

**District of Squamish
Consolidated Financial Statements
For the year ended December 31, 2018**

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**District of Squamish
December 31, 2018**

Management's Responsibility for Financial Reporting

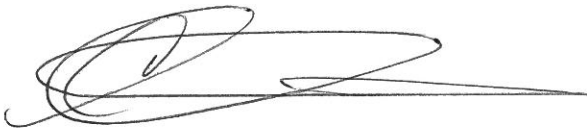
The Council of the District of Squamish (the "District") has delegated the responsibility for the integrity and objectivity of the financial information contained in the consolidated financial statements to the management of the District. The consolidated financial statements which, in part, are based on informed judgments and estimates, have been prepared by management in accordance with Canadian public sector accounting standards, which have been applied on a basis consistent with that of the preceding year.

To assist in carrying out their responsibility, management maintains an accounting system and internal controls to provide reasonable assurance that transactions are executed and recorded in accordance with authorization, and that financial records are reliable for preparation of financial statements.

The Mayor and Council oversee management's responsibilities for the financial reporting and internal control systems. Council annually reviews and approves the consolidated financial statements.

The District's independent auditors, BDO Canada LLP, are engaged to express an opinion as to whether these consolidated financial statements present fairly the District's consolidated financial position, financial activities and cash flows in accordance with Canadian public sector accounting standards. Their opinion is based on procedures they consider sufficient to support such an opinion in accordance with Canadian generally accepted auditing standards.

The consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink, appearing to read 'Christine Mathews', with a long horizontal line extending to the right.

Christine Mathews
Director of Financial Services
May 7, 2019

Independent Auditor's Report

To the Mayor and Councilors of the District of Squamish

Opinion

We have audited the consolidated financial statements of the District of Squamish and its subsidiaries (the "Consolidated Entity"), which comprise the Consolidated Statement of Financial Position as at December 31, 2018 and the Consolidated Statements of Operations, Change in Net Financial Assets and Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Consolidated Entity as at December 31, 2018 and its consolidated results of operations, change in net debt, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of this report. We are independent of the Consolidated Entity in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally-accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

As part of an audit in accordance with Canadian generally-accepted auditing standards we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. But not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity'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 Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Squamish, British Columbia

May 7, 2019

District of Squamish
Consolidated Statement of Financial Position

<u>December 31, 2018</u>	<u>2018</u>	<u>2017</u>
Financial Assets		
Cash and cash equivalents (Note 3)	\$ 87,602,342	\$ 34,799,111
Investments (Note 4)	247,066	43,795,317
Accounts receivable (Note 5)	4,792,630	5,696,544
Debenture deposits (Note 6)	503,886	480,537
	<u>93,145,924</u>	<u>84,771,509</u>
Liabilities		
Accounts payable, accrued and other liabilities (Note 7)	16,802,247	10,764,328
Deferred revenue (Note 8)	23,525,878	21,840,078
Debt (Note 9)	24,114,987	25,337,012
Provision for solid waste landfill (Note 10)	3,087,345	3,009,940
Provision for post-employment benefits (Note 11)	1,148,300	1,018,300
	<u>68,678,757</u>	<u>61,969,658</u>
Net Financial Assets	<u>24,467,167</u>	<u>22,801,851</u>
Non-Financial Assets		
Tangible capital assets (Schedules 1 and 2)	253,534,660	239,462,758
Inventories	155,047	196,078
Prepaid expenses	274,765	196,612
	<u>253,964,472</u>	<u>239,855,448</u>
Accumulated Surplus (Note 12)	<u>\$ 278,431,639</u>	<u>\$ 262,657,299</u>
Contractual Obligations and contingencies (Note 13)		



Christine Mathews, CPA, CGA
Director of Financial Services



Karen Elliott
Mayor of Squamish

District of Squamish
Consolidated Statement of Operations

For the year ended December 31, 2018	Financial Plan 2018 (Note 14)	2018	2017
Revenue (Schedule 3)			
Taxation (Note 15)	\$ 28,362,501	\$ 28,256,320	\$ 26,827,400
Other property levies (Note 15)	1,518,731	1,615,219	1,540,464
Utility user fees (Note 15)	13,881,237	14,110,169	13,561,559
Other revenue from own sources	4,281,890	5,280,839	5,484,510
Government transfers for operating (Note 16)	1,494,461	1,958,071	1,849,453
Investment income	1,041,625	1,717,836	1,264,838
	<u>50,580,445</u>	<u>52,938,454</u>	<u>50,528,224</u>
Expenses (Schedule 3)			
General Government	11,558,885	11,181,055	11,080,050
Protective Services	9,347,080	8,498,227	8,380,229
Transportation & Transit	5,183,364	5,106,246	4,528,449
Economic & Community Development	2,782,012	2,842,273	2,324,194
Parks, Recreation, Library & Culture	6,065,443	6,147,711	5,877,000
Health, Social & Housing	175,319	345,647	84,226
Solid Waste Management	3,447,549	3,881,191	3,734,557
Water Services	3,444,619	3,229,025	3,084,835
Waste Water Services	4,141,007	3,982,405	3,982,789
	<u>46,145,278</u>	<u>45,213,780</u>	<u>43,076,329</u>
Annual surplus before other	<u>4,435,167</u>	<u>7,724,674</u>	<u>7,451,895</u>
Other			
Government transfers for capital (Note 16)	5,944,767	970,108	2,538,237
Developer contributions	757,409	4,460,683	6,794,719
Development cost charges	8,795,802	2,470,524	412,524
Connection fees	124,964	75,581	143,294
Gain on disposal of tangible capital assets	-	72,770	17,681
	<u>15,622,942</u>	<u>8,049,666</u>	<u>9,906,455</u>
Annual Surplus	<u>20,058,109</u>	<u>15,774,340</u>	<u>17,358,350</u>
Accumulated Surplus, beginning of year	<u>262,657,299</u>	<u>262,657,299</u>	<u>245,298,949</u>
Accumulated Surplus, end of year	<u>\$ 282,715,408</u>	<u>\$ 278,431,639</u>	<u>\$ 262,657,299</u>

