

City of Maple Ridge

# Financial Statements and Auditor's Report

For the Year Ended December 31, 2024



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## Independent Auditor's Report

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### To the Mayor and Council of the City of Maple Ridge

#### Opinion

We have audited the consolidated financial statements of the City of Maple Ridge (the "City"), which comprise the Consolidated Statement of Financial Position as at December 31, 2024, the Consolidated Statements of Operations, Remeasurement Gains and Losses, Change in Net Financial Assets, and Cash Flows for the year then ended, and notes and schedules comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2024 and its results of operations, remeasurement gains and losses, changes in net financial assets, and 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 Consolidated Financial Statements section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 these consolidated financial statements.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)**

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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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.

### **Unaudited Information**

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of 'Schedule 2 - Schedule for BC Safe Restart Grant' that is included in these consolidated financial statements.

Chartered Professional Accountants

Vancouver, British Columbia

**REPORT DATE**

**Consolidated Statement of Financial Position**  
as at December 31, 2024

**2024**

**2023**

**Financial Assets**

Cash and cash equivalents (Note 1)	\$ 105,273,392	\$ 61,015,863
Portfolio investments (Note 2)	206,274,711	245,129,093
Accounts receivable (Note 4)	26,495,439	26,404,368
Recoverable local improvements (Note 5)	405,662	512,827
Debt reserve fund (Note 6)	1,223,692	1,182,509
Inventory available for resale	<u>56,169</u>	<u>56,169</u>
	<b>339,729,065</b>	<b>334,300,829</b>

**Liabilities**

Accounts payable and accrued liabilities (Note 7)	36,118,805	36,685,123
Asset retirement obligations (Note 8)	22,260,160	19,670,943
Deferred revenue (Note 9)	24,188,692	20,347,771
Restricted revenue (Note 10)	19,794,924	40,918,197
Refundable performance deposits and other	32,059,509	30,942,915
Employee future benefits (Note 11)	2,761,600	2,718,600
Debt (Note 12)	<u>34,467,441</u>	<u>38,761,184</u>
	<b>171,651,131</b>	<b>190,044,733</b>

**Net Financial Assets**

<u><b>168,077,934</b></u>	<u><b>144,256,096</b></u>
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**Non Financial Assets**

Tangible capital assets (Note 13, Schedule 1)	1,264,349,949	1,214,389,129
Undeveloped land bank properties (Note 14)	15,526,529	15,526,529
Supplies inventory	814,856	699,859
Prepaid expenses	<u>2,621,239</u>	<u>1,477,293</u>
	<u><b>1,283,312,573</b></u>	<u><b>1,232,092,810</b></u>

**Accumulated Surplus (Note 15)**

<u><b>\$ 1,451,390,507</b></u>	<u><b>\$ 1,376,348,906</b></u>
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**Accumulated surplus is comprised of:**

Accumulated operating surplus	1,453,641,392	1,377,661,946
Accumulated remeasurement losses	<u>(2,250,885)</u>	<u>(1,313,040)</u>
	<u><b>1,451,390,507</b></u>	<u><b>1,376,348,906</b></u>

Scott Hartman  
Chief Administrative Officer

Trevor Thompson, BBA, CPA, CGA  
Director of Finance

The accompanying summary of significant accounting policies and notes to the Consolidated Financial Statements are an integral part of this statement.

## Consolidated Statement of Operations

For the year ended December 31, 2024

	Budget 2024 Note 21	Actual 2024	Actual 2023
<b>Revenue (Segment Report, Note 24)</b>			
Taxes for municipal purposes (Note 17)	\$ 119,703,761	\$ 119,225,818	\$ 111,141,357
User fees and other revenue	61,898,526	85,935,644	59,725,971
Government transfers (Note 18)	9,827,075	12,023,092	25,667,573
Development revenue	69,623,791	11,398,762	12,215,131
Interest and investment income	4,294,988	11,216,389	9,886,033
Gain on reameasurement	-	21,960	-
Gaming revenues	1,500,000	1,553,543	1,634,609
Asset disposal losses	-	(1,254,694)	(1,307,350)
Contributed tangible capital assets (Note 13)	<u>20,000,000</u>	<u>29,238,508</u>	<u>14,440,058</u>
	286,848,141	269,359,022	233,403,382
<b>Expenses (Segment Report, Note 24)</b>			
Protective services	61,727,169	58,296,142	51,270,638
Transportation services	32,742,692	27,273,097	26,143,320
Parks, recreation & cultural	29,836,444	32,343,252	28,467,360
Water utility	20,445,662	19,733,960	18,952,735
Sewer utility	18,920,261	16,768,464	14,814,405
General government	28,009,107	25,607,266	26,664,649
Planning, public health and other	<u>11,030,455</u>	<u>13,357,395</u>	<u>8,740,309</u>
	202,711,790	193,379,576	175,053,416
<b>Annual surplus</b>	<u>84,136,351</u>	<u>75,979,446</u>	<u>58,349,966</u>
<b>Accumulated Operating Surplus (beginning of year)</b>	<u>1,377,661,946</u>	<u>1,377,661,946</u>	<u>1,319,311,980</u>
<b>Accumulated Operating Surplus (end of year) (Note 15)</b>	<u>\$ 1,461,798,297</u>	<u>\$ 1,453,641,392</u>	<u>\$ 1,377,661,946</u>

The accompanying summary of significant accounting policies and notes to the Consolidated Financial Statements are an integral part of this statement.

## Consolidated Statement of Remeasurement Losses

For the year ended December 31, 2024

	Actual 2024	Actual 2023
Accumulated remeasurement losses at beginning of year	\$ 1,313,040	\$ -
Unrealized losses attributable to:		
Portfolio investments	915,885	1,313,040
Amounts reclassified to the statement of operations		
Portfolio investments	<u>21,960</u>	<u>-</u>
Net remeasurement losses at end of year	\$ <u>2,250,885</u>	\$ <u>1,313,040</u>

The accompanying summary of significant accounting policies and notes to the Consolidated Financial Statements are an integral part of this statement.

## Consolidated Statement of Change in Net Financial Assets

For the year ended December 31, 2024

	Budget 2024 Note 21	Actual 2024	Actual 2023
<b>Annual Surplus</b>	\$ 84,136,351	\$ 75,979,446	\$ 58,349,966
<b>Add (Less):</b>			
<b>Change in Tangible Capital Assets</b>			
Acquisition of tangible capital assets	(259,000,010)	(81,300,188)	(66,040,048)
Amortization	24,593,930	29,891,313	27,971,733
Proceeds from disposal of tangible capital assets	-	193,361	415,624
Loss on disposal of tangible capital assets	-	1,254,694	1,307,350
	<u>(234,406,080)</u>	<u>(49,960,820)</u>	<u>(36,345,341)</u>
<b>Change in Other Assets</b>			
Increase in supplies inventory	-	(114,997)	(88,988)
Increase in prepaid expenses	-	(1,143,946)	(21,103)
Increase in accumulated remeasurement losses	-	(937,845)	(1,313,040)
	<u>-</u>	<u>(2,196,788)</u>	<u>(1,423,131)</u>
<b>Increase (decrease) in Net Financial Assets</b>	(150,269,729)	23,821,838	20,581,494
<b>Net Financial Assets beginning of the year</b>	<u>144,256,096</u>	<u>144,256,096</u>	<u>123,674,602</u>
<b>Net Financial Assets (Debt) end of the year</b>	<u>\$ (6,013,633)</u>	<u>\$ 168,077,934</u>	<u>\$ 144,256,096</u>

The accompanying summary of significant accounting policies and notes to the Consolidated Financial Statements are an integral part of this statement.

