

District of Kent,
British Columbia

2023 Annual Report

For the Fiscal Year Ended December 31, 2023





2023 Annual Report

For the Fiscal Year Ended December 31, 2023
Prepared by the District of Kent Corporate
and Financial Services Departments

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Introductory Section





Community Profile

The District of Kent spans a wide area in the Eastern Fraser Valley. Consisting of several small communities, the largest and most well-known being the townsite of Agassiz which contains the majority of the population and is the District's commercial and industrial centre.

Agassiz is a friendly agricultural community that offers the comfort and lifestyle of country-living, with a touch of urban convenience and services to meet everyone's needs.

Other areas in the District include Rockwell Drive along the Eastern shore of Harrison Lake, Mount Woodside, Harrison Highlands and Harrison Mills to the West, and Seabird Island and Ruby Creek to the Northeast.

Within the District's boundaries are separately-governed First Nation communities including: Seabird Island Band, Cheam First Nation, Sts'ailes Nation, Sq'ewlets First Nation, and Yale First Nation.

Much of the District of Kent is scenic, unspoiled nature which offers opportunities for fishing, boating and camping. Local mountains attract hikers, skiers and outdoor enthusiasts.

Scenic golf courses, local shopping, museums and historical sites are just a few of the many things that attracts residents and visitors to this vibrant and growing community.

No longer one of the Fraser Valley's best kept secrets, the District of Kent is a vibrant, growing community and popular tourist destination for visitors from all over the world.



Sylvia Pranger

Message From The Mayor

Landing Centre on Saturday April 22, 2023 raising an additional \$43,000 from the Walk the Talk for Lets'emot. This walk could not have been done alone and I am so thankful to the walkers, friends and supporters who made this possible. (To learn more visit page 21.)

I am pleased to present the 2023 Annual Report for the District of Kent. This report highlights our major milestones, accomplishments, and strategic goals achieved over the past year. Additionally, it provides a key financial overview and a roadmap to future strategic plans.

Growth in our community remains a top priority as we face mandated changes to housing and planning legislation by the Province and their accompanying challenges. We want our community to move forward and thrive. Council committed \$6.4 million in funding towards the construction of the Lets'emot Regional Recreation & Aquatic Centre. Along with this funding I walked from the District of Kent Municipal Hall to the closest indoor pool at the Chilliwack Leisure

With growth must come accessibility for all, as a result the Accessibility Advisory Select Committee was established in the previous year. This committee developed an Accessibility Plan which aims to provide actions that identify, remove, and prevent barriers for individuals who live, work, or play within the District of Kent. Moving forward, the District will be reviewing these items as part of its budgeting process to demonstrate our commitment to creating an inclusive community where everyone has the opportunity to thrive.

Public engagement and collaboration with our residents are the cornerstones of our success. Working together we have built a vibrant resilient community which I am excited to see grow and strengthen. I am grateful to our dedicated staff and passionate community.

 - Sylvia Pranger, Mayor

Wallace Mah

Message From The CAO

Through 2023 the environmental, social, and financial elements of the world continued to change and shift around us. These shifts come with challenges, such as housing needs, our community requires the development of more than 500 affordable homes for families. Each challenge requires thoughtful solutions, as such staff and Council need to have solutions to offset community dynamics on densification and future affordable housing challenges.

The influences of the world around us must also be considered when finding solutions to the challenges we face. The rise of conflict and wars around the world does little to stabilize our economy in BC. War radically promotes the disruption of fuel prices, minerals and food production around the world to name a few. This disruption has a significant impact on our operations with respect to street maintenance, building materials, exporting agriculture, and paving infrastructure costs. Those who do not factor in the world economy cannot provide a true picture to guide their political leaders to define financial reality to budgeting what materials cost in today's market.



Nor can they recommend what changes are needed to meet the goals of Council, and address the needs of growth, and affordable housing stability in the community.

Strategic planning becomes even more challenging when senior levels of government shift the goal posts without consideration to the effect of long term requirements. The foundation of success for any municipality rests in the relationship of Council with their senior managers. Experience and team leadership also lends confidence in maximizing performance in meeting the goals of the community.

- Wallace Mah, Chief Administrative Officer

A handwritten signature in blue ink that reads "Wallace Mah". The signature is fluid and cursive, with a long horizontal stroke at the end.

Elected Officials



Mayor Sylvia Pranger

Portfolios: Bylaw, Finance, Information and Privacy, Personnel, and Policing

Council Committees (Primary): Kent-Harrison Joint Emergency Program Committee

Alternate: Regional Aquatic Centre Fundraising Committee

Regional Committees and External Agencies: Fraser Valley Regional District Board, Fraser Valley Regional Hospital District, Lower Mainland Local Government Association Flood Control and River Management Committee

Alternate: Fraser Valley Regional Library Board, Fraser Health Municipal Government Advisory Council, Healthy Communities

Councillor Duane Post

Portfolio: Public Works / Utilities

Council Committees (Primary): Agassiz-Harrison Mills Drainage Committee, Kent Agricultural Advisory Committee

Alternate: Kent-Harrison Joint Emergency Program Committee

Regional Committees and External Agencies: Fraser Heritage Society - Kilby, Mountain Penal Institution

Alternate: Lower Mainland Government Association Flood Control and River Management Committee

Deputy Mayor Appointment: November 1, 2023 to April 30, 2024



Councillor Kerstin Schwichtenberg

Portfolios: Farmers' Market, Museum

Council Committees Alternate: Agassiz-Harrison Mills Drainage Committee

Regional Committees and External Agencies: Fraser Valley Regional Library Board

Deputy Mayor Appointment: May 1, 2023 to October 31, 2023

Councillor Susan Spaeti

Council Committees (Primary): Parks, Recreation, and Trails Committee, Regional Aquatic Centre Fundraising Committee

Alternate: Kent Agricultural Advisory Committee

Regional Committees and External Agencies: Harrison-Agassiz Chamber of Commerce, Fraser Health Municipal Government Advisory Council, Healthy Communities, Tourism Harrison River Valley Board

Alternate: Fraser Valley Regional District Board, Fraser Valley Regional Hospital District

Deputy Mayor Appointment: May 1, 2024 to October 31, 2024



Councillor Stan Watchorn

Portfolios: Fire Department, Personnel, Information and Privacy, Canada Day

Council Committees Alternate: Parks, Recreation, and Trails Committee

Regional Committees and External Agencies: Agassiz Agricultural and Horticultural Association, Kent-Harrison Foundation

Deputy Mayor Appointment: November 2, 2022 to April 30, 2023

Guiding Principles



Commercial

Enhance community pride and revitalize Agassiz in order to create a diversified and vibrant local economy.



Agriculture

Support farming as an economic activity and lifestyle choice.



Parks, Recreation & Facilities

Promote park, recreational and community opportunities for residents and visitors.



Health & Social Well-being

Maintain and enhance the quality of life, health and well-being for all Kent residents regardless of ages, stages and abilities.



Environmental

Protect the environment and properly manage land, air and water resources.



Infrastructure

Provide adequate infrastructure to ensure appropriate levels of service to meet the needs of existing and future residents.



Residential

Encourage innovative housing solutions and provide housing alternatives.



Industrial

Foster economic growth through diversity of activity and value added services.



Growth Management

Manage growth to strengthen the community both socially and economically, to preserve the natural environment, protect valuable agricultural land, and to maintain rural charm.

District Leadership Team

Chief Administrative Officer.....Wallace Mah

Director of Corporate Services..... Clair Lee

Director of Financial Services/Collector.....Mike Veenbaas

Acting Director of Development Services..... M. Lisa Beaulieu

Director of Engineering Services..... Martin Rankin

Director of Recreation/Culture & Projects.....Kurt Houlden

Director of Human Resources /Occupational Safety..... Alan Lucas

Fire Chief..... Gerald Basten

Director of Public Works.....Jonathan Mothus

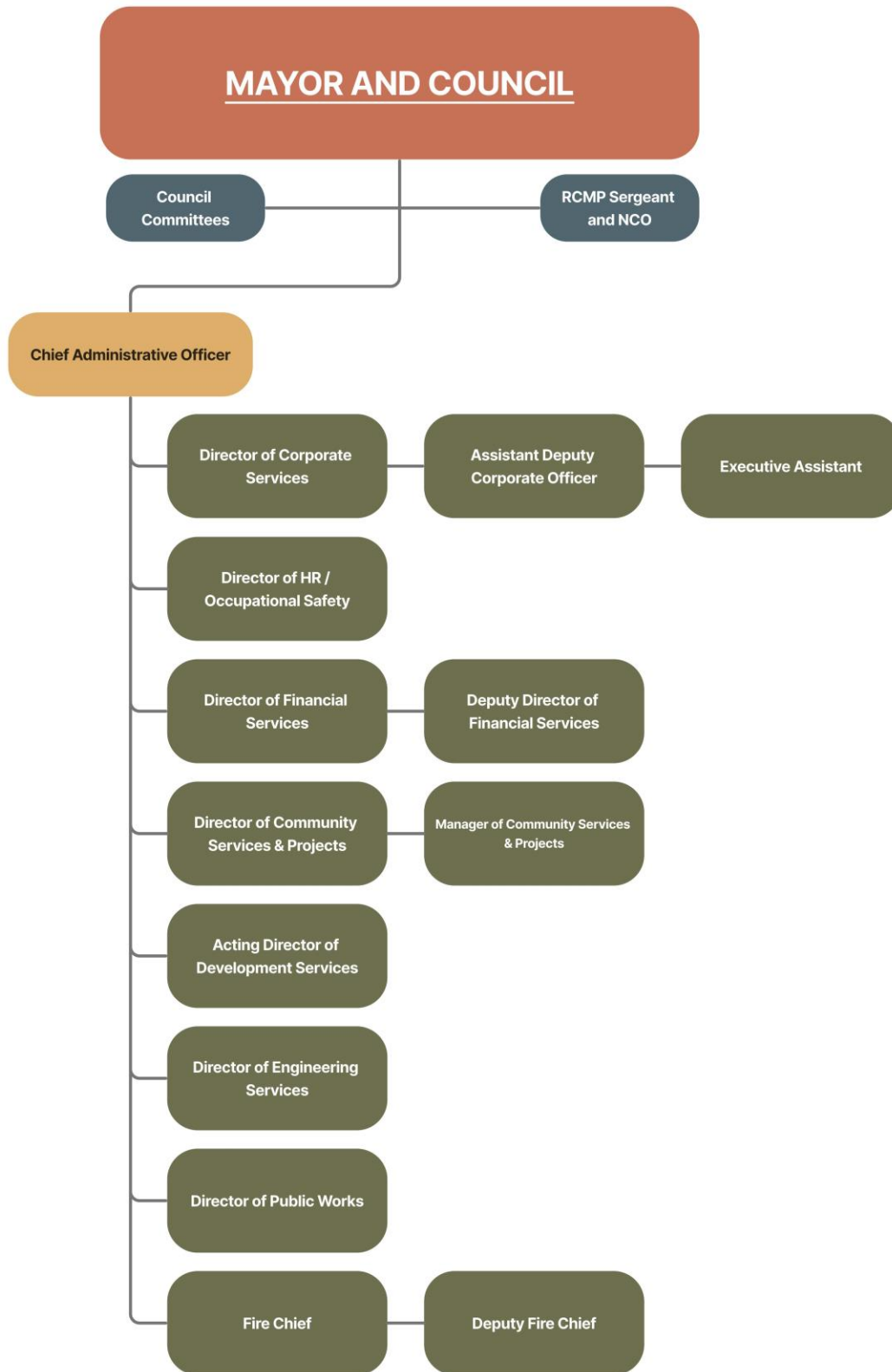


District Solicitors.....Lidstone & Company

District Auditors.....KMPG LLP

Financial Institution..... Envision Financial

Corporate Structure



Canadian Award for Financial Reporting

The District of Kent has been a recipient of the GFOA
Award for Excellence in Financial Reporting since 2007.



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

**District of Kent
British Columbia**

For its Annual
Financial Report
for the Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO

Report from the Director of Financial Services



DATE: June 24, 2024

FROM: Mike Veenbaas, Director of Financial Services

SUBJECT: 2023 Audited Financial Statements

BACKGROUND:

The District of Kent prepares Financial Statements annually to report the results of its operations and financial position for the reporting year. Management is responsible for the preparation and fair presentation of these 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The auditors' responsibility is to express an opinion on the consolidated financial statements based on their audit. The audit is conducted in accordance with Canadian generally accepted auditing standards. Those standards require compliance with ethical requirements and the audit is planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. The 2023 Financial Statements have been audited by KPMG LLP and have been approved by resolution of Council on May 7, 2024.

LEGISLATIVE AUTHORITY:

The *Community Charter*, along with the *Local Government Act*, provides municipalities and their Councils with:

- a) a legal framework for the powers, duties and functions that are necessary to fulfill their purposes;
- b) the authority and discretion to address existing and future community needs; and
- c) the flexibility to determine the public interest of their communities and to respond to the different needs and circumstances of their communities.

SIGNIFICANT FINANCIAL MANAGEMENT POLICIES:

The District of Kent and staff are also governed through legislation by bylaws and policies, many of which are financial in nature, designed to ensure adequate controls are in place. Significant financial policies of the District relate to purchasing and disbursements, write-off of assets, and accounting for tangible capital assets.

Significant accounting policies are described in Note One (1) to the consolidated financial statements.

DISCUSSION:

The consolidated financial statements of the District of Kent include the consolidated statement of financial position as at December 31, 2023, the consolidated statements of operations and accumulated surplus, changes in net financial assets, cash flows for the year ended, and notes comprising a summary of significant accounting policies and other explanatory information.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The consolidated Statement of Financial Position shows the results of net financial assets and tangible capital assets. The resulting "Accumulated Surplus" includes net assets, which is financial assets less financial liabilities plus tangible capital assets and other non-financial assets. Accumulated surplus increased by \$8,034,000 in 2023.

Long-Term Debt

Total long-term debt decreased by \$78,400 in 2023 through planned debt servicing payments with the District also decreasing short-term capital leasing for the renewal of computers and related equipment by \$8,530.

The current long-term debt balance is \$947,900 and relates to the General Fund only. General Fund debt is serviced through taxation revenue.

Tangible Capital Assets

Tangible capital assets are accounted for at net value (acquisition cost less accumulated amortization (depreciation)). The net book value of tangible capital assets increased by \$1,573,400 in 2023, in large part due to contributed assets from residential subdivision development.

CONSOLIDATED STATEMENT OF OPERATIONS

The Consolidated Statement of Operations shows the difference between revenues and expenses for the year. Amortization for tangible capital assets is also expensed.

Revenues

Total revenues in 2023 increased by \$6,093,900 from 2022. This was largely the result of a \$2,742,000 Growing Communities grant from the Province of BC and an increase in contributions from developers (contributed assets and fees). With increasing interest rates, the District's return on investment income also realized significant recovery in 2023.

Sales of services, licenses and permits revenues include services performed by the District. Such business services include building and development fees, bylaw fees, fines, engineering fees, recreation facility and program user fees, transit passes, cemetery plot purchases and water and sewer user rates. Overall, the 2023 revenues from these sources were comparable to the previous year.

The District recorded an increase of \$832,900 in taxation and grants-in-lieu, compared to 2022. Municipal taxation accounted for approximately 46% of the 2023 total revenue sources for the District, a decrease from 61% in 2022. Again, this change was tied to increased government grants and contributions from developers.

Contribution from developers can represent 1) recoveries received for utility operations, 2) assets contributed through development agreements and 3) development cost charges (DCCs) used in the current financial year to pay for growth in infrastructure required to support new development. These revenues relate to sanitary sewer, water, storm drainage, roads and park development. When DCCs are collected, they are treated as restricted revenues and held in reserves to be used only for specific identified DCC eligible projects. As these DCC funds are expended on eligible capital projects, the restricted funds are used to pay for the costs of the projects and show on the financial statements as revenues.

Expenses

Consolidated expenses include only operational items and capital expenditures that do not meet the threshold requirements of the District's capitalization policy. Amortization is calculated on each specific asset and is based on the historical acquisition cost of the asset and its useful operational life span.

Total expenses decreased by approximately \$144,150 from the previous year. Notable cost items in 2023 included inflationary increases across municipal operations, financially recoverable climate events, inventory adjustments, higher than planned maintenance costs and challenges in fully staffing the Agassiz RCMP detachment.

RESERVE FUND OPERATIONS

Community Works Gas Tax Funds are reserve funds that are set aside and held to fund future eligible projects, expenses and capital replacements. Additional statutory reserves consist of Capital Reserves for General, Water and Sewer Funds, and Parkland. The statutory reserve fund balances increased by \$3,980,000 in 2023 due to \$2,817,400 from the Growing Communities Fund, a contribution of \$578,900 in the Community Works Fund, and \$580,430 in the Sewer and Water capital reserves. Additions to the reserves includes interest earnings on held portfolio investments.

ACCOUNTING STANDARDS

The District follows the Public Sector Accounting Standards in the preparation of the financial statements and adopted two new standards in the 2023 fiscal year. First, Asset Retirement Obligation records the estimated future economic cost attributed to removing an asset. An example of such a cost would be asbestos abatement. The adoption of this standard increased the District's liabilities by \$131,190. Second, Financial Instruments standardized the measurement and how the valuation is recorded on the Statement of Financial Position. The adoption of this standard did not have an impact on the amounts presented.

FUTURE OUTLOOK

The District is about to embark on the largest capital improvement project in its history with the construction of the Lets'emot Regional Recreation & Aquatic Centre. This \$25 million facility will bring year-round, indoor aquatic services to the regional community. Construction is anticipated to start July 2024 with completion Spring 2026.

A significant financial challenge facing the District continues to be the community's policing costs. Under the Municipal Police Agreement, the municipality is faced with increasing costs both for people resources and accommodation costs (building operational costs), in which the municipality has very limited control. Although no new officers were added in 2023, costs of the existing police force and the demand for officer hours continue to increase, adding pressure for continued budget increases for policing services.

The District made limited improvements to its asset management program for 2023 as a result of a vacant position that is key to moving this program forward. With the position filled in 2024, it is anticipated that this program will be relaunched in order to realize the full value of asset management.

The District is committed to fiscal responsibility and senior staff continue to seek out grants as they become available for specific eligible and relevant projects. Grant funding remains vital for the District of Kent as large projects are most often not possible without supplemental funding sources or the need for debt borrowing. The District is unable to generate the level of taxation revenues necessary to fund very large projects without grant funding, as a 1% increase in taxes generates \$80,500.

Lastly, while agriculture is paramount in our community, strong economic growth in different sectors of the community, such as tourism, logging and industry is also encouraged. Diversification remains a priority to strengthen our local tax base and economy and will also provide job opportunities closer to home. However, the limited supply of land suitable for affordable housing and industrial and commercial development is a continuing challenge.