District of Squamish
Consolidated Statement of Change in Net Financial Assets

For the year ended December 31, 2018	Financial Plan 2018	2018	2017
	(Note 14)		
Annual surplus	\$ 20,058,109	\$ 15,774,340	\$ 17,358,350
Acquisition of tangible capital assets	(35,605,594)	(17,557,470)	(12,920,228)
Contributed tangible capital assets	-	(3,390,070)	(5,985,109)
Amortization expense	5,945,271	6,829,876	6,486,818
Gain on disposal of tangible capital assets	-	(72,770)	(17,681)
Proceeds on sale of tangible capital assets	-	118,532	139,723
	(29,660,323)	(14,071,902)	(12,296,477)
Other non-financial assets			
Decrease (increase) in inventory	-	41,031	(134,318)
Decrease (increase) in prepaid expenses	-	(78,153)	(179,655)
	-	(37,122)	(313,973)
Change in net financial assets	(9,602,214)	1,665,316	4,747,900
Net financial assets, beginning of year	22,801,851	22,801,851	18,053,951
Net financial assets, end of year	\$ 13,199,637	\$ 24,467,167	\$ 22,801,851

District of Squamish
Consolidated Statement of Cash Flows

For the year ended December 31, 2018	2018	2017
Cash provided by (used in)		
Operating transactions		
Annual surplus	\$ 15,774,340	\$ 17,358,350
Non-cash items included in annual surplus		
Amortization expense	6,829,876	6,486,818
Contributed tangible capital assets	(3,390,070)	(5,985,109)
Gain on disposal of tangible capital assets	(72,770)	(17,681)
Provision for post employment benefit	130,000	78,200
Development cost charge revenue recognized	(2,470,524)	(412,524)
Other deferred revenue recognized	27,175	335,843
Earnings on debt sinking funds (actuarial adjustment)	(565,171)	(671,343)
Provision for landfill closure	77,405	234,970
Changes in other non-cash working capital	6,881,361	(2,140,363)
	<u>23,221,622</u>	<u>15,267,161</u>
Investing transactions		
Change in portfolio investments	<u>43,548,251</u>	<u>(200,990)</u>
Capital transactions		
Acquisition of tangible capital assets	(17,557,470)	(12,920,228)
Proceeds from sale of tangible capital assets	118,532	139,723
	<u>(17,438,938)</u>	<u>(12,780,505)</u>
Financing transactions		
Development cost levies received, including interest	4,129,150	1,729,555
Lease payments	(45,908)	(29,845)
Proceeds of short-term debt	338,775	1,723,595
Proceeds of long-term debt	632,258	1,919,060
Debt principal repaid	(1,581,979)	(1,556,289)
	<u>3,472,296</u>	<u>3,786,076</u>
Increase in cash	52,803,231	6,071,742
Cash and cash equivalents, beginning of year	<u>34,799,111</u>	<u>28,727,369</u>
Cash and cash equivalents, end of year	<u>\$ 87,602,342</u>	<u>\$ 34,799,111</u>
Supplemental information:		
Interest paid	<u>\$ 1,098,630</u>	<u>\$ 1,194,060</u>

District of Squamish

Notes to the Consolidated Financial Statements

December 31, 2018

The Notes to the Consolidated Financial Statements are an integral part of these financial statements. The following explains the significant accounting policies and reporting principles underlying these statements. The Notes also provide relevant supplementary information and explanations.

1. Status of the District of Squamish

The District of Squamish (the "District") was incorporated on December 15, 1964 pursuant to the *Local Government Act*, a statute of the Legislature of the Province of British Columbia (the "Province"). The District is subject to the provisions of the *Community Charter* and legislation under the Province. The District's principal activity is providing property tax-funded services, such as general government, protective (police and fire), transportation, economic and community development, and parks and recreation. The District provides public utilities for solid waste, water and sanitary services. The District also operates a cemetery and an aquatic centre (which is owned and governed by the Squamish-Lillooet Regional District) and provides funding to subsidiaries to provide the community with library and other services.

2. Significant Accounting Policies

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards (PSAS) as prescribed by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. The significant accounting policies are summarized below:

Basis of consolidation

The consolidated financial statements include the assets, liabilities, reserves, surpluses/deficits, revenues and expenses of those District funds and government functions or entities which have been determined to comprise a part of the aggregate District operations based upon control exercised by the District. Inter-fund and inter-corporate balances and transactions have been eliminated.

i) Consolidated entities

The organizations (referred to as subsidiaries or civic corporations) included in the consolidated financial statements are as follows:

Squamish Public Library ("SPL"), which was incorporated without share capital as a municipal library of the District on May 15, 2003.

Squamish Sustainability Corporation ("SSC"), which was incorporated with the District as the sole shareholder on October 13, 2005.

District of Squamish

Notes to the Consolidated Financial Statements

December 31, 2018

2. Significant Accounting Policies (continued)

ii) Squamish District Community Pool

The Squamish-Lillooet Regional District ("SLRD") has contracted with the District to provide aquatic centre ("Squamish District Community Pool") recreational services. The District provides the programs and services at the Squamish District Community Pool on behalf of the SLRD. This facility was established and constructed under authority of the SLRD Service Area Establishment Bylaw No. 438. The related assets, liabilities, revenues and expenses are reported in the SLRD financial statements, as the taxing authority and owner of the facility. Therefore, the District does not include any portion of the Squamish District Community Pool financial position or operations in the consolidated financial statements.

Basis of accounting

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 receipt of goods or services and/or the creation of a legal obligation to pay.

i) Fund accounting

As a local government, the District uses fund accounting. The resources and operations of the District have been segregated for accounting and financial reporting purposes into the following funds, which are presented as supplementary information: General, Solid Waste, Water and Sewer.

ii) Segment disclosure

The District also segregates its operations for financial reporting based upon group of activities / services. A segment is defined as a distinguishable activity or group of activities/services of a government for which it is appropriate to separately report financial information. The District provides this additional segment information in Schedule 3.

Investments

The District's investments are held in term deposits and marketable securities with the Municipal Finance Authority ("MFA") which consist of bond and intermediate funds recorded at fair value, which approximates cost. The investment funds held by the District for the SLRD are not included in the consolidated financial statements.