## Consolidated Statement of Cash Flow

For the year ended December 31, 2024

	Actual 2024	Actual 2023
<b>Operating transactions</b>		
Annual surplus	\$ 75,979,446	\$ 58,349,966
Items not utilizing cash		
Amortization	29,891,313	27,971,733
Accretion expense	820,278	787,439
Loss on disposal of assets	1,254,694	1,307,350
Contributed tangible capital assets	(29,238,508)	(14,440,058)
Actuarial adjustment on debt	(642,210)	(568,002)
Adjustment to user fees and other revenues	(18,713,244)	-
Restricted revenues recognized	(10,755,096)	(11,595,169)
	(27,382,773)	3,463,293
<b>Change in non-cash operating items</b>		
Increase in prepaid expenses	(1,143,946)	(21,103)
Increase in supplies inventory	(114,997)	(88,988)
Increase in accounts receivable	(91,071)	(1,120,848)
Decrease in recoverable local improvements	107,165	102,086
Increase in debt reserve	(41,183)	(35,641)
Increase (decrease) in accounts payable and accrued liabilities	(566,318)	6,971,079
Increase in asset retirement obligation incurred on landfill	1,883,932	-
Increase in remeasurement loss	(937,845)	(1,313,040)
Increase (decrease) in deferred revenue	3,840,921	1,474,926
Increase (decrease) in refundable performance deposits	1,116,594	3,472,824
Increase (decrease) in employee future benefits	43,000	(143,100)
	4,096,252	9,298,195
Cash provided by operating transactions	52,692,925	71,111,454
<b>Capital transactions</b>		
Proceeds on disposal of tangible capital assets	193,361	415,624
Settlement of asset retirement obligation	(114,993)	-
Cash used to acquire tangible capital assets	(52,061,680)	(51,599,990)
	(51,983,312)	(51,184,366)
<b>Investing transactions</b>		
(Increase) decrease in portfolio investments	38,854,382	8,122,599
<b>Financing transactions</b>		
Debt repayment	(3,651,533)	(3,601,500)
Collection of restricted revenues	8,345,067	13,634,620
	4,693,534	10,033,120
<b>Increase (decrease) in cash and cash equivalents</b>	44,257,529	38,082,807
Cash and cash equivalents - beginning of year	61,015,863	22,933,056
Cash and cash equivalents - end of year	\$ 105,273,392	\$ 61,015,863

The accompanying summary of significant accounting policies and notes to the Consolidated Financial Statements are an integral part of this statement.



## Summary of Significant Accounting Policies For the year ended December 31, 2024

The City of Maple Ridge (the "City") is a municipality in the province of British Columbia and operates under the provisions of the Community Charter. The City provides municipal services such as fire, public works, planning, parks, recreation and other general government services.

### SIGNIFICANT ACCOUNTING POLICIES

**(a) Reporting Entity and Basis of Consolidation**

These financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards (PSAS) using guidelines developed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

They consolidate the activities of all of the funds of the City and the City's wholly owned subsidiaries C.D.M.R. Developments Ltd. and Maple Ridge Municipal Holdings Ltd. Transactions between the City's funds and wholly owned subsidiaries have been eliminated and only transactions with outside entities are reported.

**(b) Basis of Accounting**

The basis of accounting followed in these financial statements is the accrual method and includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenses in the period the goods and services were acquired and a liability was incurred.

**(c) 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 business.

**(d) Tangible Capital Assets**

Tangible capital assets are a class of non-financial assets and are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation and installation costs, design and engineering fees, legal fees and site preparation costs. Interest costs are not capitalized during construction. Amortization is recorded on a straight line basis over the estimated life of the tangible capital asset commencing once the asset is put into use. Assets under construction are not amortized. Contributed tangible capital assets are recorded at estimated fair value at the time of the contribution and are also recorded as revenue.

Estimated useful lives of tangible capital assets are as follows:

Buildings (including building components)	7 to 50 years
Transportation network	10 to 75 years
Storm sewer system	10 to 75 years
Fleet and equipment	8 to 20 years
Technology	3 to 25 years
Water system	10 to 85 years
Sanitary sewer system	30 to 75 years
Furniture and fixtures	3 to 20 years
Structures	15 to 75 years

Natural resources, works of art and historic assets are not recorded as assets in these consolidated financial statements.

**(e) Liability for 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.

A liability for remediation of a contaminated site is recognized when a site is not in productive use or is not controlled by the City but for which the City has taken responsibility or an unexpected event occurs, and when 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 best estimate of the cost of remediation and post-remediation, including operation, maintenance and monitoring, that are an integral part of the remediation strategy for a contaminated site. There were no such sites that had contamination in excess of an environmental standard requiring remediation, therefore no liability was recognized at December 31, 2024 or December 31, 2023.

**(f) Asset retirement obligations**

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the City to incur retirement costs in relation to a tangible capital asset (or a component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying value of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset. When a liability for an asset retirement obligation applies to a tangible capital asset (or component thereof) that is no longer in productive use, the estimated retirement costs are expensed at the time of liability recognition.

At each financial reporting date, the City reviews the carrying amount of the liability. The City recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The City continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

**(g) Expense Recognition**

Expenses are recorded using the accrual basis of accounting whereby expenses are recognized as they are incurred and measurable based upon receipt of goods and services and/or the legal obligation to pay.

(h) **Revenue Recognition**

The City recognizes revenue in accordance with the following policies:

Taxation

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. Annual levies for non-optional municipal services and general administrative services are recorded as taxation for municipal purposes in the year they are levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Through the British Columbia Assessments' appeal process, taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized at the time they are awarded. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts. Levies imposed by other taxing authorities are not included in the City's revenues. Amounts received prior to recognition are recorded as a liability within Deferred Revenue.

User fees and other revenue

*Revenue streams with performance obligations*

Revenue from transactions with performance obligations is recognized when or as the organization satisfies the performance obligations, which occurs when control of the benefits associated with the promised goods or services has passed to the payor. Charges for sewer and water usage are recorded as user fees and other revenue as the services are provided. The transaction price for all streams are as specified in the relevant agreements, policies or City bylaws.

*Revenue streams without performance obligations*

Revenue from transactions without performance obligation is recognized at realizable value when the City has the authority to claim or retain an inflow of economic resources received or receivable and there is a past transaction or event that gives rise to the economic resources. This applies to revenue from fines, penalties, and interest. The transaction price for these transaction streams are as specified in the relevant agreements, policies, or City bylaws.

Government transfers

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Government transfers are recorded as deferred revenue when transfer stipulations give rise to a liability and are recognized in the statement of operations as the stipulated liabilities are settled.

Development revenues

Receipts that are restricted by the legislation of senior governments or by agreement with external parties are a liability of the municipality and are reported as Restricted Revenues at the time they are received. When qualifying expenditures are incurred Restricted Revenues are brought into revenue as development revenue.

Investment income

Income from portfolio investments is reported as revenue in the period that it is earned, based on the terms of the underlying financial instruments and in accordance with the financial instrument measurement policies disclosed in Note 3.

Contributed tangible capital assets

Subdivision developers are required to provide subdivision infrastructure such as streets, lighting, sidewalks, and drainage etc. Upon completion, these assets are turned over to the City. Tangible capital assets contributed to the City are recorded as revenue when the City acquires control over the contributed assets. These assets are recognized at their estimated fair value, which is the amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. When fair value cannot be estimated, contributed tangible capital assets are recognized at a nominal value.

(i) **Use of estimates/measurement uncertainty**

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 revenues and expenses during the reporting period. Significant areas requiring use of management estimates relate to the useful lives of tangible capital assets, determination of employee future benefits, asset retirement obligations, the outcome of litigation and claims, and the percentage of completion of buildings and subdivision inspections assessed at the fair market value contributed by developers. Actual results could differ from these estimates.

