



2022 ANNUAL REPORT

For the Fiscal Year Ended
December 31, 2022



District of Kent,
British Columbia



2022 ANNUAL REPORT

For the fiscal year ended December 31, 2022
Prepared by the District of Kent
Corporate and Financial Services Departments

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COMMUNITY PROFILE

The District of Kent spans a wide area in the Eastern Fraser Valley. Made up 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 neighbourhoods 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 Nations 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.

MESSAGE FROM THE MAYOR



Mayor Sylvia Pranger

In the good old days local government was generally expected to provide the basic services of having essential services like water, sewer, simple infrastructure like roads streets, storm drains, and some recreational amenities like parks, trails, and community centers. Fire protection was also created by local governments or you waited a long time until the Provincial government had time to address your local needs for the community.

Fast forward a few decades and today's needs and challenges for local government are much greater with more expectations from the public.

We have shifted our local government priorities to the needs of the environment and focused our attention to climate change by reducing emissions with electric cars, public transit, and active transportation. Flooding has grabbed our attention where we need to spend more money in making dike improvements, drainage works, bank protection and addressing sea level rises. Wildfires are not going anywhere soon, and best practices will require municipalities to address mitigating wood fuels and organic materials to reduce fire hazards in their jurisdictions.

Local governments are taking on more responsibilities over the years as other levels of government are downloading their financial commitments and disposing services to local governments to administer. Social housing has now migrated to local governments to address. No longer do we have the financial support from the federal and provincial housing authorities to look after the homeless or those with mental health addictions. In fact, we are told by the Provincial government that we must have housing needs studies to illustrate what types of housing development we need in the future. At the same time, we are somewhat restricted with land use regulations, and where we can build.

Smaller communities have bigger financial challenges as we often don't have the tax base that bigger municipalities have, yet we all have the same regulations that apply to the responsibilities and legislative requirements.

It's the new reality, and we better get used to all working together to build stronger communities and partnerships.

- Sylvia Pranger, Mayor

MESSAGE FROM THE CAO

Incredible how time flies for Council and staff when you are hit with all the new social, health, and environmental challenges in 2022. Certainly, there were a lot of outside forces that impacted the world and all communities. Unexpected for sure, but a significant financial impact with the day-to-day operations that hits home with local governments.

Just to name a few; we had the major health scare with Covid 19, environmental climate change and the atmospheric river, the social needs of housing shortages, and the war between Russia and Ukraine, all of which have created some financial setbacks to our communities with respect to building materials, supplies, and petroleum products.

For most of us we may not put too much weight into these issues around the world, but it does impact our cost of living, operations, financial capital budgets, economy, and development opportunities in our communities. Recovery will take time with inflation, building materials and development, but we will continue to search for grants that will benefit our community.

Now to more positive news in 2022. Council and staff worked hard to secure the \$10 million dollar grant funding opportunity for the pool from the Provincial/Federal government. We were very fortunate and must not take it for granted that there is a lot of money out there for municipal infrastructure as numerous communities are not receiving these financial grants. We have a lot of appreciation and gratitude to all the adjacent communities that supported our initiative, and both levels of government for making this happen. Without this funding the future replacement of the Ferny Coombe pool would continue to be a vision on the 10-year capital plan list.

In local government it demonstrates the importance to plan, and to have vision for the needs of the community. In this case the Ferny



Maxwell Maltz once said, “Often the difference between a successful person and a failure is not one’s better abilities or ideas, but the courage that one has to bet on one’s ideas, to take a calculated risk, and to act”.

Coombe Pool was well over 40 years old and was hanging on its last legs. The plan was to start setting money aside and to pay attention to any grants that surfaced through the upper levels of government.

Vision provides an optimistic goal as to how the future can be. At the end of the day, it is up to Council to set that path for staff to follow. The leadership comes to those who believe in the vision and take action to make it happen. The \$10 million dollar grant for the pool is just the first step in trying to make a vision become reality. There is still a lot of hard work for us and our volunteers to fund raise before we construct the Lets'emot regional pool. We hope to see you all out there lending a hand to support this project by making a donation at the municipal office.

- Wallace Mah, Chief Administrative Officer

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 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 and Recreation Committee 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.



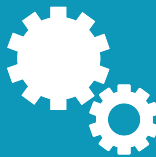
Infrastructure

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.

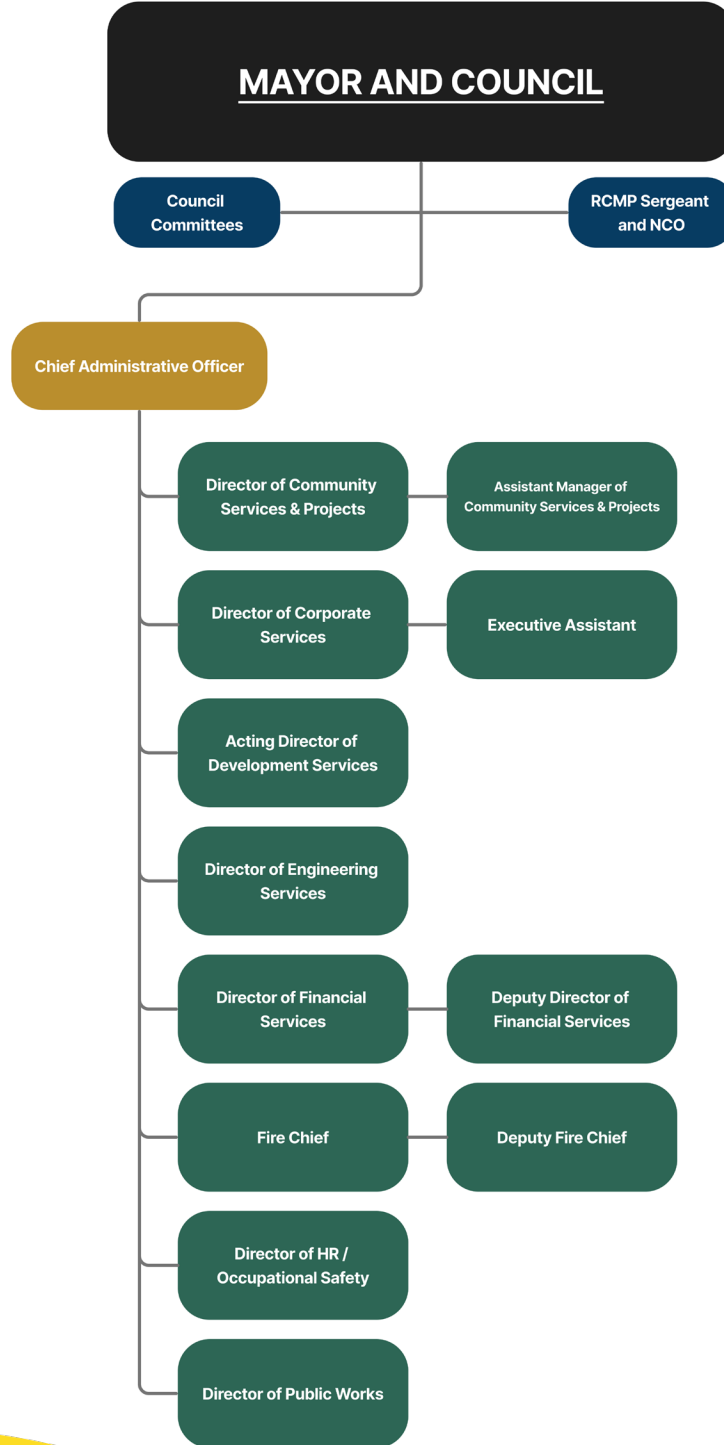
APPOINTED OFFICIALS

Chief Administrative Officer	Wallace Mah
Director of Corporate Services	Clair Lee
Director of Financial Services/Collector	Mike Veenbaas
Deputy Director of Financial Services	Cheryl Price
Acting Director of Development Services	M. Lisa Beaulieu
Director of Engineering Services	Mick Theissen / Martin Rankin*
Director Community Services and Projects	Jennifer Thornton
Director of Human Resources / Occupational Safety	Alan Lucas
Fire Chief	Gerald Basten
Deputy Fire Chief	Mike Van Laerhoven / Ryan Chiarot**
<hr/>	
District Solicitors	Lidstone & Company
District Auditors	KPMG LLP
Financial Institution	Envision Financial

*As of May 1, 2022

**As of November 14, 2022

CORPORATE STRUCTURE



CANADIAN AWARD FOR FINANCIAL REPORTING



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, 2021

Christopher P. Morrill

Executive Director/CEO

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

REPORT FROM THE DIRECTOR OF FINANCIAL SERVICES



REPORT TO COUNCIL

DATE: June 26, 2023

FROM: Mike Veenbaas, Director of Financial Services

SUBJECT: 2022 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 2022 Financial Statements have been audited by KPMG LLP and have been approved by resolution of Council on April 24, 2023.

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, 2022, 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 \$941,000 in 2022.

Long-Term Debt

Total long-term debt decreased by \$75,750 in 2022 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 \$1,026,300 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 \$671,630 in 2022. Other non-financial

assets, including inventories and prepaid expenses, increased by \$117,715 during the year.

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 2022 decreased by approximately \$3,432,830 from 2021. This was mostly the result of a \$2,421,720 decrease in contributions from developers (contributed assets and fees) and a reduction in funding from government grants due to large capital grants received in 2021 but not 2022. With increasing interest rates worldwide, the District's return on investment income saw recovery in 2022.

Sales of services, licenses and permits revenues include services performed by the District. Such business services include building & 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 2022 revenues from these sources were comparable to the previous year.

The District realized an increase of \$389,070 in taxation and grants-in-lieu, compared to 2021. Municipal taxation accounted for approximately 61% of the 2022 total revenue sources for the District, an increase from 46.5% in 2021. Again, this change was tied to reduced 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 drains, 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 increased by approximately \$853,050 from the previous year. Some cost pressures were the result of inflationary increases across municipal operations, coupled with several recoverable climate events, inventory adjustments, higher than planned maintenance costs and the RCMP collective bargaining rate increase.

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 \$81,615 in 2022 due to a contribution of \$423,050 in the Community Works Fund, \$245,060 in the Sewer and Water capital reserves and a reduction of \$589,510 in the General capital reserve. 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. No new standards were adopted in the 2022 fiscal year, however, there are two standards with set implementation deadlines that the District expects to adopt for the 2023 fiscal year. It is anticipated that the new Asset Retirement Obligations will have a material impact on District liabilities related to the future costs of capital asset retirements. Staff will be working through 2023 on the measurement process and implementing this new standard. The other new standard regarding revenue recognition is not expected to have a material impact.

FUTURE OUTLOOK

This past year saw the world begin to focus on post-COVID-19 recovery with the District continuing to monitor revenues and future cashflows. The 2022 results have shown that the District continues to take the right steps and remains in a strong financial position. For 2023 it is expected that most operations will return to normal function, along with revenue generation and incurring expenditures.

One of the most significant financial challenges 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 2022, costs of the existing police force and the demand for officer hours continue to increase, adding pressure for continued budget increases for policing services. With the RCMP collective agreement expiring March 31, 2023, the District is anticipating significant increases to compensate for inflation.

The District made further small improvements in data refinement to its asset management program in 2022. The District looks to fill a vacant position that is key to moving this program forward and realizing 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 less than \$75,000.

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



-  1,005 Facebook followers
-  201 Twitter followers
-  716 Instagram followers
-  52,379 Website views

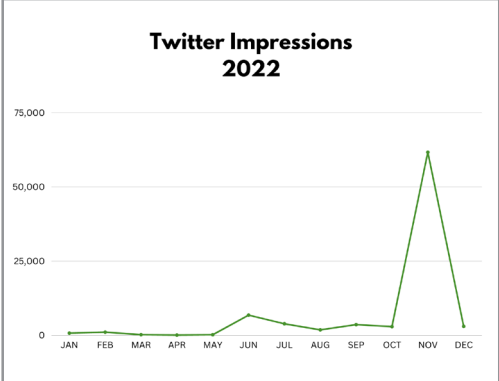
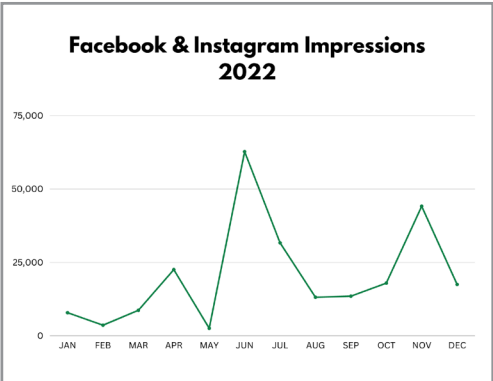
Corporate Services includes Administration, Human Resources, Information Systems and Communications. This department is the direct liaison to Mayor and Council and is responsible for the preparation and preservation of minutes, bylaws, and other District of Kent records. We support Council as they set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

At the Inaugural meeting held on November 7, 2022, Mayor and Council were sworn in for another term. During the 2022 General Local Elections, Mayor Pranger was elected by acclamation while all four incumbent Councillors were successfully re-elected.

In 2022 Council conducted a total of 73 meetings, which included a strategic planning session on December 2 and 3 to review its priorities for this next term.

The District continues to partner in the Lets'emot Community to Community Forum and participated in four meetings. Regional focus on improving communications with the Ministry of Transportation and Infrastructure, prioritizing funding to improve infrastructure impacted by the 2021 atmospheric river, and advocating for federal contributions towards the regional aquatic centre.

While the highest Facebook/Instagram impressions occurred in June related to the potential closure notice on Rockwell Drive, the highest Twitter impressions occurred during November due to the wildfires.





On April 23, 2022, the District hosted a post pandemic event: Let's Connect Kent! The event occurred between 11 am and 3 pm and included a free kids' zone (face painting, balloon twisting, climbing wall, three inflatables, and two shows from the mobile Science World). All residents of the District of Kent were eligible to register for a \$10 shop local voucher for use on that day. A total of 27 businesses participated in the shop local voucher program and a total of 491 vouchers were redeemed. Funding for the event was from the COVID-19 Safe Restart Grant.

