

Attachment #2

*2022 Audited Consolidated Financial
Statements*

Consolidated Financial Statements of

**CORPORATION OF THE CITY OF
NEW WESTMINSTER**

And Independent Auditor's Report thereon

Year ended December 31, 2022

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of the Corporation of the City of New Westminster ("City") have been prepared by management in accordance with Canadian Public Sector Accounting Standards ("PSAS") as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants Canada. Preparation and fair presentation of the financial statements is the responsibility of the City.

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

The City maintains a system of internal and administrative controls designed to provide reliable and accurate financial information and to ensure assets of the City are appropriately accounted for and adequately safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements. These systems are monitored and evaluated by management.

The audit firm of KPMG LLP, appointed by City Council, has expressed its opinion that the financial statements prepared by management fairly present, in all material respects, the financial position of the City as at December 31, 2022, and the results of 2022 operations in accordance with PSAS.



Mayor



Chief Administrative Officer



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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of Corporation of the City of New Westminster

Opinion

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

- the consolidated statement of financial position as at December 31, 2022
- the consolidated statement of operations for the year then ended
- the consolidated statement of change in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2022, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

KPMG LLP

Chartered Professional Accountants

Vancouver, Canada


May 8, 2023

CORPORATION OF THE CITY OF NEW WESTMINSTER
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2022

	2022	2021
FINANCIAL ASSETS		
Cash and Cash Equivalents (Note 2)	\$ 247,710,100	\$ 114,146,434
Accounts Receivable		
Property Taxes	4,088,524	3,139,525
Other	18,366,973	22,239,744
Due from Other Governments	1,539,618	3,660,687
Investments (Note 3)	105,213,072	102,595,180
	<u>376,918,287</u>	<u>245,781,570</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities	37,200,046	27,751,609
Due to Other Governments	4,023,787	5,596,028
Prepaid Taxes	11,656,505	12,172,127
Deferred Revenue and Deposits (Note 4)	42,805,785	30,957,932
Deferred Development Cost Charges (Note 5)	21,406,086	19,203,332
Employee Benefit Plans (Note 7)	11,981,535	12,904,573
Long-Term Debt (Note 8)	175,240,333	60,514,159
	<u>304,314,077</u>	<u>169,099,760</u>
NET FINANCIAL ASSETS	72,604,210	76,681,810
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 9)	826,640,070	749,532,592
Inventory of Supplies	2,907,271	2,371,758
Prepaid Expenses	3,184,829	3,522,563
	<u>832,732,170</u>	<u>755,426,913</u>
ACCUMULATED SURPLUS (Note 10)	<u>\$ 905,336,380</u>	<u>\$ 832,108,723</u>

Contingencies (Note 14)
Commitments (Note 16)
Subsequent events (Note 19)

The accompanying notes are an integral part of these consolidated financial statements.



Harji Varn, CPA, CGA
CFO/Director of Finance

CORPORATION OF THE CITY OF NEW WESTMINSTER
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2022

	2022 Budget (Note 1(g))	2022	2021
REVENUE			
Municipal Taxation and Other Levies (Note 12)	\$ 97,877,861	\$ 98,172,725	\$ 92,724,364
Utility Rates	100,119,172	103,835,965	95,411,264
Sale of Services	14,373,935	16,616,825	14,038,332
Grants from Other Governments (Note 18)	8,920,339	5,998,736	5,198,139
Contributed Tangible Capital Assets (Note 9(b))	-	7,087,759	7,932,156
Contributions	24,086,630	11,587,519	13,104,911
Other Revenue (Note 13)	16,915,915	53,191,038	15,516,222
	<u>262,293,852</u>	<u>296,490,567</u>	<u>243,925,388</u>
EXPENSES			
Police Services	34,408,503	35,027,650	34,149,429
Parks and Recreation	19,416,533	22,035,220	24,751,668
Fire Services	17,868,972	17,555,830	17,371,253
Climate Action, Planning and Development	7,358,604	7,636,049	7,376,599
Engineering Services	29,776,519	31,990,323	28,405,234
General Government	31,479,455	32,459,758	27,490,649
Library	4,905,686	4,522,490	3,836,930
Utility Operations	70,788,951	72,035,590	67,700,622
	<u>216,003,223</u>	<u>223,262,910</u>	<u>211,082,384</u>
ANNUAL SURPLUS	46,290,629	73,227,657	32,843,004
Accumulated Surplus, beginning of year	832,108,723	832,108,723	799,265,719
ACCUMULATED SURPLUS, end of year	<u>\$ 878,399,352</u>	<u>\$ 905,336,380</u>	<u>\$ 832,108,723</u>

The accompanying notes are an integral part of these consolidated financial statements.

CORPORATION OF THE CITY OF NEW WESTMINSTER
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2022

	2022 Budget (Note 1(g))	2022	2021
ANNUAL SURPLUS	\$ 46,290,629	\$ 73,227,657	\$ 32,843,004
Acquisition of Tangible Capital Assets	(98,514,725)	(94,805,711)	(48,474,800)
Contribution of Tangible Capital Assets	-	(7,087,759)	(7,932,156)
Proceeds from Disposal of Tangible Capital Assets	-	1,203,077	44,275
Amortization of Tangible Capital Assets	26,286,000	24,419,906	24,204,386
Net (Gain) Loss on Disposal of Tangible Capital Assets	-	(836,991)	75,327
Acquisition of Inventory of Supplies	-	(535,513)	(273,511)
Consumption (Acquisition) of Prepaid Expenses	-	337,734	(1,871,413)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(25,938,096)	(4,077,600)	(1,384,888)
Net Financial Assets, beginning of year	76,681,810	76,681,810	78,066,698
NET FINANCIAL ASSETS, end of year	\$ 50,743,714	\$ 72,604,210	\$ 76,681,810

The accompanying notes are an integral part of these consolidated financial statements.