The District consolidates SSC's interest in a limited partnership. The investment was initially recorded at nominal value because the fair value of the investment was not determinable.

Deferred revenue

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs, in the completion of specific work or for the acquisition and construction of tangible capital assets. In addition, certain user fees and development cost levies ("DCLs") or development cost charges ("DCCs") are collected for which the related services or capital costs have yet to be performed. Revenue is recognized in the period when the related expenses (such as development costs) are incurred, services performed or the tangible capital assets are acquired.

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

2. Significant Accounting Policies (continued)

Debt

Debt is recorded net of principal repayments and actuarial adjustments.

Contaminated sites

Governments are required to accrue a liability for the costs to remediate a contaminated site. The District should recognize a liability when an environmental standard exists, contamination exceeds the standard, the government has responsibility for remediation, future economic benefits will be given up and a reasonable estimate can be made.

Management has assessed its potential liabilities, including sites that are no longer in productive use and sites for which the District accepts responsibility. There are no such sites that have contamination in excess of an environmental standard which require remediation at this time, therefore no liability has been recognized in these financial statements.

Solid waste landfill

The obligation of closure and post-closure costs associated with the solid waste landfill site is based on the present value of estimated future expenses.

Employee future benefits

The District and its employees make contributions to the Municipal Pension Plan (a jointly trustee pension plan). The District's contributions are expensed as incurred.

Post employment benefits also accrue to the District's employees. The liabilities related to these benefits are actuarially determined based on services and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

Non-financial assets

Non-financial assets are held for use in the provision of goods and services but are not available to discharge existing liabilities. These assets may have a useful life extending beyond the current year and are not intended for sale in the ordinary course of operations.

Intangible assets, such as water rights and mineral resources, are not recorded in the financial statements.

Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to the acquisition, construction, development or betterment of the assets. The cost, less residual value, of the tangible capital assets (excluding land) is amortized on a straight-line basis over their estimated useful life as follows:

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

2. Significant Accounting Policies (continued)

Tangible capital assets (continued)

Fund	Asset Category	Useful Life Range (years)
General	Land	n/a
	Land improvements	5 to 200
	Buildings	5 to 60
	Furniture, vehicles & equipment	3 to 40
	Transportation infrastructure	5 to 100
Solid Waste	Solid waste infrastructure	12 to 50
Water	Water infrastructure	5 to 100
Sewer	Sanitary sewer infrastructure	5 to 100

Tangible capital assets, including assets under construction are recorded at cost. Amortization is charged over the asset's useful life in a rational and systematic manner, considering cost less any residual value, in accordance with PS 3150. Assets under construction are not amortized until the asset is substantially complete and ready for use.

Contributed tangible capital assets are recognized at fair value (using various methods including actual developer costs, appraisals, assessed values or professional estimations) at the date of contribution and are also recognized as revenue. Where an estimate of fair market value cannot be made, the tangible capital asset is recognized at nominal value.

Leases are classified as capital or operating leases. 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 lease payments are charged to expenses as incurred.

The District's tangible capital assets do not include works of art, historical artifacts/treasures or natural environment assets.

Inventories

Inventories held for consumption are recorded at the lower of cost and replacement cost. Donated materials are initially recorded at their fair market value, if determinable, and subsequently at the lower of cost and replacement cost.

Tax revenues

Tax revenues are recognized as revenue in the year they are levied, because the tax revenues result from non-exchange transactions that are compulsorily paid to local governments in accordance with the laws and regulations established to provide revenue to the District for the provision of public services. The tax revenues include levies on behalf of consolidated entities, business improvement area(s) and utility frontage taxes.

The property tax revenue relies on market assessments of land value that are subject to appeal. Through the British Columbia Assessments appeal process, taxes may be adjusted by way of supplementary roll adjustments. Estimates are made of potential adjustments to taxes. Any additional adjustments required over those estimated are recognized at the time they are awarded.

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

2. Significant Accounting Policies (continued)

Tax revenues (continued)

The District is required by the Province and other taxing authorities to collect and remit levies in respect of properties. The District has no jurisdiction or control over these levies. Therefore, levies imposed by other taxing authorities are not included in these consolidated financial statements.

Government transfers

Restricted transfers from governments are deferred and recognized as revenue as the related expenses are incurred or the stipulations in the related agreements are met. Unrestricted transfers are recognized as revenue when received or if the amount to be received can be reasonably estimated and collection is reasonably assured.

Other revenues

The District recognizes other revenue in the period in which the transactions or events occurred that gave rise to the revenues. Revenues are recorded on an accrual basis except when the accruals cannot be determined with a reasonable degree of certainty or when estimates are impractical.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and contingent liabilities. Actual results will depend on future economic events and could differ from those estimates. The significant areas requiring management estimates include provision for landfill closure and post closure costs, provision for post employment benefits and the useful lives of tangible capital assets.

Budget

The 2018 budget is included on the consolidated statements of operations and accumulated surplus and change in net financial assets. The budget does not include financial plan amendments (Note 14).

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

3. Cash and cash equivalents

	<u>2018</u>	<u>2017</u>
Cash	\$ 5,367,641	\$ 27,971,567
Cash equivalents	82,104,828	6,724,011
Cash held by civic corporations	129,873	103,533
	<u>\$ 87,602,342</u>	<u>\$ 34,799,111</u>

During 2018 investments and cash holdings were transferred to a notice plan with Scotiabank. This is a high interest savings plan that requires 30 days notice to liquidate and accrues interest at a rate of the Bank of Nova Scotia prime rate + 0.25%.

In 2017, cash equivalents consisted of deposits in the Municipal Finance Authority ("MFA") short-term money market investment pool. These investments were highly liquid and readily convertible to known amounts of cash.

4. Investments

	<u>2018</u>	<u>2017</u>
Bond funds	\$ -	\$ 3,354,896
Intermediate funds	-	40,204,088
Investments held by civic corporations	247,066	236,333
	<u>\$ 247,066</u>	<u>\$ 43,795,317</u>

Investments held by civic corporations are cashable term deposits with maturity dates between June 4, 2019 to July 5, 2019, earning interest between 1.40% to 1.45%.

