

Price: \$5.00

The Corporation of the City of White Rock
2019 Statement of Financial Information

In accordance with the Financial Information Act
(RSBC 1996 Chapter 140)

The Corporation of the City of White Rock
Statement of Financial Information Approval
For the year ended December 31, 2019

The undersigned, represents the Council of the Corporation of the City of White Rock and approves all the statements and schedules included in this Statement of Financial Information, prepared in accordance with the Financial Information Act.



Darryl Walker
Mayor
September 14, 2020

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, prepared in accordance with the Financial Information Act.



Colleen Ponzini, CPA, CGA
Director of Financial Services
August 26, 2020

The Corporation of the City of White Rock 2019 Statement of Financial Information

Part 1

2019 Audited Financial Statements

Part 2

Supplemental Information

- (a) Schedule of Debts
- (b) Schedule of Guarantee and Indemnity Agreements
- (c) Schedule of Employee Remuneration and Expenses
- (d) Schedule of Payments to Suppliers of Goods and Services
- (e) Management Report

**The Corporation of the City of White Rock
2019 Statement of Financial Information**

Part 1

2019 Audited Financial Statements

Financial Statements of

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

And Independent Auditors' Report thereon

Year ended December 31, 2019

MAYOR AND COUNCIL

It is my pleasure to present The Corporation of the City of White Rock's Financial Statements for the fiscal year ended December 31, 2019 pursuant to Section 167 of the *Community Charter*. The statements have been prepared in accordance with the Canadian Public Sector Accounting Standards established by the Chartered Professional Accountants of Canada.

The preparation and presentation of the financial statements and related information are the responsibility of management of The Corporation of the City of White Rock. This involves the use of management's best estimates and careful judgement. The City maintains a system of internal accounting controls designed to provide reasonable assurances for the safeguarding of assets and the reliability of financial records.

The City's auditors, KPMG LLP, have given the City an unqualified audit opinion on the City's financial statements, stating in their opinion, that the statements present fairly, in all material respects, the financial position of the City as at December 31, 2019, the results of its operations, changes in net financial assets and its cash flows for the year then ended.

Financial Summary

Operating activities during the year contributed a surplus of \$22,243,809. This is mainly comprised of an increase in the City's investment in tangible capital assets and of planned contributions to reserves. The total accumulated surplus was \$205,296,055 as of December 31, 2019. Like most local governments, the largest component of accumulated surplus is the City's investment in tangible capital assets, which amounted to \$133,066,940 at the end of 2019. The remainder of accumulated surplus includes reserves and other surplus funds.

Net financial assets increased by \$9,122,818 to \$47,879,729 as of December 31, 2019. This is a positive indicator of the City's financial position.

Debt, net of sinking funds, outstanding as of December 31, 2019 was \$23,328,618, compared to \$24,008,890 on December 31, 2018. It is comprised of long-term debenture debt mainly attributed to the purchase of property and assets of the local water utility and subsequent water system infrastructure improvements.

The City ended the year 2019 in a sound financial position.



Colleen Ponzini, CPA, CGA
Director of Financial Services



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INDEPENDENT AUDITORS' REPORT

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

Opinion

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

- the statement of financial position as at December 31, 2019;
- 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, 2019, and its results of operations, its changes in net debt 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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' 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.



Other Information

Management is responsible for the other information. Other information comprises the information, other than the financial statements and the auditors' report thereon, included in the 2019 Annual Financial Report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditors' report thereon, included in the 2019 Annual Financial Report as at the date of this auditors' report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

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 organizations, 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.

Auditors' 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 auditors' 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 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 auditors' 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 auditors' report. However, future events or conditions may cause 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
July 9, 2020

THE CORPORATION OF THE CITY OF WHITE ROCK

Statement of Financial Position

December 31, 2019, with comparative information for 2018

	2019	2018
Financial Assets		
Cash and cash equivalents (note 2)	\$ 111,400,431	\$ 99,870,023
Accounts receivable (note 3)	12,173,302	13,455,091
Loans receivable (note 4)	10,500	14,000
	<u>123,584,233</u>	<u>113,339,114</u>
Liabilities		
Accounts payable and accrued liabilities (note 5)	11,357,197	13,080,920
Refundable performance deposits (note 2(b))	12,584,597	13,220,076
Capital lease obligation	-	4,478
Debt (note 7)	23,328,618	24,008,890
Deferred revenue (note 8)	28,434,092	24,267,839
	<u>75,704,504</u>	<u>74,582,203</u>
Net Financial Assets	47,879,729	38,756,911
Non-Financial Assets		
Tangible capital assets (note 9)	156,440,877	143,474,439
Prepaid expenses	742,851	609,061
Inventories of supplies	232,598	211,835
	<u>157,416,326</u>	<u>144,295,335</u>
Accumulated surplus (note 10)	<u>\$ 205,296,055</u>	<u>\$ 183,052,246</u>

Commitments and contingencies (note 13)
Subsequent event (note 19)

See accompanying notes to financial statements.



COLLEEN PONZINI, CPA, CGA
Director of Financial Services

THE CORPORATION OF THE CITY OF WHITE ROCK

Statement of Operations

Year ended December 31, 2019, with comparative information for 2018

	2019 Budget (Note 1(b))	2019	2018
Revenue:			
Property taxes:			
General purposes	\$ 22,444,700	\$ 22,578,634	\$ 21,638,551
Regional library levy	958,066	963,402	934,205
Business improvement levy	356,500	356,190	346,379
	<u>23,759,266</u>	<u>23,898,226</u>	<u>22,919,135</u>
Receipts in lieu of taxes	25,600	25,564	27,551
Development cost charges (note 8(a))	495,000	598,562	3,014,745
Sanitary sewer fees and parcel tax	3,426,106	3,444,316	3,523,309
Drainage user fees	2,531,200	2,531,498	2,413,036
Water user fees	4,842,800	4,772,497	4,635,515
Sales of services and other revenue (note 16)	27,908,734	25,882,629	27,315,659
Government grants (note 17)	5,774,000	4,571,934	9,786,203
Developers' contributions of tangible capital assets (note 9(b))	-	212,917	933,635
	<u>68,762,706</u>	<u>65,938,143</u>	<u>74,568,788</u>
Expenses:			
General government	8,296,955	7,409,060	6,931,555
Protection services	12,114,976	11,116,870	10,959,542
Transportation, engineering and operations	7,302,818	6,438,768	6,676,647
Parks, recreation and cultural services	10,500,017	10,752,082	8,677,384
Solid waste services	1,076,100	866,587	874,855
Sanitary sewer system	2,974,063	2,499,576	2,507,967
Drainage system	879,300	808,161	991,529
Water system	4,195,700	3,803,230	3,274,807
	<u>47,339,929</u>	<u>43,694,334</u>	<u>40,894,286</u>
Annual surplus	21,422,777	22,243,809	33,674,502
Accumulated surplus, beginning of year	183,052,246	183,052,246	149,377,744
Accumulated surplus, end of year	<u>\$ 204,475,023</u>	<u>\$ 205,296,055</u>	<u>\$ 183,052,246</u>

See accompanying notes to financial statements.

