

District of Squamish
Consolidated Financial Statements
For the year ended December 31, 2023



District of Squamish

December 31, 2023

Management's Responsibility for Financial Reporting

The Council of the District of Squamish ("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 judgements 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, operations, 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.

Heather Boxrud, MBA, CPA, CGA
Chief Financial Officer
May 13, 2024



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Independent Auditor's Report

To the Mayor and Councillors of the District of Squamish

Opinion

We have audited the accompanying consolidated financial statements of the District of Squamish and its controlled entities (the "District"), which comprise the Consolidated Statement of Financial Position as at December 31, 2023, the Consolidated Statements of Operations and Accumulated Surplus, Change in Net Financial Assets, Remeasurement Gains and Losses, 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 consolidated financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2023, and its results of consolidated operations, change in net financial assets, and 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 *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of this report. We are independent of the District 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 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 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 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.

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

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



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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District'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 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 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 District 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 District 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.

BDO Canada LLP

Chartered Professional Accountants

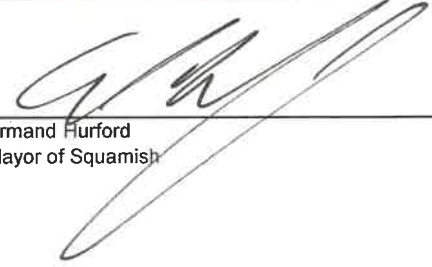
Whistler, British Columbia
May 13, 2024

District of Squamish
Consolidated Statement of Financial Position

December 31	2023	2022 (Restated)
Financial Assets		
Cash and cash equivalents (Note #4)	\$ 115,404,477	\$ 109,090,004
Investments (Note #5)	5,841,294	5,506,016
Accounts receivable (Note #6)	7,771,394	7,873,619
Debenture deposits (Note #7)	713,673	716,523
Security deposits	10,000	10,000
	129,740,838	123,196,162
Liabilities		
Accounts payable, accrued and other liabilities (Note #8)	32,468,757	22,086,930
Deferred revenue (Note #9)	9,542,487	7,701,137
Asset retirement obligations (Note #10)	6,470,457	6,336,418
Development cost charges (Note #11)	16,124,997	19,267,070
Debt (Note #12)	33,273,814	37,870,347
Provision for post-employment benefits (Note #13)	1,845,000	1,705,800
	99,725,512	94,967,702
Net Financial Assets	30,015,326	28,228,460
Non-Financial Assets		
Tangible capital assets (Schedule 1)	370,272,680	347,804,342
Inventories	636,855	654,461
Prepaid expenses	203,425	192,461
	371,112,960	348,651,264
Accumulated Surplus (Note #14)	\$ 401,128,286	\$ 376,879,724
Commitments and contingencies (Note #15)		



Heather Boxrud, MBA, CPA, CGA
 Chief Financial Officer



Armand Hurford
 Mayor of Squamish

District of Squamish
Consolidated Statement of Operations and Accumulated Surplus

For the year end December 31	Financial Plan		
	2023 (Note #16)	2023	2022 (Restated)
Revenue (Schedule 2)			
Taxation (Note #17)	\$ 37,315,000	\$ 37,046,411	\$ 33,932,364
Other property levies (Note #17)	1,557,100	2,849,387	2,492,460
Utility user fees (Note #17)	18,609,300	19,501,381	18,999,487
Other revenue from own sources	2,498,421	3,485,426	1,874,292
Other fees and charges	5,204,800	5,972,970	5,797,106
Government transfers for operating (Note #18)	2,791,753	8,562,959	1,854,032
Investment income	1,695,637	6,106,720	3,307,362
	<u>69,672,011</u>	<u>83,525,254</u>	<u>68,257,103</u>
Expenses (Schedule 2)			
General Government	19,090,744	20,717,939	18,338,957
Protective Services	13,833,465	12,640,078	11,174,094
Transportation & Transit	6,962,777	7,130,853	6,316,547
Economic & Community Development	4,703,278	5,269,299	3,962,885
Parks, Recreation & Culture	7,271,349	7,507,248	6,741,984
Health, Social & Housing	589,830	507,496	292,855
Solid Waste Management	6,714,344	6,149,712	6,008,647
Water Services	4,738,285	4,326,168	3,979,303
Waste Water Services	5,618,397	6,135,176	5,418,291
	<u>69,522,469</u>	<u>70,383,969</u>	<u>62,233,563</u>
Annual surplus before Other	<u>149,542</u>	<u>13,141,285</u>	<u>6,023,540</u>
Other			
Government transfers for capital (Note #18)	18,763,200	2,079,647	1,857,732
Developer cost charge capital revenues	17,070,800	5,493,211	7,363,974
Developer contributed assets	630,000	3,758,626	2,989,212
Loss on disposal of tangible capital assets	-	(119,713)	(40,705)
Other capital revenues	-	82,325	68,908
	<u>36,464,000</u>	<u>11,294,096</u>	<u>12,239,121</u>
Annual Surplus	<u>36,613,542</u>	<u>24,435,381</u>	<u>18,262,661</u>
Accumulated Surplus, beginning of year	376,879,724	376,879,724	359,900,088
Adjustment on adoption of the Asset Retirement Obligation Standard (Note #10)	-	-	(1,283,025)
Accumulated Surplus, end of year	<u>\$ 413,493,266</u>	<u>\$ 401,315,105</u>	<u>\$ 376,879,724</u>

District of Squamish
Consolidated Statement of Change in Net Financial Assets

For the year end December 31	Financial Plan		
	2023 (Note #16)	2023	2022 (Restated)
Annual surplus	\$ 36,613,542	\$ 24,435,381	\$ 18,262,661
Acquisition of tangible capital assets	(92,601,569)	(32,518,603)	(28,928,707)
Contributed tangible capital assets	(630,000)	(2,397,553)	(622,376)
Amortization expense	10,200,000	12,314,472	11,315,317
Loss on disposal of tangible capital assets	-	119,713	40,705
Proceeds on sale of tangible capital assets	-	13,635	16,272
	(83,031,569)	(22,468,336)	(18,178,789)
Other non-financial assets			
Decrease (increase) in inventories	-	17,603	(164,845)
Decrease (increase) in prepaid expenses	-	(10,963)	326,510
	-	6,640	161,665
Net remeasurement losses	-	(186,819)	-
Change in net financial assets (liabilities)	(46,418,027)	1,786,866	245,537
Net financial assets, beginning of year	28,228,460	28,228,460	27,982,923
Net financial assets (debt), end of year	\$ (18,189,567)	\$ 30,015,326	\$ 28,228,460

