Financial Statements of

CORPORATION OF THE CITY OF NEW WESTMINSTER

And Independent Auditor's Report thereon

Year ended December 31, 2024

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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 financial statements of Corporation of the City of New Westminster (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.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

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 5, 2025

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 of 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, 2024, and the results of 2024 operations in accordance with PSAS.

Lisa Spitale
Chief Administrative Officer

Shehzad Somji, CPA, CGA
CFO/Director of Finance

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

	2024	2023
FINANCIAL ASSETS		
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
	457,157,487	428,438,062
LIABILITIES		
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
	316,559,714	314,975,562
NET FINANCIAL ASSETS	**140,597,773**	113,462,500
NON-FINANCIAL ASSETS		
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
	912,277,153	889,441,864
ACCUMULATED SURPLUS (Note 12)	**$ 1,052,874,926**	$ 1,002,904,364

Contingencies, Commitments, and Contractual Rights (Notes 17, 19 and 20)

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

Shehzad Somji, CPA, CGA
CFO/Director of Finance

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

	2024 Budget (Note 1(f))	**2024**	2023
REVENUE			
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
	310,730,330	**319,852,155**	350,317,638
EXPENSES			
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
	272,790,071	**269,881,593**	244,548,419
ANNUAL SURPLUS	37,940,259	**49,970,562**	105,769,219
Accumulated Surplus, beginning of year		**1,002,904,364**	897,135,145
ACCUMULATED SURPLUS, end of year		**$ 1,052,874,926**	$ 1,002,904,364

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

CORPORATION OF THE CITY OF NEW WESTMINSTER
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2024

	2024 Budget (Note 1(f))	**2024**	2023
ANNUAL SURPLUS	$ 37,940,259	**$ 49,970,562**	$ 105,769,219
Acquisition of Tangible Capital Assets	(140,727,491)	**(51,085,437)**	(77,621,989)
Contributed Tangible Capital Assets	-	**(1,850,050)**	(745,455)
Proceeds from Disposal of Tangible Capital Assets	-	**452,370**	1,164,112
Amortization of Tangible Capital Assets	30,571,000	**31,052,147**	26,084,925
Loss on Disposal of Tangible Capital Assets	-	**55,679**	232,497
	(110,156,491)	**(21,375,291)**	(50,885,910)
Acquisition of Inventory of Supplies		**(350,284)**	(1,060,491)
Acquisition of Prepaid Expenses		**(1,109,714)**	(564,615)
		(1,459,998)	(1,625,106)
INCREASE IN NET FINANCIAL ASSETS		**27,135,273**	53,258,203
Net Financial Assets, beginning of year		**113,462,500**	60,204,297
NET FINANCIAL ASSETS, end of year		**$ 140,597,773**	$ 113,462,500

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

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

	2024	2023
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Annual Surplus	**$ 49,970,562**	$ 105,769,219
Items not involving cash:		
Amortization of Tangible Capital Assets	**31,052,147**	26,084,925
Net Loss on Disposal of Tangible Capital Assets	**55,679**	232,497
Contributed Tangible Capital Assets	**(1,850,050)**	(745,455)
Capital Expenditures Funded from Development Cost Charges	**(1,526,212)**	(3,198,421)
Debt Actuarial Reduction	**(1,194,084)**	(944,494)
Change in non-cash operating items:		
Accounts Receivable	**(4,698,333)**	(13,407,352)
Due From Other Governments	**(989,123)**	251,974
Accounts Payable and Accrued Liabilities	**(9,013,351)**	4,807,326
Asset Retirement Obligations	**340,262**	12,399,913
Due to Other Governments	**616,474**	7,582,706
Prepaid Taxes	**751,556**	657,857
Deferred Revenue and Deposits	**11,699,444**	(7,019,208)
Employee Benefit Plans	**1,067,621**	563,740
Inventory of Supplies	**(350,284)**	(1,060,491)
Prepaid Expenses	**(1,109,714)**	(564,615)
	74,822,594	119,010,208
FINANCING ACTIVITIES		
Development Cost Charge Receipts and Interest	**6,296,123**	3,248,263
Debt Repayments	**(7,453,681)**	(7,436,197)
	(1,157,558)	(4,187,934)
CAPITAL ACTIVITIES		
Proceeds from Disposal of Tangible Capital Assets	**452,370**	1,164,112
Cash Used to Acquire Tangible Capital Assets	**(51,085,437)**	(77,621,989)
	(50,633,067)	(76,457,877)
INVESTING ACTIVITIES		
Purchase of Investments	**(18,129,267)**	(173,135,772)
	(18,129,267)	(173,135,772)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**4,902,702**	(134,771,375)
Cash and Cash Equivalents, beginning of year	**112,938,725**	247,710,100
CASH AND CASH EQUIVALENTS, end of year	**$ 117,841,427**	$ 112,938,725

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

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 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 financial statements include the accounts of all the funds of the City and the Library and Police Boards.

(b) Cash and Cash Equivalents
Cash and cash equivalents consist of cash and short-term investments with maturities of less than 90 days at acquisition.

(c) 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.

(d) 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.

(e) 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.

(f) Budget
Budget data presented in these financial statements is based on the City's 2024 – 2028 Five Year Financial Plan adopted by Council on March 11, 2024.

(g) 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.

(h) 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.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Non-Financial Assets (continued)

(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 - 75 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 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 financial statements.

(iv) Natural Resources

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

(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.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Non-Financial Assets (continued)

(viii) Prepaid Expenses

Prepaid expenses are recorded as assets in these financial statements.

(i) 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.

(j) Revenue Recognition

Taxation revenue is recognized when they meet the definition of asset, they are authorized, and the taxable event occurs, which is generally 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.