On February 3, 2016, the District's civic corporation 0685492 BC Ltd. sold land to a third party (or "purchaser") for cash consideration and a 25% limited partnership ("LP") interest in the prospective development. 0685492 BC Ltd. was dissolved in 2017 and the interest in the LP was transferred to the SSC, another civic corporation. The fair value of this interest is not determinable as it is dependent on future development and has therefore been recorded at nominal amount.

As condition of the sale, the third party agreed that 5.57 hectares of the property would be contributed to the District for use as a municipal park. A provision allows the general partner of the LP the option to purchase the LP at any time after the completion of the municipal park to a state that is usable by and accessible to the public.

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

5. Accounts receivable

	2018	2017
Property taxes	\$ 1,550,526	\$ 1,540,237
Government transfers receivable	1,293,506	2,254,048
Utilities	762,233	832,027
GST	464,727	387,435
Trade accounts and other	726,553	687,141
Allowance for doubtful accounts	(4,915)	(4,344)
	\$ 4,792,630	\$ 5,696,544

The District receives government transfers from senior levels of government, including the Province of British Columbia and the Federal Government of Canada.

The District, as a local government, receives goods and services tax (GST) rebates and claims from the Canada Revenue Agency, Government of Canada.

6. Debenture deposits

	2018	2017
General	\$ 328,984	\$ 309,832
Solid waste	5,963	5,726
Water	90,048	86,526
Sewer	78,891	78,453
	\$ 503,886	\$ 480,537

The District issues its debt instruments through the MFA. A portion of the debenture proceeds is withheld in the debt reserve fund by the MFA; these are considered District cash deposits and are a condition of the borrowings.

7. Accounts payable, accrued and other liabilities

	2018	2017
Trade accounts payable and accrued liabilities	\$ 11,412,728	\$ 5,568,062
Wages and benefits payable	901,553	918,751
Interest payable	191,238	115,811
Deposits	4,296,728	4,161,704
	\$ 16,802,247	\$ 10,764,328

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

8. Deferred Revenue

	<u>2018</u>	<u>2017</u>
Development cost levies, beginning of year	\$ 17,885,204	\$ 16,568,174
Contributions	3,676,175	1,605,966
Interest earned	452,974	123,588
less: Expenditures	<u>(2,470,524)</u>	<u>(412,524)</u>
Development cost levies, end of year	<u>19,543,829</u>	<u>17,885,204</u>
Other deferred revenue	<u>3,982,049</u>	<u>3,954,874</u>
	<u>\$ 23,525,878</u>	<u>\$ 21,840,078</u>

Deferred revenue are short-term in nature, with the exception of the deferrals dedicated for developments and capital projects. The development cost charges are funds restricted by bylaw for the purpose which they were collected from developers. The District holds these restricted funds in accounts (general, water and sewer) for the intended use of the funds.

9. Debt

The District's debt segregated by fund and other:

	<u>2018</u>	<u>2017</u>
General	14,126,892	14,901,276
Solid waste	312,946	363,399
Water	4,449,161	4,864,135
Sewer	3,163,618	3,484,607
Other	<u>2,062,370</u>	<u>1,723,595</u>
Total long-term debt	<u>\$ 24,114,987</u>	<u>\$ 25,337,012</u>

Other debt consists of District borrowing that may be considered short-term and debt held by civic corporations.

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

9. Debt (continued)

The District's debt by specific by-law:

Fund	Maturity year	Interest rate	Purpose	Bylaw	2018	2017
General						
	2020		Capital leases	n/a	\$ 46,568	\$ 92,475
	2022	1.75	Police building	1613	1,394,228	1,702,301
	2026	1.75	Forestry building	1917	1,373,609	1,516,951
	2027	2.25	Business Park	1945	1,725,705	1,882,500
	2029	4.90	Business Park	2029	1,869,372	2,002,653
	2031	4.20	Arena Roof	2064	521,630	551,796
	2031	4.20	Roads & Drainage	2051	817,931	865,232
	2022	2.90	Facilities	2137	241,881	296,640
	2027	2.90	General Capital Works	2166	908,988	991,578
	2023	3.85	General Capital Works	2166	243,184	286,356
	2023	3.85	Facilities	2137	65,549	77,169
	2033	3.85	General Capital Works	2208	378,765	396,953
	2023	3.85	General Capital Works	2208	234,358	275,963
	2023	3.85	Parks Capital Works	2214	99,379	117,021
	2031	3.00	Dike Construction & Rehabilitation	2051	300,685	313,932
	2029	3.00	Flood Protection	2166	88,803	95,134
	2024	3.00	Systems & Equipment	2208	73,201	83,813
	2029	3.00	Bridge, Flood Protection, Arena Lighting	2208	656,665	703,484
	2029	3.00	Bridge	2282	273,255	292,738
	2035	2.75	General Capital Works	2051	90,140	93,976
	2030	2.75	General Capital Works	2331	46,044	49,090
	2030	2.75	General Capital Works	2282	561,640	598,802
	2031	2.10	General Capital Works	2051	499,418	530,464
	2022	1.95	General Capital Works	2208	219,225	270,100
	2032	3.15	General Capital Works	2282	601,575	635,757
	2027	3.15	General Capital Works	2392	162,836	178,398
	2033	3.20	General Capital Works	2530	321,869	
	2033	2.90	General Capital Works	2534	310,389	
					<u>\$14,126,892</u>	<u>\$14,901,276</u>
Solid waste						
	2025	2.75	Solid Waste Capital Works	2137	\$ 150,494	\$ 169,185
	2023	3.85	Solid Waste Capital Works	2137	103,261	121,609
	2022	2.90	Solid Waste Capital Works	2137	59,191	72,605
					<u>312,946</u>	<u>363,399</u>

