

The Corporation of the
CITY OF WHITE ROCK

Regular Council Meeting
AGENDA



Monday, May 12, 2025, 4:00 p.m.

Gallery Room, White Rock Community Centre Council Chambers

15154 Russell Ave, White Rock, BC, V4B 0A6

***Live Streaming/Telecast:** Please note that all Committees, Task Forces, Council Meetings, and Public Hearings held in the Council Chamber are being recorded and broadcasted as well included on the City's website at: www.whiterockcity.ca

T. Arthur, Director of Corporate Administration

	Pages
1. CALL MEETING TO ORDER	
1.1 FIRST NATIONS LAND ACKNOWLEDGEMENT	
<i>We would like to recognize that we are gathered on the traditional unceded territory of the Semiahmoo First Nation, within the broader territory of the Coast Salish Peoples.</i>	
2. ADOPTION OF AGENDA	
<u>RECOMMENDATION</u> THAT the Corporation of the City of White Rock Council adopt the agenda for its regular meeting scheduled for May 12, 2025 as circulated.	
3. ADOPTION OF MINUTES	6
<u>RECOMMENDATION</u> THAT the Corporation of the City of White Rock Council adopt the meeting minutes of April 28, 2025 as circulated.	
3.1 SPECIAL PRESENTATION	
3.1.a NEW STAFF MEMBER: CITY OF WHITE ROCK FIRE CHIEF	
Introduction of the City's White Rock Fire Chief, Brad Davie.	

4. QUESTION AND ANSWER PERIOD (15 MINUTES / 2 MINUTES PER SPEAKER)

Question and Answer Period will be taking place in person at the meeting.

Note: there are to be no questions or comments on a matter that will be the subject of a public hearing (time between the public hearing and final consideration of the bylaw).

4.1 CHAIRPERSON CALLS FOR SPEAKERS TO QUESTION AND ANSWER PERIOD

5. DELEGATIONS AND PETITIONS

5.1 DELEGATIONS (5 MINUTES)

None

5.2 PETITIONS

None

6. PRESENTATIONS AND CORPORATE REPORTS

6.1 PRESENTATIONS (10 MINUTES)

6.1.a WHITE ROCK RCMP QUARTERLY REPORT

Staff Sergeant Dixon will provide the City of White Rock RCMP Quarterly update for January through March, 2025.

6.2 CORPORATE REPORTS

6.2.a 2024-2025 WARMING CENTRE OPERATIONS REVIEW

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Corporate report dated May 12, 2025 from the Director of Recreation and Culture titled "2024-2025 Warming Centre Operations Review".

RECOMMENDATION

THAT Council receive the May 12, 2025, corporate report from the Director of Recreation and Culture, titled "2024-2025 Warming Centre Operations Review" for information and consideration.

6.2.b	AUDIT FINDINGS REPORT FOR THE YEAR ENDED DECEMBER 31, 2024	28
	Corporate report dated May 12, 2025 from the Director of Financial Services titled "Audit Findings Report for the Year Ended December 31, 2024".	
	Jordan Patterson, Engagement Senior Manager, KPMG, will be in attendance to provide a presentation on this topic.	
	<u>RECOMMENDATION</u>	
	THAT Council receive the corporate report dated May 12, 2025, from the Director of Financial Services, titled "Audit Findings Report for the Year Ended December 31, 2024" for Council's consideration and acceptance.	
6.2.c	DRAFT 2024 AUDITED FINANCIAL STATEMENTS	57
	Corporate report dated May 12, 2025 from the Director of Financial Services titled "Draft 2024 Audited Financial Statements".	
	<u>RECOMMENDATION</u>	
	THAT Council receive the May 12, 2025, corporate report from the Director of Financial Services, titled "Draft 2024 Audited Financial Statements;" and	
	<ol style="list-style-type: none"> 1. Accept the Draft 2024 Audited Financial Statements, which have been included in Appendix A; 2. Receive the CFO Letter of Transmittal and accompanying Management Discussion and Analysis report, attached as Appendix B and C respectively; and 3. Direct the Mayor and Director, Financial Services, to sign the Statement of Financial Position contained within the Draft 2024 Audited Financial Statements and forward the complete audited financial statements to the province. 	
7.	MINUTES AND RECOMMENDATIONS OF COMMITTEES	
7.1	SELECT COMMITTEE MINUTES	125
	<u>RECOMMENDATION</u>	
	THAT Council receive for information the following committee meeting minutes as circulated:	
	<ul style="list-style-type: none"> • Accessibility Advisory Committee - April 22, 2025. 	
7.2	SELECT COMMITTEE RECOMMENDATIONS	
7.2.a	ACCESSIBILITY ADVISORY COMMITTEE (COUNCILLOR LAWRENCE, CHAIRPERSON)	

7.2.a.a INTEGRATED TRANSPORTATION AND INFRASTRUCTURE MASTER
PLAN OVERVIEW

RECOMMENDATION

THAT Council endorse that a letter be sent from Mayor Knight to TransLink to request increased accessibility-focused service in White Rock, with an emphasis on routes to and from Marine Drive, and to request that informative signage be installed at bus stops to encourage consideration for passengers with mobility challenges.

8. POLICIES

None

9. BYLAWS AND PERMITS

9.1 BYLAWS

9.1.a BYLAW 2536 - WHITE ROCK ANNUAL PROPERTY TAX RATES BYLAW,
2025, NO. 2536

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Bylaw 2536 - A bylaw for the levying of rates on land and improvements and to provide for the payment of taxes and user fees for the year 2025. Bylaw 2536 received three (3) readings on April 28th and is on the agenda for consideration of final reading.

RECOMMENDATION

THAT Council give final reading to "*Annual Property Tax Rates Bylaw, 2025, No. 2536*".

9.2 PERMITS

None

10. CORRESPONDENCE

10.1 CORRESPONDENCE - RECEIVED FOR INFORMATION

RECOMMENDATION

THAT Council receive correspondence Items 10.1.a - b as circulated.

10.1.a	PROCLAMATION REQUEST - MULTIPLE SCLEROSIS AWARENESS MONTH IN MAY	132
	<p>Note: Council Policy No. 109 notes that the City of White Rock does not make official proclamations. Item 10.1.a has been included under Correspondence for public information purposes only.</p> <p>Correspondence dated April 16, 2025 from Patricia Wilson, MS Canada Ambassador, requesting support for the annual MS (Multiple Sclerosis) Awareness Month of May in Canada, as well as for World MS Day on May 30th.</p> <p>The MS Canada flag will be flown on the City Hall flagpole from May 23rd to May 30th in honour of MS Awareness Month, in accordance with City Policy 167, and the White Rock Pier lights will be lit up in red on May 30th in honour of World MS Day, in accordance with City Policy 168.</p>	
10.1.b	PROCLAMATION REQUEST - NATIONAL HOSPICE MONTH IN MAY	135
	<p>Note: Council Policy No. 109 notes that the City of White Rock does not make official proclamations. Item 10.1.b has been included under Correspondence for public information purposes only.</p> <p>Correspondence dated April 7, 2025 from Amanda McNally, Executive Director, Peace Arch Hospice Society, requesting support for National Hospice Month in May.</p>	
11.	MAYOR AND COUNCILLOR REPORTS	
11.1	MAYOR'S REPORT	
11.2	COUNCILLORS REPORTS	
12.	MOTIONS AND NOTICES OF MOTION	
12.1	MOTIONS	
12.2	NOTICES OF MOTION	
13.	RELEASE OF ITEMS FROM CLOSED COUNCIL MEETINGS	
14.	OTHER BUSINESS	
15.	CONCLUSION OF THE MAY 12, 2025 REGULAR COUNCIL MEETING	

Regular Council Meeting of White Rock City Council

Minutes



April 28, 2025, 4:00 p.m.

Gallery Room, White Rock Community Centre Council Chambers
15154 Russell Ave, White Rock, BC, V4B 0A6

PRESENT: Mayor Knight
Councillor Chesney
Councillor Cheung
Councillor Lawrence
Councillor Partridge
Councillor Trevelyan

ABSENT: Councillor Klassen

STAFF: Guillermo Ferrero, Chief Administrative Officer
Tracey Arthur, Director of Corporate Administration
Anne Berry, Director of Planning and Development Services
Candice Garty, Director of Financial Services
Jim Gordon, Director of Engineering and Municipal Operations
John Woolgar, Director of Recreation and Culture
Robyn Barra, Manager of Communications and Government Relations
Darcy Dupont, Senior Project Manager, Community Hub
Debbie Johnstone, Deputy Corporate Officer
Janessa Auer, Committee Clerk

PUBLIC: 7

1. **CALL MEETING TO ORDER**

The meeting was called to order at 4:00 p.m.

1.1 FIRST NATIONS LAND ACKNOWLEDGEMENT

We would like to recognize that we are gathered on the traditional unceded territory of the Semiahmoo First Nation, within the broader territory of the Coast Salish Peoples.

MOMENT OF SILENCE

Mayor and Council recognized and observed a moment of silence for the devastating tragedy that occurred during the Lapu Lapu Festival in Vancouver this past weekend, April 26, 2025.

2. ADOPTION OF AGENDA

Motion Number: 2025-131 It was MOVED and SECONDED

THAT the Corporation of the City of White Rock Council adopt the agenda for its regular meeting scheduled for April 28, 2025 as amended to remove under Motions, Item 12.1.the motion from Councillor Chesney.

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

3. ADOPTION OF MINUTES

Motion Number: 2025-132 It was MOVED and SECONDED

THAT the Corporation of the City of White Rock Council adopt the meeting minutes of April 14, 2025 as circulated.

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

4. QUESTION AND ANSWER PERIOD (15 MINUTES / 2 MINUTES PER SPEAKER)

Question and Answer Period was held in person at the meeting.

4.1 CHAIRPERSON CALLS FOR SPEAKERS TO QUESTION AND ANSWER PERIOD

G. Gumley, White Rock, noted concern for public safety along the White Rock waterfront (potential vehicle access to pedestrian areas), suggesting Council consider initiating a review of waterfront promenade access

points, and that bollards or temporary barriers be considered as an immediate precaution while a more permanent solution is developed.

Staff confirmed there have been some steps already taken to mitigate existing bollards to block some access points in public spaces, however to stop a vehicle the bollard would need to be dug down quite deep and at the waterfront this would involve environmental and archeological studies.

K. Casey, White Rock, request for Council to recognize concerns being voiced against new City Hall building on the existing site (a 4 - 6 storey would not be acceptable - don't prioritize change for height), would like to see the green space, library and daycare to stay in the current location and for the Official Community Plan to continue to reflect the resident needs and priorities.

It was confirmed that to date a decision on location or details about a new Community Hub has not been decided, and that later in the agenda the full communication plan will be introduced for the project.

W. Delaney, White Rock, inquired, on behalf of a neighbour if there was a Community Impact Report completed in regard to a new Community Hub to be constructed in the uptown area and the future use of the current City Hall location, stating this is something that should be considered as vital and that approval of stakeholders for the project should be required.

It was reconfirmed that to date a decision on location or details about a new Community Hub has not been decided, and that the Manager of the Community Hub project is always available to speak to, answer questions etc. as needed.

5. DELEGATIONS AND PETITIONS

5.1 DELEGATIONS (5 MINUTES)

5.1.a NEW WESTMINSTER & DISTRICT LABOUR COUNCIL - DAY OF MOURNING

Angela Jensen from the New Westminster & District Labour Council attended to inform about the Day of Mourning on April 28, 2025, which recognizes individuals who have suffered from workplace injuries, accidents, or diseases. She also provided information on workers' health and safety issues, as well as WorkSafeBC

regulatory reviews and changes that have impacted BC's workplace accident and fatality rates.

5.1.b WHITE ROCK HOMEOWNERS AND TAXPAYERS SOCIETY - KPMG FINANCIAL REPORT COMMENTS

Gary Gumley, White Rock Homeowners and Taxpayers Society, attended to provide comments regarding the KPMG financial report for the fiscal year ending December 31, 2024 and requested Council ensure that KPMG's 2024 Management Letter addresses financial concerns noted in regard to cash management, capital asset carry forwards, operating surplus and staffing savings.

5.2 PETITIONS

None

6. PRESENTATIONS AND CORPORATE REPORTS

6.1 PRESENTATIONS (10 MINUTES)

None

6.2 CORPORATE REPORTS

6.2.a WHAT WE HEARD REPORT ENGAGEMENT ROUND #1 - NORTH BLUFF ROAD CORRIDOR STUDY

Corporate report dated April 28, 2025 from the Director of Planning and Development Services titled "What We Heard Report Engagement Round #1 - North Bluff Corridor Study".

A representative from Urban Systems Limited was in attendance (via electronic means) to provide a PowerPoint presentation on this topic.

Motion Number: 2025-133 It was MOVED and SECONDED

THAT Council receive for information the corporate report dated April 28, 2025, from the Director of Planning and Development Services, titled "What We Heard Report Engagement Round #1 – North Bluff Road Corridor Study".

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

**6.2.b CITY OF WHITE ROCK ANNUAL PROPERTY TAX RATES
BYLAW, 2025, NO. 2536**

Corporate report dated April 28, 2025 from the Director of Financial Services titled "City of White Rock Annual Property Tax Rates Bylaw, 2025, No. 2536".

Note: Bylaw 2536 is on the agenda for consideration of staff recommended first, second and third reading under Item 9.1.a

Motion Number: 2025-134 It was MOVED and SECONDED

THAT Council receive the April 28, 2025, corporate report from the Director of Financial Services, titled "City of White Rock Annual Property Tax Rates Bylaw 2025, No. 2536" for information.

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

6.2.c BEACH WHEELCHAIRS ACCESS AND STORAGE

Corporate report dated April 28, 2025 from the Director of Engineering and Municipal Operations titled "Beach Wheelchairs Access and Storage".

Motion Number: 2025-135 It was MOVED and SECONDED

That Council:

- 1. Approve six months storage of beach wheelchairs at the utility room at Memorial Park washroom subject to an organization stepping forward to manage all aspects of a beach wheelchair program.**
- 2. Directs staff to work with the Self Advocates of Semiahmoo (SAS) to reach out to find an organization willing to manage a beach wheelchair program.**

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

6.2.d CONTRACT AWARD - COLDICUTT AVENUE DRAINAGE AND WATER UPGRADES PHASE 1

Corporate report dated April 28, 2025 from the Manager, Engineering, titled "Contract Award - Coldicutt Avenue Drainage and Water Upgrades - Phase 1".

Motion Number: 2025-136 It was MOVED and SECONDED

THAT Council receive the corporate report dated April 28, 2025, from the Manager of Engineering, titled "Contract Award - Coldicutt Avenue Drainage and Water Upgrades Phase 1" and

- 1. Approve the award of the Coldicutt Avenue Drainage and Water Upgrades Phase 1 to Sandpiper Contracting LLP in the amount of \$982,526 (excluding GST);**
- 2. Authorize the pre-approved contingency in the amount of \$268,934 (approximately 25% of the design and contracting costs) to support the project; and**
- 3. Authorize the Director of Engineering and Municipal Operations to execute all contract documentation required for the project.**

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

7. MINUTES AND RECOMMENDATIONS OF COMMITTEES

7.1 SELECT COMMITTEE MINUTES

Motion Number: 2025-137 It was MOVED and SECONDED

THAT Council receive for information the following committee meeting minutes as circulated:

- Public Art and Culture Advisory Committee - April 9, 2025.**

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

Motion Number: 2025-138 It was MOVED and SECONDED

THAT Council receive for information the following committee meeting minutes as circulated:

- **Internal Community Hub Steering Committee - April 16, 2025.**

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

Motion Number: 2025-139 It was MOVED and SECONDED

THAT Council receive for information the following committee meeting minutes as circulated:

- **Housing Advisory Committee - April 16, 2025.**

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

7.2 SELECT COMMITTEE RECOMMENDATIONS

7.2.a PUBLIC ART AND CULTURE ADVISORY COMMITTEE (COUNCILLOR PARTRIDGE, CHAIRPERSON)

7.2.a.a MISSING PUBLIC ART SIGNAGE

Motion Number: 2025-140

It was MOVED and SECONDED

THAT Council approve up to \$3500 be allocated from the Public Art and Placemaking Fund to replace the missing public art signage for *The Passenger*, located in front of the museum, and for *Walking on Sunshine*, located in Terry Parr Plaza on East Beach.

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

**7.2.b INTERNAL COMMUNITY HUB STEERING COMMITTEE
(COUNCILLOR LAWRENCE, CHAIRPERSON)**

7.2.b.a COMMUNITY HUB COMMUNICATIONS PLAN

Motion Number: 2025-141

It was MOVED and SECONDED

THAT Council approve the Internal Community Hub Steering Committee recommendation that the Community Hub Communications Plan be presented to Council at their next scheduled meeting (April 28, 2025).

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

The Manager of Communications and Government Relations provided the PowerPoint Presentation noted within motion 2025-141, and the Senior Project Manager, Community Hub, was available to answer questions.

7.2.b.b CORRESPONDENCE FROM CUPE LOCAL 718

Note: The letter from CUPE Local 718, in correlation to the Committee recommendation, is attached for Council's information and receipt.

Motion Number: 2025-142

It was MOVED and SECONDED

THAT Council receive the letter from CUPE Local 718, dated April 16, 2025, regarding concern of the condition of the current City Hall, as recommended to be placed on the April 28, 2025 Regular Council agenda for information.

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

8. **POLICIES**

None

9. **BYLAWS AND PERMITS**

9.1 **BYLAWS**

9.1.a **BYLAW 2536 - WHITE ROCK ANNUAL PROPERTY TAX RATES
BYLAW, 2025, NO. 2536**

Bylaw 2536 - A bylaw for the levying of rates on land and improvements and to provide for the payment of taxes and user fees for the year 2025.

Note: Bylaw 2536 was the subject of a corporate report under Item 6.2.b

Motion Number: 2025-143 It was MOVED and SECONDED

THAT Council give first, second, and third reading to "*Annual Property Tax Rates Bylaw, 2025, No. 2536*".

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

9.1.b **BYLAW 2517 - WHITE ROCK ZONING BYLAW, 2024, NO. 2506,
AMENDMENT NO. 3, 2024, NO. 2517 [HOUSEKEEPING
AMENDMENTS]**

Bylaw 2517 - A bylaw to amend the White Rock Zoning Bylaw to refine general regulations that apply to zones that contain Small Scale Multi-Unit Housing (SSMUH) and to further clarify provisions for the development of SSMUH.

In accordance with sections 464(2) and 467 of the Local Government Act, Notice of Waiver of a Public Hearing was advertised in the April 3 and 10 editions of the Peace Arch News.

Bylaw 2517 received three (3) readings on April 14, 2025 and is on the agenda for consideration of final reading.

Motion Number: 2025-144 It was MOVED and SECONDED

THAT Council give final reading to "*White Rock Zoning Bylaw, 2024, No. 2506, Amendment No.3, 2024, No. 2517*".

Voted in the negative (1): Councillor Trevelyan

Absent (1): Councillor Klassen

Motion CARRIED (5 to 1)

9.2 PERMITS

None

10. CORRESPONDENCE

10.1 CORRESPONDENCE - RECEIVED FOR INFORMATION

10.1.a CITY OF BURNABY RESOLUTION - PROPOSED DEVELOPMENT FINANCING AMENDMENTS

Correspondence dated April 16, 2025 from the City of Burnaby providing their motion to the Province regarding Proposed Development Financing Amendments, and requesting other Metro Vancouver member municipalities support their initiative.

Motion Number: 2025-145 It was MOVED and SECONDED

THAT Council refer to staff the April 16, 2025 correspondence from the City of Burnaby in regard to proposed financing amendments in relation to the Bill 44 legislation to review the information from the City of White Rock's perspective.

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

10.1.b METRO VANCOUVER - METRO 2050 TYPE 2 PROPOSED AMENDMENT - CITY OF DELTA(4800 AND 5133 SPRINGS BOULEVARD)

Correspondence dated April 17, 2025 from Metro Vancouver.

Note: Staff do not have concerns with this proposal, as it does not affect the City of White Rock. Council may still provide comments to Metro Vancouver on the correspondence if they so choose.

Motion Number: 2025-146 It was MOVED and SECONDED

THAT Council authorize the Director of Corporate Administration to respond to the Metro Vancouver Board stating that the City does not object to the Metro 2050 Type 2 Proposed Amendment regarding the City of Delta (4800 and 5133 Springs Boulevard).

Absent (1): Councillor Klassen

Motion CARRIED (6 to 0)

11. MAYOR AND COUNCILLOR REPORTS

11.1 MAYOR'S REPORT

Mayor Knight provided the following information:

- April 28, National Day of Mourning
- April 16, Video recorded the Post Council Highlights from the April 14, 2025 regular council meeting
- April 17, TransLink Mayors' Council on Regional Transportation
- April 24, Generations Playground for Special Photo Opportunity to recognize Peace Arch Hospital Foundation for their donation of \$100,000 and the White Rock Firefighters Charity Association and Myra Merkl for their donation of \$119,500
- April 25, Metro Vancouver Board of Directors' meeting
- April 26, White Rock Lawn Bowling Club's Opening Day event and celebration of their 90th Anniversary

- Reminder Voting Day today, polls open until 7 p.m. this evening

11.2 COUNCILLORS REPORTS

Councillor Cheung provided the following information:

- April 23, Opening Peace Arch Elementary Garden
- April 25, "In Her Shoes" fundraiser, hosted by Sources

Councillor Partridge provided the following information:

- May 2 - Sept 5, 2025, White Rock Night Market is set come back for its second year

Councillor Chesney provided the following information:

- April 27, Hospice Volunteer Brunch
- May 4, "Hike for Hospice" event / fundraiser
- April 30, New Exhibit at the White Rock Museum "Our Living Languages"
- May 3, RCMP hosting a "Shred-It" event

12. MOTIONS AND NOTICES OF MOTION

12.1 MOTIONS

Note: In accordance with Motion 2025-131 this Item was removed from the agenda.

12.1.a TREES AVAILABLE TO PURCHASE FROM THE CITY FOR PLANTING ON PRIVATE PROPERTY WITHIN THE CITY OF WHITE ROCK

Councillor Chesney provided the following Motion for consideration at this time:

THAT Council direct that trees be made available for purchase by White Rock residents through the City to be planted on private property.

12.2 NOTICES OF MOTION

None

13. RELEASE OF ITEMS FROM CLOSED COUNCIL MEETINGS

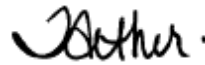
None

14. **OTHER BUSINESS**

None

15. **CONCLUSION OF THE APRIL 28, 2025 REGULAR COUNCIL MEETING**

The meeting was concluded at 5:21 p.m.



Mayor Knight

Tracey Arthur, Director of
Corporate Administration

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: May 12, 2025

TO: Mayor and Council

FROM: John Woolgar, Director, Recreation and Culture

SUBJECT: 2024-2025 Warming Centre Operations Review

RECOMMENDATION

THAT Council receive the May 12, 2025, corporate report from the Director of Recreation and Culture, titled “2024-2025 Warming Centre Operations Review” for information and consideration.

EXECUTIVE SUMMARY

Lookout Housing and Health Society was contracted by the City to operate a daytime warming centre at Centennial Park seven (7) days a week, 7:00 a.m. to 10:00 p.m., from December 2, 2024, to March 15, 2025. The warming centre was open for 104 days and received a total of 3,304 visits. Individuals attending the centre were provided with daytime shelter, meals, clothing, emergency first aid and physician/nurse directed medical services, as well as connections to community health and social services.

PREVIOUS COUNCIL DIRECTION

Motion # & Meeting Date	Motion Details
2024-369 October 21, 2024	THAT Council direct staff to: <ol style="list-style-type: none">1. Award the contract for the 2024/2025 Emergency Daytime Warming Centre to Lookout Housing and Health Society & Engaged Communities Canada Society for the cost of \$409,970.41 and authorize the Chief Administrative Officer to sign the contract for services;2. Increase the budget to \$409,970.41 from operating contingency (for 2024 costs) and prior year surplus (for 2025 costs) to the daytime warming centre budget; and3. Allocate an additional \$49,970.41 from operating contingency (for 2024 costs) and prior year surplus (for 2025 costs) to the daytime warming centre budget; and4. Hire extra security to patrol the surrounding area outside hours of operation and allocate an additional \$30,000 from operating contingency and prior year surplus; and5. Establish a Warming Centre Volunteer Group to help with area cleaning.