CORPORATION OF THE CITY OF NEW WESTMINSTER
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2022

	2022	2021
CASH PROVIDED (USED) BY:		
OPERATING ACTIVITIES		
Annual Surplus	\$ 73,227,657	\$ 32,843,004
Items not involving cash:		
Amortization of Tangible Capital Assets	24,419,906	24,204,386
Net (Gain) Loss on Disposal of Tangible Capital Assets	(836,991)	75,327
Contributed Tangible Capital Assets	(7,087,759)	(7,932,156)
Capital Expenditures Funded from Development Cost Charges	(1,138,655)	(1,524,676)
Long Term Debt Actuarial Reduction	(783,756)	(667,396)
Change in non-cash operating items:		
Accounts Receivable	2,923,772	1,817,725
Due From Other Governments	2,121,069	(2,026,274)
Accounts Payable and Accrued Liabilities	9,448,437	6,206,438
Due to Other Governments	(1,572,241)	(16,432,988)
Prepaid Taxes	(515,622)	1,023,353
Deferred Revenue and Deposits	11,847,853	(1,710,236)
Employee Benefit Plans	(923,038)	763,099
Inventory of Supplies	(535,513)	(273,511)
Prepaid Expenses	337,734	(1,871,413)
	<u>110,932,853</u>	<u>34,494,682</u>
FINANCING ACTIVITIES		
Development Cost Charge Receipts and Interest	3,341,409	1,597,284
Long-Term Debt Repayments	(6,920,070)	(3,073,794)
Proceeds from Issuance of Long-Term Debt	122,430,000	2,125,000
	<u>118,851,339</u>	<u>648,490</u>
CAPITAL ACTIVITIES		
Proceeds from Disposal of Tangible Capital Assets	1,203,077	44,275
Cash Used to Acquire Tangible Capital Assets	(94,805,711)	(48,474,800)
	<u>(93,602,634)</u>	<u>(48,430,525)</u>
INVESTING ACTIVITIES		
Purchase of Investments	(2,617,892)	(19,718,898)
	<u>(2,617,892)</u>	<u>(19,718,898)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	133,563,666	(33,006,251)
Cash and Cash Equivalents, beginning of year	114,146,434	147,152,685
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 247,710,100</u>	<u>\$ 114,146,434</u>

The accompanying notes are an integral part of these consolidated financial statements.

CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

The Corporation of the City of New Westminster (the “City”) is a local government in the Province of British Columbia. The City prepares its consolidated financial statements in accordance with Canadian public sector accounting standards as issued by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada. The accounting policies of the City include the following:

(a) Basis of Presentation

These consolidated financial statements include the accounts of all the funds of the City and the Library and Police Boards. Inter-fund transactions and balances have been eliminated.

(b) Cash and Cash Equivalents

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

(c) Investments

Investments in the Municipal Finance Authority of British Columbia (“MFA”) Pooled Investment Funds – Intermediate and Bond Funds are recorded at cost. Cost is comprised of subscriptions net of redemptions plus earnings that are reinvested in the funds. Provisions for losses are recorded when they are considered to be other than temporary.

(d) Employee Future Benefits

The City and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred.

Sick leave and post-employment benefits also accrue to the City’s employees. The liabilities related to these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefits plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(e) Deferred Revenue

Deferred revenue represents licenses, permits, other fees and grants which have been collected, but for which the related services have not been performed and / or projects have not been constructed. These amounts will be recognized as revenue in the fiscal year the services are performed and / or the projects are constructed.

(f) Development Cost Charges (DCCs)

Development cost charges are deferred upon receipt and recognized as revenue only to the extent used to finance related authorized capital projects.

(g) Budget

Budget data presented in these consolidated financial statements is based on the City’s Five-Year Financial Plan for the years 2022 – 2026, adopted by Council on January 31, 2022.

CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Government Transfers

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

(i) 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 the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

Major Asset Category	Useful Life
Building	10 - 70 years
Vehicles and Equipment	3 - 50 years
Park Improvements	5 - 80 years
Engineering Structures	15 - 100 years
Electrical Distribution System	5 - 100 years

Annual amortization is charged in the year that assets are available for productive use. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the City's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

(ii) Contributions of Tangible Capital Assets

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

(iii) Works of Art and Historic Assets

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

(iv) Natural Resources

Horticultural assets such as treed areas, grassy areas and gardens are not recognized as assets in these consolidated financial statements.

CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Non-Financial Assets (continued)

(v) Interest Capitalization

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

(vi) Leased Tangible Capital Assets

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

(vii) Inventory of Supplies

Inventory of supplies held for consumption are recorded at the lower of weighted average cost and replacement cost.

(viii) Prepaid Expenses

Prepaid expenses are recorded as assets in these consolidated financial statements.

(j) Reserves and Reserve Funds

(i) Reserves Set Aside by Council

Reserves set aside by Council are surpluses from the current operations to finance future capital and maintenance projects. These internally restricted funds are not available for unrestricted purposes without the approval of Council.

(ii) Statutory Reserves

Statutory reserves are funds that have been internally restricted by Council. Formal establishing bylaws have been adopted pursuant to the Community Charter, which define how these reserves are to be used.

(k) Revenue Recognition

Taxation revenue is recorded at the time property tax bills are issued. Restricted revenues are recognized as revenue when the funds have been spent in accordance with the restrictions. Unrestricted contributions are recognized when received and collection is reasonably assured. Utility rates, sale of services and other revenues are recognized when earned.

(l) Use of Estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported revenue and expenses during the reporting period.

Actual results could differ from management's best estimates as additional information becomes available. Adjustments, if any, will be reflected in the consolidated financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Segment Disclosures

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information.

(n) Liability for contaminated sites

A liability for 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 standard;
- (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.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include \$0 (2021 - \$33,799,222) invested in the MFA Pooled Investment Funds – Money Market Fund, which is considered equivalent to cash as it is highly liquid and subject to insignificant risk of changes in value.