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

9. Debt (continued)

Water					
2020	2.10	Powerhouse Springs	1572	157,324	230,942
2027	2.25	Water Systems	1944	230,674	251,633
2032	2.90	Water Systems	2167	245,862	258,786
2029	4.90	Water Systems	2052	424,573	454,844
2032	2.90	Water Systems	2138	198,838	209,291
2031	4.20	Water Capital Works	2052	433,274	458,331
2028	3.85	Water Capital Works	2209	621,232	670,984
2023	3.85	Watermain Replacement	2167	170,044	200,231
2029	3.00	PRV, Meters, Stations, Mains	2167	160,388	171,823
2029	3.00	Watermain Replacement	2209	279,305	299,219
2029	3.00	Water Capital Works	2283	706,244	756,597
2030	2.75	Water Capital Works	2283	161,665	172,362
2022	1.95	Water Capital Works	2209	181,843	224,042
2032	3.15	Water Capital Works	2445	477,895	505,050
				4,449,161	4,864,135
Sewer					
2018	4.65	WWTP	1513	-	9,782
2024	2.40	WWTP Mamquam	1756	1,197,423	1,365,082
2028	3.65	Sewer Mains	1977	386,152	417,078
2032	2.90	Trunk Sanitary Sewer Mains	2156	368,961	388,356
2033	3.85	Sewer Capital Works	2168	155,987	163,478
2029	3.00	Sanitary Sewer Trunk Line	2156	114,485	122,647
2029	3.00	Centrifuge, Trunk, Lift Station, Crane	2211	213,832	229,078
2030	2.75	Sewer Capital Works	2211	640,945	683,365
2022	1.95	Sewer Capital Works	2211	85,824	105,741
				3,163,618	3,484,607
Other					
temporary		Arena Slab Upgrade	2543	1,167,124	1,167,124
temporary		Technology Project	2544	303,030	303,030
temporary		Tantalus Firehall Upgrade	2545	592,216	253,441
				2,062,370	1,723,595
				\$24,114,987	\$25,337,012

Debt includes actuarial additions, which represent projected earnings on the sinking fund deposits. The actuarial additions are \$8,015,064 in 2018 (2017 - \$8,499,878).

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

9. Debt (continued)

Debt (sinking fund contributions on existing MFA loans) to be retired over the next five years, segregated by fund/other:

	2019	2020	2021	2022	2023	2024+
General	\$ 1,096,321	\$ 1,080,654	\$ 1,065,204	\$ 1,065,204	\$ 821,124	\$ 3,820,353
Solid waste	44,134	44,134	44,134	44,134	33,118	34,896
Water	331,235	331,235	295,600	295,600	253,400	1,483,426
Sewer	213,303	213,303	213,303	213,303	193,386	807,049
Other	2,062,370	-	-	-	-	-
	\$ 3,747,363	\$ 1,669,326	\$ 1,618,241	\$ 1,618,241	\$ 1,301,028	\$ 6,145,724

Authorized but unissued debt is \$19,322,297 in 2018 (2017 - \$18,302,031).

10. Provision for solid waste landfill

The District has ongoing assessments and work performed to determine the timeframe and costs of closure and post closure costs associated with the landfill. The estimates are based on District Engineering reports and calculations performed by consultants.

The liability is calculated based on the ratio of cumulative usage to total capacity of the site by volume and the discounted estimated future cash flows associated with closure and post closure activities. An estimate for inflation is incorporated into the calculation. Cash flows are discounted at 3.94% (2017 - 3.98%) per annum and inflation is estimated at 1.48% (2017 - 1.30%) per annum.

The reported liability is based on estimates and assumptions with respect to capacity, usage and events extending over the remaining life of the landfill.

In 2016, the District began a vertical expansion of the landfill, increasing its capacity and extending its estimated closure date. The District is currently in the build phase of the expansion. All estimates used in the calculation at December 31, 2018 are based on the expected results of the expansion.

As of December 31, 2018 the total capacity of the landfill after the expansion is estimated at 835,010 cubic meters. Assuming this total capacity, the current remaining capacity of the landfill site is estimated at 179,000 cubic meters (2017 - 196,000 cubic meters) which is 21.4% (2017 - 23.5%) of the site's total planned capacity after the expansion.

The total discounted future cash flows for closure and post closure costs are estimated at \$3,087,345 as at December 31, 2018 (2017 - \$3,009,940). The landfill is expected to reach capacity by 2027.

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

11. Provision for post-employment benefits

Information regarding the District's obligations for post-employment benefits is as follows:

	<u>2018</u>	<u>2017</u>
Liability, beginning of year	\$ 1,018,300	\$ 940,100
Current service cost	100,800	93,400
Interest cost	33,000	33,400
Benefits paid	-	(41,900)
Past service cost	(9,600)	(7,900)
Amortization of net actuarial loss	5,800	1,200
Liability, end of year	<u>\$ 1,148,300</u>	<u>\$ 1,018,300</u>

The District provides future benefits to all of its eligible employees through a Sick Leave Plan, a Full Annual Vacation at Retirement Plan, and a Retirement Pay Plan (collectively as the "Plans"). The Sick Leave Plan entitles employees to twelve sick days per year, based on one day for each month of service, up to a maximum of 150 days. Sick leave benefits can be used by the employee at any point up to their retirement date.

The Full Annual Vacation at Retirement Plan entitles employees to receive full annual vacation or vacation pay on retirement irrespective of the month of retirement. This benefit would be paid out in full to the employee upon their retirement. The Retirement Pay Plan entitles an employee to two days pay at the employee's normal rate of pay for each year or part of year worked. The benefit would be paid out in full to the employee upon their retirement.

There were no amendments to the above Plans during the year ended December 31, 2018. The total expense recorded in the financial statements in respect of obligations under the Plan amounts to \$139,600 (2017 - \$128,000).

Actuarial gains and losses are amortized over eleven years, being the expected average remaining service period of the related employee group, commencing the year after the gain or loss arises.

