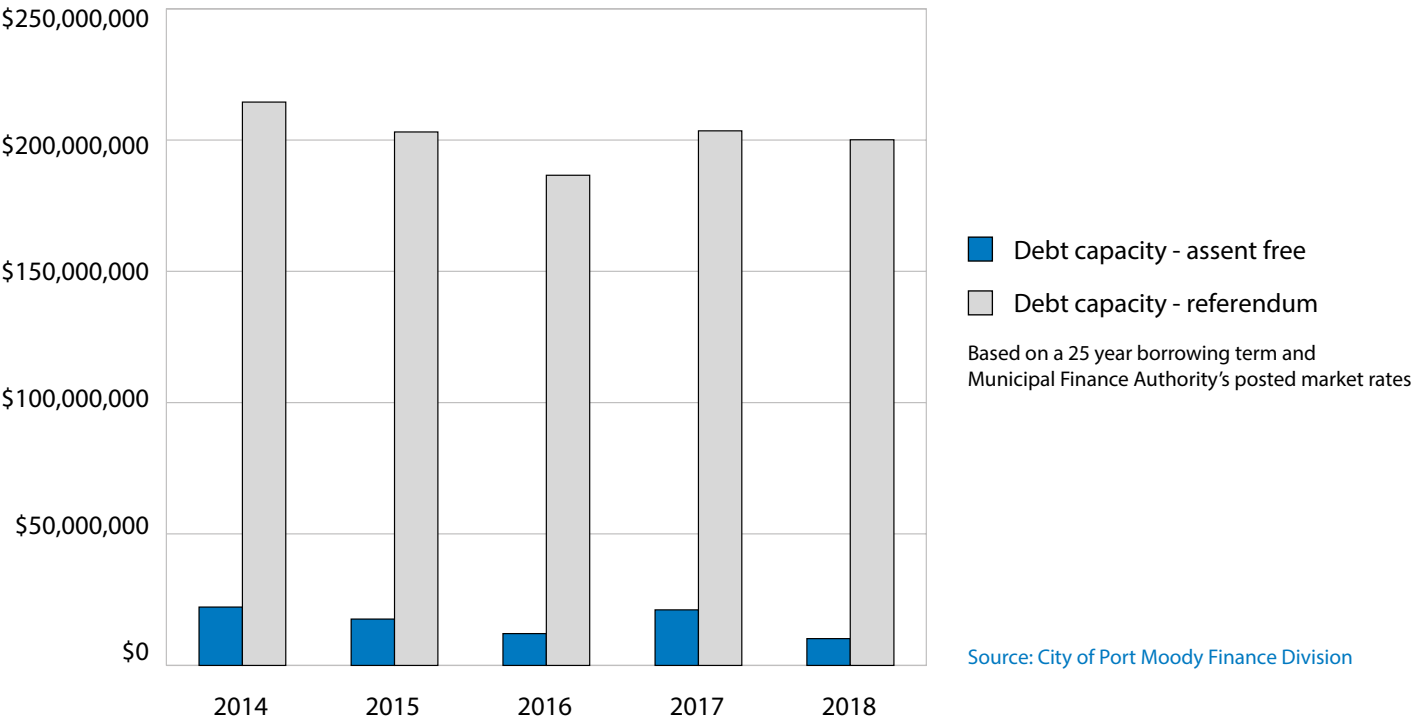
Source: City of Port Moody Finance Division

Long Term Debt to General Expenses, 2014–2018



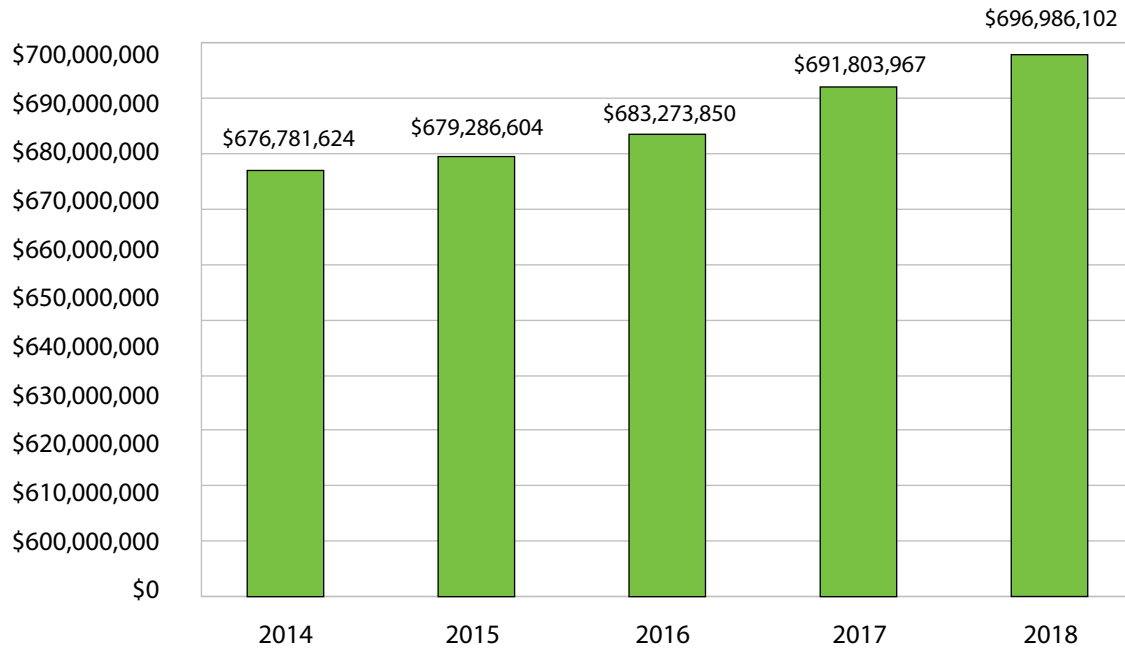
Source: City of Port Moody Finance Division