Revenue from exchange transactions:

(i) For transactions with a single performance obligation that is satisfied at a point in time, including certain sale of services, licenses and permits, and other revenue, is recognized when the City satisfies the performance obligation by providing the promised goods or services to a payor.

(ii) For transactions with performance obligations satisfied over a period of time, including utility rates, 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.

(iii) 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 fines and penalties, 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.

(k) Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the 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 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.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) 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.

(m) Liability for Contaminated Sites
A liability for contaminated sites is recognized when a site is not in productive use and all of the following criteria are met:

(i) An environmental standard exist;
(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.

(n) Financial Instruments
Financial instruments include cash and cash equivalents, accounts receivable, investments, accounts payable and debt. Public sector accounting standards require that these instruments be assigned to one of the two measurement categories below:

(i) Fair value; or
(ii) Cost or amortized cost.

Financial instruments are recorded at fair value at initial recognition and are subsequently remeasured at fair value as at the financial reporting date. Unrealized changes in fair value in the fiscal year are recognized on the statement of remeasurement gains and losses. They are recorded in the statement of operations when they are realized. The following classification system describes the basis of inputs used to measure financial instruments in the fair value category:

(i) Level 1 – Quoted price in active market for identical assets or liabilities.
(ii) Level 2 – Internal models developed from observable market data for similar assets or liabilities.
(iii) Level 3 – Internal models developed without observable market data.

The City has not elected to measure any financial instruments at fair value. All instruments are recorded at cost or amortized cost. 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 or amortized cost are included in the cost.

All financial assets measured at cost or amortized cost 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.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Asset Retirement Obligations

An asset retirement obligation (ARO) will be 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 retirement 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.

Measurement of the asset retirement obligation is based on best estimate of future cash flows that will be required to settle the liability. The estimate includes costs directly attributable to the asset retirement activities. The estimated costs are recorded as a liability and capitalized into the carrying value of tangible capital assets, which are being amortized in accordance with the tangible capital asset amortization policy. The liability is reviewed at each financial reporting date and changes to the original or subsequent estimate of cash flows are recorded as an adjustment to the liability and related tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

Recoveries related to asset retirement obligations are recognized when the recovery amount 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.

2. ADOPTION OF NEW ACCOUNTING STANDARD

(a) PS 3400 Revenue

On January 1, 2024, the City adopted Canadian public sector accounting standard PS 3400 Revenue which establishes standards on how to account for and report revenue. The standard makes a distinction between exchange transactions with performance obligations and non-exchange transactions that do not have performance obligations. It provides a framework for classification of revenue and enhance consistency of revenue recognition and measurement. The City adopted PS 3400 on a prospective basis. As a result of the adoption, approximately $2.1 million of building and plumbing permit fees collected in 2024 were recorded as deferred revenue. Recognition of these revenue is subject to timing of when the associated performance obligations are fulfilled in the future.

(b) PS 3160 Public Private Partnerships

On January 1, 2024, the City adopted Canadian public sector accounting standard PS 3160 Public Private Partnerships which establishes standards for certain public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner. The City adopted PS 3160 on a prospective basis. Adoption of this standard did not have an impact on the amounts presented in the financial statements as the City currently does not have any public private partnership projects.

2. ADOPTION OF NEW ACCOUNTING STANDARD (continued)

(c) PSG-8 Purchased Intangibles
On January 1, 2024, the City adopted Canadian public sector accounting guideline PSG-8 Purchased Intangibles. PSG-8 provides recognition, measurement and disclosure guidelines when acquiring intangibles through an arm's length transaction. The City adopted PSG-8 on a prospective basis. Adoption of this guideline did not have an impact on the amounts presented in the financial statements as there are no such items that meet the criteria to be recognized as a purchased intangible.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in general operating accounts and $111,554,950 (2023 - $104,178,942) in high interest saving accounts and investment in 31 days notice plan.

4. INVESTMENTS

Investments consists of Guaranteed Income Certificates maturing within two years, and investment in Municipal Finance Authority (MFA) pooled investment funds.

	2024	2023
MFA - Government Focused Ultra-Short Bond Fund 2024 Yield - 2.49% (2023 - 2.64%)	**$ 49,914,451**	$ 48,714,540
MFA – Short Term Bond Fund 2024 Yield - 3.15% (2023 - 3.39%)	**49,970,338**	48,454,990
MFA - Pooled Mortgage Fund 2024 Yield - 3.79% (2023 - 3.70%)	**11,593,322**	11,179,314
	111,478,111	108,348,844
Guaranteed Income Certificates (Interest rates 3.50% - 5.67%)	**185,000,000**	170,000,000
	$ 296,478,111	$ 278,348,844

5. ASSET RETIREMENT OBLIGATIONS

The City recognizes asset retirement obligations (ARO) either through acquisition, construction or development of tangible capital assets or through recognizing obligations to various contracts and agreements. Settlement of outstanding obligations is estimated to range from 2025 – 2095.