	<u>2018</u>	<u>2017</u>
Accrued benefit obligation, end of year	\$ 1,072,800	\$ 1,028,600
Unamortized loss (gain)	75,500	(10,300)
Liability, end of year	<u>\$ 1,148,300</u>	<u>\$ 1,018,300</u>

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

11. Provision for post-employment benefits (continued)

The most recent actuarial valuation of the District's employee future benefits was completed as at December 31, 2017. The significant actuarial assumptions adopted in measuring the District's accrued benefit obligation are as follows:

	<u>2018</u>	<u>2017</u>
Discount rates	3.30%	3.00%
Expected future inflation rates	2.50%	2.50%
Expected wage and salary increases	2.5 - 4.6%	2.5 - 4.6%

12. Accumulated Surplus

	<u>2018</u>	<u>2017</u>
Unappropriated surplus	\$ 5,499,918	\$ 7,954,992
Appropriated surplus		
Non-statutory reserves (provisions)	5,968,815	7,463,345
Statutory reserves (Schedule 4)	<u>37,543,233</u>	<u>33,113,216</u>
	<u>49,011,966</u>	<u>48,531,553</u>
Investment in tangible capital assets	<u>229,419,673</u>	<u>214,125,746</u>
	<u><u>\$ 278,431,639</u></u>	<u><u>\$ 262,657,299</u></u>

The unappropriated surplus is the amount of accumulated surplus remaining after deducting the other accumulated surplus components. It is available to temporarily finance operations until planned revenues and borrowing proceeds are received, can be employed for emergency expenditures and, if included in the annual financial plan bylaw, employed to stabilize taxation and utility fee rates.

Appropriated surplus is the amount of accumulated surplus, supported by a portion of the District's cash and receivables, that has been set aside by decision of Council for a specified purpose. The statutory reserves have been established by bylaw in accordance with the *Community Charter* and their use is restricted by the legislation. In the normal course of operations, these funds will be used to finance the future services or capital works for which they have been appropriated.

Investment in tangible capital assets is equal to the net book value of the tangible capital, less related long term debt. In the normal course of operations, the tangible capital assets will be used to provide services and debt is repaid by future period revenues.

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

13. Contractual Obligations and Contingencies

(a) Litigation

The District is currently involved in certain legal actions and other existing conditions involving uncertainty. Financial implications of potential claims against the District, resulting from such litigation, and that are not covered by insurance, are accrued to the extent that amounts can be reasonably estimated. Otherwise, such claims are to be recognized in the year in which an obligation is determined.

As at December 31, 2018, there were legal claims in various stages of litigation for which management is unable to determine the outcome. The outstanding claims are not expected to result in a material loss to the District. As such, no provision has been made in the financial statements for these claims. Losses, if any, resulting from these actions will be recorded in the period the loss becomes known and the amounts are determinable.

(b) 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, 2018, the Plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the 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 valuation as at December 31, 2015 indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates unchanged.

In 2018, the District paid \$1,234,019 (2017 - \$1,108,354) for employer contributions and employees contributed \$1,093,741 (2017 - \$987,556) to the Plan.

The next valuation will be as at December 31, 2018 with results available in 2019.

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

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

13. Contractual Obligations and Contingencies (continued)

(c) Demand notes

The District issues its debt instruments through the MFA. The District also executes demand notes in connection with each debenture whereby the District may be required to loan amounts to the MFA. These demand notes are contingent in nature and are not reflected in the consolidated financial statements.

(d) Squamish Oceanfront front ender and municipal share agreements

As permitted under the Local Government Act, The District entered into a Development Cost Charge (DCC) Front End Agreement and Municipal Share Agreements in 2015 for specified off-site infrastructure projects necessary for the development of Oceanfront Lands sold to Matthews Southwest and Bethel Lands Corporation (The Developer) in 2014.

The Agreements provide for the reimbursement of a maximum of \$33,915,438 over a 20 year period for specified DCC projects that the Developer pays for and builds on behalf of the District. Within the agreements there are conditions and restrictions that may limit the reimbursement paid by the District. A key restriction is that reimbursement for most of the specified projects may not exceed 78% of DCC collections received by the District per quarter during the time when invoices are outstanding, and that any amounts outstanding at the end of the 20 year term are forgiven.

Only projects identified in the Municipal Share Agreements are eligible for reimbursement of the municipal share portions of the project and only at the time of project completion. The District has discretion to fund and build any project identified in the Agreements and the Developer is not bound to proceed with development activities.

14. Financial Plan

For 2018, the financial plan amounts presented throughout the consolidated financial statements are based on the Financial Plan bylaw 2589 adopted by Council on March 6, 2018. The financial plan does not include certain revenues for transfers from reserves and internal sources, and debt proceeds and also does not include capital expenditures for tangible capital assets.

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

15. Taxation and utility revenues

Collection for District

The following shows the collections in 2018 for District purposes, including applicable civic corporations:

	Financial Plan	2018	2017
Taxation			
General property levies	\$ 27,679,653	\$ 27,605,650	\$ 26,132,437
Business improvement area	89,303	91,428	85,001
Library levies	-	-	52,771
Water frontage levies	268,785	253,242	252,351
Sewer frontage levies	324,760	306,000	304,840
	<u>28,362,501</u>	<u>28,256,320</u>	<u>26,827,400</u>
Other property levies			
Grants-in-lieu of property levies	727,071	718,426	683,702
Hotel tax	180,000	332,325	256,045
1% utility revenue	276,660	276,670	267,384
Penalties and interest on property levies	335,000	287,798	333,333
	<u>1,518,731</u>	<u>1,615,219</u>	<u>1,540,464</u>
	<u>29,881,232</u>	<u>29,871,539</u>	<u>28,367,864</u>
Utility user fees			
Water	4,149,074	4,199,744	4,074,963
Sewer	5,634,598	5,695,749	5,496,294
Solid waste	4,097,565	4,214,676	3,990,302
	<u>13,881,237</u>	<u>14,110,169</u>	<u>13,561,559</u>
	<u>\$ 43,762,469</u>	<u>\$ 43,981,708</u>	<u>\$ 41,929,423</u>

Collection for other agencies

The following amounts were collected on behalf of and remitted to other taxing authorities, and are not included on the District's Consolidated Statement of Operations:

	2018	2017
Province of BC School Taxes	\$ 11,542,830	\$ 11,280,796
BC Assessment Authority	370,447	353,858
Municipal Finance Authority	1,610	1,416
Squamish Lillooet Regional District	1,641,719	1,559,945
Sea to Sky Regional Hospital District	288,793	261,048
	<u>\$ 13,845,399</u>	<u>\$ 13,457,063</u>

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

16. Government transfers and other contributions

	2018	2017
Operating		
Province of British Columbia		
Community protection and emergency	\$ 431,261	\$ 439,814
Support for provincial programs	354,904	427,015
Climate action	33,848	29,962
Seniors grant	-	5,440
	820,013	902,231
Government of Canada	5,423	37
Other		
UBCM - Community Works Fund	990,766	786,363
SLRD	2,500	19,215
Support from other agencies	24,720	35,626
Support for civic corporations	114,649	105,981
	1,132,635	947,185
Total operating	1,958,071	1,849,453
Capital		
Province of British Columbia	970,108	2,341,378
Other	-	196,859
Total capital	970,108	2,538,237
	\$ 2,928,179	\$ 4,387,690

17. Trust Funds

The District trust funds account for assets that must be administered as directed by agreement or statute for certain beneficiaries. In accordance with the recommendations of the Public Sector Accounting Board, trust funds are not included in the District's consolidated financial statements.