District of Squamish
Consolidated Statement of Remeasurement Gains and Losses

For the year end December 31	2023	2022
Unrealized loss attributed to:		
Pooled investments	\$ (186,819)	\$ -
Amounts reclassified to statements of Operations:		
Pooled investments	-	-
Net remeasurement losses	(186,819)	-
Accumulated remeasurement gain (losses) beginning of year	-	-
Accumulated remeasurement losses end of year	\$ (186,819)	\$ -

District of Squamish
Consolidated Statement of Cash Flows

For the year end December 31	2023	2022
		(Restated)
Cash provided by (used in)		
Operating transactions		
Annual surplus	\$ 24,435,381	\$ 18,262,661
Non-cash items included in annual surplus		
Amortization	12,314,472	11,315,317
Accretion expense	163,354	159,970
Contributed tangible capital assets	(2,397,553)	(622,376)
Loss on disposal of tangible capital assets	119,713	40,705
Provision for post employment benefits	139,200	96,400
Development cost charges revenue recognized	(5,493,211)	(7,363,974)
Actuarial adjustment on debt	(758,100)	(923,634)
Changes in other non-cash working capital	12,305,577	(2,485,985)
	40,828,833	18,479,084
Investing transactions		
Proceeds from disposal (purchase of) investments	(522,096)	2,997,545
Capital transactions		
Purchase of tangible capital assets	(32,518,603)	(28,928,707)
Proceeds from sale of tangible capital assets	13,635	16,272
	(32,504,968)	(28,912,435)
Financing transactions		
Development cost charges received, including interest	2,351,138	3,713,530
Repayment of the short-term portion of Debt	-	(7,500,000)
Proceeds of the long-term portion of Debt	-	9,695,598
Debt principal repaid	(3,816,883)	(3,721,794)
Capital leases	(21,551)	(20,240)
	(1,487,296)	2,167,094
Increase (decrease) in cash	6,314,473	(5,268,712)
Cash and cash equivalents, beginning of year	109,090,004	114,358,716
Cash and cash equivalents, end of year (Note #4)	\$ 115,404,477	\$ 109,090,004
Supplemental information:		
Interest paid	\$ 1,488,972	\$ 1,302,152

District of Squamish

Notes to the Consolidated Financial Statements

December 31, 2023

The Notes to the Consolidated Financial Statements ("Notes") are an integral part of the 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 ("District") is a municipality that was incorporated on December 15, 1964 pursuant to the Municipal Act and subsequently continued under the Local Government Act, a statute of the Legislature of the Province of British Columbia ("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 waste water services. The District also operates a cemetery and an aquatic centre (facility owned by the Squamish-Lillooet Regional District) and provides the community with library and other services.

2. Significant Accounting Policies

The consolidated financial statement have been prepared by management in accordance with Canadian public sector accounting standards ("PSAS"). 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 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.

II) Squamish Community Forest Corporation and Squamish Community Forest Limited Partnership

The District of Squamish holds 50% of the shares in Squamish Community Forest Corporation and is a 25% limited partner in Squamish Community Forest Limited Partnership.

Notes to the Consolidated Financial Statements

December 31, 2023

Significant Accounting Policies (continued)

(III) 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 revenues as it is earned and measurable. Expenses are recognized as they are incurred based upon receipt of goods or services and / or 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 Waste Water.

II) Segment disclosure

The District 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 2.

Financial Instruments

Financial Instruments are classified into two categories: (I) fair value and (II) cost / amortized cost.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the Consolidated Statement of Operations and Accumulated Surplus.

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

(I) Fair Value

The District has elected to measure the MFA Mortgage Fund at fair value, based upon quoted prices in an active market for identical investments, to correspond with how they are evaluated and managed. Unrealized gains and losses are recognized in the Consolidated Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to sale or impairment. At the time of derecognition, the related gains

Notes to the Consolidated Financial Statements

December 31, 2023

Significant Accounting Policies (continued)

and losses are reversed from the Consolidated Statement of Remeasurement Gains and Losses and reported in the Consolidated Statement of Operations and Accumulated Surplus.

(II) Cost / amortized cost

The cost / amortized cost category includes cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and debt. The assets are measured using the effective interest rate method. Gains and losses are recognized in the Consolidated Statement of Operations and Accumulated Surplus upon derecognition or impairment. The carrying amount of each of these financial instruments is presented in the Consolidated Statement of Financial Position.

Deferred revenue

Government transfers, contributions, and other amounts are received from third parties pursuant to legislation, regulation, or agreement. They 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.

Development cost charges ("DCC") 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.

Contaminated sites

Governments are required to accrue a liability for the costs to remediate a contaminated site. The District recognizes a liability, at the estimated net present value of remediation cost, 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.

Employee future benefits

The District and its employees make contributions to the Municipal Pension Plan ("MPP"). These District contributions are expensed as incurred.

For post-employment benefits, the District accrues for the employees' Sick Leave Plan, Full Annual Vacation at Retirement Plan, and the Retirement Pay Plan. The liabilities related to these benefits are actuarially determined based on period of service and best estimates of retirement ages and expected salaries. The liabilities under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits. Actuarial gains and losses are amortized over the expected average remaining service period of the related employee group, commencing their year after the gain or loss arises.

Non-financial asset

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

Notes to the Consolidated Financial Statements

December 31, 2023

Significant Accounting Policies (continued)

for sale in the ordinary course of operations.

Intangible assets, such as water rights and mineral resources, unless acquired by the District through an arm's length exchange, are not recorded in the financial statements.

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

Fund	Asset Category	Useful Life Range (years)
General	Land	n/a
	Land improvements	5 to 200
	Buildings	5 to 60
	Furniture, vehicles, and equipment	3 to 40
	Transportation infrastructure	5 to 100
Solid Waste	Solid waste infrastructure	12 to 50
Water	Water infrastructure	5 to 100
Waste Water	Waste water 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. Assets under construction are not amortized. When assets are substantially complete and available for use, they cease to be classified as assets under construction and their period of amortization begins.