THE CORPORATION OF THE CITY OF WHITE ROCK

Statement of Changes in Net Financial Assets

Year ended December 31, 2019, with comparative information for 2018

	2019 Budget (Note 1(b))	2019	2018
Annual surplus	\$ 21,422,777	\$ 22,243,809	\$ 33,674,502
Acquisition of tangible capital assets	(35,268,000)	(19,568,528)	(40,110,852)
Contribution of tangible capital assets	-	(212,917)	(933,635)
Amortization of tangible capital assets	6,090,200	6,751,247	4,644,186
Loss on disposal of tangible capital assets	-	23,850	526,121
Proceeds on disposal of tangible capital assets	-	39,910	74,636
	(7,755,023)	9,277,371	(2,125,042)
Acquisition of prepaid expenses	-	(742,851)	(609,061)
Acquisition of inventories of supplies	-	(232,598)	(211,835)
Use of prepaid expenses	-	609,061	584,347
Consumption of inventories of supplies	-	211,835	192,374
Change in net financial assets	(7,755,023)	9,122,818	(2,169,217)
Net financial assets, beginning of year	38,756,911	38,756,911	40,926,128
Net financial assets, end of year	\$ 31,001,888	\$ 47,879,729	\$ 38,756,911

See accompanying notes to financial statements.

THE CORPORATION OF THE CITY OF WHITE ROCK

Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operating:		
Annual surplus	\$ 22,243,809	\$ 33,674,502
Items not involving cash:		
Amortization	6,751,247	4,644,186
Loss on disposal of tangible capital assets	23,850	526,121
Developers' contributions of tangible capital assets	(212,917)	(933,635)
Changes in non-cash operating working capital:		
Decrease (increase) in accounts receivable	1,281,789	(7,453,445)
Increase in prepaid expenses	(133,790)	(24,714)
Increase in inventories of supplies	(20,763)	(19,461)
Decrease in loans receivable	3,500	3,500
(Decrease) increase in accounts payable and accrued liabilities	(1,723,723)	4,547,352
(Decrease) increase in refundable performance deposits	(635,479)	1,931,470
Increase in deferred revenue	4,166,253	4,389,322
Net change in cash from operating activities	31,743,776	41,285,198
Capital activities:		
Cash used to acquire tangible capital assets	(19,568,528)	(40,110,852)
Proceeds on disposal of tangible capital assets	39,910	74,636
Net change in cash from capital activities	(19,528,618)	(40,036,216)
Financing activities:		
New debt issued	-	2,274,850
Principal payments on debt	(680,272)	(612,387)
Principal payments on capital leases	(4,478)	(15,704)
Net change in cash from financing activities	(684,750)	1,646,759
Investing activities:		
Change in temporary investments	-	7,472,842
Net change in cash and cash equivalents	11,530,408	10,368,583
Cash and cash equivalents, beginning of year	99,870,023	89,501,440
Cash and cash equivalents, end of year	\$ 111,400,431	\$ 99,870,023

See accompanying notes to financial statements.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements

Year ended December 31, 2019

The Corporation of the City of White Rock (the "City") is incorporated under the Local Government Act of British Columbia. The City's principal activities include the provision of local government services to residents, businesses and visitors of the incorporated area.

1. Significant accounting policies:

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

(a) Basis of presentation:

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

(b) Budget reporting:

The budget figures reported in the statement of operations represent the 2019 component of Financial Plan (2019-2023) Bylaw, 2019, No. 2297 adopted by the City Council on April 29, 2019.

(c) Cash and cash equivalents:

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

(d) Revenue:

Revenue is recorded on the accrual basis and is recognized when it is earned and measurable. Revenue relating to future periods, including prepaid property taxes, government grants and certain facility upgrade contributions, are reported as deferred revenue and recognized as revenue when earned.

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

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

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

1. Significant accounting policies (continued):

(f) Expenses:

Expenses are recorded on the accrual basis and are recognized as they are incurred. This is upon the receipt of goods or services and/or the creation of a legal obligation. Interest expense on debt and capital lease obligations is accrued to December 31, 2019.

(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 agreements are met. Unrestricted transfers are recognized as revenue when received or if the amount to be received can be reasonably estimated and collection is reasonably assured.

(h) Debt:

Debt is recorded net of repayments and actuarial adjustments.

(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 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, is amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Land improvements	5 to 100
Buildings and facilities	2 to 50
Machinery and equipment	2 to 25
Roads and sidewalks	10 to 50
Sanitary sewer infrastructure	10 to 80
Storm sewer infrastructure	30 to 80
Water system infrastructure	4 to 80

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

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

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

1. Significant accounting policies (continued):

(i) Non-financial assets (continued):

(ii) Contributions of tangible capital assets:

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

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

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

(iv) Interest capitalization:

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

(v) Leased tangible capital assets:

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

(vi) Inventories of supplies:

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

(j) Employee future benefits:

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

(ii) Sick leave and post-employment benefits also accrue to the City's employees. The liability relating to these benefits is actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefit plans are accrued based on projected benefits prorated as employees render services necessary to earn the future benefits.

(k) Use of accounting estimates:

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

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

1. Significant accounting policies (continued):

(l) Segment disclosures:

A segment is defined as a distinguishable activity or group of activities of government for which it is appropriate to separately report financial information. The City has provided definitions of segments used by the City as well as presented financial information in segmented format (note 20).

(m) Contaminated sites:

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

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

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

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

2. Cash and cash equivalents:

	2019	2018
Cash balances	\$ 103,214,873	\$ 81,814,315
Cash equivalents:		
Money market securities and term deposits maturing within 90 days of inception	3,976,701	13,923,750
MFA Money Market Fund	4,208,857	4,131,958
	<u>\$ 111,400,431</u>	<u>\$ 99,870,023</u>

Cash equivalents including the MFA Money Market Fund, have annual yields that range from 1.86% to 2.35% (2018 - 1.64% to 2.40%).

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

2. Cash and cash equivalents (continued):

(a) Included in cash and cash equivalents is an amount of \$8,416,789 (2018 - \$4,859,325) that can only be used for the acquisition of tangible capital assets as provided for by the DCC Bylaw.

(b) Included in cash and cash equivalents is an amount of \$12,584,597 (2018 - \$13,220,076) which consists of refundable performance deposits.

3. Accounts receivable:

	2019	2018
Property taxes	\$ 1,768,832	\$ 2,278,679
Water user fees	1,293,864	1,233,318
Government grants	1,092,236	2,965,408
Amounts secured by letters of credit	4,625,743	4,674,175
Insurance proceeds	1,232,054	-
Other	2,160,573	2,303,511
	<u>\$ 12,173,302</u>	<u>\$ 13,455,091</u>

(a) Included in accounts receivable are letters of credit of \$4,625,743 (2018 - \$4,674,175) that can only be used for the acquisition of tangible capital assets as provided for by the DCC Bylaw (note 8(a)).