2024-534 October 7, 2024	<p>THAT Council:</p> <ol style="list-style-type: none"> 1. Receive the October 7, 2024, corporate report from the Chief Administrative Officer titled “Daytime Warming Centre Update” for consideration; and 2. Direct staff to explore and report back regarding the options provided by Sources at the meeting (utilizing the hours provided by Sources) and work with the City of Surrey and that this be utilized during the times of extreme cold weather (called by the province).
2024-316 September 23, 2024	<p>THAT Council direct staff to reach out to community groups (including churches, Sources, Central Plaza owners) to bring forward potential options for consideration of location in order to run a Warming Centre.</p>

INTRODUCTION/BACKGROUND

The purpose of this report is to provide Council with an operational review following the winter 2024-2025 operations of the City’s daytime warming centre (The Centre).

On October 21, 2024, Council authorized the award of a contract to Lookout Housing and Health Society for the operation of the Centre for the 2024-2025 winter season. The Centre was located on the Centennial Park parking lot next to the Community Gardens and across the street from the outdoor lacrosse box, and baseball diamond.

The Centre provided shelter, meals, personal hygiene supplies, clothing, emergency first aid and physician/nurse directed medical services, as well as connections to community health and social services.

The Centre was open for 104 consecutive days from 7:00 a.m. to 10:00 p.m., beginning on December 2, 2024, and closing on March 15, 2025. The Centre received a total of 3,304 visits which was an average of 220 visits per week. 76% of Centre visitors were male and a total of 5,012 meals were served to visitors throughout the season. There were many referrals for social services including 981 referrals for housing.

The local community was very generous, providing the Centre with donations of clothing, food, blankets, and other personal items. Support and donations came from different organizations and individuals including sandwiches from a local hockey team, lasagna from a local service group and stocked backpacks and essential supply bags from faith-based organizations.

The City of Surrey also hosted an overnight Extreme Weather Response Shelter (EWR) at the South Surrey Recreation Centre at 14601 20 Avenue which is 1.3km from the Centre in Centennial Park. The hours of Surrey’s EWR were 10 p.m. to 7 a.m. Local social service agencies provided transportation for EWR shelter visitors to the Centre at 7:00 a.m., and then back to the EWR at 10:00 p.m. The EWR would only open when specific weather conditions deemed to pose a threat to the health and safety of individuals experiencing homelessness. This resulted in the Centre at Centennial Park being open on many days when the overnight EWR was closed.

Request for Proposal Process (RFP)

The City posted a Daytime Warming Centre Operator Request for Proposal (RFP) on July 19, 2024. The RFP closed on August 19, 2024, with one submission which was a joint proposal from Lookout Housing and Health Society and Engaged Communities Canada. The proposal was awarded, and a contract was drawn up with Lookout Housing and Health Society as Engaged Communities only offered consulting services as part of the bid process. Lookout Housing and Health Society is a charitable organization that provides housing and a range of support services to adults with low or no income who have few, if any housing or support challenges. Lookout Society is an experienced minimal barrier service provider that operates numerous extreme weather response shelters around the Lower Mainland. A minimal barrier service provider is where a minimum number of expectations are required of the individuals who wish to attend the centre. Guests are allowed to attend while under the influence of alcohol or drugs. There is a focus on harm reduction which is intended to minimize the risks and consequences of certain behaviours, rather than prohibiting the behaviour itself, and focuses on building trust and rapport with guests to open dialogue to change. Please see Appendix #1 for a report from the Looking Housing and Health Society on the operation of the Centre for the 2024/2025 season.

Warming Centre Park Ambassador Volunteers

A Warming Centre Park Ambassador volunteer program was established to assist in providing a safe environment for the public in visiting Centennial Park and to help keep the area clean during Centre operations. After completing training provided by city staff and the RCMP, 44 volunteers patrolled Centennial Park in small groups twice daily from December 2 to March 15. Park Ambassadors picked up litter, monitored and removed potential safety hazards, as well as identified individuals in distress and notified the appropriate authorities. The public mentioned to numerous staff that Centennial Park was very clean throughout the winter.

Warming Centre Impacts on Area

The Centre was located within the well-used Centennial Park which contains an ice arena, curling rink, the Centennial Park Leisure Centre, the Centre for Active Living, baseball diamond, baseball batting cages, soccer field, tennis courts, lacrosse box, pickleball courts, community gardens, Generations Playground, Peninsula Productions, off-leash dog park, White Rock Tennis Club, and the Mann Park Lawn Bowling Club. There is also one childcare facility immediately adjacent to the park and one childcare facility located in the Bowling Club facility in the western part of the park boundary.

Staff heard feedback from park user groups that reported negative interactions with clients of the Centre including concerns regarding open drug use. There were also incidents of vandalism and break-ins to several facilities during the warming centre season which included the Curling Club washrooms, the Peninsula Productions facility, the baseball facilities and the Parks operations yard.

The security contractor retained by the Centre operator reported 223 incidents of drug use or drug paraphernalia, 15 reported police responses, and 9 emergency medical services calls. The Warming Centre Park Ambassadors reported 26 incidents of drug paraphernalia found, 48 incidents of excess garbage, and 13 incidents of biohazardous waste.

RCMP and Bylaws

White Rock RCMP noted that there was an increase in the number of people experiencing homelessness arriving from other areas of the Lower Mainland throughout the period that the Centre was operating. During field interviews with individuals, police learned that there were multiple individuals who were from other jurisdictions who reported that they were in White Rock because of the warming centre. Staff expect that this is likely due to this being the 4th

winter season the Centre has been operational, and word has spread through the Lower Mainland.

White Rock RCMP attended the facility and immediate surrounding area for 22 files directly related to the Centre. These files included assaults, reports of open drug use, causing a disturbance, suspicious persons/well-being checks, fraud, as well as break and enter. In addition, RCMP attended 143 files during the same time frame throughout the City where there was some association to guests of the Centre.

Police officers noted that when speaking to some local individuals experiencing homelessness that were known to them, these individuals stated they did not want to attend the Centre, either for fear of their personal safety or fear of their possessions being stolen.

The City's Bylaw Enforcement Division received seven (7) direct calls for enforcement, with most concerns related to tent camps that were set up in and around Centennial Park. RCMP and City operations were called in to support as required.

FINANCIAL IMPLICATIONS

The total budget allocated for the winter 2024-2025 season was \$439,970.41. Since the Centre was open for fewer days than initially budgeted, there will be savings in the operating cost for the Centre which will be finalized when all invoices are received.

The City is anticipating being eligible for cost recovery through the Ministry of Emergency Management and Climate Readiness (EMCR) for periods where Environment Canada issues extreme weather alerts. To date, \$23,135.70 in costs has been approved by EMCRC, and it is anticipated that up to an additional \$81,000 may be received.

LEGAL IMPLICATIONS

The City is not mandated to provide a warming centre service; however, it has done so for four years.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS

Planning and Development Services, Operations and Engineering, RCMP, Fire & Rescue, and Communications and Marketing all supported the operation of the Centre this past winter.

CLIMATE CHANGE IMPLICATIONS

Extreme cold weather threatens the safety and health of people experiencing homelessness.

ALIGNMENT WITH STRATEGIC PRIORITIES

The operation of the 2024-2025 Daytime Warming Centre is aligned with the following strategic goal of Council:

Plan for adverse weather impacts to protect community safety:

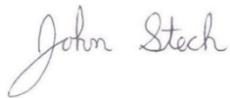
- Assess future location, annually seeking to secure grant funding, and continuing to seek partnerships with the City of Surrey to operate the Warming Centre each winter from November to March, which has not always been successful.

CONCLUSION

The Centre received 3,304 visits, which was an average of 220 per week throughout the winter season and was very important in addressing the needs of vulnerable populations in the

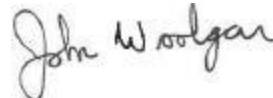
community during the colder months of the year. The operator of the Centre, Lookout Housing and Health Society, provided support to these individuals including meals and referrals to social service agencies that included 981 referrals for housing. The Warming Centre Park Ambassador program proved very successful in keeping the environment around the Centre safe and clean. However, there were many challenges to hosting the Centre in Centennial Park, which included impacts to residents, businesses and Centennial Park user groups. There were also reports that many of the individuals that utilized the services at the Centre relocated to the community for the winter season.

Respectfully submitted,



John Stech
Manager of Community Recreation

Reviewed and approved by,



John Woolgar
Director of Recreation and Culture

Comments from the Chief Administrative Officer

This corporate report is provided for information purposes.



Guillermo Ferrero
Chief Administrative Officer

Appendix A: Report from the Looking Housing and Health Society on the Operation of the Centre for the 2024/2025 Season

2024 – 2025
WHITE ROCK
WARMING CTR

SUMMARY REPORT



Lookout
Housing + Health Society

OVERVIEW

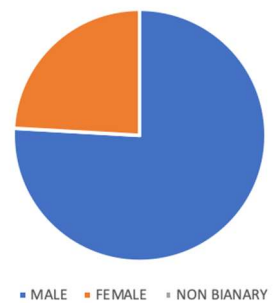
The White Rock Warming Centre operated throughout the 2024–2025 winter season as a minimal-barrier, essential service providing warmth, safety, and basic supports to individuals experiencing homelessness and poverty. Located in a temporary trailer within Centennial Park, the Centre operated daily, offering meals, washroom access, referrals, and resources. The program was funded by the City of White Rock, in partnership with Lookout Housing and Health Society and Engaged Communities Services Society, and was supported by a network of community members.

In addition to direct service funding, the City of White Rock, in collaboration with Partners for Health and Housing (PH2H), supported a Community Ambassador Program where local volunteers walked the park daily. These ambassadors assisted with litter collection, guest engagement, and directional support to the Warming Centre. SecuriSquad security personnel were also present each day to help monitor the park and provide an additional layer of safety and assistance to both staff and guests.

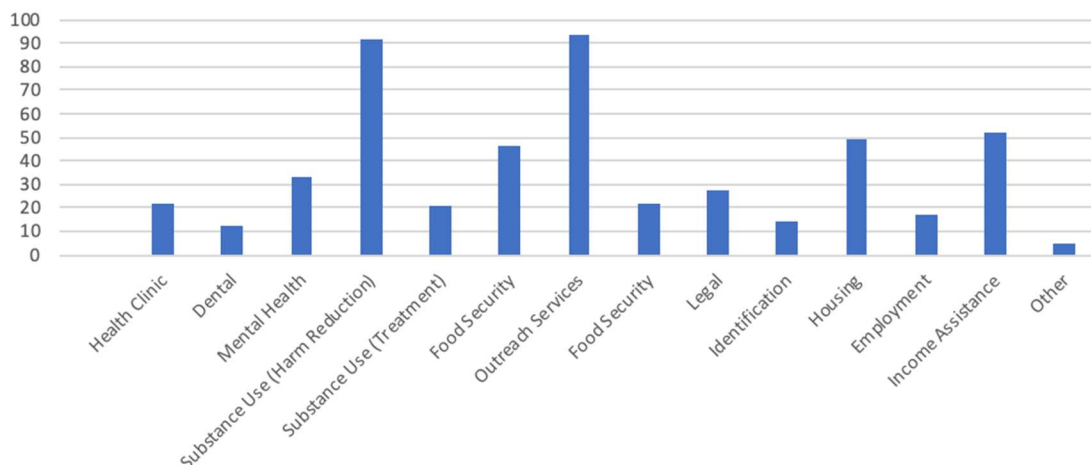
KEY IMPACTS

3,304	Unique Daily Visits
5,012	Meals Served
12	Long Term Shelter Beds Secured
1	Individual Housed
2	Individuals Accessing Substance Use Treatment Services
53	Health Services Engagements
50	MSDPR Service Engagements
215	Community Service Engagements
1,416	Referrals Made

GUESTS BY GENDER



SHELTER REFERRALS TOTALLING 910
ALTERNATE REFERRALS AS FOLLOWS



SUCCESSIONS

- High guest utilization with 3,304 visits recorded over the season.
- 5,012 meals served and 1,105 essential provisions distributed including harm reduction supplies, clothing, and bus tickets.
- 1,416 referrals made to health, housing, and financial services, with 330 resources directly accessed.
- Twelve individuals secured longer-term shelter placements.
- Two individuals accessed treatment services.
- One senior guest achieved stable housing.
- Community Ambassador Program operated in partnership with PH2H and the City of White Rock, with volunteers supporting park cleanliness and guest navigation.
- Daily presence of SecuriGuard staff provided added safety and support to staff and guests.
- Ongoing collaboration with key stakeholders, including MSDPR, iHART, Dr. Rogan, Division of Family Practice, Sources, Options, and PH2H.
- Generous and sustained support from White Rock community members through regular donations of meals, snacks, and care items.
- Program staff delivered compassionate, trauma-informed care in a consistent and welcoming environment.

CHALLENGES

- Limited operating hours (0700–2200hrs) left service gaps overnight.
- Physical space lacked basic infrastructure including kitchen, running water, and adequate indoor capacity.
- No hygiene facilities for guests to shower or do laundry.
- All meals required offsite preparation and transportation, with no ability to reheat and the budget did not support catering options from local merchants.
- Public park setting prohibited witnessed consumption, increasing overdose risks for guests using alone offsite.
- Guests often required reminders not to use substances in the park.
- Some guests avoided services due to fear of being seen or judged.
- Confidentiality became a concern when law enforcement sought access to the space, conflicting with organizational policy.
- Many guests presented with complex health and substance use needs beyond the centre's capacity to fully address.

RECOMMENDATIONS

- Transition the program to a formal Temporary Winter Shelter program to access overnight funding, staffing, and support services through BC Housing.

- Secure a permanent, indoor location with kitchen access, washrooms, and flexible spaces for privacy and service delivery.
- Allocate budget for either kitchen-equipped facilities or local catering partnerships to ensure safe food service.
- Collaborate with Fraser Health and the City to establish sanctioned, nearby witnessed consumption options that are offered daily with extended hours.
- Extend service hours to provide 24-hour support during severe weather or cold events.
- Add infrastructure or partnerships to offer guests access to showers and laundry facilities.
- Include peer support workers to enhance engagement, trust, and trauma-informed practices.
- Continue transparent outreach to residents and community to reduce stigma and strengthen public support.

CONCLUSION

The White Rock Warming Centre served as a vital, seasonal intervention offering safety, warmth, and human connection to those most in need. Despite environmental and operational limitations, the centre provided high-impact support through meals, referrals, and service connections while building relationships grounded in dignity and compassion.

Its success was made possible through the efforts of Lookout staff, dedicated volunteers, key community partners, the City of White Rock, and generous donors. Future program development should prioritize expanded infrastructure, overnight service, and integration with harm reduction and hygiene services to meet the growing needs of White Rock's unhoused population.

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: May 12, 2025

TO: Mayor and Council

FROM: Candice Gartry, Director, Financial Services

SUBJECT: Audit Findings Report for the Year Ended December 31, 2024

RECOMMENDATION

THAT Council receive the corporate report dated May 12, 2025, from the Director of Financial Services, titled "Audit Findings Report for the Year Ended December 31, 2024" for Council's consideration and acceptance.

EXECUTIVE SUMMARY

In accordance with Section 171 of the *Community Charter* (the "*Charter*") the City's financial auditor must report to Council on the annual financial statements of the City.

Attached as Appendix A is the Audit Findings Report for the year ended December 31, 2024, provided by the City's financial auditors, KPMG LLP.

INTRODUCTION/BACKGROUND

Annually, the City's auditors audit and review the City's financial statements for the year ended December 31. In accordance with Section 171 of the *Charter* the auditors must report to Council on the annual financial statements of the City.

For the year ended December 31, 2024, the City's financial auditors are KPMG LLC. KPMG's Audit Findings Report for the year ended December 31, 2024, is attached as Appendix A.

LEGAL IMPLICATIONS

The City's financial auditor must report to Council on the annual financial statements of the City per Section 171 of the *Community Charter*.

OPTIONS / RISKS / ALTERNATIVES

The following options are available for Council's consideration:

1. Accept the Audit Findings Report for the Year Ended December 31, 2024, as presented; OR
2. Not accept the Audit Findings Report for the Year Ended December 31, 2024, as presented which would result in the City of White Rock not being in compliance with the *Community Charter*.

CONCLUSION

The Audit Findings Report for the year ended December 31, 2024, has been included as Appendix A. Staff recommend that Council receive the report.

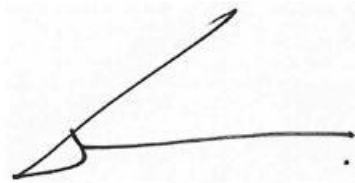
Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Candice Gartry".

Candice Gartry, CPA, CGA
Director, Financial Services

Comments from the Chief Administrative Officer

This corporate report is provided for information purposes and acceptance of the report.

A handwritten signature in dark ink, appearing to read "Guillermo Ferrero".

Guillermo Ferrero
Chief Administrative Officer

Appendix A: Audit Findings Report 2024



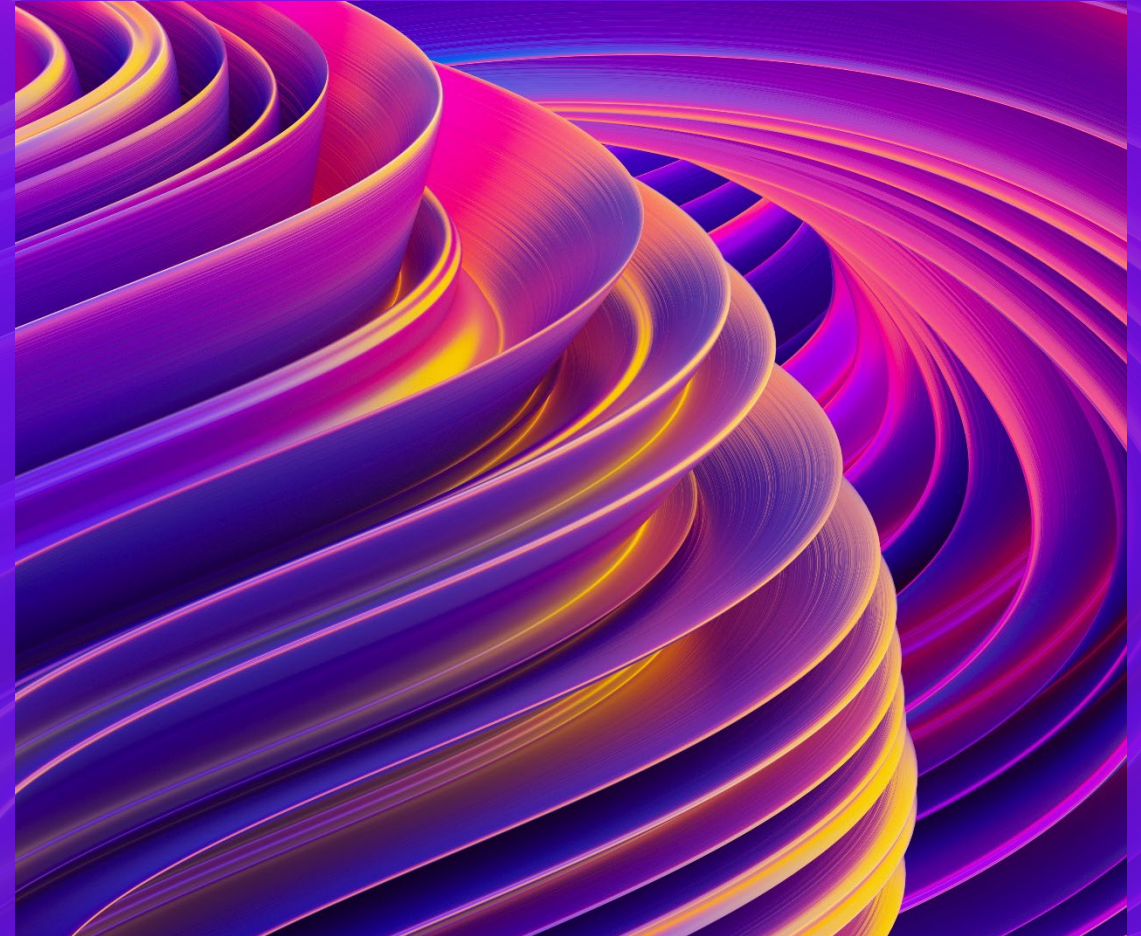
The Corporation of the City of White Rock

Audit Findings Report
for the year ended
December 31, 2024

KPMG LLP

Prepared as of May 2, 2025 for presentation on May 12, 2025

kpmg.ca/audit



KPMG contacts

Key contacts in connection with this engagement



Brandon Ma, CPA, CA

Lead Audit Partner

604-691-3562

bjma@kpmg.ca



Jordan Patterson, CPA

Engagement Senior Manager

778-785-2649

jordanpatterson@kpmg.ca



Table of contents

Digital use information

This Audit Findings Report is also available as a “hyper-linked” PDF document.

If you are reading in electronic form (e.g. In “Adobe Reader” or “Board Books”), clicking on the home symbol on the top right corner will bring you back to this slide.



Click on any item in the table of contents to navigate to that section.

4	Audit highlights	5	Status	6	Risk and results
11	Policies and practices	12	Misstatements	13	Control deficiencies
14	Audit quality	15	Appendices		

The purpose of this report is to assist you, as a member of Council, in your review of the results of our audit of the financial statements. This report is intended solely for the information and use of Management and Council and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.



Audit highlights



No matters to report



Matters to report

Status

We have completed the audit of the financial statements, with the exception of certain remaining outstanding procedures, which are highlighted on the 'Status' slide of this report.



Significant changes



Significant changes since our audit plan

- There are no significant changes to our audit plan, which was originally communicated to you in the audit planning report.

Risks and results



Significant risks



Other risks of material misstatement



Significant unusual transactions

Policies and practices & Specific topics



Accounting policies and practices



Other financial reporting matters



Specific topics

Misstatements - uncorrected



Uncorrected misstatements



- Please refer to page 12 for details.

Misstatements - corrected



Corrected misstatements

- We did not identify any corrected audit misstatements.

Control deficiencies



Significant deficiencies

- We did not identify any control deficiencies that we determined to be significant deficiencies in internal control over financial reporting.

Quality control and Independence

We confirm that we are independent with respect to The Corporation of the City of White Rock (the "City") within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation from January 1, 2024 up to the date of this report.



Status

As of the date of this report, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include amongst others:

- Completing / finalizing certain audit file review and documentation.
- Completing our discussions with Council.
- Obtaining signed management representation letter.
- Obtaining evidence of Council's acceptance of the financial statements.
- Completing subsequent event review procedures.

We will update you and management on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures. Our auditor's report, a draft of which is included in the draft financial statements, will be dated upon the completion of any remaining procedures.

KPMG Clara for Clients (KCc)



Real-time collaboration and transparency

We leveraged **KCc** to facilitate real-time collaboration with management and provide visual insights into the status of the audit!

On our audit we used KCc to coordinate requests with management.



Significant risks and results

We highlight our significant findings in respect of **significant risks**.

	Presumed risk of management override of controls	RISK OF FRAUD
Significant risk		Estimate?
<p>Section 240.32 of Canadian Auditing Standards states: “Management is in a unique position to perpetrate fraud because of management’s ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities. Due to the unpredictable way in which such override could occur, it is a risk of material misstatement due to fraud and thus a significant risk.” We have not identified additional incremental risks specific to the City.</p>		No
Our response		
<ul style="list-style-type: none">As the risk is not rebuttable, our audit methodology incorporates the required procedures in professional standards to address this risk. These procedures include:<ul style="list-style-type: none">Testing of journal entries and other adjustments.Performing a retrospective review of significant estimates and evaluating the business rationale of significant unusual transactions.Utilizing application software to evaluate the completeness of the journal entry population through a roll-forward of all accounts. We used computer-assisted audit techniques to analyze journal entries and apply certain criteria to identify potential high-risk journal entries for further testing.Reviewing the accounting estimates and assessing whether management’s estimates are reasonable and not indicative of management bias		
Significant findings		
<p>There were no significant findings from our work completed as of the date of this report.</p>		

Other risks of material misstatement and results

We highlight our significant findings in respect of **other risks of material misstatement**.

Revenue – new accounting standard	
Other risk of material misstatement	Estimate?
PS 3400 <i>Revenue</i> (“PS 3400”) is a new accounting standard effective for the City’s 2024 fiscal year. The new standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition and its measurement.	No
Our response	
<ul style="list-style-type: none">• We assessed the impact of the new PS3400 <i>Revenue</i> (“PS 3400”) standard on timing, measurement, recognition, and presentation of revenue. The adoption of this standard has resulted in changes to the timing of revenue recognition for certain revenue streams such as permits.<ul style="list-style-type: none">• We reviewed management’s analysis of the impact of PS 3400 on the City’s accounting policies for revenue recognition.• We inquired with management and performed a walkthrough over the City’s process for identifying performance obligations in revenue streams impacted by the initial implementation of PS 3400.• We assessed the adjustment calculated by management and agreed the revenue recognition in accordance with PS3400 to supporting documentation.• We reviewed the financial statement note disclosures to ensure they are accurate and comply with the requirements in PS 3400.	
Significant findings	
There were no significant findings from our work completed as of the date of this report.	

