

**Resort Municipality of Whistler
Consolidated Financial Statements
For the year ended December 31, 2023**

**Resort Municipality of Whistler
December 31, 2023**

Council

Mayor
Councillors

Jack Crompton
Arthur De Jong
Cathy Jewett
Jeff Murl
Jen Ford
Jessie Morden
Ralph Forsyth

Appointed Officers

Chief Administrative Officer
Chief Financial Officer
General Manager, Corporate Services & Public Safety
General Manager, Infrastructure Services
General Manager, Climate Action, Planning & Development
General Manager, Community Engagement & Cultural Services
Corporate Officer
Director of Human Resources
Director of Planning
Director of Planning

Virginia Cullen
Carlee Price
Ted Battiston
James Hallisey
Dale Mikkelsen
Karen Elliott
Pauline Lysaght
Denise Wood
Mike Kirkegaard
Melissa Laidlaw

Solicitors

Young Anderson

Bankers

Royal Bank of Canada
BlueShore Financial

Auditors

BDO Canada LLP

Police

Royal Canadian Mounted Police

**Resort Municipality of Whistler
Consolidated Financial Statements
For the year ended December 31, 2023**

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**Resort Municipality of Whistler
December 31, 2023**

Management's Responsibility for Financial Reporting

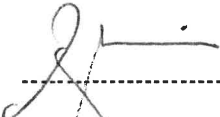
The Council of the Resort Municipality of Whistler ("RMOW") has delegated the responsibility for the integrity and objectivity of the financial information contained in the consolidated financial statements to the management of the RMOW. The consolidated financial statements which, in part, are based 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. Mayor and Council review internal financial statements on a regular basis, and the Audit and Finance Committee meets periodically with management and the independent auditors to satisfy themselves that management's responsibilities are properly discharged. Council annually reviews and approves the consolidated financial statements.

The RMOW's independent auditors, BDO Canada LLP, are engaged to express an opinion as to whether these consolidated financial statements present fairly the RMOW'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.



Carlee Price
Chief Financial Officer
May 14, 2024



Independent Auditor's Report

**To the Mayor and Council of the
Resort Municipality of Whistler**

Opinion

We have audited the consolidated financial statements of the Resort Municipality of Whistler and its controlled entities (the "Consolidated Entity"), which comprise the Consolidated Statement of Financial Position as at December 31, 2023 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 consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Consolidated Entity as at December 31, 2023 and its consolidated results of operations, change in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Matter

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the schedule on page 38 of the Consolidated Entity's financial statements.

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 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.

Independent Auditor's Report

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.

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.



Tel: 604 932 3799
Fax: 604 932 3764
www.bdo.ca

BDO Canada LLP
202 - 1200 Alpha Lake Road
Whistler BC V8E 0H6 Canada

Independent Auditor's Report

- 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.

BDO Canada LLP

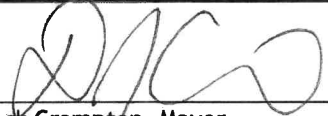
Chartered Professional Accountants

Whistler, British Columbia

May 14, 2024

Resort Municipality of Whistler
Consolidated Statement of Financial Position

As at December 31	2023	2022
		(Restated - Note 8)
Financial assets		
Cash	\$ 17,998,272	\$ 13,073,758
Accounts receivable (Note 3)	13,238,304	16,575,027
Investments (Note 4)	118,432,192	95,389,270
Investment in government business enterprises (Note 5)	2,144,874	1,898,442
	151,813,642	126,936,497
Liabilities		
Accounts payable (Note 6)	23,751,330	25,359,592
Employee future benefits (Note 7)	410,000	461,700
Asset retirement obligations (Note 8)	1,627,529	1,592,173
Deferred revenue	4,697,405	4,056,311
Deferred contributions and deposits (Note 9)	5,769,052	4,956,239
Debt (Note 10, Schedule 2)	45,470,393	38,032,037
	81,725,709	74,458,052
Net financial assets	70,087,933	52,478,445
Non-financial assets		
Properties under development (Note 19)	4,232,665	28,461,956
Inventory	531,084	497,917
Prepays	1,367,152	1,403,922
Tangible capital assets (Note 11)	550,834,794	514,540,021
	556,965,695	544,903,816
Accumulated surplus (Note 12)	\$ 627,053,628	\$ 597,382,261