Respectfully submitted for your
consideration



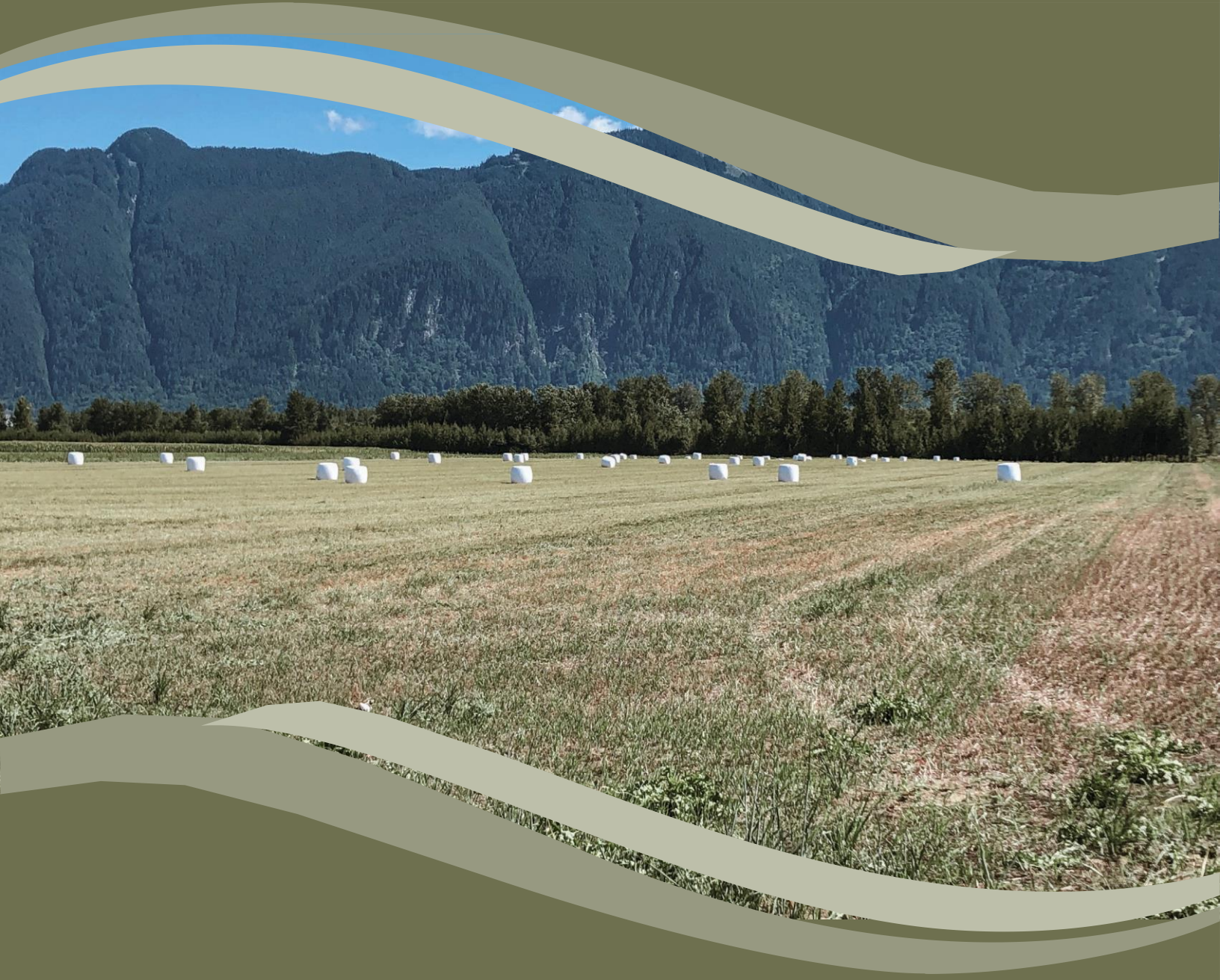
Mike Veenbaas, CPA, CMA
Director of Financial Services

Approved for submission by



Wallace Mah
Chief Administrative Officer

Departmental Highlights



Administration and Corporate Services





1,143 Facebook Followers



244 X (Formerly Twitter) Followers



857 Instagram Followers



125,966 Website Views

Corporate Services includes Administration, Human Resources, Information Systems and Communications. This department is the direct liaison to Mayor and Council, and is responsible for the preparation and preservation of minutes, bylaws, and other District of Kent records. We support Council as they set policy and priorities, and provide guidance in executing Councils directives.

In 2023 Council conducted a total of 68 meetings. The District continues to partner in the Lets'emot Community to Community Forum and participated in seven meetings.

The highest Facebook/Instagram impressions occurred in April with respect to the Mayor's Walk for Lets'emot and during August due to the wildfire. The District saw a 46% increase in content interactions.



Facebook Reach

Green initiatives included partnership with the Fraser Valley Conservancy and Haig Highway planting project and planting trees at the large dog park on Morrow Road and participation in the FoodCycler program.

68



Council Meetings

20

676



Resolutions

12



Proclamations

17

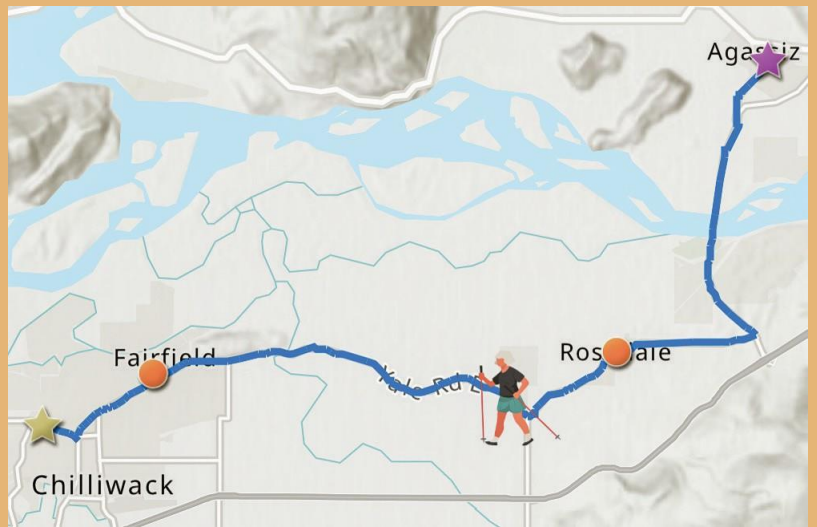


Freedom of Information Requests

43



Job Postings

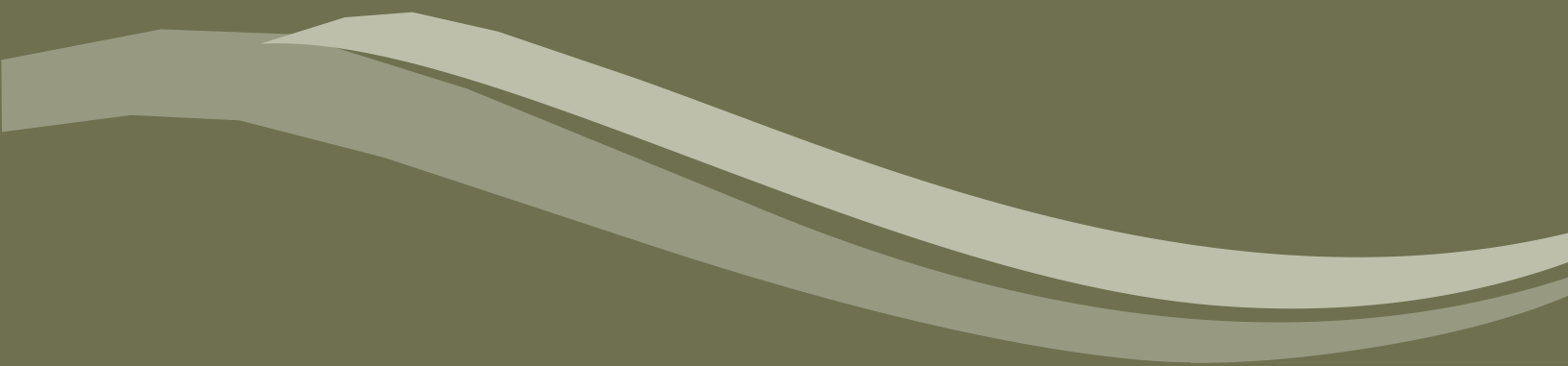


Walk the Talk for Lets'emot

On April 22, Mayor Pranger continued her fundraising journey and walked from the District of Kent Municipal Hall to the closest indoor pool at the Chilliwack Leisure Landing Centre to fundraise for the Lets'emot Regional Recreation & Aquatic Centre. A total of \$43,000 was raised from the Walk the Talk for Lets'emot.

Thank you! Walkers, Friends and Supporters

Firefighters Matt Griffiths and Trevor Loudon, Cst. Trent Dixon and Cst. Monty Singh, The Agassiz Harrison Aquanauts, Rob Sciotti and Linda Hughes, Chief Andrew Victor, Melanie Victor, Mayor Ken Popove, FVRD Director Bill Dickey, Jennifer and Jon Kinneman, Gail and Robert Guimont, Kerstin Schwichtenberg, Teresa Omelus, Judith Barrow, Karen Buckley, Leo Facio, Tanya Pranger, Michie Vidal, Julie and Neil Brewer, Tom Coombes, Ron Clare



Financial Services




Grant Funding: \$4.5 million

Awards: Canadian Award for Financial Reporting for 2022 Annual Report

Financial Services is responsible for the overall financial administration of the District of Kent. Duties include allocating and monitoring financial resources, accounts payable and receivable, payroll, maintenance of property records, property tax and utility billing and collection, investment portfolio administration, risk and insurance management, as well as internal, external, and statutory financial reporting requirements.

Financial Services is also responsible for preparing and monitoring the five year Financial Plan (budget) that details short and long term operational and capital needs, including annual tax rate recommendations made to Council.



Together with Urban Systems, Finance staff completed a review of the District's Development Cost Charge (DCC) program. The purpose of the review was to account for the significant increase in costs of providing infrastructure required by new development. After much review and public consultation, Council supported staff's recommendation for adjustments to the DCC rates.

The Finance Team experienced several staff changes in 2023 that resulted in new faces to the team and opportunities for internal staff promotion. With change comes training and process reviews, both of which are achievable thanks to the longer-term members of the team stepping up in their roles.

Finance continues to play a pivotal role in the Lets'emot Regional Recreation & Aquatic Centre project through internal project management, securing Construction Management and reporting back to Council on project design/financial updates and challenges.

Once again, the District received the Canadian Award for Financial Reporting for 2022 Annual Report.

The District was successful in securing \$4.5 million dollars in grant funding in 2023, which includes the \$2.7 million Growing Communities Fund.

Protective Services



\$32,000



**Annual Charity
Golf Classic**

330



Emergency Calls

121



**Fire & Life Safety
Inspections**

10



**Public Education
Events**

2,621



Training Hours

Protective Services supports a safe community and enhances the quality of life for residents by providing fire and rescue services and responding to motor vehicle accidents. Engagement with the community through education, inspection and community events. Protective Services consists of Fire Protection, Kent-Harrison Joint Emergency Program, Emergency Support Services and Victim Services.

Agassiz Fire Department 2023 Accomplishments & Goals

In the Community

- ✦ The AFD attended the Canada Day Celebrations in Pioneer Park.
- ✦ The AFD entered the Agassiz Harrison Lions Club, The Broken Whisk, and Rimex car shows in July and August.
- ✦ The AFD again participated in the fall fair parade showcasing the apparatus, equipment, and firefighters.
- ✦ The AFD Annual Charity Golf Classic was a resounding success with more than \$32,000.00 being raised for the AFD Charitable Society.
- ✦ The majority of the raised funds, \$25,000.00, were donated to the Lets'emot Regional Recreation & Aquatic Centre project. This along with the earlier donation of \$5,000.00 brings the total AFD donation to \$30,000.00.
- ✦ As in the past the AFD was able to donate funds to:
 - BC Children's Hospital
 - Agassiz Minor Baseball Association
 - Agassiz Fire Department AESS Bursary
 - Terry Fox Foundation
 - Canadian Cancer Society
 - BC Lung Association
 - Honour House Society
 - Optimist Club
- ✦ The AFD Honour Guard participated in the Legion Colour Party and parade to the cenotaph for the Remembrance Day ceremonies.
- ✦ The AFD Honour Guard participated in the funeral services for fallen wildfire firefighter Blaine Sonnenberg from Sts'ailes. The AFD escorted the procession from the funeral home in Chilliwack to the Sts'ailes Community School Gymnasium where the service was held.

- ✦ The annual food drive in support of Community Services was once again a great success. Food donations exceeded 7,000 pounds, along with \$4,000.00 in monetary donations.
- ✦ On December 20 the AFD along with Lori's Catering hosted the Community Christmas Dinner. This was the first year back after a couple of cancelled years due to the pandemic. 200 guests were served a delicious Christmas dinner, mandarin oranges for the kids, and \$1,000.00 worth of grocery gift certificates were drawn for random winners.



Training

- ✦ Agassiz Firefighters accumulated a total of 2,621 hours attending 155 training events in 2023.
- ✦ 8 recruit firefighters were brought onboard in 2023 to bring the compliment of paid on call (PoC) firefighters to 30.
- ✦ Each recruit participates in the recruit training program to achieve the BC minimum standard of exterior firefighter. Two of the firefighters had previously on their own completed training to the NFPA 1001, Standard for Fire Fighter Professional Qualifications, leaving only an orientation to the AFD equipment.
- ✦ The recruit training required 217 hours over 18 weeks to complete. A huge thanks goes out to the training officers for their commitment of time to train and bring these 8 firefighters onboard.
- ✦ Local FireSmart Representative (LFR) training has been completed by a number of firefighters. The AFD now has 4 qualified LFRs.
- ✦ Deputy Fire Chief Chiarot completed the FireSmart Home Assessment training. This training will be used to advise residents of FireSmart best practices, so they can best defend properties against wildfires.
- ✦ As well, this knowledge is critical when completing rapid assessments of properties during wildfire events.



Operations

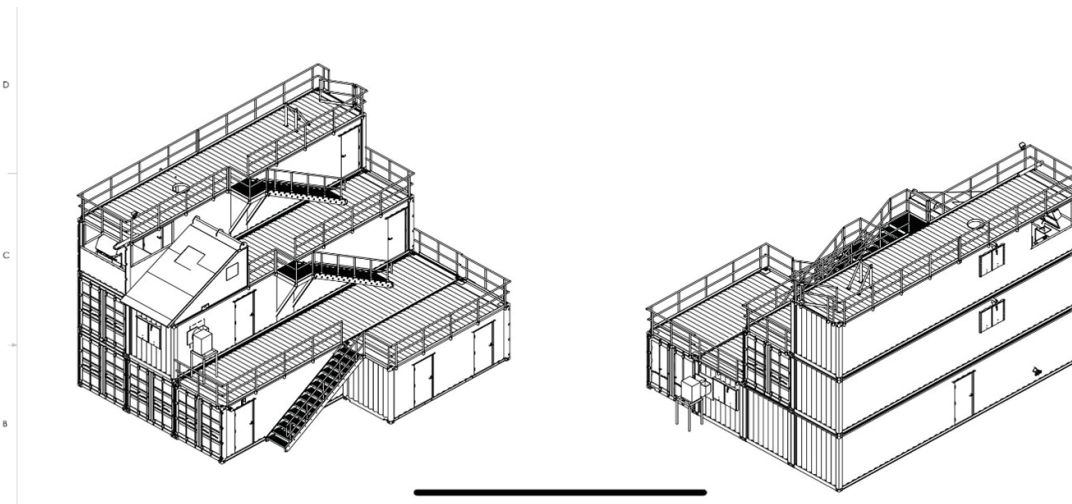
- ✦ The AFD responded to 330 calls (down from the 428 calls in 2022) for service totaling 3,342 hours. Medical aid calls had the highest call volume at 74 (96 in 2022), followed by automatic alarms at 69 (75 in 2022) and motor vehicle incidents at 58 (71 in 2022) respectively.
- ✦ The most significant fire of the year occurred in January when a residential home was extensively damaged after a fire broke out in the attached garage.

Wildfire Deployment

- ✦ The AFD deployed twice at the request of the BC Office of the Fire Commissioner to wildfire events. First to Gunn Lake and then to West Kelowna.
- ✦ On both occasions the AFD crews were instrumental in saving property from the destruction of wildfires.
- ✦ Recovered costs from the deployments totaled \$80,459.00.

Projects on the Go

- ✦ Fire Department Training Facility: Delivery and installation are the final steps prior to being put into service. Training will begin within the AFD, and when ready other departments in the regional project will be invited to become trainers. The AFD lobbied tirelessly to access grant funding opportunities to fund the \$810,000 facility. The final budget saw 71% (\$575,000) grant funded, 19% (\$150,000) funded through recouped deployment costs while deployed to wildfires, and 10% (\$85,000) from capital reserves.



- ✦ Sprinkler Protection Unit: Work is well underway for phases 2 through 4 to complete the SPU. With this will come another round of training. The new SPU trailer is 100% funded through the Community Resiliency Investment Fund, FireSmart grant funding stream.



- ✦ New Fire Engine: The AFD will soon take delivery of a new type 1 structural fire engine to replace the aged out 1997 Freightliner engine. The truck is expected to be completed in late July, inspections to follow, and then delivery in mid August. This new apparatus will be an excellent addition to the AFD fleet.



INC4162 - AGASSIZ FIRE DEPARTMENT

Future Projects

- ✦ Type VI Wildland Apparatus: Plans are being developed for a small modification to the existing Squad truck to incorporate a water tank and portable pump. This modification to an existing unit will complement the newly acquired SPU by providing not only an excellent tow vehicle but will bring initial water with it onboard. Updates to follow.



AFD Charitable Society

- ✦ The Annual AFD Charity Golf Classic is in the works and planned for September at the Sandpiper Golf Resort. The AFD Charitable Society is anxious to get started on this year's edition to raise funds and support worthy charities.

Emergency Program Planning and Emergency Support Services (ESS)

The District of Kent Emergency Program is currently operated by a paid coordinator with several volunteer members and is cost shared with the Village of Harrison Hot Springs and in partnership with the Seabird Island Band.

Kent Harrison Joint Emergency Program and ESS plan for the response and recovery of both natural and man-made disasters and assist with the well-being of those affected by such incidents.

2023 Outcomes

- ✦ Freshet: Due to lower-than-normal snowpack levels in the province through the 2022/23 winter, combined with fluctuating heat, cooling and rain, the Freshet came earlier in the season, but went by as a relatively low event. The Fraser River experienced two peak levels during the spring melt, but only rose to just over a five-year return at its highest in our area.



The river forecasting showed concerning returns for the Harrison Mills / Harrison River area with an expected 100-year return. This prediction was revised by the Province after considering the local gauge readings and other predictive software. The District of Kent opened its Emergency Operating Centre (EOC) to a Level 1 to monitor river levels and to release information to residents.