(j) **Budget figures**

The budget figures reported in the Consolidated Financial Statements represent the 2024 component of the Financial Plan Bylaw, No. 7926-2023, adopted by Council on April 23, 2024.

(k) **Financial instruments**

The City's financial instruments consist of cash and cash equivalents, portfolio investments, accounts receivable, recoverable local improvements, debt reserve fund, accounts payable and accrued liabilities, refundable performance deposits and debt.

Cash and equity instruments quoted in an active market are measured at fair value. All other financial instruments, are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. For portfolio measurements measured at cost, the cost method records the initial investment at cost and earnings from such investments are recognized only to the extent received or receivable. When an investment is written down to recognize an impairment loss, the new carrying value is deemed to be the new cost basis for subsequent accounting purposes. All financial assets are tested annually for impairment. Should investment be deemed impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

Unless otherwise indicated, it is management's opinion that the City is not exposed to any significant interest, credit or currency risks arising from these financial instruments.

(l) **Cash and cash equivalents**

Cash and cash equivalents are comprised of the amounts held in the City's bank accounts and investments with an original term to maturity of three months or less, or redeemable on demand without penalty.

(m) **Portfolio Investments**

Investments with an original term to maturity of more than three months from the date of acquisition are reported as portfolio investments. Investments in pooled MFA funds are recorded at cost. Provisions for declines in the market value of investments are recorded when they are considered to be other than temporary. Investment instruments where returns are linked to the performance of other indices are carried at market value in accordance with PS 3450 Financial Instruments.

(n) **Basis of segmentation**

Municipal services have been segmented by grouping services that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest expense is allocated to functions based on the purpose of specific borrowings.

(o) **Employee future benefits**

The City and its employees make contributions to the Municipal Pension Plan, and the employees accrue benefits under this plan based on service. The City's contributions are expensed as incurred. As this is a multi-employer plan, no liability is attributed to the City and no liability is recorded in the financial statements.

Sick leave benefits and retirement severance benefits are also available to the City's employees. The costs of 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 benefit plans are accrued based on projected benefits prorated as the employees render services necessary to earn the future benefits.

(p) **New accounting standards**

PS 3400 Revenue

Effective January 1, 2024, the City adopted Public Sector Accounting Standard 3400 (Revenue). This new standard addresses the recognition, measurement and presentation of revenue. The standard also distinguishes between exchange transactions that carry performance obligations and non-exchange transactions which do not. The impact to the consolidated financial statements resulting from prospective adoption of PS 3400 is outlined in Note 26.

PS 3160 Public Private Partnerships

The PS 3160 standard relates to scenarios in which a public sector entity acquires infrastructure using a private sector partner, where the private sector partner is responsible for acquisition, financing, and maintaining the infrastructure. As at December 31, 2024 the City does not have any such agreements in scope of this standard. As such, the City has determined that the adoption of PS 3160 did not have a material impact on the amounts presented in the consolidated financial statements.

**Notes to the Consolidated Financial Statements**  
For the year ended December 31, 2024

**1. Cash and cash equivalents**

Cash and cash equivalents as at December 31, 2024 were comprised as follows:

Holding	Rate of return	2024		2023	
Cash	N/A (2023 - N/A)	\$	38,650,279	\$	29,777,724
GIC (Cash equivalent)	4.8% (2023 - N/A)		15,000,000		-
MFA pooled funds (Cash equivalent)	3.44% - 3.8% (2023 - 3.54%-5.06%)		51,623,113		31,238,139
		\$	105,273,392	\$	61,015,863

Cash equivalents are comprised of a pooled mortgage fund which has generated returns at an interest rate of **3.80%** (3.54% for 2023), a pooled short-term bond which has generated returns at an interest rate of **3.44%** (n/a for 2023) and a short-term Guaranteed Investment Certificate which generated returns at a rate of **4.8%** (n/a for 2023). The City held investments in a pooled money market fund which has generated returns at an interest rate of 5.06% for 2023. There were no such holdings in 2024.

**2. Portfolio Investments**

Portfolio investments include Canadian bank notes, Guaranteed Investment Certificates and BC Credit Union term deposits with effective interest rates of 1.41% - 6.00% and years of maturity ranging from 2025 to 2034.

A portion of the of the bank notes held have interest payments linked to the performance of a set of equities or a financial index without stated or certain interest rates. These have been classified as fair value financial instruments and recorded at their market value as at December 31, 2024. Fair value financial instruments with a face value of \$41,000,000 have a market value of \$38,749,115 as at December 31, 2024 (\$39,665,000 for 2023) resulting in an accumulated remeasurement loss of \$2,250,885 (\$1,313,040 for 2023). Portfolio investments as at December 31, 2024 were comprised as follows:

Investment type	2024	2024	2023	2023
	Carrying value	Market value	Carrying value	Market value
Deposit Notes	\$ 64,000,000	\$ 62,263,635	\$ 71,044,656	\$ 70,671,440
GICs	133,698,856	135,890,958	167,271,797	171,601,867
	197,698,856	198,154,593	238,316,453	242,273,307
Accrued interest	10,826,740	n/a	8,125,680	n/a
Remeasurement loss	(2,250,885)	n/a	(1,313,040)	n/a
	\$ 206,274,711	\$ 198,154,593	\$ 245,129,093	\$ 242,273,307

**3. Financial Instruments**

**Amortized Cost**

Amortized cost is the amount at which the financial instrument asset is measured at initial recognition plus the impact of an effective interest rate between that initial amount and accrued interest as at the financial statement date.

**Fair Value**

Fair value estimates are made at the Statement of Financial Position date based on relevant market information and information about the financial instrument.

Financial instruments recorded at fair value in the City's Statement of Financial Position are categorized based on the level of judgement required to assess fair value. Hierarchal levels of fair value are defined by PS3450 as follows:

- Prices (unadjusted) of assets or liabilities quoted in active markets (Level 1);

### 3. Financial Instruments (cont'd)

- Inputs other than quoted prices included within Level 1 that are observable for the financial instrument, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2);
- Inputs for the financial instrument that are not based on observable market data (unobservable inputs) (Level 3).

The City's portfolio investments measured at fair value as described in Note 2 are classified as Level 2 as at December 31, 2024.

#### **Risk Management**

The City is exposed to credit risk, liquidity risk, and interest rate risk from its financial instruments. This note describes the City's objectives, policies, and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

There have not been any changes from the prior year in the City's exposure to the above risks or the policies, procedures and methods it uses to manage and measure the risks.

#### **Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The City is exposed to credit risk through its cash, accounts receivable and portfolio investments. The City manages this risk by holding cash at a Schedule 1 bank, as defined by the Federal Bank Act, investing funds in accordance with legislation as outlined in the Community Charter, refined by the City's policy No. 5.44 Investment of Municipal Funds and through limiting instances of issuing credit. The City is subject to credit risk on its accounts receivable, general and development cost charges. Credit risk relating to property taxes receivable from other governments and accrued interest receivable is considered nominal.

#### **Liquidity Risk**

Liquidity risk is the risk that the City will encounter difficulty in meeting obligations associated with financial liabilities. The City is exposed to liquidity risk through its accounts payable and debt.

The City manages this risk by maintaining a balance of short term or highly liquid investments, staggering the maturity dates of portfolio investments for cash flow needs, and having the ability to increase tax rates by bylaw as part of the financial planning process in order to raise sufficient cash. In addition, the City has in place a robust planning, budgeting and forecasting process to help determine the funds required to support operating and capital requirements. These requirements are incorporated into the five-year financial plan bylaw that is adopted by Council. The City measures its exposure to liquidity risk based on the results of cashflow forecasting and extensive budgeting.

#### **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The City is exposed to interest rate risk through its long-term debt and the value of certain portfolio investments.