73



Council Meetings

675



Resolutions

7



Proclamations

18



Freedom of Information Requests

25



Job Postings

FINANCIAL SERVICES



GRANT FUNDING: \$1.5 million

AWARDS: Canadian Award for
Financial Reporting for
2021 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 (5) year Financial Plan (budget) that details short and long-term operational and capital needs, including annual tax rate recommendations made to Council.

The Finance Department was successful in moving the utility billing system to “e-billing”. This allows clients to receive their quarterly or semi-annual billing via email. This has been a very successful and welcome enhancement to our clients.

Finance staff worked with the BC Assessment Authority through their software change. This proved to be a challenging time not only for BC Assessment, but for all municipalities and individual customers alike. Now that the transition has been complete, ownership changes, property class changes and other property transaction information should be received much quicker.

The District received the Canadian Award for Financial Reporting for the 2021 Annual Report. Council was successful in securing \$1.5 million dollars in grant funding in 2022. This does not include the grant funding for the Interim Flood Support and the Regional Aquatic Centre.

PROTECTIVE SERVICES



\$17,000



Annual Charity
Golf Classic

427



Emergency Calls

94



Fire & Life Safety
Inspections

9



Public Education
Events

2,601



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.

2022 Agassiz Fire Department (AFD): 2022 Outcomes

In the Community

- ▶ The Agassiz Fire Department again participated in the fall fair parade showcasing the apparatus, equipment and firefighters.
- ▶ The AFD Annual Charity Golf Classic was a resounding success with close to \$17,000 being raised for the society. As in the past the AFD was able to donate funds to:
 - ▷ Volunteer Firefighters Foundation Fund
 - ▷ Optimist Club of Chilliwack
 - ▷ A.E.S.S Bursary
 - ▷ Harrison Hot Spring Fire Dept. Golf Tournament
 - ▷ Royal Canadian Legion, Branch #32
 - ▷ Terry Fox Foundation
 - ▷ B.C. Children's Hospital Foundation
 - ▷ Honor House Society
 - ▷ Ronald McDonald House

- ▷ Agassiz Minor Baseball Association
- ▷ Agassiz Harrison Lions Club - Christmas Stockings
- ▷ Agassiz Harrison Community Services: X-Mas Food Hamper
- ▷ Upper Fraser Valley Critical Incident Stress Team
- ▶ The AFD Honor Guard participated in the Legion Color Party and parade to the cenotaph for the Remembrance Day ceremonies.
- ▶ The Annual food drive in support of the Community Services was once again a great success.

Training

- ▶ Agassiz Firefighters accumulated a total of 2618.5 hours training in 2022.
- ▶ Emergency Scene Management I & II leadership training were presented to all the company officers. These programs were funded through grant applications from the Community Emergency Preparedness Fund and provide a high level of strategies and tactic instruction to the department officers that will be in the lead roles at emergency scenes.
- ▶ Firefighter re-certifications continued for First Responder III medical licensing.
- ▶ Flat / still water rescue training was completed in September. AFD firefighters are now trained and certified to respond and action incidents involving water. This training was funded through grants received.
- ▶ Two new firefighters completed the recruit training program and are now answering calls as firefighters.

Operations

- ▶ The AFD responded to 428 calls for service in 2022. Medical aid topped the list at 96 (ninety-six) calls followed by 75 (seventy-five) alarm calls and 71 (seventy one) motor vehicle incidents. The AFD answered 20 (twenty) structure fire calls.
- ▶ Arguably the biggest event of the year was the Limbert Mountain wildfire in November. The AFD spent 5 days and 379 (three hundred seventy-nine) hours attending to this incident. The human caused fire was spotted at 04:00 hours on November 17 and determined to be out on Monday November 21.

Looking Ahead, Plans and Projects

- ▶ Fire department training facility. The current trailer which was donated to the AFD 10 (ten) years ago has begun to deteriorate and lived out its useful life span. Plans are moving forward to build a modular training facility constructed using steel containers. This type of structure has become common in the industry and are the most cost-effective solution.
- ▶ The flat water rescue training program is complete and the AFD is now in the procurement process to purchase the required equipment.
- ▶ The annual AFD Charity Golf Classic is in the works and planned for September 16 at the Sandpiper Golf Resort.
- ▶ Training continues to be a priority with the AFD. Keeping up to date with the latest industry practices along with skills maintenance of the previously learned programs are always at the forefront.



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.

Emergency Program Planning and Emergency Support Services (ESS): 2022 Outcomes

Change of Emergency Program Coordinator – In September Deputy Fire Chief / EPC, Mike VanLaerhoven resigned from his position with the District of Kent and took a position with the Dawson Creek Fire Department in a prevention officer role. The successful candidate replacing Mike was a 14 year member of the Agassiz Fire Department, Captain Ryan Chiarot, who started on November 14th 2022.

Freshet – Freshet took place in June, with concerns regarding the Harrison Lake and Harrison Mills. Localized flooding outside of the diking system in Harrison Mills forced the evacuation of the Harrison River RV Park. Local Search and Rescue personnel were deployed to issue evacuation orders to approximately 40 short and long term RV'ers. Road restrictions were placed on Rockwell Drive by the Ministry of Transport and Infrastructure, due to the water level in Harrison Lake rising above 11.8m.

Wildfires – Two wildfires took place within the boundaries of Kent. Both fires started on the same day and the Emergency Operations Centre was stood up. Evacuation Alerts were delivered to residents living on and around Limbert Mountain. The fire that burnt on Bear Mountain was contained by BC Wildfire with no issues.

Heat Warnings – On two separate occasions the Kent Harrison Emergency Support Services (ESS) team established and operated cooling centres for the public.

With the return to face-to-face meetings, both the Kent Harrison Emergency Committee and the ESS team have begun ramping up with training and projects. The ESS team brought on a couple of new volunteers and are completing training to allow for use of the Provincial online registration tool.



Current and Future Objectives

Emergency Support Services – Ongoing team training and upgrading of equipment to best deliver services to the community.

Emergency Operations Centre – Training for staff who could fill roles within the EOC and new equipment procurement that will allow for better situational awareness during emergencies.

Emergency Evacuation Route - Continue to advocate and seek approvals and funding for an emergency evacuation route.

ENGINEERING SERVICES



Engineering Services includes Public Works, 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.

2022 was another busy year for the District of Kent's Engineering and Public Works Departments. Following the atmospheric river events of November 2021, crews worked hard to deliver services to the community in the aftermath, while continuing to move forward on new projects throughout the year. The following sections provide an overview highlighting the District's accomplishments during the year.

Wastewater/Water Services and Treatment Plant

- ▶ Construction was completed for the Agassiz Wastewater Treatment Plant, Digester Improvement Project. The District can now operate the plant with a second digester in service that can treat 50% of the design flow with the largest digester unit out of service, meeting the Provincial Municipal Waste Regulation requirements.
- ▶ Initiated a project to identify the required SCADA and electrical upgrades across the water and wastewater infrastructure throughout the District including both wastewater treatment plants, sewer lift stations, and the water production wells. Proposed upgrades and solutions will be ready by spring 2023, with implementation based on a prioritized phased approach as budget permits.
- ▶ Collected and analyzed water usage data for the Mount Woodside water system, presented to Director of Finance for inclusion in a review of the Mount Woodside water user fee review and update.
- ▶ To improve the biosolids dewatering process at the Agassiz Wastewater Treatment Plant, the aging belt filter press required replacement. Two separate grant applications to install centrifuges were submitted via streams in the Investing in Canada Infrastructure Program (ICIP) and Strategic Priority Fund (SPF) respectively.
- ▶ The Agassiz Wastewater Treatment Plant normal operations were impacted by suspected unauthorized discharging of septage into the system. Over several months the Biochemical Oxygen Demand (BOD) readings exceeded the provincial permit. Staff worked to correct the issue, liaise with the Department of Fisheries and Oceans, and recorded compliant BOD results for the last quarter of 2022. The Mount Woodside Wastewater Treatment Plant continues to meet provincial permit requirements.



- ▶ Engineering staff awarded a Request for Proposal to Active Earth Consulting to develop and implement a Receiving Environment Monitoring Program for the Mt Woodside Wastewater Treatment Plant. This is a 5 year contract.
- ▶ 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 one year after substantial completion. The water plant is expected to be commissioned in 2023.
- ▶ 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.

Drainage and Flood Control

- ▶ The 2022 Annual Drainage Maintenance Program achieved 12.1 kilometres of ditch maintenance including cleaning portions of the McCallum Ditch, Westlin Ditch, Hogg Slough, Clark Ditch, Calendar Ditch, Agassiz Ditch, Hotsprings Ditch, McPherson Ditch, and Duncan Slough.
- ▶ The Annual Drainage Maintenance Program process includes the following:
 - ▷ Liaising with landowners and other stakeholders;
 - ▷ Liaising 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;
 - ▷ Obtaining approvals and permits from Provincial and Federal regulatory agencies;
 - ▷ Arranging contractors and consultants;
 - ▷ Undertaking/arranging environmental monitoring and species salvages during the works; and,
 - ▷ Preparing and submitting reports to senior agencies.
- ▶ Staff prepared and released a Request for Quotations to replace a culvert on a Mountain Slough tributary crossing Sutherland Road. The project was awarded to Jake's Construction who completed the project in September.
- ▶ Request for Proposals for the placement of rip-rap along a 350 m section of the Fraser River near McDonald Road prepared and released by staff. The project was awarded to Binnie and is currently in the detailed design phase. Tendering and construction are expected to take place in 2023/2024 and is dependent on successful project permitting.
- ▶ Another Request for Proposals prepared and released by staff for the design of a culvert replacement crossing the Maria Slough at Chaplin Road. The project was awarded to ISL Engineering and is currently in a design phase. Tendering and construction are expected to take place in 2023/2024 and is dependent on successful project permitting and grant funding applications.
- ▶ Staff removed multiple ditch blockages and retained a contractor to remove beavers from known problem sites.

- ▶ A ribbon cutting ceremony was held for the Agassiz Slough Floodbox and Floodgate Upgrade project, bringing together representatives from the District of Kent, Urban Systems, Cheam First Nation, the Resilient Waters Initiative, the Healthy Watersheds Initiative, the Province of BC, local landowners, and an elementary school class, to celebrate a project with shared flood protection and environmental benefits.
- ▶ Staff undertook Dike Inspections and completed reports for submission to the Provincial Inspector of Dikes.
- ▶ Maintenance work was completed for the Lower McCallum and Westlin Ditches under a multi-year Approval negotiated for that region, which is in place until December 31, 2024.
- ▶ Staff installed a pilot rip-rap “wind row” near Bridge Road as an extra protective measure against potential future riverbank erosion
- ▶ Worked with the Province on flood management during the freshet by collecting and submitting staff gauge readings.
- ▶ Liaised with Development Services, Building, contractors and landowners regarding flood protection and Riparian Area Requirements.
- ▶ Participated and provided feedback on the comprehensive Flood Strategy being developed by Fraser Basin Council.

Roads, Transportation and Walkways

- ▶ To improve mobility for pedestrians the sidewalk letdown/ramp replacement plan continued in 2022, installing sidewalk panels and replacing a total of 13 letdowns in various locations around Agassiz. Most notable were the sidewalk panels at Evergreen Drive at Pioneer Avenue and Cheam Avenue respectively, as well as a pair of letdowns on McCullough Road near Kent Elementary.
- ▶ On-going maintenance of the dike trails and associated infrastructure including benches, gates, signage, parking areas, waste and recycle receptacles.

Development

- ▶ New policy developed for the Agassiz Water Distribution System Development Cost-Sharing Policy, adopted by Council and successfully implemented for the first time as part of a 9-lot subdivision on Vimy Road.



- ▶ Engineering Staff assisted in the land development process for several ongoing developments in the Agassiz townsite including:
 - ▷ 9 lot Vimy Rd subdivision
 - ▷ 9 unit Highway 9 townhouse 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.
- ▶ Approved the Harrison Highlands Phase 3 Issued for Construction drawings for the 30-lot development. Land clearing and blasting activities commenced at this site by the Developer.

- ▶ District Engineer reviewed and provided comments for the Harrison Highlands Phase 4 Issued for Review drawings for the 50-lot development, including 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.

Asset Management

- ▶ Grant funding was approved through UBCM and FCM for building the District's Asset Management Program (AMP). The District retained Public Sector Digest (PSD) to assist with the development of the District's AMP.

Staff and consultants at PSD continued work on this program and produced the following documents:

- ▷ Data Management Procedures Report;
 - ▷ Internal Condition Assessment and Data Collection Guidelines;
 - ▷ Lifecycle Management Strategies Report;
 - ▷ Risk Framework Report; and,
 - ▷ Data Governance Policy (adopted by Council at October 12, 2022 meeting).
- ▶ Staff itemized all assets contributed to the District by developers and submitted to the Finance Department to be included in year-end financial reporting.

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.
- ▶ Partnered with the Fraser Valley Conservancy to successfully deliver the first community planting, along the Haig Highway Trail, as part of the "Close to Home Ambassador Program".
- ▶ 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 2023.
- ▶ Reviewed and approved design plans from third party utility companies (i.e., BC Hydro, Fortis, Telus).
- ▶ Staff applied for an annual grant with BC Hydro as part of the BC Hydro's Decorative Wrap Program to install decorative wrap on equipment boxes throughout the District.
- ▶ 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 staff to provide input to ensure short term and long-term engineering /operations budgets are addressed and appropriately identified.
- ▶ Renewed five (5) Strata Service Agreements for the maintenance of fire hydrants and water main flushing.

Public Works

- ▶ Purchased a portable 6" pump that can be deployed anywhere for additional capacity in the case of a flooding event.
- ▶ Removed and replaced a small culvert on Kilby Road.
- ▶ Hired a local contractor to produce ~10,000 tonnes of 19mm (3/4") road crushed gravel to be used by Public Works for the maintenance of roads, installation of culverts, and emergency repairs.
- ▶ Completed the installation of snow fencing along McCartney, McDonald and Tranmer Roads to enhance safety and reducing snow plowing requirements.
- ▶ The Annual Roadway Inspection and Maintenance Programs including roadway markings, street signage, streetlights and asphalt patching were completed (limited paint supplies reduced the overall area).
- ▶ A second light pole was installed on the West side of the Municipal Hall parking lot to improve visibility, safety, and security.