Changes to the City's asset retirement obligation liability in the year are as follows:

	2024	2023
Opening balance	**$ 12,399,913**	$ 12,399,913
Liability incurred	**-**	230,000
Liability settled	**(71,475)**	(230,000)
Adjustment to estimate	**411,737**	-
Closing balance	**$ 12,740,175**	$ 12,399,913

6. DEFERRED REVENUE AND DEPOSITS

	Balance, beginning of year	Amount Received	Amount Recognized	**Balance, end of year**
Parks and Recreation Fees	$ 1,586,223	$ 4,697,970	$ (3,916,379)	**$ 2,367,814**
Future Capital Works	30,491,723	18,828,394	(9,839,084)	**39,481,033**
Other Deferred Revenue	3,708,631	13,668,797	(11,740,254)	**5,637,174**
	$ 35,786,577	**$ 37,195,161**	**$ (25,495,717)**	**$ 47,486,021**

7. DEFERRED DEVELOPMENT COST CHARGES

	Balance, beginning of year	Third Party Contributions	Interest Allocation	Capital Expenses	**Balance, end of year**
Queensborough Drainage	$ 851	$ 5,338	$ 41	$ (3,363)	**$ 2,867**
Queensborough Transportation *	(2,134,070)	-	(102,222)	-	**(2,236,292)**
Queensborough Parkland	3,986,473	894,709	190,952	(211,338)	**4,860,796**
Queensborough Water	669,168	-	32,053	(10,495)	**690,726**
Queensborough Sanitary	935,450	164,598	44,808	(60,148)	**1,084,708**
Mainland Drainage	105,974	275,446	5,076	(30,162)	**356,334**
Mainland Transportation	4,080,428	1,258,953	195,453	(91,120)	**5,443,714**
Mainland Parkland	12,269,108	1,904,630	587,690	(411,604)	**14,349,824**
Mainland Water	933,759	298,277	44,727	(327,820)	**948,943**
Mainland Sanitary	608,787	466,433	29,161	(380,162)	**724,219**
	$ 21,455,928	**$ 5,268,384**	**$ 1,027,739**	**$ (1,526,212)**	**$ 26,225,839**

* 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 or when sufficient Queensborough Transportation DCCs are collected.

8. PENSION PLAN

The City and its employees contribute to the Municipal Pension Plan (a jointly trusteed 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, 2023, the plan has about 256,000 active members and approximately 129,000 retired members. Active members include approximately 45,000 contributors from local governments.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a $3.76 billion funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2024.

8. PENSION PLAN (continued)

The City paid $9,395,795 (2023 - $8,045,030) for employer contributions to the plan in fiscal 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 individual employers participating in the plan.

9. 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.

	2024	2023
Accrued Benefit Obligation, beginning of year	**$ 12,937,600**	$ 10,761,100
Current service cost	**856,300**	611,600
Interest cost	**441,400**	391,200
Long term disability expense	**807,400**	609,400
Benefits paid	**(1,083,600)**	(940,700)
Actuarial (gain) loss	**(699,300)**	1,505,000
Accrued Benefit Obligation, end of year	**13,259,800**	12,937,600
Other employee benefit liabilities	**71,996**	65,575
Net unamortized actuarial gain (loss)	**281,100**	(457,900)
Accrued Benefit Liability, end of year	**$ 13,612,896**	$ 12,545,275

For active members expected to receive benefits under the plan, actuarial gains and losses are amortized on a linear basis over the expected average remaining service life of 12 years (2023 - 12 years) of the related employee group. Amortization of actuarial gains and losses commences in 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, 2023 and results were extrapolated to December 31, 2024.

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%**	4.50%
Expected wage and salary range increases	**2.50% - 5.90%**	2.50% - 7.90%

10. DEBT

The City receives debt financing through the MFA in accordance with the Community Charter to finance certain capital expenses. Gross debt of $194,604,914 (2023 - $202,364,914) less sinking fund credits and actuarial adjustments of $36,393,037 (2023 - $35,505,272) is presented as net debt of $158,211,877 (2023 - $166,859,642). Interest expense for debt in 2024 was $6,772,056 (2023 - $6,744,932). One debt (Police Building, Bylaw 6603) with principal of $7,760,000 matured during fiscal 2024.

	2024	2023
Police Building, Bylaw 6603, 2.25%, due 2024	**$ -**	$ 564,637
Westminster Pier Park Development Bylaw 7377, 3.65%, due 2026	**1,048,131**	1,544,680
Moody Park Pool, Bylaw 7209, 2.90%, due 2028	**1,055,204**	1,298,239
Moody Park Pool, Bylaw 7209, 1.28%, due 2030	**157,626**	182,518
Westminster Pier Park Development Bylaw 7377, 2.00% due 2032	**799,600**	899,550
New Westminster Substation Loan Authorization Bylaw 7604, 2.20% due 2035	**15,474,501**	16,659,403
Civic Facilities, Road Maintenance and Park Development Loan Authorization Bylaw 7528, 2.60%, due 2036	**8,400,817**	8,977,217
New Westminster Civic Infrastructure Loan Authorization Bylaw 7842, 2.24%, due 2039	**17,739,670**	18,673,641
New Westminster Civic Infrastructure Loan Authorization Bylaw 7842, 4.09%, due 2042	**3,551,778**	3,693,285
Queensborough Electrical Substation Loan Authorization Bylaw 8041, 4.09%, due 2042	**23,183,927**	24,107,603
New Westminster Aquatics and Community Centre Infrastructure Loan Authorization Bylaw 8073, 4.09%, due 2042	**86,800,623**	90,258,869
	$ 158,211,877	$166,859,642

Estimated debt repayments for the next five years and thereafter are as follows:

2025	**$ 8,358,783**
2026	**8,645,068**
2027	**8,386,284**
2028	**8,658,859**
2029	**8,675,371**
Thereafter	**115,487,512**
	$ 158,211,877