The City manages interest rate risk on its long-term debt by holding all debt through the Municipal Finance Authority (MFA) at a fixed rate, with refinancing typically being completed at the ten or fifteen year mark. Therefore, fluctuations in market interest rates would not impact future cash flows an operations relating to long term debt. See Note 12 for interest rates and maturity dates for long term debt.

Investments that are subject to interest rate risk are MFA pooled investment funds. The risk is caused by changes in interest rates. As interest rates rise, the fair market value of the MFA pooled investment funds decrease and, as interest rates fall, the fair value of these investments increase.

As a result of diversification, only a portion of the overall investment portfolio is exposed to interest rate risk, as described in Note 2.

#### 4. Accounts Receivable

	2024	2023
Property Taxes	\$ 9,535,603	\$ 8,022,168
Other Governments	4,730,806	6,549,324
General	4,117,477	3,743,252
Accrued Interest	892,994	714,923
Development Cost Charges	7,478,990	7,601,758
	26,755,870	26,631,425
Less: Allowance for Doubtful Accounts	(260,431)	(227,057)
	<u>\$ 26,495,439</u>	<u>\$ 26,404,368</u>

#### 5. Recoverable Local Improvements

The City provides interim financing for certain geographically localized capital projects. It recovers these amounts from benefiting property owners. Interest rates are established at the outset of the process and are a function of borrowing rates at the time. Repayment is typically made over fifteen years.

#### 6. Debt Reserve Fund:

The Municipal Finance Authority of British Columbia (MFA) provides capital financing for regional districts and their member municipalities. As part of each loan issuance, 1% of the gross debt proceeds are held back by the MFA to form the MFA's Debt Reserve Fund (DRF). The amounts in the DRF are held in trust for each borrower by the MFA, as protection against borrower default. Upon maturity of each debt issue, the DRF and any interest earned is discharged to the borrower. The City has estimated that there is only a remote possibility that these funds will not be recovered and therefore these funds have been reported at **\$1,223,692** for 2024 (\$1,182,509 for 2023).

#### 7. Accounts Payable and Accrued Liabilities

	2024	2023
<b>Accounts Payable:</b>		
General	\$ 16,864,632	\$ 13,957,979
Other Governments	14,296,874	15,492,719
Salaries and Wages	2,312,419	5,045,179
	33,473,925	34,495,877
<b>Accrued Liabilities:</b>		
Vacation Pay	1,285,714	1,005,246
Other Employment Benefits	1,359,166	1,184,000
	2,644,880	2,189,246
	<u>\$ 36,118,805</u>	<u>\$ 36,685,123</u>

#### 8. Asset Retirement Obligations

The City controls a number of tangible capital assets with specific obligations related to their eventual retirement or disposal. The initial amount at inception of the estimated asset retirement obligation is amortized over the expected remaining useful life of the related tangible capital asset. The City also operated a landfill until 1989 for which there are prescribed obligations related to the closure and post-closure monitoring of the site.

Asset retirement obligations have been based on presently known obligations obtained through assessments or estimates using relevant unit costs. Estimated future costs have been discounted to the present value using a rate of **4.17%** (2023 - 4.17%) and an inflation rate of **3.36%** (2023 - 3.36%) has been used as an inflation rate for accretion expenses.

The City's Asset Retirement Obligations are comprised of the following:

##### a). Landfill obligation

Legislation requires closure and post closure care of solid waste landfill sites. Closure is estimated to be completed in 2031 and includes final covering, landscaping, erosion control, leachate and gas management. Post closure requirements extend for 30 years beyond completion of the closure plan and include inspection and maintenance of the final covering, ground water monitoring, gas management systems operations, and annual reports.



## 8. Asset Retirement Obligations (cont'd)

### b). Asbestos obligation

The City owns and operates several buildings that are known to have asbestos which represents a health hazard upon demolition or renovation of the building and there is a legal obligation to remove it. The buildings were purchased or constructed in various years and the liability has been measured as of the date of purchase or the date on which the legal obligation came into effect.

### c). Well decommissioning obligation

The City has a number of wells which must be decommissioned in a prescribed matter as defined in the British Columbia Groundwater Protection Regulation. The wells were acquired or constructed in various years and the liability has been estimated at the time of acquisition or when the legal obligation came into effect.

### d). Leasehold improvement obligation

The City holds a lease arrangement which contains clauses requiring the decommissioning of any leasehold improvements at the end of the lease term. The liability has been measured as of the date the City entered into the lease arrangement.

Changes to asset retirement obligations in the year are as follows:

	December 31, 2023	Liability incurred (settled)	Accretion Expense	December 31, 2024
Buildings (asbestos)	\$ 1,056,600	\$ (114,993)	\$ 44,060	\$ 985,667
Leasehold obligations	1,009	-	42	1,051
Wells	54,218	-	2,261	56,479
Landfill	<u>18,559,116</u>	<u>1,883,932</u>	<u>773,915</u>	<u>21,216,963</u>
	<u>\$ 19,670,943</u>	<u>\$ 1,768,939</u>	<u>\$ 820,278</u>	<u>\$ 22,260,160</u>

  

	December 31, 2022	Liability incurred (settled)	Accretion Expense	December 31, 2023
Buildings (asbestos)	\$ 1,014,304	\$ -	\$ 42,296	\$ 1,056,600
Leasehold obligations	972	-	37	1,009
Wells	52,048	-	2,170	54,218
Landfill	<u>17,816,180</u>	<u>-</u>	<u>742,936</u>	<u>18,559,116</u>
	<u>\$ 18,883,504</u>	<u>\$ -</u>	<u>\$ 787,439</u>	<u>\$ 19,670,943</u>

The \$1,883,932 net addition to landfill consists of an addition of \$3,602,127 and a reduction of \$1,718,195.

## 9. Deferred Revenues

Deferred revenues held by the City were comprised as follows:

	December 31, 2023	Additions	Revenue earned	December 31, 2024
Prepaid property taxes	\$ 9,651,391	\$ 19,642,469	\$ 18,529,287	\$ 10,764,573
Connection Revenues	1,951,326	1,214,711	1,110,315	2,055,722
Other	<u>8,745,054</u>	<u>12,874,485</u>	<u>10,251,142</u>	<u>11,368,397</u>
	<u>\$ 20,347,771</u>	<u>\$ 33,731,665</u>	<u>\$ 29,890,744</u>	<u>\$ 24,188,692</u>

## 10. Restricted Revenues

Restricted revenues held by the City were comprised as follows:

	December 31, 2023	Collections/Interest	Revenue recognized	December 31, 2024
Development cost charges	\$ 18,288,183	\$ 8,147,497	\$ (9,547,194)	\$ 16,888,486
Parkland acquisition charges	2,612,795	78,218	(1,207,903)	1,483,110
Parking Charges	1,303,976	119,352	-	1,423,328
Amenity Charges	11,284,116	-	(11,284,116)	-
Other	<u>7,429,127</u>	<u>-</u>	<u>(7,429,127)</u>	<u>-</u>
	<u>\$ 40,918,197</u>	<u>\$ 8,345,067</u>	<u>\$ (29,468,340)</u>	<u>\$ 19,794,924</u>

## 11. Employee Future Benefits

The City provides employee future benefits in the form of severance benefits and vested and non-vested sick leave to qualifying employees. These benefits are not separately funded.

Severance benefits are cash settlements paid to employees who cease their employment with the City after a specified period of time. Employees hired before February 11, 1999 qualify for five days pay per year of employment, provided they either work a minimum of 20 years with the City or retire as defined by the Public Sector Pension Plan Act. Full time employees hired after February 11, 1999 qualify for 20 days pay provided they work a minimum of 10 years with the City and retire as defined by the Public Sector Pension Plan Act.

The City permits regular employees to accumulate up to 18 days per year of service for future illnesses up to a maximum of 250 days. For certain qualifying employees a portion of this benefit vests; for the balance, this benefit does not vest and cannot be converted to any other type of benefit.