The District operates the Mount Garibaldi Cemetery and maintains the Cemetery Care Fund in accordance with the Cemeteries and Funeral Services Act. The following trust funds are administered by the District and are excluded from these consolidated financial statements.

Cemetery Care Fund financial position as at December 31, 2018:

	2018	2017
Financial Assets		
Cash and investments	\$ 238,718	\$ 227,006
Liabilities		
Cemetery Care Fund	\$ 238,718	\$ 227,006

District of Squamish

Notes to the Consolidated Financial Statements

December 31, 2018

18. Segmented Information

The District is a diversified municipal government that provides a wide range of services to its citizens, including General Government; Protective Services; Transportation and Transit; Economic and Community Development; Recreation, Parks, Trails and Library; Public Health; Water, Sewer and Solid Waste Utilities. For management reporting purposes, the District's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

Municipal services are provided by departments and their activities reported within these funds. Certain functions that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

General Government

General government and fiscal services is comprised of Council and the related support services provided by the Administration and Finance departments, as well as all operations and maintenance costs relating to Municipal Hall and grants to community organizations.

Protective Services

Protective Services is comprised of police, fire, emergency management planning, bylaw enforcement, animal control and building inspection.

Transportation and Transit

Transportation and Transit is a broad function comprised of engineering departments and the public works crews engaged in the maintenance and improvements to the road systems, drainage, sidewalks, flood protection, fleet maintenance, works yard maintenance and other planning and maintenance activities. In addition, this function includes transit services and airport operations.

Economic and Community Development

Economic and Community Development is comprised of planning and land use development, environmental planning, economic development and events management with the common goal of developing Squamish into a healthy, vibrant and economically viable community. In addition, the District's civic corporation, Squamish Sustainability Corporation has been consolidated into this function for reporting purposes.

Recreation, Parks, Trails and Library

Recreation, Parks, Trails and Library is comprised of the arena and community centre, seniors centre, youth centre and an extensive networks of parks and trail systems throughout the community. In addition, the District's civic corporation, the Squamish Public Library, has been consolidated into this function for reporting purposes.

District of Squamish
Notes to the Consolidated Financial Statements

December 31, 2018

18. Segmented Information (continued)

Public Health

Public Health Service is comprised of the municipal cemetery services, social and housing initiatives.

Water and Sewer Utilities

The Water and Sewer Utilities is comprised of the water and sewer system networks, storm mains and pump stations.

Solid Waste Utility

The Solid Waste Utility is comprised of garbage, recycling, organic waste collection services as well as the operation of the landfill.

19. Comparative figures

The comparative figures have been reclassified to conform with the consolidated financial statement format adopted in the current year.

District of Squamish
Schedule 1 - Tangible capital assets

December 31, 2018	Land	Land Improvements	Buildings	Furniture, Vehicles and Equipment	Transportation Infrastructure	Solid Waste Infrastructure	Water Infrastructure	Sewer Infrastructure	Assets Under Construction	2018 Actual
COST										
Opening Balance	\$ 59,923,355	\$ 28,164,738	\$ 41,037,858	\$ 15,020,098	\$ 86,326,629	\$ 5,424,146	\$ 52,689,185	\$ 53,633,080	\$ 7,409,950	\$ 349,629,039
Add: Additions	575,548	1,127,784	726,762	2,451,204	3,110,836	-	3,992,907	3,704,851	9,018,633	24,708,525
Less: Disposals and transfers	-	-	-	(964,047)	(140,259)	-	-	-	(3,760,985)	(4,865,291)
Closing Balance	60,498,903	29,292,522	41,764,620	16,507,255	89,297,206	5,424,146	56,682,092	57,337,931	12,667,598	369,472,273
ACCUMULATED AMORTIZATION										
Opening Balance	-	7,909,887	18,090,879	9,049,984	34,875,370	1,377,937	18,004,497	20,857,727	-	110,166,281
Add: Amortization	-	646,197	847,381	830,724	2,257,179	315,457	963,299	969,639	-	6,829,876
Less: Acc Amortization on disposals	-	-	-	(957,104)	(101,440)	-	-	-	-	(1,058,544)
Closing Balance	-	8,556,084	18,938,260	8,923,604	37,031,109	1,693,394	18,967,796	21,827,366	-	115,937,613
Net Book Value, year ended 2018	\$ 60,498,903	\$ 20,736,438	\$ 22,826,360	\$ 7,583,651	\$ 52,266,097	\$ 3,730,752	\$ 37,714,296	\$ 35,510,565	\$ 12,667,598	\$ 253,534,660

Contributed tangible capital assets (developer contributions) have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$3,390,070 (2017 - \$5,985,109) comprised of land, land improvements and other public infrastructure.

No write down of tangible capital assets occurred during 2018 or 2017.