Other risks of material misstatement and results (continued)

We highlight our significant findings in respect of **other risks of material misstatement**.

Development Cost Charges (“DCC”)	
Other risk of material misstatement	Estimate?
DCC are deferred upon receipt and are restricted for the purposes of capital projects. As these amounts are received for specific purposes, they are recorded as a liability and the revenue is matched against the related expenditures when incurred.	No
Our response	
<ul style="list-style-type: none">• We updated our understanding of the process activities and controls over DCC.• We selected a sample of development cost charges, recalculated the total amount, agreed each factor in the calculation to supporting documentation (e.g. Council-approved rates) and agreed the amount recorded to cash receipts or letters of credit.• We assessed whether the restrictions have been met and DCC are recognized for capital projects.• We reviewed the financial statement note disclosure to ensure it is complete and accurate	
Significant findings	
There were no significant findings from our work completed as of the date of this report.	



Other risks of material misstatement and results (continued)

We highlight our significant findings in respect of **other risks of material misstatement**.

<div></div> <div>Tangible Capital Assets (“TCA”)</div>	
Other risk of material misstatement	Estimate?
TCA represent a significant portion of assets of the City. The assets owned by the City include land, buildings, furniture and equipment, vehicles, water and waste system infrastructure, and road infrastructure and their useful lives require estimation.	No
Our response	
<ul style="list-style-type: none">• We updated our understanding of the process activities and controls over TCA.• We obtained the TCA continuity schedule, verified its mathematical accuracy, and performed substantive procedures over additions, disposals, reclassifications, and other adjustments.• We tested a sample of asset additions including assets under construction transfers, and inspected supporting documentation to determine if additions are capital in nature and amounts recorded are accurate.• We performed an analytical review of the amortization of tangible capital assets and assessed the reasonableness of assets' useful lives.• We reviewed the financial statement note disclosure to ensure it is complete and accurate.	
Significant findings	
There were no significant findings from our work completed as of the date of this report.	

Other risks of material misstatement and results (continued)

We highlight our significant findings in respect of **other risks of material misstatement**.

Expenses, including salaries and benefits expense	
Other risk of material misstatement	Estimate?
Expenses are closely monitored against approved budgets. Salaries and expenses represent a significant portion of the City’s expenses. There is a need to ensure that the expenses recognized are appropriate.	No
Our response	
<ul style="list-style-type: none">• We updated our understanding of the process activities and controls over expenses, including salaries and benefits expense.• We performed a walkthrough of the expense process, including the payroll process, by tracing a transaction from initiation through to being recorded in the general ledger to confirm that the controls are implemented as designed.• We analyzed the overall change in expenses relative to the prior year based on changes in operations.• We performed substantive procedures over salaries and benefit expenses, including reviewing and vouching a sample of expenses to underlying supporting documentation, ensuring the expenses are appropriately recognized.• We performed substantive procedures over expenses, including reviewing and vouching a sample of expenses to underlying supporting documentation, ensuring the expenses are appropriately recognized.• We selected a sample of payments made, trade payables recorded, and invoices received subsequent to year-end and ensured they were recorded in the appropriate fiscal year.	
Significant findings	
There were no significant findings from our work completed as of the date of this report.	



Accounting policies and practices



Initial selection of significant accounting policies and practices

Effective January 1, 2024, the City adopted three new accounting standards – PS 3400 *Revenue* (“PS 3400”), PS 3150 *Public Private Partnerships* (“PS 3150”) and PSG-8 *Purchased Intangibles* (“PSG-8”)

- We inquired with management and reviewed their analysis of the impact of the new accounting standards relative to the City's transactions/balances and accounting policies.
- We reviewed the presentation and financial statement note disclosures to ensure they comply with the requirements in the new standards.
- Refer to page 7 for further details about PS 3400.
- PS 3150 and PSG-8 did not have an impact on the amounts presented in the financial statements.

There were no significant accounting policies in controversial or emerging areas.

There were no issues noted with the timing of the City's transactions in relation to the period in which they were recorded.

There were no issues noted with the extent to which the financial statements are affected by a significant unusual transaction and extent of disclosure of such transactions.

There were no issues noted with the extent to which the financial statements are affected by non-recurring amounts recognized during the period and extent of disclosure of such transactions.



Description of new or revised significant accounting policies and practices

There were no issues noted with management's identification of accounting estimates.

There were no issues noted with management's process for making accounting estimates.

There were no indicators of possible management bias.

There were no significant factors affecting the City's asset and liability carrying values



Significant qualitative aspects

There were no issues noted with the judgments made, in formulating particularly sensitive financial statement disclosures.

There were no issues noted with the overall neutrality, consistency, and clarity of the disclosures in the financial statements.

There were no significant potential effects on the financial statements of significant risks, exposures, and uncertainties



Uncorrected misstatement

Uncorrected misstatements include financial presentation and disclosure omissions. As required by professional standards, we request these misstatements be corrected.

There was 1 uncorrected presentation misstatement identified.

- The City has historically presented the most recent approved budget in the statement of operations and statement of changes in net financial assets. In the current year, the amended budget from Bylaw 2507 approved on July 29, 2024 has been presented.
- Canadian public sector accounting standards state that the budget presented should be the original budget. Although note 21 provides disclosure of the original budget, since the amended budget is presented on the main statements, we note this to be a presentation misstatement.



Impact of uncorrected misstatement – Not material to the financial statements

- The management representation letter includes the Summary of Uncorrected Misstatements, which provides the impact of all uncorrected misstatements considered to be other than clearly trivial, and includes the matter above.
- Based on both qualitative and quantitative considerations, management have decided not to correct this misstatement and represented to us that the misstatement is, in their judgment, not material to the financial statements. This management representation is included in the management representation letter.
- We concur with management's representation that the uncorrected misstatement is not material to the financial statements. Accordingly, the uncorrected misstatement has no effect on our auditor's report.



Control deficiencies

Consideration of internal control over financial reporting (ICFR)

In planning and performing our audit, we considered ICFR relevant to the City's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on ICFR.

Our understanding of internal control over financial reporting was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies. The matters being reported are limited to those deficiencies that we have identified during the audit that we have concluded are of sufficient importance to merit being reported to those charged with governance.

Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors. Had we performed more extensive procedures on internal control over financial reporting, we might have identified more significant deficiencies to be reported or concluded that some of the reported significant deficiencies need not, in fact, have been reported.

A deficiency in internal control over financial reporting

A deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed, or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

Significant deficiencies in internal control over financial reporting

A deficiency, or a combination of deficiencies, in internal control over financial reporting that, in our judgment, is important enough to merit the attention of those charged with governance.



Audit quality - How do we deliver audit quality?

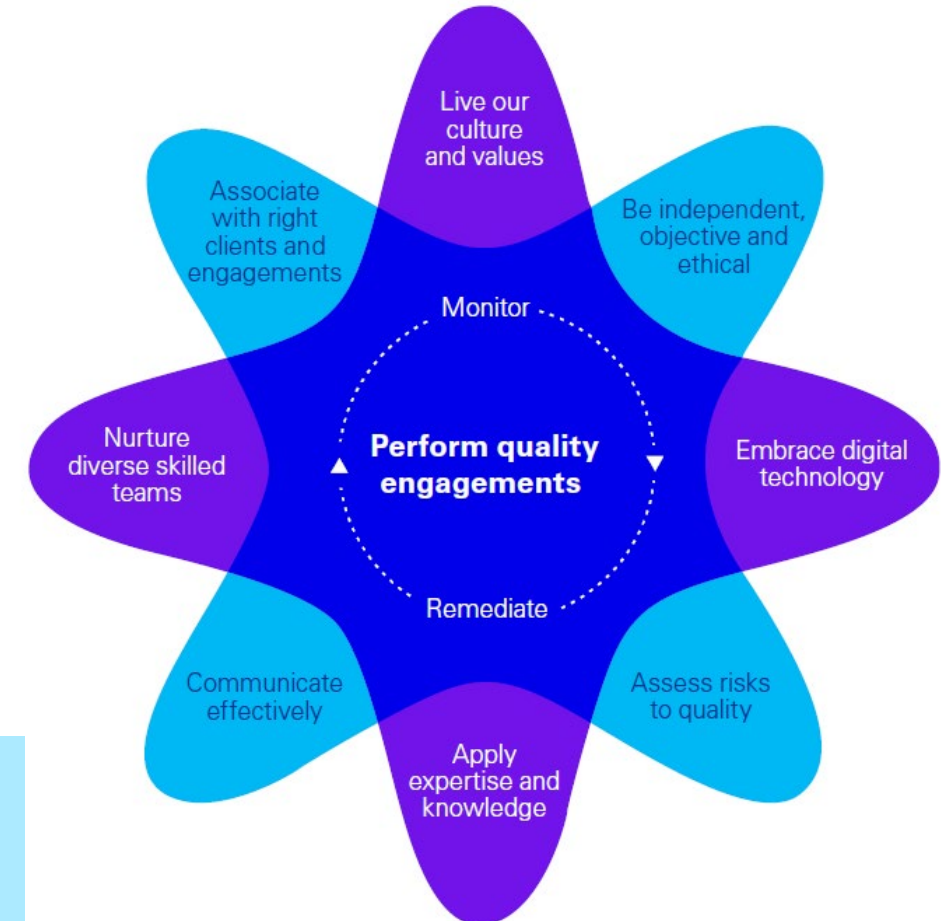
Quality essentially means doing the right thing and remains our highest priority. Our Global Quality Framework outlines how we deliver quality and how every partner and staff member contributes to its delivery.

The drivers outlined in the framework are the ten components of the KPMG System of Quality Management (SoQM). Aligned with ISQM 1/CSQM 1, our SoQM components also meet the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting in Canada, which apply to professional services firms that perform audits of financial statements. Learn more about our system of quality management and our firm's statement on the effectiveness of our SoQM:

 [KPMG Canada Transparency Report](#)

We define 'audit quality' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality management**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics and integrity**.



Doing the right thing. Always.

Appendices

1

Required communications

2

Management Representation Letter

3

Current developments





Appendix 1: Other required communications



Auditor's report

The conclusion of our audit is set out in the draft auditor's report attached to the draft financial statements.

Engagement letter

The objectives of the audit, our responsibilities in carrying out our audit, as well as management's responsibilities, are set out in the engagement letter, copy of which has been provided to management.



Audit findings report

Represented by this report.

Management representation letter

In accordance with professional standards, copy of the management representation letter is included in Appendix 2.



Independence

We have confirmed our independence to Council on page 4 of this report.

Internal control deficiencies

We did not identify any control deficiencies that we determined to be significant deficiencies in internal control over financial reporting.



Appendix 2: Management representation letter

KPMG LLP
777 Dunsmuir Street
P.O. Box 10426
Vancouver, B.C. V7Y 1K3

May 12, 2025

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the financial statements (hereinafter referred to as “financial statements”) of the Corporation of the City of White Rock (“the Entity”) as at and for the period ended December 31, 2024.

General:

We confirm that the representations we make in this letter are in accordance with the definitions as set out in [Attachment I](#) to this letter.

We also confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Responsibilities:

- 1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated November 30, 2020, including for:
 - a) the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework.
 - b) providing you with all information of which we are aware that is relevant to the preparation of the financial statements (“relevant information”), such as financial records, documentation and other matters, including:
 - the names of all related parties and information regarding all relationships and transactions with related parties;
 - the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of Council and committees of Council that may affect the financial statements. All significant actions are included in such summaries.
 - c) providing you with unrestricted access to such relevant information.
 - d) providing you with complete responses to all enquiries made by you during the engagement.
 - e) providing you with additional information that you may request from us for the purpose of the engagement.
 - f) providing you with unrestricted access to persons within the Entity from whom you determined it necessary to obtain audit evidence.
 - g) such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We also acknowledge and understand that we are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
 - h) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.

- i) ensuring that internal auditors providing direct assistance to you, if any, were instructed to follow your instructions and that we, and others within the entity, did not intervene in the work the internal auditors performed for you.

Internal control over financial reporting:

- 2) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which we are aware.

Fraud & non-compliance with laws and regulations:

- 3) We have disclosed to you:
 - a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 - b) all information in relation to fraud or suspected fraud that we are aware of that involves:
 - management;
 - employees who have significant roles in internal control over financial reporting; or
 - otherswhere such fraud or suspected fraud could have a material effect on the financial statements.
 - c) all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements, communicated by employees, former employees, analysts, regulators, short sellers, or others.
 - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements or illegal acts, whose effects should be considered when preparing financial statements.
 - e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Subsequent events:

- 4) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment, or disclosure, in the financial statements have been adjusted or disclosed.

Related parties:

- 5) We have disclosed to you the identity of the Entity's related parties.
- 6) We have disclosed to you all the related party relationships and transactions/balances of which we are aware.
- 7) All related party relationships and transactions/balances have been appropriately accounted for, and disclosed, in accordance with the relevant financial reporting framework.

Estimates:

- 8) The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Going concern:

- 9) We have provided you with all information relevant to the use of the going concern assumption in the financial statements.

- 10) We confirm that we are not aware of material uncertainties related to events or conditions that may cast significant doubt upon the Entity's ability to continue as a going concern.

Misstatements:

- 11) The effects of the uncorrected misstatements described in [Attachment II](#) are immaterial, both individually and in the aggregate, to the financial statements as a whole.

Other information:

- 12) We confirm that the final version of 2024 Annual Report will be provided to you when available, and prior to issuance by the Entity, to enable you to complete your required procedures in accordance with professional standards.

Non-SEC registrants or non-reporting issuers:

- 13) We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002).
- 14) We also confirm that the financial statements of the Entity will not be included in the group financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

Approval of financial statements:

- 15) Candice Gartry has the recognized authority to take, and has taken, responsibility for the financial statements.

Other:

- 16) We confirm that we have provided you with a complete list of service organizations (SO) and sub-service organizations (SSO) and that the relevant complementary user entity controls (CUECs) related to each SO/SSO have been designed and implemented. For the purpose of this representation, a service organization is one as defined in CAS 402.

Yours very truly,

Guillermo Ferrero, Chief Administrative Officer

Candice Gartry, Director of Finance

Shannon Johnston, Manager, Budgets & Accounting

Cc: Council

Attachment I – Definitions

Materiality

Certain representations in this letter are described as being limited to matters that are material.

Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in light of surrounding circumstances, and are affected by perception of the needs of, or the characteristics of, the users of the financial statements and, the size or nature of a misstatement, or a combination of both while also considering the entity's own circumstances.

Fraud & error

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

Attachment II – Summary of Audit Misstatements Schedule(s)

Summary of Uncorrected Audit Misstatements

#	Account	Annual Surplus (Increase)/ Decrease	Assets Increase/ (Decrease)	Liabilities (Increase)/ Decrease	Accumulated Surplus (Increase)/ Decrease
1	<p>Presentation misstatement</p> <p><i>Canadian public sector accounting standards states that the budget figures presented on the statement of operations and statement of changes in net financial assets should be the original budget figures. A presentation misstatement is identified as the amended budget figures have been presented.</i></p>	-	-	-	-



Appendix 3: Current developments

Auditing standards

Effective for periods beginning on or after December 15, 2024

ISA 260/CAS 260

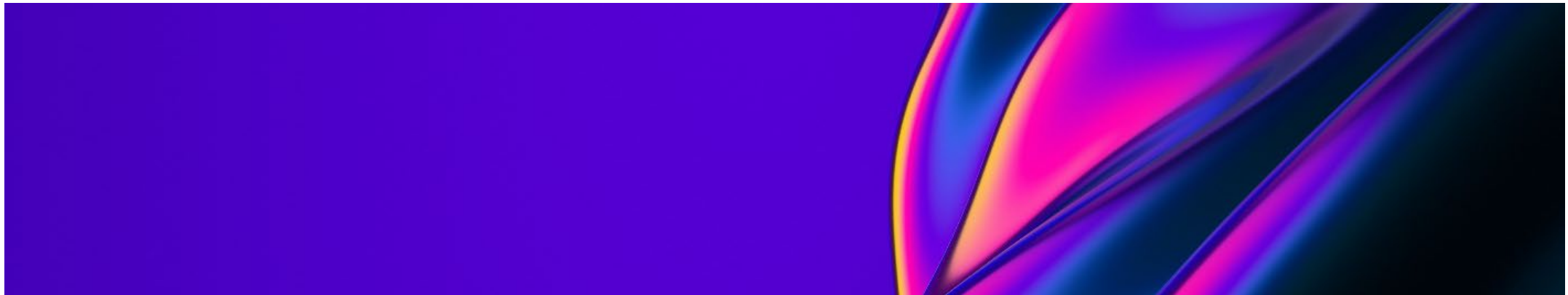
.....
Communications
with those
charged with
governance

ISA 700/CAS 700

.....
Forming an
opinion and
reporting on the
financial
statements

Click here for information about CAS 260
and CAS 700 from CPA Canada:

[Amended CAS 260 and CAS 700](#)





Appendix 3: Current developments (continued)

Accounting standards

Standard	Summary and implications
Concepts Underlying Financial Performance	<ul style="list-style-type: none"> The revised Conceptual Framework is effective for fiscal years beginning on or after April 1, 2026 with early adoption permitted. The framework provides the core concepts and objectives underlying Canadian public sector accounting standards. The ten chapter conceptual framework defines and elaborates on the characteristics of public sector entities and their financial reporting objectives. Additional information is provided about financial statement objectives, qualitative characteristics and elements. General recognition and measurement criteria, and presentation concepts are introduced.
Financial Statement Presentation	<ul style="list-style-type: none"> The proposed section PS 1202 <i>Financial statement presentation</i> will replace the current section PS 1201 <i>Financial statement presentation</i>. PS 1202 <i>Financial statement presentation</i> will apply to fiscal years beginning on or after April 1, 2026 to coincide with the adoption of the revised conceptual framework. Early adoption is permitted. The proposed section includes the following: <ul style="list-style-type: none"> Relocation of the net debt indicator to its own statement called the statement of net financial assets/liabilities, with the calculation of net debt refined to ensure its original meaning is retained. Separating liabilities into financial liabilities and non-financial liabilities. Restructuring the statement of financial position to present total assets followed by total liabilities. Changes to common terminology used in the financial statements, including re-naming accumulated surplus (deficit) to net assets (liabilities). Removal of the statement of remeasurement gains (losses) with the information instead included on a new statement called the statement of changes in net assets (liabilities). This new statement would present the changes in each component of net assets (liabilities), including a new component called “accumulated other”. A new provision whereby an entity can use an amended budget in certain circumstances. Inclusion of disclosures related to risks and uncertainties that could affect the entity’s financial position.



Appendix 3: Current developments (continued)

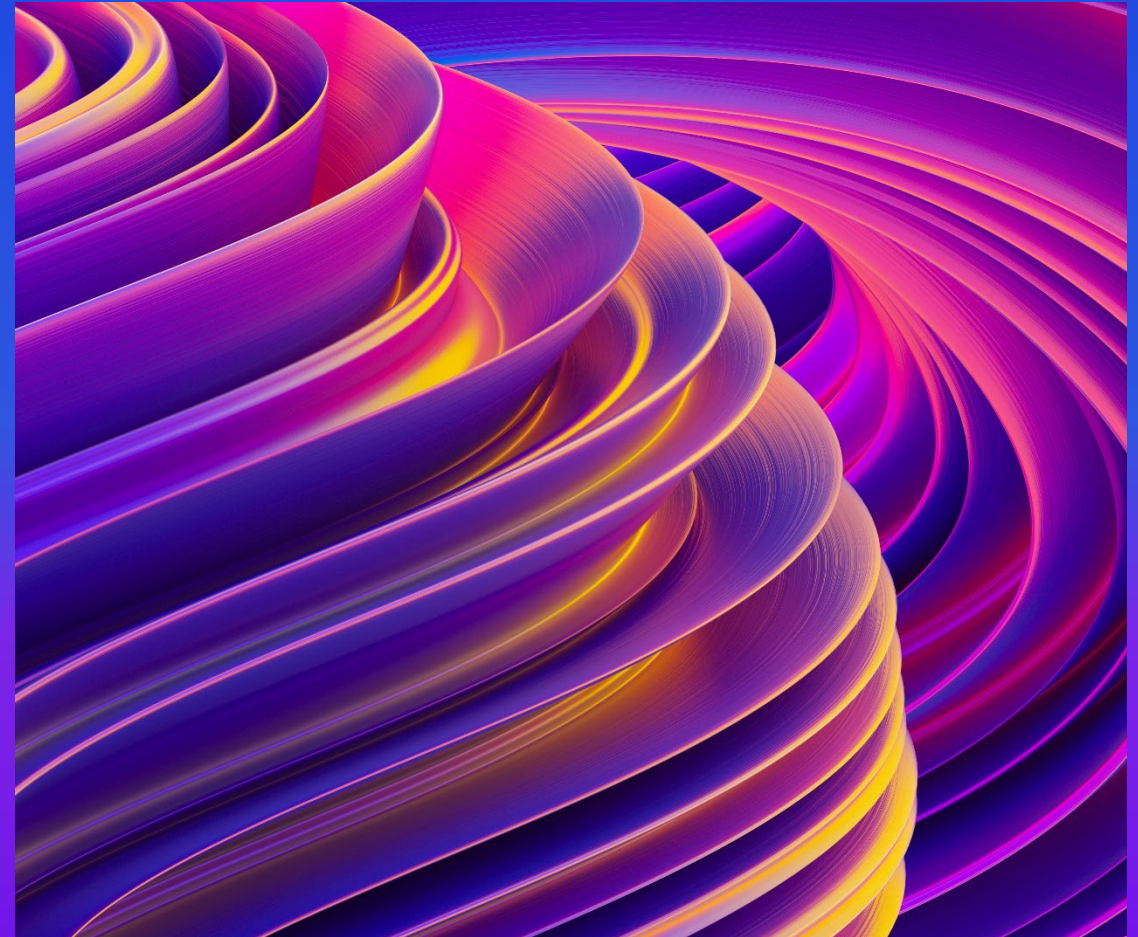
Accounting standards (continued)

Standard	Summary and implications
Employee Benefits	<ul style="list-style-type: none"> The Public Sector Accounting Board has issued proposed new standard PS 3251 <i>Employee benefits</i> which would replace the current sections PS 3250 <i>Retirement benefits</i> and PS 3255 <i>Post-employment benefits, compensated absences and termination benefits</i>. After evaluating comments received about the July 2021 exposure draft, a new re-exposure draft was released in October 2024. The re-exposure draft continues to use principles from International Public Sector Accounting Standard 39 <i>Employee benefits</i> as a starting point to develop the Canadian standard. The proposed standard would result in public sector entities recognizing the impact of revaluations of the net defined benefit liability (asset) immediately on the statement of financial position. The re-exposure draft also proposes that fully funded post-employment benefit plans use a discount rate based on the expected market-based return of plan assets and unfunded plans use a discount rate based on the market yield of government bonds, high-quality corporate bonds or another appropriate financial instrument. A simplified approach to determining a plan's funding status is provided. For most other topics, the re-exposure draft is consistent with the original exposure draft. A few exceptions are: <ul style="list-style-type: none"> Deferral provisions – Remeasurement gains and losses will be presented as part of accumulated remeasurement gains and losses. Valuation of plan assets – Public sector entities may continue to recognize non-transferable financial instruments that meet the definition of plan assets under existing PS 3250 guidance. Joint defined benefit plans – Defined benefit accounting will be used for measurement of the proportionate share of the plan, instead of previously proposed multi-employer plan accounting which was based on defined contribution plan concepts. Disclosure of other long-term employee benefits and termination benefits – The re-exposure draft does not include prescriptive disclosure requirements for other long-term employee benefits and termination benefits. The proposed section PS 3251 <i>Employee benefits</i> will apply to fiscal years beginning on or after April 1, 2029. Early adoption will be permitted and guidance applied retroactively, with or without prior period restatement. Comments on the re-exposure draft were due on January 20, 2025. The re-exposure draft can be viewed at the following link: Click here



<https://kpmg.com/ca/en/home.html>

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THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: May 12, 2025

TO: Mayor and Council

FROM: Candice Gartry, Director, Financial Services

SUBJECT: Draft 2024 Audited Financial Statements

RECOMMENDATIONS

THAT Council receive the May 12, 2025, corporate report from the Director of Financial Services, titled “Draft 2024 Audited Financial Statements;” and

1. Accept the Draft 2024 Audited Financial Statements, which have been included in Appendix A;
 2. Receive the CFO Letter of Transmittal and accompanying Management Discussion and Analysis report, attached as Appendix B and C respectively; and
 3. Direct the Mayor and Director, Financial Services, to sign the Statement of Financial Position contained within the Draft 2024 Audited Financial Statements and forward the complete audited financial statements to the province.
-

EXECUTIVE SUMMARY

This corporate report presents the City of White Rock’s Audited Financial Statements for the year ended December 31, 2024, in accordance with Sections 167 and 98 of the *Community Charter*. Section 167 requires that the financial statements be prepared in accordance with Generally Accepted Accounting Principles for local governments and submitted to the province by May 15 each year. Section 98 further requires that the audited financial statements be included in the City’s annual report, which must be made publicly available by June 30. Accompanying the financial statements are the Chief Financial Officer’s Letter of Transmittal and the Financial Statement Discussion and Analysis which provide additional context and insight into the City’s financial results and overall financial position.