Jack Crompton, Mayor



Carlee Price, Chief Financial Officer

**Resort Municipality of Whistler
Consolidated Statement of Operations**

For the year ended December 31	2023 Financial Plan	2023 Actual	2022 Actual
	(Note 18)		(Restated Note 8)
Revenue (Note 22)			
Taxation revenue (Note 14)	\$ 57,065,814	\$ 56,833,736	\$ 53,084,713
Government transfers and grant revenue (Schedule 3)	22,994,078	33,197,750	21,150,875
Fees and charges (Note 15)	36,196,596	37,635,204	32,930,184
Investment income	3,067,593	5,071,017	3,063,896
Works and services charges	705,000	309,862	498,849
Gain (loss) on disposal of tangible capital assets	-	(57,444)	31,356
Income from government business enterprises (Note 5)	-	246,432	53,510
Other income	2,024,406	2,563,343	2,724,574
Property sales revenue (Note 19)	4,272,535	24,571,943	44,106,103
	126,326,022	160,371,843	157,644,060
Expenses (Note 22)			
General government services	11,570,414	11,310,291	10,864,142
Community engagement & cultural services	13,806,692	14,918,142	13,019,904
Climate action, planning & development	17,528,925	18,700,347	15,148,115
Infrastructure services	24,622,852	21,770,516	19,988,927
Corporate services & public safety	20,197,080	20,928,830	18,885,338
Infrastructure maintenance	47,962,657	20,409,971	22,510,576
Controlled entities	6,164,023	22,662,379	27,308,831
	141,852,643	130,700,476	127,725,833
Annual surplus	(15,526,621)	29,671,367	29,918,227
Accumulated surplus, beginning of year	597,382,261	597,382,261	567,464,034
Accumulated surplus, end of year	\$ 581,855,640	\$ 627,053,628	\$ 597,382,261

The accompanying summary of significant accounting policies and notes are an integral part of these consolidated financial statements.

Resort Municipality of Whistler
Consolidated Statement of Change in Net Financial Assets

For the year ended December 31	2023 Financial Plan <small>(Note 18)</small>	2023 Actual	2022 Actual <small>(Restated Note 8)</small>
Annual surplus	\$ (15,526,621)	\$ 29,671,367	\$ 29,918,227
Acquisition of tangible capital assets	(13,194,130)	(44,644,564)	(17,556,034)
Amortization of tangible capital assets	18,376,160	16,259,989	15,934,750
Loss (gain) on disposal of tangible capital assets	-	57,444	(31,356)
Proceeds on sale of tangible capital assets	-	136,140	148,639
	5,182,030	(28,190,991)	(1,504,001)
Purchase of supplies inventory	-	(33,167)	(26,489)
Net use (acquisition) of prepaid expenses	-	36,770	(332,220)
Investment in properties under development	(1,882,490)	(3,940,019)	(23,319,946)
Costs of developments sold and transfers	21,762,795	20,065,528	18,739,895
	19,880,305	16,129,112	(4,938,760)
Change in net financial assets for the year	9,535,714	17,609,488	23,475,466
Net financial assets, beginning of year	52,478,445	52,478,445	29,002,979
Net financial assets, end of year	\$ 62,014,159	\$ 70,087,933	\$ 52,478,445

The accompanying summary of significant accounting policies and notes are an integral part of these consolidated financial statements.

**Resort Municipality of Whistler
Consolidated Statement of Cash Flows**

For the year ended December 31

2023

2022

Cash provided by (used in)

Operating transactions

Annual surplus	\$ 29,671,367	\$ 29,918,227
Items not utilizing cash:		
Amortization	16,259,989	15,934,750
Revaluation of asset retirement obligations	35,356	(43,827)
Loss (gain) on disposal of capital assets	57,444	(31,356)
Revaluation of post employment benefits	(51,700)	(6,100)
Income from government business enterprises	(246,432)	(53,510)
Costs of developments sold and transfers	20,065,528	18,739,895
Changes in non-cash working capital balances		
Accounts receivable	3,336,723	(7,106,567)
Accounts payable	(1,608,262)	(50,112)
Other non-cash working capital balances	1,457,510	2,537,856
Net cash provided by operating transactions	68,977,523	59,839,256