An actuarial valuation of these benefits was performed to determine the City's liability and accrued benefit obligation as at December 31, 2024. The valuation resulted in an actuarial loss of \$49,300 at December 31, 2024 (actuarial gain of \$291,400 at December 31, 2023). Actuarial gains or losses are amortized over the expected average remaining service life of employees. The benefit liability at December 31, 2024 was **\$2,761,600** (\$2,718,600 for 2023), comprised as follows:

	<u>2024</u>	<u>2023</u>
Accrued benefit obligation, beginning of year	\$ 2,236,200	\$ 2,641,200
Add: Current service costs	143,100	154,100
Interest on accrued benefit obligation	91,800	111,300
Actuarial loss/(gain)	49,300	(291,400)
Less: Benefits paid during the year	<u>(138,100)</u>	<u>(379,000)</u>
Accrued benefit obligation, end of year	2,382,300	2,236,200
 Add: Unamortized actuarial gain	 <u>379,300</u>	 <u>482,400</u>
Benefit liability	<u><u>\$ 2,761,600</u></u>	<u><u>\$ 2,718,600</u></u>

Actuarial assumptions used to determine the City's accrued benefit obligation are as follows:

	<u>2024</u>	<u>2023</u>
Discount rate (long-term borrowing rate)	4.20 %	4.10 %
Expected future inflation rate	2.50 %	2.00 %
Merit and inflationary wage and salary increases averaging	3.26 %	2.69 %
Estimated average remaining service life of employees (years)	13.0	12.0

## 12. Debt

The City obtains debt financing through the Municipal Finance Authority (MFA), pursuant to security issuing bylaws under authority of the Community Charter, to finance certain capital expenditures. Debt is reported net of Sinking Fund balances and interest expense is reported net of Sinking Fund earnings. During the year, the City's outstanding debt balance was reduced by a combination of direct principal payments and sinking fund earnings totaling **\$4,293,743** (\$4,169,502 for 2023). Interest payments for the year totaled **\$1,306,307** (\$1,481,176 for 2023).

## 12. Debt (cont'd)

The gross amount of debt less sinking fund installments and actuarial adjustments to date are as follows:

MFA Issue	Bylaw No.	Purpose	Rate	Due	Gross Debt	Cumulative Payments	2024 Debt Outstanding	2023 Debt Outstanding
93	6246	Downtown Civic Facilities	5.70%	2027	\$ 32,100,000	\$ 26,483,852	\$ 5,616,148	\$ 7,386,340
99	6246	Downtown Office Complex	5.00%	2026	16,300,000	14,150,155	2,149,845	3,224,905
121	6560	Animal Shelter	2.90%	2027	625,000	473,680	151,320	200,038
121	6559	Cemetery Expansion	2.90%	2037	1,520,000	556,952	963,048	1,021,575
121	6679	Cemetery Expansion	2.90%	2037	700,000	256,491	443,509	470,462
153	6558	Fire Hall #4	2.41%	2031	6,000,000	1,688,657	4,311,343	4,886,847
153	7370	Leisure Ctr. Reno	2.41%	2046	3,500,000	329,878	3,170,122	3,282,546
153	7371	Synthetic Field	2.41%	2046	7,000,000	659,757	6,340,243	6,565,092
153	7372	Albion Community Ctr.	2.41%	2046	8,500,000	801,133	7,698,867	7,971,897
153	7374	Hammond Community Ctr.	2.41%	2046	2,000,000	188,502	1,811,498	1,875,741
153	7376	MRSS Track Facility	2.41%	2046	2,000,000	188,502	1,811,498	1,875,741
					<u>\$ 80,245,000</u>	<u>\$ 45,777,559</u>	<u>\$ 34,467,441</u>	<u>\$ 38,761,184</u>

The following debenture debt amounts plus projected Sinking Fund earnings are payable over the next five years and thereafter are as follows:

	<u>Debt Payments</u>
2025	\$ 3,697,744
2026	3,749,136
2027	3,254,597
2028	1,296,637
2029	1,296,637
Thereafter	13,381,590
Actuarial earnings	7,791,100
	<u>\$ 34,467,441</u>

The City has the following authorized but unissued financing available as at December 31, 2024:

<u>L/A Bylaw</u>	<u>L/A Amount</u>
#6560	\$ 275,000
#6679	1,100,000
#7373	1,000,000
#7374	500,000
#7375	1,000,000
#7376	500,000
#7377	23,500,000
<b>Total</b>	<b><u>\$ 27,875,000</u></b>

## 13. Tangible Capital Assets

	<u>Net book value</u>	
	<u>2024</u>	<u>2023</u>
Land	\$ 323,804,789	\$ 306,753,546
Buildings	81,432,093	82,336,113
Transportation network	239,260,633	229,384,728
Storm sewer system	233,476,004	225,718,705
Fleet and equipment	25,750,989	23,536,932
Technology	6,950,807	6,553,771
Water system	150,884,868	150,394,624
Sanitary sewer system	156,867,675	145,474,872
Other	45,922,091	44,235,838
	<u>\$ 1,264,349,949</u>	<u>\$ 1,214,389,129</u>

For additional information, see the Schedule of Tangible Capital Assets (Schedule 1)

**13. Tangible Capital Assets (cont'd)**

During the year there were no write-downs of assets (2023 - \$Nil). During the year, the fair value of roads and related infrastructure, underground networks and land contributed to the City totaled **\$29,238,508** (\$14,440,058 for 2023) and was capitalized and recorded as revenue at the time of recognition.

Natural assets, works of art, artifacts, cultural and historic assets are not recorded as assets in these financial statements. The City controls various works of art and historical treasures including artifacts, paintings, sculptures and mosaics located at City sites and public display areas.

**14. Undeveloped Land Bank**

The City owns property in various areas identified for future growth in the Official Community Plan. These properties are not currently used in the provision of service to the citizens of Maple Ridge. The properties represent a strategic, non-renewable resource available for the advancement of Council's strategic plan.

**15. Accumulated Surplus**

Accumulated Surplus is comprised of operating surpluses, equity in tangible capital assets held in the general, sewer and water funds as well as reserves, offset by obligations that will be settled from future revenues. Accumulated surplus for 2024 is **\$1,451,390,507** (\$1,376,348,906 for 2023) and is distributed as follows:

		<u>2024</u>	<u>2023</u>
Operating surplus	General	\$ 6,446,588	\$ 7,663,463
	Sewer	22,697,830	9,608,417
	Water	<u>16,932,706</u>	<u>11,881,526</u>
		46,077,124	29,153,406
Equity in tangible capital assets	General	965,174,158	928,876,524
	Sewer	159,167,851	147,187,757
	Water	<u>155,945,182</u>	<u>154,215,961</u>
		1,280,287,191	1,230,280,242
Reserves (Note 16)	Statutory	68,789,549	67,983,907
	Internally restricted	<u>117,976,729</u>	<u>111,395,118</u>
		<u>186,766,278</u>	<u>179,379,025</u>
Obligations to be funded by future revenues	Debt	(34,467,441)	(38,761,184)
	Employee future benefits	(2,761,600)	(2,718,600)
	Asset retirement obligations	<u>(22,260,160)</u>	<u>(19,670,943)</u>
		<u>(59,489,201)</u>	<u>(61,150,727)</u>
Accumulated Remeasurement Loss		(2,250,885)	(1,313,040)
Accumulated Surplus		<u>\$ 1,451,390,507</u>	<u>\$ 1,376,348,906</u>