INTRODUCTION/BACKGROUND

The preparation of the annual audited financial statements and related financial information is the responsibility of both City Council and the management of the City of White Rock. These documents are intended to provide reliable, accurate, and transparent information on the financial condition and performance of the City.

In accordance with Section 167 of the *Community Charter (Charter)*, the City’s financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAPP) for local governments and submitted to the Province by May 15 each year,

following acceptance by Council. Additionally, Section 98 of the *Charter* requires that the audited financial statements form part of the City's annual report, which must be completed and made available to the public by June 30 each year.

From January through April 2025, staff in Financial Services, supported by various other departments, completed year-end processes and prepared the Draft 2024 Audited Financial Statements. These draft statements were then submitted to the City's external auditors, KPMG LLP (KPMG), for independent review and audit.

The purpose of the audit is to provide reasonable assurance that the financial statements are free from material misstatement. To achieve this, the auditors performed various procedures, including transaction testing, review of internal controls, and discussions with City staff across multiple departments. These procedures are further discussed in KPMG's Audit Findings Report, which is a separate item on today's meeting agenda

KPMG has issued an unqualified audit opinion on the City's 2024 financial statements, indicating that the statements present fairly, in all material respects, the financial position of the City. The 2024 Draft Audited Financial Statements and KPMG's opinion are attached as Appendix A. These statements have been prepared in accordance with GAPP and Canadian Public Sector Accounting Standards, as established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Also attached are the Chief Financial Officer's Letter of Transmittal and the Management Discussion and Analysis (MD&A), provided as Appendices B and C respectively. These documents provide additional insight into the City's 2024 financial performance, including key highlights, financial trends, and management's perspective on year-end results. While prepared by staff to accompany the audited financial statements, they are presented for informational purposes and are not subject to audit.

OPTIONS / RISKS / ALTERNATIVES

The following options are available for Council's consideration:

1. Accept the 2024 Annual Financial Statements as presented and direct the Mayor and the Director, Financial Services, to sign the Statement of Financial Position contained within the Draft 2024 Audited Financial Statements and forward the complete audited financial statements to the province; or
2. Not accept the 2024 Annual Financial Statements as presented and not direct the Mayor and the Director, Financial Services, to sign the Statement of Financial Position contained within the Draft 2024 Audited Financial Statements and therefore not forward the complete audited financial statements to the province which would result in the City of White Rock not being in compliance with the *Community Charter*.

CONCLUSION

Staff recommend that Council:

1. Accept the draft 2024 Audited Financial Statements;
2. Receive the CFO Letter of Transmittal and accompanying Management Discussion and Analysis report; and

3. Direct the Mayor and Director, Financial Services, to sign the Statement of Financial Position contained within the Draft 2024 Audited Financial Statements and forward the complete audited financial statements to the province.

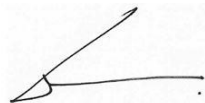
Respectfully submitted,



Candice Gartry, CPA, CGA
Director, Financial Services

Comments from the Chief Administrative Officer

I concur with the recommendations of this corporate report.



Guillermo Ferrero
Chief Administrative Officer

Appendix A: FY 2024 Draft Audited Financial Statements
Appendix B: FY 2024 CFO Letter of Transmittal
Appendix C: FY 2024 Financial Discussion and Analysis

Financial Statements of

**THE CORPORATION OF THE
CITY OF WHITE ROCK**

And Independent Auditor's Report thereon

Year ended December 31, 2024

The Corporation of the City of White Rock

Financial Statements

Year ended December 31, 2024

MAYOR AND COUNCIL

Management's Responsibility for Financial Reporting

The management of the City of White Rock (the "City") is responsible for the preparation and presentation of the financial statements and related information. The financial statements have been prepared in accordance with the Canadian Public Sector Accounting Standards established by the Chartered Professional Accountants of Canada. This involves the use of management's best estimates and careful judgement. The City maintains a system of internal accounting controls designed to provide reasonable assurances for the safeguarding of assets and the reliability of financial records.

City Council accepts the financial statements and meets with management to determine that management has fulfilled its obligation in the preparation of the financial statements.

The City's independent auditor, KPMG LLP, have given the City an unqualified audit opinion on the City's financial statements, stating in their opinion, that the financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2024, the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.



Candice Gartry, CPA, CGA
Director, Financial Services



KPMG LLP

PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone 604 691 3000
Fax 604 691 3031

INDEPENDENT AUDITOR'S REPORT

To Mayor and Council of The Corporation of the City of White Rock

Opinion

We have audited the financial statements of The Corporation of the City of White Rock (the "City"), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2024, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 our auditor's 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.

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 the financial statements.

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

We also:

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

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

- Obtain an understanding of internal controls 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 controls.
- 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 City to cease to continue as a going concern.



The Corporation of the City of White Rock
Page 3

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DRAFT

Chartered Professional Accountants

Vancouver, Canada
May 12, 2025

THE CORPORATION OF THE CITY OF WHITE ROCK

Statement of Financial Position

December 31, 2024, with comparative information for 2023

	2024	2023
Financial Assets		
Cash and cash equivalents (note 3)	\$ 165,092,894	\$ 137,781,972
Investments (note 3)	20,000,000	33,547,054
Accounts receivable (note 4)	8,167,242	5,967,650
	193,260,136	177,296,676
Liabilities		
Accounts payable and accrued liabilities (note 5)	9,550,744	8,791,345
Post-employment benefits (note 6)	1,814,864	1,823,842
Asset retirement obligation (note 7)	473,800	473,800
Refundable performance deposits (note 3(b))	13,439,012	13,334,889
Capital lease obligations (note 8)	33,624	72,178
Debt (note 9)	19,597,755	20,378,409
Deferred revenue (note 10)	32,235,025	30,822,374
	77,144,824	75,696,837
Net Financial Assets	116,115,312	101,599,839
Non-Financial Assets		
Tangible capital assets (note 11)	172,161,198	168,732,243
Prepaid expenses	1,347,154	1,314,059
Inventories of supplies	194,876	245,916
	173,703,228	170,292,218
Accumulated surplus (note 12)	\$ 289,818,540	\$ 271,892,057

Commitments and contingencies (note 15)

Contractual rights (note 20)

See accompanying notes to financial statements.



Candice Gartry, CPA, CGA
Director, Financial Services

THE CORPORATION OF THE CITY OF WHITE ROCK

Statement of Operations

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget	2024	2023
	(notes 1(b) and 21)		
Revenue:			
Property taxes:			
General purposes	\$ 31,064,300	\$ 31,079,008	\$ 29,208,048
Regional library levy	1,112,900	1,111,555	1,042,070
Business improvement levy	364,000	364,239	353,894
	32,541,200	32,554,802	30,604,012
Receipts in lieu of taxes	28,100	28,139	27,633
Development cost charges (note 10(a))	1,512,800	425,233	75,903
Sanitary sewer fees and parcel tax	4,153,400	4,193,579	3,945,369
Drainage user fees	3,215,000	3,215,165	3,043,875
Water user fees	6,664,500	6,745,251	6,374,490
Sales of services and other revenue (note 18)	21,544,600	23,137,430	20,986,799
Government grants (note 19)	14,418,500	1,502,728	6,490,179
Developers' contributions of tangible capital assets (note 11(b))	-	1,759,360	1,112,786
	84,078,100	73,561,687	72,661,046
Expenses:			
General government	11,265,100	8,876,154	7,023,139
Police protection	8,107,750	7,045,319	6,842,642
Fire protection	5,480,200	6,379,663	5,734,548
Other protection services	1,922,500	1,316,142	1,422,019
Transportation, engineering and operations	5,500,700	6,929,911	6,835,757
Parks, recreation and cultural services	10,293,950	11,969,481	10,478,657
Solid waste services	1,656,600	1,726,226	1,689,398
Sanitary sewer system	3,724,700	4,042,905	3,272,597
Drainage system	1,543,000	1,528,543	1,110,073
Water system	5,060,600	5,820,860	4,713,347
	54,555,100	55,635,204	49,122,177
Annual surplus	29,523,000	17,926,483	23,538,869
Accumulated surplus, beginning of year	271,892,057	271,892,057	248,353,188
Accumulated surplus, end of year	\$ 301,415,057	\$ 289,818,540	\$ 271,892,057

See accompanying notes to financial statements.

THE CORPORATION OF THE CITY OF WHITE ROCK

Statement of Changes in Net Financial Assets

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget (notes 1(b) and 21)	2024	2023
Annual surplus	\$ 29,523,000	\$ 17,926,483	\$ 23,538,869
Acquisition of tangible capital assets	(69,347,000)	(8,761,199)	(5,099,817)
Recognition of asset retirement obligation	-	-	(473,800)
Developers' contributions of tangible capital assets	-	(1,759,360)	(1,112,786)
Amortization of tangible capital assets	-	6,969,020	6,868,884
Loss (gain) on disposal of tangible capital assets	-	90,634	(20,036)
Proceeds on disposal of tangible capital assets	-	31,950	50,323
	(39,824,000)	14,497,528	23,751,637
Acquisition of prepaid expenses	-	(1,347,154)	(1,314,059)
Acquisition of inventories of supplies	-	(194,876)	(245,916)
Use of prepaid expenses	-	1,314,059	1,168,600
Consumption of inventories of supplies	-	245,916	238,059
Change in net financial assets	(39,824,000)	14,515,473	23,598,321
Net financial assets, beginning of year	101,599,839	101,599,839	78,001,518
Net financial assets, end of year	\$ 61,775,839	\$ 116,115,312	\$ 101,599,839

See accompanying notes to financial statements.

THE CORPORATION OF THE CITY OF WHITE ROCK

Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating:		
Annual surplus	\$ 17,926,483	\$ 23,538,869
Items not involving cash:		
Amortization	6,969,020	6,868,884
Loss (gain) on disposal of tangible capital assets	90,634	(20,036)
Developers' contributions of tangible capital assets	(1,759,360)	(1,112,786)
Changes in non-cash operating items:		
Accounts receivable	(2,199,592)	(61,995)
Prepaid expenses	(33,095)	(145,459)
Inventories of supplies	51,040	(7,857)
Accounts payable and accrued liabilities	759,399	(7,657,185)
Post-employment benefits	(8,978)	60,543
Refundable performance deposits	104,123	(118,014)
Deferred revenue	1,412,651	966,844
Net cash provided by operating activities	23,312,325	22,311,808
Capital activities:		
Cash used to acquire tangible capital assets	(8,761,199)	(5,088,851)
Proceeds on disposal of tangible capital assets	31,950	50,323
Net cash used in capital activities	(8,729,249)	(5,038,528)
Financing activities:		
Repayment of debt	(780,654)	(773,432)
Principal payments on capital lease obligations	(38,554)	(37,490)
Net cash used in financing activities	(819,208)	(810,922)
Investing activities:		
Change in investments	13,547,054	(10,503,571)
Net cash provided by (used in) investing activities	13,547,054	(10,503,571)
Net change in cash and cash equivalents	27,310,922	5,958,787
Cash and cash equivalents, beginning of year	137,781,972	131,823,185
Cash and cash equivalents, end of year	\$ 165,092,894	\$ 137,781,972
Non-cash transactions:		
Acquisition of tangible capital assets under capital lease	\$ -	\$ 10,966
Recognition of asset retirement obligation	-	473,800

See accompanying notes to financial statements.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements

Year ended December 31, 2024

The Corporation of the City of White Rock (the “City”) is incorporated under the *Local Government Act* of British Columbia. The City’s principal activities include the provision of local government services to residents, businesses and visitors of the incorporated area. These include legislative, operational and administrative support, protective services, infrastructure, transportation, engineering and municipal operations, parks, recreation and culture, solid waste, water system, drainage system, and sanitary sewer services.

1. Significant accounting policies:

The City follows Canadian Public Sector Accounting Standards as prescribed by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada, including the following significant policies:

(a) Basis of presentation:

These financial statements present the resources and operations including all accounts and funds of the City. All inter-fund transactions, assets and liabilities have been eliminated.

(b) Budget reporting:

The budget figures reported in the statement of operations and statement of changes in net financial assets represent the 2024 component of the White Rock Financial Plan (2024-2028) Bylaw, 2024, No. 2496 Amendment No. 2, No. 2507 adopted by the City Council on July 29, 2024.

(c) Cash and cash equivalents:

Cash and cash equivalents include short-term highly liquid investments with maturity dates within three months of acquisition that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

(d) Revenue recognition:

(i) Taxation (including grants in lieu):

Annual taxation revenues are recognized in the year they are levied and are calculated using the approved tax rates in the annual tax rates bylaw. Property taxes paid in advance of the year to which they relate are recorded in deferred revenue. Property taxes imposed by other taxing authorities are not included as taxes for municipal purposes.

(ii) Government transfers:

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

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(d) Revenue recognition (continued):

(iii) Fees, sales of services and other revenue:

Revenue from exchange transactions with a single performance obligation that is satisfied at a point in time, including certain sale of services, permits and licenses, and other revenue, is recognized when the City satisfies the performance obligation by providing the promised goods or services to a payor. Revenue from exchange transactions with performance obligations satisfied over a period of time, including utility fees (sanitary sewer, drainage, water), certain sale of services, permits, and other revenue, is recognized as the City satisfies the performance obligations by providing the promised goods or services to a payor. For transactions with multiple performance obligation, including certain types of permits, revenue is allocated between the performance obligations based on the estimated effort to satisfy each performance obligation.

Revenue from transactions with no performance obligations, including penalties and fines, is recognized when the City has the authority to claim or retain an inflow of economic resources; and identifies a past transaction or event that gives rise to an asset.

If a performance obligation has not been fulfilled, the related amount is recorded in deferred revenue.

(e) Development cost charges ("DCCs"):

DCCs collected under the City's Development Cost Charge Bylaw ("DCC Bylaw"), plus interest earned thereon, are recorded as deferred revenue. DCCs are recognized as revenue when related tangible capital assets are acquired.

(f) Deferred revenue:

Deferred revenues represent the receipt of funds for which revenues are recognized in the future. These amounts will be recognized when services are provided, when performance obligations are fulfilled, when specific works are completed, or when tangible capital assets are acquired.

(g) Refundable performance deposits:

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

(h) Capital lease obligation:

Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs e.g., insurance, maintenance costs etc. The discount rate used to determine the present value of the lease payments is the City's interest rate implicit in the lease.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(i) Expenses:

Expenses are recorded on an accrual basis and are recognized as they are incurred. This is upon the receipt of goods or services and/or the creation of a legal obligation. Interest expense on debt and capital lease obligations is accrued to the end of the reporting period.

(j) Debt:

Debt is recorded net of sinking fund credits and actuarial adjustments.

(k) Non-financial assets:

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

(i) Tangible capital assets:

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

Asset	Useful Life - Years
Land improvements	5 to 100
Buildings and facilities	10 to 50
Machinery and equipment	4 to 25
Roads and sidewalks	10 to 50
Sanitary sewer infrastructure	10 to 80
Storm sewer infrastructure	5 to 80
Water system infrastructure	4 to 80

Leasehold improvements are amortized using the lesser of the remaining term of the lease, including all renewal terms, or the life of the asset.

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

(ii) Contributions of tangible capital assets:

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

(iii) Works of art and cultural and historic assets:

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

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(k) Non-financial assets (continued):

(iv) Interest capitalization:

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

(v) Leased tangible capital assets:

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

(vi) Inventories of supplies:

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

(l) Employee future benefits:

(i) The City and its employees make contributions to the Municipal Pension Plan. The Municipal Pension Plan is a multi-employer defined benefit pension plan. The City's contributions are expensed as incurred.

(ii) Sick leave and post-employment benefits accrue to certain City's employees. 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 liabilities under these benefit plans are accrued based on projected benefits prorated as employees render services necessary to earn the future benefits.

(m) Asset retirement obligation:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

(i) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;

(ii) The past transaction or event giving rise to the liability has occurred;

(iii) It is expected that future economic benefits will be given up; and

(iv) A reasonable estimate of the amount can be made.

The liability is based on requirements in existing agreements, contracts, legislation or legally enforceable obligations, and technology expected to be used in asset retirement activities.

The liability is at the best estimate of the costs directly attributable to asset retirement activities. Costs will include post-retirement operation, maintenance and monitoring that are an integral part of the retirement of the tangible capital asset. Directly attributable costs will include, but are not limited to, payroll and benefits, equipment and facilities, materials, legal and other professional fees, and overhead costs directly attributable to the asset retirement activity.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(m) Asset retirement obligation (continued):

Upon initial recognition of a liability for an asset retirement obligation, the City will recognize an asset retirement cost by increasing the carrying amount of the related tangible capital asset (or a component thereof) by the same amount as the liability if the asset is recognized and in productive use.

Where the obligation relates to an asset which is no longer in service, and not providing economic benefit, or to an item not recorded by the City as an asset, the obligation is expensed upon recognition.

This liability is subsequently reviewed at each financial reporting date and adjusted for any revisions to the timing or amount required to settle the obligation. The changes in the liability for the passage of time are recorded as accretion expense in the statement of operations and all other changes are adjusted to the tangible capital asset. The cost is amortized over the useful life of the tangible capital asset (note 1(l)(i)).

Recoveries related to asset retirement obligations are recognized when the recovery can be appropriately measured, a reasonable estimate of the amount can be made and it is expected that future economic benefits will be obtained. A recovery is recognized on a gross basis from the asset retirement obligations liability.

(n) Use of accounting estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Areas requiring the use of management estimates relate to the determination of the value of contributed assets, useful lives of tangible capital assets for amortization, asset retirement obligation, collectability of receivables, accrued sick and other post-employment benefits, and provision for contingencies. Adjustments, if any, will be reflected in the financial statements in the period of settlement or change in the amount of the estimate.

(o) Segment disclosures:

A segment is defined as a distinguishable activity or group of activities of government for which it is appropriate to separately report financial information. The City has provided definitions of segments used by the City, as well as presented financial information in segmented format (note 23).

(p) Contaminated sites:

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

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(p) Contaminated sites (continued):

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

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

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

(q) Financial instruments:

Financial instruments include cash and cash equivalent, investments, accounts receivable, accounts payable and accrued liabilities and debt.

Financial instruments are recorded at fair value on initial recognition. Equity instruments quoted in an active market and derivatives are subsequently measured at fair value as at the reporting date. All other financial instruments are subsequently recorded at cost or amortized cost unless management elects to carry the financial instrument at fair value. The City has not elected to carry any other financial instruments at fair value.

Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses. They are recorded in the statement of operations when they are realized. There are no unrealized changes in fair value as at December 31, 2024. As a result, the City does not have a statement of remeasurement gains and losses.

Transaction costs incurred on the acquisition of financial instruments subsequently measured at fair value are expensed as incurred. Transaction costs incurred on the acquisition of financial instruments recorded at cost are included in the cost.

Sales and purchases of investments are recorded on the trade date.

Accounts receivables, investments, accounts payable and accrued liabilities, and debt are measured at amortized cost using the effective interest rate method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

2. Adoption of new accounting standard:

(a) Adoption of PS3400 - Revenue:

On January 1, 2024, the City adopted Canadian Public Sector Accounting Standard PS 3400 – *Revenue*. The standard applies to all revenues, except for taxation revenues, government transfers, income from investments in GBE and other revenues which are covered in other Public Sector Accounting Standards. This standard establishes a framework for categorizing revenue into two types: transactions with performance obligations and transactions without performance obligations.

The standard was adopted prospectively from the date of adoption. As a result, the City's building permits revenue decreased by \$36,080, and other revenues decreased by \$19,530 with a corresponding increase in deferred revenue. In addition, the City's business licenses revenue increased by \$256,768, with a corresponding decrease in deferred revenue.

(b) Adoption of PS 3160 - Public Private Partnerships:

On January 1, 2024, the City adopted Canadian Public Sector Accounting Standard PS 3160 - *Public Private Partnerships*. The standard addresses the recognition, measurement, presentation, and disclosure of infrastructure procured by public sector entities through certain types of public private partnership arrangements. This standard was adopted on a prospective basis. The adoption of this standard did not have any impact on the amounts presented in these financial statements.

(c) Adoption of PSG-8 - Purchased Intangibles:

On January 1, 2024, the City adopted Public Sector Guideline PSG-8 - *Purchased Intangibles*. The guideline defines purchased intangibles as identifiable non-monetary economic resources without physical substance acquired through an arm's length exchange transaction between knowledgeable, willing parties who are under no compulsion to act. Intangibles acquired through a transfer, contribution, or inter-entity transaction, are not purchased intangibles. This guideline was adopted on a prospective basis. The adoption of this guideline did not have any impact on the amounts presented in these financial statements.

3. Cash and cash equivalents and investments:

	2024	2023
Cash balances	\$ 160,321,528	\$ 133,229,588
Cash equivalents:		
Municipal Finance Authority Money Market Fund	4,771,366	4,552,384
Total cash and cash equivalents (a), (b)	165,092,894	137,781,972
Investments consist of term deposits maturing between March 3, 2025 and November 20, 2026	20,000,000	33,547,054
Total cash and cash equivalents and investments	\$ 185,092,894	\$ 171,329,026

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

3. Cash and cash equivalents and investments (continued):

As at December 31, 2024, cash equivalents and investments including the Municipal Finance Authority Money Market Fund, have annual yields that range from 3.71% to 5.70% (2023 - 5.07% to 6.12%).

(a) Included in cash and cash equivalents is an amount of \$19,175,906 (2023 - \$17,806,995) that can only be used for the acquisition of tangible capital assets as provided for by the DCC Bylaw (note 10(a)).

(b) Included in cash and cash equivalents is an amount of \$13,439,012 (2023 - \$13,334,889) which consists of refundable performance deposits.

4. Accounts receivable:

	2024	2023
Property taxes	\$ 3,539,703	\$ 1,889,314
Water user fees	2,001,431	1,665,700
Government grants	301,682	188,055
Amount secured by letters of credit (a)	412,621	-
Loan receivable	-	9,079
Other (note 9)	1,911,805	2,215,502
	<u>\$ 8,167,242</u>	<u>\$ 5,967,650</u>

(a) Included in accounts receivable are amounts receivable secured by letters of credit of \$412,621 (2023 - nil) that can only be used for the acquisition of tangible capital assets as provided for by the DCC Bylaw (note 10(a)).

5. Accounts payable and accrued liabilities:

	2024	2023
Trade accounts payable and other	\$ 3,822,484	\$ 4,054,630
Due to governments and agencies	4,065,194	2,483,306
Other payroll liabilities	1,663,066	2,253,409
	<u>\$ 9,550,744</u>	<u>\$ 8,791,345</u>

6. Post-employment benefits:

The City provides certain post-employment and sick leave benefits to certain of its employees. These benefits include accumulated non-vested sick leave, post-employment gratuity and time-in-lieu benefits, and certain vacation benefits. The accrued benefit obligation and the net periodic benefit cost were estimated as at December 31, 2024 by an actuarial valuation.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

6. Post-employment benefits (continued):

	2024	2023
Accrued benefit obligation:		
Balance, beginning of year	\$ 1,409,411	\$ 1,393,409
Current service cost	117,472	111,022
Interest cost	60,098	62,090
Benefits paid	(161,635)	(93,113)
Actuarial loss (gain)	19,654	(63,997)
Balance, end of year	\$ 1,445,000	\$ 1,409,411

	2024	2023
Accrued benefit obligation, end of year	\$ 1,445,000	\$ 1,409,411
Unamortized net actuarial gain	369,864	414,431
Accrued benefit liability, end of year	\$ 1,814,864	\$ 1,823,842

Actuarial gains and losses are amortized over the expected average remaining service period of the related employee group, commencing the year after the gain or loss arises. In 2024, the expected average remaining service period of the related employee group is 12 years (2023 - 12 years).