DEVELOPMENT SERVICES



Development Services supports the public by providing services related to planning, land development, building inspection, and bylaw compliance. The department administers on-going 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.

MUNICIPAL HALL

2022 Outcomes:

- ▶ **Upgrades Included**
 - ▷ Carpet replacement completed throughout the hall
 - ▷ Standby generator and compound completed and operational

Current and Future Objectives

- ▶ **Roof Replacement** - Replace west section of roof, installation of fall protection tie-back anchors and removal of asbestos to take place in 2023.
- ▶ **Solar Panels** - Installation of roof solar panels after roof replacement in 2023.
- ▶ **EV Public Charging Station** - Targeted for 2024, investigate and apply for grants to reduce project costs for Electric Vehicle fast charger(s) at Municipal Hall.
- ▶ **Stair Removal** - Proposed to remove the old entrance stairs to eliminate loitering and confusion of the visiting public in 2024.

98



Building
Permits
Issued

2,182



Building
Inspections

44



Planning
Applications
Received

302



Business
Licences
Issued

134



Bylaw
Compliance
Reviews

DEVELOPMENT DEPARTMENT

► Building Construction Outcomes – 2022

- ▷ Similar to previous year, construction of residential units in the District was up considerably from previous years with 44 building permits being issued for new homes in the District. This number includes 7 multi-family townhouse units in the Mount Woodside area.
- ▷ Issued 98 Building Permits with a value of construction of just over \$29 million.
- ▷ Building Permit Highlights include:
 - Strata Industrial Development on Pioneer Avenue – Construction value of \$3 million.
 - Industrial Building on Industrial Way – Construction Value of \$4 million.

► Planning Outcomes - 2022

- ▷ 38 Development applications processed (including Development Permits, Variances, ALC, OCP and Zoning)
- ▷ 5 Subdivision applications
- ▷ 31 development applications to Council for resolutions:
 - 1 ALC Application
 - 5 Development Permits
 - 13 Development Variance Permits
 - 3 Official Community Plan
 - 8 Zoning Bylaw Amendments
 - 1 Temporary Use Permit



► Other Development Outcomes

- ▶ **Second Residences in the ALR** to increase residential flexibility in the ALR in accordance with what is permitted by the ALC, while maintaining the Farm Home Plate and the long-term viability of agriculture in the District.
- ▶ **Electric Vehicle Charging Stations in new residential developments** to require Level 2 Vehicle Charging Stations on new Residential Construction
- ▶ **Tree Management (Land Development)** Bylaw adopted to require land owners and developers to provide for the protection and preservation of trees on real property and regulates the cutting and replacement of trees in future developments
- ▶ **Active Transportation Network Plan (ATNP) Update** - Contracted for the update of Kent's ATNP.
- ▶ **New Sign Regulation Bylaw** - Now allows for a limited number of third party signs in specific agricultural areas along highway corridors.

► Kent Agricultural Advisory Committee

- ▶ Coordinated 6 Kent Agricultural Advisory Committee (Kent AAC) meetings.
- ▶ Provided recommendations for 4 applications
- ▶ Performed the annual Kent Agricultural Area Plan and recommended priority actions for 2023.

2023 Objectives

- ▶ **Active Transportation Network Plan (ATNP)** – work with consultant to complete final project phases to update the District of Kent’s ATNP.
- ▶ **Official Community Plan Regional Context Statement** – work on adopting a Regional Context Statement once the Fraser Valley Regional District’s Regional Growth Strategy is adopted.
- ▶ **Housing Strategy** – explore the option of preparing a housing strategy for the District of Kent to address Kent’s housing needs.
- ▶ **Zoning Bylaw Review and Update** – work towards hiring a consultant for the Zoning Bylaw review and update.
- ▶ **Food Security** - participate in community conversations organized by Earthwise Society to help with their objective of completing an Earthwise Food Security Assessment for the District of Kent and Harrison Hot Springs.
- ▶ **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 building and planning permitting to an online system.
- ▶ **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.



COMMUNITY SERVICES





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 come from a variety of grant programs and community sponsorship.

The beginning of 2022 saw continued COVID-19 restrictions that limited participation in fitness and recreation programs, ultimately impacting the regular operations of the Community Recreation and Cultural Centre. By late February, operations began to return to pre-COVID operations, and by the Fall, operational numbers returned to what the Community Services department was seeing back in 2019.

Ferny Coombe Pool: 2022 Outcomes

- ▶ During opening procedures for the pool, it was discovered the boiler was inoperable and required a part. Staff worked quickly with multiple companies and the Ferny Coombe Pool opened only one week late, on May 9, 2022.
- ▶ Swimming lessons had the highest participation to date for the Ferny Coombe Pool, with a total of 5,104 participants.
- ▶ Participation overall for the pool was up, seeing a total of 12,825 participants, one of the highest recorded totals to date.
- ▶ The Agassiz Harrison Aquanauts continued to work with the District of Kent, and with this, we saw the return of the Kristy Hatt Memorial Swim Meet in July, 2022.

Current and Future Objectives

▶ **Lets'emot Regional Aquatic Centre**

- ▷ The District continues to build towards the construction of a regional indoor aquatic centre, that would be used by not only the community members of Kent but the surrounding communities. In 2022, fundraising initiatives were completed, such as Agassiz Brand Merchandise, Hanging Basket Sales, Party in the Park, and the Swim-A-Thon.
- ▷ August 2022 saw the formation of the Lets'emot Regional Aquatic Centre Fundraising Committee. This committee is made up of local volunteers, that have shown interest and engagement in helping raise additional funds for the Lets'emot Regional Aquatic Centre.

Community Recreation and Cultural Centre: 2022 Outcomes

- ▶ 5 new pieces of weight room equipment were purchased and installed in the weight room, continuing to upgrade the current facility.



- ▶ Introduction of two new ongoing recreation programs for children and preschoolers, Music Together and dance classes provided by Creative Outlet.
- ▶ Addition of two new art instructors to take over and expand on current art programming for all ages.
- ▶ Reintroduction of staff-hosted birthday parties at the Community Recreation and Cultural Centre, something that has been on pause pre-Covid.
- ▶ Fall 2022 had a resurgence in attendance of fitness classes, gymnasium, and weight room drop-ins, returning or beating participation numbers from 2019.

Current and Future Objectives

- ▶ **Rooftop AC Unit Replacement** – Weight room and lower fitness room.
- ▶ **Creation Of Weight Room Layout Plan** – Including future equipment upgrades and replacements.
- ▶ **Gym and Fitness Floor Refinishing** – Strip and add new top finishing.

Community Events and Initiatives: 2022 Outcomes

- ▶ Party in the Park was planned for May 14, a one-time event to raise funds and awareness of the future fundraising for the Lets'emot Regional Aquatic Centre.
- ▶ Canada Day returned as an in-person event in Pioneer Park. The day was full of fun activities, including bouncies, children's crafts, live music, a pancake breakfast, and more.
- ▶ Twilight Concert Series occurred twice through the summer, with Todd Richard and Jada Klein each performing.
- ▶ Halloween Spooktacular, a partnership with the Agassiz Agricultural and Horticultural Association and the Agassiz-Harrison Lions Club, occurred on October 31, with 175 attendees.
- ▶ The 2nd Annual Winter Night Lights occurred on December 3 and December 10. This year, the Magic of Christmas event was combined with Winter Night Lights, which created a family-friendly event with a visit with Santa and the Grinch, a passenger train for rides, food trucks, live music, and children's activities. Over 1,000 people took part in the event over the two-week period.
- ▶ CP Holiday Train returned to Agassiz as one of its stops, with performances by Mackenzie Porter and Virginia to Vegas. Food donations were collected for the Agassiz Harrison Community Services Food Bank.

Community Improvement Projects: 2022 Outcomes

- ▶ Creation of two new fenced dog parks, one along Pixley Lane for larger dogs, and one across the street on Morrow Road for smaller dogs. Included in these parks are benches, doggie bag stands, and waste receptacles.
- ▶ Haig Highway trail beautification and connection to new dog parks.
- ▶ Visitor Kiosk was replaced and upgraded, in partnership with Tourism Harrison River Valley.
- ▶ Additional bike racks were installed throughout parks and designated spots in town to promote active transportation.
- ▶ The Centennial Park tennis courts were resurfaced. Pickleball lines were added for the creation of three new courts, with portable nets available to sign-out at the Community Recreation and Cultural Centre for.
- ▶ Valley View Cemetery Columbarium installation was finalized in the Fall of 2022.

Current and Future Objectives

- ▶ **Schep Park** – Installation of accessible playground resurfacing, contingent on grant funding.
- ▶ **Westlin Park** – Replace playground equipment and add park amenities.
- ▶ **Centennial Park** – Review master plan to upgrade park amenities, and plan for a new playground adjacent to the Lets'emot Regional Aquatic Centre.
- ▶ **Mountain View Trail** – Continued maintenance of existing trail and explore future connections.
- ▶ **Tranmer to McDonald Trail** – Using private donations, construct public trail
- ▶ **Mt. Woodside Park** - Construction and installation of playground and park amenities.



FINANCIAL STATEMENTS



Consolidated Financial Statements of

**CORPORATION OF THE
DISTRICT OF KENT**

And Independent Auditors' Report thereon

Year ended December 31, 2022

CORPORATION OF THE DISTRICT OF KENT

Consolidated Financial Statements

Year ended December 31, 2022

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, 2022
- 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, 2022, 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.



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.



Corporation of the District of Kent

- 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'. The signature is written in a cursive, slightly slanted style. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants

Chilliwack, Canada

April 24, 2023

CORPORATION OF THE DISTRICT OF KENT

Consolidated Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Financial assets:		
Cash and cash equivalents (note 2)	\$ 31,620,821	\$ 28,052,536
Accounts receivable (note 3)	907,819	862,495
Portfolio investments (note 2)	-	237,279
Deposit - Municipal Finance Authority (note 4)	50,558	50,173
Asset held for sale	264,916	264,916
	<u>32,844,114</u>	<u>29,467,399</u>
Liabilities:		
Accounts payable and accrued liabilities (note 5)	2,846,918	2,689,034
Refundable deposits	906,580	588,252
Unearned revenue (note 6)	3,269,761	836,053
Restricted revenue (note 7)	3,058,534	2,659,690
Reserve - Municipal Finance Authority (note 4)	50,558	50,173
Long-term debt (note 8)	1,026,300	1,102,044
Obligations under capital leases (note 9)	19,913	28,447
	<u>11,178,564</u>	<u>7,953,693</u>
Net financial assets	21,665,550	21,513,706
Non-financial assets:		
Tangible capital assets (note 17)	51,424,726	50,753,095
Other non-financial assets	421,815	304,100
	<u>51,846,541</u>	<u>51,057,195</u>
Contingencies (note 14)		
Accumulated surplus (note 10)	\$ 73,512,091	\$ 72,570,901

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, 2022, with comparative information for 2021

	2022 Budget (note 18)	2022 Actual	2021 Actual
Revenues:			
Municipal taxation (note 11)	\$ 8,743,630	\$ 8,517,932	\$ 8,128,859
Government grants and transfers (note 12)	2,318,870	1,374,308	3,034,496
Sale of services	3,551,010	2,753,087	2,793,508
Contributions from developers	309,890	250,483	2,672,200
Licenses, permits, penalties and fines	403,630	544,626	528,221
Return on investments	362,350	592,974	308,959
	<u>15,689,380</u>	<u>14,033,410</u>	<u>17,466,243</u>
Expenses:			
General government services	2,774,320	2,679,610	2,558,333
Protective services	2,266,380	2,267,181	2,139,718
Development services	868,790	927,055	886,318
Engineering services	2,200,320	2,349,590	2,214,555
Water and sewer services	2,167,340	2,134,298	2,015,745
Drainage and diking services	551,990	556,997	512,402
Parks, recreation and cultural services	2,205,220	2,183,681	1,918,292
	<u>13,034,360</u>	<u>13,098,412</u>	<u>12,245,363</u>
Earnings before the undernoted	2,655,020	934,998	5,220,880
Gain (loss) on disposal of tangible capital assets	-	6,192	(100,120)
Annual surplus	2,655,020	941,190	5,120,760
Accumulated surplus, beginning of year	72,570,901	72,570,901	67,450,141
Accumulated surplus, end of year	<u>\$ 75,225,921</u>	<u>\$ 73,512,091</u>	<u>\$ 72,570,901</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, 2022, with comparative information for 2021

	2022 Budget (note 18)	2022 Actual	2021 Actual
Annual surplus	\$ 2,655,020	\$ 941,190	\$ 5,120,760
Acquisition of tangible capital assets	(8,525,850)	(2,387,631)	(3,006,418)
Amortization of tangible capital assets	1,895,000	1,933,503	1,886,520
Reclassification of tangible capital assets to asset held for sale	-	-	264,916
Proceeds on disposal of tangible capital assets	-	7,002	-
(Gain) loss on disposal of tangible capital assets	-	(6,192)	100,120
Tangible capital assets contributed by developers	(309,890)	(218,313)	(1,910,147)
	(6,940,740)	(671,631)	(2,665,009)
Change in other non-financial assets	-	(117,715)	31,490
Change in net financial assets	(4,285,720)	151,844	2,487,241
Net financial assets, beginning of year	21,513,706	21,513,706	19,026,465
Net financial assets, end of year	\$ 17,227,986	\$ 21,665,550	\$ 21,513,706

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, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 941,190	\$ 5,120,760
Items not involving cash:		
Amortization of tangible capital assets	1,933,503	1,886,520
(Gain) loss on disposal of tangible capital assets	(6,192)	100,120
Tangible capital assets contributed by developers	(218,313)	(1,910,147)
Actuarial adjustment on debt	13,578	(11,017)
Change in non-cash operating assets and liabilities:		
Accounts receivable	(45,324)	24,180
Other non-financial assets	(117,715)	31,490
Accounts payable and accrued liabilities	157,884	(1,683,302)
Refundable deposits	318,328	(97,617)
Unearned revenue	2,433,708	(448,510)
	<u>5,410,647</u>	<u>3,012,477</u>
Capital activities:		
Acquisition of tangible capital assets	(2,387,631)	(3,006,418)
Proceeds on disposal of tangible capital assets	7,002	-
	<u>(2,380,629)</u>	<u>(3,006,418)</u>
Investing activities:		
Change in portfolio investments	237,279	855,109
Financing activities:		
Change in restricted revenues, net	398,844	(341,787)
Repayment of obligations under capital lease, net	(8,534)	(8,535)
Repayment of long-term debt	(89,322)	(62,165)
	<u>300,988</u>	<u>(412,487)</u>
Increase in cash and cash equivalents	3,568,285	448,681
Cash and cash equivalents, beginning of year	28,052,536	27,603,855
Cash and cash equivalents, end of year	<u>\$ 31,620,821</u>	<u>\$ 28,052,536</u>
Supplemental cash flow information:		
Reclassification of tangible capital assets to asset held for sale	\$ -	\$ 264,916

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, 2022

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) Cash and cash equivalents:

Cash and cash equivalents include cash, cashable term deposits and deposits, including those in the Municipal Finance Authority investment short-term money market investment pool. These investments are highly liquid and are readily convertible to known amounts of cash.