3. INVESTMENTS

	2022 Carrying Value	2021 Carrying Value
MFA - Government Focused Ultra-Short Bond Fund, 2022 Yield - 2.58% (2021 - 2.66%)	\$ 47,503,662	\$ 46,353,321
MFA – Bond Fund, 2022 Yield - 2.57% (2021 - 2.03%)	\$ 46,908,563	\$ 45,758,676
MFA - Mortgage Fund, 2022 Yield - 3.13% (2021 - 2.98%)	\$ 10,800,847	\$ 10,483,183
	<u>\$ 105,213,072</u>	<u>\$ 102,595,180</u>

CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

4. DEFERRED REVENUE AND DEPOSITS

	Balance, beginning of year	Amount Received	Amount Recognized	Balance, end of year
Parks and Recreation Fees	\$ 1,388,998	\$ 2,874,045	\$ (2,735,053)	\$ 1,527,990
Future Capital Works	25,827,141	12,929,619	(5,016,906)	33,739,854
Other Deferred Revenue	3,741,793	9,293,151	(5,497,003)	7,537,941
	\$ 30,957,932	\$ 25,096,815	\$ (13,248,962)	\$ 42,805,785

5. DEFERRED DEVELOPMENT COST CHARGES

	Balance, beginning of year	Third Party Contributions	Interest Allocation	Capital Expenses	Balance, end of year
Queensborough Drainage	\$ 260,641	\$ 54,540	\$ 5,213	\$ (315,181)	\$ 5,213
Queensborough Transportation *	(2,252,309)	258,110	(45,046)	-	(2,039,245)
Queensborough Parkland	3,656,358	461,375	73,127	(191,100)	3,999,760
Queensborough Water	645,300	-	12,906	-	658,206
Queensborough Sanitary	831,297	83,466	16,626	(29,575)	901,814
Mainland Drainage	392,431	24,520	7,849	-	424,800
Mainland Transportation	3,260,596	475,337	65,212	(231,799)	3,569,346
Mainland Parkland	9,590,074	1,323,625	191,801	(371,000)	10,734,500
Mainland Water	1,456,192	101,611	29,124	-	1,586,927
Mainland Sanitary	1,362,752	174,758	27,255	-	1,564,765
	\$ 19,203,332	\$ 2,957,342	\$ 384,067	\$ (1,138,655)	\$ 21,406,086

* Development Cost Charge Expenditure Bylaws authorize borrowing from other DCC Reserves to cover the deficit in the Queensborough Transportation DCC Reserve. The other DCC Reserves will be repaid with interest at the earlier of when the funds are required to complete DCC capital works and sufficient Queensborough Transportation DCCs are collected.

6. PENSION PLAN

The City and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2022, the plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local governments.

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

CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

6. PENSION PLAN (continued)

The most recent actuarial valuation for the Municipal Pension Plan 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 as at December 31, 2024, with results available in 2025.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

The City paid \$7,850,054 (2021 - \$7,985,324) for employer contributions to the plan in fiscal 2022.

7. EMPLOYEE BENEFIT PLANS

The City provides certain post-employment benefits, compensated absences, and termination benefits to its employees. These benefits include accumulated non-vested sick leave and post-employment disability benefits.

	2022	2021
Accrued Benefit Obligation, beginning of year	\$ 12,686,000	\$ 12,815,100
Current service cost	782,200	823,700
Interest cost	257,400	222,800
Long term disability (gain) expense	(167,500)	477,400
Benefits paid	(1,825,400)	(835,900)
Actuarial gain	(971,600)	(817,100)
Accrued Benefit Obligation, end of year	10,761,100	12,686,000
Other employee benefit liabilities	87,635	52,673
Unamortized actuarial gain	1,132,800	165,900
Accrued Benefit Liability, end of year	\$ 11,981,535	\$ 12,904,573

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. A full update to the actuarial valuation of the accrued benefit liability was performed to determine the City's accrued benefit obligation as at December 31, 2020 and results were extrapolated to December 31, 2022. Actuarial assumptions used to determine the City's accrued benefit obligation are as follows:

	2022	2021
Discount rate	4.50%	2.50%
Expected future inflation rate	2.50%	2.50%
Expected wage and salary range increases	3.00% - 4.63%	3.00% - 4.63%
Expected average remaining service period	12 years	12 years

CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

8. LONG-TERM DEBT

The City receives debt financing through the MFA in accordance with the Community Charter to finance certain capital expenses. Gross debt of \$202,364,914 (2021 - \$83,764,914) less sinking fund credits and actuarial adjustments of \$27,124,581 (2021 - \$23,250,755) is presented as net debt of \$175,240,333 (2021 - \$60,514,159).

	2022	2021
Police Building, Bylaw 6603, 2.25%, due 2024	\$ 1,131,594	\$ 1,671,628
Moody Park Pool, Bylaw 7209, 2.90%, due 2028	1,531,862	1,756,532
Moody Park Pool, Bylaw 7209, 1.28%, due 2030	206,535	229,756
Westminster Pier Park Development Bylaw 7377, 3.65%, due 2026	2,023,743	2,485,936
Westminster Pier Park Development Bylaw 7377, 2.00% due 2032	999,500	1,099,450
Civic Facilities, Road Maintenance and Park Development Loan Authorization Bylaw 7528, 2.60%, due 2036	9,533,672	10,071,532
New Westminster Substation Loan Authorization Bylaw 7604, 2.20% due 2035	17,803,145	18,908,746
New Westminster Civic Infrastructure Loan Authorization Bylaw 7842, MFA variable rate, due 2024	-	3,830,000
New Westminster Civic Infrastructure Loan Authorization Bylaw 7842, 2.24%, due 2039	19,580,282	20,460,579
New Westminster Civic Infrastructure Loan Authorization Bylaw 7842, 4.09%, due 2042	3,830,000	-
Queensborough Electrical Substation Loan Authorization Bylaw 8041, 4.09%, due 2042	25,000,000	-
New Westminster Aquatics and Community Centre Infrastructure Loan Authorization Bylaw 8073, 4.09%, due 2042	93,600,000	-
	<u>\$175,240,333</u>	<u>\$ 60,514,159</u>