The significant actuarial assumptions used to determine the City's accrued benefit obligation are as follows:

	2024	2023
Discount rate	4.30%	4.10%
Expected future inflation rate	2.50%	2.50%
Expected wage and salary increases	2.50% to 5.90%	2.50% to 5.90%

7. Asset retirement obligation:

The City has recognized Asset Retirement Obligations ("ARO") as follows.

	2024	2023
Asbestos removal	\$ 368,800	\$ 368,800
Well decommissioning	105,000	105,000
Accrued benefit liability, end of year	\$ 473,800	\$ 473,800

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

7. Asset retirement obligation (continued):

(a) Asbestos removal:

Once disturbed, the City has a legal obligation to properly remove and dispose of asbestos. As such, asset retirement obligations have been recognized for various City buildings that are known and/or suspected of containing asbestos. Estimates for the abatement of asbestos are based on 3rd party quotes for its removal. Alternatively, estimates may also be based on inspections that quantify the identified asbestos in buildings, allowing the cost to be extrapolated using 3rd party abatement cost rates.

In the absence of such information, estimates are determined by referring to the known cost of abatement for a similar reference building and pro-rating that cost based on the building's relative size. The buildings were originally purchased in 1963 and 1967 and are fully amortized but are expected to remain in use for an additional 7 and 12 years, respectively. Once established, capitalized ARO costs are amortized using the straight-line method beginning with the year the ARO was first recognized and ending with its anticipated year of abatement.

(b) Well decommissioning:

If a well is deemed to be no longer in service, the well owner must ensure that the well is decommissioned. This obligation is outlined under the *Water Sustainability Act*, Groundwater Protection Regulation sections 56.1, 56.2, 56.3, 56.4, 56.5 and 56.6. Under this regulation an owner of a well which is not in service must ensure that the well is deactivated or decommissioned as soon as practicable. The process of decommissioning a well involves completely filling in the well by a qualified professional. Following adoption of PS3280, the City recognized an obligation relating to the cost of decommissioning each of the seven wells as estimated as of January 1, 2023. The wells have not been fully amortized. Once established, capitalized ARO costs are amortized using the straight-line method beginning with the year the ARO was first recognized and ending with the well's anticipated year of decommissioning, which is between 21.5 to 34.6 years.

There was no accretion or revision to the liability in fiscal 2024.

8. Capital lease obligations:

The City has financed certain equipment by entering into four capital leasing arrangements. Two of the arrangements expire on June 30, 2025, the third arrangement expires on June 30, 2026, and the fourth arrangement expires on June 30, 2027. The leases are repayable in monthly blended installments of \$2,040 including principal and interest until June 30, 2025. The amount of interest incurred on the leases in the current year was \$1,610 (2023 - \$2,673).

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

8. Capital lease obligations (continued):

Minimum lease payments due under the capital leases are:

Year ending December 31:		
2025	\$	24,481
2026		7,165
2027		2,767
Minimum capital lease payments		34,413
Less amounts representing interest (2.24% to 2.85%)		789
	\$	33,624

9. Debt:

The City borrows debt from the Municipal Finance Authority ("MFA") to finance certain capital acquisitions. Sinking fund credits and actuarial adjustments are netted against related debts. Details are as follows:

Bylaw number	Purpose	Maturity date	Interest rate	Refinancing year *	Authorized amount	Sinking fund credits	2024	2023
2098	Water Utility Acquisition Advance Payment	2046	2.60%	2026	\$ 14,250,000	\$ 2,498,641	\$ 11,751,359	\$ 12,102,560
2163	Water System Infrastructure Construction	2027	2.80%	n/a	440,000	294,095	145,905	191,734
2163	Water System Infrastructure Construction	2047	2.80%	2027	5,779,000	930,761	4,848,239	4,993,281
2178	Water System Infrastructure Construction	2027	3.15%	n/a	1,662,000	1,110,881	551,119	724,229
2178	Water System Infrastructure Construction	2047	3.15%	2027	400,000	64,425	335,575	345,615
2179	Water Treatment Facilities Construction	2048	3.15%	2028	2,274,850	309,292	1,965,558	2,020,990
					\$ 24,805,850	\$ 5,208,095	\$ 19,597,755	\$ 20,378,409

* During the refinancing year, the City will have the option to retire part or all of the debt early or refinance the borrowing at a new interest rate.

Total interest on the debt for the year ended December 31, 2024 was \$681,243 (2023 - \$686,899).

As a condition of these borrowings, a portion of the debt proceeds is withheld by the MFA in a debt reserve fund. If at any time the City does not have sufficient funds to meet payments due on its obligations, the payments shall be made from the debt reserve fund.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

9. Debt (continued):

Amounts withheld for this purpose are as follows:

Bylaw number	Purpose	Debt reserve fund
2098	Water Utility Acquisition Advance Payment	\$ 142,500
2163	Water System Infrastructure Construction	62,190
2178	Water System Infrastructure Construction	20,620
2179	Water Treatment Facilities Construction	22,749
		\$ 248,059

These cash deposits are included as part of other accounts receivable in the statement of financial position (note 4).

Principal payments and estimated actuarial adjustments anticipated on the outstanding debt over the following five years and thereafter assuming refinancing are as follows:

2025	\$ 805,830
2026	831,820
2027	858,656
2028	639,945
2029	661,158
Thereafter	15,800,346
	\$ 19,597,755

10. Deferred revenue:

	2024	2023
Property taxes	\$ 3,655,330	\$ 3,558,066
Contributions for future capital works	3,874,582	4,172,970
Development cost charges (a)	19,588,527	17,806,995
Utility service connections	936,340	1,172,500
Facility upgrades (note 13)	256,221	299,196
Building permits	1,291,700	1,080,460
Other	2,632,325	2,732,187
	\$ 32,235,025	\$ 30,822,374

(a) Development cost charges:

	Highways	Drainage	Parkland	Sanitary	Water	2024	2023
Balance, beginning of year	\$ 4,121,726	\$ 3,614,635	\$ 7,496,247	\$ 1,026,039	\$ 1,548,348	\$ 17,806,995	\$ 16,923,557
Add:							
Amounts received	230,229	196,422	548,720	78,855	112,905	1,167,131	96,473
Investment income	238,742	210,179	440,404	59,806	90,503	1,039,634	862,868
Deduct:							
Acquisition of tangible capital assets	92,552	47,405	16,356	36,356	232,564	425,233	75,903
Balance, end of year	\$ 4,498,145	\$ 3,973,831	\$ 8,469,015	\$ 1,128,344	\$ 1,519,192	\$ 19,588,527	\$ 17,806,995

The balance as of December 31, 2024 includes \$412,621 (2023 - nil) in amounts receivable secured by letters of credit (note 4(a)).

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

11. Tangible capital assets:

	Land	Land improvements	Buildings and facilities	Machinery and equipment	Roads and sidewalks	Sanitary sewer infrastructure	Storm sewer infrastructure	Water system infrastructure	Assets under construction	Total
Cost:										
Balance, beginning of year	\$ 27,575,365	\$ 30,071,576	\$ 44,939,595	\$ 17,081,528	\$ 49,641,930	\$ 22,542,230	\$ 24,855,487	\$ 39,584,081	\$ 4,657,570	\$260,949,362
Additions	-	565,834	368,529	495,518	2,693,179	1,549,512	1,409,795	1,241,422	2,196,770	10,520,559
Transfers	-	497,302	212,372	96,335	596,718	590,540	424,698	11,290	(2,429,255)	-
Disposals	-	(23,421)	(67,301)	(343,047)	(71,770)	(135,654)	(117,748)	(4,497)	-	(763,438)
Balance, end of year	\$ 27,575,365	\$ 31,111,291	\$ 45,453,195	\$ 17,330,334	\$ 52,860,057	\$ 24,546,628	\$ 26,572,232	\$ 40,832,296	\$ 4,425,085	\$270,706,483
Accumulated amortization:										
Balance, beginning of year	\$ -	\$ 11,310,977	\$ 21,193,696	\$ 8,790,508	\$ 25,094,199	\$ 8,432,083	\$ 10,722,790	\$ 6,672,866	\$ -	\$ 92,217,119
Amortization expense	-	1,313,477	1,431,347	1,239,399	1,189,530	352,402	328,794	1,114,071	-	6,969,020
Disposals	-	(23,284)	(67,301)	(333,351)	(61,997)	(74,563)	(79,790)	(568)	-	(640,854)
Balance, end of year	\$ -	\$ 12,601,170	\$ 22,557,742	\$ 9,696,556	\$ 26,221,732	\$ 8,709,922	\$ 10,971,794	\$ 7,786,369	\$ -	\$ 98,545,285
Net book value, end of year	\$ 27,575,365	\$ 18,510,121	\$ 22,895,453	\$ 7,633,778	\$ 26,638,325	\$ 15,836,706	\$ 15,600,438	\$ 33,045,927	\$ 4,425,085	\$172,161,198
Net book value, beginning of year	\$ 27,575,365	\$ 18,760,599	\$ 23,745,899	\$ 8,291,020	\$ 24,547,731	\$ 14,110,147	\$ 14,132,697	\$ 32,911,215	\$ 4,657,570	\$168,732,243

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

11. Tangible capital assets (continued):

(a) Assets under construction:

Assets under construction have not been amortized. Amortization of these assets will commence when the asset is put into productive use.

(b) Contributed tangible capital assets:

Contributed tangible capital assets have been recognized at fair value at the date of contribution. The value of developers' contributions of tangible capital assets received during the year ended December 31 was comprised of:

	2024	2023
Roads and sidewalks	\$ 1,234,901	\$ 25,300
Sanitary sewers	-	592,350
Storm sewers	69,756	70,286
Water system	454,703	424,850
Developers' contributions of tangible capital assets	\$ 1,759,360	\$ 1,112,786

(c) Tangible capital assets disclosed at nominal values:

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value.

(d) Works of art and historical treasures:

The City manages and controls various works of art and non-operational historical cultural assets including totem poles, sculptures and paintings located at City sites and public display areas. These assets are not reflected in the financial statements.

(e) Write-down of tangible capital assets:

There were no write-downs of tangible capital assets during the year.

(f) Leased tangible capital assets:

The City has leased radio equipment for RCMP and Fire operations. Total cost of the leased assets is \$259,265. As at December 31, 2024, \$227,188 (2023 - \$191,127) of accumulated amortization has been recorded, with \$36,060 (2023 - \$36,060) of amortization related to the current fiscal year.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

12. Accumulated surplus:

	Reserves established by bylaw (note 14(a))	Other reserves (note 14(b))	Other surplus funds	Investment in tangible capital assets (note 13)	Total
General Fund	\$ 36,136,269	\$ 46,228,472	\$ 8,803,526	\$ 104,814,503	\$ 195,982,770
Sanitary Sewer Fund	-	15,879,046	1,453,215	15,969,697	33,301,958
Drainage Fund	-	16,049,928	918,517	16,688,165	33,656,610
Water Fund	-	9,830,969	2,245,000	14,801,233	26,877,202
Total for 2024	\$ 36,136,269	\$ 87,988,415	\$ 13,420,258	\$ 152,273,598	\$ 289,818,540
Total for 2023	\$ 33,407,822	\$ 78,282,317	\$ 12,219,458	\$ 147,982,460	\$ 271,892,057

13. Investment in tangible capital assets:

	2024	2023
Tangible capital assets (note 11)	\$ 172,161,198	\$ 168,732,243
Deduct:		
Capital lease obligations (note 8)	(33,624)	(72,178)
Debt (note 9)	(19,597,755)	(20,378,409)
Deferred revenue - facility upgrades (note 10)	(256,221)	(299,196)
	\$ 152,273,598	\$ 147,982,460

14. Reserves:

(a) The following reserves were established, by bylaw, in accordance with BC municipal legislation:

	2024	2023
General Fund:		
Land sale reserve	\$ 778,676	\$ 736,671
Equipment replacement reserve	6,933,268	5,734,790
Capital works, machinery and equipment reserve	9,426,708	8,807,288
Local improvement reserve	38,671	36,584
Community amenity reserve	9,444,410	10,031,619
Affordable housing reserve	9,514,536	8,060,870
	\$ 36,136,269	\$ 33,407,822

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

14. Reserves (continued):

(b) The following additional reserve amounts are set aside for specific purposes:

	2024	2023
General Fund:		
Infrastructure reserve	\$ 10,536,809	\$ 8,336,563
Roadworks reserve	7,414,634	7,204,240
Secondary suite service fee reserve	2,625,768	2,271,825
Density bonus/amenity contribution reserve	-	176,029
Incomplete asset improvement projects	5,176,100	4,674,900
COVID-19 safe restart reserve	135,913	499,196
Growing community fund reserve	428,316	511,000
Local government housing initiatives reserve	191,060	-
Community hub reserve	10,463,140	4,000,000
Pier preservation reserve	3,095,956	3,113,990
Community building fund reserve	762,802	1,130,953
Other reserves	5,397,974	5,661,811
	<u>46,228,472</u>	<u>37,580,507</u>
Sanitary Sewer Fund:		
Infrastructure reserve	15,502,946	15,300,856
Incomplete asset improvement projects	376,100	1,249,200
	<u>15,879,046</u>	<u>16,550,056</u>
Drainage Fund:		
Infrastructure reserve	13,758,028	12,086,359
Operating reserve	25,000	25,000
Incomplete asset improvement projects	2,266,900	2,866,300
	<u>16,049,928</u>	<u>14,977,659</u>
Water Fund:		
Infrastructure reserve	8,728,649	7,647,334
Debt retirement reserve	53,820	43,661
Operating reserve	1,048,500	1,483,100
	<u>9,830,969</u>	<u>9,174,095</u>
	<u>\$ 87,988,415</u>	<u>\$ 78,282,317</u>

15. Commitments and contingencies:

(a) Borrowing liability:

The City has a contingent liability with respect to debentures of the Greater Vancouver Sewerage and Drainage District and the Metro Vancouver Regional District, to the extent provided for in their respective Enabling Acts, Acts of Incorporation and Amending Acts. Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

15. Commitments and contingencies (continued):

(b) Third party claims:

There are various lawsuits and claims pending by and against the City. The outcome of these claims is undeterminable, and it is the opinion of management that final determination of these claims will not materially affect the financial statements of the City.

(c) Lease commitments:

The City entered into a 5-year agreement, initially ended July 31, 2008, to lease certain parcels of real property from The Burlington Northern and Santa Fe Railway Company. Under the terms of this agreement, the City is committed to annual rent payments as well as the costs of all taxes, utilities, insurance, repairs and maintenance of the leased premises. This is accounted for as an operating lease. This agreement provides for renewal options consisting of 5 additional 5-year terms. In April 2023, the City exercised its third option to renew this lease for the 5-year term ending July 31, 2028. During this period, the City is committed to annual base rent payments of \$500,000.

The City has also entered into various leases for office and other operating equipment.

Total annual commitments for the next five years, net of applicable taxes are approximately as follows:

2025	\$	526,922
2026		518,132
2027		508,248
2028		527,117
2029		554,563
Thereafter		1,970,833
		<hr/>
		\$ 4,605,815

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

15. Commitments and contingencies (continued):

(d) Agreements and contractual commitments:

In addition to the leases described in note 15(c), the City has entered into various agreements and contracts for services and construction with periods ranging from 1 to 5 years, including the following:

	Total contractual commitment	Total contractual commitment remaining at year end
2024-2025 White Rock Paving Program	\$ 965,677	\$ 965,677
RCMP Exterior Improvements	600,804	288,027
BC Hydro Transformer Replacement	507,650	507,650
Cypress-Pacific Watermain PH1	467,880	179,202
New Financial System – Implementation	1,306,409	1,095,953
New Financial System – Software	1,075,000	844,950
New Well #5 Completion and Site Work – Build	1,420,000	1,420,000
New Well #5 Completion and Site Work – Engineering	305,800	48,911
Guardrail & Retaining Wall Repairs-Beachview & Vidal	294,018	126,024
Janitorial Services	1,232,582	699,765
Daytime Warming Centre	333,703	245,695
Dispatch Contract Services Agreement	742,835	742,835
Audit Contract Services 2025-2029	391,500	391,500

The City records the capital costs incurred to the end of the year on incomplete projects as tangible capital assets under construction. The City's 5-year financial plan is amended as necessary to reflect the carryover of the required expenditure budgets and the financing of these obligations to the following year.

(e) Debt agreement with the MFA:

The City borrows debt from MFA. As a condition of these borrowings the City is required to execute demand notes in connection with each debt whereby the City may be required to loan certain amounts to the MFA. The debt agreement with the MFA provides that if at any time the scheduled payments provided for in the agreement are not sufficient to meet the MFA's obligations in respect to such borrowing, the resulting deficiency becomes the joint and several liability of the City and all other participants to the agreement through the MFA.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

15. Commitments and contingencies (continued):

(e) Debt agreement with the MFA (continued):

The City is similarly liable on a contingent basis for the debt of other municipalities secured through the MFA. Details of the contingent demand notes are as follows:

Bylaw number	Purpose	2024	2023
2098	Water Utility Acquisition Advance Payment	\$ 180,771	\$ 180,771
2163	Water System Infrastructure Construction	104,802	104,802
2178	Water System Infrastructure Construction	88,549	88,549
2179	Water Treatment Facilities Construction	36,988	36,988
		\$ 411,110	\$ 411,110

These contingent demand loans are not recorded in the City's financial statements as they are not likely to be paid.

(f) E-Comm Emergency Communications for British Columbia Incorporated:

The City is a shareholder of E-Comm Emergency Communications for British Columbia Incorporated ("E-Comm"). The City receives services for the regional 9-1-1 call centre for Metro Vancouver Regional District and the Wide Area Radio network from E-Comm. The City has two Class A shares (of a total 37 Class A and 18 Class B shares issued and outstanding as at December 31, 2024).

As a Class A shareholder, the City is committed to paying levies for services received under a cost-sharing formula to fund operating and capital costs of the E-Comm operations. In addition, the City is contingently liable to cover its proportionate share of such costs should any member be unable to fulfill its funding obligations. Annual levy amounts fluctuate based on various factors under the cost sharing formula.

(g) Municipal Insurance Association of British Columbia (the "Association"):

The City is a participant in the Association. Should the Association pay out claims in excess of 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 payment under this contingency to be likely and therefore no amounts have been accrued.

16. Pension plan:

The City and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trusteesd pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits.

The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As of December 31, 2023, the Plan has about 256,000 active members and approximately 129,000 retired members. Active members include approximately 45,000 contributors from local government and 160 contributors from the City.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

16. Pension plan (continued):

Every 3-years, an actuarial valuation is performed to assess the financial position of the Plan and adequacy of Plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the Plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the Plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation as at December 31, 2021 indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be at December 31, 2024.

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 the individual employers participating in the Plan.

The City paid \$1,530,000 (2023 - \$1,344,000) for employer contributions to the Plan in fiscal 2024.

17. Collections for other governments:

The City collects certain taxation revenue on behalf of other government bodies. These funds are excluded from the City's financial statements as they are not revenue of the City. Such taxes collected and remitted to other government bodies during the year are as follows:

	2024	2023
Province of British Columbia - school tax	\$ 16,228,788	\$ 15,624,349
South Coast BC Transportation Authority - TransLink tax	4,027,094	3,252,362
Other regional bodies	1,353,416	1,258,524
	<u>\$ 21,609,298</u>	<u>\$ 20,135,235</u>

18. Sales of services and other revenue:

	2024	2023
Parking	\$ 4,321,147	\$ 4,493,043
Parks, recreation and cultural services	1,974,787	1,808,930
Licenses and permits	2,567,451	2,241,531
Solid waste services	1,906,219	1,666,217
Utility service connection fees	1,065,452	549,549
Interest and penalties	8,483,099	7,949,224
Contributions toward tangible capital asset improvements	717,492	231,374
Other	2,101,783	2,046,931
	<u>\$ 23,137,430</u>	<u>\$ 20,986,799</u>

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

19. Government grants:

Government grant revenue is comprised of the following government transfers:

	2024	2023
Federal	\$ 9,900	\$ 21,800
Provincial	1,341,181	6,182,379
Regional	151,647	286,000
	<u>\$ 1,502,728</u>	<u>\$ 6,490,179</u>

20. Contractual rights:

The City's contractual rights arise from rights to receive payments under lease, license, rental, grant and other agreements. The City has contractual rights to receive the following amounts in the next 5-years and thereafter:

2025	\$ 429,397
2026	352,866
2027	330,080
2028	316,771
2029	299,679
	<u>\$ 1,728,793</u>

The City is entitled to receive revenue from certain other grants and agreements which is difficult to quantify. The contractual rights from these agreements have not been included in the amounts noted above.

21. Budget figures:

The original budget, Bylaw 2496, was approved by Council on March 11, 2024. The amended budget figures included in these financial statements were approved by Council through the adoption of an amended annual bylaw, Bylaw 2507, on July 29, 2024 and reflect more current estimates on revenues and expenditures.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

21. Budget figures (continued):

	Original budget	Amended budget	Change
Revenues per budget	\$ 72,277,600	\$ 84,701,900	\$ 12,424,300
Less: Internal reclassifications	(623,800)	(623,800)	-
	71,653,800	84,078,100	12,424,300
Expenses per budget	50,545,900	52,801,100	2,255,200
Add: Asset operating expenses	1,313,000	2,972,000	1,659,000
Less: Internal reclassifications	(1,218,000)	(1,218,000)	-
	50,640,900	54,555,100	3,914,200
Annual surplus per statement of operations	21,012,900	29,523,000	8,510,100
Add: Transfers from reserves	21,087,400	58,406,800	37,319,400
Less:			
Capital expenditures (net of asset operating expenses)	(23,832,000)	(69,347,000)	(45,515,000)
Debt principal repayments	(816,000)	(816,000)	-
Transfers to reserves	(16,858,100)	(17,172,600)	(314,500)
Internal adjustments	(594,200)	(594,200)	-
Approved budget	\$ -	\$ -	\$ -

22. Financial risk management:

The City has exposure to certain risks from its financial instruments:

(a) Credit risk:

Credit risk is the risk of economic loss should the counterparty to a transaction default or otherwise fail to meet its obligation. The City is exposed to credit risk through its cash and cash equivalent and accounts receivables. The maximum exposure to credit risk on these instruments is their carrying value.

Credit risk associated with cash and cash equivalent is minimized by ensuring that these assets are held at financial institutions with a high credit quality. The City has deposited cash with a reputable financial institution, from which management believes the risk of loss to be remote.

The City assess, on a continuous basis, accounts receivables and provides for any amounts that are not collectible.

(b) Market risk:

Market risk is the risk that changes in market prices will affect the City's value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing return on investments. Market risk comprises interest rate risk, currency risk, and other price risk.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

22. Financial risk management (continued):

(b) Market risk (continued):

Interest rate risk relates to the risk that changes in interest rates will affect the fair value or future cash flows of financial instruments held by the City. The City exposed to interest rate risk related to its investments.

The City has no significant exposure to currency risk or other price risk.

(c) Liquidity risk:

Liquidity risk is the risk that the City will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The City manages its liquidity risk by monitoring its operating and capital requirements. The City prepares budget and cash flow forecasts to ensure it has sufficient funds to fulfill its obligations.

There has been no significant change to the risk exposure from 2023.

23. Segmented information:

The City is a diversified municipal government institution that provides a wide range of services to its citizens, visitors and many others. In compliance with PS2700, *Segment Disclosures*, certain financial information is required to be reported for major activities involving these services. Each of these major activities is comprised of various City departments and/or divisions as noted below.

General Government - Mayor and Council, Chief Administrative Officer, Corporate Administration, Communications, Financial Services, Human Resources, Planning and Development, and Information Services. These departments are responsible for many legislative, operational and administrative support services including but not limited to City Council, bylaw and procedural matters, levying and collecting property taxes, hiring City staff, supporting the City's information technology infrastructure, preparing land use plans and approving new development in the City.

Protection Services - Police, Fire, Building and Bylaw Enforcement (non-parking related). These departments are responsible for ensuring public safety and security, preventing crimes, as well as enforcing various laws.

Transportation, Engineering and Municipal Operations - Public Works, Engineering and Parking. These areas are responsible for providing and maintaining the systems that enable the community to use transportation facilities such as roads, sidewalks and parking lots. This category also includes management and administrative services of the City's engineering and municipal operations department.

Parks, Recreation and Cultural Services - These areas are responsible for providing, facilitating the development of, and maintaining high quality parks, recreation facilities and cultural services such as the public library.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

23. Segmented information (continued):

Solid Waste Services - These services include the City's garbage collection, green waste collection and recycling programs.