(c) Portfolio investments:

Portfolio investments are recorded at amortized cost plus accrued interest. Discounts or premiums arising on the purchase of portfolio investments are amortized on a straight line basis over the term to maturity. If it is determined that there is a permanent impairment in the value of an investment, it is written down to net realizable value.

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(d) 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.

(e) Contaminated sites:

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

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

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

(f) 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, 2022

1. Significant accounting policies (continued):

(g) 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.

(h) 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.

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

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

(ii) Contributions of tangible capital assets:

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

(iii) 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. Restricted assets:

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

	2022	2021
Cash and cash equivalents	\$ 31,620,821	\$ 28,052,536
Portfolio investments	-	237,279
	31,620,821	28,289,815
Less restricted for:		
Statutory Reserve Funds	11,092,230	11,010,615
Restricted revenue	3,058,534	2,659,690
Unearned revenue	3,269,761	836,053
	17,420,525	14,506,358
Funds available for operations	\$ 14,200,296	\$ 13,783,456

In agreement with Envision Financial, the District has a \$500,000 line of credit, in which nil (2021 - nil) has been drawn on as at December 31, 2022. The line of credit bears interest at prime.

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

3. Accounts receivable:

	2022	2021
Taxes	\$ 292,852	\$ 313,641
Accrued interest on term deposits	265,851	77,806
Trade accounts	175,073	259,370
Water and sewer trade receivable	90,509	75,168
Government of Canada	83,534	136,510
	<u>\$ 907,819</u>	<u>\$ 862,495</u>

4. 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 \$50,558 (2021 - \$50,173).

5. Accounts payable and accrued liabilities:

	2022	2021
Trade accounts	\$ 1,366,470	\$ 1,108,330
Accrued payroll and benefits	742,019	807,970
Province of British Columbia	429,326	397,515
Due to Trust Fund	309,103	292,447
Holdbacks	-	80,674
Local governments	-	2,098
	<u>\$ 2,846,918</u>	<u>\$ 2,689,034</u>

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

6. Unearned revenue:

	2021	Amounts received	Revenue earned	2022
Prepaid taxes	\$ 584,646	\$ 659,050	\$ (584,646)	\$ 659,050
Water meter deposits	110,958	9,262	-	120,220
Flood recovery grant	-	2,355,000	-	2,355,000
Other	140,449	135,491	(140,449)	135,491
	\$ 836,053	\$ 3,158,803	\$ (725,095)	\$ 3,269,761

7. 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 and portfolio investments.

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

	2022	2021
Roads	\$ 1,450,146	\$ 1,336,466
Community parks	694,380	660,273
Storm drainage	616,688	535,331
Cash-in-lieu	173,033	114,236
Water	13,718	13,384
Sewer	110,569	-
Total restricted revenue	\$ 3,058,534	\$ 2,659,690

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

8. Long-term debt:

The balance of long-term debt is as follows:

By-law	Purpose	Term (years)	Year due	Rate	Balance Outstanding		Interest Remaining	
					2022	2021	2022	2021
General								
1511	Community Centre	20	2035	2.20	\$ 942,385	\$ 998,893	\$ 12,717	\$ 30,778
1526	Cemetery Road	10	2026	2.60	83,915	103,150	(1,841)	59
					\$ 1,026,300	\$ 1,102,044	\$ 10,876	\$ 30,837

Interest on long-term debt totaled \$33,540 (2021 - \$33,540) in the General Fund.

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

2023	\$ 78,395
2024	81,139
2025	83,978
2026	86,918
2027	67,114
Thereafter	628,756
<hr/>	
	\$ 1,026,300

9. Obligations under capital leases:

The District has entered into capital leases to finance computers and equipment at a cost of borrowing of 4.24% (2021 - 4.24%) per annum. The principal and interest payments are as follows:

	2022
2023	\$ 9,453
2024	9,453
2025	3,151
<hr/>	
Total minimum capital lease payments	22,057
Less amount representing interest	(2,144)
<hr/>	
Present value of net minimum lease payments	\$ 19,913

Interest of \$918 (2021 - \$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, 2022

10. Accumulated surplus:

	2022	2021
Unappropriated:		
General	\$ 4,216,745	\$ 4,518,231
Sewer	1,134,585	1,060,338
Diking	693,076	684,882
Drainage	791,199	758,832
Water	1,210,569	1,045,763
	<u>8,046,174</u>	<u>8,068,046</u>
Appropriated:		
Operating Reserve	3,995,172	3,869,636
Statutory Reserve Funds:		
General capital	3,941,911	4,531,424
Sewer capital	1,822,470	1,765,533
Water capital	1,017,640	829,514
Parkland	123,807	120,787
Gas tax - community works	4,186,402	3,763,357
	<u>11,092,230</u>	<u>11,010,615</u>
Total financial equity	23,133,576	22,948,297
Equity in Tangible Capital Assets:		
General	30,487,736	29,353,851
Sewer	12,436,358	12,751,850
Water	7,454,421	7,516,903
Accumulated surplus	<u>\$ 73,512,091</u>	<u>\$ 72,570,901</u>

11. Municipal taxation revenue:

	2022	2021
Municipal property taxes	\$ 7,548,696	\$ 7,184,129
Payments in lieu of taxes	841,161	823,238
Utility taxes	128,075	121,492
	<u>\$ 8,517,932</u>	<u>\$ 8,128,859</u>

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

12. Government grants and transfers:

	2022	2021
Provincial government - other	\$ 930,454	\$ 1,658,252
Federal government	402,385	707,698
Other minor grants	41,469	668,546
	\$ 1,374,308	\$ 3,034,496

13. Collections for other governments:

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

	2022	2021
Ministry of Education	\$ 3,993,598	\$ 3,742,398
Fraser Valley Regional District	241,499	229,740
Fraser Valley Regional Hospital District	223,282	216,538
B.C. Assessment Authority	98,135	86,584
Municipal Finance Authority	468	352
	\$ 4,556,982	\$ 4,275,612

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

14. Contingencies:

- 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.
- 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.
- 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.

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

15. 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, 2021, the plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 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 \$331,721 (2021 - \$335,749) for employer contributions while employees contributed \$301,606 (2021 - \$293,668) to the plan in fiscal 2022.

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.

16. 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 portfolio investments at December 31, 2022 was nil (2021 - \$241,763).

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.

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

17. Tangible capital assets

	COST			
	Opening Balance	Additions	Disposals	Closing Cost
<u>General Fund</u>				
Land	\$ 4,762,253	\$ 818,033	\$ -	\$ 5,580,286
Roads	12,556,669	-	-	12,556,669
Sidewalks	2,932,157	66,307	-	2,998,464
Parking lots	979,504	-	-	979,504
Street lights	1,200,878	-	-	1,200,878
Dikes	901,140	-	-	901,140
Drainage pump stations and culverts	10,038,026	76,190	3,820	10,110,396
Environmental structures	657,402	-	-	657,402
Buildings	4,644,688	571,223	-	5,215,911
Information technology	542,221	11,575	-	553,796
Firehall	1,758,301	-	-	1,758,301
Fire department mobile equipment	1,280,147	-	-	1,280,147
Other firefighting equipment	409,543	-	-	409,543
Emergency program equipment	68,039	-	-	68,039
Recreation facilities	3,642,883	-	-	3,642,883
Recreation play structures	366,504	-	-	366,504
Recreational areas and sports fields	1,212,192	252,292	-	1,464,484
Fitness equipment	183,543	6,325	-	189,868
General mobile equipment	2,840,450	64,528	246,809	2,658,169
Other general equipment	87,607	30,756	3,750	114,613
Other structures	202,104	-	-	202,104
Total General Fund	51,266,251	1,897,228	254,379	52,909,100
<u>Sewer Fund</u>				
Storm drainage system	4,290,649	3,960	-	4,294,609
Wastewater collection system	6,992,002	3,880	-	6,995,882
Lift stations	537,038	-	-	537,038
Treatment plant	5,934,898	168,748	-	6,103,646
IT Scada Systems	176,969	-	-	176,969
Other buildings and structures	195,656	-	-	195,656
Mobile equipment	198,123	-	1,900	196,223
Other equipment	198,416	-	-	198,416
Composting equipment	107,524	-	-	107,524
Mt. Woodside Sewer	2,497,479	-	-	2,497,479
Total Sewer Fund	21,128,754	176,588	1,900	21,303,442
<u>Water Fund</u>				
Rockwell water system	158,258	-	-	158,258
Townsite water system	8,937,465	250,920	-	9,188,385
Fire hydrants	873,859	18,000	-	891,859
Mt. Woodside Water	1,731,829	-	-	1,731,829
Total Water Fund	11,701,411	268,920	-	11,970,331
<u>Work in Progress</u>				
General	715,750	283,089	-	998,839
Sewer	19,881	(19,881)	-	-
Total Work in Progress	735,631	263,208	-	998,839
Total Capital Assets	\$ 84,832,047	\$ 2,605,944	\$ 256,279	\$ 87,181,712

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:

	2022	2021
Roads	-	152,181
Sidewalks	20,000	78,585
Street lights	-	92,333
Recreation Areas	-	49,412
Drainage	-	-
Storm Sewer	3,960	40,903
Townsite Sewer	3,880	67,944
Townsite Water System	190,473	76,383
Mt. Woodside Sewer	-	1,352,405
	218,313	1,910,147

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

17. Tangible capital assets (continued)

	ACCUMULATED AMORTIZATION				Opening Net Book Value	Closing Net Book Value
	Opening Balance	Current Provision	Disposals	Closing Balance		
<u>General Fund</u>						
Land	\$ -	\$ -	\$ -	\$ -	4,762,253	5,580,286
Roads	8,504,697	240,820	-	8,745,517	4,051,972	3,811,152
Sidewalks	1,279,992	68,721	-	1,348,713	1,652,165	1,649,751
Parking lots	463,690	27,366	-	491,056	515,814	488,448
Street lights	834,050	33,071	-	867,121	366,828	333,757
Dikes	-	-	-	-	901,140	901,140
Drainage pump stations and culverts	2,441,890	181,609	3,820	2,619,679	7,596,136	7,490,717
Environmental structures	186,802	13,446	-	200,248	470,600	457,154
Buildings	1,214,259	126,537	-	1,340,796	3,430,429	3,875,115
Information technology	263,168	49,179	-	312,347	279,053	241,449
Firehall	625,373	44,983	-	670,356	1,132,928	1,087,945
Fire department mobile equipment	1,043,972	41,309	-	1,085,281	236,175	194,866
Other firefighting equipment	304,608	15,039	-	319,647	104,935	89,896
Emergency program equipment	68,039	-	-	68,039	-	-
Recreation facilities	1,174,460	100,295	-	1,274,755	2,468,423	2,368,128
Recreation play structures	103,738	18,869	-	122,607	262,766	243,897
Recreational areas and sports fields	717,717	49,815	-	767,532	494,475	696,952
Fitness equipment	161,818	6,040	-	167,858	21,725	22,010
General mobile equipment	1,906,686	94,182	246,001	1,754,867	933,764	903,302
Other general equipment	66,615	6,235	3,750	69,100	20,992	45,513
Other structures	136,085	12,386	-	148,471	66,019	53,633
Total General Fund	21,497,659	1,129,902	253,571	22,373,990	29,768,592	30,535,110
<u>Sewer Fund</u>						
Storm drainage system	2,389,883	91,662	-	2,481,545	1,900,766	1,813,064
Wastewater collection system	2,245,439	120,347	-	2,365,786	4,746,563	4,630,096
Lift stations	117,784	20,569	-	138,353	419,254	398,685
Treatment plant	2,913,390	114,261	-	3,027,651	3,021,508	3,075,995
IT Scada Systems	113,251	29,041	-	142,292	63,718	34,677
Other buildings and structures	78,229	5,195	-	83,424	117,427	112,232
Mobile equipment	167,454	11,578	1,900	177,132	30,669	19,091
Other equipment	99,855	3,286	-	103,141	98,561	95,275
Composting equipment	86,669	5,376	-	92,045	20,855	15,479
Mt. Woodside Sewer	184,827	70,884	-	255,711	2,312,652	2,241,768
Total Sewer Fund	8,396,781	472,199	1,900	8,867,080	12,731,973	12,436,362
<u>Water Fund</u>						
Rockwell water system	102,519	3,935	-	106,454	55,739	51,804
Townsite water system	3,439,973	258,532	-	3,698,505	5,497,492	5,489,880
Fire hydrants	345,741	18,420	-	364,161	528,118	527,698
Mt. Woodside Water	296,279	50,515	-	346,794	1,435,550	1,385,035
Total Water Fund	4,184,512	331,402	-	4,515,914	7,516,899	7,454,417
<u>Work in Progress</u>						
General	-	-	-	-	715,750	998,839
Sewer	-	-	-	-	19,881	-
Total Work in Progress	-	-	-	-	735,631	998,839
Total Capital Assets	\$ 34,078,952	\$ 1,933,503	\$ 255,471	\$ 35,756,984	\$ 50,753,095	\$ 51,424,728

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

18. 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 2022 - 2026 Financial Plan Bylaw, No. 1695. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

	2022
Budgeted annual surplus	\$ -
Internal transfers to reserves and surplus	(4,051,570)
Amortization of tangible capital assets	(1,895,000)
Net proceeds of long-term debt	75,740
Acquisition of tangible capital assets	8,525,850
Budgeted surplus	\$ 2,655,020

19. 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:

2023	\$ 187,638
2024	96,441
2025	33,684
2026	7,913
2027	7,913
	\$ 333,589

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

20. 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 2021.