4. Loans receivable:

The City has a loan receivable in the amount of \$10,500 (2018 - \$14,000) from The Peace Arch Curling Club to assist in financing the purchase and installation of kitchen equipment. The loan receivable bears a variable per annum interest rate which is the average annual rate of return the City has achieved on its investments in the twelve months preceding the anniversary date of the loan agreement. The remaining principal will be paid in three equal annual instalments of \$3,500 each. The interest is paid semi-annually.

5. Accounts payable and accrued liabilities:

	2019	2018
Trade accounts payable and other	\$ 5,707,845	\$ 9,357,948
Due to governments and agencies	2,979,080	1,451,965
Post-employment benefits (note 6)	1,605,503	1,531,450
Other payroll liabilities	1,064,769	739,557
	<u>\$ 11,357,197</u>	<u>\$ 13,080,920</u>

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

6. Post-employment benefits:

The City provides certain post-employment and sick leave benefits to its employees. These benefits include accumulated non-vested sick leave, post-employment gratuity and lieu time benefits, and certain vacation benefits.

	2019	2018
Accrued benefit obligation:		
Balance, beginning of year	\$ 1,582,900	\$ 1,756,000
Immediate recognition (settlement) of Work Safe BC benefits liability	-	(244,900)
Current service cost	138,600	139,100
Interest cost	53,000	46,700
Benefits paid	(113,285)	(18,900)
Actuarial loss (gain)	94,762	(95,100)
Balance, end of year	\$ 1,755,977	\$ 1,582,900

	2019	2018
Accrued benefit obligation, end of year	\$ 1,755,977	\$ 1,582,900
Unamortized net actuarial loss	(150,474)	(51,450)
Accrued benefit liability, end of year	\$ 1,605,503	\$ 1,531,450

Actuarial gains and losses for accumulating benefits are amortized over the expected average remaining service period of the related employee group, commencing the year after the gain or loss arises. In 2019 the expected average remaining service period of the related employee group is 11 years (2018 - 11 years). Post-employment liabilities are included in accounts payable and accrued liabilities.

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

	2019	2018
Discount rates	2.60%	3.20%
Expected future inflation rates	2.50%	2.50%
Expected wage and salary increases	2.58% - 5.90%	2.58% - 4.63%

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

7. Debt:

	2019	2018
Debentures, net of repayments and actuarial adjustments	\$ 23,328,618	\$ 24,008,890

The City issues debt instruments through the Municipal Finance Authority ("MFA") to finance certain capital acquisitions. Repayments and actuarial adjustments are netted against related long term-debts. Details are as follows:

Bylaw Number	Purpose	Maturity date	Interest rate	Refinancing year*	Authorized amount	Sinking fund assets		
						2019	2018	
1667	Sanitary Sewers-Local Improvement	2023	5.95%	n/a	\$ 224,580	\$ 160,680	\$ 63,900	\$ 78,020
2098	Water Utility Acquisition Advance Payment	2046	2.60%	2026	14,250,000	857,446	13,392,554	13,688,256
2163	Water System Infrastructure Construction	2027	2.80%	n/a	440,000	77,914	362,086	401,619
2163	Water System Infrastructure Construction	2047	2.80%	2027	5,779,000	246,584	5,532,416	5,657,530
2178	Water System Infrastructure Construction	2027	3.15%	n/a	1,662,000	294,304	1,367,696	1,517,023
2178	Water System Infrastructure Construction	2047	3.15%	2027	400,000	17,068	382,932	391,592
2179	Water Treatment Facilities Construction	2048	3.15%	2028	2,274,850	47,816	2,227,034	2,274,850
\$ 25,030,430						\$ 1,701,812	\$ 23,328,618	\$ 24,008,890

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

Total interest on the debenture debt for the year was \$694,606 (2018 - \$672,280).

As a condition of these borrowings, a portion of the debenture debt proceeds is withheld by the MFA in a Debt Reserve Fund. Amounts withheld for this purpose are as follows:

Bylaw number	Purpose	Debt reserve fund
1667	Sanitary Sewers – Local Improvement	\$ 2,246
2098	Water Utility Acquisition Advance Payment	142,500
2163	Water System Infrastructure Construction	62,190
2178	Water System Infrastructure Construction	20,620
2179	Water Treatment Facilities Construction	22,749
\$		250,305

These cash deposits are included as part of accounts receivable in the Statement of Financial Position.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

7. Debt (continued):

Principal payments and actuarial adjustments on the outstanding debenture debt over the following five years and thereafter are as follows:

2020	\$ 702,441
2021	725,341
2022	748,996
2023	773,431
2024	780,652
Thereafter	19,597,757
	\$ 23,328,618

8. Deferred revenue:

	2019	2018
Property taxes	\$ 3,383,933	\$ 3,300,393
Contributions for future capital works	3,098,841	2,352,127
Development cost charges (a)	13,042,532	9,533,500
Utility service connections	1,434,950	1,169,950
Deferred revenue - facility upgrades	471,096	514,071
Deferred revenue - building permits	5,873,470	6,400,210
Other	1,129,270	997,588
	\$ 28,434,092	\$ 24,267,839

(a) Development cost charges:

	Highways	Drainage	Parkland	Sanitary	Water	Total
Balance, beginning of year	\$ 2,033,790	\$ 2,037,624	\$ 4,346,578	\$ 470,778	\$ 644,730	\$ 9,533,500
Add:						
Amounts received	978,060	673,587	1,564,736	296,062	423,916	3,936,361
Investment income	37,342	39,546	75,992	7,910	10,443	171,233
Deduct:						
Acquisition of tangible capital assets	-	18,272	560,290	20,000	-	598,562
Balance, end of year	\$ 3,049,192	\$ 2,732,485	\$ 5,427,016	\$ 754,750	\$ 1,079,089	\$ 13,042,532

The balance as of December 31, 2019 includes \$4,625,743 (2018 - \$4,674,175) secured by letters of credit.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

