



# 2024 FINANCIAL STATEMENTS

May 5, 2025



NEW WESTMINSTER

# AGENDA

1. Community Charter Requirements
2. Draft Audit Opinion
3. Financial Position at December 31, 2024
4. Operating Results for Fiscal 2024
5. Looking Ahead – Long Range Planning
6. KPMG Report
7. Next Steps
8. Questions

# Community Charter Requirements

## Annual financial statements

**167** (1) Municipal financial statements for a fiscal year must be

- (a) prepared by the financial officer, and
- (b) presented to council for its acceptance.

(2) Subject to subsection (3), the financial statements must be prepared in accordance with generally accepted accounting principles for local governments.

(3) The inspector may require or authorize, generally or for a specified municipality, that the financial statements vary from or include additional information to the requirements of subsection (2).

(4) By May 15 in each year, a municipality must submit to the inspector its audited financial statements for the preceding year and any other financial information requested by the inspector.

(5) In addition to any requirement under subsection (4), the financial officer must compile and supply information on the financial affairs of the municipality requested by the inspector.

# Draft Audit Opinion

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.

- Clean audit opinion
- No significant risks identified of management's override of controls
- No material misstatements identified
- No control deficiencies identified

# Financial Position as at Dec 31, 2024

CORPORATION OF THE CITY OF NEW WESTMINSTER  
STATEMENT OF FINANCIAL POSITION  
As at December 31, 2024

	2024	2023
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents (Note 3)	\$ 117,841,427	\$ 112,938,725
Accounts Receivable		
Property Taxes	6,779,924	6,109,855
Other	33,781,258	29,752,994
Due from Other Governments	2,276,767	1,287,644
Investments (Note 4)	296,478,111	278,348,844
	<u>457,157,487</u>	<u>428,438,062</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	32,994,021	42,007,372
Asset Retirement Obligations (Note 5)	12,740,175	12,399,913
Due to Other Governments	12,222,967	11,606,493
Prepaid Taxes	13,065,918	12,314,362
Deferred Revenue and Deposits (Note 6)	47,486,021	35,786,577
Deferred Development Cost Charges (Note 7)	26,225,839	21,455,928
Employee Benefit Plans (Note 9)	13,612,896	12,545,275
Debt (Note 10)	158,211,877	166,859,642
	<u>316,559,714</u>	<u>314,975,562</u>
<b>NET FINANCIAL ASSETS</b>	<b>140,597,773</b>	<b>113,462,500</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Note 11)	903,099,949	881,724,658
Inventory of Supplies	4,318,046	3,967,762
Prepaid Expenses	4,859,158	3,749,444
	<u>912,277,153</u>	<u>889,441,864</u>
<b>ACCUMULATED SURPLUS (Note 12)</b>	<b>\$ 1,052,874,926</b>	<b>\$ 1,002,904,364</b>

## 2024 Highlights:

- Accumulated Surplus increased by \$50.0M to \$1,052.9M, comprised of:
  - Reserves: \$281.0M
  - Assets: \$771.9M
- Capital spending for the year was \$51.1M
- The City adopts the new accounting standard - PS 3400 Revenue



# Operating Results for Fiscal 2024

CORPORATION OF THE CITY OF NEW WESTMINSTER  
STATEMENT OF OPERATIONS  
For the Year Ended December 31, 2024

	2024 Budget (Note 1(f))	2024	2023
<b>REVENUE</b>			
Municipal Taxation and Other Levies (Note 14)	\$ 114,237,981	\$ 114,278,915	\$ 104,953,729
Utility Rates	115,579,642	117,130,189	108,852,895
Sale of Services	19,147,741	21,275,984	19,178,447
Grants from Other Governments (Note 15)	7,369,639	11,414,098	25,066,571
Contributed Tangible Capital Assets (Note 11(b))	-	1,850,050	745,455
Contributions	24,228,997	14,988,901	16,894,445
Other Revenue (Note 16)	30,166,330	38,914,018	74,626,096
	<u>310,730,330</u>	<u>319,852,155</u>	<u>350,317,638</u>
<b>EXPENSES</b>			
Police Services	40,763,993	40,768,449	37,957,634
Parks and Recreation	29,238,137	31,283,843	24,898,217
Fire and Rescue Services	20,293,907	19,598,375	19,135,714
Community Services	11,580,201	11,894,123	11,434,914
Planning and Development	13,998,394	8,886,791	7,718,819
Engineering Services	37,021,652	36,452,258	34,631,922
Corporate Services	30,540,227	31,929,253	28,558,015
Library Services	5,254,507	4,742,790	4,364,484
Utility Operations	84,099,053	84,325,711	75,848,700
	<u>272,790,071</u>	<u>269,881,593</u>	<u>244,548,419</u>
<b>ANNUAL SURPLUS</b>	37,940,259	49,970,562	105,769,219
Accumulated Surplus, beginning of year		1,002,904,364	897,135,145
<b>ACCUMULATED SURPLUS, end of year</b>		<u>\$ 1,052,874,926</u>	<u>\$ 1,002,904,364</u>

## Revenue - \$9.1M over budget

- Other Revenue +\$8.7M
  - Higher than anticipated interest and investment income
  - Deferred sales of Low Carbon Fuel credits
- Sales & Services +\$2.1M
  - Increase third-party charge recoveries, and various services offered by City departments

## Expenses - \$2.9M under budget

- TCA Adjustment -\$5.9M
  - Expenditure from the capital plan which does not meet the accounting standards for tangible capital assets
- Contracted Services, Supplies and Materials +\$2.9M
  - Subcontract expenses for billable services and unforeseen emergency events
  - Increased facilities maintenance costs

# Looking Ahead – Long Range Planning

**Commitment to the financial sustainability principles**

**Maintain financial health while delivering on priorities and emerging priorities**



## **Challenges and Uncertainty:**

- Staffing & Benefits Cost Increases
- Materials, Software Fees/Licenses and Other Cost Inflation
- Asset Replacement
- Climate Adaptation and Mitigation & Flood/Extreme Natural Events Resiliency
- Increasing Housing, Safety, Community and Economic Investment Needs
- Growing Economies and Infrastructure Growth require creative Financial Strategies Longer-Term

## **Seek revenue & efficiency strategies:**

- Advocacy for senior levels of government support
- Strategies around growth paying for growth; development/sustainable long-term rates
- Seek ongoing operational efficiency strategies without compromising service levels
- Continuous process improvement strategies and transformation ideas
- Ongoing assessment of evolving community need and realignment of resources

# KPMG Report

Brandon Ma  
Engagement Partner



# What's Coming Next

- Statement of Financial Information (SOFI)
  - Due to the Province on ***June 30, 2025***
- Statement of Total Compensation as per Council motion

# Questions?