11. TANGIBLE CAPITAL ASSETS

	Assets Under Construction	Land	Building	Vehicles / Equipment	Park Improvements	Engineering Structures			Electrical Distribution System	2024 Total	2023 Total
						Engineering Structures	Water	Sewer			
COST											
Balance, beginning of year	$ 115,753,658	$ 212,938,279	$ 197,885,989	$ 45,469,372	$ 85,062,961	$ 258,765,137	$ 72,834,710	$ 149,669,727	$ 138,412,781	**$ 1,276,792,614**	$ 1,206,262,088
Transfers	(105,532,936)	-	100,638,689	2,987	64,467	3,775,355	-	384,068	667,370	**-**	-
Additions	19,211,847	2,420,273	8,015,290	7,495,048	2,511,830	4,983,218	416,397	3,152,396	4,729,188	**52,935,487**	78,367,444
Disposals	-	(1)	(2,084,275)	(2,637,892)	(2,115,187)	(102,346)	(30,659)	(66,074)	(517,275)	**(7,553,709)**	(7,836,918)
Balance, end of year	29,432,569	215,358,551	304,455,693	50,329,515	85,524,071	267,421,364	73,220,448	153,140,117	143,292,064	**1,322,174,392**	1,276,792,614
ACCUMULATED AMORTIZATION											
Balance, beginning of year	$ -	$ -	$ 96,277,191	$ 27,697,415	$ 44,033,496	$ 139,377,613	$ 16,613,506	$ 34,527,308	$ 36,541,427	**$ 395,067,956**	$ 375,423,340
Amortization	-	-	8,878,557	4,248,767	2,189,003	8,007,099	975,839	2,363,418	4,389,464	**31,052,147**	26,084,925
Disposals	-	-	(1,960,247)	(2,533,156)	(2,101,547)	(102,346)	(30,659)	(66,074)	(251,631)	**(7,045,660)**	(6,440,309)
Balance, end of year	-	-	103,195,501	29,413,026	44,120,952	147,282,366	17,558,686	36,824,652	40,679,260	**419,074,443**	395,067,956
NET BOOK VALUE											
As at December 31, 2024	**$ 29,432,569**	**$ 215,358,551**	**$ 201,260,192**	**$ 20,916,489**	**$ 41,403,119**	**$ 120,138,998**	**$ 55,661,762**	**$ 116,315,465**	**$ 102,612,804**	**$ 903,099,949**	
NET BOOK VALUE											
As at December 31, 2023	$ 115,753,658	$ 212,938,279	$ 101,608,798	$ 17,771,957	$ 41,029,465	$ 119,387,524	$ 56,221,204	$ 115,142,419	$ 101,871,354		$ 881,724,658

11. TANGIBLE CAPITAL ASSETS (continued)

(a) Assets under construction
Assets under construction having a value of $29,432,569 (2023 – $115,753,658) 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 $1,850,050 of contributed assets received during the fiscal year (2023 – $745,455).

(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.

12. ACCUMULATED SURPLUS

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

	2024	2023
Surplus:		
Invested in Tangible Capital Assets (a)	**$ 762,729,639**	$ 740,574,773
Invested in Inventory of Supplies	**4,318,046**	3,967,762
Invested in Prepaid Expenses	**4,859,158**	3,749,444
Reserves:		
Reserves set aside by Council:		
Affordable Housing	**2,330,106**	2,004,685
Childcare Amenity	**1,943**	1,869
Community Amenity	**8,429,044**	8,135,485
Community Development	**9,010,209**	7,401,935
Community Endowment	**5,463,608**	5,213,864
Computer Replacement	**1,273,489**	1,077,393
Environment/Childcare Grants	**217,973**	213,486
Equipment Replacement	**10,746,633**	12,870,582
Facility Maintenance	**7,506,959**	6,173,686
Facility Replacement - Massey Theatre	**10,990,434**	10,870,661
General Amenity	**468,874**	447,442
General Fund Provisions	**10,298,790**	5,133,525
Off street Parking Provisions	**1,366,177**	1,659,597
Public Art	**914,712**	858,823
Climate Action	**47,617,277**	43,981,187
Growing Communities Grant	**15,242,976**	15,445,768
Parks Reserve	**22,410,004**	22,325,933
Electrical Fund Provisions	**43,458,282**	42,233,502
Water Fund Provisions	**24,294,337**	19,769,752
Sewer Fund Provisions	**41,386,137**	33,774,494
Solid Waste Fund Provisions	**1,599,287**	223,457
Statutory Reserves:		
Cemetery Reserve	**997,966**	927,212
Construction of Municipal Works	**11,525,353**	10,405,356
Parking Cash in Lieu	**1,100,387**	1,216,493
Park Land Acquisition	**350,169**	334,163
Tax Sale Land	**1,966,957**	1,912,035
Total Reserves	**280,968,083**	254,612,385
Total Accumulated Surplus	**$1,052,874,926**	$1,002,904,364

(a) Invested in tangible capital assets is comprised of tangible capital assets of $903,099,949 (2023 - $881,724,658) less net proceeds from debt spent on tangible capital assets of $140,370,310 (2023 - $141,149,885).

13. TRUST FUNDS

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

	Balance, beginning of year	Interest Allocation	Expenses and Transfer (Net)	**Balance, end of year**
Amateur Sports Fund	$ 254,206	$ 12,176	$ -	**$ 266,382**
Irving House Bequeaths	122,549	5,870	-	**128,419**
Election Surplus	1,472	71	-	**1,543**
	$ 378,227	**$ 18,117**	**$ -**	**$ 396,344**

14. 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 financial statements.