Estimated repayments on long-term debt for the next five years and thereafter are as follows:

2023	8,380,691
2024	8,647,766
2025	8,358,783
2026	8,645,068
2027	8,386,284
Thereafter	132,821,741
	<u>\$ 175,240,333</u>

CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

9. TANGIBLE CAPITAL ASSETS

	Assets Under Construction	Land	Building	Vehicles / Equipment	Park Improvements	Engineering Structures			Electrical		2021 Total	
						Engineering Structures	Water	Sewer	Distribution System			
COST												
Balance, beginning of year	\$ 39,516,710	\$ 212,448,455	\$ 189,506,776	\$ 44,129,783	\$ 78,293,220	\$ 243,140,537	\$ 66,390,861	\$ 125,281,119	\$ 101,751,878	\$ 1,100,459,339	\$ 1,046,768,285	
Transfers	(4,030,142)	-	1,720,207	344,298	64,616	1,612,845	38,959	249,217	-	-	-	-
Additions	73,515,193	495,900	563,976	2,575,484	708,685	8,346,957	2,972,354	8,736,014	3,978,907	101,893,470	56,406,956	
Disposals	-	(4,902)	(85,147)	(5,257,200)	(123,724)	(1,216,103)	(20,524)	-	(561,128)	(7,268,728)	(2,715,902)	
Balance, end of year	109,001,761	212,939,453	191,705,812	41,792,365	78,942,797	251,884,236	69,381,650	134,266,350	105,169,657	1,195,084,081	1,100,459,339	
ACCUMULATED AMORTIZATION												
Balance, beginning of year	\$ -	-	\$ 82,656,655	\$ 26,603,233	\$ 40,064,959	\$ 125,751,467	\$ 14,763,535	\$ 30,210,816	\$ 30,876,082	\$ 350,926,747	\$ 329,318,661	
Amortization	-	-	5,894,587	3,758,825	2,004,078	7,302,980	923,322	2,008,393	2,527,721	24,419,906	24,204,386	
Disposals	-	-	(85,147)	(5,156,472)	(123,724)	(1,216,103)	(20,524)	-	(300,672)	(6,902,642)	(2,596,300)	
Balance, end of year	-	-	88,466,095	25,205,586	41,945,313	131,838,344	15,666,333	32,219,209	33,103,131	368,444,011	350,926,747	
NET BOOK VALUE												
As at December 31, 2022	\$ 109,001,761	\$ 212,939,453	\$ 103,239,717	\$ 16,586,779	\$ 36,997,484	\$ 120,045,892	\$ 53,715,317	\$ 102,047,141	\$ 72,066,526	826,640,070		
NET BOOK VALUE												
As at December 31, 2021	\$ 39,516,710	\$ 212,448,455	\$ 106,850,121	\$ 17,526,550	\$ 38,228,261	\$ 117,389,070	\$ 51,627,326	\$ 95,070,303	\$ 70,875,796		\$ 749,532,592	

CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

9. TANGIBLE CAPITAL ASSETS (continued)

(a) Assets under construction

Assets under construction having a value of \$109,001,761 (2021 – \$39,516,710) have not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets

Contributed capital assets have been recognized at fair market value at the date of contribution. Included in the additions to tangible capital assets is \$7,087,759 of contributed assets received during the year (2021 – \$7,932,156).

(c) Works of art and historic assets

The City manages and controls various works of art and non-operational historic assets including buildings, artifacts, painting and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

10. ACCUMULATED SURPLUS

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

	2022	2021
Surplus:		
Invested in Tangible Capital Assets (a)	\$ 713,814,090	\$ 691,766,726
Invested in Inventory of Supplies	2,907,271	2,371,758
Invested in Prepaid Expenses	3,184,829	3,522,563
Reserves:		
Reserves set aside by Council:		
Affordable Housing	1,627,899	1,642,737
Childcare Amenity	1,786	1,751
Community Amenity	7,357,817	7,756,370
Community Development	4,324,360	1,861,872
Community Endowment	4,982,192	4,884,502
Computer Replacement	872,025	801,712
Environment/Childcare Grants	204,000	200,000
Equipment Replacement	11,542,810	10,900,668
Facility Maintenance	6,083,020	4,937,234
Facility Replacement - Massey Theatre	8,992,731	7,121,289
General Amenity	427,560	419,177
General Fund Provisions	9,913,308	9,007,015
Offstreet Parking Provisions	1,714,330	1,788,850
Public Art	865,526	760,592
Climate Action	31,848,130	-
Electrical Fund Provisions	37,011,838	32,338,664
Water Fund Provisions	16,451,104	11,955,625
Sewer Fund Provisions	29,374,366	27,040,856
Solid Waste Fund Provisions	(860,949)	(1,640,813)
Statutory Reserves:		
Cemetery Reserve	890,997	842,003
Construction of Municipal Works	8,406,418	8,744,315
Parking Cash in Lieu	1,252,531	1,227,972
Park Land Acquisition	319,315	64,034
Tax Sale Land	1,827,076	1,791,251
Total Reserves	185,430,190	134,447,676
Total Accumulated Surplus	\$ 905,336,380	\$ 832,108,723

- (a) Invested in tangible capital assets is comprised of tangible capital assets of \$826,640,070 (2021 - \$749,532,592) less net proceeds from debt spent on tangible capital assets of \$112,825,980 (2021 - \$57,765,866).

CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

11. TRUST FUNDS

The Election Surplus, Amateur Sports Promotion and Irving House Bequeaths are not reported in these consolidated financial statements. The following is a summary of Trust Fund transactions for the year:

	2022	2021
Balances, beginning of year	\$ 359,971	\$ 356,407
Interest earned	7,199	3,564
	<u>367,170</u>	<u>359,971</u>
Expenses and Transfers (Net)	(5,749)	-
Balances, end of year	<u>\$ 361,421</u>	<u>\$ 359,971</u>

12. MUNICIPAL TAXATION AND OTHER LEVIES

In addition to levying and collecting property taxes for municipal purposes, the City also collects taxes from its citizens on behalf of other governments. The following table illustrates the amounts collected and the amounts transferred to other governments. These amounts collected on behalf of other governments are not reflected on the City's consolidated financial statements.

	2022	%	2021	%
Gross Taxation and Levies	\$ 150,082,182	100.00	\$ 144,004,351	100.00
Less: Collections on Behalf of Other Governments				
Metro Vancouver Regional District	1,797,304	1.20	1,717,907	1.19
BC Assessment Authority	1,255,001	0.84	1,269,611	0.88
Municipal Finance Authority	6,682	<0.01	5,873	< 0.01
Province of British Columbia - School Taxes	40,051,811	26.68	39,496,656	27.43
South Coast British Columbia Transportation Authority	8,352,389	5.57	8,359,485	5.81
Business Improvement Levies	446,270	0.30	430,455	0.30
	<u>51,909,457</u>	<u>34.59</u>	<u>51,279,987</u>	<u>35.61</u>
Municipal Taxation and Levies	<u>\$ 98,172,725</u>	<u>65.41</u>	<u>\$ 92,724,364</u>	<u>64.39</u>

13. OTHER REVENUE

Other Revenue includes:

	2022	2021
Licences, Permits and Fines	\$ 10,401,932	\$ 7,407,496
Interest and Penalties	8,543,417	4,273,446
Gain on Disposal of Tangible Capital Assets	1,116,030	21,244
Sale of Low Carbon Fuels Credits	26,395,700	-
Other	6,733,959	3,814,036
	<u>\$ 53,191,038</u>	<u>\$ 15,516,222</u>

CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

14. CONTINGENCIES

- (a) The loan agreements with the Metro Vancouver Regional District and the MFA provide that, if at any time the scheduled payments provided for in the agreements are not sufficient to meet the authorities' obligations in respect of such borrowing, the resulting deficiency becomes a joint and several liability of the City and the other participants.
- (b) The City obtains long-term debt instruments through the MFA. The City is also required to execute demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the MFA. The demand notes are contingent in nature and are not reflected in the accounts. Details of the contingent demand notes at December 31, 2022 are as follows:

	2022	2021
Police Building, Bylaw 6603	\$ 233,776	\$ 233,776
Moody Park Pool, Bylaw 7209	142,759	142,759
Westminster Pier Park, Bylaw 7377	253,681	253,681
New Westminster Substation, Bylaw 7604	258,507	463,277
Civic Facilities, Road Maintenance and Park Development, Bylaw 7528	463,277	258,507
New Westminster Civic Infrastructure, Bylaw 7842	546,385	438,645
Queensborough Electrical Substation, Bylaw 8041	703,263	-
New Westminster Aquatics and Community Centre Infrastructure, Bylaw 8073	2,633,018	-
	<u>\$ 5,234,666</u>	<u>\$ 1,790,645</u>

- (c) A number of legal claims have been initiated against the City in varying or unspecified amounts. The outcome of these claims cannot reasonably be determined at this time. The amount of loss, if any, arising from these claims will be recorded in the period in which the loss is determined.
- (d) The City is a shareholder of E-Comm, Emergency Communications for British Columbia Incorporated (E-Comm) whose services include: regional 9-1-1 call centre for the Metro Vancouver Regional District; Wide Area Radio network; dispatch operations; and records management. The City has one Class A share and one Class B share and the Police Board has one Class A share. There are 37 Class A shares and 18 Class B shares issued and outstanding as at December 31, 2022. As a Class A shareholder, the City shares in both funding the future operations and capital obligations of E-Comm (in accordance with a cost sharing formula), including any lease obligations committed to by E-Comm up to the shareholder's withdrawal date.
- (e) The City, as a member of the Metro Vancouver Regional District, the Greater Vancouver Sewerage and Drainage District and the Greater Vancouver Water District is jointly and severally liable for the net capital liabilities of these Districts. Any liability which may arise as a result of the above noted contingency will be accounted for in the period in which the required payment is made.

**CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022**

15. SEGMENTED INFORMATION

The City is a diversified municipal government institution that provides a wide range of services to its citizens, including Police Services, Parks and Recreation Services, Fire Services, Climate Action, Planning and Development Services, Engineering Services, General Government Services, Library, and Utility Operations which includes Water Supply Services, Electrical Distribution Services, Sewer and Drainage Services, and Solid Waste Services. For management reporting purposes, the City's operations and activities are organized and reported by Service Areas. Service Areas were created for the purpose of recording specific activities to attain certain objectives in accordance with regulations, restrictions and limitations.

City Services are provided by departments and their activities are reported in these Service Areas. Departments disclosed in the segmented information, along with the services they provide, are as follows:

General Government Services – Legislative Services, Administration, Cultural Services, Communications, Finance, Information Technology, Human Resources, Legal Services, Economic Development, and Grants in Aid

The Departments and Divisions within General Government Services are responsible for adopting bylaws; adopting administrative policy; levying and collecting taxes and utilities; acquiring, disposing and managing City assets; developing and maintaining information technology systems and applications; ensuring effective financial management and communication; administering City grants; managing the Anvil Centre and cultural services; developing an effective labour force; administering collective agreements and payroll; economic development; monitoring and reporting performance; and ensuring that high quality City service standards are met.

Police Services

The mandate of Police Services is to keep the community safe by enforcing the law, and by preventing and reducing crime.