Contributed tangible capital assets are recognized at fair value (using various methods including actual developer costs, appraisals, assessed value, 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 classified as capital and the related assets are accounted for as tangible capital assets. All other leases are classified as operating leases and the related lease payments are charged to expenses as incurred.

Notes to the Consolidated Financial Statements

December 31, 2023

Significant Accounting Policies (continued)

The District's tangible capital assets do not include works of art and historical treasures because a reasonable estimate of the future benefits associated with such property cannot be made.

Inventories

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

Tax revenues

Taxes are levied to provide revenue to the District for the provision of public services. Tax revenues are recognized as revenue in the year they are levied as the tax revenues result from non-exchange transactions that are compulsorily paid to local governments in accordance with the established laws and regulations.

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 assessment 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.

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 reflected as a District revenue and expense. The funds collected are presented as a payable to the taxing authority.

Government transfers

Government transfers are transfers of monetary assets or tangible capital assets to the District that are not the result of an exchange transaction, a direct financial return, or expected to be repaid in the future. Government transfers, which include legislative grants, are recognized as revenue in the consolidated financial statements when the transfer is authorized and any eligibility criteria have been met, stipulations, if any, have been met, and reasonable estimates of the amounts can be determined.

Other revenues

The District recognizes other revenues for the provision of utility and other public services.

The utility services include water, waste water, and solid waste. The revenue for water, waste water, and solid waste usage are recorded as a user fee. Other utility revenues are recorded for servicing properties such as connection fees, which are recognized when the connection has been established.

Notes to the Consolidated Financial Statements

December 31, 2023

Significant Accounting Policies (continued)

Other sales of goods and services include revenue from other government services such as general government, transportation, economic and community development, parks and recreation, and the consolidated civic corporations.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results will depend on future economic events and could differ from those estimates. The significant areas requiring management estimates include accrued and other liabilities, asset retirement obligations, provision for post-employment benefits, the value of developer contributed assets, and the useful lives of tangible capital assets

Contingent liabilities

Liabilities for potential obligations that are contingent on future events are recognized when it is likely that the future event will confirm the existence of the obligation and the amount of the liability can be reasonably estimated. Disclosure for potential obligations that do not meet the threshold is made when the occurrence of the confirming future event is likely, but the amount of the liability cannot be reasonably estimated, or the occurrence of the confirming future event is not determinable.

Financial plan

The 2023 financial plan is included on the Consolidated Statements of Operations and Accumulated Surplus and the Consolidated Change in Net Financial Assets. The financial plan is compiled from the District Council approved financial plan bylaw and adjusted for consolidated entities.

New Accounting Standard

On January 1, 2023 the District adopted Public Accounting Standard PS 3280 - Asset Retirement Obligations ("ARO"). The new accounting standard addresses the reporting of legal obligations associated with the retirement of tangible capital assets.

An ARO is recognized when, as at the financial reporting date, all of the following criteria are met: 1) there is a legal obligation to incur retirement costs in relation to tangible capital assets, 2) the past transaction or event giving rise to the liability has occurred, 3) it is expected that future economic benefits will be given up, and 4) a reasonable estimate of the amount can be made.

Upon initial recognition of the liability for the ARO, the District recognized asset retirement cost by increasing the carrying amount of the related tangible capital asset. Amounts capitalized as a result of an ARO are amortized with the related tangible capital asset in accordance with the tangible capital asset policy. Asset retirement costs associated with fully amortized tangible capital assets and recognized tangible capital assets are recorded to accumulated surplus.

District of Squamish

Notes to the Consolidated Financial Statements

December 31, 2023

Significant Accounting Policies (continued)

The obligation is measured based on the estimate of future cash flows required to settle the liability and discounted using the cost of borrowing. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate.

This standard was applied on a modified retroactive basis, which required the District to apply the standards to events and transactions from the date of origin using January 1, 2023 assumptions and discount rate. The impact has been summarized below.

	December 31, 2022		December 31, 2022	
	Previously stated	Adjustment	Restated	
Liabilities				
Asset retirement obligation	\$ -	\$ 6,336,418	\$ 6,336,418	
Provision for solid waste landfill	5,449,955	(5,449,955)	-	
	<u>\$ 5,449,955</u>	<u>\$ 886,463</u>	<u>\$ 6,336,418</u>	
Net Financial Assets	<u>\$ 29,114,923</u>	<u>\$ (886,463)</u>	<u>\$ 28,228,460</u>	
	December 31, 2022		December 31, 2022	
	Previously stated	Adjustment	Restated	
Non-Financial Assets				
Tangible capital assets	<u>\$ 347,654,859</u>	<u>\$ 149,483</u>	<u>\$ 347,804,342</u>	
Accumulated Surplus				
Accumulated surplus end of year	<u>\$ 377,616,704</u>	<u>\$ (736,980)</u>	<u>\$ 376,879,724</u>	

3. Financial Instruments Risks

The District is exposed to credit risk and liquidity risk from financial instruments.

(I) Credit risk

Credit risk primarily arises from the District's cash and cash equivalents, accounts receivable, and portfolio investments. The risk exposure is limited to their varying amounts at the date of the financial statement of position.

The District manages cash and cash equivalents credit risk by holding balances of cash and cash equivalents and GICs held by Civic Corporations with reputable top rated financial institutions. The District manages exposure to credit risk related to the MFA Mortgage Fund investments by maintaining its investments in the Municipal

Notes to the Consolidated Financial Statements

December 31, 2023

Financial Instruments Risks (continued)

Finance Authority, which meets the investment requirements of Section 183 of the Community Charter of the Province.

The District has three primary sources of accounts receivable: property taxation, utility fees, and government grants. Credit risk for all primary sources is mitigated through legislated payments for property taxation and utility fees and formal commitments from government agencies.

Portfolio investment credit risk is mitigated through restrictive legislation investment options.

(II) Liquidity risk

Liquidity risk is the risk that the District will not be able to meet its financial obligations as they become due. The District meets its liquidity requirements by holding assets that can be readily converted into cash and preparing annual operating and capital expenditure budgets, which are monitored and updated as required. In addition, the District requires that funding for significant capital projects be secured before expenditures are incurred.