- ✦ Heat Events: On August 12, Environment and Climate Change Canada and the Province issued a Heat Warning for the Fraser Valley Region. This Heat Warning was in place from August 14 to 17. During this time the District of Kent, the Village of Harrison Hot Springs, and Seabird Island Band each opened their respective EOCs to a Level 1, to support cooling centre facilities for each community.

Additionally, information was shared with the public on how and where to seek refuge from the hot weather as well as signs and symptoms of heat related medical emergencies.

- ✦ Wildfire: On the morning of August 29, reports to BC Wildfire Service and the AFD came in about a visible wildfire burning on the mountain face of Bear Mountain. The fire was located at approximately 2,000 feet of elevation, within the District's municipal boundaries on Crown Land.

Access by local fire crews was not possible and BCWS began actioning the fire with aerial helicopter water bucketing.

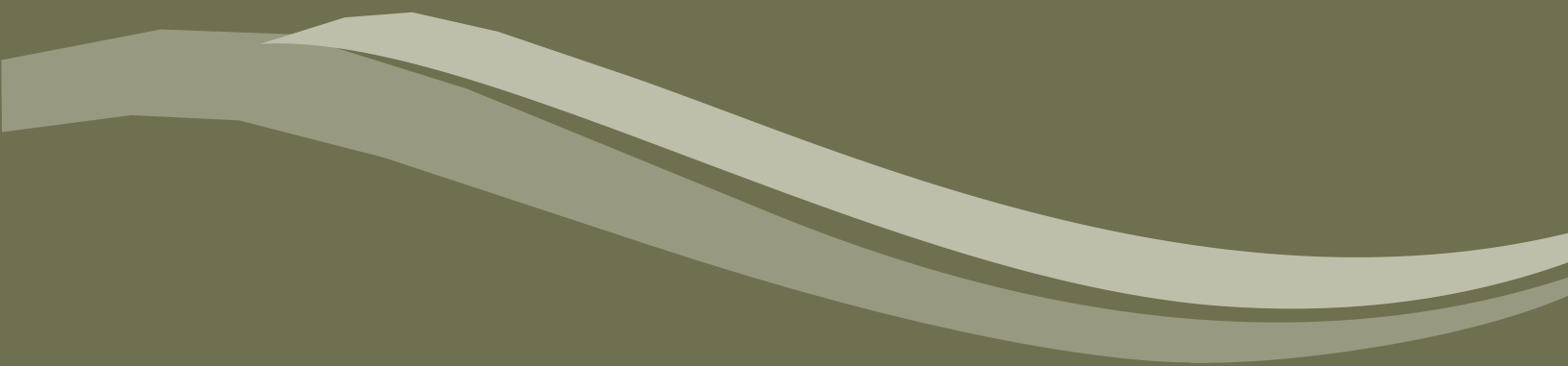
The District stood up their EOC to a Level 1, to monitor the fire's behavior and to communicate with stakeholders. Door to door information flyers were distributed to residents on Kamp Road by the Emergency Program Coordinator and Deputy Emergency Program Coordinator.



- ✦ ESS: The Kent Harrison Emergency Support Services group was successful in a grant application through the Union of BC Municipalities, Community Emergency Preparedness Fund for \$29,972.84. This funding will assist the team in the purchase of needed equipment and the ability to more easily set up remote ESS reception centres.

The 100% volunteer team has grown their numbers steadily over the last year and currently has a roster of 11 members from Agassiz, Harrison Hot Springs and Popkum. The team meets once a month to review training, work on equipment and plan for public relations events.





Engineering Services



Engineering Services includes Environmental Services, Diking and Drainage, Sewer Utilities, and Water Utilities. This department's responsibilities include the planning, design, construction, operation, and maintenance of municipal infrastructure as well as other specific capital projects as required.

2023 was another busy year for the District of Kent's Engineering Department. A very dry and hot summer was tough on water levels throughout the District's waterways, however, it also made the Drainage Maintenance program a little easier while reducing electricity demands to the pump stations. The following sections provide an overview highlighting the District's Engineering related accomplishments during the year.

Wastewater/Water Services and Treatment Plant

✦ A previous study identified various critical SCADA and electrical upgrades across the Agassiz townsite's water and wastewater systems, and the first phase of the project is to install the water system upgrades. The District contracted Wynker Electric & Controls Ltd. to provide the equipment and labour, as well as hire the necessary subcontractor to program the controls and SCADA system. Long lead times for the equipment delayed the start of the project into the late fall, and the project will be completed by spring.

✦ The District's consultant, Active Earth Consulting, performed the first two sampling events in the Fraser River for the Mount Woodside Wastewater Treatment Plant Receiving Environment Monitoring Program. The sampling demonstrated that the plant is functioning as designed and all discharge parameters are within Provincial and Federal freshwater standards. Complete reports were submitted to the Province as required by the Municipal Wastewater Regulations.



Active Earth Consulting staff collecting water samples in the Fraser River

✦ The Agassiz Avenue sewer upgrade and McCaffrey manhole rehabilitation project were successfully awarded for both engineering design services and construction. The detailed design work was completed in the summer of 2023 and then tendered for construction in the fall. Construction is scheduled to begin in the new year and is expected to be completed by the end of February 2024.

✦ Engineering staff engaged with various local stakeholders and local government representatives to work towards a regional solution for the Fraser Valley's Trucked Liquid Waste disposal issue. Staff continue to work closely with the Fraser Valley Regional District and local First Nation communities to achieve both short term and long term solutions to this regional issue.

✦ Engineering and Utilities staff continued to oversee the upgrades at the Mount Woodside water and wastewater treatment plants. Construction upgrades have been completed for the wastewater treatment plant, however a large list of deficiencies remain to be corrected two years after substantial completion. The water treatment plant is expected to be commissioned in early 2024.

✦ Ongoing inspection, maintenance and repair of District's wastewater treatment and collection system facilities, equipment, and infrastructure.

✦ Installation of water services are being provided based on current applications for connections.

✦ The annual flushing program continues for the Agassiz, Rockwell and Mount Woodside water distribution systems to ensure that quality standards are met.

✦ The annual fire hydrant maintenance program continues as part of ensuring fire protection services for the community.

✦ Ongoing inspection, maintenance and repair of District's water supply and distribution facilities, equipment and infrastructure.



SBR #2 at the Agassiz Wastewater Treatment Plant

Drainage and Flood Control

✦ Successfully applied for a grant to the Community Emergency Preparedness Fund (CEPF) for \$1.3 million dollars to replace an aging wood stave culvert on the Maria Slough conveying flow underneath Chaplin Road. With a completed detail design, and grant funding secured, staff are preparing to release the construction tender for the project in January 2024.

- ✦ The 2023 Annual Drainage Maintenance Program achieved 10.4 kilometres of ditch maintenance including cleaning portions of the McCallum, Westlin, MS 1, Clark, Kilby, Hot Springs, and Agassiz/Miami Ditches, and Hogg Slough.



Hogg Slough looking west towards Mount Woodside.

- ✦ The Annual Drainage Maintenance Program process includes the following:
 - Liaise with landowners and other stakeholders;
 - Liaise with senior regulators including the Ministry of Land, Water, and Resource Stewardship, Department of Fisheries and Oceans, and Environment Canada regarding drainage maintenance and species listed under the Species at Risk Act;
 - Obtain approvals and permits from Provincial and Federal regulatory agencies;
 - Arrange contractors and consultants;
 - Undertake/arrange environmental monitoring and species salvages during the works; and,
 - Prepare and submit reports to senior agencies.
- ✦ A small drone was purchased for the Engineering & Public Works Departments to assist staff with drainage assessments and inspections in difficult to access areas, as well as to increase the productivity of their inspections.
- ✦ Staff inspected all road crossing culverts owned by the District and identified eight culverts that are the most likely to require replacement within the next five years.
- ✦ The Fraser River Bank Armouring Project detailed design and construction administration services were awarded to RF Binnie and Associates Ltd.. Staff worked with the consultant to finalize the detailed design and apply for the necessary Federal and Provincial permits. Discussion remains ongoing with senior regulators and it is anticipated the project will receive the necessary permits in 2024. Assuming permits are approved, the construction phase of the work will begin in 2025.
- ✦ Staff undertook dike inspections and completed reports for submission to the Provincial Inspector of Dikes.
- ✦ Staff monitored a pilot rip-rap “wind row” near Bridge Road installed in 2022 as an extra protective measure against potential future riverbank erosion. Observations made indicate that very little material from the wind row has eroded into the Fraser River, and the bank erosion appears to have stalled or slowed down in this area over the past two freshets.

✦ Worked with Province on flood management during the freshet by collecting and submitting staff gauge readings.

✦ The Director of Engineering Services represented the District of Kent and participated in the Lower Fraser Floodplains Forum 2023 Dialogue on Regional Action. In attendance were representatives from 14 First Nation communities, 20 local governments, 2 regional governments, senior staff from 10 provincial and federal agencies, and 5 agricultural associations.



Lower Fraser Floodplains Forum - Break out group discussion

✦ Participated and provided feedback on the comprehensive Flood Strategy being developed by Fraser Basin Council.

✦ Liaised with Development Services, Building Department, contractors, and landowners regarding flood protection and Riparian Area Requirements.

Development

✦ Engineering Staff assisted in the land development process for several ongoing developments in the Agassiz townsite including:

- Pioneer Avenue 4 storey mixed use development
- 9 unit Highway #9 townhouse development
- Hwy #7 & #9 Commercial Development
- Kent Elementary Watermain Extension
- Golf Road subdivision
- 5 lot Pioneer Ave East industrial development
- Pixley Lane/Industrial Avenue development

✦ Engineering continued to oversee the 59 lot development at Phase 2 of Harrison Highlands and the associated servicing upgrades at Mount Woodside.

✦ District Engineer reviewed the construction, quality control testing and results, and subsequently granted Substantial Completion for the civil servicing of Phase 3 of Harrison Highlands. This phase consists of 30 single family dwellings.



Harrison Highlands Phase 3

- ✦ District Engineer reviewed and approved the Issued for Construction drawings for Phase 4 of Harrison Highlands. This phase consists of 50 single family dwellings and a new sanitary lift station.
- ✦ Engineering staff continue to work closely with Development Services staff to administer the development of a 65-unit townhome development at 1928 Woodside Boulevard.



Environmental

- ✦ Arranged the Green Waste Yard Clean-up program for residents in the Spring and Fall with the assistance of volunteers from the Agassiz Community Gardens.
- ✦ Continued to work with the Fraser Valley Invasive Species Society to implement the annual District-wide herbicide application program on Knotweed species.



Engineering

- ✦ Staff are working with Urban Systems to update the District's Subdivision and Development Bylaw which is expected to be completed in early 2024.
- ✦ Reviewed and approved design plans from third party utility companies (i.e., BC Hydro, Fortis, Telus) for various projects including a new 25kV power line supplying Morris Valley constructed utilizing horizontal directional drilling techniques starting in Kilby and crossing the Harrison River, pole replacements, and services for new developments including Phase 3 of the Harrison Highlands.
- ✦ Staff were successful in receiving a grant from BC Hydro as part of BC Hydro's Decorative Wrap Program to install decorative wrap on equipment boxes throughout the District. A contractor was hired to install the decorative wraps on eight boxes.
- ✦ Worked with Development/Building staff to provide referrals and input to ensure appropriate engineering standards, specifications and requirements are being followed during the subdivision development/building application process.
- ✦ Worked with Financial Services team to provide input to ensure short term and long term engineering/operations budgets are addressed and appropriately identified.
- ✦ Renewed one Strata Service Agreement for the maintenance of fire hydrants and water main flushing.

Public Works



 Jolene Gormley

Public Works provides maintenance of the District's infrastructure including Roads, Parks, Trails, Drainage and Flood Control, Fleet Management, and Solid Waste and Recycling.

Roads, Transportation and Walkways

- Staff applied for a road safety improvement project grant through ICBC and received \$6,000 to assist in the installation of two new permanent speed reader boards along Morrow Road.
- To improve mobility for pedestrians the sidewalk letdown/ramp replacement plan was continued in 2023, installing sidewalk panels and replacing a total of 11 letdowns in various locations around Agassiz.
- Staff administered and completed the annual asphalt crack sealing program, retaining Sealtec Industries to treat cracking on a total of 4.7 km of roadway at various areas throughout the District.
- Staff administered and completed the yearly road marking program, retaining Infinite Road Marking Ltd. to paint approximately 5 km of road lines, 42 stop bars and 4 crosswalks at various areas throughout the District.
- A request for proposal was issued and successfully awarded to ISL Engineering and Land Services Ltd. to finalize design drawings, cost estimates and necessary approvals for construction of Mountain View Road, Cartier Road, Kennedy Road and Mill Road.



Drainage and Flood Control

- In preparation for roadwork on Cartier Road, Public Works removed the existing 100mm PVC culvert and upgraded it to a 300mm concrete culvert.



- ✦ Repaired 2 culverts and headwalls along Agassiz ditch off of Hardy Road.
- ✦ Replacement of 1 collapsed culvert on Holly Road.
- ✦ Rebuilding and reinstallation of the hydraulic fish pump powerpack at Duncan Bateson Pump Station.
- ✦ Staff removed multiple blockages and retained a licensed contractor to remove and relocate beavers from known problem sites.

Fleet Management

- ✦ Purchased 2 new ½ ton Chevrolet 4x4 trucks and 1 Kubota unit to both replace aging equipment and to meet operational requirements.
- ✦ Purchased 2 new salt/sanding units and 1 new front mount plow for the District fleet to aid in the District's snow removal program.
- ✦ Installed the District's brine tank on the new Kenworth tandem dump truck to allow for brining of the District roadways. This procedure allows Public Works staff to apply pretreatment to the District roads before snow events occur.



Parks

- ✦ Removed the worn out wooden fence at Dr. McCaffery Park and retained Foremost Fencing to replace it with a chain-link fence.



- + Built, hung and maintained 70 hanging flower baskets to beautify our community.
- + Planted and maintained 48 planter boxes and 18 garden beds at various locations to adorn the community.
- + Placed 2 concrete planters and a bench to enhance the appearance of East Pioneer area.
- + Assisted in the successful planning, setup, cleanup, traffic control and parking organization for events at Centennial Park and Pioneer Park, which included the Fall Fair, Winter Night Lights and the Holiday Train.



Solid Waste and Recycling

- + Transported approximately 6,000m³ of green waste that is generated from the 2 green waste locations.
- + Contracted Timbro Contracting Ltd. to provide the chipping, removal and disposal of 6,000m³ of the green waste located at the District gravel pit.

Community Services



 Jolene Gormley

The Community Services department is dedicated to delivering health and wellness programs and events year round through the Community Recreation and Cultural Centre, Ferny Coombe Pool and various neighbourhood parks throughout the District.

These services enhance the quality of life for all District residents by positively influencing personal health and wellness, environmental stewardship, economic development, tourism, volunteerism, and community connections.

Each year many special events are delivered in partnership with local organizations such as: Agassiz-Harrison Community Services, Agassiz Harrison Historical Society, Fraser Valley Regional Library, Agassiz Harrison Lions Club, and many more. Partial funding for these events comes from a variety of grant programs and community sponsorship.



Ferny Coombe Pool

2023 Outcomes

- Provided subsidized lifeguard training for successional planning to have future lifeguard staff. This included Bronze Medallion, Bronze Cross and National Lifeguard Certification. In total, between the three courses, twenty youth participated in these certification courses.
- Successfully instituted the Lifesaving Society's Swim for Life program, after Red Cross disbanded its Red Cross Swimming Lesson program. In total, 1,136 children were registered in some form of swimming lessons in 2023.
- The Ferny Coombe Pool hosted the Kristy Hatt Memorial Swim Meet on July 15 & 16.

Current and Future Objectives

- Lets'emot Regional Recreation & Aquatic Centre - The District continues to work towards the creation of the Lets'emot Regional Recreation & Aquatic Facility, an indoor swimming facility that would not only be used by community members of Kent but other surrounding communities.

Community Recreation and Cultural Centre

2023 Outcomes

- ✦ Strategic plan for weight room layout plan, which includes an equipment replacement phase in plan.
- ✦ Introduction of Pilates classes, first as pop-up classes and now as a regularly scheduled class.
- ✦ Membership sales increased by 38% compared to 2022, in addition to a 32% increase in weightroom scans.
- ✦ A total of 201 passes were sold during the Annual Pass Sale, the largest amount to date. This generated \$45,846 in revenue, an increase of \$10,000 from the previous best year (2019).
- ✦ Gymnasium drop in program participation is on the rise, with the largest monthly total coming in December at 856.
- ✦ Re-evaluating existing facility space to plan for a staff administration area for current and future use.
- ✦ Received Federation of Canadian Municipalities Grant funding that will be utilized for building monitoring on energy efficiency, which will be installed in 2024.

Current and Future Objectives

- ✦ Rooftop AC Unit Replacement – Weight room & lower fitness room.
- ✦ Gym & Fitness Floor Refinishing – Strip and add new top finishing.
- ✦ Increase accessibility of the Community Recreation and Cultural Centre.



Community Events and Initiatives

2023 Outcomes

- ✦ Introduction of a new Community Event, Easter Egg Hunt in Pioneer Park. This was held in partnership with the Agassiz-Harrison Museum & Visitor Information Centre and Agassiz Library. A total of 225 people attended this event.

- ✦ This year's Canada Day Celebrations were themed 'Carnival', with a full day of carnival-themed activities, entertainment, crafts, live music, and many other fun activities. Over 1,500 people attended the festivities.
- ✦ Halloween Spooktacular, a partnership with the Agassiz Agricultural and Horticultural Association and the Agassiz Harrison Lions Club, occurred on October 31, with 300 people attending.
- ✦ The 3rd Annual Winter Night Lights occurred December 8 – 9. This event provides two nights of family-friendly activities, which includes a visit with Santa and the Grinch, a passenger train for rides, food trucks, live music, and a winter carnival. Over 1,300 people took part in the event over the two days.
- ✦ CPKC Holiday Train rolled into Agassiz on December 17 as one of its stops. This year's performers were Keisza and Tyler Shaw, and the event proved to be one of the busiest to date, with an estimated 3,000 people attending. Food donations were collected for the Agassiz Harrison Community Services Food Bank.



Community Improvement Projects

2023 Outcomes

- ✦ Schep Park rubberized accessible playground surface installed.
- ✦ After a presentation from Project AIM, the District made free menstrual products available at the Community Recreation and Cultural Centre and Agassiz Library.

Current and Future Objectives

- ✦ Creation and installation of a park in Harrison Highlands.
- ✦ Playground upgrades for Westlin Park.

Development Services



Development Services supports the public by providing services related to planning, land development, building inspection, and bylaw compliance. The department administers ongoing development activities within the District including the following application processes: Building Permits, Official Community Plan (OCP) Bylaw amendments, Zoning Bylaw amendments, Agricultural Land Commission (ALC) applications, Development Permits, Development Variance Permits, Board of Variance, Temporary Use Permits, Sign Permits, Subdivision and Development, Business Licences, Inter-Municipal Business Licences, Liquor Licence referrals, and Bylaw Compliance.