Parks and Recreation Services

Parks and Recreation is responsible for providing, facilitating the development of, and maintaining high quality parks, and recreation facilities and programs.

Library Services

The New Westminster Public Library is responsible for providing library resources and services to the community.

Fire Services

The mandate of Fire Services is to protect life, property and the environment through the provision of emergency response and planning, inspections, code enforcement and public education, ensuring safety for the public.

**CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022**

15. SEGMENTED INFORMATION (continued)

Climate Action, Planning and Development

Climate Action, Planning and Development is responsible for preparing land use plans, bylaws and policies for sustainable development of the City, for reviewing and approving new development, building permits and inspections and climate action.

Engineering Services – Engineering Operations and Administration, Cemetery, Parking and Towing Services, Animal Services, Vehicle Fleet Services, Works Yards

Engineering Services is responsible for planning, building, operating and maintaining the City's physical infrastructure including roads and sidewalks, civic buildings and facilities. In addition, the divisions provide services for parking, towing, cemetery operations, animal control and fleet services.

Utility Operations - Water Supply Services, Electrical Distribution Services, Sewer and Drainage Services, and Solid Waste Services

The Water Utility operates and distributes drinking water, and maintains water mains and pump stations. The Electrical Distribution Utility is responsible for the distribution of electricity to the City's citizens and businesses and the City's fibre network system. The Sewer and Drainage Utility is responsible for the disposal of sanitary sewage and drainage, as well as the network of sewer mains, storm sewers and pump stations. The Solid Waste Utility is responsible for garbage collection, green waste collection and recycling.

CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

15. SEGMENTED INFORMATION (continued)

SEGMENTED REVENUES AND EXPENSES

	General Government	Police Services	Parks and Recreation	Library	Fire Services	Climate Action, Planning and Development	Engineering Services	Utility Operations	2022	2021	2022 Budget
REVENUE											
Municipal Taxation and Other Levies	\$ 98,158,321	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,404	\$ 98,172,725	\$ 92,724,364	\$ 97,877,861
Utility Rates	-	-	-	-	-	-	-	103,835,965	103,835,965	95,411,264	100,119,172
Sale of Services	393,475	6,233,195	3,921,417	32,139	-	69,177	5,044,775	922,647	16,616,825	14,038,332	14,373,935
Grants from Other Governments	367,021	1,793,714	250,133	144,046	22,000	236,840	3,184,982	-	5,998,736	5,198,139	8,920,339
Contributed Tangible Capital Assets	-	-	-	-	-	495,900	1,965,141	4,626,718	7,087,759	7,932,156	-
Contributions	7,321,932	-	481,193	79,934	(24,102)	37,500	741,727	2,949,335	11,587,519	13,104,911	24,086,630
Other Revenue	40,633,631	39,092	447,587	309	41,059	8,099,815	2,742,730	1,186,815	53,191,038	15,516,222	16,915,915
Total Revenue	\$ 146,874,380	\$ 8,066,001	\$ 5,100,330	\$ 256,428	\$ 38,957	\$ 8,939,232	\$ 13,679,355	\$ 113,535,884	\$ 298,490,567	\$ 243,925,388	\$ 262,293,852
EXPENSES											
Salaries, Benefits and Training	\$ 16,017,612	\$ 29,081,074	\$ 13,902,516	\$ 2,886,044	\$ 15,850,605	\$ 5,652,833	\$ 14,024,715	\$ 5,262,514	\$ 102,677,913	\$ 98,621,583	\$ 103,679,073
Contracted Services	1,977,861	4,093,925	2,633,902	158,832	848,659	1,641,598	5,059,666	4,131,728	20,546,171	21,077,321	12,914,323
Supplies and Materials	2,669,195	1,200,848	1,462,596	756,066	289,555	121,208	4,039,028	1,254,216	11,792,712	9,980,784	10,743,448
Interest and Bank Charges	2,098,727	-	-	-	-	-	-	1,141,608	3,240,335	1,791,894	2,849,958
Cost of Sales	1,087,794	-	231,314	-	-	-	-	(1,451)	1,331,325	386,921	1,414,662
Grants	802,472	13,954	-	-	-	220,410	-	-	1,036,836	792,804	1,272,550
Insurance and Claims	3,794,578	-	-	-	-	-	279,021	-	4,073,599	2,785,704	4,235,583
Utility Purchases and Levies	-	-	-	-	-	-	-	53,865,074	53,865,074	51,344,416	52,607,626
Amortization	-	-	-	-	-	-	-	6,121,445	24,419,906	24,204,386	26,286,000
Loss on Disposal of Tangible Capital Assets	4,011,519	632,336	3,804,892	721,548	567,011	-	8,561,155	-	-	-	-
Total Expenses	\$ 32,459,758	\$ 35,027,650	\$ 22,035,220	\$ 4,522,490	\$ 17,555,830	\$ 7,636,049	\$ 31,990,323	\$ 72,035,590	\$ 223,262,910	\$ 211,082,384	\$ 216,003,223
ANNUAL SURPLUS (DEFICIT)	\$ 114,414,622	\$ (26,961,649)	\$ (16,934,890)	\$ (4,266,062)	\$ (17,516,873)	\$ 1,303,183	\$ (18,310,968)	\$ 41,500,294	\$ 73,227,657	\$ 32,843,004	\$ 46,290,629

CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

16. COMMITMENTS

In January 2012, the City entered into an operating agreement with BC Hydro for the New Westminster Substation. The agreement commits the City to reimburse BC Hydro for all costs relating to operating, maintaining and upgrading the substation. The initial term of the agreement was effective until March 31, 2015 with subsequent five-year renewal periods until such time as either party serves written notice of termination at least one year prior to the end of the current five-year term. On March 31, 2020 the term of the agreement was automatically extended until March 31, 2025.