The two primary sources of liquidity risk to the District are accounts payable and accrued liabilities and debt. The District has sufficient net assets to meet its accounts payable and accrued liabilities obligations. The District manages debt liabilities through fixed repayment terms; the schedule of debt is detailed in financial statement Note 12.

4. Cash and Cash Equivalents

	2023		2022
Cash	\$ 112,547,967	\$	106,209,049
Cash equivalents	2,783,874		2,714,053
Cash held by civic corporations	72,636		166,902
	\$ 115,404,477	\$	109,090,004

The District's Operating Account, presented as "Cash" is comprised of deposits at Scotiabank and accrues interest at a rate of the Scotiabank Reference Rate + 0.3% (2022 - Scotiabank Reference Rate + 0.3%).

Cash Equivalents are comprised of Scotiabank "Notice Plan" deposits which accrue interest at a rate of the Scotiabank Reference Rate + 0.35% (2022 - Scotiabank Reference Rate + 0.35%) and requires 20 days notice to liquidate.

District of Squamish

Notes to the Consolidated Financial Statements

December 31, 2023

5. Investments

	2023		2022
MFA Mortgage Fund	\$ 5,167,255	\$	5,168,669
Investments held by civic corporations	647,039		337,347
	\$ 5,814,294	\$	5,506,016

The District has elected to record its investments at fair value.

Investments in civic corporations consist of Guaranteed Investment Certificates.

6. Accounts Receivable

	2023		2022
Property taxes	\$ 2,152,465	\$	2,412,462
Utilities	842,582		1,276,878
Government transfers	2,136,673		1,907,866
GST	982,261		1,005,226
Trade accounts and other	1,660,742		1,275,654
Allowance for doubtful accounts	(3,329)		(4,467)
	\$ 7,771,394	\$	7,873,619

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

The District, as a local government, receives goods and services tax rebates and input tax credits from the Canada Revenue Agency, Government of Canada.

7. Debenture Deposits

	2023		2022
General	\$ 469,054	\$	473,802
Solid waste	73,460		73,610
Water	80,583		82,048
Waste water	90,576		87,063
	\$ 713,673	\$	716,523

The District issues its debt instruments through Municipal Finance Authority ("MFA"). A portion of the debt proceeds are withheld in the debt reserve fund by the MFA; these are considered District cash deposits and are a

District of Squamish

Notes to the Consolidated Financial Statements

December 31, 2023

Debenture Deposits (continued)

condition of the borrowings. These deposits are invested by MFA and earn a return net of expenses. They are refundable upon maturity of the underlying debt.

8. Accounts Payable, Accrued and Other Liabilities

	2023	2022
Accrued liabilities and trade liabilities	\$ 19,451,521	\$ 13,642,387
Wages and benefits payable	3,276,747	1,046,034
Accrued interest payable	318,153	334,433
Deposits	9,422,336	7,064,076
	\$ 32,468,757	\$ 22,086,930

9. Deferred Revenue

	2023	2022
Prepaid taxes	\$ 855,128	\$ 1,055,710
Prepaid utilities fees	280,035	386,855
Development cash-in-lieu	2,935,459	2,910,202
Deferred government transfers	3,727,404	2,804,723
Other deferred revenue	1,744,461	543,647
	\$ 9,542,487	\$ 7,701,137

The District records deferred revenue for funds received in advance of services rendered and is recognized as revenue in the period the services are provided. These funds are restricted in nature and therefore, presented as a liability.

10. Asset Retirement Obligations

	2023	2022
Opening balance		
Landfill ARO	\$ 5,666,543	\$ 5,523,485
Other ARO	669,875	652,963
Accretion expense	163,354	159,970
Other adjustment	(29,315)	-
	\$ 6,470,457	\$ 6,336,418

District of Squamish

Notes to the Consolidated Financial Statements

December 31, 2023

Asset Retirement Obligations (continued)

Asset retirement obligations have been recorded for the following: landfill post closure costs, asbestos remediation, well decommissioning, and lease agreement conditions.

The landfill is expected to close in 2030. Monitoring of the landfill will be required for an additional 30 years after closure.

The liability has been estimated using a net present value technique with a discount rate of 2.59% (2022 - 2.59%) and an inflation rate of 3.4% (2022 - 3.4%).

11. Development Cost Charges

	2023		2022	
Development cost charges, beginning of year	\$	19,267,070	\$	22,917,514
Contributions		1,396,007		3,001,060
Interest earned		955,130		712,470
Expenditures		(5,493,210)		(7,363,974)
Development cost charges, end of year	\$	16,124,997	\$	19,267,070

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, solid waste, water, and waste water) for the required use of the funds.