Legal Debt Limit, 2014–2018



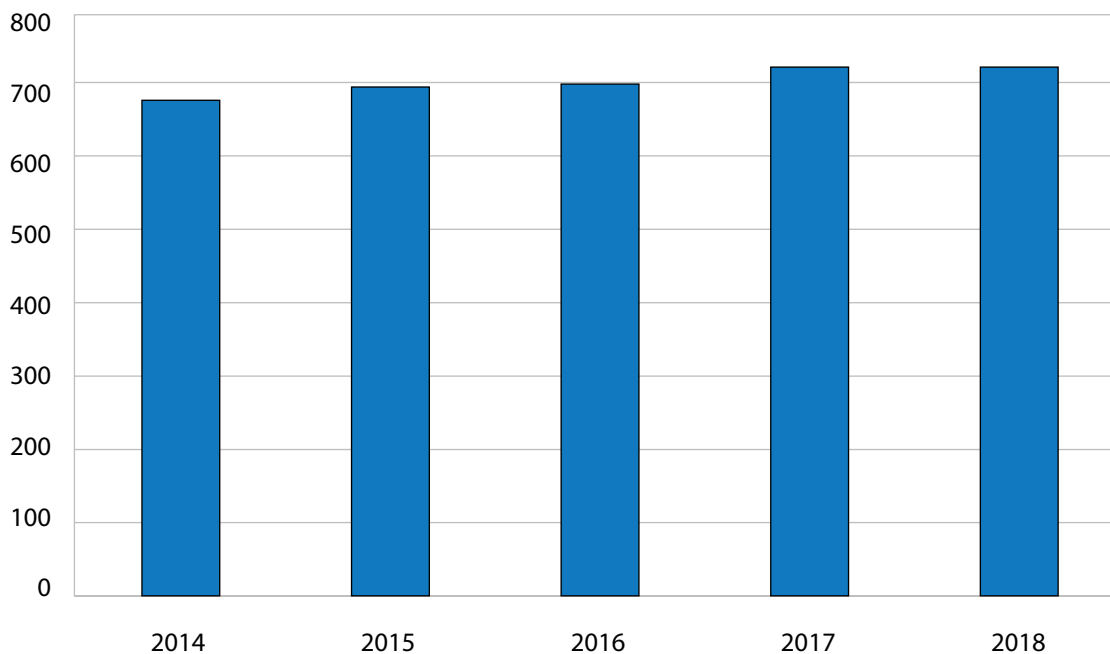
Source: City of Port Moody Finance Division

## Accumulated Surplus, 2014–2018



Source: City of Port Moody Finance Division

## Number of City Employees, 2014–2018



Source: City of Port Moody Human Resources Department



# Contact Us

## Mayor and Council

|                                  |              |
|----------------------------------|--------------|
| General enquiries                | 604.469.4501 |
| Mayor Rob Vagramov (direct line) | 604.469.4515 |
| Councillor Diana Dilworth        | 604.469.4516 |
| Councillor Meghan Lahti          | 604.469.4586 |
| Councillor Amy Lubik             | 604.469.4584 |
| Councillor Hunter Madsen         | 604.469.4585 |
| Councillor Steve Milani          | 604.469.4517 |
| Councillor Zoë Royer             | 604.469.4518 |

## Executive Leadership

|                                                          |              |
|----------------------------------------------------------|--------------|
| Tim Savoie, City Manager                                 | 604.469.4521 |
| André Boel, General Manager of Planning & Development    | 604.469.4545 |
| Ron Coulson, Fire Chief                                  | 604.469.4525 |
| Lesley Douglas, General Manager of Environment & Parks   | 604.469.4547 |
| David Fleugel, Chief Constable                           | 604.461.3456 |
| Jeff Moi, General Manager of Engineering & Operations    | 604.469.4700 |
| Angela Parnell, General Manager of Corporate Services    | 604.469.4595 |
| Paul Rockwood, General Manager of Finance and Technology | 604.469.4504 |
| Marc Saunders, Director of Library Services              | 604.469.4580 |
| Kate Zanon, General Manager of Community Services        | 604.469.4542 |

## Facilities

|                                                                        |              |
|------------------------------------------------------------------------|--------------|
| Inlet Centre Fire Hall (non-emergency), 150 Newport Drive              | 604.469.7795 |
| Glenayre Fire Hall (non-emergency), 955 Glenayre Drive                 | 604.931.1163 |
| Inlet Theatre, 100 Newport Drive                                       | 604.469.4722 |
| Kyle Centre, 125 Kyle Street                                           | 604.469.4561 |
| Port Moody Arts Centre, 2425 St. Johns Street                          | 604.931.2008 |
| Port Moody Public Library, 100 Newport Drive                           | 604.469.4575 |
| Port Moody Station Museum, 2734 Murray Street                          | 604.939.1648 |
| Port Moody Recreation Complex, 300 Ioco Road                           | 604.469.4556 |
| Public Safety Building (Police) (non-emergency), 3051 St. Johns Street | 604.461.3456 |
| Works Yard, 3250 Murray Street                                         | 604.469.4574 |

## Community Facilities

|                                                          |              |
|----------------------------------------------------------|--------------|
| Rental enquiries                                         | 604.469.4552 |
| • Glenayre Community Centre, 492 Glencoe Drive           |              |
| • Heritage Mountain Community Centre, 200 Panorama Place |              |
| • Old Orchard Hall, 646 Bentley Road                     |              |
| • Westhill Youth Centre, 203 Westhill Place              |              |

*This list is current as of June 10, 2019*



### City of Port Moody, Finance & Technology Department

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