CORPORATION OF THE DISTRICT OF KENT

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

21. 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, 2022

21. 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, 2022

22. 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	2022	2021
Revenues										
Municipal taxation and payments in lieu of taxes	\$ 8,290,588	\$ -	\$ -	\$ -	\$ 25,256	\$ 202,088	\$ -	\$ -	\$ 8,517,932	\$ 8,128,859
Government grants and transfers	769,820	89,987	17,810	70,879	-	-	8,072	417,740	1,374,308	3,034,496
Sale of services	18,026	164,641	127,378	76,832	1,859,076	-	485,104	22,030	2,753,087	2,793,508
Contributions from developers and other	-	-	-	-	32,170	-	-	218,313	250,483	2,672,200
Licenses, permits, penalties and fines	79,601	9,915	446,495	8,615	-	-	-	-	544,626	528,221
Return on investments	208,794	-	-	-	55,718	33,762	-	294,700	592,974	308,959
	9,366,829	264,543	591,683	156,326	1,972,220	235,850	493,176	952,783	14,033,410	17,466,243
Expenses										
Salaries and benefits	1,719,865	689,902	701,936	1,193,399	724,701	171,406	998,609	-	6,199,818	5,965,336
Infrastructure maintenance	282	109,931	122,706	886,062	431,699	119,724	398,786	-	2,039,190	1,791,494
Amortization of tangible capital assets	150,716	101,330	-	496,228	803,601	181,608	200,020	-	1,933,503	1,886,520
Professional fees	224,283	1,250,544	3,318	1,733	1,746	6,180	2,696	-	1,490,500	1,302,321
Departmental program supplies/services	80,943	15,769	26,770	241,753	196,108	76,279	533,190	-	1,170,812	1,078,064
Office/Administrative costs	105,175	41,084	52,198	51,572	3,696	-	15,654	-	269,379	431,513
Other Employee/Council costs	71,309	50,442	10,556	19,923	7,771	-	5,655	-	165,656	102,732
Communication and Advertising	74,266	15,809	9,571	9,977	5,940	-	24,223	-	139,786	115,269
Transfer payments to other governments and agencies	51,403	-	-	-	-	-	-	-	51,403	(18,511)
Fiscal services	201,368	(7,630)	-	(521,057)	(40,964)	1,800	4,848	-	(361,635)	(409,375)
	2,679,610	2,267,181	927,055	2,349,590	2,134,298	556,997	2,183,681	-	13,098,412	12,245,363
Gain (loss) from disposal of tangible capital assets	-	-	-	-	-	-	-	-	6,192	(100,120)
	-	-	-	-	-	-	-	-	6,192	(100,120)
Annual surplus (deficit)	\$ 6,687,219	\$ (2,002,638)	\$ (335,372)	\$ (2,193,264)	\$ (162,078)	\$ (321,147)	\$ (1,690,505)	\$ 952,783	\$ 941,190	\$ 5,120,760

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 AUDITORS' 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, 2022
- 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, 2022 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.



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 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

April 24, 2023

CORPORATION OF THE DISTRICT OF KENT

Cemetery Care Trust Fund

Statements of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Assets		
Due from General Fund (note 2)	\$ 309,103	\$ 292,447
Equity		
Equity:		
Balance, beginning of year	\$ 292,447	\$ 273,381
Add:		
Interest earnings	7,428	2,625
Contributions	9,228	16,441
Balance, end of year	\$ 309,103	\$ 292,447



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, 2022

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 INFORMATION



COVID-19 Restart Grant

Source: Finance Department

Grant balance as at January 1, 2022 \$ 1,037,975

2022 Funded Items

Recreation Programs - revenue shortfall due to COVID restrictions	\$ 60,000	
Parks & Recreation - increased maintenance due to COVID	220,000	
Staffing - increased costs due to COVID	73,000	
Outdoor space improvements	237,725	
Technology improvements	<u>42,667</u>	633,392

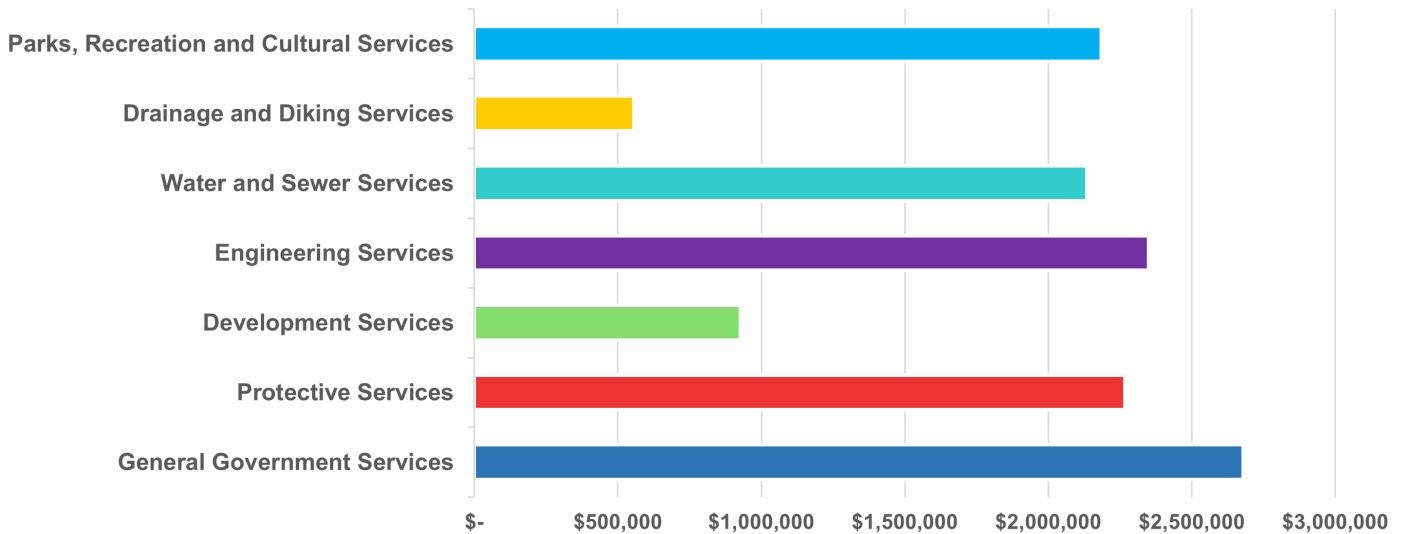
Grant balance as at December 31, 2022 \$ 404,583

Expenses by Function

Source: Finance Department

	2022	2021	2020	2019	2018
General Government Services	\$ 2,679,610	\$ 2,558,333	\$ 2,244,757	\$ 2,180,123	\$ 2,237,477
Protective Services	2,267,181	2,139,718	2,061,477	1,876,350	2,186,485
Development Services	927,055	886,318	847,613	864,523	843,644
Engineering Services	2,349,590	2,214,555	2,172,932	2,086,921	2,069,536
Water and Sewer Services	2,134,298	2,015,745	1,879,126	1,822,007	1,743,018
Drainage and Diking Services	556,997	512,402	451,768	448,543	325,987
Parks, Recreation and Cultural Services	2,183,681	1,918,292	1,832,845	2,059,719	1,981,749
	\$ 13,098,412	\$ 12,245,363	\$ 11,490,518	\$ 11,338,186	\$ 11,387,896

2022 Expenses By Function

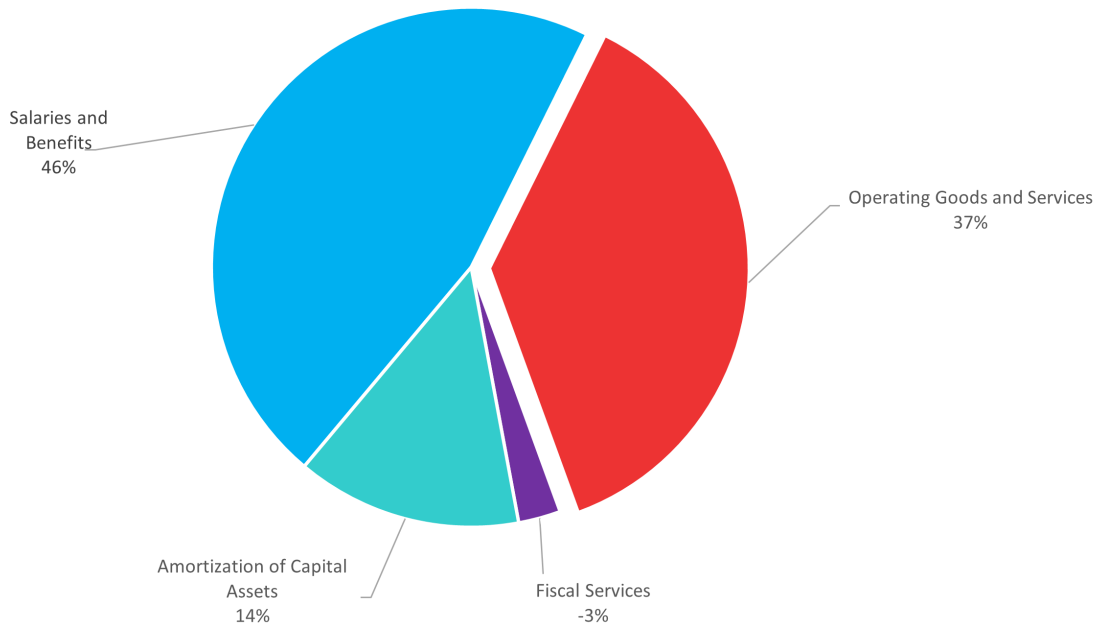


Expenses by Object

Source: Finance Department

	2022	2021	2020	2019	2018
Salaries and Benefits	\$ 6,365,474	\$ 6,068,068	\$ 5,827,560	\$ 5,749,325	\$ 5,469,735
Operating Goods and Services	5,109,667	4,718,661	4,161,729	4,108,085	4,800,912
Transfers to Other Government Agencies	51,403 -	18,511	49,357	47,936	48,500
Fiscal Services	- 361,635 -	409,375 -	416,172 -	318,738 -	526,477
Amortization of Capital Assets	1,933,503	1,886,520	1,868,044	1,751,578	1,595,226
	\$ 13,098,412	\$ 12,245,363	\$ 11,490,518	\$ 11,338,186	\$ 11,387,896

2022 Expenses by Object

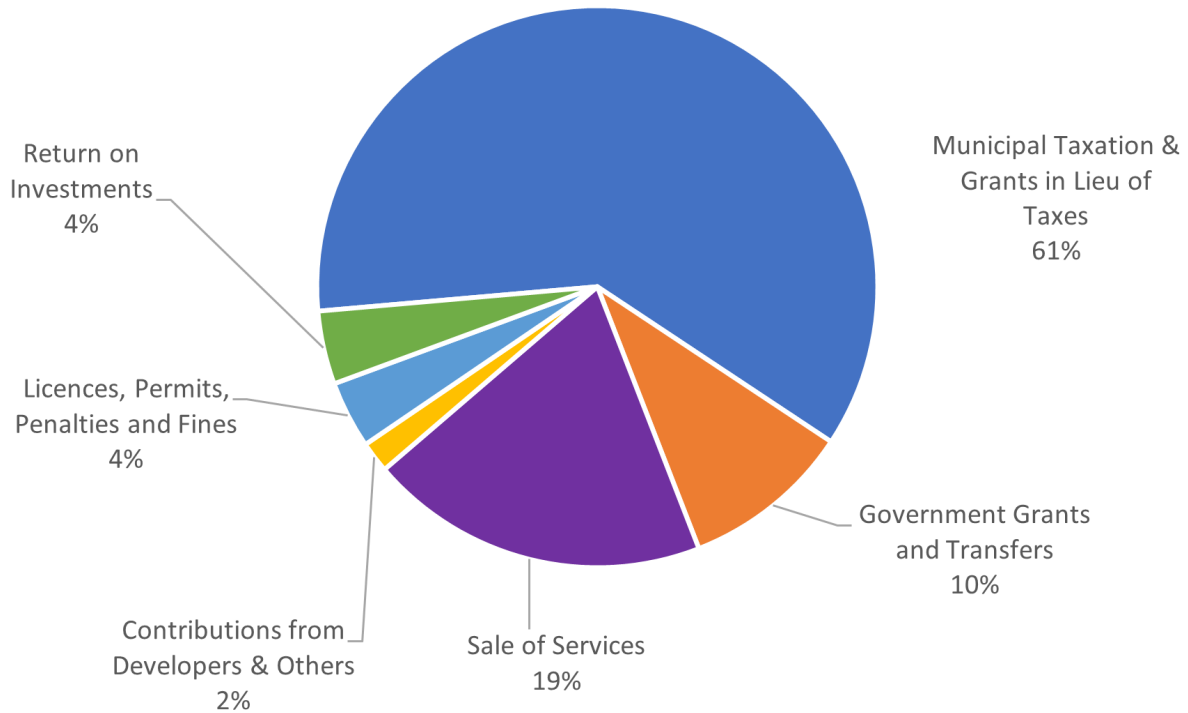


Revenue by Source

Source: Finance Department

	2022	2021	2020	2019	2018
Municipal Taxation & Grants in Lieu of Taxes	\$ 8,517,932	\$ 8,128,859	\$ 8,013,874	\$ 7,665,527	\$ 7,441,399
Government Grants and Transfers	1,374,308	3,034,496	3,002,268	3,650,938	2,596,449
Sale of Services	2,753,087	2,793,508	2,414,267	2,299,200	2,507,310
Contributions from Developers & Others	250,483	2,672,200	1,586,769	205,528	72,271
Licences, Permits, Penalties and Fines	544,626	528,221	442,699	453,212	440,003
Return on Investments	592,974	308,959	433,656	548,448	459,608
	\$ 14,033,410	\$ 17,466,243	\$ 15,893,533	\$ 14,822,853	\$ 13,517,040