Notes to the Consolidated Financial Statements

December 31, 2023

12. Debt

Fund	Purpose	Bylaw No.	Maturity Year	Interest Rate	Balance Beginning of Year	Additions	Principal Payments	Actuarial Adjustment	2023
General	Facilities	2137	2023	2.75	14,168		9,945	4,210	13
	General Capital Works	2166	2023	3.85	52,525		36,903	15,622	-
	General Capital Works	2208	2023	3.85	50,618		35,564	15,054	-
	Synthetic Turf Field	2214	2023	3.85	21,465		15,081	6,384	-
	Fire Equipment	2534	2023	2.90	65,801		58,463	7,338	-
	Systems and Equipment	2208	2024	3.00	26,338		9,434	3,477	13,427
	Capital Leases	n/a	2025	n/a	66,837		21,551	-	45,286
	Tantalus Fire Hall Seismic Upgrade	2331	2025	0.91	416,208		131,687	4,649	279,872
	Forestry Building	1917	2026	1.53	740,568		93,112	81,285	566,171
	Business Park	1945	2027	3.90	1,033,247		118,446	74,235	840,566
	General Capital Works	2166	2027	3.39	544,247		72,967	28,525	442,755
	Fire Rescue Truck	2392	2027	3.15	95,778		15,562	2,479	77,737
	Business Park	2029	2029	2.25	1,280,761		97,387	64,770	1,118,604
	Flood Protection	2166	2029	3.00	60,841		5,629	2,075	53,137
	Bridge, Flood Protection, and Arena Lighting	2208	2029	3.00	449,900		41,621	15,340	392,939
	Bridge	2282	2029	3.00	187,215		17,320	6,384	163,511
	Aerial Apparatus	2533	2029	2.24	368,879		44,056	4,085	320,738
	Eagle Run Bridge	2282	2030	2.75	399,519		34,692	9,446	355,381
	Eagle Run Bridge	2331	2030	2.75	32,753		2,844	774	29,135
	ERP System, Arena Slab, Arena Wall Insulation	2392	2030	0.91	1,385,404		157,291	5,553	1,222,560
	ERP System	2444	2030	0.91	1,027,313		116,636	4,118	906,559
	Technology Transformation Project	2600	2030	0.91	871,984		99,000	3,495	769,489
	Technology Transformation Project	2687	2030	0.91	292,084		33,161	1,171	257,752
	Technology Transformation Project	2687	2031	1.98	928,918		92,194	2,074	834,650
	Roads and Drainage	2051	2031	1.47	607,736		40,923	17,691	549,122
	General Capital Works	2051	2031	2.10	365,636		30,142	5,849	329,645
	Arena Roof	2064	2031	1.47	387,581		26,098	11,282	350,201
	Forestry Building and Cleveland Ave Upgrade	2282	2032	3.15	454,278		34,182	5,444	414,652
	Technology Transformation Project	2774	2032	4.09	939,120		80,052	-	859,068
	General Capital Works	2208	2033	3.85	298,439		15,548	6,581	276,310
	Cleveland-Main to Victoria Streetscape	2530	2033	3.20	249,468		17,306	2,172	229,990
	Dike Construction and Rehabilitation	2051	2034	3.00	242,179		11,777	4,341	226,061
	General Capital Works	2051	2035	2.75	73,406		3,581	975	68,850
	Dike Construction and Rehabilitation	2536	2035	0.91	685,376		45,793	1,617	637,966
	Third Ave Pond Remediation	2599	2035	0.91	511,818		34,196	1,207	476,415
	Oceanfront R20 Peninsula Main Road	2465	2040	0.91	1,509,826		69,628	2,458	1,437,740
	Firehall #1	2777	2041	2.58	2,268,359		94,865	2,134	2,171,360
	Oceanfront R20 Peninsula Main Road	2775	2042	4.09	1,018,692		36,022	-	982,670
	Firehall #1	2777	2042	4.09	7,737,781		273,616	-	7,464,165
					\$ 27,763,066	\$ -	\$ 2,174,275	\$ 424,294	\$ 25,164,497

Notes to the Consolidated Financial Statements

December 31, 2023

12. Debt (continued)

Fund	Purpose	Bylaw No.	Maturity		Balance		Principal Payments	Actuarial Adjustment	2023
			Year	Interest Rate	Beginning of Year	Additions			
Solid Waste									
	Landfill Capital Projects	2137	2023	2.75	22,304		15,672	6,632	-
	Landfill Capital Projects	2137	2025	2.75	68,955		17,448	4,751	46,756
	Landfill Vertical Expansion	2535	2025	0.91	2,020,899		639,406	22,575	1,358,918
	Landfill Vertical Expansion	2691	2025	0.91	928,980		293,927	10,377	624,676
	Landfill Vertical Expansion	2691	2026	1.25	116,259		27,484	618	88,157
	Landfill Vertical Expansion	2535	2029	2.24	1,158,124		138,317	12,826	1,006,981
					\$ 4,315,521	\$ -	\$ 1,132,254	\$ 57,779	\$ 3,125,488
Water									
	Watermain Replacement	2167	2023	3.85	36,727		25,804	10,923	-
	Water Systems	1944	2027	3.90	138,113		15,833	9,923	112,357
	Water Capital Works	2209	2028	3.85	401,507		42,529	18,003	340,975
	Water Systems	2052	2029	2.25	290,887		22,119	14,711	254,057
	PRV, Meters, Stations, and Mains	2167	2029	3.00	109,886		10,166	3,747	95,973
	Watermain Replacement	2209	2029	3.00	191,360		17,703	6,525	167,132
	Watermain Replacement	2283	2029	3.00	483,868		44,764	16,499	422,605
	Watermain Replacement	2283	2030	2.75	114,999		9,986	2,719	102,294
	Water Capital Works	2052	2031	1.47	321,930		21,678	9,371	290,881
	Water Systems	2138	2032	3.39	152,678		9,404	3,610	139,664
	Water Systems	2167	2032	3.39	188,785		11,629	4,464	172,692
	Watermain Replacement	2445	2032	3.15	360,881		27,155	4,325	329,401
	Watermain Replacement	2532	2035	0.91	284,491		19,008	671	264,812
	ICI / Multi- Family Water Meter Installation	2393	2040	0.91	641,680		29,592	1,045	611,043
					\$ 3,717,792	\$ -	\$ 307,370	\$ 106,536	\$ 3,303,886
Waste Water									
	Waste Water Treatment Plant - Mamquam	1756	2024	2.85	438,659		88,913	125,067	224,679
	Sewer Mains	1977	2028	3.79	249,573		21,728	15,898	211,947
	Sanitary Sewer Trunk Line	2156	2029	3.00	78,437		7,256	2,674	68,507
	Centrifuge, Trunk, Lift Station, and Crane	2211	2029	3.00	146,503		13,553	4,995	127,955
	Centrifuge, Trunk, Lift Station, and Crane	2211	2030	2.75	455,939		39,591	10,780	405,568
	Multi-Functional Heavy Duty Truck	2690	2031	1.98	298,643		29,640	667	268,336
	Trunk Sanitary Sewer Mains	2156	2032	3.39	283,307		17,451	6,699	259,157
	Sewer Capital Works	2168	2033	3.85	122,907		6,403	2,710	113,794
					\$ 2,073,968	\$ -	\$ 224,535	\$ 169,490	\$ 1,679,943
					\$ 37,870,347	\$ -	\$ 3,838,434	\$ 758,099	\$ 33,273,814

District of Squamish

Notes to the Consolidated Financial Statements

December 31, 2023

12. Debt (continued)

The principal repayments on long-term debt required in each of the five years and thereafter are as follows:

	2024	2025	2026	2027	2028	2029+	Actuarial Adjustment	Total
General	\$ 2,019,714	\$ 2,009,672	\$ 1,855,646	\$ 1,762,534	\$ 1,555,559	\$ 9,341,901	\$ 6,619,460	\$ 25,164,486
Solid Waste	1,116,581	1,116,581	165,801	138,317	138,317	138,317	311,577	3,125,491
Water	284,750	284,750	284,750	284,750	268,917	860,669	1,035,307	3,303,893
Waste Water	225,142	136,229	136,229	136,229	136,229	293,761	616,125	1,679,944
	\$ 3,646,187	\$ 3,547,232	\$ 2,442,426	\$ 2,321,830	\$ 2,099,022	\$ 10,634,648	\$ 8,582,469	\$ 33,273,814

Authorized but unissued debt totals \$62,009,818 (2022 - \$25,139,771).