## 16. Reserves

	<u>December 31, 2023</u>	<u>Interest Allocated</u>	<u>Contributions/ Transfers</u>	<u>Use of Reserves</u>	<u>December 31, 2024</u>
<b>Statutory Reserve Funds</b>					
Local Improvement	\$ 2,769,886	\$ 68,839	\$ -	\$ -	\$ 2,838,725
Equipment Replacement	21,103,057	615,958	1,707,505	(2,946,229)	20,480,291
Capital Works	20,025,595	470,983	(929,284)	(6,042,235)	13,525,059
Fire Department Capital Acquisition	6,299,947	122,737	2,353,765	(6,571,483)	2,204,966
Sanitary Sewer	-	-	-	-	-
Land	838,155	25,058	-	-	863,213
Albion Amenity Charges	-	16,406	685,526	-	701,932
Community Amenity Charges	-	352,133	12,337,579	(96,503)	12,593,209
Growing Communities Grant	16,947,267	482,686	-	(1,847,799)	15,582,154
<b>Total Statutory Reserve Funds</b>	<u>67,983,907</u>	<u>2,154,800</u>	<u>16,155,091</u>	<u>(17,504,249)</u>	<u>68,789,549</u>
<b>Internally Restricted Reserve Accounts</b>					
Specific Projects - Capital	8,659,659	-	4,529,977	(3,214,412)	9,975,224
Specific Projects - Operating	8,129,567	-	10,627,250	(5,047,301)	13,709,516
Self Insurance	579,373	16,704	45,000	(138,125)	502,952
Police Services	13,253,312	377,443	521,999	(1,300,048)	12,852,706
Fire Services	633,256	18,392	322,613	(37,000)	937,261
Core Development	1,847,729	58,020	6,202,112	(6,279,473)	1,828,388
Recycling	5,103,980	153,570	878,116	(19,234)	6,116,432
Community Safety Initiatives	300,111	-	-	(300,111)	-
Building Inspections	3,742,469	111,877	-	-	3,854,346
Gravel Extraction	1,037,509	33,476	118,953	(6,844)	1,183,094
Community Works (Gas Tax)	969,648	28,530	367,173	-	1,365,351
Facility Maintenance	615,581	33,116	2,322,992	(2,359,578)	612,111
Snow Removal	706,689	-	-	-	706,689
Park & Recreation Improvements	3,459,665	-	849,928	(860,080)	3,449,513
Landfill Closure Reserve	5,000,000	-	1,457,397	(1,073,464)	5,383,933
Cemetery Maintenance	349,899	-	244,644	(39,890)	554,653
Infrastructure Sustainability (Town Centre Bldgs)	677,210	-	450,000	(1,127,210)	-
Infrastructure Sustainability (Roads)	6,187,100	219,209	4,616,173	(3,677,993)	7,344,489
Infrastructure Sustainability (Drainage)	2,942,136	103,066	1,158,906	(1,143,074)	3,061,034
Drainage Improvements	9,489,688	307,557	2,000,239	(1,130,303)	10,667,181
Gaming Revenues	3,452,013	-	1,553,544	(1,166,838)	3,838,719
In Trust	-	-	6,688,391	(1,093)	6,687,298
Local Area Service	-	-	682,418	(100,686)	581,732
Turf Field Replacement	-	11,003	446,459	(3,614)	453,848
Other	-	25	152,126	(110,626)	41,525
Self Insurance (Sewer)	179,715	-	6,500	-	186,215
Self Insurance (Water)	148,580	-	6,504	(2,982)	152,102
Specific Projects (Sewer)	18,402,698	-	-	(8,797,165)	9,605,533
Specific Projects (Water)	15,527,531	-	1,651,025	(4,853,672)	12,324,884
<b>Total Reserve Accounts</b>	<u>111,395,118</u>	<u>1,471,988</u>	<u>47,900,439</u>	<u>(42,790,816)</u>	<u>117,976,729</u>
<b>Total Reserves</b>	<u>\$ 179,379,025</u>	<u>\$ 3,626,788</u>	<u>\$ 64,055,530</u>	<u>\$ (60,295,065)</u>	<u>\$ 186,766,278</u>

## 17. Property Tax Levies

In addition to its own tax levies, the City is required to collect taxes on behalf of various other taxing authorities. These include the provincial government for local school taxes, incorporated dyking districts located within the City and organizations providing regional services in which the City has become a member. Taxes levied for other agencies are not included in City revenues. Total tax levies were comprised as follows:

	<u>2024 Budget</u>	<u>2024</u>	<u>2023</u>
<b>Municipal Tax Levies</b>	\$ 119,703,761	\$ 119,225,818	\$ 111,141,357
<b>Levies for other authorities</b>			
School taxes	54,841,850	54,788,642	51,447,179
TransLink	12,720,700	12,704,942	10,159,143
British Columbia Assessment	1,620,840	1,618,660	1,533,636
Metro Vancouver Regional District	2,603,550	2,599,904	2,306,938
Dyking Districts	389,840	389,834	1,030,662
Municipal Finance Authority	9,200	9,184	8,915
<b>Total Collections for Others</b>	<u>72,185,980</u>	<u>72,111,166</u>	<u>66,486,473</u>
<b>Total Tax Levies</b>	<u>\$ 191,889,741</u>	<u>\$ 191,336,984</u>	<u>\$ 177,627,830</u>

# 18. Government Transfers

Government transfers recognized as revenues during the year were comprised of the following:

	2024			2023
	Capital	Operating	Total	Total
Federal Government	\$ 44,407	\$ 5,747,642	\$ 5,792,049	\$ 1,186,485
Provincial Government	94,110	2,863,035	2,957,145	18,396,186
TransLink	2,234,445	889,541	3,123,986	5,732,962
Other	149,912	-	149,912	351,940
Total	<u>\$ 2,522,874</u>	<u>\$ 9,500,218</u>	<u>\$ 12,023,092</u>	<u>\$ 25,667,573</u>

In 2024 the City entered into an agreement with Lu'ma Native BCH Housing Society for the provision of funding in support of City efforts to reduce homelessness in the community. The City received \$407,437 during 2024 toward this work.

# 19. Trust Funds

Certain assets have been conveyed or assigned to the City to be administered as directed by an agreement or statute. The City holds the assets for the benefit of, and stands in a fiduciary relationship, to the beneficiary. The following trusts are excluded from the City's consolidated financial statements:

	Balance Dec 31, 2023	Interest Earned	Receipts	Disbursement s	Balance Dec 31, 2024
Latecomer Fees	\$ 1,021,012	\$ -	\$ 299,377	\$ (395,951)	\$ 924,438
Cemetery Perpetual Care	1,574,282	3,061	89,844	(3,061)	1,664,126
Metro Vancouver Sewer & Drainage District	2,816,283	-	3,145,213	(2,730,938)	3,230,558
Metro Vancouver Water District	26,096	-	598,151	(32,788)	591,459
TransLink	1,107,501	-	1,224,209	(1,237,658)	1,094,052
Road 13 Dyking District	1,743,196	-	-	(832)	1,742,364
Albion Dyking District	3,012,673	-	-	-	3,012,673
	<u>\$ 11,301,043</u>	<u>\$ 3,061</u>	<u>\$ 5,356,794</u>	<u>\$ (4,401,228)</u>	<u>\$ 12,259,670</u>

# 20. Expenses and Expenditures by Object

	Operations	Capital Acquisitions	2024 Total	2024 Budget	2023 Total
Goods and services	\$ 94,079,628	\$ 51,017,630	\$ 145,097,258	\$ 351,542,672	\$ 134,130,156
Wages and salaries	67,190,248	1,044,050	68,234,298	63,690,373	62,171,601
Interest	1,398,107	-	1,398,107	1,884,826	1,592,477
Total	162,667,983	52,061,680	214,729,663	417,117,871	197,894,234
Amortization expense	29,891,313	-	29,891,313	24,593,930	27,971,733
Accretion expense	820,278	-	820,278	-	787,439
Contributed tangible capital assets	-	29,238,508	29,238,508	20,000,000	14,440,058
Total Expenses and Expenditures	<u>\$ 193,379,574</u>	<u>\$ 81,300,188</u>	<u>\$ 274,679,762</u>	<u>\$ 461,711,801</u>	<u>\$ 241,093,464</u>

## 21. Budget

Budget amounts represent the Financial Plan Bylaw 7989-2024 adopted by Council on April 23, 2024. The Financial Plan anticipated use of surpluses accumulated in previous years to balance against current year capital and operating expenditures in excess of current year revenues.