2022 Consolidated Revenue by Source



Sources of Capital Funding

Source: Finance Department

	2022	2021	2020	2019	2018
Reserve Funds	\$ 2,205,171	\$ 576,204	\$ 1,421,266	\$ 1,384,300	\$ 520,740
Government Grants	182,460	1,675,152	101,363	2,148,747	1,513,784
Contribution from Developers	218,313	2,478,709	1,540,741	145,000	10,200
Other	-	186,500	-	-	-
Long-Term Debt & Capital Lease	-	-	42,671	-	-
	\$ 2,605,944	\$ 4,916,565	\$ 3,106,041	\$ 3,678,047	\$ 2,044,724

Sources of Capital Funding

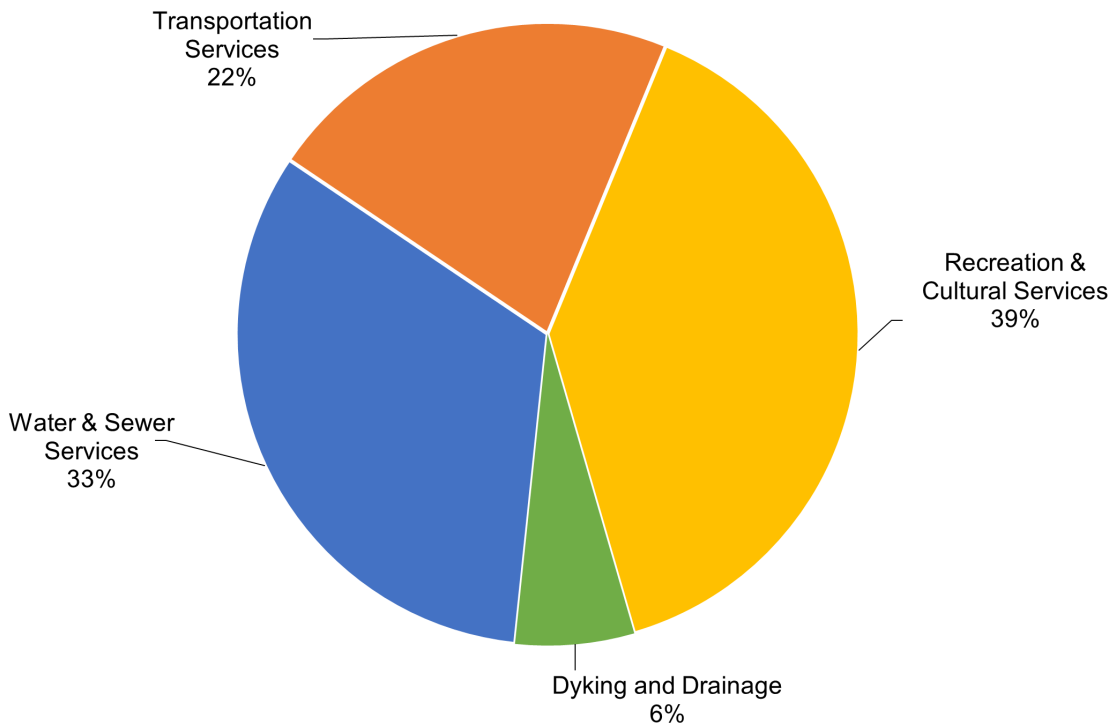


Capital Additions by Function

Source: Finance Department

	2022	2021	2020	2019	2018
Water & Sewer Services	\$ 405,747	\$ 2,294,265	\$ 1,303,106	\$ 94,230	\$ 116,313
Transportation Services	269,535	833,371	575,830	1,107,591	52,307
General Government Services	1,367,718	452,909	959,388	14,112	241,133
Recreation & Cultural Services	486,754	169,340	144,600	302,393	114,249
Protective Services	-	-	18,755	10,974	6,938
Dyking and Drainage	76,190	1,166,680	104,362	2,148,747	1,513,784
	\$ 2,605,944	\$ 4,916,565	\$ 3,106,041	\$ 3,678,047	\$ 2,044,724

Capital Additions by Function



Taxes Levied by Various Taxing Authorities

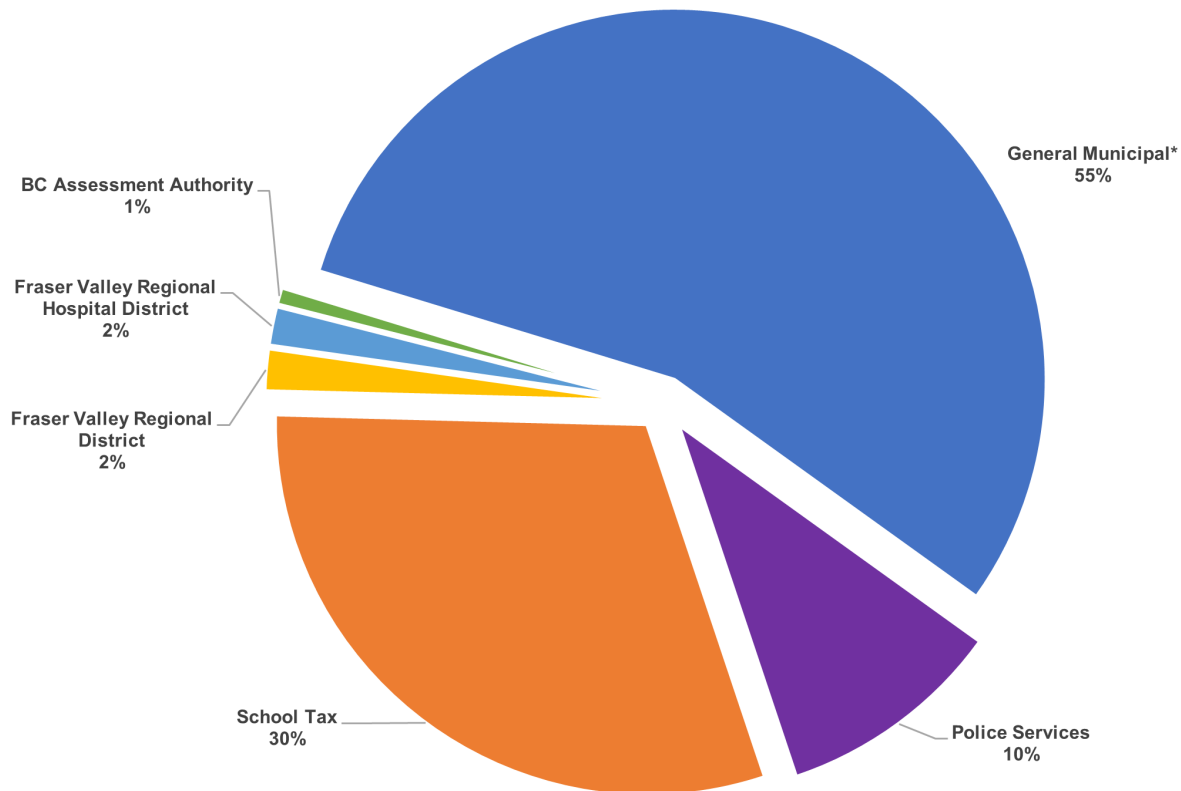
Source: Finance Department

	2022	2021	2020	2019	2018
General Municipal*	\$ 7,217,490	\$ 6,933,237	\$ 6,825,406	\$ 6,542,966	\$ 6,318,365
Police Services	1,300,442	1,195,622	1,188,468	1,122,562	1,123,034
School Tax	3,993,598	3,742,398	3,326,188	3,413,544	3,270,436
Fraser Valley Regional District	241,499	229,740	219,062	204,786	185,839
Fraser Valley Regional Hospital District	223,282	216,538	213,071	209,082	203,698
Municipal Finance Authority	467	352	329	322	279
BC Assessment Authority	98,135	86,584	82,859	76,343	71,196
	\$ 13,074,913	\$ 12,404,471	\$ 11,855,383	\$ 11,569,605	\$ 11,172,847

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

2022 Taxes Levied By Various Taxing Authorities

*Includes special assessments and payments-in-lieu of taxes less penalties



Debt Outstanding by Function

Source: Finance Department

	2022	2021	2020	2019	2018
General Government*	\$ 1,026,300	\$ 1,102,044	\$ 1,175,226	\$ 1,245,934	\$ 2,021,523
	\$ 1,026,300	\$ 1,102,044	\$ 1,175,226	\$ 1,245,934	\$ 2,021,523

*Debt serviced with property taxes

Overlapping Debt

Source: Finance Department & Fraser Valley Regional District

	2022	2021	2020	2019	2018
District of Kent	\$ 1,026,300	\$ 1,102,044	\$ 1,175,226	\$ 1,245,934	\$ 2,021,523
Fraser Valley Regional District	64,899,153	57,555,146	62,680,964	67,583,202	72,596,579
Fraser Valley Regional Hospital District	20,128,901	23,513,984	29,901,556	31,668,053	34,799,515
	\$ 86,054,354	\$ 82,171,174	\$ 93,757,746	\$ 93,757,746	\$ 120,389,391

Annual Debt Servicing

Source: Finance Department

	2022	2021	2020	2019	2018
Annual Debt Servicing	\$ 105,158	\$ 105,158	\$ 105,158	\$ 159,595	\$ 200,359
% of Total Expense	0.8%	0.9%	0.9%	1.4%	1.8%
*Excludes one time early debt retirement					
Annual Legal Debt Servicing Limit	\$ 3,109,128	\$ 3,078,234	\$ 2,969,221	\$ 2,880,911	\$ 2,850,452
% of Legal Limit	3.4%	3.4%	3.5%	5.5%	7.0%
Annual Liability Servicing Capacity Available	\$ 3,003,970	\$ 2,973,076	\$ 2,864,063	\$ 2,721,316	\$ 2,650,093
	2022	2021	2020	2019	2018
Total Debt	\$ 1,026,300	\$ 1,102,044	\$ 1,175,226	\$ 1,245,934	\$ 2,021,523
Population*	6,948	6,563	6,640	6,620	6,614
Debt Per Capita	\$ 148	\$ 168	\$ 177	\$ 188	\$ 306

* Population estimates per BC Stats

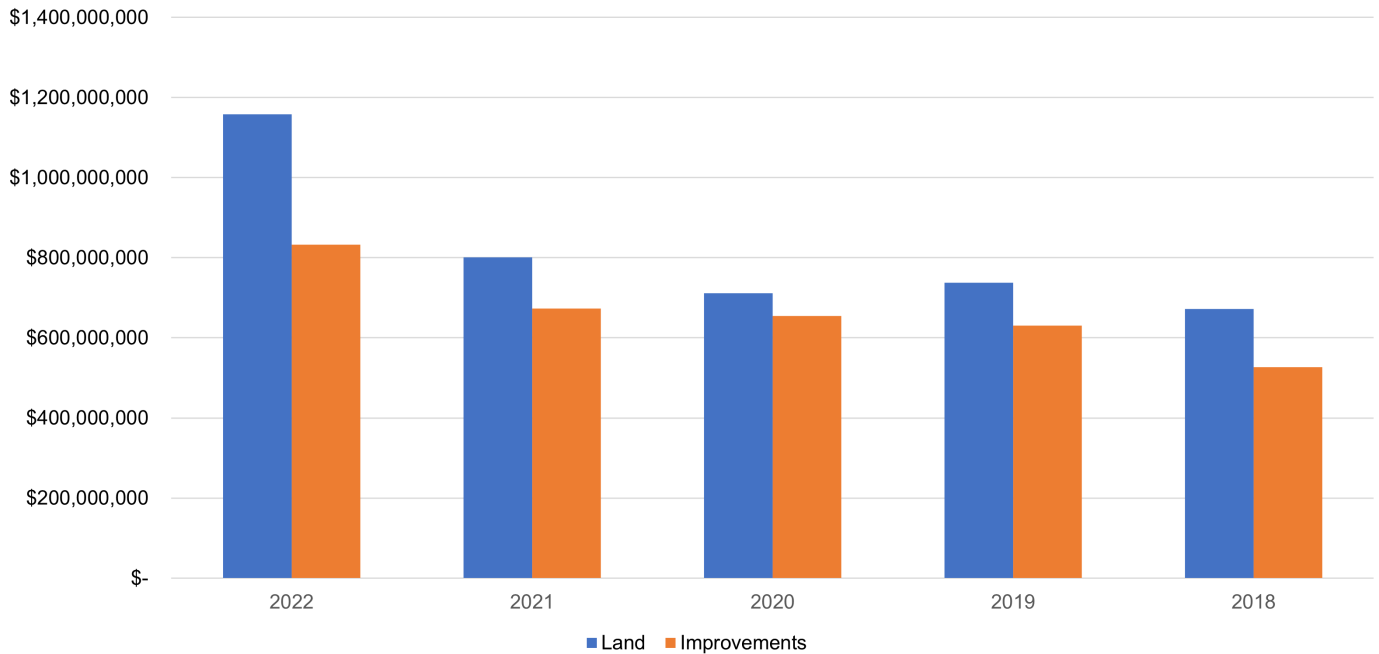
Property Assessment

Source: Finance Department

General Assessment

	2022	2021	2020	2019	2018
Land	\$ 1,158,640,270	\$ 800,993,844	\$ 711,410,480	\$ 737,870,895	\$ 672,106,980
Improvements	832,505,468	672,747,840	654,205,553	630,967,844	526,452,373
	\$ 1,991,145,738	\$ 1,473,741,684	\$ 1,365,616,033	\$ 1,368,838,739	\$ 1,198,559,353