Notes to the Consolidated Financial Statements

December 31, 2023

13. Provision for Post-Employment Benefits

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

	2023	2022
Liability, beginning of year	\$ 1,705,800	\$ 1,609,400
Current service cost	257,700	196,900
Interest cost	88,500	47,200
Benefit payments	(232,200)	(184,000)
Amortization of net actuarial loss	25,200	36,300
Liability, end of year	\$ 1,845,000	\$ 1,705,800

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 for CUPE members and up to a maximum of 140 days for exempt employees. 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 for CUPE members and three days pay for exempt employees 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, 2023.

Actuarial gains and losses are amortized over fourteen years (2022 - fourteen years), being the expected average remaining service period of the related employee group, commencing the year after the gain or loss arises.

	2023	2022
Accrued benefit obligation, end of year	\$ 2,153,600	\$ 1,954,600
Unamortized loss	(308,600)	(248,800)
Liability, end of year	\$ 1,845,000	\$ 1,705,800

District of Squamish

Notes to the Consolidated Financial Statements

December 31, 2023

Provision for Post-Employment Benefits (continued)

The most recent actuarial valuation of the District's employee future benefits was completed as at December 31, 2022. The significant actuarial assumptions adopted in measuring the District's accrued obligation are as follows:

	2023	2022
Discount rates	4.0%	4.5%
Expected wage and salary increases	3.5%	3.5%

14. Accumulated Surplus

	2023	2022
Appropriated surplus		
Statutory reserves (Schedule 3)	\$ 55,232,360	\$ 59,622,710
Internal borrowing (Schedule 3)	(11,865,200)	(4,872,838)
	43,367,160	54,749,872
Non-statutory reserves (Schedule 4)	21,124,916	12,430,782
	64,492,076	67,180,654
Equity in tangible capital assets	336,351,370	309,283,106
Accumulated remeasurement losses	(186,819)	-
Consolidated entities surplus	471,659	415,964
Accumulated surplus, end of year	\$ 401,128,286	\$ 376,879,724

Appropriated surplus is the amount of accumulated surplus that has been set aside by decision of Council for specified purposes. The statutory reserves have been established by bylaw in accordance with the Community Charter and their use is restricted by 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 and can be employed for working capital, emergency expenditures, and to stabilize taxation and utility fee rates.

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

15. Commitments and Contingencies

(I) 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

Notes to the Consolidated Financial Statements

December 31, 2023

Commitments and Contingencies (continued)

covered by insurance, are accrued for the extent that amounts are likely to result in a liability and can be reasonably estimated.

As at December 31, 2023, 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 likely and can be reasonably estimated.

(II) Municipal Pension Plan

The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2023, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local governments.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis. The District paid \$1,830,348. for employer contributions to the plan in fiscal 2023 (2022 - \$1,642,286). 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.

(III) Demand notes

The District issues its debt instruments through the MFA. These demand notes are contingent in nature and are not reflected in the consolidated financial statements.

Notes to the Consolidated Financial Statements

December 31, 2023

Commitments and Contingencies (continued)

(IV) 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 Ender Agreement and Municipal Share Agreements in 2015 for specified infrastructure projects necessary for the development of the Oceanfront Lands sold to Matthews Southwest and Bethel Lands.

The Agreements provided 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. Further, 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.

16. Financial Plan

The financial plan amounts presented throughout the consolidated financial statements are presented on a consolidated basis. The District's Financial plan bylaw 2961, 2023 adopted by Council on March 21, 2023 does not incorporate the operation of its two controlled civic corporations: SPL and SSC. The following reconciles the District's Financial Plan bylaw 2961, 2023 to the financial plan figures as presented on the financial statements

	Financial Plan		Presented Financial
	Bylaw	Civic Corporations	Plan
Revenues	\$ 69,235,997	\$ 436,014	\$ 69,672,011
Expenses	69,313,035	209,434	69,522,469
Annual surplus (deficit) before Other	\$ (77,038)	\$ 226,580	\$ 149,542
Other	36,464,000	-	36,464,000
Annual surplus	\$ 36,386,962	\$ 226,580	\$ 36,613,542

District of Squamish

Notes to the Consolidated Financial Statements

December 31, 2023

17. Taxation and User Fees

Collection for District

The following shows the collection in 2023 for District purposes:

		Financial Plan		
		2023	2023	2022
Taxation				
General property levies	\$	37,220,000	\$ 36,952,822	\$ 33,838,930
Business improvement area		95,000	93,589	93,434
		37,315,000	37,046,411	33,932,364
Other property levies				
Grants-in-lieu of property levies		677,100	1,292,538	1,054,221
Hotel tax		180,000	696,680	670,781
1% utility revenue		305,000	337,993	302,649
Penalties and interest on property levies		395,000	522,176	464,809
		1,557,100	2,849,387	2,492,460
		38,872,100	39,895,798	36,424,824
Utility user fees				
Solid waste		6,032,300	6,047,187	5,979,382
Water		5,483,000	5,815,893	5,630,044
Waste water		7,094,000	7,638,301	7,390,061
		18,609,300	19,501,381	18,999,487
	\$	57,481,400	\$ 59,397,179	\$ 55,424,311

Collection for other agencies

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

		2023		2022
Province of BC School Taxes	\$	18,853,870	\$	16,490,358
BC Assessment Authority		602,487		527,892
Municipal Finance Authority		3,279		2,742
Squamish-Lillooet Regional District		2,460,155		2,539,294
Sea to Sky Regional Hospital District		465,523		452,483
	\$	22,385,314	\$	20,012,769

District of Squamish

Notes to the Consolidated Financial Statements

December 31, 2023

18. Government Transfers

	2023	2022
Operating		
Federal	\$ 961,442	\$ 961,085
Provincial	7,563,461	836,808
Other	38,056	56,139
Total operating	8,562,959	1,854,032
Capital		
Provincial	2,029,647	1,742,732
Other	50,000	115,000
Total capital	2,079,647	1,857,732
	\$ 10,642,606	\$ 3,711,764

In March 2023 the District received a \$6,285,000 grant from the Province through the Growing Communities Fund. At December 31, 2023 none of the grant funds were spent. As there are no stipulations that give rise to a liability, these amounts have been recognized as revenue in the period and have been carried forward as a non-statutory reserve (Schedule 4). Once a statutory reserve is established, the funds will be transferred to the statutory reserve.