17. CONTRACTUAL RIGHTS

The City has various contracts with organizations that are expected to result in the following revenues over the next five years that are either to provide services to or acquire capital assets for the community, or are for the use of City assets through property, fibre optic and advertising space agreements.

	<u>2022</u>
2023	\$15,643,094
2024	\$ 7,290,987
2025	\$ 4,171,026
2026	\$ 2,873,595
2027	\$ 1,429,934

Certain contractual rights are not included in the above schedule as the amounts received vary from period to period and cannot be estimated.

18. GRANTS FROM OTHER GOVERNMENTS

Grants from other governments include:

	<u>2022</u>	<u>2021</u>
Federal	\$ 1,629,462	\$ 815,505
Provincial and Regional	4,369,274	4,382,634
	<u>\$ 5,998,736</u>	<u>\$ 5,198,139</u>

19. SUBSEQUENT EVENTS

In March 2023, the City received \$15,850,000 from the Province of B.C. relating to the Growing Communities Fund grant. The Growing Communities Fund grant is a one-time grant that can be used to address the City's infrastructure and amenity needs.

CORPORATION OF THE CITY OF NEW WESTMINSTER
STATEMENTS OF FINANCIAL POSITION - BY FUND
As at December 31, 2022

SUPPLEMENTAL SCHEDULE I (UNAUDITED)

	General Fund	Electrical Utility Fund	Water Utility Fund	Sewer Utility Fund	Solid Waste Utility Fund	2022	2021
FINANCIAL ASSETS							
Cash and Cash Equivalents	\$ 247,710,100	\$ -	\$ -	\$ -	\$ -	\$ 247,710,100	\$ 114,146,434
Accounts Receivable							
Property Taxes	4,088,524	-	-	-	-	4,088,524	3,139,525
Other	9,854,740	6,545,919	655,129	1,184,874	126,311	18,366,973	22,239,744
Due from Other Governments	1,539,618	-	-	-	-	1,539,618	3,660,687
Investments	105,213,072	-	-	-	-	105,213,072	102,595,180
	368,406,054	6,545,919	655,129	1,184,874	126,311	376,918,287	245,781,570
LIABILITIES							
Accounts Payable	36,698,815	501,231	-	-	-	37,200,046	27,751,609
Due to Other Governments	4,023,787	-	-	-	-	4,023,787	5,596,028
Prepaid Taxes	11,656,505	-	-	-	-	11,656,505	12,172,127
Deferred Revenue and Deposits	38,986,990	3,818,795	-	-	-	42,805,785	30,957,932
Deferred Development Cost Charges	16,694,374	-	2,245,134	2,466,578	-	21,406,086	19,203,332
Employee Benefit Plans	11,981,535	-	-	-	-	11,981,535	12,904,573
Long-Term Debt	118,393,856	56,846,477	-	-	-	175,240,333	60,514,159
Due to/(from) Other Funds	98,625,669	(45,887,685)	(20,606,115)	(31,937,468)	(194,401)	-	-
	337,061,531	15,278,818	(18,360,981)	(29,470,890)	(194,401)	304,314,077	169,099,760
NET FINANCIAL ASSETS	31,344,523	(8,732,899)	19,016,110	30,655,764	320,712	72,604,210	76,681,810
NON-FINANCIAL ASSETS							
Tangible Capital Assets	553,957,560	109,225,895	54,396,456	108,218,612	841,547	826,640,070	749,532,592
Inventory of Supplies	522,721	2,206,591	145,164	32,795	-	2,907,271	2,371,758
Prepaid Expenses	3,184,829	-	-	-	-	3,184,829	3,522,563
	557,665,110	111,432,486	54,541,620	108,251,407	841,547	832,732,170	755,426,913
ACCUMULATED SURPLUS	\$ 589,009,633	\$ 102,699,587	\$ 73,557,730	\$ 138,907,171	\$ 1,162,259	\$ 905,336,380	\$ 832,108,723

CORPORATION OF THE CITY OF NEW WESTMINSTER
STATEMENTS OF OPERATIONS - BY FUND
For the Year Ended December 31, 2022

SUPPLEMENTAL SCHEDULE II (UNAUDITED)

	General Fund	Electrical Utility Fund	Water Utility Fund	Sewer Utility Fund	Solid Waste Utility Fund	2022	2021	2022 Budget
REVENUE								
Municipal Taxation and Other Levies	\$ 98,158,321	\$ -	\$ -	\$ 14,404	\$ -	\$ 98,172,725	\$ 92,724,364	97,877,861
Utility Rates		57,007,638	16,129,792	26,457,860	4,240,675	103,835,965	95,411,264	100,119,172
Sale of Services	15,694,178	31,378	230,276	660,993	-	16,616,825	14,038,332	14,373,935
Grants from Other Governments	5,998,736	-	-	-	-	5,998,736	5,198,139	8,920,339
Contributed Tangible Capital Assets	2,461,041	500,008	791,132	3,335,578	-	7,087,759	7,932,156	-
Contributions	8,638,183	2,016,363	-	932,973	-	11,587,519	13,104,911	24,086,630
Other Revenue	52,004,223	283,271	-	-	903,544	53,191,038	15,516,222	16,915,915
	182,954,682	59,838,658	17,151,200	31,401,808	5,144,219	296,490,567	243,925,388	262,293,852
EXPENSES								
Police Services	35,027,650	-	-	-	-	35,027,650	34,149,429	34,408,503
Parks and Recreation	22,035,220	-	-	-	-	22,035,220	24,751,668	19,416,533
Fire Services	17,555,830	-	-	-	-	17,555,830	17,371,253	17,868,972
Climate Action, Planning and Development	7,636,049	-	-	-	-	7,636,049	7,376,599	7,358,604
Engineering Services	31,990,323	-	-	-	-	31,990,323	28,405,234	29,776,519
General Government	32,459,758	-	-	-	-	32,459,758	27,490,649	31,479,455
Library	4,522,490	-	-	-	-	4,522,490	3,836,930	4,905,686
Utility Operations	-	42,690,336	9,446,237	16,370,183	3,528,834	72,035,590	67,700,622	70,788,951
	151,227,320	42,690,336	9,446,237	16,370,183	3,528,834	223,262,910	211,082,384	216,003,223
ANNUAL SURPLUS	31,727,362	17,148,322	7,704,963	15,031,625	1,615,385	73,227,657	32,843,004	46,290,629
Interfund Transfers:								
From Electrical Fund to Current Fund	2,500,000	(2,500,000)	-	-	-	-	-	-
From Electrical Fund to Provision for Future Exp.	3,500,000	(3,500,000)	-	-	-	-	-	-
Other Transfers	4,742,050	(1,538,919)	(821,641)	(1,479,035)	(902,455)	-	-	-
INCREASE (DECREASE) IN SURPLUS	42,469,412	9,609,403	6,883,322	13,552,590	712,930	73,227,657	32,843,004	46,290,629
Accumulated Surplus, beginning of year	546,540,221	93,090,184	66,674,408	125,354,581	449,329	832,108,723	799,265,719	832,108,723
ACCUMULATED SURPLUS, end of year	\$ 589,009,633	\$ 102,699,587	\$ 73,557,730	\$ 138,907,171	\$ 1,162,259	\$ 905,336,380	\$ 832,108,723	\$ 878,399,352