Total Assessed Values



Property Assessment: Distribution of Assessments

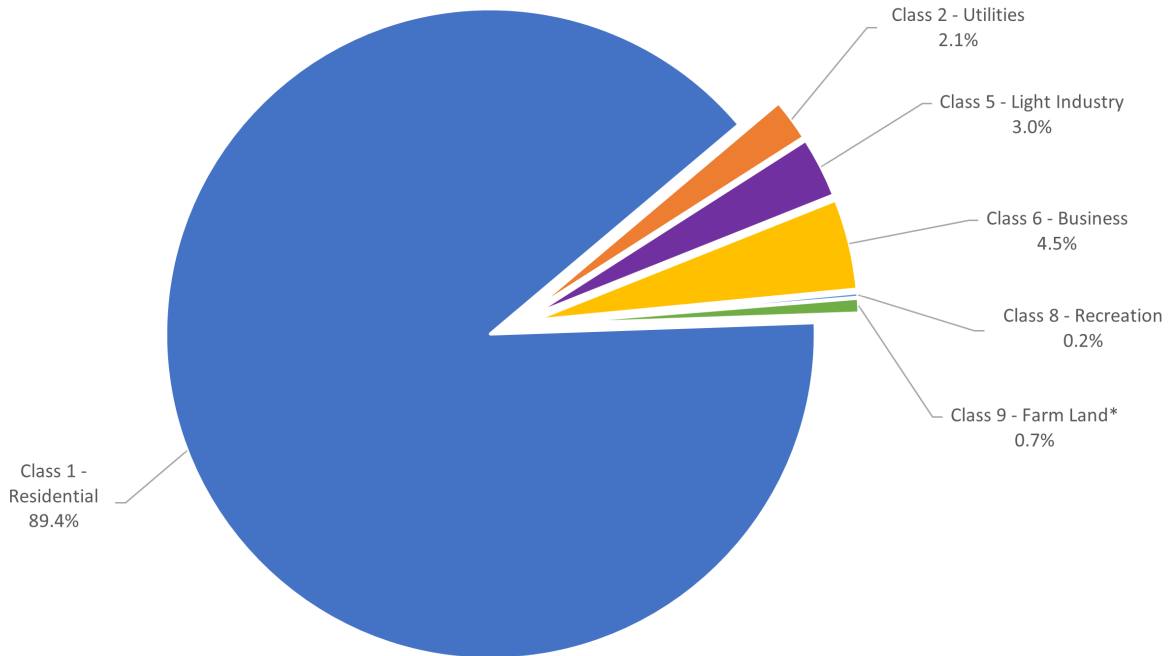
Source: Finance Department

General Assessment

	2022	% of Roll	2021	2020	2019	2018
Class 1 - Residential	\$ 1,780,467,632	89.4%	\$ 1,302,648,706	\$ 1,206,356,119	\$ 1,225,729,746	\$ 1,076,051,170
Class 2 - Utilities	41,557,730	2.1%	39,504,970	38,366,595	36,123,790	34,617,905
Class 5 - Light Industry	60,002,000	3.0%	48,304,600	46,795,700	39,833,700	25,093,500
Class 6 - Business	89,729,211	4.5%	65,965,000	57,312,700	50,078,600	46,207,000
Class 8 - Recreation	4,754,000	0.2%	2,525,600	2,485,400	2,507,800	2,325,500
Class 9 - Farm Land*	14,635,165	0.7%	14,792,808	14,299,519	14,565,103	14,264,278
	\$ 1,991,145,738	100.00%	\$ 1,473,741,684	\$ 1,365,616,033	\$ 1,368,838,739	\$ 1,198,559,353

*Improvements on Farm Land are included in Class 1

2022 Distribution of Assessments Among Classes



2022 Permissive Tax Exemptions

Source: Finance Department

<u>NAME OF ORGANIZATION</u>	<u>VALUE OF EXEMPT TAXES</u>	
Municipally Held Land:	\$	2,666
Churches:		
Agassiz Christian Reformed Church	\$	4,548
Roman Catholic Archbishop of Vancouver		3,466
Trustees of the Agassiz Congregation of Jehovah's Witness		4,114
United Church of Canada		3,178
Anglican Church		2,505
		<u>17,811</u>
Non-Profit:		
Agassiz Harrison Community Services Society		9,841
Agassiz Harrison Historical Society		11,435
Agassiz Harrison Senior Citizens' Housing Society		14,306
Chilliwack Society for Community Living		1,666
Harrison Mills Community Club		1,865
Kent Harrison Search and Rescue Society		11,881
Kent Harrison Senior Social Centre Society (Friendship House)		2,853
Royal Canadian Legion (Branch # 32 Agassiz)		5,492
Scout Properties BC/Yukon		1,367
		<u>60,706</u>
Private Schools:		
Agassiz Christian School Society		17,644
Athletic or Recreational:		
Agassiz Harrison Rod and Gun Club		6,381
BC Region Canadian Motorcycle Association		4,173
Kent Raceways Society		6,045
		<u>16,599</u>
		<u>\$ 115,426</u>

Financial Equity in Fund Balances

Source: Finance Department

OPERATING FUNDS

	2022	2021	2020	2019	2018
General	\$ 4,216,745	\$ 4,518,231	\$ 3,769,260	\$ 3,335,932	\$ 3,394,120
Dyking & Drainage	1,484,275	1,443,714	1,482,728	1,459,227	1,438,659
Sanitary Sewer	1,134,585	1,060,338	917,185	787,623	2,262,325
Waterworks	1,210,569	1,045,763	907,733	747,102	674,132
	\$ 8,046,174	\$ 8,068,046	\$ 7,076,906	\$ 6,329,884	\$ 7,769,236

EQUITY IN TANGIBLE CAPITAL ASSETS

	2022	2021	2020	2019	2018
General	\$ 30,487,736	\$ 29,353,851	\$ 28,067,722	\$ 27,334,916	\$ 24,035,785
Sanitary Sewer	12,436,358	12,751,850	11,040,770	10,555,990	10,850,094
Waterworks	7,454,421	7,516,903	7,767,386	7,713,251	8,016,219
	\$ 50,378,515	\$ 49,622,604	\$ 46,875,878	\$ 45,604,157	\$ 42,902,098

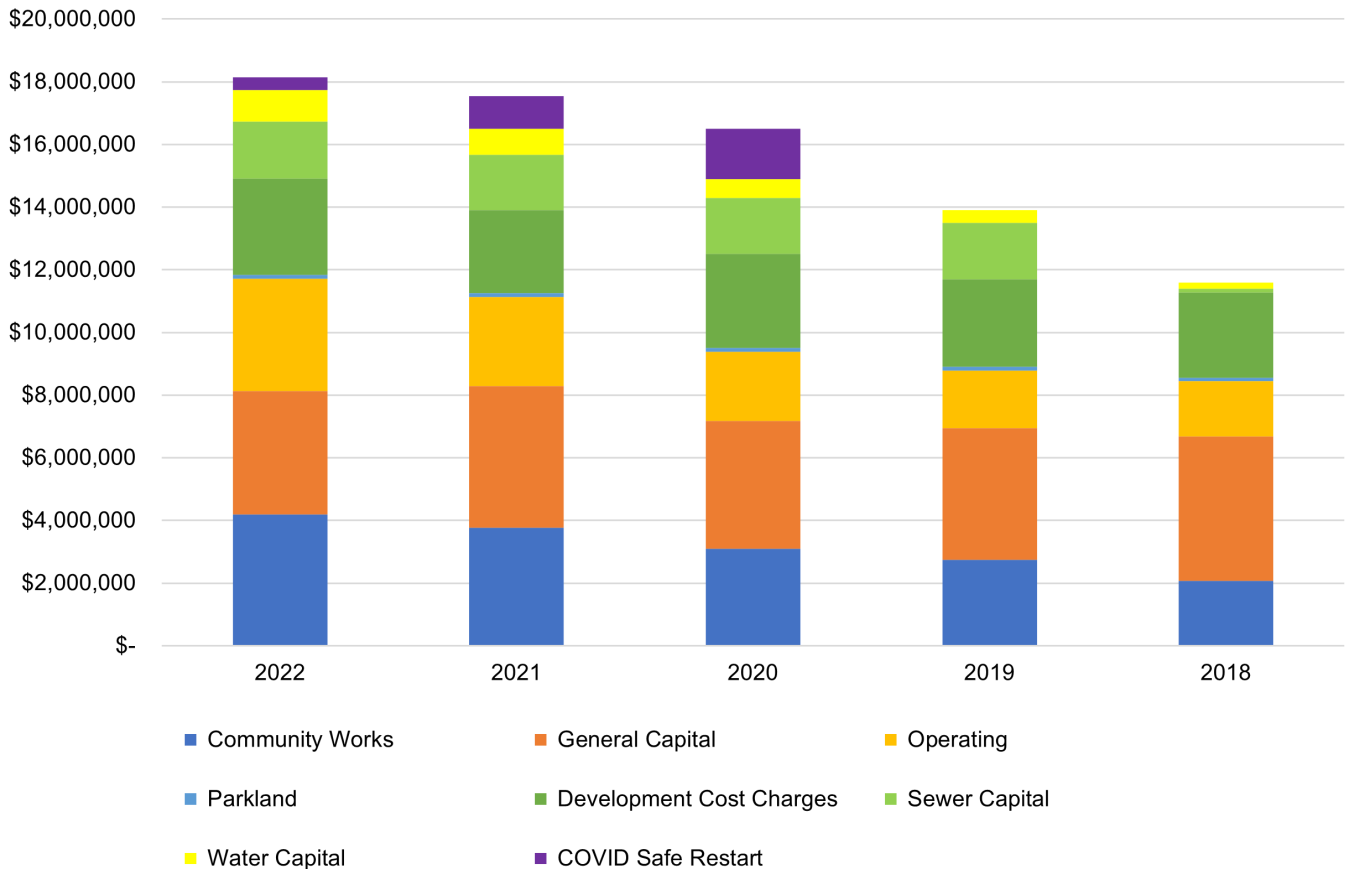
Financial Equity in Fund Balances

Source: Finance Department

RESERVE FUNDS

	2022	2021	2020	2019	2018
Community Works	\$ 4,186,402	\$ 3,763,357	\$ 3,095,412	\$ 2,741,344	\$ 2,077,733
General Capital	3,941,911	4,531,424	4,088,736	4,207,899	4,597,202
COVID Safe Restart	404,583	1,037,975	1,606,000	-	-
Operating	3,590,589	2,831,661	2,203,513	1,831,309	1,769,162
Parkland	123,807	120,787	119,650	117,046	113,663
Development Cost Charges	3,058,534	2,659,690	3,001,477	2,803,034	2,720,318
Sewer Capital	1,822,470	1,765,533	1,777,451	1,804,722	114,905
Water Capital	1,017,640	829,514	606,595	392,733	200,428
	\$ 18,145,936	\$ 17,539,941	\$ 16,498,834	\$ 13,898,087	\$ 11,593,411

Reserve Funds

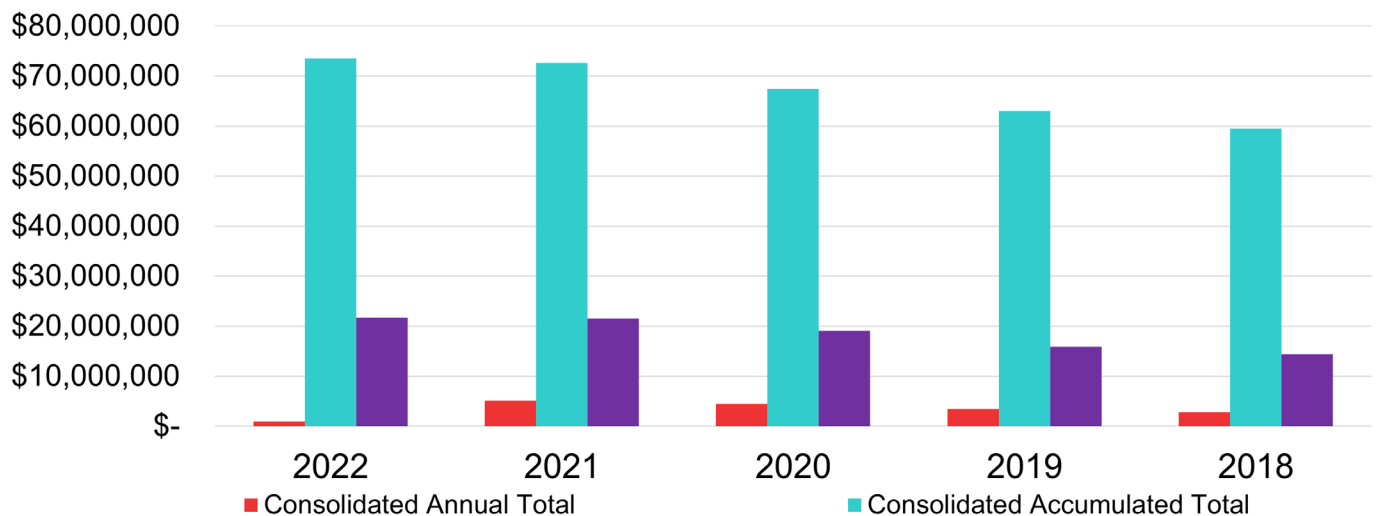


Accumulated Surplus

Source: Finance Department

	2022	2021	2020	2019	2018
ANNUAL SURPLUS					
Consolidated Annual Total	\$ 941,190	\$ 5,120,760	\$ 4,421,047	\$ 3,484,667	\$ 2,796,041
ACCUMULATED SURPLUS					
Consolidated Accumulated Total	\$ 73,512,091	\$ 72,570,901	\$ 67,450,141	\$ 63,029,094	\$ 59,544,427
NET FINANCIAL ASSETS					
Consolidated Net Financial Assets Total	\$ 21,665,550	\$ 21,513,706	\$ 19,026,465	\$ 15,898,548	\$ 14,362,033