19. Trusts

The District trust funds account for assets that must be administered as directed by agreement or statute for certain beneficiaries. In accordance with PSAS, 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 at December 31, 2023:

	2023	2022
Financial assets		
Investments	\$ 318,117	\$ 287,948
Liabilities		
Cemetery care fund	\$ 318,117	\$ 287,948

Notes to the Consolidated Financial Statements

December 31, 2023

Segmented Information (Continued)

20. 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, Waste Water, 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 services they provide, are as follows:

General Government

General Government is comprised of Council and 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 public works crews engaged in the maintenance and improvements to the road systems, drainage, sidewalk, 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 segment 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 network of parks and trail systems throughout the community. In addition, the District's civic corporation, the Squamish Public Library, has been consolidated into this segment for reporting purposes.

District of Squamish

Notes to the Consolidated Financial Statements

December 31, 2023

Segmented Information (Continued)

Health, Social and Housing

Health, Social and Housing is comprised of municipal cemetery services and other health, social, and housing initiatives.

Water and Waste Water Utilities

The Water and Waste Water Utilities is comprised of the water and waste water 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.

21. Comparative Amounts

Certain amounts on the consolidated financial statements for the year ended December 31, 2022 have been restated to conform to the presentation adopted in the current year.

22. Subsequent Event

On January 31, 2024 the sale of District owned property (land and building) located at 42000 Loggers Lane closed. The sale proceeds received by the District was \$17,490,000 and the carrying value of the property was \$308,000 resulting in a gain of \$17,182,000 that will be recognized in the 2024 financial statements.

District of Squamish
Schedule 1 - Tangible capital assets

For the year end December 31	Land	Land Improvements	Buildings	Furniture, Vehicles and Equipment	Transportation Infrastructure	Solid Waste Infrastructure	Water Infrastructure	Waste Water Infrastructure	Assets under Construction	2023
COST										
Opening Balance	\$ 71,887,386	\$ 46,482,018	\$ 58,608,646	\$ 25,003,975	\$ 117,250,452	\$ 13,523,623	\$ 71,898,096	\$ 69,221,490	\$ 26,040,416	\$ 499,916,102
Add: Additions	-	1,988,680	985,251	1,477,667	6,907,525	-	3,354,598	5,001,163	23,057,394	42,772,278
Less: Disposals	-	-	(500,993)	(157,437)	-	-	-	-	-	(658,430)
Less: Transfers	-	-	-	-	-	-	-	-	(7,856,120)	(7,856,120)
Closing Balance	71,887,386	48,470,698	59,092,904	26,324,205	124,157,977	13,523,623	75,252,694	74,222,653	41,241,690	534,173,830
ACCUMULATED AMORTIZATION										
Opening Balance	-	12,369,194	22,569,303	13,550,039	47,715,816	5,556,415	23,613,564	26,737,429	-	152,111,760
Add: Amortization	-	1,123,323	1,268,800	2,104,354	3,861,912	1,193,499	1,334,024	1,428,560	-	12,314,472
Less: Accumulated Amortization on Disposals	-	-	(371,490)	(153,592)	-	-	-	-	-	(525,082)
Closing Balance	-	13,492,517	23,466,613	15,500,801	51,577,728	6,749,914	24,947,588	28,165,989	-	163,901,150
Net Book Value, year ended 2023	\$ 71,887,386	\$ 34,978,181	\$ 35,626,291	\$ 10,823,404	\$ 72,580,249	\$ 6,773,709	\$ 50,305,106	\$ 46,056,664	\$ 41,241,690	\$ 370,272,680