The following shows the reconciliation of the amounts presented on the financial statements to the approved budget:

### Revenue

Taxation	\$ 119,703,761
User fees and other revenue	61,898,526
Other	85,245,854
Contributed subdivision infrastructure	<u>20,000,000</u>
<b>Total Revenue</b>	<b><u>286,848,141</u></b>

### Expenses

Protective services	61,727,170
Transportation services	32,742,692
Recreation and cultural	29,836,443
Water utility	20,445,662
Sewer utility	18,920,261
General Government	28,009,107
Planning, public health and other	<u>11,030,455</u>
<b>Total expenses</b>	<b><u>202,711,790</u></b>

<b>Annual Surplus</b>	<b><u>\$ 84,136,351</u></b>
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### Less:

Capital expenditures	259,000,010
Debt repayment	4,815,755

### Add:

Reserve transfers	118,161,323
Amortization	24,593,930
Borrowing proceeds	<u>36,924,161</u>

<b>Financial Plan Bylaw</b>	<b><u>\$ -</u></b>
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## 22. Contractual Rights

There are a number of development projects in progress throughout the City where there is a requirement for the developer to provide infrastructure to the City, such as roads, sewers, sidewalks and street lighting. The estimated fair value of the infrastructure is recognized as "contributed tangible capital assets" revenue in these consolidated financial statements when the City accepts responsibility for the infrastructure. Estimated fair value is determined at the time the assets are recognized and cannot be determined with certainty at this time.

## 23. Municipal Pension Plan

The City of Maple Ridge and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 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.

## **23. Municipal Pension Plan (cont'd)**

The most recent valuation for the Municipal Pension Plan as of December 31, 2021, indicated a \$3.761 million funding surplus for basic pension benefits on a going concern basis.

The City of Maple Ridge paid **\$4,864,422** (\$4,040,918 for 2023) for employer contributions while employees contributed **\$4,287,297** (\$3,558,991 for 2023) to the plan in fiscal 2024.

The next valuation will be as at December 31, 2024 with results available in 2025.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution 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.

## **24. Segmented Information**

The City is a diversified municipal government entity in the province of British Columbia that provides a wide range of services to its citizens. Municipal services have been segmented by grouping activities that have similar service objectives (by function) and separately disclosed in the segment report. Where certain activities cannot be attributed to a specific segment they have been reported as unallocated. The segments and the services they provide are as follows:

### **Protective Services**

Protective Services is comprised of the Ridge Meadows RCMP detachment, the Maple Ridge Fire Department, bylaw enforcement, inspection services and emergency services. Services provided by the segment are focused on protecting the citizens of Maple Ridge.

### **Transportation Services**

Transportation Services is comprised of Engineering, Operations, Drainage and Roads. Services provided by the segment include the construction and maintenance of transportation related infrastructure.

### **Parks, Recreation & Cultural Services**

Recreation and cultural services provides library services, access to recreation facilities and maintains and operates City parks.

### **Water Utility**

The Water Utility, in conjunction with Metro Vancouver, provides safe, clean, reliable water to the residents and businesses of the City of Maple Ridge.

### **Sewer Utility**

The Sewer Utility collects waste water and transports it to treatment plants operated by Metro Vancouver in addition to maintaining the sanitary sewer infrastructure.

### **General Government**

General Government provides administrative, legislative and support services for the City. Functions include financial planning and reporting, information technology, economic development and communications. Commercial operations are also included in this segment.

### **Planning, Public Health and Other**

This segment is comprised of Planning, Recycling, Cemetery and Social Planning. Activities include land use guidelines, development of the City's official community plan, management of the recycling contract and improving the social well-being of the community.

### **Unallocated**

Unallocated includes revenues that cannot be directly attributed to the activities of an identified functional segment.



## **25. Contingencies and Commitments:**

- (a) Where losses related to litigation are likely and can be reasonably estimated management accrues its best estimate of loss. These amounts are included in accounts payable and accrued liabilities.

There are various other claims by and against the City for which the liability is not recorded because the outcomes cannot reasonably be determined. Any ultimate settlements will be recorded in the year the settlements can be determined. There are claims outstanding that may result in material losses but for which no amount has been recorded due to the the uncertainty of occurrence and amount of, if any. Any amount of losses, if any, will be recorded at the time the outcomes are determinable and amounts are reasonably estimable.

- (b) In 1998 the City entered into an agreement to purchase ice sheet time for five years commencing in 1999, with five five-year renewal options. In 2023, the agreement was renewed for an additional five-year period. The minimum annual payment due for the provision of ice time is \$834,591. Additional ice time is purchased separately. These payments are recorded as expenses when the ice time is provided.

- (c) The City is a shareholder and member of E-Comm Emergency Communications for British Columbia Incorporated ("E-Comm") whose services provided include: regional 9-1-1 call centre for the Greater Vancouver Regional District; Wide Area Radio network; dispatch operations; and records management. The City has 2 Class A shares and 1 Class B share (of a total of 37 Class A shares and 18 Class B shares issued and outstanding as of 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.

## **26. Accounting changes and reclassification of prior year presentation**

### For the year ended December 31, 2024:

An amount of \$18,713,244 in opening Restricted Revenue was assessed to meet the criteria criteria for recognition under PS 3400 Revenue. This was recognized as revenue in the current period which resulted in an increase of surplus of the corresponding amount.

### For the year ended December 31, 2023:

An amount of \$8,125,680 that was previously reported under Accounts Receivable was assessed to meet the criteria of financial instruments and has been reclassified to Portfolio Investments accordingly. This correction has no impact on surplus for the years ended December 31, 2024 and 2023 as it relates to the classification of assets within the Statement of Financial Position. The 2023 comparative financial statements including significant accounting policies have been restated to reflect this correction.

## Consolidated Report of Segmented Revenue and Expenses

For the year ended December 31, 2024

	Protective Services	Transportation Services	Recreation and Cultural	Water Utility	Sewer Utility
<b>Revenue</b>					
Tax revenue	\$ -	\$ -	\$ -	\$ 123,851	\$ 1,024,570
Other revenues	7,277,702	704,685	4,463,335	24,015,769	19,280,069
Government transfers	2,197,505	3,480,242	558,561	-	-
Development revenue	-	5,698,213	4,152,535	846,234	571,496
Interest and investment income	-	-	-	-	-
Gain on portfolio investments	-	-	-	-	-
Gaming Revenues	-	-	-	-	-
Asset disposal gain(loss)	13,355	(695,404)	(16,077)	(417,000)	(106,150)
Contributed infrastructure	<u>-</u>	<u>17,097,088</u>	<u>235,400</u>	<u>637,911</u>	<u>11,268,109</u>
<b>Total Revenue</b>	<b>9,488,562</b>	<b>26,284,824</b>	<b>9,393,754</b>	<b>25,206,765</b>	<b>32,038,094</b>
<b>Expenses</b>					
Operating:					
Goods and services	31,500,528	6,865,186	14,197,554	12,537,748	11,121,666
Labour	24,269,554	6,898,527	11,873,321	4,101,981	2,529,238
Debt Servicing	<u>116,843</u>	<u>-</u>	<u>812,671</u>	<u>-</u>	<u>-</u>
Sub total	55,886,925	13,763,713	26,883,546	16,639,729	13,650,904
Amortization	<u>2,409,217</u>	<u>13,509,384</u>	<u>5,459,706</u>	<u>3,094,231</u>	<u>3,117,560</u>
<b>Total Expenses</b>	<b><u>58,296,142</u></b>	<b><u>27,273,097</u></b>	<b><u>32,343,252</u></b>	<b><u>19,733,960</u></b>	<b><u>16,768,464</u></b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ <u>(48,807,580)</u></b>	<b>\$ <u>(988,273)</u></b>	<b>\$ <u>(22,949,498)</u></b>	<b>\$ <u>5,472,805</u></b>	<b>\$ <u>15,269,630</u></b>