Building Construction Outcomes 2023

- ✦ Similar to previous years, construction of residential units in the District increased with 47 building permits issued for residential construction, representing renovations to existing dwellings and 33 new homes in the District. This number includes 9 multi-family townhouse units in the Agassiz townsite area.

- ✦ Issued 71 Building Permits with a value of construction of just under \$19 million.

- ✦ Building Permit Highlights include:
 - Industrial building for Armstrong Sand and Gravel with a value of construction at just over \$1.2 million.
 - Washroom Building and picnic shelter for Kilby Historic Society (value of construction at \$200,000).
 - New veterinary clinic on Pioneer Ave (value of construction at \$750,000).



Planning Outcomes - 2023

- ✦ 24 Development planning applications processed (including Development Permits, Variances, ALC, OCP and Zoning).

- ✦ 5 Subdivision applications.

- ✦ 30 development applications were brought to Council for resolutions:
 - 8 ALC Applications
 - 8 Official Community Plan and Zoning Bylaw Amendments
 - 8 Development Permits
 - 3 Temporary Use Permits
 - 3 Development Variance Permits

71



Building Permits Issued

644



Building Inspections

24



Planning Applications Recieved

322



Business Licences Issued

159



Bylaw Compliance Reviews

5



Subdivisions

Kent Agricultural Advisory Committee

➤ Coordinated 4 Kent Agricultural Advisory Committee (Kent AAC) meetings.

➤ Performed the annual Kent Agricultural Area Plan review and recommended priority actions for 2024.

2024 Objectives

➤ Small-Scale Multi-Unit Housing - In the fall of 2023, the British Columbia (BC) Legislature passed Bill 44, Housing Statutes (Residential Development) Amendment Act, as part of the Province's Homes for People Action Plan. This action plan is based on four foundational pillars:


- Unlocking more homes, faster;
- Delivering better, more affordable homes;
- Supporting those with the greatest housing needs; and
- Creating a housing market for people, not speculators.

Zoning amendments are required to be updated prior to June 30, 2024 to support this initiative.

➤ Housing Needs Interim Report – Also part of the BC Bill 44, local governments are required to update their Housing Needs Report by the end of 2024. Going forward, these reports will need to be updated every five years.

➤ Remove Non-Principal Residence from Short Term Rentals – To provide more long term housing to the rental market, the Province will be providing stronger tools to local governments to manage short term rentals. The District will be opting-in to the Province's "principal residence" requirements and removing the non-principal residence options from the Zoning Bylaw.

➤ BC Energy Step Code – Continue to upgrade staff qualifications and implement the new regulations for the BC Energy Step Code for energy-efficiency requirements in the BC Building Code.

- ✦ 2024 BC Building Code – to be put in place in 2024, will require staff to upgrade qualifications for the new regulations.
 - ✦ Online Permitting System – work with Citywide to move building permits and inspections to an online platform.
- 

2025 Objectives

- ✦ Official Community Plan Regional Context Statement – work on adopting a Regional Context Statement as the Fraser Valley Regional District's Regional Growth Strategy is now adopted.
- ✦ Housing Strategy – explore the option of preparing a housing strategy for the District of Kent to address Kent's housing needs.
- ✦ Official Community Plan and Zoning Bylaw Review and Update – work towards hiring a consultant for the review and update of the Official Community Plan (OCP) and Zoning Bylaws to meet the new requirements of the Provincial Government to update the OCP every five years (must be updated prior to end of 2025).
- ✦ Agriculture Land Use Inventory – assist with the Ministry of Agriculture and Food's Agricultural Land Use Inventory update survey.
- ✦ Development Applications – continue to process development applications in a timely manner.
- ✦ Online Permitting System – work with Citywide to move planning and development permitting to an online platform.

Financial Section



Financial Statements



Consolidated Financial Statements of

**CORPORATION OF THE
DISTRICT OF KENT**

And Independent Auditors' Report thereon

Year ended December 31, 2023

CORPORATION OF THE DISTRICT OF KENT

Consolidated Financial Statements

Year ended December 31, 2023

Financial Statements

Independent Auditors' Report

Consolidated Statement of Financial Position

Consolidated Statement of Operations and Accumulated Surplus

Consolidated Statement of Change in Net Financial Assets

Consolidated Statement of Cash Flows

Notes to Consolidated Financial Statements



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INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Corporation of the District of Kent

We have audited the consolidated financial statements of the Corporation of the District of Kent (the "District") which comprise:

- the consolidated statement of financial position as at December 31, 2023
- the consolidated of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2023, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the District 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.



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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the District'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 District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the District'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 District's internal control.



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- 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 District'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 the District's 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.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants

Chilliwack, Canada

May 7, 2024

CORPORATION OF THE DISTRICT OF KENT

Consolidated Statement of Financial Position

December 31, 2023, with comparative information for 2022

	2023	2022
Financial assets:		
Cash and cash equivalents (note 3)	\$ 39,246,916	\$ 31,620,821
Accounts receivable (note 4)	1,291,776	907,819
Deposit - Municipal Finance Authority (note 5)	51,105	50,558
Asset held for sale		264,916
	<u>40,589,797</u>	<u>32,844,114</u>
Liabilities:		
Accounts payable and accrued liabilities (note 6)	2,884,601	2,846,918
Refundable deposits	909,368	906,580
Unearned revenue (note 7)	4,110,129	3,269,761
Restricted revenue (note 8)	3,424,592	3,058,534
Asset retirement obligation (note 9)	131,190	
Reserve - Municipal Finance Authority (note 5)	51,105	50,558
Long-term debt (note 10)	947,905	1,026,300
Obligations under capital leases (note 11)	11,379	19,913
	<u>12,470,269</u>	<u>11,178,564</u>
Net financial assets	28,119,528	21,665,550
Non-financial assets:		
Tangible capital assets (note 12)	52,998,091	51,424,726
Other non-financial assets	428,401	421,815
	<u>53,426,492</u>	<u>51,846,541</u>
Contingencies (note 17)		
Accumulated surplus (note 13)	<u>\$ 81,546,020</u>	<u>\$ 73,512,091</u>

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

On behalf of the District:



Director of Financial Services

CORPORATION OF THE DISTRICT OF KENT

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2023, with comparative information for 2022

	2023 Budget (note 20)	2023 Actual	2022 Actual
Revenues:			
Municipal taxation (note 14)	\$ 9,235,940	\$ 9,350,839	\$ 8,517,932
Government grants and transfers (note 15)	15,289,820	4,012,385	1,374,308
Sale of services	3,673,890	3,035,387	2,753,087
Contributions from developers	2,158,930	1,796,353	250,483
Return on investments	610,120	1,382,341	592,974
Licenses, permits, penalties and fines	417,500	550,013	544,626
	<u>31,386,200</u>	<u>20,127,318</u>	<u>14,033,410</u>
Expenses:			
General government services	2,863,130	2,840,244	2,679,610
Engineering services	2,308,200	2,507,387	2,349,590
Parks, recreation and cultural services	2,303,880	2,256,085	2,183,681
Water and sewer services	2,223,500	2,221,526	2,134,298
Protective services	2,281,810	1,750,771	2,267,181
Development services	902,280	908,340	927,055
Drainage and diking services	584,270	469,904	556,997
	<u>13,467,070</u>	<u>12,954,257</u>	<u>13,098,412</u>
Earnings before the undernoted	17,919,130	7,173,061	934,998
Other income/expenses:			
Gain on disposal of tangible capital assets			6,192
Gain on disposal of assets held for sale		860,868	
		<u>860,868</u>	<u>6,192</u>
Annual surplus	17,919,130	8,033,929	941,190
Accumulated surplus, beginning of year	73,512,091	73,512,091	72,570,901
Accumulated surplus, end of year	<u>\$ 91,431,221</u>	<u>\$ 81,546,020</u>	<u>\$ 73,512,091</u>

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

CORPORATION OF THE DISTRICT OF KENT

Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2023, with comparative information for 2022

	2023 Budget (note 20)	2023 Actual	2022 Actual
Annual surplus	\$ 17,919,130	\$ 8,033,929	\$ 941,190
Acquisition of tangible capital assets	(28,823,500)	(1,644,762)	(2,387,631)
Amortization of tangible capital assets	1,932,900	1,966,877	1,933,503
Proceeds on disposal of tangible capital assets			7,002
Gain on disposal of tangible capital assets			(6,192)
Tangible capital assets contributed by developers	(2,158,930)	(1,774,292)	(218,313)
Initial adoption of asset retirement obligation		(121,189)	
	(29,049,530)	(1,573,366)	(671,631)
Change in other non-financial assets		(6,585)	(117,715)
Change in net financial assets	(11,130,400)	6,453,978	151,844
Net financial assets, beginning of year	21,665,550	21,665,550	21,513,706
Net financial assets, end of year	\$ 10,535,150	\$ 28,119,528	\$ 21,665,550

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

CORPORATION OF THE DISTRICT OF KENT

Consolidated Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 8,033,929	\$ 941,190
Items not involving cash:		
Amortization of tangible capital assets	1,966,877	1,933,503
Gain on disposal of tangible capital assets		(6,192)
Tangible capital assets contributed by developers	(1,774,292)	(218,313)
Gain on disposal of asset held for sale	(860,868)	
Accretion of asset retirement obligation	10,001	
Actuarial adjustment on debt	16,230	13,578
Change in non-cash operating assets and liabilities:		
Accounts receivable	(383,957)	(45,324)
Other non-financial assets	(6,585)	(117,715)
Accounts payable and accrued liabilities	37,683	157,884
Refundable deposits	2,788	318,328
Unearned revenue	840,368	2,433,708
	7,882,174	5,410,647
Capital activities:		
Acquisition of tangible capital assets	(1,644,762)	(2,387,631)
Proceeds on disposal of tangible capital assets	1,125,784	7,002
	(518,978)	(2,380,629)
Investing activities:		
Change in portfolio investments		237,279
Financing activities:		
Change in restricted revenues, net	366,058	398,844
Repayment of obligations under capital lease, net	(8,534)	(8,534)
Repayment of long-term debt	(94,625)	(89,322)
	262,899	300,988
Increase in cash and cash equivalents	7,626,095	3,568,285
Cash and cash equivalents, beginning of year	31,620,821	28,052,536
Cash and cash equivalents, end of year	\$ 39,246,916	\$ 31,620,821
Non-cash transaction:		
Initial recognition of asset retirement obligation capitalized to tangible capital assets	\$ 121,189	\$

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

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements

Year ended December 31, 2023

The Corporation of the District of Kent (the "District") was incorporated on January 1, 1895 under Letters Patent and operates under the authority of the British Columbia Community Charter. The District's principal activities include the provision of local government services to residents of the incorporated area including administrative, protective, transportation, recreational, water, sewer, diking and drainage services.

1. Significant accounting policies:

The accounting policies of the District have been presented in accordance with current standards as issued in the CPA Canada Public Sector Handbook.

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

(a) Basis of presentation:

These consolidated financial statements include the operations of the General, Water, Sewer, Diking, Drainage and Reserve Funds.

All material interfund accounts and transactions have been eliminated.

The consolidated financial statements do not include assets, liabilities or surplus of trust funds administered by the District.

(b) Financial instruments:

Financial instruments include cash and cash equivalents, portfolio investments, accounts receivable, accounts payable and accrued liabilities and long term debt. Cash and cash equivalents include cash, high interest savings accounts and short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value, including those in the Municipal Finance Authority investment short-term money market investment pool.

Financial instruments are recorded at fair value on initial recognition. Equity instruments quoted in an active market and derivatives are subsequently measured at fair value as at the reporting date. All other financial instruments are subsequently measured at cost or amortized cost unless the District has elected to carry the financial instrument at fair value. The District has not elected to carry any financial instruments at fair value.

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(b) Financial instruments (continued):

Unrealized changes in fair value would be recognized on the consolidated statement of remeasurement gains and losses. They are recorded in the consolidated statement of operations when they are realized. There are no unrealized changes in fair value as at December 31, 2023 and December 31, 2022. As a result, the District does not have a consolidated statement of remeasurement gains and losses.

Transaction costs incurred on the acquisition of financial instruments subsequently measured at fair value are expensed as incurred. Transaction costs incurred on the acquisition of financial instruments recorded at cost or amortized cost are included in the cost. Sales and purchases of investments are recorded on the trade date.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the consolidated statement of operations.

(c) Revenue recognition:

Municipal taxation revenue is recognized on the accrual basis using the approved mill rates and the assessment related to each year. Grants in lieu of taxes and utility charges are recognized when the levies are billed or billable to the property owner. Revenue from sales of services are recognized when the services are provided. Development cost charges are recognized as revenue in the period the funds are expended on a development project. Development cost charges not expended are recorded as restricted revenue.

(d) Use of estimates:

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Areas that contain estimates include assumptions used in estimating provisions for accrued liabilities, contributions from developers, and the estimated useful lives of tangible capital assets. Actual results could differ from those estimates.

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(e) Government transfers:

Government transfers received by the District are recognized as revenue once the transfer has been authorized by the transferring government and the District has met any eligibility requirements. In cases where stipulations have been imposed by the transferring government on the District with respect to the use or retention of funds already transferred and those stipulations have not been met, a liability is recognized. Transfers from the District to other agencies are normally granted only in return for services provided to the community. As such, they would be recognized on the same basis as other expenses.

(f) Non-financial capital 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, are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful life - years
Land and land improvements	Indefinite
Buildings and building improvements	35
Machinery and equipment	15-20
Furniture and fixtures	5
Transportation equipment	10-15
Office and information technology	5-10
Infrastructure	25-100
Dikes	Indefinite

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

(ii) Contributions of tangible capital assets:

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

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(f) Non-financial capital assets (continued):

(iii) Interest capitalization:

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

(iv) 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.

2. Adoption of new accounting standard:

(a) PS 3280 Asset Retirement Obligations:

On January 1, 2023, the District adopted Canadian public sector accounting standard PS 3280 Asset Retirement Obligations (PS 3280). An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- (i) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (ii) The past transaction or event giving rise to the liability has occurred;
- (iii) It is expected that future economic benefits will be given up; and,
- (iv) A reasonable estimate of the amount can be made.

The estimate of the asset retirement obligation includes costs directly attributable to the asset retirement activities and is recorded as a liability and increase to the related tangible capital assets if the tangible capital asset is in productive use. The asset retirement obligation is recorded as a liability and expense if the related tangible capital asset is unrecognized or no longer in productive use. The District determined that there were asset retirement obligations associated with its tangible capital assets as at December 31, 2023 and December 31, 2022 and has adopted this standard on a prospective basis.

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

2. Adoption of new accounting standard (continued):

(b) PS 3450 Financial Instruments and related standards:

On January 1, 2023, the District adopted Canadian public sector accounting standard PS 3450 Financial Instruments, PS 2601 Foreign Currency Translation, PS 1201 Financial Statement Presentation and PS 3041 Portfolio Investments. Under PS 3450 Financial Instruments, all financial instruments are included on the statement of financial position and are measured at either fair value or cost or amortized cost based on the characteristics of the instrument and the District's accounting policy choices (see note 1(c)).

The adoption of these standards did not have an impact on the amounts presented in these financial statements.

3. Restricted assets:

Included in cash and cash equivalents and portfolio investments are the following restricted amounts:

	2023	2022
Cash and cash equivalents	\$ 39,246,916	\$ 31,620,821
Less restricted for:		
Statutory Reserve Funds	15,072,197	11,092,230
Restricted revenue	3,424,592	3,058,534
Unearned revenue	4,110,129	3,269,761
	22,606,918	17,420,525
Funds available for operations	\$ 16,639,998	\$ 14,200,296

In agreement with Envision Financial, the District has a \$500,000 line of credit, in which nil (2022 - nil) has been drawn on as at December 31, 2023. The line of credit bears interest at prime.

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

4. Accounts receivable:

	2023	2022
Taxes	\$ 246,168	\$ 292,852
Accrued interest on term deposits	705,130	265,851
Trade accounts	182,216	175,073
Water and sewer trade receivable	104,559	90,509
Government of Canada	53,703	83,534
	<u>\$ 1,291,776</u>	<u>\$ 907,819</u>

5. Municipal Finance Authority reserve deposits and demand notes:

The District issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the Municipal Finance Authority as a debt reserve fund. The District also executes demand notes in connection with each debenture whereby the District may be required to loan certain amounts to the Municipal Finance Authority.

The cash deposit and demand notes at the year end totaled \$51,105 (2022 - \$50,558).

6. Accounts payable and accrued liabilities:

	2023	2022
Trade accounts	\$ 769,733	\$ 1,366,470
Accrued payroll and benefits	816,457	742,019
Province of British Columbia	959,393	429,326
Due to Trust Fund	339,018	309,103
	<u>\$ 2,884,601</u>	<u>\$ 2,846,918</u>

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

7. Unearned revenue:

	2022	Amounts received	Revenue earned	2023
Prepaid taxes	\$ 659,050	\$ 715,930	\$ (659,050)	\$ 715,930
Water meter deposits	120,220	3,343	(16,282)	107,281
Flood recovery grant	2,355,000		(77,045)	2,277,955
Other	135,491	1,134,903	(261,431)	1,008,963
	\$3,269,761	\$1,854,176	\$(1,013,808)	\$4,110,129

8. Restricted revenue:

Restricted revenue represents funds received from developers for capital infrastructure expenditures required as a result of their development projects. As these funds are expended, the liability will be reduced and the amount expended will be recorded as revenue.

Assets are not always physically segregated to meet the requirements of the restricted revenues. The liability will be settled with cash and cash equivalents.

The restricted revenues, reported on the Consolidated Statement of Financial Position, are made up of the following:

	2023	2022
Roads	\$ 1,623,052	\$ 1,450,146
Community parks	758,041	694,380
Storm drainage	682,577	616,688
Cash-in-lieu of parks	182,550	173,033
Sewer	163,898	110,569
Water	14,474	13,718
Total restricted revenue	\$ 3,424,592	\$ 3,058,534

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

9. Asset retirement obligation:

The District asset retirement obligation consists of the following:

- a) The District owns several buildings that are known to have asbestos and lead, which represent a health hazard upon demolition of the building and there is a legal obligation to remove and dispose of it. The facilities have average estimated useful lives remaining ranging from 19 to 34 years.

Estimated costs have been discounted at the present value using a discount rate of 4.4% per annum. As at December 31, 2023, the undiscounted cash flows are \$398,736.