District of Squamish
Schedule 2 - Statement of Operations by Segment

For the year end December 31	General Government	Protective Services	Transportation & Transit	Economic & Community Development	Parks Recreation Culture	Health Social & Housing	Solid Waste Management	Water Services	Waste Water Services	2023	2022
Revenue											
Taxation (Note #17)	\$ 37,046,411	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,046,411	\$ 33,932,364
Other property levies (Note #17)	2,152,707	-	-	696,680	-	-	-	-	-	2,849,387	2,492,460
Utility user fees (Note #17)	-	-	-	-	-	-	6,047,187	5,815,893	7,638,301	19,501,381	18,999,487
Other revenue from own sources	34,886	82,730	1,558,145	793,816	1,001,687	8,766	5,396	-	-	3,485,426	1,874,292
Other fees and charges	578,482	1,704,495	895,689	1,752,429	623,938	7,240	309,495	78,934	22,268	5,972,970	5,797,106
Government transfers for operating (Note #18)	7,241,942	597,383	73,959	190,201	1,500	457,974	-	-	-	8,562,959	1,854,032
Investment income	5,745,068	-	-	-	20,346	-	60,060	109,025	172,221	6,106,720	3,307,362
	<u>52,799,496</u>	<u>2,384,608</u>	<u>2,527,793</u>	<u>3,433,126</u>	<u>1,647,471</u>	<u>473,980</u>	<u>6,422,138</u>	<u>6,003,852</u>	<u>7,832,790</u>	<u>83,525,254</u>	<u>68,257,103</u>
Expenses											
Payroll and benefits	8,611,201	5,583,798	3,869,744	2,917,263	4,601,231	13,331	220,503	861,458	1,041,998	27,720,527	24,362,333
Operating expenses	3,407,896	6,669,832	3,219,632	2,159,116	2,802,695	494,165	4,500,307	1,948,178	3,494,824	28,696,645	25,093,792
Debt service interest	430,809	386,448	41,478	188,266	6,971	-	88,641	176,563	169,796	1,488,972	1,302,151
Amortization expense	8,257,385	-	-	4,655	96,350	-	1,193,499	1,334,024	1,428,558	12,314,471	11,315,317
Accretion expense	10,646	-	-	-	-	-	146,763	5,945	-	163,354	159,970
	<u>20,717,937</u>	<u>12,640,078</u>	<u>7,130,854</u>	<u>5,269,300</u>	<u>7,507,247</u>	<u>507,496</u>	<u>6,149,713</u>	<u>4,326,168</u>	<u>6,135,176</u>	<u>70,383,969</u>	<u>62,233,563</u>
Annual surplus (deficit) before Other	<u>32,081,559</u>	<u>(10,255,470)</u>	<u>(4,603,061)</u>	<u>(1,836,174)</u>	<u>(5,859,776)</u>	<u>(33,516)</u>	<u>272,425</u>	<u>1,677,684</u>	<u>1,697,614</u>	<u>13,141,285</u>	<u>6,023,540</u>
Other											
Government transfers for capital (Note #18)	160,566	-	319,149	468,903	-	-	-	-	1,131,029	2,079,647	1,857,732
Developer cost charge capital revenues	-	-	3,283,313	-	-	-	-	1,919,981	289,917	5,493,211	7,363,974
Developer contributed assets	902,294	-	-	1,361,073	-	-	-	1,409,643	85,616	3,758,626	2,989,212
Gain on disposal of tangible capital assets	(115,868)	-	-	-	(3,845)	-	-	-	-	(119,713)	(40,705)
Other capital revenues	-	-	-	-	2,794	-	-	-	-	82,325	68,908
	<u>946,992</u>	<u>-</u>	<u>3,602,462</u>	<u>1,829,976</u>	<u>(1,051)</u>	<u>-</u>	<u>-</u>	<u>3,397,640</u>	<u>1,518,077</u>	<u>11,294,096</u>	<u>12,239,121</u>
Annual Surplus (Deficit)	<u>\$ 33,028,551</u>	<u>\$ (10,255,470)</u>	<u>\$ (1,000,599)</u>	<u>\$ (6,198)</u>	<u>\$ (5,860,827)</u>	<u>\$ (33,516)</u>	<u>\$ 272,425</u>	<u>\$ 5,075,324</u>	<u>\$ 3,215,691</u>	<u>\$ 24,435,381</u>	<u>\$ 18,262,661</u>

District of Squamish
Schedule 3 - Continuity of Reserves

Reserve Fund Transactions	Balance, beginning of year	Contributions	Investment income	Expenditures	Transfers	Internal Borrowing	2023
Sinking Fund Surplus - General BL 900	\$ 308,085	\$ -	\$ 17,090	\$ -	\$ -	\$ -	\$ 325,175
Sinking Fund Surplus - Water BL 900	654,565	-	36,310	-	-	-	690,875
Sinking Fund Surplus - Waste Water BL 900	768,837	-	42,650	-	-	-	811,487
Land Sale - BL720	2,311,515	-	98,590	(1,097,684)	(81,100)	-	1,231,321
Equipment Replacement BL 538	7,826,622	1,118,400	455,260	(357,166)	-	-	9,043,116
Community Works Fund BL 1950	4,387,894	956,442	145,130	(3,632,570)	(916,000)	-	940,896
Capital Rehab - General BL 2346	7,462,782	2,660,000	146,660	(3,562,899)	(43,088)	(6,907,755)	(244,300)
Capital Rehab - Water BL 2347	8,542,038	2,706,858	499,640	(1,965,934)	1,352	-	9,783,954
Capital Rehab - Waste Water BL 2348	11,797,523	2,551,514	583,790	(4,831,256)	(52,662)	(389,085)	9,659,824
Capital Rehab - Solid Waste BL 2349	2,236,737	371,341	238,760	(302,290)	-	-	2,544,548
Municipal Off-Street Parking Facilities Reserve Fund BL 2553	608,299	-	33,740	-	-	-	642,039
Alternative Forms of Transportation Reserve Fund BL 2553	1,004,780	65	55,740	-	-	-	1,060,585
Affordable Housing BL1951	1,193,737	-	64,420	(65,000)	-	-	1,193,157
Carbon Neutral BL 2079	334,689	153,082	20,990	(65,648)	-	-	443,113
Vanoc Legacy BL 2101	7,960	-	440	-	-	-	8,400
Parkland in Lieu BL 720	43,648	-	2,420	-	-	-	46,068
Corridor Trail MOU BL 750	221,699	-	12,300	-	-	-	233,999
Environmental Reserve Fund BL 2640	231,904	101,250	10,370	(90,000)	-	-	253,524
General Operating Reserve BL 2788	9,679,396	411,099	406,320	(722,401)	(506,675)	(4,568,360)	4,699,379
Total	\$ 59,622,710	\$ 11,030,051	\$ 2,870,620	\$ (16,692,848)	\$ (1,598,173)	\$ (11,865,200)	\$ 43,367,160

District of Squamish

Schedule 4 - Continuity of Non-Statutory Reserves

Non-Statutory Reserve Transactions	Balance, beginning of year	Contributions	Investment income	Expenditures	Transfers	2023
Community Amenity Contributions	\$ 6,101,482	\$ 1,361,076	\$ 357,200	\$ (686,764)	\$ -	\$ 7,132,994
Airport	136,732	-	7,630	(17,513)	19,106	145,955
Grants (unrestricted carry forward)	-	256,717	7,120	-	-	263,837
Growing Communities Fund Grant	-	6,285,000	174,320	-	-	6,459,320
Cyclic Expenditures	194,437	64,000	11,870	(25,000)	-	245,307
Future Expenditures	1,558,727	88,360	54,000	(795,688)	(79,409)	825,990
Forestry Building	737,365	113,810	44,060	-	-	895,235
Protective Services	2,658,593	820,500	159,000	(405,000)	-	3,233,093
Child Care Amenities	18,977	-	-	(18,977)	-	-
Public Art Committee	428,654	-	23,780	-	235,800	688,234
Covid-19 Restart Grant	102,928	-	-	(102,928)	-	-
Library	273,200	-	15,150	-	-	288,350
Transit	200,000	668,044	29,620	-	-	897,664
Other Provisions	19,687	-	1,080	-	28,170	48,937
Total	\$ 12,430,782	\$ 9,657,507	\$ 884,830	\$ (2,051,870)	\$ 203,667	\$ 21,124,916