Accumulated Surplus

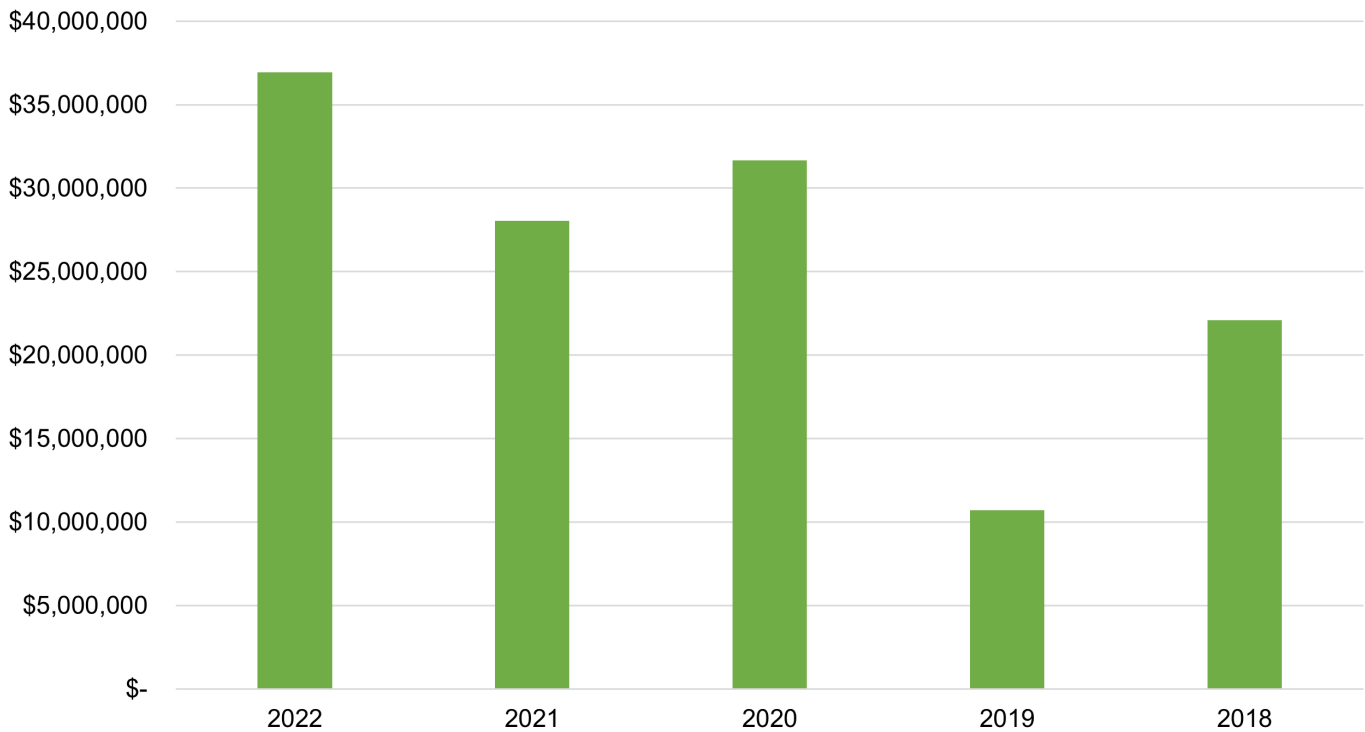


Non-Market Change

Source: Finance Department

	2022	2021	2020	2019	2018
Class 1 - Residential	\$ 31,946,675	\$ 25,920,825	\$ 30,654,425	\$ 10,196,438	\$ 21,558,575
Class 2 - Utilities	- 435,500	- 1,500	480,900	-	90,775
Class 5 - Light Industry	51,100	467,000	- 1,974,000	1,310,000	250,000
Class 6 - Business	5,556,900	1,599,200	2,995,100	- 812,800	296,600
Class 8 - Recreational	-	-	- 37,600	- 58,100	-
Class 9 - Farm	- 178,134	63,879	- 444,947	53,071	- 104,439
	\$ 36,941,041	\$ 28,049,404	\$ 31,673,878	\$ 10,688,609	\$ 22,091,511

Non-Market Change Value Comparison



Principle Corporate Tax Payers

Source: Finance Department

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

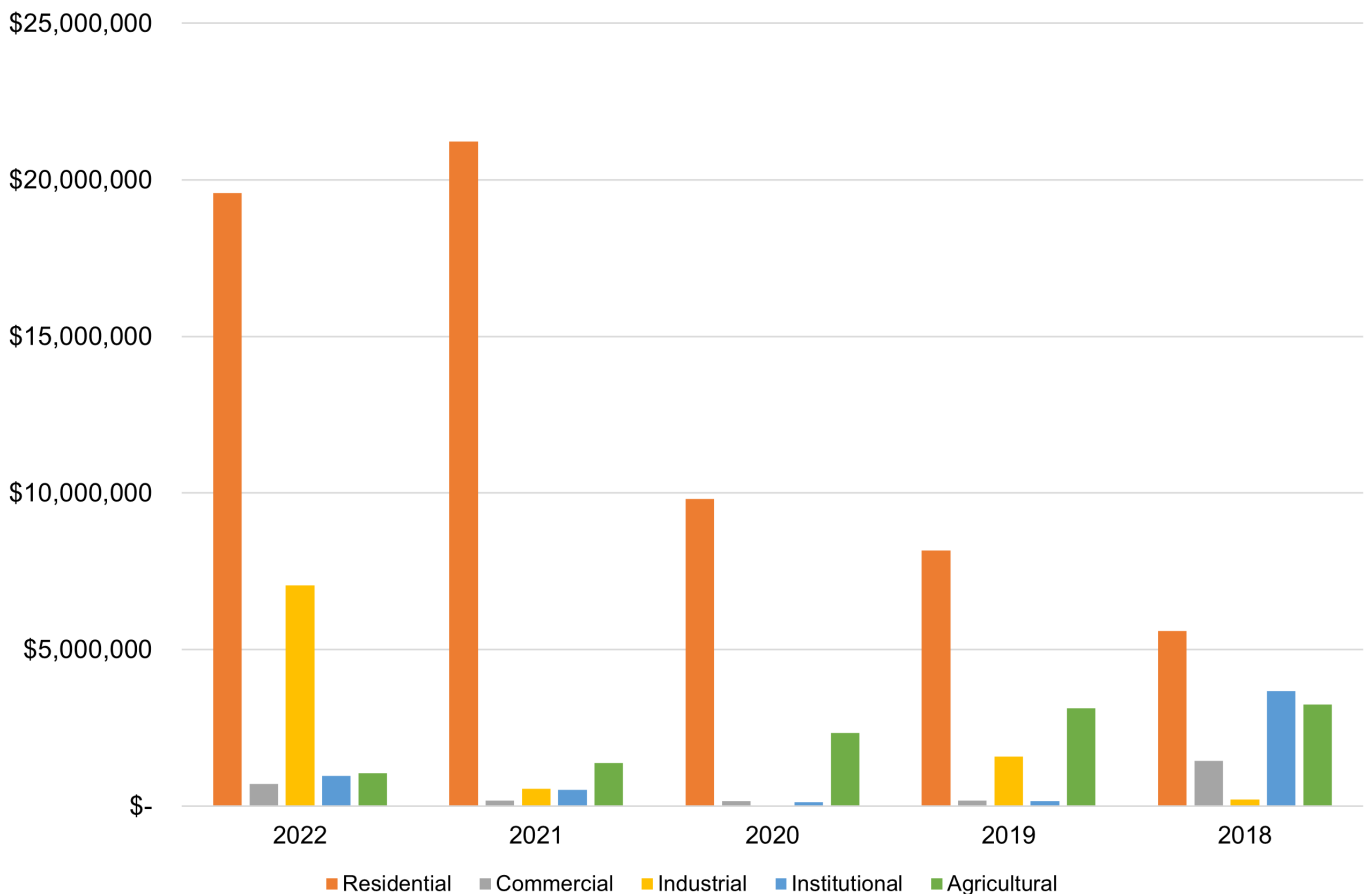
	2022	2021
UTILITIES	\$ 1,213,309	\$ 1,271,732
GOVERNMENT	779,203	797,486
UTILITIES	488,559	536,102
MANUFACTURING	184,532	165,282
MANUFACTURING	118,481	106,566
UTILITIES	107,718	101,437
UTILITIES	69,285	62,187
UTILITIES	61,519	53,288
COMMERCIAL	51,960	45,232
COMMERCIAL	51,434	23,083
	<u>\$ 3,126,000</u>	<u>\$ 3,162,396</u>
 TOTAL DISTRICT OF KENT GENERAL TAX	 <u>\$ 8,290,588</u>	 <u>\$ 7,887,007</u>
 PROPORTION OF TAX PAID BY TOP TEN	 37.7%	 40.1%

New Construction

Source: Development Services Department

	2022	2021	2020	2019	2018
Residential	\$ 19,579,895	\$ 21,234,965	\$ 9,804,336	\$ 8,173,023	\$ 5,587,956
Commercial	700,500	170,000	166,800	180,360	1,451,059
Industrial	7,046,000	559,000	12,000	1,577,480	205,000
Institutional	960,800	520,009	120,000	163,000	3,676,710
Agricultural	1,042,500	1,383,360	2,332,737	3,128,075	3,246,248
	\$ 29,329,695	\$ 23,867,334	\$ 12,435,873	\$ 13,221,938	\$ 14,166,973

New Building Construction Value of Permits



Building Permits

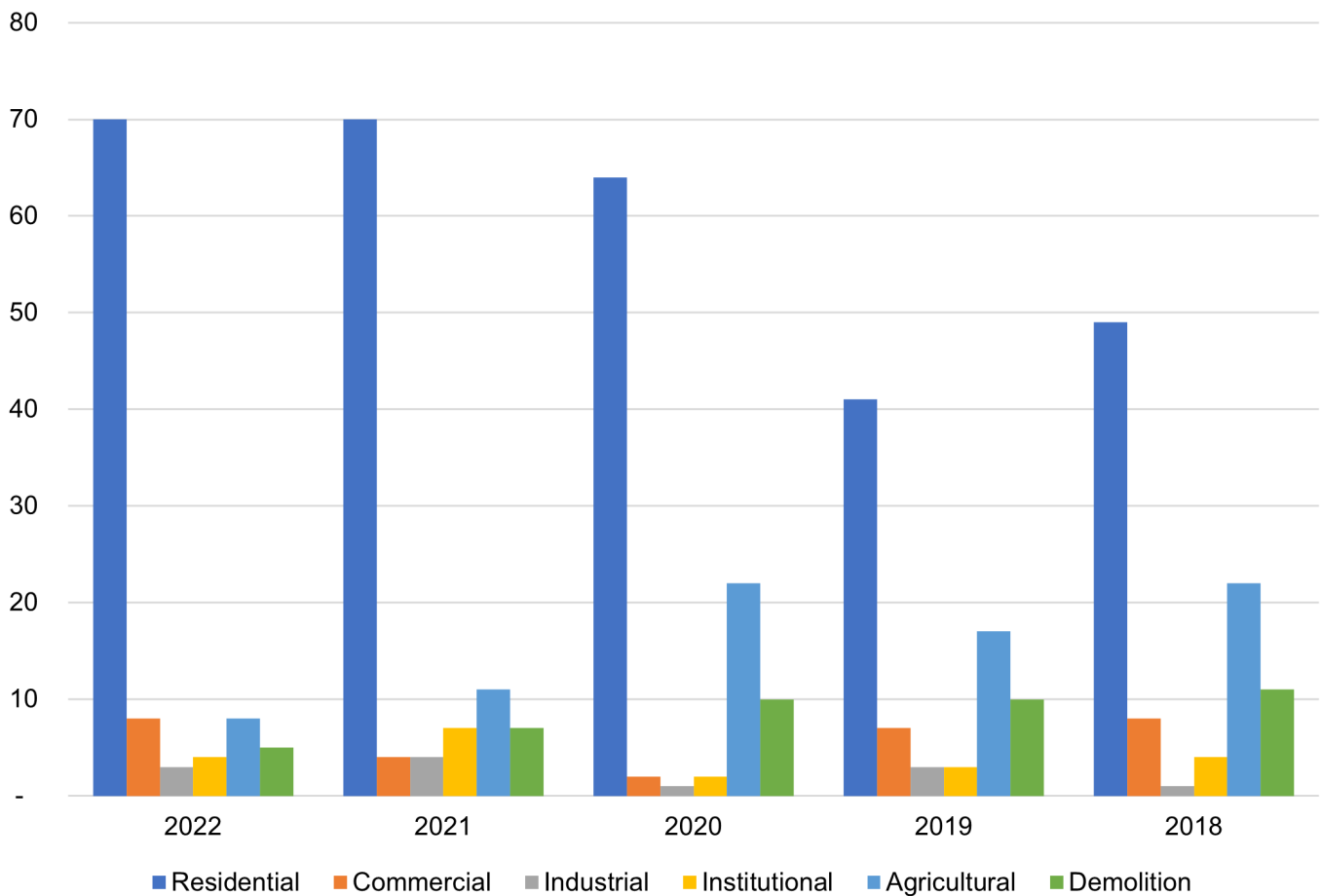
Source: Development Services Department

BUILDING PERMITS ISSUED

(By Type)

	2022	2021	2020	2019	2018
Residential	70	70	64	41	49
Commercial	8	4	2	7	8
Industrial	3	4	1	3	1
Institutional	4	7	2	3	4
Agricultural	8	11	22	17	22
Demolition	5	7	10	10	11
	98	103	101	81	95

Building Permits Issued



Demographics and Other Statistics

	2022	2021	2020	2019	2018
POPULATION ¹	6,948	6,563	6,640	6,620	6,614
UNEMPLOYMENT RATE ²	4.6%	6.9%	9.0%	4.7%	4.4%
REGISTERED ELECTORS ³	5,023	4,518	4,518	4,518	4,518
DISTRICT OF KENT FULL TIME EMPLOYEES ⁴	54	53	55	57	56
NUMBER OF PROPERTIES (FOLIOS) ⁵	2,916	2,900	2,837	2,839	2,836
INFRASTRUCTURE (in Km) ⁶					
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. BC Stats - Population Estimate Report February 2023
2. Province of BC - Labour Market Statistics February 2023
3. CivicInfo BC (voters list updated every 4 years at time of election)
4. Kent Annual T4 Summary
5. BC Assessment Annual Revised Roll
6. Kent Engineering Department