9. Tangible capital assets:

	Land	Land improvements	Buildings and facilities	Machinery and equipment	Roads and sidewalks	Sanitary sewer infrastructure	Storm sewer infrastructure	Water system infrastructure	Assets under construction	Total
Cost:										
Balance, beginning of year	\$ 15,680,285	\$ 10,348,923	\$ 30,873,371	\$ 14,065,638	\$ 45,105,840	\$ 20,936,917	\$ 23,380,339	\$ 21,512,459	\$ 26,667,063	\$ 208,570,835
Additions	1,631,900	9,866,198	4,021,366	750,804	440,638	2,428	-	2,181,127	886,984	19,781,445
Transfers	-	4,077,966	7,641,777	366,514	74,258	150,972	-	12,673,575	(24,985,062)	-
Disposals	-	(76,596)	(100,361)	(1,179,775)	(87,615)	-	-	(33,546)	-	(1,477,893)
Balance, end of year	\$ 17,312,185	\$ 24,216,491	\$ 42,436,153	\$ 14,003,181	\$ 45,533,121	\$ 21,090,317	\$ 23,380,339	\$ 36,333,615	\$ 2,568,985	\$ 226,874,387
Accumulated Amortization:										
Balance, beginning of year	\$ -	\$ 5,241,663	\$ 14,639,987	\$ 7,126,573	\$ 20,423,775	\$ 6,877,836	\$ 9,214,880	\$ 1,571,682	\$ -	\$ 65,096,396
Amortization expense	-	1,640,875	1,431,158	1,050,275	1,069,136	319,321	355,897	884,585	-	6,751,247
Disposals	-	(76,596)	(100,361)	(1,142,740)	(67,781)	-	-	(26,655)	-	(1,414,133)
Balance, end of year	\$ -	\$ 6,805,942	\$ 15,970,784	\$ 7,034,108	\$ 21,425,130	\$ 7,197,157	\$ 9,570,777	\$ 2,429,612	\$ -	\$ 70,433,510
Net book value, end of year	\$ 17,312,185	\$ 17,410,549	\$ 26,465,369	\$ 6,969,073	\$ 24,107,991	\$ 13,893,160	\$ 13,809,562	\$ 33,904,003	\$ 2,568,985	\$ 156,440,877
Net book value, beginning of year	\$ 15,680,285	\$ 5,107,260	\$ 16,233,384	\$ 6,939,065	\$ 24,682,065	\$ 14,059,081	\$ 14,165,459	\$ 19,940,777	\$ 26,667,063	\$ 143,474,439

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

9. Tangible capital assets (continued):

(a) Assets under construction:

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

(b) Contributed tangible capital assets:

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year was comprised of:

	2019	2018
Roads and sidewalks	\$ 120,283	\$ 325,214
Sanitary sewers	-	250,844
Storm sewers	-	357,577
Water system	92,634	-
Developers' contributions of tangible capital assets	\$ 212,917	\$ 933,635

(c) Tangible capital assets disclosed at nominal values:

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

(d) Works of art and historical treasures:

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

(e) Write-down of tangible capital assets:

There were no write-downs of tangible capital assets during the year. The City disposed of assets as part of planned replacement capital projects in the year.

10. Accumulated surplus:

	Reserves established by bylaw (note 12(a))	Other reserves (note 12(b))	Other surplus funds	Investment in tangible capital assets (note 11)	Total
General Fund	\$ 20,804,694	\$ 17,604,724	\$ 5,497,635	\$ 92,344,500	\$ 136,251,553
Sanitary Sewer Fund	-	13,330,586	1,107,116	13,986,698	28,424,400
Drainage Fund	-	8,448,403	698,117	14,786,084	23,932,604
Water Fund	-	3,938,139	799,701	11,949,658	16,687,498
Total for 2019	\$ 20,804,694	\$ 43,321,852	\$ 8,102,569	\$ 133,066,940	\$ 205,296,055
Total for 2018	\$ 17,460,992	\$ 37,671,463	\$ 7,600,521	\$ 120,319,270	\$ 183,052,246

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

10. Accumulated surplus (continued):

Included in the water fund investment in tangible capital assets is an adjustment in the amount of \$425,777 (2018 - \$1,372,270) for unspent debt proceeds which have been earmarked for use in future years.

11. Investment in tangible capital assets:

	2019	2018
Tangible capital assets (note 9)	\$ 156,440,877	\$ 143,474,439
Deduct:		
Capital lease obligation	-	(4,478)
Debt (note 7)	(23,328,618)	(24,008,890)
Deferred revenue - facility upgrades (note 8)	(471,096)	(514,071)
Add:		
Unspent debt proceeds (note 10)	425,777	1,372,270
	<u>\$ 133,066,940</u>	<u>\$ 120,319,270</u>

12. Reserves:

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

	2019	2018
General Fund:		
Land sale reserve	\$ 101,846	\$ 424,393
Equipment replacement reserve	4,724,133	4,131,576
Capital works, machinery and equipment reserve	5,609,236	5,174,746
Local improvement reserve	33,110	32,353
Community amenity reserve	10,336,369	7,697,924
	<u>\$ 20,804,694</u>	<u>\$ 17,460,992</u>

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

12. Reserves (continued):

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

	2019	2019
General Fund:		
Infrastructure reserve	\$ 4,209,679	\$ 4,248,791
Roadworks reserve	3,644,835	3,019,242
Secondary suite service fee reserve	909,601	918,545
Density bonus/amenity contribution reserve	236,483	261,177
Incomplete asset improvement projects	3,009,800	2,329,200
Other reserves	5,594,326	4,804,374
	<u>17,604,724</u>	<u>15,581,329</u>
Sanitary Sewer Fund:		
Infrastructure reserve	12,209,702	11,704,346
Terry Road local improvement reserve	52,184	64,918
Incomplete asset improvement projects	1,068,700	536,500
	<u>13,330,586</u>	<u>12,305,764</u>
Drainage Fund:		
Infrastructure reserve	5,905,003	5,069,971
Operating reserve	25,000	25,000
Incomplete asset improvement projects	2,518,400	1,703,600
	<u>8,448,403</u>	<u>6,798,571</u>
Water Fund:		
Infrastructure reserve	3,419,468	2,704,197
Debt retirement reserve	18,571	12,502
Operating reserve	500,100	269,100
	<u>3,938,139</u>	<u>2,985,799</u>
	<u>\$ 43,321,852</u>	<u>\$ 37,671,463</u>

13. Commitments and contingencies:

(a) Borrowing liability:

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

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

13. Commitments and contingencies (continued):

(b) Third party claims:

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

(c) Lease commitments:

The City entered into a five-year agreement, initially ending July 31, 2008, to lease certain parcels of real property from The Burlington Northern and Santa Fe Railway Company. Under the terms of this agreement, the City is committed to annual rent payments as well as the costs of all taxes, utilities, insurance, repairs and maintenance of the leased premises. This is accounted for as an operating lease. This agreement provides for renewal options consisting of three additional five-year terms. In April 2018, the City exercised its third option to renew this lease for the five-year term ending July 31, 2023. During this period the City is committed to annual base rent payments of \$450,000.