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

	Initial adoption on January 1, 2023	Accretion expense	Balance December 31, 2023
Hazardous material remediation (asbestos and lead)	\$ 121,189	\$ 10,001	\$ 131,190

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

10. Long-term debt:

The balance of long-term debt is as follows:

By-law	Purpose	Term (years)	Year due	Rate	Balance Outstanding	
					2023	2022
General						
1511	Community Centre	20	2035	2.20	\$ 883,899	\$ 942,385
1526	Cemetery Road	10	2026	2.60	64,006	83,915
					\$ 947,905	\$ 1,026,300

Interest on long-term debt totaled \$33,540 (2022 - \$33,540) in the General Fund.

Future principal payments required over the next five years on issued debt are as follows:

2024	\$ 81,139
2025	83,978
2026	86,918
2027	67,114
2028	69,463
Thereafter	559,293
	\$ 947,905

11. Obligations under capital leases:

The District has entered into capital leases to finance computers and equipment at a cost of borrowing of 4.24% (2022 - 4.24%) per annum. The principal and interest payments are as follows:

	2023
2024	\$ 9,453
2025	3,150
Total minimum capital lease payments	12,603
Less amount representing interest	(1,224)
Present value of net minimum lease payments	\$ 11,379

Interest of \$918 (2022 - \$918) relating to capital lease obligations has been included in the General Fund.

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

12. Tangible capital assets

	COST				
	Opening Balance	Additions	Adoption of ARO	Disposals	Closing Cost
<u>General Fund</u>					
Land	\$ 5,580,286	\$ -	\$ -	\$ -	5,580,286
Buildings	10,659,578	102,844	121,189		10,883,611
Dikes	901,140				901,140
Drainage pump stations and culverts	10,110,404	17,993			10,128,397
Engineering Structures	18,720,961	936,924			19,657,885
Equipment & Structures	6,936,731	513,011			7,449,742
Work in Progress	998,839	878,071			1,876,910
Total General Fund	53,907,939	2,448,843	121,189		56,477,971
<u>Sewer Fund</u>					
Equipment & Structures	522,950	20,111			543,061
Mt. Woodside Sewer	2,497,479	484,042			2,981,521
Storm drainage system	4,294,609	89,461			4,384,070
Townsite Sewer System	13,988,404				13,988,404
Work in Progress		16,170			16,170
Total Sewer Fund	21,303,442	609,784			21,913,226
<u>Water Fund</u>					
Mt. Woodside Water	1,798,129	337,782			2,135,911
Rockwell water system	176,558				176,558
Townsite water system	9,995,644	22,644			10,018,288
Work In Progress					
Total Water Fund	11,970,331	360,426			12,330,757
Total Capital Assets	\$ 87,181,712	\$ 3,419,053	\$ 121,189	\$ -	\$ 90,721,954

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue. The value of contributed tangible capital assets received during the year is as follows:

	2023	2022
Roads	715,362	
Sidewalks		20,000
Street lights	125,000	
Storm Sewer	89,461	3,960
Townsite Sewer		3,880
Townsite Water System		190,473
Mt. Woodside Sewer	484,042	
Fire Hydrants	22,644	
Mt. Woodside Water	337,782	
	1,774,292	218,313

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

12. Tangible capital assets (continued)

	ACCUMULATED AMORTIZATION			Opening Net Book Value	Closing Net Book Value
	Opening Balance	Current Provision	Disposals		
General Fund					
Land	\$ -	\$ -	\$ -	\$ 5,580,286	\$ 5,580,286
Buildings	3,328,380	276,388		7,331,198	7,278,843
Dikes				901,140	901,140
Drainage pump stations and culverts	2,619,684	184,239		7,490,720	7,324,474
Engineering Structures	11,652,655	416,706		7,068,306	7,588,524
Equipment & Structures	4,773,272	279,646		2,163,459	2,396,824
Work in Progress				998,839	1,876,910
Total General Fund	22,373,991	1,156,979		31,533,948	32,947,001
Sewer Fund					
Equipment & Structures	420,990	25,561		101,960	96,510
Mt. Woodside Sewer	255,714	72,509		2,241,765	2,653,298
Storm drainage system	2,481,545	91,698		1,813,064	1,810,827
Townsite Sewer System	5,695,386	280,341		8,293,018	8,012,677
Work in Progress					16,170
Total Sewer Fund	8,853,635	470,109		12,449,807	12,589,482
Water Fund					
Mt. Woodside Water	352,302	51,357		1,445,827	1,732,252
Rockwell water system	136,373	7,766		40,185	32,419
Townsite water system	4,040,685	280,666		5,954,959	5,696,937
Work In Progress					
Total Water Fund	4,529,360	339,789		7,440,971	7,461,608
Total Capital Assets	\$ 35,756,986	\$ 1,966,877	\$ -	\$ 51,424,726	\$ 52,998,091

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

13. Accumulated surplus:

	2023	2022
Unappropriated:		
General	\$ 5,389,538	\$ 4,216,745
Sewer	1,257,640	1,134,585
Diking	723,040	693,076
Drainage	983,506	791,199
Water	1,378,118	1,210,569
	9,731,842	8,046,174
Appropriated:		
Operating Reserve	4,834,362	3,995,172
Statutory Reserve Funds:		
General capital	3,938,310	3,941,911
Growing communities fund	2,817,405	
Sewer capital	2,092,747	1,822,470
Water capital	1,327,793	1,017,640
Parkland	130,616	123,807
Gas tax - community works	4,765,326	4,186,402
	15,072,197	11,092,230
Total financial equity	29,638,401	23,133,576
Equity in Tangible Capital Assets:		
General	31,856,528	30,487,736
Sewer	12,589,482	12,436,358
Water	7,461,609	7,454,421
Accumulated surplus	\$ 81,546,020	\$ 73,512,091

14. Municipal taxation revenue:

	2023	2022
Municipal property taxes	\$ 8,226,872	\$ 7,548,696
Payments in lieu of taxes	984,175	841,161
Utility taxes	139,792	128,075
	\$ 9,350,839	\$ 8,517,932

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

15. Government grants and transfers:

	2023	2022
Provincial government - other	\$ 3,643,285	\$ 930,454
Federal government	346,203	402,385
Other minor grants	22,897	41,469
	\$ 4,012,385	\$ 1,374,308

16. Collections for other governments:

The Municipality collects and remits taxes on behalf of other government jurisdictions as follows:

	2023	2022
Ministry of Education	\$ 4,326,355	\$ 3,993,598
Fraser Valley Regional District	242,731	241,499
Fraser Valley Regional Hospital District	229,612	223,282
B.C. Assessment Authority	106,240	98,135
Municipal Finance Authority	531	468
	\$ 4,905,469	\$ 4,556,982

These taxes are not included in the Consolidated Statement of Operations and Accumulated Surplus of the District.

17. Contingencies:

- (a) Debt held by the Fraser Valley Regional District is, pursuant to the Local Government Act, a direct joint and several liability of each member municipality within the regional district, including the District.
- (b) The District is currently engaged in certain legal actions. The District has accrued for claims for which the amounts are known or can reasonably be estimated. The outcome of other claims is undeterminable at this time and, accordingly, no provision has been made in the consolidated financial statements.

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

17. Contingencies (continued):

- (c) The District received grant funding from the Provincial government for interim flood support. The terms of the government transfer require that if the assets are sold, leased, or disposed of within five years of acquisition, using the funds contributed by the province, the District may be required to reimburse the province. The District has no plans to dispose of any assets to be acquired by the government transfer, and accordingly, no provision has been made in the financial statements.
- (d) The company has issued a letter of credit on behalf of the Fish and Habitat Protection Program totaling \$300,172 (2022 - \$nil).

18. Pension liability:

The District 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 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local governments.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The District paid \$346,394 (2022 - \$331,721) for employer contributions while employees contributed \$314,301 (2022 - \$301,606) to the plan in fiscal 2023.

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

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

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

19. Fair value of financial assets and financial liabilities:

The fair value of the District's cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities approximate their carrying amounts due to the immediate or short term maturity of these financial instruments.

The fair value of the long-term debt approximates their book value as the interest rates represent borrowing rates for loans under similar terms and maturities.

20. Budget figures:

The operating and capital budget figures, presented on a basis consistent with that used for actual results, were approved by Council as the 2023 - 2027 Financial Plan Bylaw, No. 1713. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

	2023
Budgeted annual surplus	\$
Internal transfers to reserves and surplus	(6,449,870)
Amortization of tangible capital assets	(1,932,900)
Net proceeds of long-term debt	(2,521,600)
Acquisition of tangible capital assets	28,823,500
Budgeted surplus	\$ 17,919,130

21. Contractual rights:

The District has entered into contracts for various property rentals, leases, and service agreements, and is scheduled to receive the following amounts under those contracts:

2024	\$	108,372
2025		53,914
2026		16,613
2027		7,913
2028		6,913
	\$	193,725

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

22. Financial risks:

Market Risk is the risk that changes in market prices, such as interest rates, will affect the District's income. The District's cash and portfolio investments include amounts on deposit with financial institutions that earn interest at market rates. The District manages its cash by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market rates of interest would not have a significant effect on the District's income.

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. Management does not believe that the District is exposed to significant credit risk.

The carrying value of cash, accounts receivable, and accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of these items.

There has been no change to the risk exposures outlined above from 2023.

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

23. Segmented information:

The District is a diversified municipal government institution that provides a wide range of services to its citizens, including General Government Services; Protective Services; Engineering Services; Water and Sewer Services; Parks, Recreation and Cultural Services; Development Services; and Drainage and Diking Services. For management reporting purposes, the District's operations and activities are organized and reported by service areas. Service areas were created for the purpose of recording specific activities to attain certain objectives in accordance with regulations, restrictions or limitations. The service areas are as follows:

General Government Services

General government services include all activities associated with adopting bylaws, mayor and council support, financial management, municipal facilities, and the cost effective delivery of services. Items included are Mayor and Council, administration, clerks, purchasing, management information systems, graphical information systems, corporate services, finance, community grants and unallocated costs including insurance and legal.

Protective Services

Protective services include all activities associated with protection including the enforcement of laws and the prevention of crime. Items included are fire protection, emergency services, and all costs associated with policing.

Development Services

Development services include all activities associated with community planning. These include building permits and inspections, bylaw enforcement and animal controls.

Engineering Services

Engineering services include all activities associated with transportation including roads and drainage networks. Items included are services of the engineering department, traffic services, street lighting, transit, snow removal, maintenance and enhancements to roads, shoulders, open drainage, storm sewers, and dikes. This also includes operation of the District owned rock quarry as well as recycling and solid waste.

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

23. Segmented information (continued):

Water and Sewer Services

Water and sewer services include all activities associated with water and sanitary sewer operations. Items included are maintenance and enhancements of the water supply system, water pumps stations, water distribution system, water meters, hydrants, sanitary sewer collection system, sewer lift stations, and sewer treatment and disposal.

Drainage and Diking Services

Drainage and diking services include the construction and maintenance of the dike network, and the related drainage systems for preventative measures against flooding.

Parks, Recreation and Cultural Services

Parks, Recreation and Cultural services include all activities associated with parks, recreation and cultural activities and operations. Items included are costs associated with community grants, parks and trails, urban trees and plantings and sports fields public library and cemetery. Operation of the Community Recreation and Cultural Centre and Ferny Coombe Pool are included.

The segment reporting results are reported on the table on the following page.

Segmented information has been identified based upon lines of service provided by the District.

District services are provided by departments and their activities are reported by functional area in the body of the financial statements. Certain lines of service that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

23. Segmented information (continued)

	General Government Services	Protective Services	Development Services	Engineering Services	Water & Sewer Services	Drainage and Diking Services	Parks, Recreation and Cultural Services	Capital & Reserves	2023	2022
Revenues										
Municipal taxation and payments in lieu of taxes	\$ 9,131,683	\$	\$	\$	\$ 12,824	\$ 206,332	\$ -	\$ -	\$ 9,350,839	\$ 8,517,932
Government grants and transfers	620,482	132,090	32,980	1,114	2,277		12,157	3,211,285	4,012,385	1,374,308
Sale of services	25,472	221,797	146,783	172,473	1,942,723	1,147	535,110	(10,118)	3,035,387	2,753,087
Contributions from developers and other							16,911	1,779,442	1,796,353	250,483
Return on investments	457,049				140,368	85,400		699,524	1,382,341	592,974
Licences, permits, penalties and fines	78,906	10,785	398,966	61,356					550,013	544,626
	10,313,592	364,672	578,729	234,943	2,098,192	292,879	564,178	5,680,133	20,127,318	14,033,410
Expenses										
Salaries and benefits	1,874,524	697,271	716,013	1,320,782	701,707	141,248	1,136,767		6,588,312	6,199,818
Infrastructure maintenance	2,448	63,286	104,401	814,511	551,164	84,097	352,683		1,972,590	2,039,190
Amortization of tangible capital assets	232,383	102,814		527,473	809,898	184,239	110,070		1,966,877	1,933,503
Departmental program supplies/services	53,642	13,575	14,962	366,950	173,061	60,320	562,812		1,245,322	1,170,812
Professional fees	159,447	715,773	3,060	1,437	1,747		2,696		884,160	1,490,500
Office/Administrative costs	87,809	84,058	49,545	4,125	4,601		22,430		252,568	269,379
Other Employee/Council costs	84,665	69,995	13,094	22,596	8,497		14,594		213,441	165,656
Communication and Advertising	66,231	12,728	7,265	8,963	6,009		23,402		124,598	139,786
Transfer payments to other governments and agencies	18,700						25,000		43,700	51,403
Accretion of asset retirement obligations	10,001								10,001	
Fiscal services	250,394	(8,729)		(559,450)	(35,158)		5,631		(347,312)	(361,635)
	2,840,244	1,750,771	908,340	2,507,387	2,221,526	469,904	2,256,085		12,954,257	13,098,412
Gain from disposal of tangible capital assets										6,192
Gain from disposal of assets held for sale									860,868	
									860,868	6,192
Annual surplus (deficit)	\$ 7,473,348	\$ (1,386,099)	\$ (329,611)	\$ (2,272,444)	\$ (123,334)	\$ (177,025)	\$ (1,691,907)	\$ 5,680,133	\$ 8,033,929	\$ 941,190

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

24. Grants to assist local governments:

The District has received the following two grants from the Provincial Government.

- a) Provincial Safe Restart Funds intended to assist local governments' response to the COVID-19 pandemic.
- b) Growing Communities Fund (GCF) intended to assist local governments' to address their community's unique infrastructure and amenity demands.

A summary of the use of funds by the District is included with these Financial Statements. Funding received from these grants is recognized as revenue by the District when received or receivable. The funds have been allocated within accumulated surplus as follows:

COVID-19 Safe Restart Fund	2023	2022
COVID Surplus, Beginning of year	\$ 404,583	\$ 1,037,975
Less:		
Recreation Programs - revenue shortfall due to COVID restrictions	50,000	60,000
Parks & Recreation - increased maintenance due to COVID	40,000	220,000
Protective Services	65,000	
Staffing - increased costs due to COVID	42,583	73,000
Outdoor space improvements	157,000	237,725
Technology improvements	50,000	42,667
Total COVID-19 Safe Restart Funds Spent	404,583	633,392
COVID Surplus, End of Year	\$	\$ 404,583

Growing Communities Fund	2023
Funds received from Province of BC	\$ 2,742,000
Less actual costs spent:	
Total GCF Funds Spent	
Growing Communities Fund Surplus, End of Year	2,742,000

Cemetery Care Trust Fund





KPMG LLP
Suite 200 - 9123 Mary Street
Chilliwack BC V2P 4H7
Canada
Telephone (604) 793-4700
Fax (604) 793-4747

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of the Corporation of the District of Kent

Opinion

We have audited the statements of financial position of the Cemetery Care Trust Fund (the "Fund"), which comprise:

- the statement of financial position as at December 31, 2023
- 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 Cemetery Care Trust Fund as at December 31, 2023 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 Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that 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 Fund'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 Fund'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 the Fund's 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.

Chartered Professional Accountants

Chilliwack, Canada

May 7, 2024

CORPORATION OF THE DISTRICT OF KENT

Cemetery Care Trust Fund
Statements of Financial Position

December 31, 2023, with comparative information for 2022

	2023	2022
Assets		
Due from General Fund (note 2)	\$ 339,018	\$ 309,103
Equity		
Equity:		
Balance, beginning of year	\$ 309,103	\$ 292,447
Add:		
Interest earnings	17,346	7,428
Contributions	12,569	9,228
Balance, end of year	\$ 339,018	\$ 309,103



Director of Financial Services

See accompanying notes to financial statements.

CORPORATION OF THE DISTRICT OF KENT

Notes to Cemetery Care Trust Fund

Year ended December 31, 2023

1. Significant accounting policies:

(a) Basis of accounting:

The operations of the Trust are accounted for on an accrual basis.

(b) Use of estimates:

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

2. Due from General Fund:

The amounts due from the General Fund are due from the Corporation of the District of Kent (the "District"). The balance earns interest at the average rate of return of the temporary investments held by the District.

3. Fair value of financial assets:

The fair value of the Trust Fund's due from General Fund approximate their carrying amounts due to the immediate or short term maturity of these financial instruments.