General Government	Commercial Tower	Planning Public Health & Other	Unallocated	Total 2024 Actual	Total Budget	Total 2023 Actual
\$ -	\$ -	\$ 2,688,277	\$ 115,389,120	\$ <b>119,225,818</b>	\$ 119,703,761	\$ 111,141,357
2,913,523	2,289,857	3,998,203	20,992,501	<b>85,935,644</b>	61,898,526	59,725,971
5,178,542	-	608,242	-	<b>12,023,092</b>	9,827,075	25,667,573
433,894	-	8,913	(312,523)	<b>11,398,762</b>	69,623,791	12,215,131
-	-	-	11,216,389	<b>11,216,389</b>	4,294,988	9,886,033
			21,960	<b>21,960</b>	-	-
			1,553,543	<b>1,553,543</b>	1,500,000	1,634,609
(32,108)	-	(1,310)	-	<b>(1,254,694)</b>	-	(1,307,350)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u><b>29,238,508</b></u>	<u>20,000,000</u>	<u>14,440,058</u>
8,493,851	2,289,857	7,302,325	126,428,212	<b>269,359,022</b>	286,848,141	233,403,382
8,882,882	664,828	9,129,516	-	<b>94,899,908</b>	105,468,111	84,204,894
13,670,313	-	3,847,314	-	<b>67,190,248</b>	70,764,923	61,284,312
<u>133,641</u>	<u>285,692</u>	<u>49,260</u>	<u>-</u>	<u><b>1,398,107</b></u>	<u>1,884,826</u>	<u>1,592,477</u>
22,686,836	950,520	13,026,090	-	<b>163,488,263</b>	178,117,860	147,081,683
<u>1,969,910</u>	<u>-</u>	<u>331,305</u>	<u>-</u>	<u><b>29,891,313</b></u>	<u>24,593,930</u>	<u>27,971,733</u>
<u>24,656,746</u>	<u>950,520</u>	<u>13,357,395</u>	<u>-</u>	<u><b>193,379,576</b></u>	<u>202,711,790</u>	<u>175,053,416</u>
\$ <u><u>(16,162,895)</u></u>	\$ <u><u>1,339,337</u></u>	\$ <u><u>(6,055,070)</u></u>	\$ <u><u>126,428,212</u></u>	\$ <u><u><b>75,979,446</b></u></u>	\$ <u><u>84,136,351</u></u>	\$ <u><u>58,349,966</u></u>

## Schedule of Tangible Capital Assets

For the year ended December 31, 2024

	Land <sup>2</sup>		Building		Transportation Network		Storm System	
<b>Historical Cost <sup>1</sup></b>								
Opening cost	\$	306,753,545	\$	148,090,222	\$	383,750,626	\$	310,577,116
Additions		17,051,244		2,942,969		18,229,634		12,702,668
Disposals		<u>-</u>		<u>(437,769)</u>		<u>(1,196,313)</u>		<u>(742,007)</u>
		323,804,789		150,595,422		400,783,947		322,537,777
<b>Accumulated Amortization</b>								
Opening balance		-		65,754,108		154,365,897		84,858,415
Amortization expense		-		3,846,988		8,253,178		4,340,550
Effect of disposals		<u>-</u>		<u>(437,767)</u>		<u>(1,095,761)</u>		<u>(137,192)</u>
		<u>-</u>		<u>69,163,329</u>		<u>161,523,314</u>		<u>89,061,773</u>
<b>Net Book Value as at December 31, 2024</b>	\$	<u>323,804,789</u>	\$	<u>81,432,093</u>	\$	<u>239,260,633</u>	\$	<u>233,476,004</u>
Net Book Value as at December 31, 2023	\$	306,753,545	\$	82,336,114	\$	229,384,729	\$	225,718,701

<sup>1</sup> Historical cost includes work in progress at December 31, 2024 of **\$27,610,088** (\$24,035,831 for 2023) comprised of: Land **\$589,238** (\$593,278 for 2023); Buildings **\$357,514** (\$431,168 for 2023); Transportation network **\$11,014,245** (\$867,832 for 2023); Storm system **\$197,301** (\$45,137 for 2023); Fleet and equipment **\$101,275** (\$1,158,163 for 2023); Technology **\$163,138** (\$855,495 for 2023); Water system **\$7,364,366** (\$13,316,749 for 2023); Sanitary system **\$6,018,174** (\$5,176,536 for 2023); and Other **\$1,804,836** (\$1,591,473 for 2023). Work in progress is not amortized.

<sup>2</sup> Additions to land are net of \$-Nil (\$-Nil for 2023) of land reclassified to inventory available for sale.

<sup>3</sup> "Other" at net book value includes Furniture and Fixtures at **\$1,449,342** (\$1,456,848 for 2023) and Structures at **\$44,472,749** (\$42,778,993 for 2023)

<b>Fleet and Equipment</b>	<b>Technology</b>	<b>Water System</b>	<b>Sanitary System</b>	<b>Other<sup>3</sup></b>	<b>Total</b>
\$ 43,982,366	\$ 17,992,292	\$ 199,076,487	\$ 206,294,167	\$ 67,740,630	\$ 1,684,257,451
5,102,099	2,023,908	3,862,819	14,457,453	4,927,394	81,300,188
<u>(805,105)</u>	<u>(492,360)</u>	<u>(1,349,037)</u>	<u>(229,269)</u>	<u>(160,175)</u>	<u>(5,412,035)</u>
48,279,360	19,523,840	201,590,269	220,522,351	72,507,849	1,760,145,604
20,445,434	11,438,519	48,681,865	60,819,297	23,504,786	469,868,321
2,780,380	1,571,382	2,927,900	2,942,640	3,228,295	29,891,313
<u>(697,443)</u>	<u>(436,870)</u>	<u>(904,362)</u>	<u>(107,258)</u>	<u>(147,326)</u>	<u>(3,963,979)</u>
<u>22,528,371</u>	<u>12,573,031</u>	<u>50,705,403</u>	<u>63,654,679</u>	<u>26,585,755</u>	<u>495,795,655</u>
\$ <u>25,750,989</u>	\$ <u>6,950,809</u>	\$ <u>150,884,866</u>	\$ <u>156,867,672</u>	\$ <u>45,922,094</u>	\$ <u>1,264,349,949</u>
\$ 23,536,932	\$ 6,553,773	\$ 150,394,622	\$ 145,474,870	\$ 44,235,842	\$ 1,214,389,129

City of Maple Ridge  
Unaudited Schedule - Growing Communities Fund Grant  
For the year ended December 31, 2024

## Schedule 2

**Schedule for Growing Communities Fund Grant**  
**For the year ended December 31, 2024**  
(Unaudited)

	2024	2023
<b>Balance, beginning of year</b>	\$ 16,947,267	\$ -
Funding received	-	16,586,000
Interest allocated	482,686	361,267
<b>Eligible Costs</b>		
Abernethy Roadworks	(877,934)	-
Park Improvements	(969,864)	-
<b>Balance, end of year</b>	<b><u>\$ 15,582,155</u></b>	<b><u>\$ 16,947,267</u></b>