	2024	**%**	2023	%
Gross Taxation and Levies	**$ 177,641,530**	**100.00**	$ 161,815,720	100.00
Less: Collections on Behalf of Other Governments				
Metro Vancouver Regional District	**2,351,196**	**1.32**	2,034,795	1.26
BC Assessment Authority	**1,482,958**	**0.83**	1,367,604	0.85
Municipal Finance Authority	**8,110**	**<0.01**	7,628	< 0.01
Province of British Columbia - School Taxes	**47,431,201**	**26.70**	43,928,919	27.14
South Coast British Columbia Transportation Authority	**11,625,368**	**6.54**	9,060,402	5.60
Business Improvement Levies	**463,782**	**0.26**	462,643	0.29
	63,362,615	**35.66**	56,861,991	35.15
Municipal Taxation and Levies	**$ 114,278,915**	**64.34**	$ 104,953,729	64.85

15. GRANTS FROM OTHER GOVERNMENT

Grants from other governments include:

	2024	2023
Federal	**$ 2,546,783**	$ 860,539
Provincial and Regional	**8,867,315**	24,206,032
	$ 11,414,098	$ 25,066,571

16. OTHER REVENUE

Other Revenue includes:

	2024	2023
Licenses, Permits and Fines	**$ 10,038,803**	$ 13,588,047
Interest and Penalties	**21,555,258**	19,117,703
Gain on Disposal of Tangible Capital Assets	**359,640**	1,141,116
Sale of Low Carbon Fuels Credits	**-**	8,471,047
Westminster Pier Park Fire Insurance Proceeds	**-**	24,950,000
Other	**6,960,317**	7,358,183
	$ 38,914,018	$ 74,626,096

17. CONTINGENCIES

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.

The City obtains 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.

One debt (Police Building, Bylaw 6603) matured during the year and the associated demand note was cancelled. Details of the contingent demand notes at December 31 are as follows:

	2024	2023
Police Building, Bylaw 6603	**$ -**	$ 233,776
Moody Park Pool, Bylaw 7209	**142,759**	142,759
Westminster Pier Park, Bylaw 7377	**253,681**	253,681
Civic Facilities, Road Maintenance and Park Development, Bylaw 7528	**258,507**	258,507
New Westminster Substation, Bylaw 7604	**463,277**	463,277
New Westminster Civic Infrastructure, Bylaw 7842	**546,385**	546,385
Queensborough Electrical Substation, Bylaw 8041	**703,263**	703,263
New Westminster Aquatics and Community Centre Infrastructure, Bylaw 8073	**2,633,018**	2,633,018
	$ 5,000,890	$ 5,234,666

17. CONTINGENCIES (continued)

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, 2024. 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.

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.

18. 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 and Rescue Services, Community Services, Planning and Development Services, Engineering Services, Corporate Services, Library Services, and Utility Operations which includes Water Supply Services, Sewer and Drainage Services, Solid Waste Services, Electrical Distribution Services and Climate Action initiatives. 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:

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.

Fire and Rescue 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.

18. SEGMENTED INFORMATION (continued)

Community Services – Economic Development, Community Partnerships, Corporate Communications, Public Engagement, Cultural Services, Art & Theatre, Museums and Heritage, Conference Services

The divisions within Community Services are responsible for economic development and business licensing; planning and supporting special events; administering the community grants program; overseeing and supporting City volunteers; coordinating filming activity in the city; ensuring effective communication with the public; overseeing the City's public engagement processes; managing the Anvil Centre and its range of heritage, arts, cultural, and conference services.

Planning and Development

Planning and Development is responsible for housing policy and development; preparing land use plans, bylaws and policies for the sustainable development of the City; managing the development application and building permit review process including undertaking inspections; bylaw enforcement; and the outreach component of crisis response.

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.

Corporate Services – Administration, Legislative Services, Legal Services, Finance, Information Technology, Human Resources.

The divisions within Corporate 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; developing an effective labour force; administering collective agreements and payroll; monitoring and reporting performance; and ensuring that high quality City service standards are met.

Library Services

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

18. SEGMENTED INFORMATION (continued)

Utility Operations – Water Supply Services, Sewer and Drainage Services, Solid Waste Services, Electrical Distribution Services, Fibre Optic Services, Climate Actions.

The Water Utility operates and distributes drinking water, and maintains water mains and pump stations. 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.

The Electrical Utility is responsible for distributing electricity to the city's residents and businesses, as well as designing and maintaining city-owned electrical distribution infrastructure. The Electrical Utility also maintains streetlights, traffic signals, and city facilities. The Dark Fibre Optic Utility provides an open-access communications infrastructure to improve connectivity and create opportunities for residents, businesses, and institutions, as well as providing fibre connectivity to City facilities and Utilities.

The Climate Action Team develops and implements policies, programs, and partnerships aimed at reducing greenhouse gas emissions, enhancing climate resilience, and promoting equity within the community.