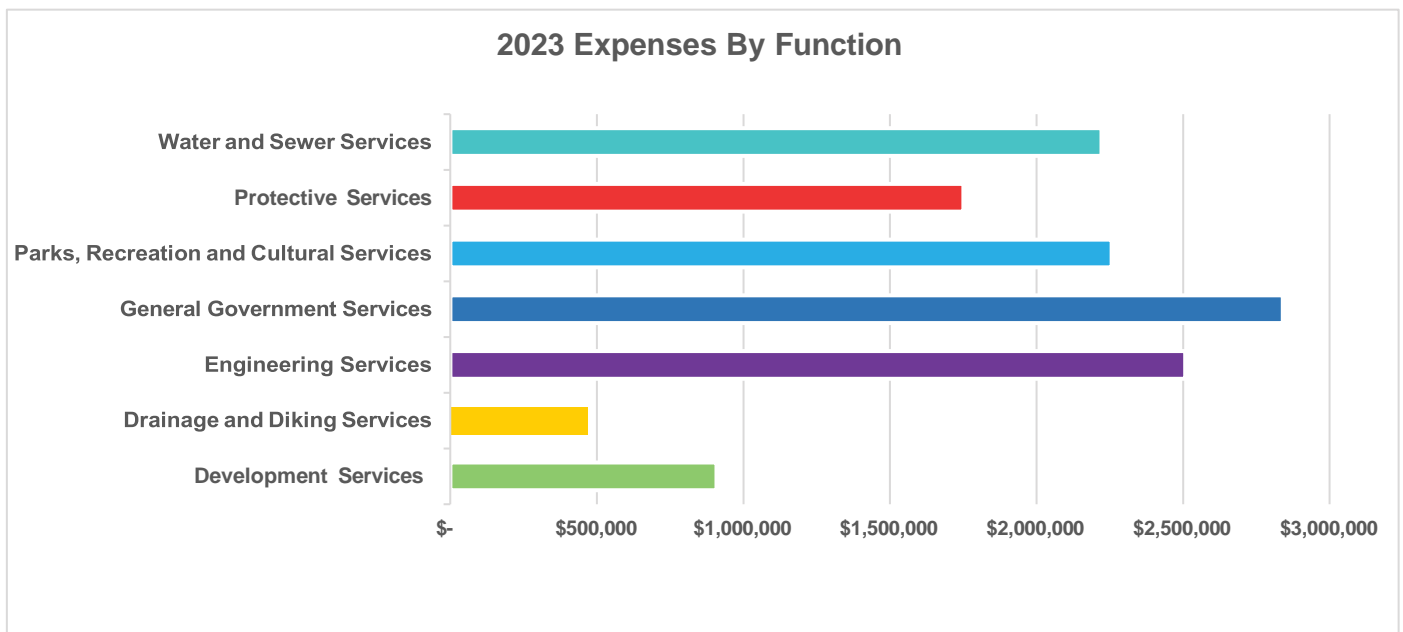
Statistical Section



Expenses by Function

Source: Finance Department

	2023	2022	2021	2020	2019
Development Services	\$ 908,340	\$ 927,055	\$ 886,318	\$ 847,613	\$ 864,523
Drainage and Diking Services	469,904	556,997	512,402	451,768	448,543
Engineering Services	2,507,387	2,349,590	2,214,555	2,172,932	2,086,921
General Government Services	2,840,244	2,679,610	2,558,333	2,244,757	2,180,123
Parks, Recreation and Cultural Service	2,256,085	2,183,681	1,918,292	1,832,845	2,059,719
Protective Services	1,750,771	2,267,181	2,139,718	2,061,477	1,876,350
Water and Sewer Services	2,221,526	2,134,298	2,015,745	1,879,126	1,822,007
	\$ 12,954,257	\$ 13,098,412	\$ 12,245,363	\$ 11,490,518	\$ 11,338,186

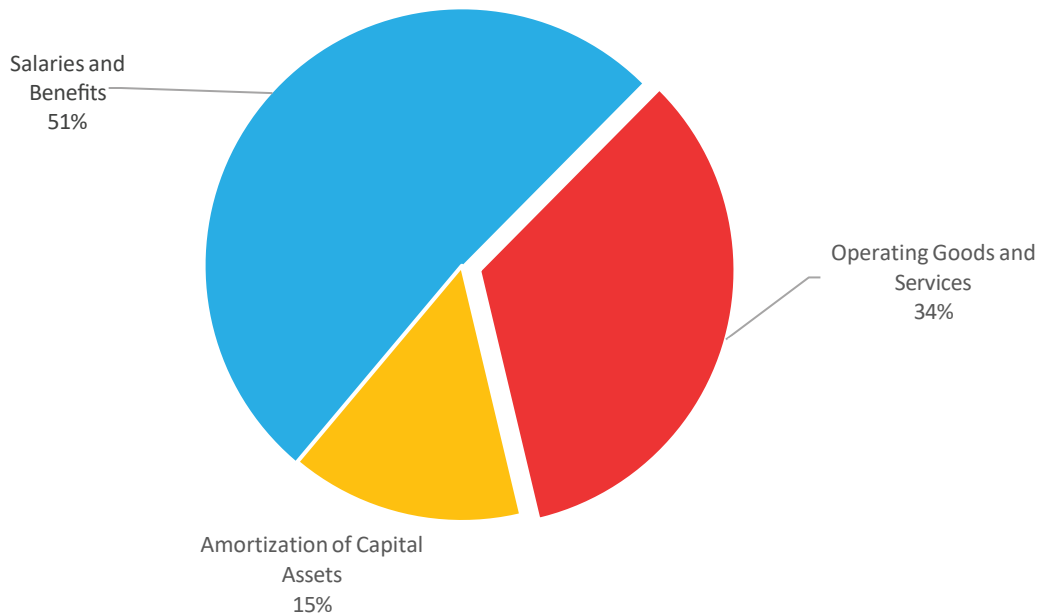


Expenses by Object

Source: Finance Department

	2023	2022	2021	2020	2019
Salaries and Benefits	\$ 6,801,753	\$ 6,365,474	\$ 6,068,068	\$ 5,827,560	\$ 5,749,325
Operating Goods and Services	4,489,239	5,109,667	4,718,661	4,161,729	4,108,085
Transfers to Other Government Agenc	43,700	51,403	- 18,511	49,357	47,936
Amortization of Capital Assets	1,966,877	1,933,503	1,886,520	1,868,044	1,751,578
	13,303,592	13,462,069	12,656,759	11,908,710	11,658,943
Fiscal Services	- 347,312	- 361,635	- 409,375	- 416,172	- 318,738
	\$ 12,956,280	\$ 13,100,434	\$ 12,247,384	\$11,492,538	\$ 11,340,205

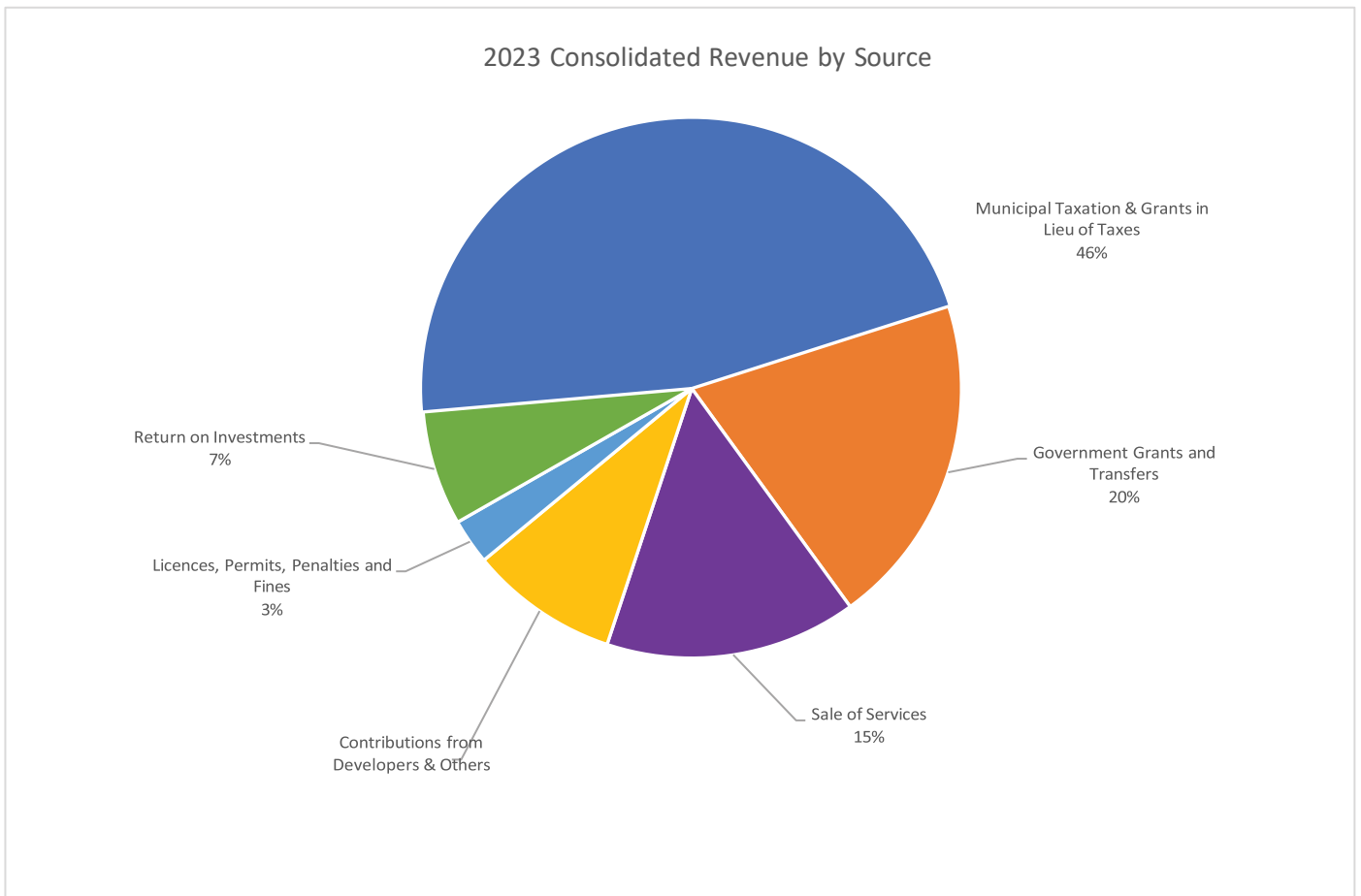
2023 Expenses by Object



Revenue by Source

Source: Finance Department

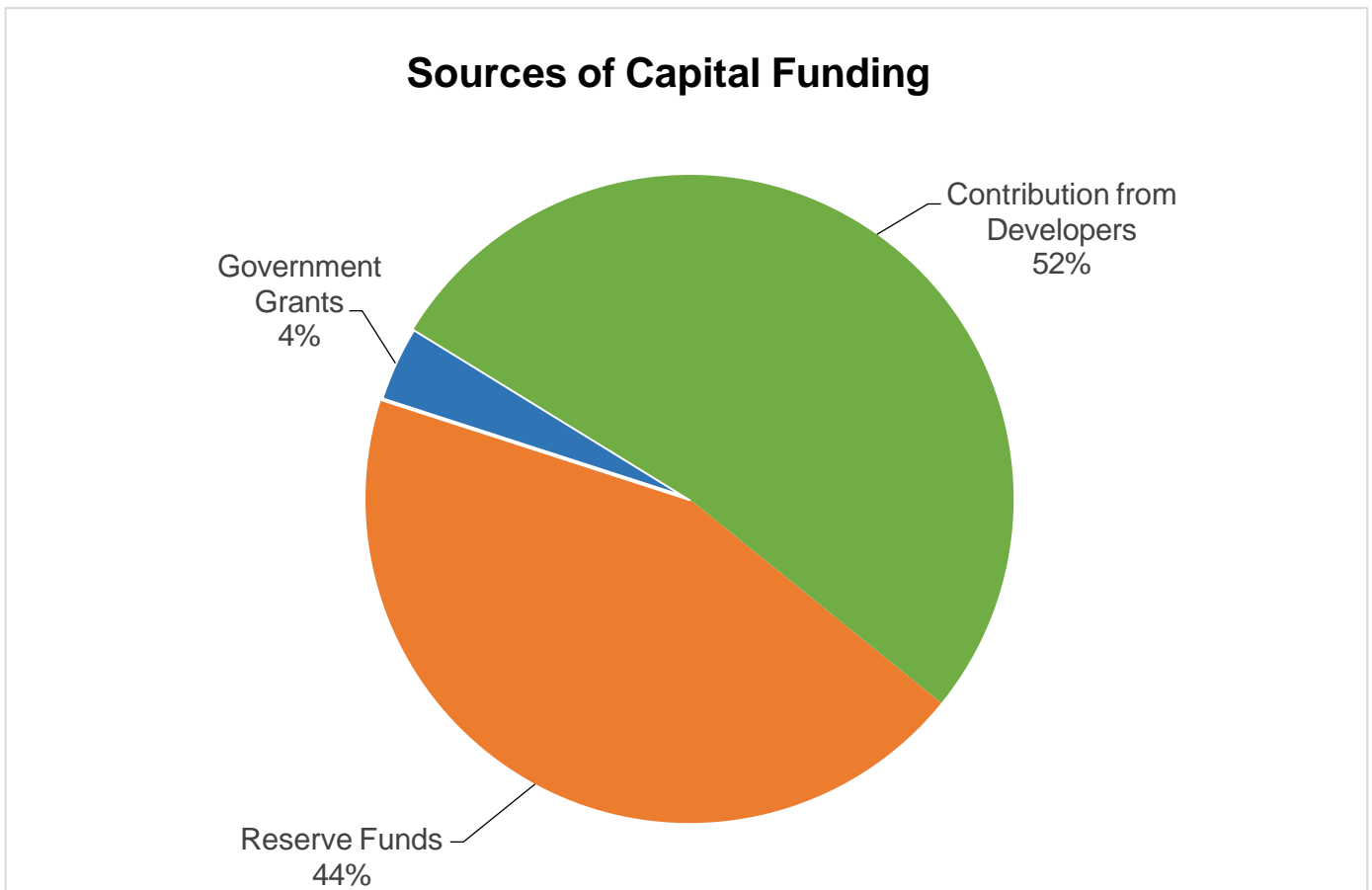
	2023	2022	2021	2020	2019
Municipal Taxation & Grants in Lieu of Tax	\$ 9,350,839	\$ 8,517,932	\$ 8,128,859	\$ 8,013,874	\$ 7,665,527
Government Grants and Transfers	4,012,385	1,374,308	3,034,496	3,002,268	3,650,938
Sale of Services	3,035,387	2,753,087	2,793,508	2,414,267	2,299,200
Contributions from Developers & Others	1,796,353	250,483	2,672,200	1,586,769	205,528
Licences, Permits, Penalties and Fines	550,013	544,626	528,221	442,699	453,212
Return on Investments	1,382,341	592,974	308,959	433,656	548,448
	\$ 20,127,318	\$ 14,033,410	\$ 17,466,243	\$ 15,893,533	\$ 14,822,853



Sources of Capital Funding

Source: Finance Department

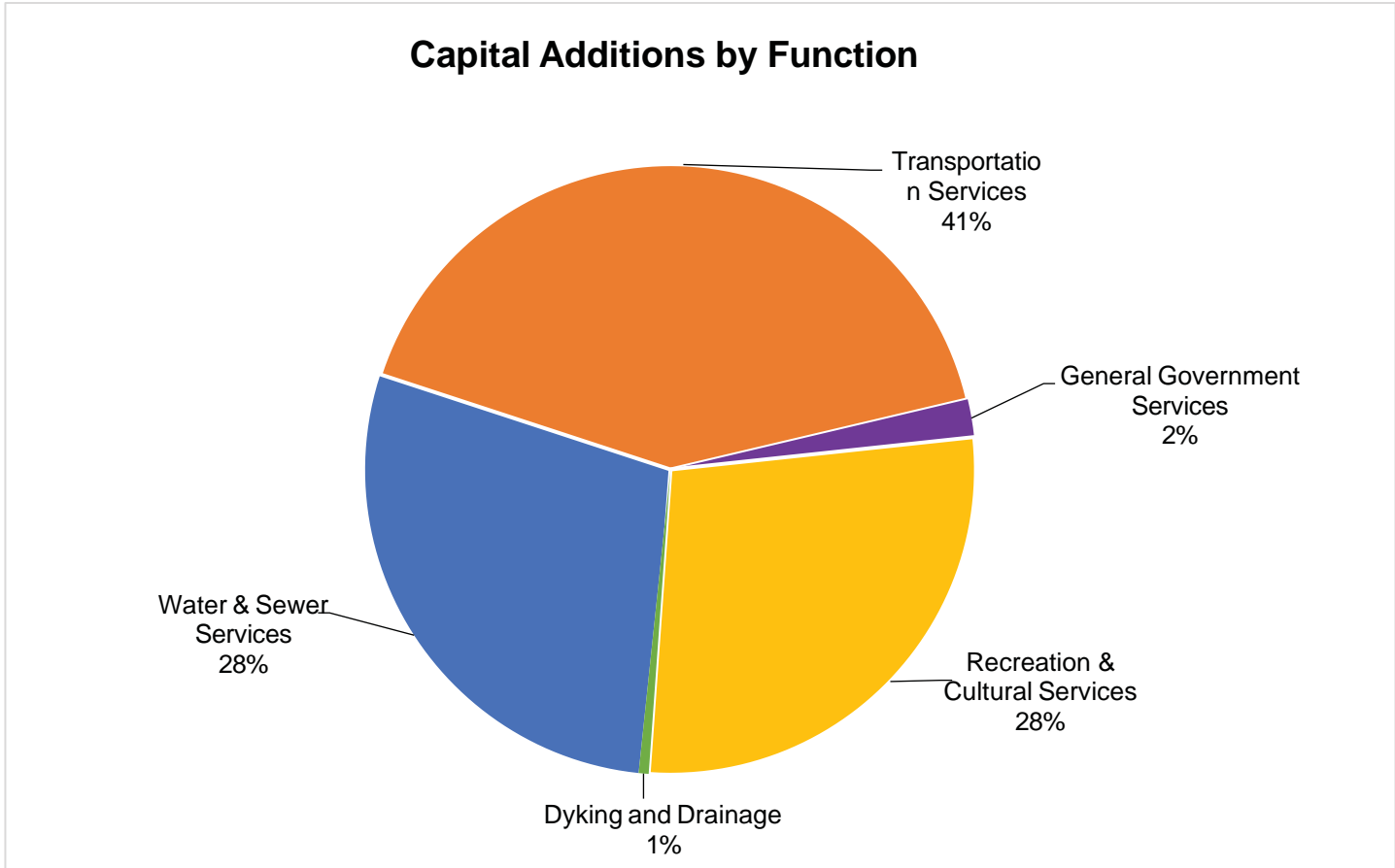
	2023	2022	2021	2020	2019
Reserve Funds	\$ 1,509,668	\$ 2,205,171	\$ 576,204	\$ 1,421,266	\$ 1,384,300
Government Grants	129,945	182,460	1,675,152	101,363	2,148,747
Contribution from Developers	1,779,441	218,313	2,478,709	1,540,741	145,000
Other	-	-	186,500	-	-
Long-Term Debt & Capital Lease	-	-	-	42,671	-
	\$ 3,419,054	\$ 2,605,944	\$ 4,916,565	\$ 3,106,041	\$ 3,678,047



Capital Additions by Function

Source: Finance Department

	2023	2022	2021	2020	2019
Water & Sewer Services	\$ 970,211	\$ 405,747	\$ 2,294,265	\$ 1,303,106	\$ 94,230
Transportation Services	1,410,752	269,535	833,371	575,830	1,107,591
General Government Services	68,395	1,367,718	452,909	959,388	14,112
Recreation & Cultural Services	951,703	486,754	169,340	144,600	302,393
Protective Services	-	-	-	18,755	10,974
Dyking and Drainage	17,993	76,190	1,166,680	104,362	2,148,747
	\$ 3,419,054	\$ 2,605,944	\$ 4,916,565	\$ 3,106,041	\$ 3,678,047