Sanitary Sewer System - These services include the provision and maintenance of all systems related to the distribution and disposal of sanitary sewage.

Drainage System - These services include the provision and maintenance of all systems involving the distribution of storm water run-off in the City.

Water System - These services include the provision and treatment of water supply, as well as the provision and maintenance of all other systems involving the distribution of water.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

23. Segmented information (continued):

	General Government	Protection Services	Transportation, Engineering and Operations Services	Parks, Recreation and Cultural Services	Solid Waste Services	Sanitary Sewer System	Drainage System	Water System	Reclassifications	2024	2023
Revenue:											
Property taxes:											
General purposes	\$ 31,079,008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,079,008	\$ 29,208,048
Regional library levy	-	-	-	1,111,555	-	-	-	-	-	1,111,555	1,042,070
Business improvement levy	364,239	-	-	-	-	-	-	-	-	364,239	353,894
	31,443,247	-	-	1,111,555	-	-	-	-	-	32,554,802	30,604,012
Receipts in lieu of taxes	28,139	-	-	-	-	-	-	-	-	28,139	27,633
Development cost charges	-	-	108,908	-	-	36,356	47,405	232,564	-	425,233	75,903
Sanitary sewer fees and parcel tax	-	-	-	-	-	4,226,843	-	-	(33,264)	4,193,579	3,945,369
Drainage user fees	-	-	-	-	-	-	3,215,165	-	-	3,215,165	3,043,875
Water user fees	-	-	-	-	-	-	-	6,940,279	(195,028)	6,745,251	6,374,490
Sales of services and other revenue:											
Parking	-	-	4,321,147	-	-	-	-	-	-	4,321,147	4,493,043
Parks, recreation, an cultural services	-	-	-	1,974,787	-	-	-	-	-	1,974,787	1,808,930
Licenses and permits	13,774	2,553,677	-	-	-	-	-	-	-	2,567,451	2,241,531
Solid waste services	-	-	-	-	1,906,219	-	-	-	-	1,906,219	1,666,217
Utility service connection fees	-	-	-	-	-	287,966	290,966	486,520	-	1,065,452	549,549
Interest and penalties	8,287,883	-	-	-	-	100,000	40,000	55,216	-	8,483,099	7,949,224
Contributions toward tangible capital asset improvements	-	-	234,082	148,965	-	199,145	125,640	9,660	-	717,492	231,374
Other	1,198,185	286,851	332,924	42,975	-	9,099	-	231,749	-	2,101,783	2,046,931
Government grants	1,116,355	338,284	-	48,089	-	-	-	-	-	1,502,728	6,490,179
Developers' contributions of tangible capital assets	-	-	-	1,234,901	-	-	69,756	454,703	-	1,759,360	1,112,786
	42,087,583	3,178,812	4,997,061	4,561,272	1,906,219	4,859,409	3,788,932	8,410,691	(228,292)	73,561,687	72,661,046
Expenses:											
Salaries, wages and benefits	5,491,219	7,544,422	2,914,870	3,657,507	718,008	387,443	433,537	1,576,253	-	22,723,259	19,869,034
Contracted services	2,104,141	6,524,043	1,547,248	5,014,767	570,049	3,118,753	598,465	1,109,165	-	20,586,631	18,190,719
Supplies and other	986,356	294,721	564,400	1,146,814	241,400	184,307	167,747	1,315,988	(228,292)	4,673,441	3,503,968
Amortization	301,211	386,329	1,917,526	2,347,471	196,769	352,402	328,794	1,138,518	-	6,969,020	6,868,884
Interest	1,610	-	-	-	-	-	-	681,243	-	682,853	689,572
	8,884,537	14,749,515	6,944,044	12,166,559	1,726,226	4,042,905	1,528,543	5,821,167	(228,292)	55,635,204	49,122,177
Annual surplus (deficit)	\$ 33,203,046	\$ (11,570,703)	\$ (1,946,983)	\$ (7,605,287)	\$ 179,993	\$ 816,504	\$ 2,260,389	\$ 2,589,524	\$ -	\$ 17,926,483	\$ 23,538,869

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2024

24. Comparative information:

Certain comparative information has been reclassified to conform to the financial statement presentation adopted for the current year. These reclassifications do not impact the annual surplus reported in the prior year or accumulated surplus.

THE CORPORATION OF THE CITY OF WHITE ROCK

Unaudited Schedules

Year ended December 31, 2024

COVID-19 Safe Restart Grant:

The COVID-19 Safe Restart Grant was received November 2020 from the Province of British Columbia. A requirement of the COVID-19 Safe Restart Grant is to include a schedule to the financial statements presenting the amount of funding received, use of funds and year-end balance of unused funds. A schedule will continue to be reported annually until funds are fully drawn down.

	2024
COVID-19 Safe Restart Grant received	\$ 3,769,000
COVID-19 Safe Restart Grant funds used 2020	(1,182,612)
COVID-19 Safe Restart Grant funds used 2021	(1,443,772)
COVID-19 Safe Restart Grant funds used 2022	(345,988)
COVID-19 Safe Restart Grant funds used 2023	(297,432)
COVID-19 Safe Restart Grant funds used 2024:	
Increased expenses:	
IT hardware and software purchases from COVID-19	(33,789)
Warming centre expenses	(329,494)
COVID-19 Safe Restart Grant funds available as at December 31, 2024	\$ 135,913

Growing Community Fund Grant:

The Province of British Columbia distributed conditional Growing Community Funds ("CGF") grants to communities to help local governments build community infrastructure and amenities to meet the demands of population growth. The City received \$5,711,000 of CGF funding in March 2023. These funds have since been allocated to the reserve funds listed in the table below. A requirement of the CGF grant is to include a schedule to the financial statements presenting the amount of funding received, use of funds and year-end balance of unused funds. A schedule will continue to be reported annually until funds are fully drawn down.

	Growing Community Fund Reserve	Community Hub Reserve	Pier Reservation Reserve	Affordable Housing Reserve	2024
Balance, beginning of year	\$ 511,000	\$ 2,000,000	\$ 1,500,000	\$ 1,700,000	\$ 5,711,000
Deduct:					
Pier Accessibility Mat project	82,684	-	-	-	82,684
Community Hub project	-	74,860	-	-	74,860
Balance, end of year	\$ 428,316	\$ 1,925,140	\$ 1,500,000	\$ 1,700,000	\$ 5,553,456

THE CORPORATION OF THE CITY OF WHITE ROCK

Unaudited Schedules

Year ended December 31, 2024

Local Government Housing Initiatives Grant:

The Province of British Columbia distributed conditional Local Government Housing Initiative (“LGHI”) grant to communities to support local government activities and projects to meet local government housing initiatives legislative requirements, specifically, small-scale multi-unit housing (“SSMUH”), pro-active planning and transit-orientated development areas, and to adopt new authorities and tools, such as amenity cost charges, and inflationary zoning or tenant protect bylaws. The City received \$246,896 of LGHI funding in February 2024.

A requirement of the LGHI grant is to include a schedule to the financial statements presenting the amount of funding received, use of funds and year-end balance of unused funds. A schedule will continue to be reported annually until funds are fully drawn down.

	2024
Local Government Housing Initiatives Grant received	\$ 246,896
Local Government Housing Initiatives funds used 2024:	
Implementation of SSMUH zoning requirements	(55,836)
Local Government Housing Initiatives funds available as at December 31, 2024	\$ 191,060

Chief Financial Officer Letter of Transmittal – 2024 Financial Statements

May 12, 2025

Mayor and Council, City of White Rock

Members of Council:

I am pleased to present the audited Financial Statements of the City of White Rock (the “City”) for the year ended December 31, 2024. These statements, together with the accompanying Independent Auditor’s Report, are submitted in accordance with Sections 98 and 167 of the Community Charter.

Preparation of the Financial Statements is the joint responsibility of City Council and management. These statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) for local governments, as established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada, and the guidance provided by the B.C. Ministry of Municipal Affairs. They are intended to provide meaningful and transparent information to residents, businesses, taxpayers, and other stakeholders on the City’s financial position and results of operations.

The City maintains a comprehensive system of internal controls designed to ensure the integrity of financial data and the safeguarding of municipal assets. While all internal control systems have inherent limitations, the City actively monitors and updates these systems to strengthen accountability and financial stewardship.

KPMG LLP, appointed by Council as the City’s external auditor, has completed the audit of the 2024 Financial Statements. Their role was to audit the financial statements in order to express an independent opinion on whether the financial statements fairly present the financial position and results of operations of the City in accordance with Canadian public sector accounting standards. KPMG LLP has issued an unqualified audit opinion, confirming that the statements present fairly, in all material respects, the City’s financial position as at December 31, 2024. KPMG’s findings were presented to Council at its regular meeting on May 12, 2025.

The audited Financial Statements and Independent Auditor’s Report are included as Appendix 1.

In 2024, the City continued to face financial challenges stemming from inflationary pressures and increased costs associated with delivering capital projects and municipal services. These conditions, alongside ongoing recruitment difficulties in some key positions, necessitated adjustments to financial

planning and operational strategies. Through prudent oversight and responsive management, the City remained financially stable and delivered essential services without interruption.

Also in 2024, the City adopted Public Sector Accounting Standard PS 3400 – *Revenue*. This new standard classifies revenue into two categories: transactions with performance obligations and those without. The adoption of PS 3400 resulted in a reclassification of certain revenue streams. Specifically, building permits revenue decreased by \$36,080 and other revenue by \$19,530, with corresponding increases to deferred revenue. Conversely, business license revenue increased by \$256,768, resulting in a corresponding decrease to deferred revenue.

Further insight into the City's financial results and key variances from budget and prior year comparatives is provided in the *Financial Statement Discussion and Analysis* (FSD&A). The FSD&A is intended to be read in conjunction with the audited consolidated financial statements.

The City remains committed to strong fiscal governance, long-term financial sustainability, and the delivery of value to our community. We will continue to refine our financial practices to support strategic priorities and ensure the continued prosperity of White Rock.

Thank you, Mayor and Council, for your ongoing leadership and support. We look forward to continuing our work together in service to the community.

Sincerely,



Candice Gartry, CPA, CGA
Director, Financial Services and Chief Financial Officer

FINANCIAL STATEMENT DISCUSSION and ANALYSIS

For the year ended December 31, 2024

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FINANCIAL STATEMENT DISCUSSION and ANALYSIS

For the year ended December 31, 2024

Prepared by Management
Unaudited

To be read in conjunction with the 2024 Financial Statements

Introduction

In accordance with the *Community Charter (Charter)*, the City of White Rock's audited financial statements are prepared and presented to Council. The City of White Rock's audited financial statements for the year ended December 31, 2024, have been prepared in accordance with Canadian Public Sector Accounting Standards, as established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

This Financial Statement Discussion and Analysis (FSD&A) is provided to supplement the audited financial statements. Prepared by City management, this unaudited report offers a narrative explanation of significant financial trends, variances, and key results. It highlights material differences between the current year's budget and actual results, as well as variances from prior year figures. The FSD&A is intended to be read in conjunction with the City's audited financial statements.

The financial statements include the following:

- Statement of Financial Position summarizes the assets (financial and non-financial), liabilities, net debt and accumulated surplus as at year-end.
- Statement of Operations outlines revenues, expenses, surplus for the year and accumulated surplus at year-end. This statement reflects the combined operations of the General, Utility, Capital and Reserve funds for the City.
- Statement of Changes in Net Financial Assets outlines the changes in net financial assets as a result of annual operations, tangible capital asset transactions, as well as changes in other non-financial assets.
- Statement of Cash Flows summarizes the City's cash position and changes during the year by outlining the City's sources and uses of cash.

Statement of Financial Position

The Statement of Financial Position provides a snapshot of the City's financial position as at December 31, 2024, and 2023. It outlines the City's financial assets, liabilities, and non-financial assets, and shows whether the City ended the year in a net financial asset or net debt position. The difference between these amounts is the Accumulated Surplus.

Table 1: Summarized Statement of Financial Position

	2024 Actual	2023 Actual	Year over Year Change
Net Financial Assets	\$ 116,115,312	\$ 101,599,839	\$ 14,515,473
Non-Financial Assets	173,703,228	170,292,218	3,411,010
ACCUMULATED SURPLUS	\$289,818,540	\$271,892,057	\$ 17,926,483

The Accumulated Surplus is a key measure of the City's financial strength and long-term sustainability. It includes investment in Net Financial Assets, Prepaid Expenses, Tangible Capital Assets, and Reserves.

Table 2: Net Financial Assets

	2024 Actual	2023 Actual	Year over Year Change
Cash and Cash Equivalents	\$ 165,092,894	\$ 137,781,972	\$ 27,310,922
Temporary Investments	20,000,000	33,547,054	(13,547,054)
Accounts Receivable	8,167,242	5,967,650	2,199,592
Accounts Payable and Accrued Liabilities	(9,550,744)	(8,791,345)	(759,399)
Post-Employment Benefits	(1,814,864)	(1,823,842)	8,978
Asset Retirement Obligation	(473,800)	(473,800)	-
Refundable Performance Deposits	(13,439,012)	(13,334,889)	(104,123)
Capital Lease Obligation	(33,624)	(72,178)	38,554
Debt	(19,597,755)	(20,378,409)	780,654
Deferred Revenue	(32,235,025)	(30,822,374)	(1,412,651)
TOTAL	\$ 116,115,312	\$ 101,599,839	\$ 14,515,473

The difference between the City's financial assets and its liabilities is called Net Financial Assets. This represents the amount the City has available to pay for future programs, services, or infrastructure investments, after accounting for what it owes. The City's financial position continued to be strong throughout 2024 with Net Financial Assets of \$116.1M (2023 - \$101.6M) at year-end. The increase in Net Financial Assets of \$14.5M over the prior year was primarily due to an increase in cash and cash equivalents, largely resulting from less capital expenditures than originally planned, an increase in accounts receivable related to an increase in property taxes receivable and in amounts secured by letters of credit.

The cash and cash equivalents balance was mainly made up of deposits in interest-bearing accounts at the City's bank as well as funds invested in the Municipal Finance Authority (MFA) money market fund. Investments primarily consist of funds invested in Guaranteed Investment Certificates (GICs). Much of the cash and investment balance is restricted through legislation, relating to contractual requirements concerning future obligations, or is previously committed, as shown in the chart below:

Chart 1: Cash and Investments

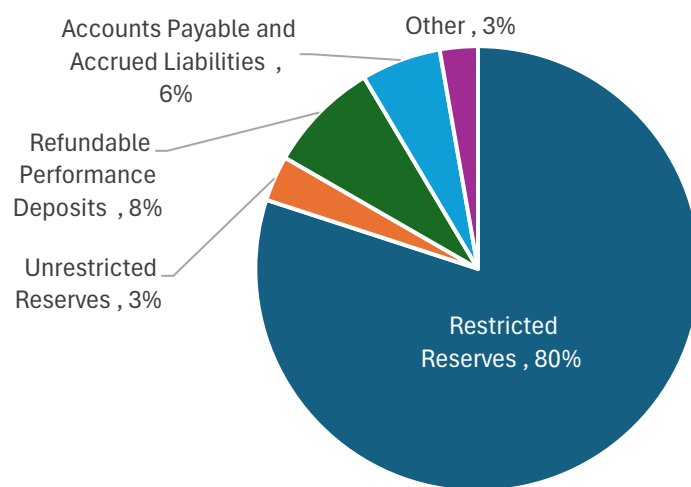


Table 3: Non-Financial Assets

	2024 Actual	2023 Actual	Year over Year Change
Tangible Capital Assets	\$ 172,161,198	\$ 168,732,243	\$ 3,428,955
Prepaid Expenses	1,347,154	1,314,059	33,095
Inventories of Supplies	194,876	245,916	(51,040)
TOTAL	\$ 173,703,228	\$ 170,292,218	\$ 3,411,010

Non-Financial Assets include Tangible Capital Assets (TCA), Prepaid Expenses, and Inventories of Supplies.

TCA increased by \$3.4M during the year, bringing the total net book value of TCA to \$172.2M at year-end (2023 - \$168.7M). This increase was primarily due to new asset additions. In accordance with public sector accounting standards, TCAs are reported at historical cost, net of accumulated amortization. The year-over-year change reflects the combined impact of asset acquisitions, amortization expense, disposals, and debt repayments related to capital projects. It is important to note that this figure does not represent the current replacement cost of the City's assets.

Table 4: Tangible Capital Assets (TCA)

	2024 Actual	2023 Actual	Year over Year Change
Land and Land Improvements	\$ 46,085,486	\$ 46,335,964	\$ (250,478)
Buildings and Facilities	22,895,453	23,745,899	(850,446)
Machinery and Equipment	7,633,778	8,291,020	(657,242)
Roads and Sidewalk	26,638,325	24,547,731	2,090,594
Sanitary Sewer Infrastructure	15,836,706	14,110,147	1,726,559
Storm Water (Drainage) Infrastructure	15,600,438	14,132,697	1,467,741
Water Infrastructure	33,045,927	32,911,215	134,712
Assets Under Construction	4,425,085	4,657,570	(232,485)
TOTAL	\$ 172,161,198	\$ 168,732,243	\$ 3,428,955

The City of White Rock owns and maintains a significant amount of physical assets including roads, traffic signal controls, sewer and water systems (reservoirs, pipes, pumps, etc.), equipment, vehicles, parks, facilities, and other amenities. TCA represent a significant portion of municipal government assets and are crucial to the delivery of programs and services, operations, and community safety.

Although the historical cost is significant, the replacement cost of the assets is substantially more. The City utilizes these assets to deliver the services and programs that the community relies on. The City prepares annual five-year capital plans that are mostly comprised of the cost of maintaining, replacing or upgrading this large and diverse inventory to keep them in a state of good repair. Some of the infrastructure has been in use for some time, and some have been recently upgraded or replaced through asset improvement programs.

One of the most critical aspects of financial sustainability is the stewardship over the City's assets. Without the ongoing replacement and proper maintenance of these assets the City would not be able to continue to deliver the services to the same level that the community enjoys and expects.

The City of White Rock supports and follows the recommendations of accounting oversight bodies and government agencies to implement sound accounting, management and reporting practices over TCA. The City understands the long-term financial benefits of deploying a formal asset management plan, as well as the positive impact such a plan can have on overall sustainability. The City is working to continue to build sustainable asset infrastructure improvement funding into its base budget. The development of a longer-term asset management plan is a priority for the City in order to better quantify the infrastructure funding gap. Work on this project is expected to continue through 2025 and 2026.

Table 5: Accumulated Surplus

	Reserves Established By Bylaw	Other Reserves	Other Surplus Funds	Invested in Tangible Capital Assets	Total 2024	Total 2023
General Fund	\$ 36,136,269	\$ 46,228,472	\$ 8,803,526	\$ 104,814,503	\$ 195,982,770	\$ 183,693,633
Sanitary Sewer Fund	-	15,879,046	1,453,215	15,969,697	33,301,958	32,485,454
Drainage Fund	-	16,049,928	918,517	16,688,165	33,656,610	31,396,221
Water Fund	-	9,830,969	2,245,000	14,801,233	26,877,202	24,316,749
TOTAL	\$ 36,136,269	\$ 87,988,415	\$ 13,420,258	\$ 152,273,598	\$ 289,818,540	\$ 271,892,057

The Accumulated Surplus increased by \$17.9M during the year, reaching \$289.8M at the end of 2024, (2023 - \$271.9M). This increase, referred to as the annual surplus, represents the excess of total revenues over expenses across all funds before capital expenditures, amortization and budgeted transfers to reserves. The growth in accumulated surplus strengthens the City's overall financial position, supporting long-term flexibility and sustainability in delivering services and funding future infrastructure needs.

The City's Accumulated Surplus is allocated across all funds, as shown in Table 5 above. The largest portion is Invested in TCA, totaling \$152.3M at the end of 2024 (2023 - \$148.0M). This amount represents the net book value of capital assets that were acquired using the City's own funds.

The Accumulated Surplus Invested in Tangible Capital Assets shown in the table above is lower than the total net book value of Tangible Capital Assets reported on the Statement of Financial Position. This is because the Accumulated Surplus amount Invested in TCA excludes amounts that were financed through outstanding debt and capital lease obligations, as well as two significant facility upgrade contributions that were externally funded.

The City holds a portion of its Accumulated Surplus in Reserves that are established by Council or by bylaw for specific purposes, primarily to support future capital expenditures. Reserve balances increased in 2024 due to a combination of factors, including the timing of capital project spending, interest earned on Reserve funds, advance receipt of grant funding, and proactive budgeting decisions made by Council to build Reserves for future infrastructure renewal and replacement needs. (For more information see the Reserves section of this report and refer to Note 14 in the financial statements.)

Statement of Operations

The Statement of Operations provides a summary of the revenues, expenses, and surplus' across all funds throughout the reporting period, before capital expenditures, amortization and budgeted transfers to Reserve funds are taken into account, and outlines the change in accumulated surplus.

Table 6: Summarized Statement of Operations

	2024 Budget		2024 Actual		Variance
Revenues - All Sources	\$	84,078,100	\$	73,561,687	\$ (10,516,413)
Less: Expenses		54,555,100		55,635,204	1,080,104
ANNUAL SURPLUS	\$	29,523,000	\$	17,926,483	\$ (11,596,517)

The City recorded an annual surplus of \$17.9M in 2024 (2023 - \$23.5M), which was 39% below the budgeted surplus of \$29.5M (2023 budgeted - \$23.7M). The variance from the budgeted surplus was primarily due to actual revenues falling short of budget by \$10.5M (2023 - \$7.9M shortfall). Further information on the surplus is discussed in the following pages.

Consistent with other municipalities, the City's largest source of revenue is Property Taxes. The next largest source is Sales of Services and Other Revenue, which accounted for 31% of total revenues, followed by Utility User Fees at 19%. These revenue streams provide the foundation for funding the City's operations and services.

Chart 2: 2024 Revenue Sources

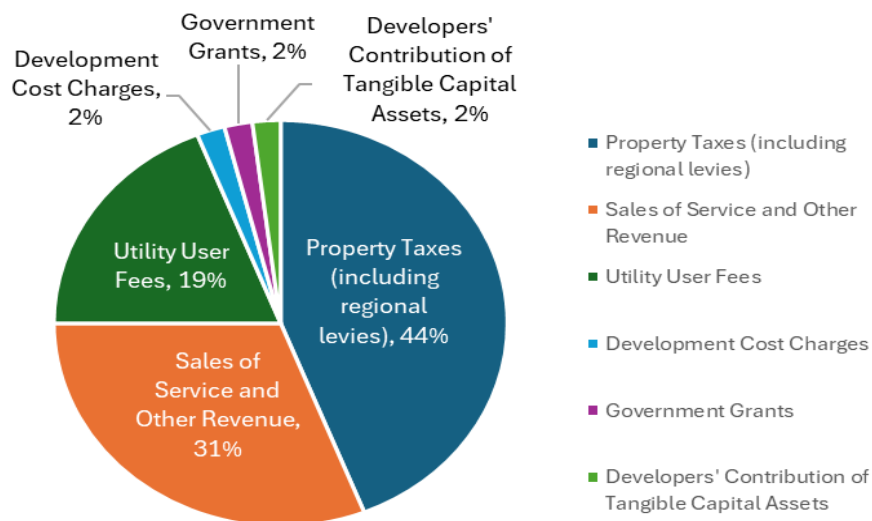


Table 7: Revenue – Budget Variance

	2024 Budget	2024 Actual	Variance
Property Taxes (including regional levies)	\$ 32,541,200	\$ 32,554,802	\$ 13,602
Receipts in Lieu of Taxes	28,100	28,139	39
Utility User Fees	14,032,900	14,153,995	121,095
Development Cost Charges	1,512,800	425,233	(1,087,567)
Government Grants	14,418,500	1,502,728	(12,915,772)
Developers' Contribution of Tangible Capital Assets	-	1,759,360	1,759,360
Sales of Service and Other Revenue	21,544,600	23,137,430	1,592,830
TOTAL	\$ 84,078,100	\$ 73,561,687	\$ (10,516,413)

Property Taxes and Utility User Fees were generally in line with budget expectations. While Developers' Contributions of Tangible Capital Assets and Sales of Service and Other Revenue exceeded budget by a combined \$3.4M, these positive variances were offset by shortfalls in Development Cost Charges and Government Grants, which came in under budget by \$1.1M and \$13.0M, respectively. Some revenue sources, such as development-related income and government grants are inherently difficult to predict due to their reliance on market conditions, project timing, and eligibility criteria. These uncertainties often result in fluctuations between budgeted and actual results from year to year. These variances were the primary contributors to the \$11.6M shortfall in the City's annual surplus compared to budget.