18. SEGMENTED INFORMATION (continued)

SEGMENTED REVENUES AND EXPENSES

	Police Services	Parks and Recreation	Fire and Rescue Services	Community Services	Planning and Development	Engineering Services	Corporate Services	Library	Utility Operations	**2024**	2023	2024 Budget Note 1(f)
REVENUE												
Municipal Taxation and Other Levies	$ -	$ -	$ -	$ -	$ -	$ -	$ 114,389,225	$ -	$ (110,310)	**$ 114,278,915**	$ 104,953,729	$ 114,237,981
Utility Rates	-	-	-	-	-	-	-	-	117,130,189	**117,130,189**	108,852,895	115,579,642
Sale of Services	5,790,885	7,023,088	36,905	193,842	120,100	5,921,943	464,119	40,011	1,685,091	**21,275,984**	19,178,447	19,147,741
Grants from Other Governments	2,369,783	228,710	-	57,632	1,524,548	5,412,560	1,546,539	160,076	114,250	**11,414,098**	25,066,571	7,369,639
Contributed Tangible Capital Assets	-	195,000	-	-	-	1,068,100	-	-	586,950	**1,850,050**	745,455	-
Contributions	-	558,495	-	3,201	145,000	992,718	6,529,094	38,309	6,722,084	**14,988,901**	16,894,445	24,228,997
Other Revenue	47,659	203,367	136,562	4,914,147	4,967,100	3,931,101	23,032,118	615	1,681,349	**38,914,018**	74,626,096	30,166,330
Total Revenue	$ 8,208,327	$ 8,208,660	$ 173,467	$ 5,168,822	$ 6,756,748	$ 17,326,422	$ 145,961,095	$ 239,011	$ 127,809,603	**$ 319,852,155**	$ 350,317,638	$ 310,730,330
EXPENSES												
Salaries, Benefits and Training	$ 32,808,816	$ 19,421,824	$ 17,543,606	$ 5,553,398	$ 6,934,378	$ 16,985,640	$ 15,074,095	$ 3,488,934	$ 6,978,525	**$ 124,789,216**	$ 113,963,569	$ 126,764,943
Contracted Services	6,010,968	1,912,769	986,955	1,216,525	1,674,890	5,141,789	2,214,346	106,695	5,440,729	**24,705,666**	21,504,983	27,952,029
Supplies and Materials	1,234,479	2,105,413	452,261	293,574	170,991	4,680,581	3,125,310	453,573	1,447,271	**13,963,453**	12,066,177	13,668,139
Interest and Bank Charges	-	-	-	-	-	-	5,270,174	-	1,967,345	**7,237,519**	7,118,321	6,944,009
Cost of Sales	-	334,245	-	1,665,202	-	8,347	-	-	122	**2,007,916**	2,064,910	1,720,862
Grants	14,982	-	-	795,929	106,532	-	54,620	-	-	**972,063**	976,840	1,137,550
Insurance and Claims	-	-	-	-	-	268,043	4,664,259	-	-	**4,932,302**	4,203,766	4,935,583
Utility Purchases and Levies	-	-	-	-	-	-	-	-	59,805,992	**59,805,992**	55,191,315	59,095,956
Amortization	693,187	7,382,370	611,344	2,369,495	-	9,364,881	1,526,449	693,588	8,410,833	**31,052,147**	26,084,925	30,571,000
Loss on Disposal of Tangible Capital Assets	6,017	127,222	4,209	-	-	2,977	-	-	274,894	**415,319**	1,373,613	-
Total Expenses	$ 40,768,449	$ 31,283,843	$ 19,598,375	$ 11,894,123	$ 8,886,791	$ 36,452,258	$ 31,929,253	$ 4,742,790	$ 84,325,711	**$ 269,881,593**	$ 244,548,419	$ 272,790,071
ANNUAL SURPLUS (DEFICIT)	$ (32,560,122)	$ (23,075,183)	$ (19,424,908)	$ (6,725,301)	$ (2,130,043)	$ (19,125,836)	$ 114,031,842	$ (4,503,779)	$ 43,483,892	**$ 49,970,562**	$ 105,769,219	$ 37,940,259

19. 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.

20. CONTRACTUAL RIGHTS

The City has various contracts with organizations that are expected to result in the following revenues over the next five years and thereafter 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 network and advertising space agreements.

2025	**$**	**18,670,184**
2026		**6,923,966**
2027		**5,486,104**
2028		**1,435,546**
2029		**1,357,774**
Thereafter		**7,545,886**
	$	**41,419,460**

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

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments include cash and cash equivalents, investments, accounts receivable, accounts payable and debt. The City has exposure to the following risks from its use of financial instruments: credit risk, interest rate risk, foreign exchange risk and liquidity risk.

(a) Credit Risk

Credit risk refers to the potential for the City to incur financial losses if a third party fails to fulfill its contractual obligations. Primarily, credit risk stems from the City's cash and cash equivalents, investments, and receivables.

Cash and cash equivalents are held with banks and counterparties that have high credit ratings and minimal market risk. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations.

The City mitigates credit risk in its investments by adhering to minimum credit quality standard (A1 to A1+ for short-term investments and A- to AAA for long-term investments) of Standard & Poor's rating (or equivalent). The maximum exposure is limited to the amount presented on the statement of financial position.

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(a) Credit Risk (continued)
Accounts receivable mainly consists of property taxes, utilities, trade and other receivables. The Community Charter grants legislative authority to the City collecting unpaid property taxes and utility charges through tax sale. The City maintains a robust accounts receivable management policy through actively monitoring aging receivables and exercising a strong credit check policy.

(b) Interest Rate Risk
Changes in interest rates may affect the City's future cash flows or fair market value of financial instruments. Investments are purchased with the intention to hold until maturity and not driven by speculative fluctuations in interest rates. The City structures its investment portfolio to align with planned liquidity requirements for ongoing operations and capital needs.

The City invests funds in Guaranteed Income Certificates where interest rates are locked in until maturity. The City is exposed to interest rate risk when these securities are up for renewal. The City also invests in MFA pooled investment funds where the market value is subject to interest rate fluctuations. Management regularly monitors economic and interest rate conditions and may make recommendations, if necessary, to Council to re-balance the City's investment portfolio in order to mitigate any potential risks and manage financial resources effectively.

The City adheres to prudent fiscal stewardship by maintaining debt at a manageable level and acquiring only fixed-rate debt debenture which protects the City's fiscal position from unexpected increases in interest rates.

(c) Foreign Exchange Risk
The City has limited foreign exchange risk due to the fact that its primary business activities are conducted in Canada using Canadian currency.

The City's investments and debt portfolio has no exposure to foreign exchange risk as the securities held, debt principal and interest payments are denominated in Canadian currency.

(d) Liquidity Risk
Liquidity risk is the risk that the City will encounter difficulty in meeting its financial obligations as they come due. The City manages liquidity risk through effective financial and contract management. Management regularly monitors actual and forecasted cash flows required for operating, financing and capital activities.

The City maintains strong liquidity by preserving a reasonable level of cash and cash equivalents and investing in short-term investments maturing within two years. The City also contributes to a sinking fund for debt in accordance with the actuarial requirements to ensure that the City is meeting its debt retirement obligations at maturity.