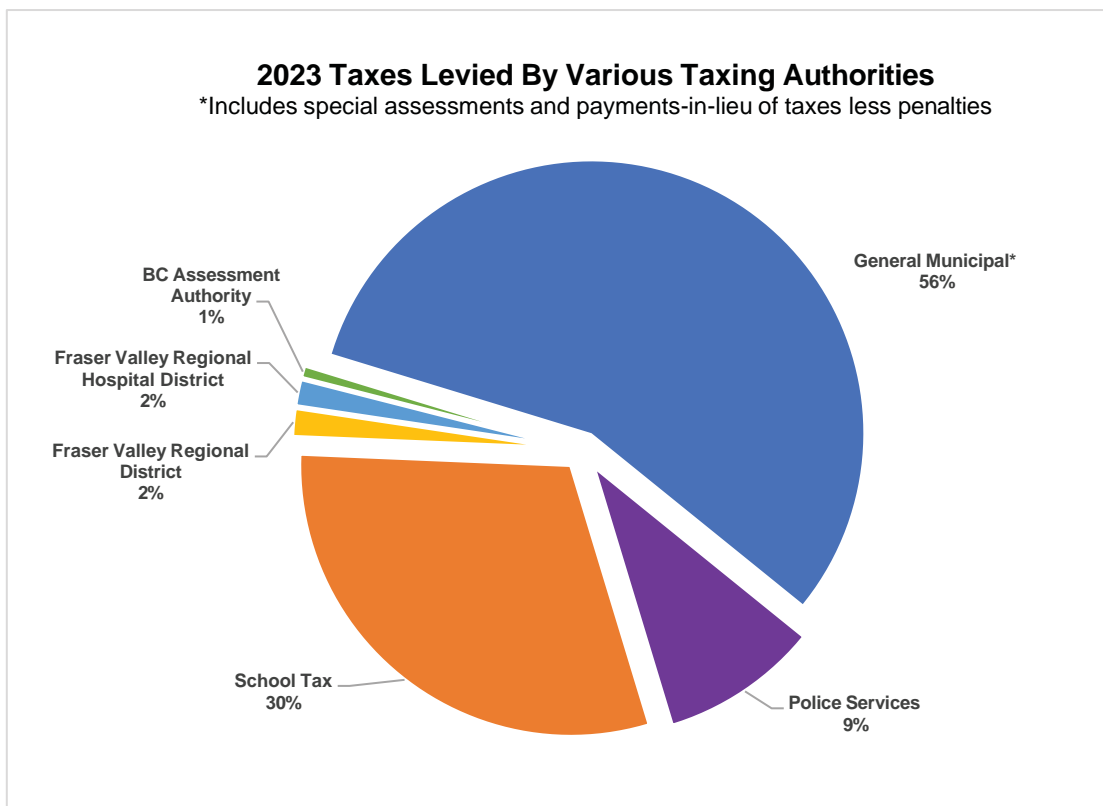


Taxes Levied by Various Taxing Authorities

Source: Finance Department

	2023	2022	2021	2020	2019
General Municipal*	\$ 7,998,113	\$ 7,217,490	\$ 6,933,237	\$ 6,825,406	\$ 6,542,966
Police Services	1,352,726	1,300,442	1,195,622	1,188,468	1,122,562
School Tax	4,326,355	3,993,598	3,742,398	3,326,188	3,413,544
Fraser Valley Regional District	242,731	241,499	229,740	219,062	204,786
Fraser Valley Regional Hospital District	229,612	223,282	216,538	213,071	209,082
Municipal Finance Authority	531	467	352	329	322
BC Assessment Authority	106,240	98,135	86,584	82,859	76,343
	\$ 14,256,308	\$ 13,074,913	\$ 12,404,471	\$ 11,855,383	\$ 11,569,605

* Includes Special Assessments and Payments-in-Lieu of Taxes less penalties



Debt Outstanding by Function

Source: Finance Department

	2023	2022	2021	2020	2019
General Government*	\$ 947,905	\$ 1,026,300	\$ 1,102,044	\$ 1,175,226	\$ 1,245,934
	\$ 947,905	\$ 1,026,300	\$ 1,102,044	\$ 1,175,226	\$ 1,245,934

*Debt serviced with property taxes

Overlapping Debt

Source: Finance Department & Fraser Valley Regional District

	2023	2022	2021	2020	2019
District of Kent	\$ 947,905	\$ 1,026,300	\$ 1,102,044	\$ 1,175,226	\$ 1,245,934
Fraser Valley Regional District	60,670,832	64,899,153	57,555,146	62,680,964	67,583,202
Fraser Valley Regional Hospital District	16,602,317	20,128,901	23,513,984	29,901,556	31,668,053
	\$ 78,221,054	\$ 86,054,354	\$ 82,171,174	\$ 93,757,746	\$ 93,757,746

Annual Debt Servicing

Source: Finance Department

	2023	2022	2021	2020	2019
Annual Debt Servicing	\$ 105,158	\$ 105,158	\$ 105,158	\$ 105,158	\$ 159,595
% of Total Expense	0.8%	0.8%	0.9%	0.9%	1.4%
*Excludes one time early debt retirement					
Annual Legal Debt Servicing Limit	\$ 4,393,843	\$ 3,267,872	\$ 3,078,234	\$ 2,969,221	\$ 2,880,911
% of Legal Limit	2.4%	3.2%	3.4%	3.5%	5.5%
Annual Liability Servicing Capacity Availabl	\$ 4,288,685	\$ 3,162,714	\$ 2,973,076	\$ 2,864,063	\$ 2,721,316
	2022	2022	2021	2020	2019
Total Debt	\$ 947,905	\$ 1,026,300	\$ 1,102,044	\$ 1,175,226	\$ 1,245,934
Population*	7,201	7,010	6,600	6,670	6,645
Debt Per Capita	\$ 132	\$ 146	\$ 167	\$ 176	\$ 187

* Population estimates per BC Stats

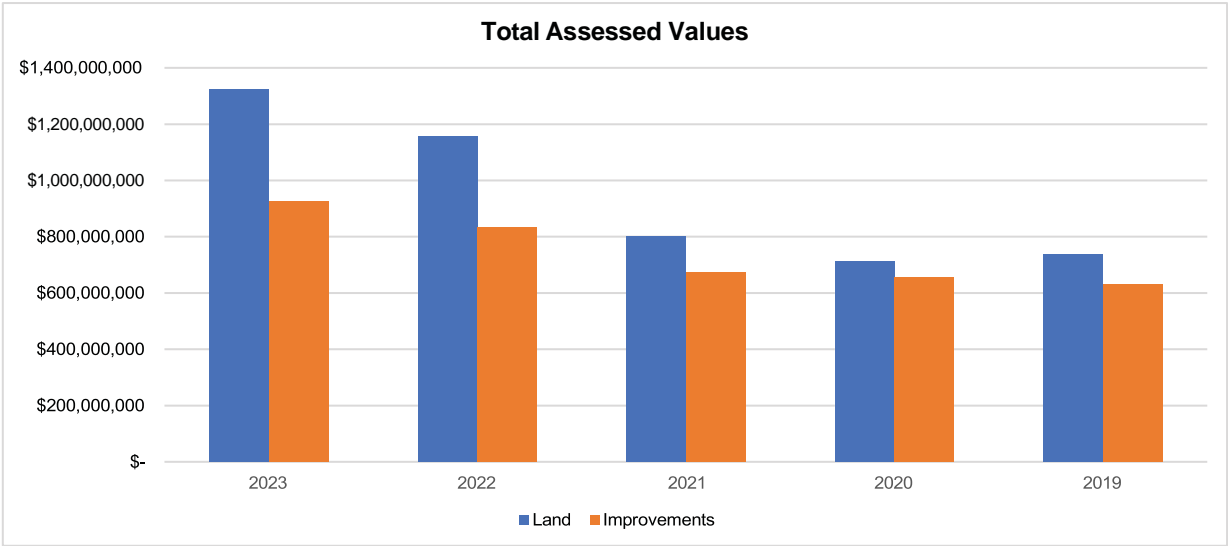
Property Assessment

Source: Finance Department

General Assessment

**Land
Improvements**

	2023	2022	2021	2020	2019
Land	\$ 1,323,086,460	\$ 1,158,640,270	\$ 800,993,844	\$ 711,410,480	\$ 737,870,895
Improvements	927,044,016	832,505,468	672,747,840	654,205,553	630,967,844
Total	\$ 2,250,130,476	\$ 1,991,145,738	\$ 1,473,741,684	\$ 1,365,616,033	\$ 1,368,838,739



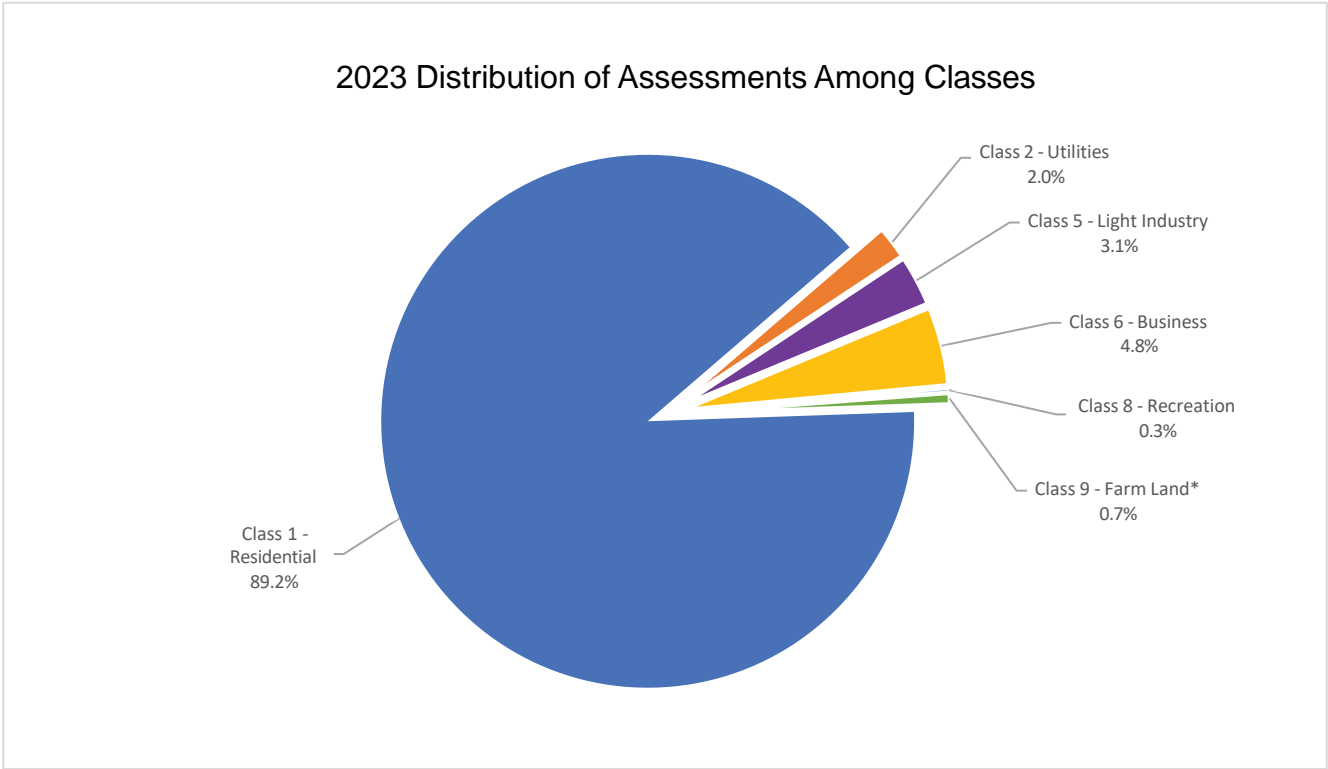
Property Assessment

Source: Finance Department

General Assessment

	2023	% of Roll	2022	2021	2020	2019
Class 1 - Residential	\$ 2,007,955,022	89.2%	\$ 1,780,467,632	\$1,302,648,706	\$ 1,206,356,119	\$ 1,225,729,746
Class 2 - Utilities	45,064,905	2.0%	41,557,730	39,504,970	38,366,595	36,123,790
Class 5 - Light Industry	68,814,000	3.1%	60,002,000	48,304,600	46,795,700	39,833,700
Class 6 - Business	107,153,214	4.8%	89,729,211	65,965,000	57,312,700	50,078,600
Class 8 - Recreation	6,181,000	0.3%	4,754,000	2,525,600	2,485,400	2,507,800
Class 9 - Farm Land*	14,962,335	0.7%	14,635,165	14,792,808	14,299,519	14,565,103
	\$ 2,250,130,476	100.00%	\$ 1,991,145,738	\$1,473,741,684	\$ 1,365,616,033	\$ 1,368,838,739

*Improvements on Farm Land are included in Class 1



2023 Permissive Tax Exemptions

Source: Finance Department

<u>NAME OF ORGANIZATION</u>	<u>VALUE OF EXEMPT TAXES</u>	
Municipally Held Land:	\$	2,828
Churches:		
Agassiz Christian Reformed Church	\$	5,135
Roman Catholic Archbishop of Vancouver		4,005
Trustees of the Agassiz Congregation of Jehovah's Witness		4,728
United Church of Canada		3,561
Anglican Church		<u>2,701</u>
		20,130
Non-Profit:		
Agassiz Harrison Community Services Society		12,853
Agassiz Harrison Historical Society		12,630
Agassiz Harrison Senior Citizens' Housing Society		14,934
BC Parks Foundation		406
Chilliwack Society for Community Living		1,704
Harrison Mills Community Club		2,038
Kent Harrison Search and Rescue Society		13,291
Kent Harrison Senior Social Centre Society (Friendship House)		3,512
Royal Canadian Legion (Branch # 32 Agassiz)		5,842
Scout Properties BC/Yukon		<u>1,317</u>
		68,527
Private Schools:		
Agassiz Christian School Society		20,727
Athletic or Recreational:		
Agassiz Harrison Rod and Gun Club		7,474
BC Region Canadian Motorcycle Association		4,594
Kent Raceways Society		<u>6,606</u>
		<u>18,674</u>
	\$	<u>130,886</u>

Financial Equity in Fund Balances

Source: Finance Department

OPERATING FUNDS

	2023	2022	2021	2020	2019
General	\$ 5,389,538	\$ 4,216,745	\$ 4,518,231	\$ 3,769,260	\$ 3,335,932
Dyking & Drainage	1,706,546	1,484,275	1,443,714	1,482,728	1,459,227
Sanitary Sewer	1,257,640	1,134,585	1,060,338	917,185	787,623
Waterworks	1,378,118	1,210,569	1,045,763	907,733	747,102
	\$ 9,731,842	\$ 8,046,174	\$ 8,068,046	\$ 7,076,906	\$ 6,329,884

EQUITY IN TANGIBLE CAPITAL ASSETS

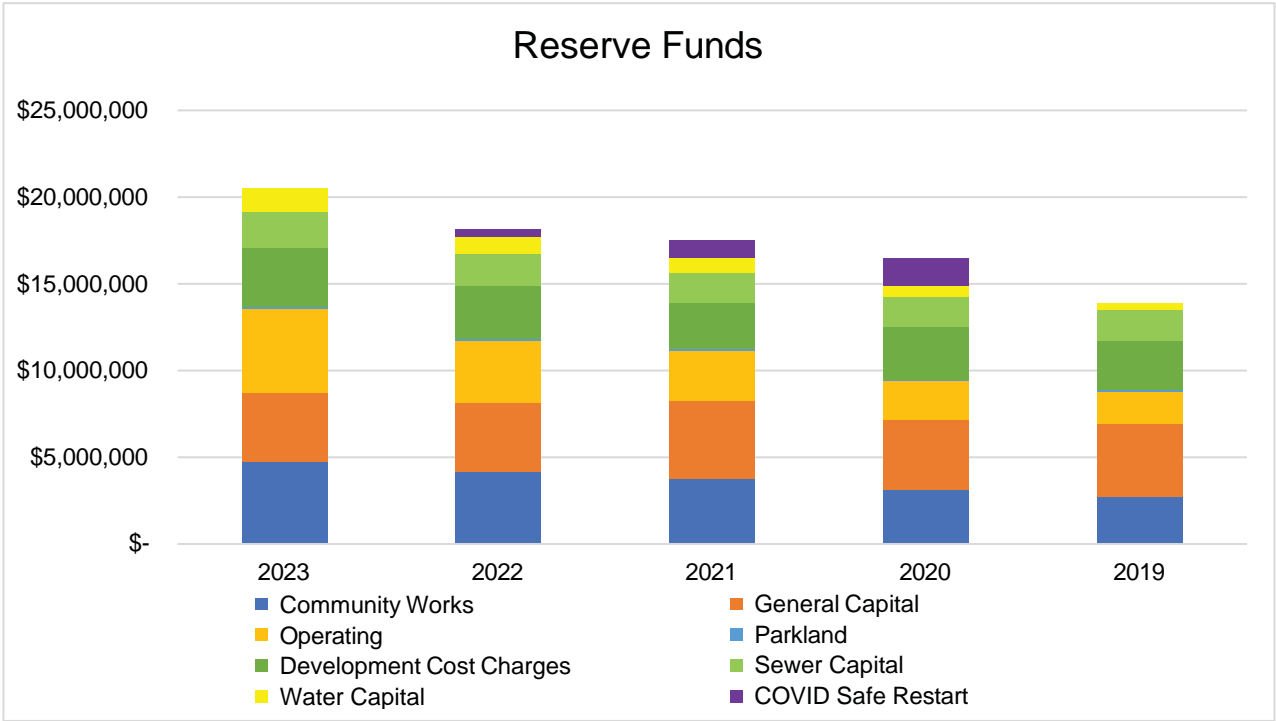
	2023	2022	2021	2020	2019
General	\$ 31,856,528	\$ 30,487,736	\$ 29,353,851	\$ 28,067,722	\$ 27,334,916
Sanitary Sewer	12,589,482	12,436,358	12,751,850	11,040,770	10,555,990
Waterworks	7,461,609	7,454,421	7,516,903	7,767,386	7,713,251
	\$ 51,907,619	\$ 50,378,515	\$ 49,622,604	\$ 46,875,878	\$ 45,604,157