District of Squamish
Schedule 2 - Tangible capital assets (prior year)

December 31, 2017	Land	Land Improvements	Buildings	Furniture, Vehicles and Equipment	Transportation Infrastructure	Solid Waste Infrastructure	Water Infrastructure	Sewer Infrastructure	Assets Under Construction	2017 Actual
COST										
Opening Balance	\$ 59,762,916	\$ 28,013,139	\$ 40,962,874	\$ 14,182,964	\$ 81,553,236	\$ 5,143,578	\$ 47,683,690	\$ 50,073,611	\$ 4,372,937	\$ 331,748,945
Add: Additions	160,439	151,599	28,034	1,420,464	4,294,789	-	5,040,969	2,069,976	5,739,067	18,905,337
Less: Disposals and transfers	-	-	46,950	(583,330)	478,604	280,568	(35,474)	1,489,493	(2,702,054)	(1,025,243)
Closing Balance	59,923,355	28,164,738	41,037,858	15,020,098	86,326,629	5,424,146	52,689,185	53,633,080	7,409,950	349,629,039
ACCUMULATED AMORTIZATION										
Opening Balance	-	7,265,963	17,278,010	8,894,970	32,946,479	1,048,633	17,148,517	20,000,092	-	104,582,664
Add: Amortization	-	643,924	812,869	826,023	2,125,609	329,304	891,454	857,635	-	6,486,818
Less: Acc Amortization on disposals	-	-	-	(671,009)	(196,718)	-	(35,474)	-	-	(903,201)
Closing Balance	-	7,909,887	18,090,879	9,049,984	34,875,370	1,377,937	18,004,497	20,857,727	-	110,166,281
Net Book Value, year ended 2017	\$ 59,923,355	\$ 20,254,851	\$ 22,946,979	\$ 5,970,114	\$ 51,451,259	\$ 4,046,209	\$ 34,684,688	\$ 32,775,353	\$ 7,409,950	\$ 239,462,758

District of Squamish
Schedule 3 - Segmented revenue and expenses by type

	General Government	Protective Services	Transportation & Transit	Economic & Community Development	Recreation, Parks, Trails & Library	Health, Social & Housing	Solid Waste Management	Water Services	Waste Water Services	Total All Funds 2018	Total All Funds 2017
Revenue:											
Taxation	\$ 27,697,078	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 253,242	\$ 306,000	28,256,320	\$ 26,827,400
Other property levies	1,282,894	-	-	332,325	-	-	-	-	-	1,615,219	1,540,464
Utility user fees	-	-	-	-	-	-	4,214,676	4,199,744	5,695,749	14,110,169	13,561,559
Other revenue	423,727	2,029,527	705,860	878,534	1,076,324	158,920	2,945	4,867	135	5,280,839	5,484,510
Government transfers for operating	966,871	325,759	299,301	157,174	126,149	50,000	12,817	-	20,000	1,958,071	1,849,453
Investment income	1,518,715	-	-	-	3,103	-	6,529	85,216	104,273	1,717,836	1,264,838
	31,889,285	2,355,286	1,005,161	1,368,033	1,205,576	208,920	4,236,967	4,543,069	6,126,157	52,938,454	50,528,224
Expenses:											
Payroll and benefits	4,778,327	3,077,372	3,383,595	1,378,073	3,640,820	42,325	-	720,212	641,320	17,662,044	16,839,564
Operating expenses	1,558,431	5,342,153	1,675,661	1,256,622	2,393,424	303,322	3,549,025	1,325,909	2,218,684	19,623,231	18,570,255
Debt service - interest	382,388	78,702	46,990	196,337	5,137	-	16,709	219,605	152,762	1,098,630	1,179,692
Amortization expense	4,461,909	-	-	11,241	108,330	-	315,457	963,299	969,639	6,829,875	6,486,818
	11,181,055	8,498,227	5,106,246	2,842,273	6,147,711	345,647	3,881,191	3,229,025	3,982,405	45,213,780	43,076,329
Annual surplus before other	20,708,230	(6,142,941)	(4,101,085)	(1,474,240)	(4,942,135)	(136,727)	355,776	1,314,044	2,143,752	7,724,674	7,451,895
Other:											
Government transfers for capital	-	23,500	387,344	-	-	-	-	559,264	-	970,108	2,538,237
Developer cost charges	-	-	1,409,699	-	-	-	-	25,267	1,035,558	2,470,524	412,524
Developer contributed assets	2,209,823	420	-	987,880	32,647	-	-	1,068,344	161,569	4,460,683	6,794,719
Connection Fees	-	-	1,028	-	-	-	-	69,120	5,433	75,581	143,294
Gain on disposal of tangible capital assets	18,513	56,700	4,500	-	(6,943)	-	-	-	-	72,770	17,681
	2,228,336	80,620	1,802,571	987,880	25,704	-	-	1,721,995	1,202,560	8,049,666	9,906,455
Annual surplus (deficit)	\$ 22,936,566	\$ (6,062,321)	\$ (2,298,514)	\$ (486,360)	\$ (4,916,431)	\$ (136,727)	\$ 355,776	\$ 3,036,039	\$ 3,346,312	\$ 15,774,340	\$ 17,358,350

District of Squamish
Schedule 4 - Continuity of reserves

Reserve Fund Transactions	Balance, beginning of year	Contributions	Investment income	Expenditures	Balance, end of year 2018	Balance, end of year 2017
General Sinking Fund Surplus	\$ 273,623	\$ -	\$ 6,704	\$ -	\$ 280,327	\$ 273,623
Water Works Sinking Fund Surplus	581,339	-	14,242	-	595,581	581,339
Sewer Works Sinking Fund Surplus	682,220	640	16,682	-	699,542	682,220
Land Sale Reserve Fund	11,886,756	-	291,237	-	12,177,993	11,886,756
Equipment Replacement	5,306,752	673,018	124,788	(1,103,953)	5,000,605	5,306,752
Community Works Fund/Public Transit	2,957,309	813,266	78,181	(345,986)	3,502,770	2,957,309
Capital Works, Rehabilitation and Replacement	10,267,876	3,509,317	290,661	(318,646)	13,749,208	10,267,876
Offstreet Parking	443,912	-	10,874	-	454,786	443,912
Affordable Housing	580,562	313,410	18,063	-	912,035	580,562
Carbon Neutral	125,791	33,848	3,498	-	163,137	125,791
VANOC Legacy	7,076	-	173	-	7,249	7,076
Economic Development Reserve	-	-	-	-	-	-
Total	\$ 33,113,216	\$ 5,343,499	\$ 855,103	\$ (1,768,585)	\$ 37,543,233	\$ 33,113,216