

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