CORPORATION OF THE CITY OF NEW WESTMINSTER
CONSOLIDATED STATEMENT OF RESERVES
For the Year Ended December 31, 2022

SUPPLEMENTAL SCHEDULE III (UNAUDITED)

	Balances, Beginning of Year	Transfer from (to) Operating Funds	Third Party Contributions (Disbursements)	Interest Allocation	Proceeds from Disposal	Transfers For Capital Programs	Balances, End of Year
RESERVES SET ASIDE BY COUNCIL							
Affordable Housing	\$ 1,642,737	\$ 379,907	\$ -	\$ 32,855	\$ -	\$ (427,600)	\$ 1,627,899
Childcare Amenity	1,751	-	-	35	-	-	1,786
Community Amenity	7,756,370	-	176,800	155,127	-	(730,480)	7,357,817
Community Development	1,861,872	(2,421,477)	6,210,200	37,237	-	(1,363,472)	4,324,360
Community Endowment	4,884,502	-	-	97,690	-	-	4,982,192
Computer Replacement	801,712	309,528	-	16,034	-	(255,249)	872,025
Environment/Childcare Grants	200,000	-	-	4,000	-	-	204,000
Equipment Replacement	10,900,668	2,201,544	-	218,013	110,617	(1,888,032)	11,542,810
Facility Maintenance	4,937,234	2,724,516	-	98,745	-	(1,677,475)	6,083,020
Facility Replacement - Massey Theatre	7,121,289	2,360,698	-	142,426	-	(631,682)	8,992,731
General Amenity	419,177	-	-	8,383	-	-	427,560
General Fund Provisions	9,007,015	11,624,463	-	-	-	(10,718,170)	9,913,308
Offstreet Parking Provisions	1,788,850	-	-	-	-	(74,520)	1,714,330
Public Art	760,592	165,732	-	15,212	-	(76,010)	865,526
Climate Action	-	31,868,501	-	-	-	(20,371)	31,848,130
Electrical Fund Provisions	32,338,664	8,293,026	-	-	-	(3,619,852)	37,011,838
Water Fund Provisions	11,955,625	6,854,016	-	-	-	(2,358,537)	16,451,104
Sewer Fund Provisions	27,040,856	11,826,649	-	-	-	(9,493,139)	29,374,366
Solid Waste Fund Provisions	(1,640,813)	779,864	-	-	-	-	(860,949)
	121,778,101	76,966,967	6,387,000	825,757	110,617	(33,334,589)	172,733,853
STATUTORY RESERVES							
Cemetery Reserve	842,003	-	-	48,994	-	-	890,997
Construction of Municipal Works	8,744,315	147,318	-	174,886	1,090,000	(1,750,101)	8,406,418
Parking Cash in Lieu	1,227,972	-	-	24,559	-	-	1,252,531
Park Land Acquisition	64,034	254,000	-	1,281	-	-	319,315
Tax Sale Land	1,791,251	-	-	35,825	-	-	1,827,076
	12,669,575	401,318	-	285,545	1,090,000	(1,750,101)	12,696,337
TOTAL RESERVES	\$ 134,447,676	\$ 77,368,285	\$ 6,387,000	\$ 1,111,302	\$ 1,200,617	\$ (35,084,690)	\$ 185,430,190
2022 Budget	\$ 154,633,733	\$ 37,679,456	\$ 6,300,000	\$ 1,094,970	\$ -	\$ (76,163,925)	\$ 123,544,234

SUPPLEMENTAL SCHEDULE IV (UNAUDITED)

**CORPORATION OF THE CITY OF NEW WESTMINSTER
RESTART GRANT SCHEDULE
As of December 31, 2022**

BC COVID-19 SAFE RESTART GRANT

In November, 2020 the City received \$6,052,000 from the Province of British Columbia for funding operations impacted by COVID-19. The Safe Restart Grant can be used over multiple years to fund increased costs and lower revenues as a result of COVID-19. The City has recognized the grant as revenue in 2020 and has used some of the funds to offset impacts in 2021 and 2022. The City is expecting to use the remainder of the funds by the end of 2023.

Safe Restart Grant Received	<u>\$ 6,052,000</u>
Costs offset	
Support for vulnerable persons	125,053
Education and enforcement	36,454
Community support programs	31,601
Emergency management centre response	118,230
Total of Costs	<u>311,338</u>
Casino and other revenue shortfall offset	<u>5,394,696</u>
Unused Grant Funding	<u><u>\$ 345,966</u></u>