22. COMPARATIVE CHANGE

Certain prior year's figures have been reclassified to conform to current year's presentation. These changes did not have an impact on the annual surplus presented in the financial statements.

CORPORATION OF THE CITY OF NEW WESTMINSTER
STATEMENTS OF FINANCIAL POSITION - BY FUND
As at December 31, 2024

SUPPLEMENTAL SCHEDULE I (UNAUDITED)

	General Fund	Electrical Utility Fund	Water Utility Fund	Sewer Utility Fund	Solid Waste Utility Fund	**2024**	2023
FINANCIAL ASSETS							
Cash and Cash Equivalents	$ 117,841,427	$ -	$ -	$ -	$ -	**$ 117,841,427**	$ 112,938,725
Accounts Receivable							
Property Taxes	6,779,924	-	-	-	-	**6,779,924**	6,109,855
Other	23,290,796	8,703,337	288,591	1,168,197	330,337	**33,781,258**	29,752,994
Due from Other Governments	1,891	-	-	2,274,876	-	**2,276,767**	1,287,644
Investments	296,478,111	-	-	-	-	**296,478,111**	278,348,844
	444,392,149	8,703,337	288,591	3,443,073	330,337	**457,157,487**	428,438,062
LIABILITIES							
Accounts Payable	32,495,345	498,676	-	-	-	**32,994,021**	42,007,372
Asset Retirement Obligations	11,346,500	1,289,120	104,555	-	-	**12,740,175**	12,399,913
Due to Other Governments	12,222,967	-	-	-	-	**12,222,967**	11,606,493
Prepaid Taxes	13,065,918	-	-	-	-	**13,065,918**	12,314,362
Deferred Revenue and Deposits	47,335,085	150,936	-	-	-	**47,486,021**	35,786,577
Deferred Development Cost Charges	22,777,243	-	1,639,670	1,808,926	-	**26,225,839**	21,455,928
Employee Benefit Plans	13,612,896	-	-	-	-	**13,612,896**	12,545,275
Debt	106,769,793	51,442,084	-	-		**158,211,877**	166,859,642
Due to/(from) Other Funds	113,597,245	(40,783,024)	(28,845,727)	(41,353,203)	(2,615,291)	**-**	-
	373,222,992	12,597,792	(27,101,502)	(39,544,277)	(2,615,291)	**316,559,714**	314,975,562
NET FINANCIAL ASSETS	71,169,157	(3,894,455)	27,390,093	42,987,350	2,945,628	**140,597,773**	113,462,500
NON-FINANCIAL ASSETS							
Tangible Capital Assets	591,774,379	125,965,611	60,050,889	124,615,608	693,462	**903,099,949**	881,724,658
Inventory of Supplies	558,695	3,562,348	163,294	33,709	-	**4,318,046**	3,967,762
Prepaid Expenses	4,859,158	-	-	-	-	**4,859,158**	3,749,444
	597,192,232	129,527,959	60,214,183	124,649,317	693,462	**912,277,153**	889,441,864
ACCUMULATED SURPLUS	$ 668,361,389	$ 125,633,504	$ 87,604,276	$ 167,636,667	$ 3,639,090	**$ 1,052,874,926**	$ 1,002,904,364

CORPORATION OF THE CITY OF NEW WESTMINSTER
STATEMENTS OF OPERATIONS - BY FUND
For the Year Ended December 31, 2024

SUPPLEMENTAL SCHEDULE II (UNAUDITED)

	General Fund	Electrical Utility Fund	Water Utility Fund	Sewer Utility Fund	Solid Waste Utility Fund	**2024**	2023	Note 1(f) 2024 Budget
REVENUE								
Municipal Taxation and Other Levies	$ 114,389,225	$ -	$ -	$ (110,310)	$ -	**$ 114,278,915**	$ 104,953,729	114,237,981
Utility Rates		62,419,743	18,205,485	30,653,578	5,851,383	**117,130,189**	108,852,895	115,579,642
Sale of Services	19,590,893	207,657	326,798	1,150,636	-	**21,275,984**	19,178,447	19,147,741
Grants from Other Governments	11,299,848	-	-	114,250	-	**11,414,098**	25,066,571	7,369,639
Contributed Tangible Capital Assets	1,263,100	-	37,800	549,150	-	**1,850,050**	745,455	-
Contributions	8,266,817	3,031,296	338,315	3,352,473	-	**14,988,901**	16,894,445	24,228,997
Other Revenue	37,232,669	561,029	5,322	21,716	1,093,282	**38,914,018**	74,626,096	30,166,330
	192,042,552	66,219,725	18,913,720	35,731,493	6,944,665	**319,852,155**	350,317,638	310,730,330
EXPENSES								
Police Services	40,768,449	-	-	-	-	**40,768,449**	37,957,634	40,763,993
Parks and Recreation	31,283,843	-	-	-	-	**31,283,843**	24,898,217	29,238,137
Fire and Rescue Services	19,598,375	-	-	-	-	**19,598,375**	19,135,714	20,293,907
Community Services	11,894,123					**11,894,123**	11,434,914	11,580,201
Planning and Development	8,886,791	-	-	-	-	**8,886,791**	7,718,819	13,998,394
Engineering Services	36,452,258	-	-	-	-	**36,452,258**	34,631,922	37,021,652
Corporate Services	31,929,253	-	-	-	-	**31,929,253**	28,558,015	30,540,227
Library	4,742,790	-	-	-	-	**4,742,790**	4,364,484	5,254,507
Utility Operations	-	48,914,864	11,126,958	19,525,725	4,758,164	**84,325,711**	75,848,700	84,099,053
	185,555,882	48,914,864	11,126,958	19,525,725	4,758,164	**269,881,593**	244,548,419	272,790,071
ANNUAL SURPLUS	6,486,670	17,304,861	7,786,762	16,205,768	2,186,501	**49,970,562**	105,769,219	37,940,259
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	2,498,179	645,900	(918,726)	(1,427,448)	(797,905)	**-**	-	-
INCREASE IN SURPLUS	14,984,849	11,950,761	6,868,036	14,778,320	1,388,596	**49,970,562**	105,769,219	37,940,259
Accumulated Surplus, beginning of year	653,376,540	113,682,743	80,736,240	152,858,347	2,250,494	**1,002,904,364**	897,135,145	1,002,904,364
ACCUMULATED SURPLUS, end of year	$ 668,361,389	$ 125,633,504	$ 87,604,276	$ 167,636,667	$ 3,639,090	**$ 1,052,874,926**	$ 1,002,904,364	$ 1,040,844,623