The City has entered into various leases for office and other operating equipment. Total annual commitments for the next five years, net of applicable taxes are approximately as follows:

2020	\$	26,490
2021		18,192
2022		15,380
2023		14,721
2024		5,454
	\$	80,237

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

13. Commitments and contingencies (continued):

(d) Agreements and contractual commitments:

In addition to the leases described above, the City has entered into various agreements and contracts for services and construction with periods ranging from one to five years, including the following:

	Total contractual commitment	Total contractual commitment remaining at year end
Oxford water facility security installation	\$ 251,460	\$ 95,499
Sewer CCTV inspection and smoke testing program	297,115	151,779
Sanitary and storm sewer rehabilitation	565,857	378,967
Roper inlet modifications	316,813	258,133
Pedestrian railway crossings	3,224,032	37,373
Janitorial services	1,240,481	620,240

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

(e) Debt agreement with the MFA:

The City issues debt instruments through the MFA. As a condition of these borrowings the City is required to execute demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the MFA. The debt agreement with the MFA provides that if at any time the scheduled payments provided for in the agreement are not sufficient to meet the MFA's obligations in respect to such borrowing, the resulting deficiency becomes the joint and several liability of the City and all other participants to the agreement through the MFA. The City is similarly liable on a contingent basis for the debt of other municipalities secured through the MFA. Details of the contingent demand notes are as follows:

Bylaw number	Purpose	2019	2018
1667	Sanitary Sewers - Local Improvement	\$ 7,364	\$ 7,364
2098	Water Utility Acquisition Advance Payment	180,771	180,771
2163	Water System Infrastructure Construction	104,802	104,802
2178	Water System Infrastructure Construction	88,549	88,549
2179	Water Treatment Facilities Construction	36,988	36,988
		\$ 418,474	\$ 418,474

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

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

13. Commitments and contingencies (continued):

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

The City is a shareholder of the Emergency Communications for Southwest British Columbia Incorporated ("E-Comm"). The City receives services for the regional 9-1-1 call centre for Greater Vancouver Regional District and the Wide Area Radio network from E-Comm. The City has two Class A shares (of a total 34 Class A and 20 Class B shares issued and outstanding as at December 31, 2019). 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. Class B shareholders are only obligated to share in funding of the ongoing operating costs. The City has recorded its proportionate obligations.

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

The City is a participant in the Association. Should the Association pay out claims in excess of premiums received, it is possible that the City, along with the other participants, would be required to contribute towards the deficit. Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.

14. Pension plan:

The City and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustees pension plan. The board of trustees, representing Plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. The Plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from local government and 150 contributors from the City.

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 as at December 31, 2018 indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be at December 31, 2021 with results available in 2022. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The City paid \$1,224,200 (2018 - \$1,196,300) for employer contributions to the Plan in fiscal 2019.

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

15. Collections for other governments:

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

	2019	2018
Province of British Columbia - school tax	\$ 12,644,936	\$ 12,089,695
South Coast BC Transportation Authority - Translink tax	2,418,125	2,243,642
Other regional bodies	864,395	857,923
	<u>\$ 15,927,456</u>	<u>\$ 15,191,260</u>

16. Sales of services and other revenue:

	2019	2018
Parking	\$ 2,590,243	\$ 3,001,058
Parks, recreation and cultural services	1,725,394	1,671,573
Licences and permits	2,441,300	2,033,426
Solid waste services	1,547,475	1,544,582
Utility service connection fees	567,315	773,129
Community amenity contributions	8,430,000	12,914,101
Interest and penalties	2,586,756	2,203,927
Contributions toward tangible capital asset improvements	4,254,141	1,202,672
Other	1,740,005	1,971,191
	<u>\$ 25,882,629</u>	<u>\$ 27,315,659</u>

17. Government transfers:

Government grant revenue is comprised of the following government transfers:

	2019	2018
Federal	\$ 2,453,684	\$ 5,815,527
Provincial	2,118,250	3,970,676
	<u>\$ 4,571,934</u>	<u>\$ 9,786,203</u>

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

18. Contractual rights:

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

2019	\$ 322,465
2020	299,329
2021	295,370
2022	259,426
2023	267,870
Thereafter	6,000
	<hr/>
	\$ 1,450,460

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

19. Subsequent event:

Subsequent to December 31, 2019, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This situation presents uncertainty over the City's future cash flows, and may have an impact on the City's future operations. Potential impacts on the City's business could include future decreases in revenue and expenses that coincide with the closure of parking, facilities, and programs. As the situation is dynamic and the ultimate duration and magnitude of the impact on the economy are not known, an estimate of the financial effect on the City is not practicable at this time.

20. Segmented information:

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

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

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

20. Segmented information (continued):

Protection Services – Police, Fire, Building and Bylaw Enforcement (non-parking related).

These departments are responsible for ensuring public safety and security, preventing crimes as well as enforcing various laws.

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

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

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

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

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

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

THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2019

20. Segmented information (continued):

	General Government	Protection Services	Transportation, Engineering and Operations Services	Parks, Recreation and Cultural Services	Solid Waste Services	Sanitary Sewer System	Drainage System	Water System	Adjustments	2019	2018
Revenue:											
Property taxes:											
General purposes	\$ 22,578,634	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,578,634	\$ 21,638,551
Regional library levy	-	-	-	963,402	-	-	-	-	-	963,402	934,205
Business improvement levy	356,190	-	-	-	-	-	-	-	-	356,190	346,379
	22,934,824	-	-	963,402	-	-	-	-	-	23,898,226	22,919,135
Receipts in lieu of taxes	25,564	-	-	-	-	-	-	-	-	25,564	27,551
Development cost charges	-	-	-	560,290	-	20,000	18,272	-	-	598,562	3,014,745
Sanitary sewer fees and parcel tax	-	-	-	-	-	3,471,889	-	-	(27,573)	3,444,316	3,523,309
Drainage user fees	-	-	-	-	-	-	2,531,498	-	-	2,531,498	2,413,036
Water user fees	-	-	-	-	-	-	-	4,945,865	(173,368)	4,772,497	4,635,515
Sales of services and other revenue:											
Parking	-	-	2,590,243	-	-	-	-	-	-	2,590,243	3,001,058
Parks, recreation, and cultural services	-	-	-	1,725,394	-	-	-	-	-	1,725,394	1,671,573
Licences and permits	45,200	2,396,100	-	-	-	-	-	-	-	2,441,300	2,033,426
Solid waste services	-	-	-	-	1,547,475	-	-	-	-	1,547,475	1,544,582
Utility service connection fees	-	-	-	-	-	160,680	177,680	228,955	-	567,315	773,129
Community amenity contributions	8,430,000	-	-	-	-	-	-	-	-	8,430,000	12,914,101
Interest and penalties	2,481,155	-	-	-	-	52,214	20,000	33,387	-	2,586,756	2,203,927
Contributions toward tangible capital asset improvements	-	-	5,320	4,247,892	-	94	365	470	-	4,254,141	1,202,672
Other	2,690,032	132,139	562,395	42,975	30,610	7,328	46,896	85,399	(1,857,769)	1,740,005	1,971,191
Government grants	2,673,443	253,406	23,337	108,614	-	-	-	1,513,134	-	4,571,934	9,786,203
Developers' contributions of tangible capital assets	-	-	120,283	-	-	-	-	92,634	-	212,917	933,635
	39,280,218	2,781,645	3,301,578	7,648,567	1,578,085	3,712,205	2,794,711	6,899,844	(2,058,710)	65,938,143	74,568,788
Expenses:											
Salaries, wages and benefits	4,643,757	5,727,802	2,430,242	2,995,175	595,114	278,919	350,057	1,396,237	(997,636)	17,419,667	16,171,235
Contracted services	1,405,229	4,784,265	1,739,349	4,209,433	519,977	2,195,560	508,112	892,769	(532,644)	15,722,050	15,901,432
Supplies and other	1,126,036	285,297	589,738	936,904	149,159	82,678	87,360	377,961	(528,430)	3,106,703	3,504,629
Amortization	273,796	327,979	1,695,818	2,777,449	91,454	319,321	355,897	909,533	-	6,751,247	4,644,186
Interest on debt	61	-	-	-	-	13,363	-	681,243	-	694,667	672,804
	7,448,879	11,125,343	6,455,147	10,918,961	1,355,704	2,889,841	1,301,426	4,257,743	(2,058,710)	43,694,334	40,894,286
Annual surplus (deficit)	\$ 31,831,339	\$ (8,343,698)	\$ (3,153,569)	\$ (3,270,394)	\$ 222,381	\$ 822,364	\$ 1,493,285	\$ 2,642,101	\$ -	\$ 22,243,809	\$ 33,674,502