Development Cost Charges (DCCs) revenue often differs from the budget due to the timing of related capital projects. When DCC funds are collected, they are initially recorded as Deferred Revenue on the Statement of Financial Position. The revenue is only recognized on the Statement of Operations once the associated project work begins and the funds are used, resulting in year-to-year differences between budgeted and actual DCC revenue.

Government Grant revenue came in below budget in 2024 due to timing in receipt or approval of grant funds. The City must include the full cost of capital projects, including the corresponding anticipated grant funding, in the financial plan to ensure a balanced budget and to meet application requirements for most grant programs. In 2024, a significant portion of the variance in grant funding relates to the Pier Restoration project, which remains in the financial plan but does not yet have confirmed grant support.

Developers' Contributions of Tangible Capital Assets are not included in the budget as the timing and value of these contributions cannot be reliably predicted. Under Canadian Public Sector Accounting Standards, Developer Contributed Assets are recognized when the assets are transferred to the City or once substantial completion of the related development is achieved (depending on the type of contributed asset), at which point the contributed infrastructure is recorded as both an asset and revenue. Because of this, the contributions generally result in positive budget variances.

For other capital contributions, such as funding from third parties, revenue is recognized not when the funds are received, but as the related capital expenditures are incurred. If funding is received in advance of project spending, it is recorded as deferred revenue and recognized as revenue on the Statement of Operations over time, in alignment with the progress of the associated capital project. In some cases, this revenue may be recognized over multiple years, depending on the timing of the work and how the funds are applied.

Table 8: Sales of Service and Other Revenue – Budget Variance

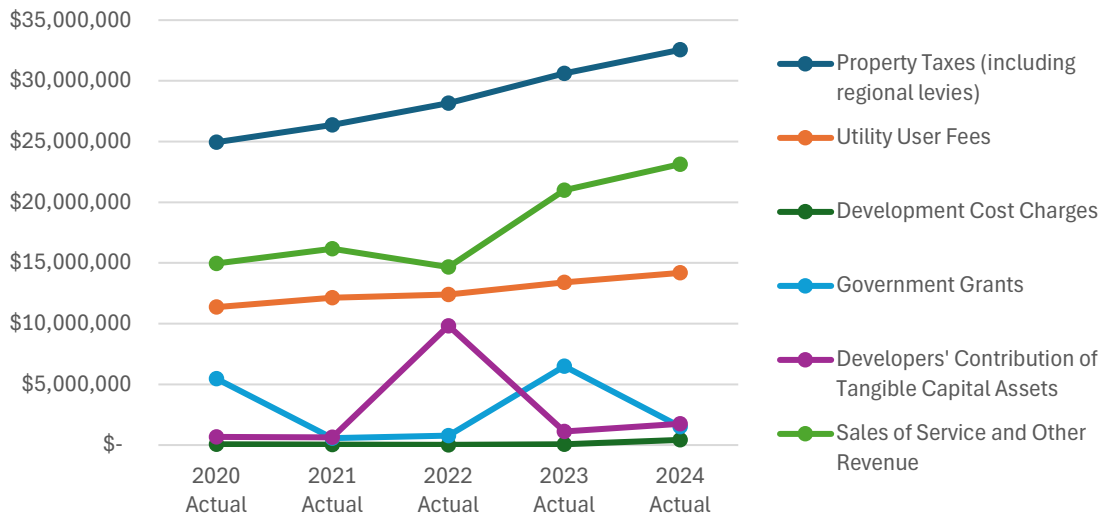
	2024 Budget	2024 Actual	Variance
Parking	\$ 4,386,000	\$ 4,321,147	\$ (64,853)
Parks, Recreation and Cultural Services	1,717,300	1,974,787	257,487
Licences and Permits	2,160,400	2,567,451	407,051
Solid Waste Services	1,897,500	1,906,219	8,719
Utility Service Connection Fees	672,000	1,065,452	393,452
Community Amenity Contributions	770,000	-	(770,000)
Interest and Penalties	4,603,800	8,483,099	3,879,299
Contributions toward Tangible Capital Asset Improvements	3,717,000	717,492	(2,999,508)
Other	1,620,600	2,101,783	481,183
TOTAL	\$ 21,544,600	\$ 23,137,430	\$ 1,592,830

Within Sales of Services and Other Revenue, the overall positive variance was primarily driven by higher than budgeted Interest (investment) income due to elevated interest rates. However, as rates began to decline in late 2024 and into early 2025, this level of return is not expected to continue in future years. Investment income is budgeted conservatively to help ensure that actual revenues do not fall short of budgeted expenditures, and also because Municipalities in British Columbia are not permitted to budget for or run a deficit according to the *Charter*. This approach ensures that the City maintains a balanced budget even when market conditions change.

Other contributors to the positive variance included higher than anticipated revenues from Parks, Recreation, and Cultural Services, as well as from Licenses and Permits. These gains were largely offset by lower-than-expected Contributions toward TCA Improvements and by the absence of Community Amenity Contributions, with no amounts received in 2024.

The Contributions toward Tangible Capital Asset Improvements shown in the table above differ from the Developers' Contributions of Tangible Capital Assets listed in the Revenue Summary. Developers' Contributions involve actual physical assets, such as roads, sidewalks, or utilities, that are constructed under servicing agreements and transferred to the City, at which point they become City-owned assets. In contrast, non-Developer Contributions toward Tangible Capital Asset Improvements as shown in the table above represent financial contributions received to help fund capital asset improvements.

Chart 3: Five-Year Revenue Trend



Property Taxes are the City's largest and most stable source of revenue and they fund the majority of the City's non-utility operating costs. Sales of Services and Other Revenue make up the next largest portion. Unlike Utility User Fees, which are directly tied to specific services, Property Taxes are relied upon to fund general City operations, including police and fire services, road maintenance, parks, recreation, and administration.

Like other municipalities and private organizations, the City continues to face significant cost pressures. These include rising wages and benefits under collective agreements, persistent supply chain issues linked to the global impacts of the COVID-19 pandemic, and several years of above-average inflation. To keep pace with these cost pressures and continue delivering essential services, the City has had to increase both Property Taxes and Service Fees.

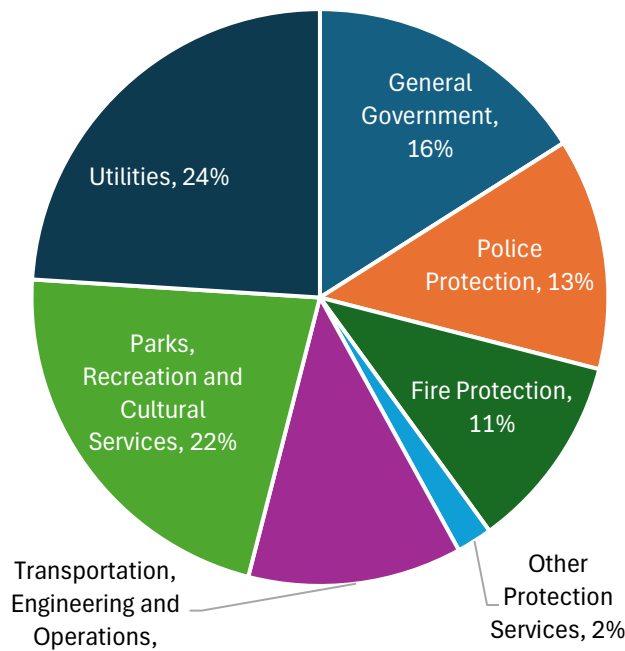
It is important to note that municipalities in British Columbia do not receive ongoing operational funding from senior levels of government. This means the City must rely on its own revenue sources, primarily Property Taxes, to sustain core services and absorb inflationary and contractual cost increases.

Utility User Fees have also increased in recent years to keep pace with the rising costs of delivering water, sanitary and sewer, and solid waste services. These utilities are self-funded and must recover their full costs through user fees. Like general operations, they have been impacted by rising wages, inflation, material and energy cost increases, and infrastructure renewal needs.

In contrast, revenue from government grants and developer contributions remains unpredictable. These sources depend on the timing of development, as well as the availability and success of grant

applications. As such, while they fund capital projects, they cannot be relied upon to support the City's ongoing operating costs.

Chart 4: 2024 Expense (excluding TCA)



The largest portion of the City's operating expenses in 2024 (excluding capital expenditures which are not included in the Statement of Operations) were Utilities at 24%, followed by Parks, Recreation, and Cultural Services, accounting for 22% of total expenses. This reflects the City's continued investment in community programming, facilities, and public spaces. The next largest area was General Government at 16%, which includes administrative functions and corporate support services. Police Protection represented 13% of total expenses, followed by Transportation, Engineering and Operations at 12%, and Fire Protection at 11%. These allocations reflect the City's focus on maintaining essential services and supporting the safety and wellbeing of residents.

As shown in the table below, while the City's total expenses increased year-over-year, the distribution remained fairly consistent with the prior year.

Chart 5: Expense by Object

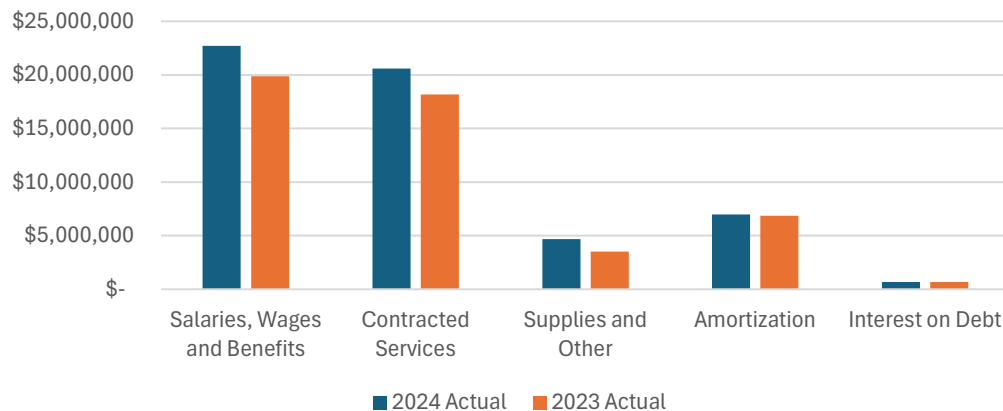


Table 9: Expense by Object – Year over Year

	2024 Actual	2023 Actual	Year over Year Change
Salaries, Wages and Benefits	\$ 22,723,259	\$ 19,869,034	\$ 2,854,225
Contracted Services	20,586,631	18,190,719	2,395,912
Supplies and Other	4,673,441	3,503,968	1,169,473
Amortization	6,969,020	6,868,884	100,136
Interest on Debt	682,853	689,572	(6,719)
TOTAL	\$ 55,635,204	\$ 49,122,177	\$ 6,513,027

Salaries, Wages and Benefits continue to be the City's largest operating expense, accounting for 41% of total expenses in 2024. This category increased by \$2.9M over the previous year, primarily due to contractual wage and benefit increases under collective agreements, as well as changes to the City's Exempt Compensation Policy (Policy No. 403) as approved by Council. The increase also reflects the addition of a new Training and Development Advisor position within Human Resources and the reclassification of an existing non-management role to a management position, both of which were approved through the 2024 financial planning process.

Contracted Services represent the City's second largest expense category, totaling \$20.6M, or 37% of total expenses. The year-over-year increase in this category was mainly attributed to rising contract rates, general inflationary pressures, and higher costs related to ongoing maintenance. Most variances within this category were under 10%, reflecting overall stability in the City's contracted service delivery, despite external cost pressures.

Table 10: Contracted Services

	2024 Actual	2023 Actual	Year over Year Change
RCMP	\$ 5,365,411	\$ 5,280,965	\$ 84,446
Repairs and Maintenance	3,133,787	2,867,715	266,072
Regional District Charges	2,461,661	2,075,692	385,969
Operating Expenses funded from Capital funding	2,354,467	883,792	1,470,675
Program Costs	2,061,174	2,105,205	(44,031)
Fraser Valley Regional Library	1,112,896	1,047,851	65,045
Insurance	1,032,875	898,307	134,568
Legal and Accounting Services	941,998	892,009	49,989
Utilities	887,020	939,027	(52,007)
Consultant Services	516,192	525,059	(8,867)
Tipping Fees	441,668	404,204	37,464
Other	277,482	270,893	6,589
TOTAL	\$ 20,586,631	\$ 18,190,719	\$ 2,395,912

Regional District Charges increased by \$386K in 2024, an 18.6% rise over the previous year. These charges are levied by the Greater Vancouver Sewerage and Drainage District (GVSD), part of Metro Vancouver, and are not within the City's control. The increases reflect regional cost pressures and adjustments passed on to member municipalities.

Operating Expenses funded from Capital refer to projects that are financed through capital budgets but do not result in tangible capital assets. These typically include initiatives such as master plans, asset condition assessments, CCTV inspections, and rehabilitation work that does not meet capitalization thresholds. These costs can vary significantly from year to year depending on the nature and scope of planned projects. In 2024, capital-funded operating expenses increased by \$1.5M (166.4% over 2023) due to several large initiatives, including sanitary and drainage rehabilitation projects (\$331K), CCTV inspections (\$252K), public art at Johnston Road and Thrift Avenue (\$183K), and various facility upgrades and planning studies related to the Kent Activity Centre and the Community Hub project (\$379K), along with a number of smaller initiatives.

Insurance expenses, which include coverage for property, buildings, liability, errors and omissions, cyber risks, and vehicles, increased by \$135K (14.9%) in 2024. This increase was primarily driven by market conditions, impacting municipal insurance rates.

Table 11: Supplies and Other

	2024 Actual	2023 Actual	Year over Year Change
Program Supplies	\$ 1,652,725	\$ 600,667	\$ 1,052,058
Grants, Awards and Other Recognition	652,117	628,502	23,615
Vehicle Parts and Fuel	486,962	478,705	8,257
Bank and Credit Card Related Charges	425,474	395,460	30,014
Other	379,856	344,710	35,146
Training, Development and Travel	293,620	304,277	(10,657)
Small Equipment	232,754	205,186	27,568
Utility Charges (City Owned Utilities)	228,292	242,146	(13,854)
Landscaping Supplies	200,094	161,853	38,241
Telecommunications	121,547	142,462	(20,915)
TOTAL	\$ 4,673,441	\$ 3,503,968	\$ 1,169,473

Supplies and Other expenses totaled \$4.7M in 2024, representing 8.4% of the City's overall expenditures. Similar to Contracted Services, most of the increases in this category were under 10% and are largely attributed to inflation and rising costs of materials and supplies.

Program Supplies experienced the most significant year-over-year increase, rising by \$1.1M or 175.2%. This category includes a broad range of operational expenses such as testing and recruitment costs, office and maintenance supplies, postage and courier services, event-related expenses, janitorial supplies, and general costs associated with running City programs, facilities, and departments. The largest contributor to this increase was the \$660K media replacement at the water treatment plant, a scheduled maintenance activity that occurs once every four years. Other notable contributors included increased spending on water maintenance supplies (\$157K), roads maintenance supplies (\$116K), and janitorial supplies (\$65K).

Small Equipment expenses rose by \$27.6K, or 13.4%, compared to 2023. This category covers mid-range items that are more valuable than general supplies but do not meet the threshold for capitalization as tangible capital assets. Examples include tools, monitors, and other equipment used across various City departments and facilities.

Landscaping Supplies also saw a higher-than-average increase, rising by \$38.2K or 23.6%, reflecting greater investment in public space maintenance and beautification efforts.

Annual Surplus

Table 12: Summarized Statement of Operations – Budget Variance

	2024 Budget	2024 Actual	Variance
Revenues - All Sources	\$ 84,078,100	\$ 73,561,687	\$ (10,516,413)
Less: Expenses	54,555,100	55,635,204	1,080,104
ANNUAL SURPLUS	\$ 29,523,000	\$ 17,926,483	\$ (11,596,517)

The 2024 Annual Surplus of \$17.9M represents the difference between total revenues and total expenses across all City funds, including both operating and utility funds. This figure is calculated before accounting for non-cash items such as amortization, capital expenditures, and any budgeted transfers to reserves. It provides a high-level view of the City's financial performance for the year.

The 2024 Annual Surplus can be further broken down by fund as follows:

Table 13: Annual Surplus by Fund

	2024 Actual Surplus (Deficit)	2023 Actual Surplus (Deficit)	Year over Year Change
General Fund	\$ 12,080,072	\$ 16,945,909	\$ (4,865,837)
Water Utility Fund	2,589,525	2,781,080	(191,555)
Sanitary Sewer Utility Fund	816,504	1,609,987	(793,483)
Drainage Utility Fund	2,260,389	2,225,075	35,314
Solid Waste Utility Fund	179,993	(23,182)	203,175
TOTAL	\$ 17,926,483	\$ 23,538,869	\$ (5,612,386)

Key Highlights of Operating Results for each Fund

General Fund – the 2024 General Fund Annual Surplus, before accounting for amortization, capital expenditures, and budgeted transfers to Reserves funds, was \$12.1M (2023 - \$16.9M).

Transfers to Reserve funds are a planned part of the annual budget and are reflected in the property tax rates and user fees charged to property owners. These transfers are essential for supporting the City's long-term capital and infrastructure strategies.

As part of prudent financial planning, municipalities budget for transfers to Reserve funds to help proactively manage infrastructure needs for:

1. Supporting infrastructure maintenance and replacement – Roads, buildings, vehicles, and other capital assets have limited useful lives and require ongoing investment to ensure they remain safe and functional.
2. Enabling long-term financial planning – Regular contributions to Reserves allow the City to plan ahead for major infrastructure needs and help to avoid large, sudden funding requirements.
3. Reducing financial risk – Building Reserves helps minimize reliance on debt or emergency tax increases by ensuring funds are available when needed.
4. Maintaining financial stability and creditworthiness – Strong reserve practices demonstrate sound financial management, which supports the City's credit rating and borrowing capacity.

These Transfers to Reserves are considered “below the line” in financial reporting, meaning they are recorded after revenues and expenses have been accounted for in calculating the annual surplus.

After taking those items into account, the Unappropriated General Fund Surplus was \$6.5M. A summary of this calculation is provided in Table 14 below.

Table 14: General Fund Unappropriated Annual Surplus

	2024 Actual
Revenue - General Fund	
Property Taxes (including regional levies)	\$ 32,554,802
Receipts in Lieu of Taxes	28,139
Sales of Service and Other Revenue	19,395,249
Development Cost Charges	108,908
Government Grants	1,502,728
Developers' Contribution of Tangible Capital Assets	1,234,901
	<u>54,824,727</u>
Expenses - General Fund	
General Government	\$ (8,882,927)
Police Protection	(7,049,571)
Fire Protection	(6,383,802)
Other Protection Services	(1,316,142)
Transportation, Engineering and Operations	(6,944,044)
Parks, Leisure and Cultural Services	(12,166,558)
Interest on Debt	(1,610)
	<u>(42,744,654)</u>
Annual Surplus Including Amortization	12,080,072
Adjustments for Non-Cash Items	
Amortization	\$ 4,903,946
Gain on Disposal of Tangible Capital Assets	(6,730)
Surplus Available for Capital and Reserves	<u>16,977,288</u>
Capital and Reserves	
Transfers to Roadwork Reserve	\$ (1,000,000)
Transfers to Capital Works Reserve	(2,020,500)
Transfers to Equipment Replacement Reserve	(928,700)
Transfers to Infrastructure Reserve	(5,975,500)
Transfers to Other Capital Reserves	(1,472,498)
Interest to Reserves (Statutory Reserves)	(2,020,352)
Net Transfer from Operating Reserves	991,200
Transfer from Capital Reserves (for Capital	6,990,803
Transfer from COVID-19 Safe Restart Grant	363,283
Transfers from Other Reserves	332,470
Capital Expenditures	(5,655,106)
Capital Lease Payments	(38,554)
UNAPPROPRIATED SURPLUS	\$ 6,543,834

The 2024 General Fund Unappropriated Surplus of \$6.5M was primarily the result of the following contributing factors:

Table 15: General Fund Unappropriated Annual Surplus – High Level Variance

	2024 Actual
Net investment income higher than budget	\$2.2M
Wages and benefits savings	1.9M
RCMP contract savings	0.8M
Unutilized operating contingency	0.7M
Penalties, interest on taxes, licensing fees & other revenue higher than budget	0.3M
Timing adjustment - Increased revenue related to new accounting standard	0.2M
Other miscellaneous savings	0.4M
TOTAL	\$6.5M

Investment income exceeded budget largely due to elevated interest rates in 2024. However, as rates began to decline in late 2024 and into early 2025, this level of return is not expected to continue in future years. Investment income is budgeted conservatively to help ensure that actual revenues do not fall short of budgeted expenditures, and also because Municipalities in British Columbia are not permitted to budget for or run a deficit according to the *Charter*. This approach ensures that the City maintains a balanced budget even when market conditions change.

Wages and benefits came in under budget due to a combination of factors including the timing from when a position is approved or becomes vacant to when it is filled, challenges in recruiting certain positions, as well as staffing temporary and casual positions. Timing issues around positions have been experienced in almost all City departments. Some examples of these positions in 2024 include Property Insurance and Risk Manager, Records Coordinator, Tangible Capital Analyst and Human Resources Advisor. Examples of positions where recruitment has been challenging include Building Official positions and the Purchasing Specialist.

In 2024, the City adopted Public Sector Accounting Standard PS 3400 – Revenue, which is intended to improve transparency and consistency in how public sector entities recognize revenue. The new standard distinguishes between revenue earned with performance obligations (where the City must provide a good or service) and revenue without such obligations. Under the new rules, revenue must only be recognized once the City has fulfilled its obligation to the customer or recipient. Implementing this Standard resulted in \$0.2M (net) of un-budgeted revenue being recognized in 2024.

Table 16: 2025 Budget Items funded from 2024 General Fund Unappropriated Annual Surplus

	2024 Actual
2024 Unappropriated Surplus	\$6.5M
2025 One-time budget items	(0.5M)
Carry forward of unspent 2024 operating budget items to 2025 financial year	(0.1M)
2024 REVISED UNAPPROPRIATE GENERAL FUND SURPLUS	\$5.9M

As part of the year-end financial process, a portion of the 2024 General Fund Unappropriated Surplus has been allocated to support one-time initiatives and deferred projects included in the 2025 budget. These items are non-recurring in nature and are therefore funded from prior year surplus rather than through increases to current year property taxes.

In addition to one-time budget items for 2025, departments also identify operating projects or initiatives that were approved in the 2024 budget but were not completed by year-end. These delays are often the result of staffing constraints, shifting priorities, or unforeseen operational challenges. Despite not proceeding as planned, these projects remain important, supporting Council's strategic priorities, addressing service gaps, or contributing to long-term planning efforts.

To ensure this work can still move forward, the associated budgets are carried forward and funded from the General Fund surplus. In many cases, the surplus itself was partially generated by the unspent funds originally allocated to these projects. This approach allows the City to complete the initiatives without requiring an increase to property taxes in the following year.

After allocating funding for these one-time and carried-forward budget items, the revised Unappropriated General Fund Surplus was \$5.9M.

Unappropriated General Fund Surplus Allocation

City revenues and annual surpluses are strategically allocated by Council to Reserve funds to support long-term financial stability. These Reserves serve several key purposes: they help protect the City against unexpected events that could result in budget shortfalls, they stabilize funding for programs with year-to-year cost fluctuations, they support future capital and infrastructure investments, and they provide coverage for potential liabilities. Importantly, maintaining healthy Reserve balances also helps reduce the City's reliance on debt, minimizing the need to borrow for planned projects and thereby reducing long-term financing costs.

At its regular meeting on April 14, 2025, Council approved the distribution of the 2024 Revised Unappropriated General Fund Surplus as follows:

Table 17: Allocation of 2024 General Fund Unappropriated Annual Surplus

	2024 Actual
Revised Unappropriated Surplus	\$5.9M
General Fund Accumulated Surplus Reserve	(0.3M)
Community Hub Reserve	(5.6M)
REMAINING UNALLOCATED GENERAL FUND SURPLUS	\$0

The \$310K transfer made to the General Operating Fund Accumulated Surplus Reserve was to align with Council Policy No. 307. This policy recommends maintaining a reserve balance between 10% and 15% of annual General Operating Fund expenditures, ensuring the City is well-positioned to respond to unforeseen events or financial pressures.

The remaining \$5.6M of the General Fund Unappropriated Surplus was allocated to the Community Hub Reserve. This reflects Council's continued commitment to the Community Hub project.