CORPORATION OF THE CITY OF NEW WESTMINSTER **SUPPLEMENTAL SCHEDULE III (UNAUDITED)**
STATEMENT OF RESERVES
For the Year Ended December 31, 2024

	Balances, Beginning of Year	Net Transfer	Interest Allocation	Proceeds from Disposal	Transfers For Capital Programs	**Balances, End of Year**
RESERVES SET ASIDE BY COUNCIL						
Affordable Housing	$ 2,004,685	$ 376,861	$ 96,024	$ -	$ (147,464)	**$ 2,330,106**
Childcare Amenity	1,869	-	90	-	(16)	**1,943**
Community Amenity	8,135,485	236,000	389,690	-	(332,131)	**8,429,044**
Community Development	7,401,935	3,090,179	354,553	-	(1,836,458)	**9,010,209**
Community Endowment	5,213,864	-	249,744	-	-	**5,463,608**
Computer Replacement	1,077,393	350,000	51,607	-	(205,511)	**1,273,489**
Environment/Childcare Grants	213,486	(5,739)	10,226	-	-	**217,973**
Equipment Replacement	12,870,582	2,176,930	616,501	183,370	(5,100,750)	**10,746,633**
Facility Maintenance	6,173,686	2,724,517	295,720	-	(1,686,964)	**7,506,959**
Facility Replacement - Massey Theatre	10,870,661	1,780,271	520,705	-	(2,181,203)	**10,990,434**
General Amenity	447,442	-	21,432	-	-	**468,874**
General Fund Provisions	5,133,525	9,134,386	8,386	-	(3,977,507)	**10,298,790**
Offstreet Parking Provisions	1,659,597	-	-	-	(293,420)	**1,366,177**
Public Art	858,823	177,890	41,138	-	(163,139)	**914,712**
Climate Action	43,981,187	1,650,452	2,106,697	-	(121,059)	**47,617,277**
Growing Communities Grants	15,445,768	-	569,412	-	(772,204)	**15,242,976**
Parks Reserve	22,325,933	-	238,901	-	(154,830)	**22,410,004**
Electrical Fund Provisions	42,233,502	11,747,004	-	-	(10,522,224)	**43,458,282**
Water Fund Provisions	19,769,752	7,287,072	-	-	(2,762,487)	**24,294,337**
Sewer Fund Provisions	33,774,494	13,179,647	-	-	(5,568,004)	**41,386,137**
Solid Waste Fund Provisions	223,457	1,375,830	-	-	-	**1,599,287**
	239,817,126	55,281,300	5,570,826	183,370	(35,825,371)	**265,027,251**
STATUTORY RESERVES						
Cemetery Reserve	927,212	72,854	-	-	(2,100)	**997,966**
Construction of Municipal Works	10,405,356	149,956	498,417	269,000	202,624	**11,525,353**
Parking Cash in Lieu	1,216,493	-	58,270	-	(174,376)	**1,100,387**
Park Land Acquisition	334,163	-	16,006	-	-	**350,169**
Tax Sale Land	1,912,035	-	91,586	-	(36,664)	**1,966,957**
	14,795,259	222,810	664,279	269,000	(10,516)	**15,940,832**
TOTAL RESERVES	**$ 254,612,385**	**$ 55,504,110**	**$ 6,235,105**	**$ 452,370**	**$ (35,835,887)**	**$ 280,968,083**

CORPORATION OF THE CITY OF NEW WESTMINSTER
CAPACITY FUNDING FOR LOCAL GOVERNMENT HOUSING INITIATIVES GRANT SCHEDULE
As of December 31, 2024

CAPACITY FUNDING FOR LOCAL GOVERNMENT HOUSING INITIATIVES

In December 2023, the Province notified the City of the $51 million capacity funding for local government implementation of the legislative changes to support housing initiatives. This includes small-scale multi-unit housing and proactive planning, development finance, and transit-oriented development.

In January 2024, the City received $535,385 from the Province and is intended to undertake activities in 2024 and 2025 to meet the new housing legislative requirements.

Grant received	**$ 535,385**
Less eligible spending to-date:	
Modelling Utility Services	**84,229**
DCC Bylaw Update and ACC Bylaw	**25,375**
Household and Population Forecast	**38,949**
Interim Housing Needs Report	**48,898**
	197,451
Balance as of December 31, 2024	**$ 337,934**

CORPORATION OF THE CITY OF NEW WESTMINSTER
GROWING COMMUNITIES FUND GRANT SCHEDULE
As of December 31, 2024

Growing Communities Fund

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.

The grant was placed in a separated dedicated reserve fund and interest earned is allocated back to the reserve fund.

Grant received	**$ 15,850,000**
Interest earned to-date	**1,122,180**
Less eligible spending to-date:	
Local roads improvements and upgrades	**565,090**
Walking infrastructure improvements	**1,071,018**
Transit improvements	**93,096**
	1,729,204
Balance as of December 31, 2024	**$ 15,242,976**