**The Corporation of the City of White Rock
2019 Statement of Financial Information**

Supplemental Information

The Corporation of the City of White Rock

Schedule of Debts

For the year ended December 31, 2019

For information on the long-term debt and all other debt owed by the Corporation of the City of White Rock as of December 31, 2019, refer to the 2019 Audited Financial Statements Note 7, "Debt", included in Part 1 of this 2019 Statement of Financial Information.

The Corporation of the City of White Rock
Schedule of Guarantee and Indemnity Agreements
For the year ended December 31, 2019

The Corporation of the City of White Rock has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

THE CORPORATION OF THE CITY OF WHITE ROCK

SCHEDULE SHOWING THE REMUNERATION AND EXPENSES PAID TO OR ON BEHALF OF EACH EMPLOYEE

YEAR ENDED DECEMBER 31, 2019

1. Elected Officials

Name	Position	Remuneration	Expenses
Chesney, David	Councillor	\$ 44,652	\$ 6,095
Fathers, Helen	Councillor	41,522	5,442
Johanson, Ramona	Councillor	44,653	10,972
Kristjanson, Scott	Councillor	44,652	6,531
Manning, Anthony	Councillor	44,708	2,593
Trevelyan, Christopher	Councillor	44,652	2,370
Walker, Darryl	Mayor	101,860	13,024
Totals		\$ 366,699	\$ 47,027

The above expense figures are based on the criteria defined in the Financial Information Act.

2. Employees

The schedule below shows:

- i) In respect to each employee earning more than \$75,000, the total remuneration paid to the employee and the total amount paid for his/her expenses and
- ii) A consolidated total of all remuneration paid to all other employees.

Remuneration includes gross salaries (including taxable benefits, vehicle allowances, retroactive pay, overtime, vacation and other banked time paid out, etc). The amounts noted with an "*" below include unused vacation and other banked time paid out.

Expenses include travel, memberships, training, registration fees and other similar perquisites and amounts.

Name	Position	Remuneration	Expenses
Abt, Dustin William	Manager, Public Works	\$ 115,080	\$ 556
Agustin, Arturo	Water Operator	102,922 *	611
Almeida, Paulo	Labourer III	109,353 *	802
Armstrong, Michael	Firefighter	109,728	467
Arthur, Tracey	Director, Corporate Administration	138,763	7,146
Bancroft, Michael	Firefighter	118,728 *	1,479
Bindra, Raghbir	Firefighter	125,058 *	519
Bird, Evan	Firefighter	109,389 *	1,269
Booth, Scott	Firefighter	104,100 *	1,225
Bottrill, Daniel	Chief Administrative Officer	245,498 *	8,440
Brierley-Green, Janene	Manager, Revenue Services	123,062	4,213
Brown, Dean	Water Operator	88,553	1,133
Choy, Rosaline	Manager Engineering	127,776	3,867
Cram, Andrew	Firefighter	103,389	519
Dadivas, Joseph	Network Administrator	88,203 *	1,552
Dai, Weibo	Financial Analyst	87,126 *	1,962
Davison, James	Firefighter, Captain	136,779	2,434
Dhillon, Sandeep	Senior Bylaw Enforcement Officer	75,107 *	437
Diamantopoulos, Michael	Firefighter	90,532	467
continued on following page			

Name	Position	Remuneration	Expenses
continued from previous page			
Farrant, Paul	Firefighter	\$ 111,287	\$ 318
Fulton, Cordell	Firefighter, Captain	128,155 *	710
Gareau, Guy	Building Official I	94,562 *	1,151
Gilchrist, Sherry	Plan Examiner II	79,837 *	1,422
Gordon, James	Director, Planning & Development Serv.	180,444 *	4,767
Goulet, Thomas	Firefighter	105,933	489
Hamilton, Scott	Firefighter, Captain	132,577 *	2,142
Hockemeyer, Heiko	Water Operator	94,007 *	942
Isaak, Carl	Manager, Planning	128,888 *	2,083
Jasim, Saad	Manager, Utilities	140,951 *	16,270
Johannsen, Carl	Director, Planning & Development Services	124,258 *	1,291
Johnston, Shannon	Manager, Budgets & Accounting	135,833 *	3,734
Johnstone, Jacqueline	Director, Human Resources	139,213	1,787
Kameka, Eric	Firefighter	127,906 *	489
Keurvorst, Helen	Manager, Cultural Development	96,709	1,105
Kurylo, Sandra	Director, Financial Services	175,343 *	6,284
Lam, Stephanie	Deputy Corporate Officer	87,751	787
Lemire, Philip	Fire Chief	174,759 *	590
Lin, Ying	GIS Applications Developer	97,252	3,923
Lo, Hiep	Engineering Technologist	94,518 *	486
Madsen, Birk	Engineering Technologist	94,274 *	2,013
Magnus, Christina	Executive Assistant to Mayor & CAO	79,564	77
Mann, Richard	Firefighter	128,041 *	1,857
McKinnon, Cory	Firefighter	109,012 *	519
McMahon, Connor	Firefighter	111,134	489
Meneghin, Matthew	Firefighter	103,034	547
Miki, James	Foreman, Trades Mechanic	88,256 *	585
Milicevic, Jovo	Mechanic	83,797 *	2,468
Mollan, Kenneth	Firefighter	122,410 *	571
Mossop, David	Firefighter	113,800 *	519
Nono, Tiburcio	Water Operator	99,198	360
Nyhus, James	Manager, Building & Bylaw Enforcement	129,831 *	1,898
Overton, Kenneth	Manager, Property & Risk Management	80,771	1,017
Passas, Michael	Firefighter	115,287 *	2,219
Paterson, Daniell	HR Advisor	87,633	3,316
Pither, Simon	Leadhand Operator Water Distribution	129,329 *	544
Reimer, T. Lee	Site Supervisor - Arena & Special Events	79,354 *	1,136
Roffe, Candice	Health & Safety Advisor	90,049	2,907
Ryan, Patrick	Firefighter	111,468	1,421
Smith, Douglas	Firefighter, Captain	129,490	821
Stepura, Eric	Director, Recreation and Culture	162,865 *	2,456
Thomas, Michael	Facilities Maintenance Worker	81,281	403
Volkens, Ralph	Manager, Parking Services	83,389	3,218
Waddington, Jenine	Capital Asset Analyst	83,571 *	835
Whitton, Stephen	Manager, Parks	97,499	3,806
Wolfe, Edward	Deputy Fire Chief	176,685 *	4,055
Yee, Sylvia	Manager, Community Recreation	108,926 *	1,673
Zanic, Boris	GIS Specialist	93,320	554
Zota, Chris	Manager, Information Services	132,781 *	3,327
Consolidated total of all remuneration paid to other employees		5,913,421	63,639
Total Employees		\$ 13,668,799	\$ 199,118