Financial Equity in Fund Balances

Source: Finance Department

RESERVE FUNDS

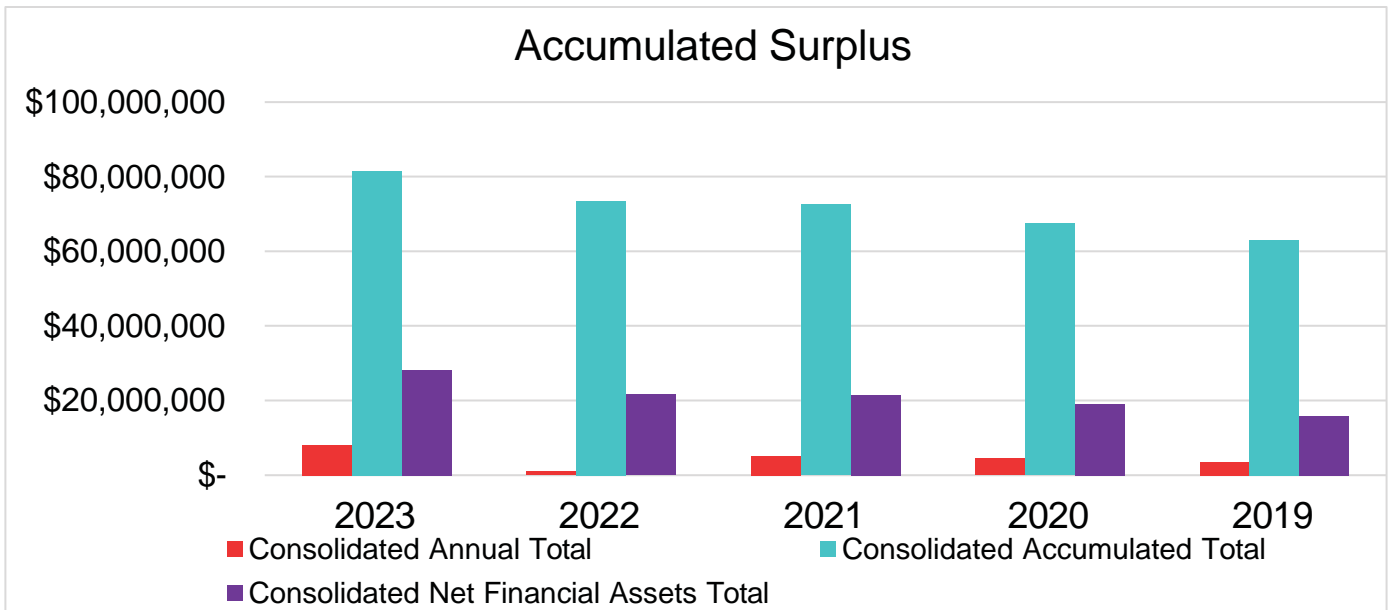
	2023	2022	2021	2020	2019
Community Works	\$ 4,765,326	\$ 4,186,402	\$ 3,763,357	\$ 3,095,412	\$ 2,741,344
General Capital	3,938,310	3,941,911	4,531,424	4,088,736	4,207,899
COVID Safe Restart	-	404,583	1,037,975	1,606,000	-
Growing Communities Fund	2,817,405	-	-	-	-
Operating	4,834,362	3,590,589	2,831,661	2,203,513	1,831,309
Parkland	130,616	123,807	120,787	119,650	117,046
Development Cost Charges	3,424,592	3,058,534	2,659,690	3,001,477	2,803,034
Sewer Capital	2,092,747	1,822,470	1,765,533	1,777,451	1,804,722
Water Capital	1,327,793	1,017,640	829,514	606,595	392,733
	\$ 23,331,151	\$ 18,145,936	\$ 17,539,941	\$ 16,498,834	\$ 13,898,087



Accumulated Surplus

Source: Finance Department

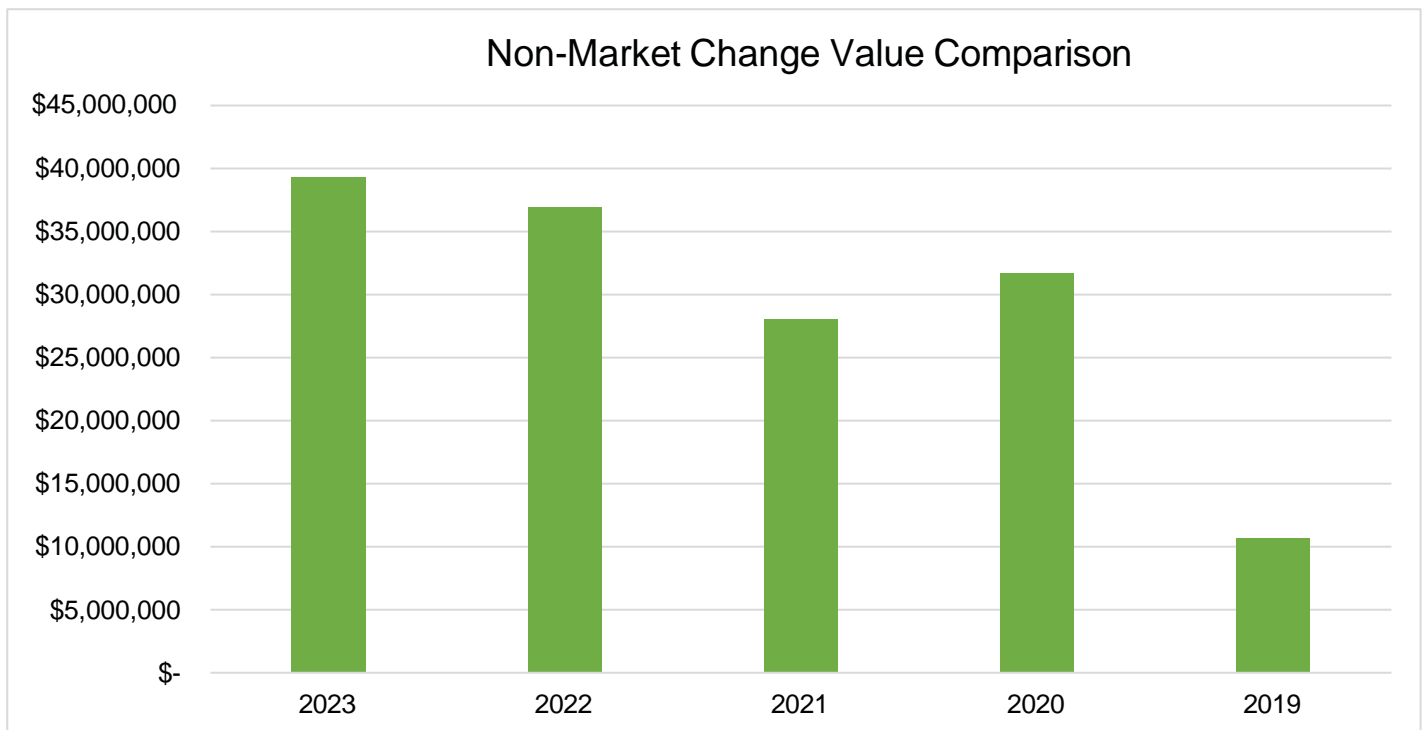
	2023	2022	2021	2020	2019
ANNUAL SURPLUS					
Consolidated Annual Total	\$ 8,033,929	\$ 941,190	\$ 5,120,760	\$ 4,421,047	\$ 3,484,667
ACCUMULATED SURPLUS					
Consolidated Accumulated Total	\$ 81,546,020	\$ 73,512,091	\$ 72,570,901	\$ 67,450,141	\$ 63,029,094
NET FINANCIAL ASSETS					
Consolidated Net Financial Assets To	\$ 28,119,528	\$ 21,665,550	\$ 21,513,706	\$ 19,026,465	\$ 15,898,548



Non-Market Change

Source: Finance Department

	2023	2022	2021	2020	2019
Class 1 - Residential	\$ 37,450,362	\$ 31,946,675	\$ 25,920,825	\$ 30,654,425	\$ 10,196,438
Class 2 - Utilities	-	435,500	1,500	480,900	-
Class 5 - Light Industry	1,208,000	51,100	467,000	1,974,000	1,310,000
Class 6 - Business	-	318,650	5,556,900	1,599,200	2,995,100
Class 8 - Recreational	902,000	-	-	37,600	58,100
Class 9 - Farm	51,832	178,134	63,879	444,947	53,071
	\$ 39,293,544	\$ 36,941,041	\$ 28,049,404	\$ 31,673,878	\$ 10,688,609



Principal Corporate TaxPayers

Source: Finance Department

Principal Corporate Taxpayers - Top Ten (General Municipal Taxes Only)

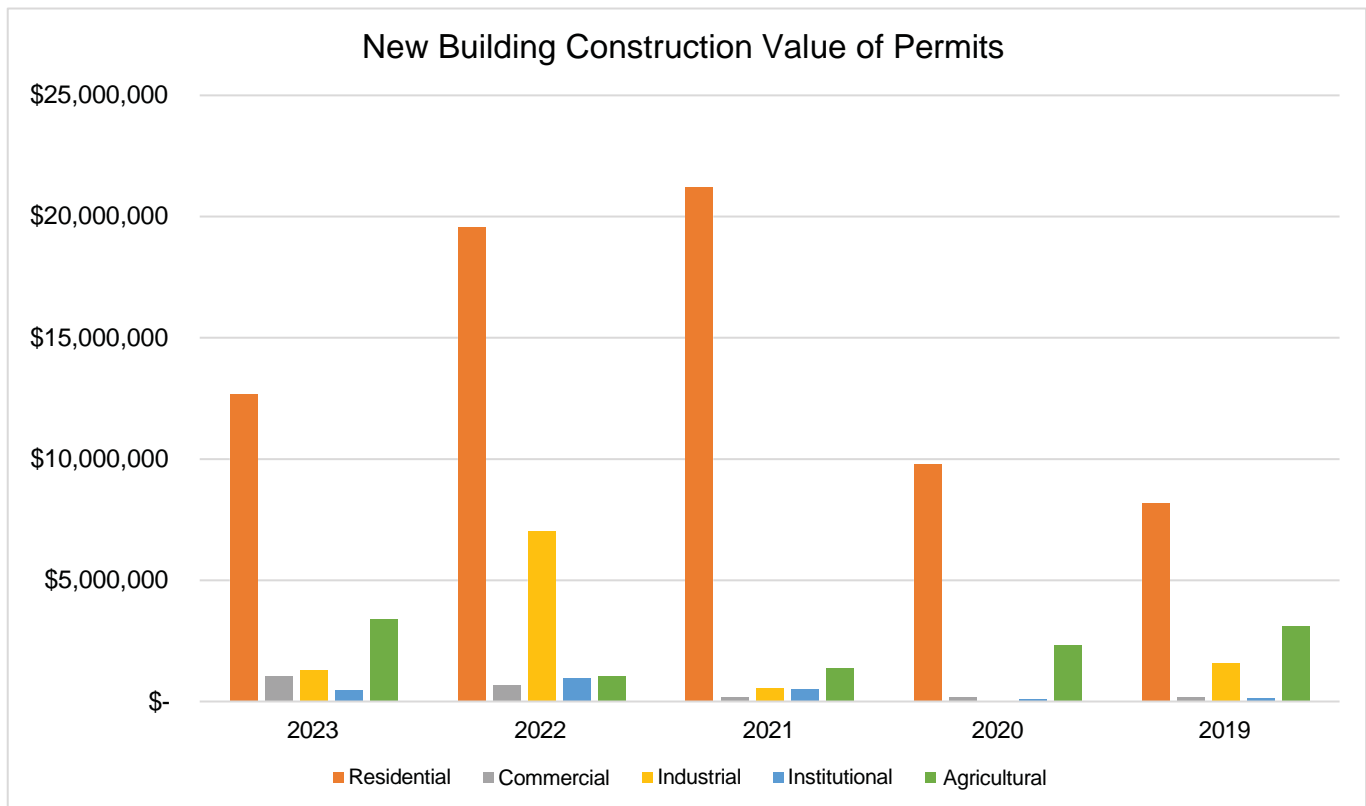
	<u>2023</u>	<u>2022</u>
UTILITIES	\$ 1,286,814	\$ 1,213,309
GOVERNMENT	914,671	779,203
UTILITES	497,893	488,559
MANUFACTURING	214,230	184,532
MANUFACTURING	141,047	118,481
UTILITIES	120,610	107,718
UTILITIES	76,598	69,285
UTILITIES	75,854	61,519
MANUFACTURING	62,217	60,252
COMMERCIAL	61,350	51,960
	<u>\$ 3,451,284</u>	<u>\$ 3,134,818</u>
 TOTAL DISTRICT OF KENT GENERAL TAX	 <u>\$ 9,350,839</u>	 <u>\$ 8,517,932</u>
 PROPORTION OF TAX PAID BY TOP TEN	 36.9%	 36.8%

New Construction

Source: Development Services

NEW BUILDING CONSTRUCTION VALUE

	2023	2022	2021	2020	2019
Residential	\$ 12,700,940	\$ 19,579,895	\$ 21,234,965	\$ 9,804,336	\$ 8,173,023
Commercial	1,038,000	700,500	170,000	166,800	180,360
Industrial	1,308,000	7,046,000	559,000	12,000	1,577,480
Institutional	481,600	960,800	520,009	120,000	163,000
Agricultural	3,417,400	1,042,500	1,383,360	2,332,737	3,128,075
	\$ 18,945,940	\$ 29,329,695	\$ 23,867,334	\$ 12,435,873	\$ 13,221,938



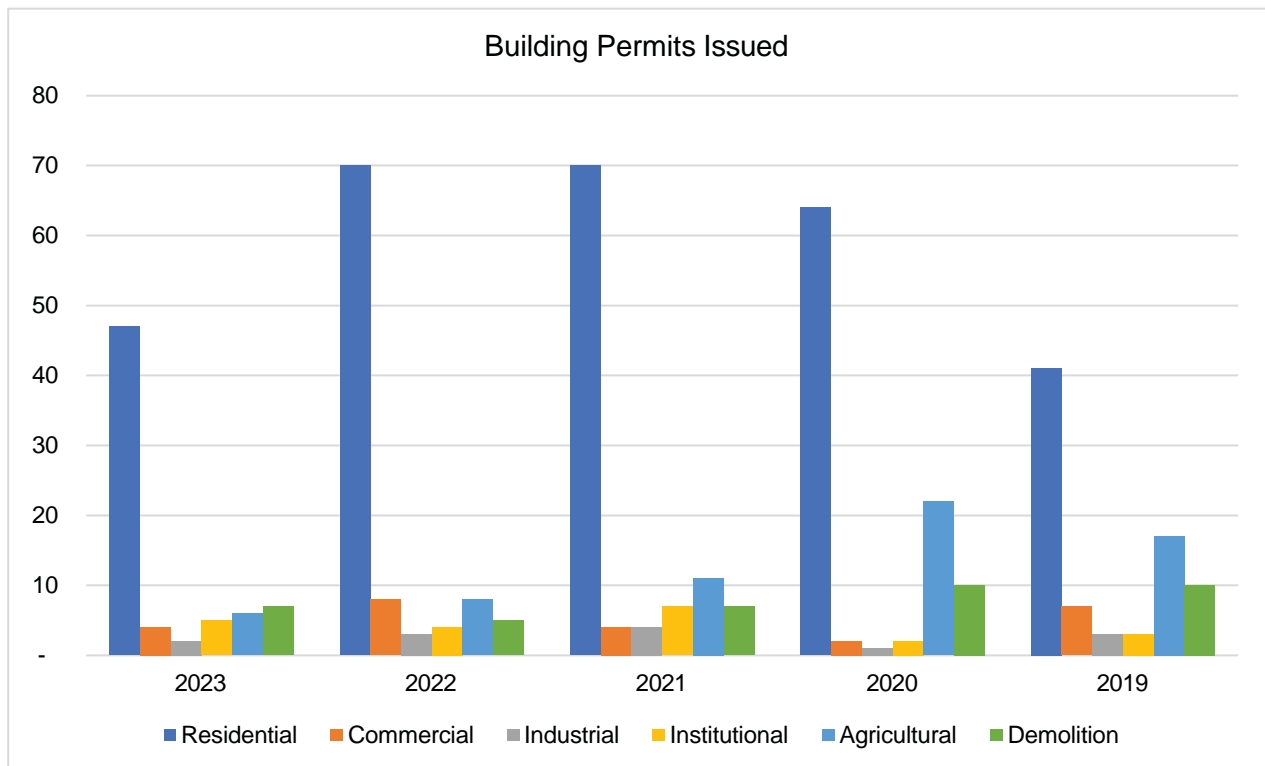
Building Permits

Source: Development Services

BUILDING PERMITS ISSUED

(By Type)

	2023	2022	2021	2020	2019
Residential	47	70	70	64	41
Commercial	4	8	4	2	7
Industrial	2	3	4	1	3
Institutional	5	4	7	2	3
Agricultural	6	8	11	22	17
Demolition	7	5	7	10	10
	71 ▲	98	103	101	81

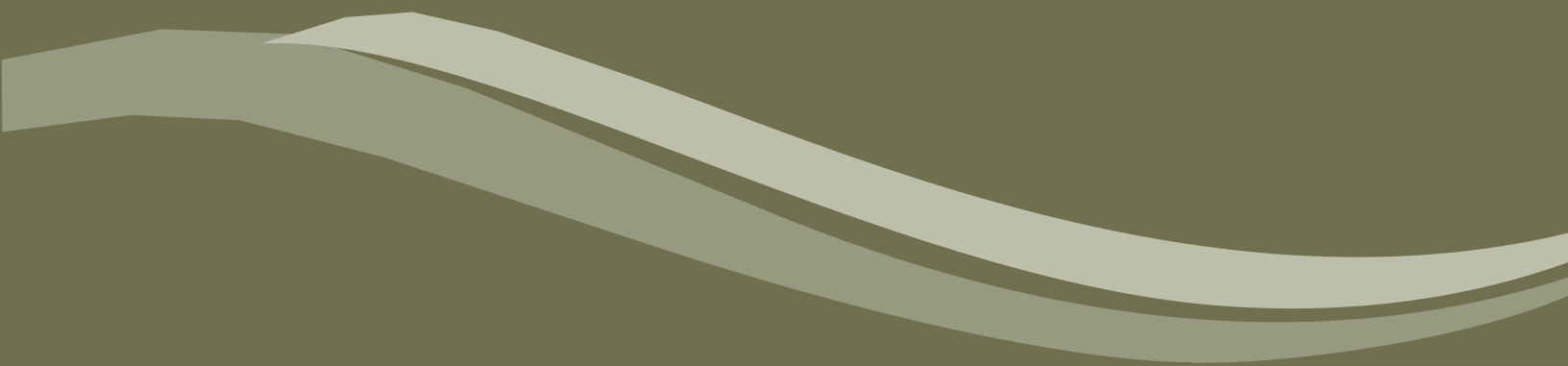


Demographics and Other Statistics

	2023	2022	2021	2020	2019
POPULATION ¹	7,201	7,010	6,600	6,670	6,645
UNEMPLOYMENT RATE ²	5.2%	4.6%	6.9%	9.0%	4.7%
REGISTERED ELECTORS ³	5,023	5,023	4,518	4,518	4,518
AVERAGE HOUSEHOLD INCOME ⁴	n/a	n/a	n/a	\$ 71,000	n/a
DISTRICT OF KENT FULL TIME EMPLOYE	56	54	53	55	57
NUMBER OF PROPERTIES (FOLIOS) ⁶	2,931	2,916	2,900	2,837	2,839
INFRASTRUCTURE (in Km) ⁷					
Roads	70	70	70	70	70
Sanitary Sewer Lines	16	16	16	16	16
Storm Sewer Lines	10	10	10	10	10
Water Lines	25	25	25	25	25

Sources:

1. BCStats - Population Estimate Report February 2024
2. Province of BC- Labour Market Statistics February 2024
3. CivicInfo BC(voters list updated every 4 years at time of election)
4. Statistics Canada - Median after-tax income of households (2021 Census)
5. Kent Annual T4 Summary
6. BC Assessment Annual Revised Roll
7. Kent Engineering Department



DISTRICT OF
KENT
A G A S S I Z