Meaningful progress on the Community Hub project has already been made, including preliminary site assessments confirming suitability, high-level cost estimates, public engagement planning, and the hiring of a Senior Project Manager to lead the initiative. While earlier funding models included the potential sale of City-owned land, not all options demonstrated a net financial return. Additionally, new elements such as affordable housing are now being explored, expanding the original project scope. The allocation to the Community Hub Reserve ensures the City is financially prepared to advance the project while minimizing the need for borrowing or additional tax increases.

Water Utility Fund

The 2024 Water Utility Fund ended the year with a surplus of \$2.6M (2023 - \$2.8M). revenues were higher year-over-year by \$916K largely related to water user and connections fees (\$661K) and Development Cost Charges (\$215K). Expenses were also higher year-over-year by \$1.1M, largely due to the media treatment at the water treatment plant, resulting in a comparable surplus year-over-year.

Sanitary Sewer Utility Fund

The 2024 Sanitary Sewer Utility Fund reported a surplus of \$817K (2023 - \$1.6M). This variance was the result of Revenue coming in slightly less than the prior year, by \$23K, and expenses being \$771K higher than the prior year due to higher District Levies assessed by Metro Vancouver, as well as additional sewer maintenance.

Drainage Utility Fund

The 2024 Drainage Utility Fund recorded a surplus of \$2.3M (2023 - \$2.2M). While revenues were \$454K higher than the prior year, largely due to a combination of user fees, connections fees and development cost charges, expenses were higher by \$418K due to additional system maintenance, resulting in a comparable surplus year-over-year.

Solid Waste Utility Fund

The 2024 Solid Waste Utility Fund ended the year with a surplus of \$180K (2023 – \$23.2K deficit). User fees increased in 2024 due to expected higher waste and recycling charges. As such, revenues were \$240K higher than the prior year and were offset by partially higher waste and recycling fees of \$27K.

Reserve Fund Balances

Table 18: Reserve Fund Balances

	2024 Actual	2023 Actual
Established By Bylaw	\$ 36,136,269	\$ 33,407,822
Specific Purpose	87,988,415	78,282,317
TOTAL	\$124,124,684	\$111,690,139

As of December 31, 2024, the City held \$124.1M in Reserve funds (2023 - \$111.7M) to support planned infrastructure improvements and ongoing operating commitments. Additional details on reserve balances can be found in Note 14 of the accompanying financial statements.

While the total reserve fund balance may appear substantial, it is important to note that it falls well short of what will be required over the long term. Management roughly estimates that the cost to renew and replace the City's existing infrastructure could exceed \$1B. This underscores the importance of continuing to build reserves to ensure the City can meet future needs without putting undue pressure on property taxpayers or relying heavily on debt

Statement of Change in Net Assets

The Statement of Changes in Net Financial Assets illustrates how the City's financial position evolved over the course of the year, specifically in terms of its ability to meet future obligations using its financial assets, such as cash, receivables, and investments. This statement builds on the Statement of Operations by showing how the City's annual surplus translates into actual changes in financial resources, after accounting for capital investments and other non-cash adjustments.

Table 19: Summarized Statement of Changes in Net Financial Assets

	2024 Actual	2023 Actual
Annual Surplus	\$ 17,926,483	\$ 23,538,869
Acquisition of Tangible Capital Assets	(8,761,199)	(5,099,817)
Recognition of Asset Retirement Obligations	-	(473,800)
Developers' Contribution of Capital Assets	(1,759,360)	(1,112,786)
Amortization of Tangible Capital Assets	6,969,020	6,868,884
Net Proceeds on Disposal of Capital Assets	122,584	30,287
Net Acquisition of Prepaid Activities	(33,095)	(145,459)
Net Consumption (Acquisition of) Inventories and Supplies	51,040	(7,857)
Change in Net Financial Assets	\$ 14,515,473	\$ 23,598,321
Net Financial Assets - Beginning of the Year	101,599,839	78,001,518
NET FINANCIAL ASSETS - END OF YEAR	\$116,115,312	\$101,599,839

The City's financial position improved over the prior year. As of December 31, 2024, the City's net financial assets increased by \$14.5M, reaching \$116.1M (2023 - \$101.6M).

The largest areas that contribute to the change in Net Financial Assets are the annual surplus, acquisition of TCA, Developers' Contribution of TCA, and Amortization of TCA. In 2024, the City invested \$8.8M in tangible capital assets (2023 - \$5.1M), funded through a combination of taxation, reserves, development levies, developer contributions, and grants. These investments supported a range of community improvement projects, including projects such as road resurfacing, sidewalk installations, and water and storm sewer upgrades. Developers' Contribution of Capital Assets was \$1.8M.

Statement of Cash Flows

The Statement of Cash Flows outlines how cash was generated and used by the City over the course of the year. It provides insight into how the City's operating, capital, investing, and financing activities impacted the overall cash position, from the beginning to the end of the year.

This statement is organized into four key sections:

- Operating Activities – Cash inflows and outflows from the City's core operations, such as property tax collection, grant revenue, and payments for wages and services.
- Capital Activities – Cash used to acquire or build long-term assets like roads, facilities, or equipment, as well as proceeds from the sale of capital assets.
- Investing Activities – Cash associated with the purchase or maturity of investments, including term deposits and other financial instruments.

- Financing Activities – Cash flows related to debt, including funds received through borrowing and payments on outstanding debt.

The Statement of Cash Flows focuses solely on actual cash movements. This gives Council and the public a clearer understanding of whether the City generated sufficient cash to fund its operations and investments, and whether it maintained a strong cash position to meet future financial obligations.

Table 20: Summarized Statement of Changes in Net Financial Assets

	2024 Actual	2023 Actual
Net Cash Provided By Operating Activities	\$ 23,312,325	\$ 22,311,808
Net Cash Used In Capital Activities	(8,729,249)	(5,038,528)
Net Cash Used In Financing Activities	(819,208)	(810,922)
Net Cash Provided By (Used In) Investing Activities	13,547,054	(10,503,571)
Net Change in Cash and Equivalents	\$ 27,310,922	\$ 5,958,787
Cash and Cash Equivalents - Beginning of Year	137,781,972	131,823,185
CASH AND CASH EQUIVALENTS - END OF YEAR	\$165,092,894	\$137,781,972

In 2024, Net Cash Provided by Operating Activities totaled \$23.3M, slightly higher than the \$22.3M recorded in 2023. This increase was primarily driven by changes in accounts payable and accrued liabilities, deferred revenues, development cost charges, and tax and general receivables. Net Cash Used for Capital Activities was \$8.7M, up from \$5.0M in the prior year, reflecting higher investment in infrastructure and community assets. Financing Activities resulted in a net outflow of \$819K, consistent with \$811K in 2023. Net Cash Provided by Investing Activities was \$13.5M, compared to Net Cash Used of \$10.5M in 2023. This change reflects a timing difference in the maturity and reinvestment of the City's term deposits.

New Accounting Regulations

Effective January 1, 2024, the City adopted several new Canadian Public Sector Accounting Standards (PSAS), including PS 3400 – Revenue, PS 3160 – Public Private Partnerships, and PSG-8 – Purchased Intangibles. Each was adopted on a prospective basis, meaning changes apply only to transactions occurring on or after the adoption date.

PS 3400 – Revenue provides a framework for recognizing revenue and distinguishes between two types of transactions:

- Transactions with performance obligations, where the City is required to provide goods or services in return for payment.
- Transactions without performance obligations, where revenue can be recognized immediately.

As a result of implementing this standard, the City's building permits revenue decreased by \$36K, and other revenues decreased by \$20K with a corresponding increase in deferred revenue. In addition, the City's business licenses revenue increased by \$257K, with a corresponding decrease in deferred revenue.

PS 3160 – Public Private Partnerships provides guidance on the recognition, measurement, and disclosure of infrastructure procured through certain types of public-private partnership arrangements. While adopted on January 1, 2024, the implementation of PS 3160 did not have an impact on the amounts reported in the City's 2024 financial statements.

PSG-8 – Purchased Intangibles, addresses the recognition of purchased intangibles, non-monetary assets without physical substance that are acquired through an arm's-length transaction. Intangibles received through transfers or contributions are excluded. The guideline was adopted prospectively and had no impact on the financial results reported for 2024.

Debt - Borrowing Capacity

Under the *Charter*, the City is subject to specific restrictions regarding the amount of long-term debt it can incur and the process it must follow to do so, including commitments related to capital leases. The legislation establishes borrowing limits based on a percentage of the City's annual sustainable revenues, which are used to determine the City's capacity to service debt. Specifically, the City may allocate up to 25% (2023 - \$16.2M) of its annual sustainable revenues toward debt servicing, defined as the combined payments of principal and interest, with the approval of the electorate. Without elector approval, the City is limited to using no more than 5% of its sustainable revenues for debt servicing, provided the borrowing is authorized by Council alone. These restrictions are designed to ensure municipalities maintain fiscal responsibility and do not overextend their financial commitments.

Using debt to finance capital improvements is a common and strategic practice among municipalities, particularly as communities become more developed and traditional funding sources, such as land sales and developer contributions, become less prevalent. Borrowing allows the City to invest in essential infrastructure while spreading the cost over time.

In 2024, the City of White Rock continued to maintain a moderate level of debt on a per capita basis. The debt-per-capita ratio decreased to \$893, down from \$929 in 2023, based on the City's population of 21,939 as reported in the 2021 Canadian Census. For additional details, please refer to Note 9 of the financial statements.

Financial Sustainability

The City is committed to long-term financial sustainability and recognizes the importance of working collaboratively with regional partners and senior levels of government to develop funding and service models that are resilient and adaptable. Sustainable financial planning is essential to maintaining service levels, supporting infrastructure renewal, and ensuring the City can respond effectively to emerging challenges and community needs.

Strategic and Financial Planning and Reporting

The City's strategic and financial planning processes are closely aligned. Council's vision and priorities for the 2022–2026 term are set out in the Strategic Priorities document, which provides high-level direction for City operations. These priorities are directly linked to departmental work plans, which outline specific initiatives and performance targets designed to achieve Council's goals. This integrated approach ensures that strategic direction is translated into measurable actions, supported by responsible financial planning and regular progress reporting.

Annually the City prepares a Five-Year Financial Plan, the development of which begins with strategic planning and includes public consultation, briefings for Council, and comprehensive discussion sessions culminating in a proposed Five-Year Financial Plan for Council approval. Using this as a framework, work plans are developed for each department, with resource needs identified. The base Financial Plan is developed to maintain existing service levels in accordance with policies, Staff present recommended service level changes, where appropriate, to Council for their consideration through a budget increase request process which includes any costs in excess of what is permitted as part of base budget assumptions. Major capital expenditures are identified on a five-year cycle, with annual reviews and updates.

Fiscal Capacity

City Council and staff are committed to ensuring the City remains fiscally sustainable by balancing service delivery with the community's capacity to fund those services. Essential public services, such as public safety, infrastructure, parks, as well as recreational and cultural programs, are funded collectively through taxation to ensure equitable access for all residents. These services contribute to a healthy, inclusive, and vibrant community.

Other services, such as Utilities, are more appropriately funded through user fees to align costs with demand and ensure that those who use the services pay for their delivery. This approach helps manage resources effectively while maintaining fairness in how services are paid for.

Council also recognizes the important role that cultural, religious, historical, and philanthropic organizations play in building a strong community. To support these valued institutions, the City uses its legislative authority to provide property tax exemptions to eligible applicants, helping them remain financially viable while continuing to serve the public good.

Questions? Please email cgartry@whiterockcity.ca.



Accessibility Advisory Committee

Minutes

April 22, 2025, 4:00 p.m.

Gallery Room, White Rock Community Centre Council Chambers
15154 Russell Ave, White Rock, BC, V4B 0A6

PRESENT: Alex Michaels, Community Member
Colleen Turnley, Community Member
Darcy Villeneuve, Community Member
Jasvinder Dhesi, Community Member
Kelly Douglas, Community Member
Leanne Utendale, Community Member
Marissa Hadland, Community Member

COUNCIL: Councillor Bill Lawrence, Chairperson (non-voting)

STAFF: Anne Berry, Director of Planning and Development Services
Jim Gordon, Director of Engineering and Municipal Operations
Janessa Auer, Committee Clerk

1. **CALL TO ORDER**

The Chairperson called the meeting to order at 4:03 p.m.

2. **ADOPTION OF AGENDA**

Motion Number 2025-AAC-005: It was MOVED and SECONDED

THAT the Accessibility Advisory Committee adopts the agenda for the April 22, 2025 meeting as circulated.

Motion CARRIED

3. **ADOPTION OF MINUTES**

Motion Number 2025-AAC-006: It was MOVED and SECONDED

THAT the Accessibility Advisory Committee adopts the minutes of the March 5, 2025 meeting as circulated.

Motion CARRIED

4. **INTEGRATED TRANSPORTATION AND INFRASTRUCTURE MASTER PLAN OVERVIEW**

The Director of Engineering and Municipal Operations provided an overview of the City's Integrated Transportation and Infrastructure Master Plan (ITIMP), which was endorsed by Council in 2022 to optimize White Rock's transportation network and guide improvements over the coming years. He highlighted several projects/improvements from the plan that have already been completed, as well as others planned for the near future.

A roundtable discussion followed, during which time concerns were raised around the need for increased transit services in White Rock, particularly for routes to and from the waterfront area. Suggestions were also made to install informative signage at bus stops, encouraging consideration for passengers with mobility challenges.

The Chairperson shared recent updates from TransLink, noting that plans for increased bus services for the South Surrey and White Rock area are scheduled to be implemented in the near future.

ACTION ITEM: Staff to share available information regarding TransLink's plans for increased bus services in the South Surrey and White Rock community with Committee members for information.

Motion Number 2025-AAC-007: It was MOVED and SECONDED

THAT the Accessibility Advisory Committee recommends that Council endorse that a letter be sent from Mayor Knight to TransLink to request increased accessibility-focused service in White Rock, with an emphasis on routes to and from Marine Drive, and to request that informative signage be installed at bus stops to encourage consideration for passengers with mobility challenges.

Motion CARRIED

5. BNSF RAILWAY CROSSING IMPROVEMENTS

The Chairperson provided an overview of upcoming railway crossing upgrades scheduled to be completed by Burlington Northern Santa Fe (BNSF) Railway. He also noted that the City may consider undertaking additional accessibility improvements, should it be determined that the gap between the railway tracks and the sidewalk will continue to present challenges after the BNSF upgrades are implemented.

Staff have received concept drawings from BNSF that show very minimal gaps between the track and sidewalk with the new upgrades; however, they are still awaiting cost information for this project. Transport Canada will fund crossing upgrades to a minimum accessibility standard. If the BNSF upgrades go ahead as designed, and if they exceed this minimum standard, the City would need to cover the additional cost not funded by Transport Canada.

6. CORRESPONDENCE

6.1 REVIEW OF ACCESSIBILITY WEBPAGE FEEDBACK SUBMISSIONS

None

7. OTHER BUSINESS

None

8. INFORMATION

8.1 COMMITTEE ACTION AND MOTION TRACKING

The Chairperson provided an update regarding the status of action items and recommendations from previous meetings.

The Director of Planning and Development Services advised that an info map displaying van-accessible parking stall locations throughout the City, as discussed during the previous meeting, will be completed and published on the City website soon.

9. **2025 MEETING SCHEDULE**

The following meeting schedule was previously approved by the Committee and was provided for information purposes:

- July 29, 2025; and,
- October 28, 2025.

All meetings are scheduled to take place in the Council Chambers at White Rock Community Centre from 4:00 p.m. to 6:00 p.m.

10. **CONCLUSION OF THE APRIL 22, 2025 ACCESSIBILITY ADVISORY COMMITTEE MEETING**

The meeting was concluded at 4:45 p.m.



Councillor Bill Lawrence, Chairperson

Janessa Auer, Committee Clerk

**THE CORPORATION OF THE
CITY OF WHITE ROCK
BYLAW 2536**



A bylaw for the levying of rates on land and
improvements and to provide for the payment of taxes
and user fees for the year 2025

The Council of the City of White Rock, in open meeting assembled, enacts as follows:

1. Definitions

“Collector” means the municipal officer assigned responsibility as collector of taxes for the municipality.

2. The following rates are hereby imposed and levied for the year 2025:

2.1. For all lawful general purposes of the municipality, on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in Column A of Schedule 1 attached hereto and forming a part hereof.

2.2. For the purposes of the Fraser Valley Regional Library, on the applicable assessed value of land and improvements taxable for that purpose, the rates appearing in Column B of Schedule 1 attached hereto and forming a part hereof.

2.3. For the purposes of the Metro Vancouver Regional District, on the applicable assessed value of land and improvements taxable for that purpose, the rates appearing in Column C of Schedule 1 attached hereto and forming a part hereof.

2.4. For the purposes of the White Rock Business Improvement Association, on the applicable assessed value of land and improvements taxable for that purpose, the rates appearing in Column D of Schedule 1 attached hereto and forming a part hereof.

3. Property taxes and other fees and charges levied on the property tax notice are due and payable on July 2, 2025. On July 3, 2025, the City Collector shall add to the current year unpaid taxes and other fees and charges levied on the property tax notice, for each parcel and its improvements on the property tax roll, 5% of the amount that remains unpaid after July 2, 2025. On August 16, 2025, the City Collector shall add to the current year unpaid taxes and other fees and charges levied on the property tax notice, for each parcel and its improvements on the property tax roll, an additional 5% of the amount that remains unpaid after August 15, 2025.

4. An owner of residential classification property who is eligible for the provincial home owners grant shall have a period of time between July 2, 2025 and August 15, 2025 to apply for the grant, thus deferring the initial 5% penalty applied to the grant.
5. The municipal tax collection scheme set out in Section 3 and Section 4 above shall apply unless a property owner makes an election under Section 236 of the Community Charter for the general tax collection scheme under Section 234 of the *Community Charter* to apply. Elections can be made, on or before July 2, 2025, in writing to the Director of Financial Services or by email at finance@whiterockcity.ca.
6. This Bylaw may be cited as the "White Rock Annual Rates Bylaw, 2025, No.2536".

RECEIVED FIRST READING on the 28th day of April, 2025

RECEIVED SECOND READING on the 28th day of April, 2025

RECEIVED THIRD READING on the 28th day of April, 2025

ADOPTED on the th day of May, 2025

MEGAN KNIGHT, MAYOR

TRACEY ARTHUR, DIRECTOR OF CORPORATE
ADMINISTRATION

Schedule "A"

Tax Rates (Dollars of tax per \$1,000 Taxable Value)

	A	B	C	D
Property Class	Municipal General Purposes	Fraser Valley Regional Library Purposes	Metro Vancouver Regional District Purposes	Business Improvement Area
01 Residential	2.31857	0.08254	0.06036	N/A
02 Utilities	13.14643	0.46801	0.21126	N/A
05 Light Industry	3.64862	0.12989	0.20522	0.58170
06 Business/Other	3.55284	0.12648	0.14788	0.58170
08 Seasonal/Recreation	2.08314	0.07416	0.06036	N/A

From: [Megan Knight](#)
To: [Clerk's Office](#)
Subject: May is MS Awareness Month in Canada and we are asking for your support
Date: Tuesday, April 22, 2025 12:08:30 PM
Attachments: [image.png](#)
[PROCLAMATION.docx](#)

From: Patricia Wilson
Sent: Friday, April 18, 2025 8:31 PM
To: Megan Knight; White Rock Council

Subject: May is MS Awareness Month in Canada and we are asking for your support

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

April 16, 2025

City of White Rock, Mayor and Council

Dear Mayor Knight,

MS Canada is asking the City of White Rock to support for the annual **MS (Multiple Sclerosis) Awareness month of MAY** in Canada #MSAwarenessMonth and to officially declare the month of May as MS Awareness Month.

As an Ambassador for the MS Canada, the ask is that a declaration/proclamation is signed and to fly an MS Canada flag for the month of May, which I can provide.

As well, on **MAY 30th, in support of WORLD MS DAY** a landmark or facility gets lit up in RED. This annual one day event is recognized the world over. Many locations within the Lower Mainland will be illuminated in RED on this day. We have your pier set up to be lit in RED ... THANKYOU along with Science World, White Rock Pier, Vancouver and Burnaby City Halls, LaFarge Lake Fountain and the Olympic caldron to name a few.

Your support will significantly raise public awareness of the disease and its effects on the over 90,000 Canadians living with multiple sclerosis (MS), plus the work of MS Canada to connect and empower the MS community to create positive change.

MS is a neurological disease of the central nervous system, which includes the brain,

spinal cord, and optic nerves. Each person is affected by MS differently. The most common MS symptoms include fatigue, lack of coordination, weakness, tingling, impaired sensation, vision problems, bladder and bowel problems, and cognitive and mood changes.

Approximately 1 in every 400 Canadians live with MS and on average, 12 Canadians are diagnosed with MS every day. MS doesn't just affect the person living with the disease, but their family, friends and the entire community. And Canada has one of the highest incidence rates of MS in the world. My quote is "Everyone knows someone with MS".

No one needs to face MS alone and we are here to help. In communities across Canada, MS Canada provides information, support, education and other resources for people affected by MS and their support networks.

Attached is the Proclamation document for your consideration and we thank you in advance for helping to recognize May 2025 as MS Awareness Month. Surely the people living in White Rock will appreciate your support!

We look forward to hearing from you.

Sincerely,

Patricia Wilson

MS Canada Ambassador

MS Ambassador
A face and voice for the MS community.

MS Multiple
Sclerosis
Canada

PROCLAMATION

WHEREAS, multiple sclerosis is a neurological disease affecting approximately 1 in 400 Canadians and over 90,000 across the country; and

WHEREAS, multiple sclerosis symptoms vary widely, and the disease may cause symptoms such as fatigue, lack of coordination, weakness, tingling, impaired sensation, vision problems, bladder and bowel problems, and cognitive and mood changes; and

WHEREAS, MS is thought to be caused by a combination of genetic, environmental, and lifestyle risk factors; and

WHEREAS, MS Canada is the only national organization in Canada that supports both MS research and services for people affected by MS; and

WHEREAS, annual fundraising events such as the MS Walk, MS Bike, and A & W Canada's Burgers to Beat MS campaign support programs to enhance the lives of people affected by multiple sclerosis and help support MS research in Canada; and

WHEREAS, since 1948, MS Canada has provided over \$224 million for MS research; and is grateful for the dedication and commitment of supporters and volunteers that have made this possible; and

WHEREAS, together we will find ways to connect and empower the MS community to create positive change and see a world free of multiple sclerosis,

NOW, THEREFORE, I NAME, Mayor of the City of [NAME OF CITY] of the Province of [NAME OF PROVINCE], Canada, do hereby proclaim this month of May 2025 to be MS Awareness Month for MS Canada.

(signature)

*Celebrating Over 40 Years of
Serving the Community*



April 7, 2025

Request for City of White Rock PROCLAMATION – May is National Hospice Month

Your Worship Mayor Megan Knight and Members of Council,

We write to ask that you please acknowledge **May as National Hospice Month** on your regular Council Agenda. We have enclosed a Request for Proclamation.

Peace Arch Hospice Society has supported South Surrey and White Rock residents for over 40 years, *free of charge* (so that our programs and services are accessible by all), and we would like to continue to celebrate our history of serving our community.

If and when, would you please let us know at which Council Meeting the Proclamation would be announced as we would love to have a representative present – as we have in the past.

Thank you for your consideration and support.

Sincerely,

A handwritten signature in blue ink, appearing to read "Amanda McNally", is placed above the printed name.

Amanda McNally
Executive Director
Peace Arch Hospice Society

Request for City of White Rock PROCLAMATION – May is National Hospice Month

Dear Mayor Megan Knight,

Peace Arch Hospice Society will be hosting our 22nd Annual **Hike for Hospice** fundraiser on Sunday, May 4th, 2025 at beautiful Blackie Spit Park in Crescent Beach. Each year the community comes to support this event, which helps raise awareness and funds for our much needed professional grief and palliative programs and services that we offer free of charge.

We ask that Mayor Knight please proclaim, **‘May is Hospice Month’**.

- | | |
|---------|--|
| Whereas | May is National Hospice Month |
| Whereas | Hospices across Canada will host their annual Hike for Hospice on Sunday, May 4 th |
| Whereas | 2025 marks the 43 rd year of Peace Arch Hospice Society serving South Surrey and White Rock residents |
| Whereas | Peace Arch Hospice Society plays an important role in the well-being of our communities by offering professional grief and palliative support programs and services free of charge |

Thank you for your consideration and support.

Sincerely,



Amanda McNally
Executive Director
Peace Arch Hospice Society