3. Reconciliation

Total remuneration - elected officials	\$ 366,699
Total remuneration - employees	13,668,799
Subtotal	14,035,498
Differences:	
There are differences due to inconsistent reporting formats and accounting treatments required by Canadian Public Sector Accounting Standards for the Financial Statements versus the Financial Information Act for the Statement of Financial Information. For example:	
a) This schedule is prepared on a cash basis of accounting versus the Salaries, Wages and Benefits from Note 20 in the Financial Statements which is prepared on an accrual accounting basis.	436,325
b) This schedule does not include the employer portion of contributions to Work Safe BC, registered pension plans, employer health tax, extended health, and dental plans and other employee benefits that are included in "Salaries, Wages and Benefits" in	2,306,222
c) This schedule does not include the employer portion of Employment Insurance and Canada Pension Plan remittances paid to the Canada Revenue Agency that are included in "Salaries, Wages and Benefits" in the Financial Statement Note 20.	641,622
Total per Financial Statements Note 20, Salaries, Wages & Benefits	\$ 17,419,667
Variance	\$ -

4. Statement of Severance Agreements

There were no severance agreements in accordance with the Financial Information Act made between the City of White Rock and its non-unionized employees during fiscal year 2019.

THE CORPORATION OF THE CITY OF WHITE ROCK

SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2019

Schedule showing the aggregate of amounts paid to all suppliers of goods and services who received more than \$25,000 during the year ended December 31, 2019. This schedule also includes payments for the purposes of grants or contributions.

1. Suppliers > \$25,000

SUPPLIER NAME	AMOUNT PAID
ADCENTIVES ENTERPRISES LTD..	\$ 25,506
AON REED STENHOUSE	48,718
ASTROGRAPHIC INDUSTRIES LTD.	29,856
BC HYDRO	812,146
BC PLANT HEALTH CARE INC.	71,999
BLACK PRESS GROUP LTD.	93,425
BLACKRETE PAVING LTD.	339,993
BNSF RAILWAY COMPANY	493,562
BUCHANAN PRINTING & SIGNS	27,557
C3 MAINLINE INSPECTIONS INCORPORATED	114,389
CANADA REVENUE AGENCY	641,622
CANADIAN LANDSCAPE AND CIVIL SERVICES LTD.	562,446
CHUCK CAMERON HOMEYARDCARE	34,913
CITY OF SURREY	509,395
CLEARTECH INDUSTRIES INC.	30,308
CLOVERDALE FUEL LTD.	27,195
COLLIERS PROJECT LEADERS INC.	116,267
COMMERCIAL TRUCK EQUIPMENT CORP - SURREY	25,685
CONTROL SOLUTIONS LTD.	29,346
CORE CONCEPT CONSULTING LTD.	63,908
COREPM SERVICES LTD.	65,045
CRESCENT ELECTRICAL CONTRACTORS LTD.	755,662
CROWN CONTRACTING LIMITED	45,318
CUMMINS CANADA ULC	26,637
DAMS FORD LINCOLN SALES LTD.	286,966
DEAD LEVEL CONSTRUCTION LTD.	27,916
DEKRA-LITE INDUSTRIES INCORPORATED	151,205
DELL CANADA INC.	76,908
DIALOG BC ARCHITECTURE ENGINEERING INTERIOR	29,287
DILLON CONSULTING LIMITED	38,419
DOUGNESS HOLDING LTD.	43,442
E-COMM EMERGENCY COMMUNICATIONS FOR BC INC.	72,413
ELEMENT MATERIALS TECHNOLOGY CANADA INC.	72,473
EMCO CORPORATION	121,611
ESRI CANADA LTD.	34,720
EUROVIA BRITISH COLUMBIA INC.	577,901
FLOCOR INC.	40,880
FORTIS BC	87,948
FRANCES ANDREW SITE FURNISHINGS LTD.	55,291
FRASER HEALTH AUTHORITY	153,285
FRASER VALLEY FIRE PROTECTION LTD.	41,185
FRASER VALLEY REGIONAL LIBRARY	958,066
FRED SURRIDGE LTD.	100,086
FRICIA CONSTRUCTION INC.	2,832,602
FROGPARKING INC.	141,971
GEOWEST ENGINEERING LTD.	31,295
GFL ENVIRONMENTAL INC.	164,617
GHD LIMITED	97,301
continued on following page	

SUPPLIER NAME	AMOUNT PAID
continued from previous page	
GOODBYE GRAFFITI SURREY	\$ 60,564
GORANSON CONSTRUCTION LTD.	42,810
GRAVITY UNION SOLUTIONS LIMITED	28,744
GREATER VANCOUVER REGIONAL SEWERAGE & DRAINAGE DISTRICT	1,644,693
GREGG DISTRIBUTORS (B.C.) LTD.	68,281
GREYSTONE DESIGN MANAGEMENT LTD.	939,967
GUILLEVIN INTERNATIONAL CO.	74,272
HACH SALES AND SERVICE CANADA LP	29,640
HUI BECKY	37,265
HYLAND EXCAVATING LTD.	600,437
IMPARK	183,025
INSURANCE CORP OF BC	118,532
JACOB BROS CONSTRUCTION INC.	4,668,196
JET ENGINEERED TELECOMMUNICATION	50,523
JW RECYCLE IT INC DBA RECYCLE IT CANADA	26,428
KIAN CONCERT SOUND	26,642
KIKHOSROWKIAN, FEREDON	67,363
KONICA MINOLTA BUSINESS SOLUTIONS (CANADA) LTD.	41,527
KPMG LLP	28,560
LANDMARK PREMIERE PROPERTIES (CENTRAL	31,500
LEE'S TREES	68,886
LIDSTONE & COMPANY BARRISTERS & SOLICITORS	340,221
LUXTON CONSTRUCTION	151,893
MAINROAD CONTRACTING LTD.	28,366
MARATHON SURFACES INC.	179,797
MCELHANNEY CONSULTING SERVICES LTD.	76,409
METRO VANCOUVER	124,735
MICROSOFT LICENSING GP	51,488
MINISTER OF FINANCE	279,961
THE OWNERS, STRATA PLAN BCS 3236	36,990
MUNICIPAL INSURANCE ASSOCIATION OF BC	204,337
MUNICIPAL PENSION PLAN	1,224,162
MUSSON CATTELL MACKAY PARTNERSHIP	187,339
MVH URBAN PLANNING & DESIGN INC.	52,464
NORTH AMERICA CONSTRUCTION (1993) LTD.	3,851,338
NEXGEN TECHNOLOGIES INC.	91,074
NORTON ROSE FULBRIGHT CANADA LLP	27,430
NUTECH FACILITY SERVICES LTD.	494,840
OVERHEAD DOOR CO OF VANCOUVER	97,971
PACIFIC BLUE CROSS	506,836
PACIFIC DOOR CLOSER SERVICE LTD.	26,818
PALADIN TECHNOLOGIES	25,613
PARKLAND REFINING (BC) LTD.	77,554
POSTAGE BY PHONE - PITNEY BOWES	34,193
PPM CIVIL CONSTRUCTORS ULC	3,353,634
PW TRENCHLESS CONSTRUCTION INC.	226,118
R F BINNIE & ASSOCIATES LTD.	857,921
R&B MCLEAN CONSULTING INC.	41,649
RECEIVER GENERAL FOR CANADA	2,804,137
RIOT OF COLOUR BASKETS	32,004
ROCKY MOUNTAIN PHOENIX	34,357
RUSNAK GALLANT LTD.	66,150
SANDPIPER CONTRACTING LTD.	153,732
SOFTCHOICE CORPORATION	27,194
STAPLES ADVANTAGE	35,972
STEVESTON WATER TAXI	427,871
STREAMLINE FENCING LTD.	130,070
SUDDEN TECHNOLOGIES	46,351
SUNCOR ENERGY PRODUCTS PARTNERSHIP	119,518
continued on following page	

SUPPLIER NAME	AMOUNT PAID
continued from previous page	
SURREY DIGITAL 2009 LTD.	\$ 37,356
SUTTLE RECREATION INC.	155,131
T & S POWER DIGGING	71,286
TARGET LAND SURVEYING (SURLANG) LTD.	30,888
TELUS	80,784
TELUS MOBILITY	55,213
TEMPEST DEVELOPMENT GROUP	108,856
TOURISM WHITE ROCK ASSOCIATION	82,300
U-LINE CANADA CORPORATION	27,730
URBAN GROVE TREE CARE & CONSULTING	43,230
VADIM COMPUTER MANAGEMENT GROUP	63,915
VALLEY TRAFFIC SYSTEMS INC.	86,760
WASTE CONNECTIONS OF CANADA INC.	125,372
WEB EXPRESS	35,486
WESTMAR ADVISORS INC.	446,295
WHIELDON & SON LOGGING LTD.	42,270
WHITESTAR PROPERTY SERVICES LTD.	346,382
WILCO CIVIL INC.	3,154,084
WOOD ENVIRONMENT & INFRASTRUCTURE SOLUTIONS	132,835
WORK SAFE BC	299,786
WORK TRUCK WEST A DIVISION OF WEST COAST	27,853
WORLEY CANADA SERVICES LTD.	153,765
WSP CANADA GROUP LIMITED	321,977
YMCA OF GREATER VANCOUVER	35,020
TOTAL AMOUNT	\$ 42,559,622

2. Other Suppliers

CONSOLIDATED TOTAL PAID TO SUPPLIERS WHO RECEIVED AGGREGATE PAYMENTS OF \$25,000 OR LESS	\$ 3,085,394
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3. Payments of Grants and Contributions

SUPPLIER NAME	AMOUNT PAID
WHITE ROCK BUSINESS IMPROVEMENT ASSOCIATION	\$ 330,000
WHITE ROCK MUSEUM & ARCHIVES SOCIETY (EXCLUDES GRANTS IN AID)	120,300
AGGREGATE GRANT AND CONTRIBUTION PAYMENTS OF \$25,000 OR LESS:	
FUNDING ASSISTANCE	22,500
GRANTS IN AID	48,052
TOTAL GRANTS AND CONTRIBUTIONS	\$ 520,852

4. Reconciliation

Total of payments exceeding \$25,000 paid to suppliers	\$	42,559,622
Total of payments of \$25,000 or less paid to suppliers		3,085,394
Total of grants and contributions		520,852
Subtotal	\$	46,165,868
Differences:		
There are differences due to inconsistent reporting formats and accounting treatments required by Canadian Public Sector Accounting Standards for the Financial Statements versus the Financial Information Act for the Statement of Financial Information. For example:		
a) This schedule includes the employer portion of contributions to Work Safe BC, registered pension plans, extended health, and dental plans and other employee benefits that are not included in "Contracted Services, and Supplies and Other" in the Financial Statements Note 20.		(2,306,222)
b) This schedule includes the employer portion of Employment Insurance and Canada Pension Plan remittances paid to the Canada Revenue Agency that are not included in "Contracted Services, and Supplies and Other" in the Financial Statements Note 20.		(641,622)
c) This schedule does not include the items categorized as employee expenses and shown on the Statement of Remuneration. These items are included in "Contracted Services, and Supplies and Other" in the Financial Statements Note 20.		246,145
d) This schedule does not include the loss on disposal of tangible capital assets that is included in "Contracted Service, and Supplies and Other" in the Financial Statements Note 20.		23,850
e) This schedule is prepared on a cash basis versus the "Contracted Services, and Supplies and Other" amount from Note 20 in the Financial Statements which is prepared on an accrual accounting basis. This schedule also includes payments for the acquisition of tangible capital assets that are not included in "Contracted Services, and Supplies and Other" in the Financial Statements Note 20. There are also different accounting treatments for other items such as GST.		(24,659,266)
Total per Financial Statements Note 20, Contracted Services, and Supplies and Other	\$	18,828,753
Variance	\$	-

The Corporation of the City of White Rock

Management Report

For the year ended December 31, 2019

The consolidated financial statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles. The integrity and objectivity of the consolidated financial statements is management's responsibility. Management is also responsible for all the schedules prepared for the Statement of Financial Information, and for ensuring that the schedules are consistent, where appropriate, with the information contained in the consolidated financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control.

The external auditors, KPMG LLP, conducted an independent examination, in accordance with generally accepted auditing standards, and expressed their opinion on the financial statements. Their examination did not relate to the other schedules and statements required by the Act. Their examination included a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.



Colleen Ponzini, CPA, CGA
Director of Financial Services

August 26, 2020