Capital transactions

Cash used to acquire tangible capital assets	(44,644,564)	(17,556,034)
Proceeds on sale of tangible capital assets	136,140	148,639
Investment in properties under development	(3,940,019)	(23,319,946)
Net cash used in capital transactions	(48,448,443)	(40,727,341)

Investing transactions

Purchase of investments	(23,042,922)	(13,797,208)
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Financing transactions

Debt proceeds	10,131,903	-
Repayment of debt	(2,693,547)	(15,946,068)
Net cash provided by financing transactions	7,438,356	(15,946,068)

Increase (decrease) in cash during the year	4,924,514	(10,631,361)
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Cash, beginning of year	13,073,758	23,705,119
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Cash, end of year	\$ 17,998,272	\$ 13,073,758
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Supplemental information

Interest paid	\$ 1,205,945	\$ 1,575,642
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The accompanying summary of significant accounting policies and notes are an integral part of these consolidated financial statements.

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies

The Resort Municipality of Whistler ("RMOW") is responsible for preparation and fair presentation of its consolidated financial statements in accordance with Canadian public sector accounting standards ("PSAS") using guidelines developed by the Public Sector Accounting Board. The accounting policies of the RMOW include the following:

Reporting Entity These consolidated financial statements consolidate the accounts of all the Funds of the RMOW and all entities controlled by the RMOW. Controlled entities include:

591003 BC Ltd.	Ownership of a portion of Emerald Forest parklands.
Emerald Forest Trust	Recipient of Emerald Forest parklands.
Whistler 2020 Development Corporation	Develops and subsequently sells affordable employee housing and market value lots in Whistler.
Whistler Housing Authority Ltd.	Provides, administers, and manages resident restricted housing for individuals and families that live and work in Whistler.
Whistler Valley Housing Society	Provides low-income housing in Whistler.
Whistler Village Land Co. Ltd.	Owns and operates various parking and other structures in Whistler.

Cash Cash is made up of the total of the bank account balances of the RMOW and its controlled entities, petty cash and operating till floats.

Trusts Under Administration Public sector accounting standards require that trusts administered by a government should be excluded from the government reporting entity (see Note 13).

Investments Investments include term deposits, bonds, bond funds and Municipal Finance Authority of British Columbia (MFA) pooled investments. Investments are carried at cost plus accrued interest, and are written down to net realizable value when there has been, in management's opinion, a decline that is other than temporary.

Investments in Government Business Enterprises The RMOW's investments in Whistler.com and Tourdex.com are accounted for using the modified equity method.

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies (Continued)

Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of goods and services. They have useful lives extending beyond the current year and are not intended for sale in ordinary course of operation.

Tangible Capital Assets

Tangible capital assets are a special class of non-financial assets and are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Amortization is recorded on a straight line basis over the estimated life of the tangible capital asset commencing once the asset is put into use.

Type	Major Asset Category	Useful Life Range
General	Land	n/a
	Land improvements	9 - 100 years
	Buildings	2 - 80 years
	Equipment	4 - 52 years
Infrastructure	Transportation	10 - 75 years
	Water	4 - 100 years
	Sewer	20 - 100 years
	Drainage	15 - 100 years

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

The RMOW manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts and sculptures located at Municipal sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

Work in progress represents assets under construction. Amortization of these assets will commence when the assets are put into service.

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

Inventory of Materials and Supplies

Inventory is recorded at cost, net of an allowance for obsolete stock. Cost is determined on a weighted average basis.

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies (Continued)

Employee Benefit Plans

The RMOW records liabilities for accrued employee benefits in the period in which they arise. A summary of these benefits is as follows:

- Employees are entitled to compensation for unused vacation credit when they leave the RMOW's employment. The amount of any carried forward vacation credit is limited and any excess is paid out annually.
- Employees may accumulate unused sick leave during their term of employment but are not entitled to compensation for unused sick leave when they leave the RMOW's employment. The amount of unused sick leave carried forward annually is limited.

Revenue Recognition

Property taxes and parcel taxes are recognized as revenue in the year they are levied.

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 that estimate are recognized at the time they are awarded. Levies imposed by other taxing authorities are not included as taxes for municipal purposes.

Charges for sewer, water, and solid waste are recorded as user fees in the year they are levied.

Connection fee revenues are recognized when the connection has been established.

Sales of service and other revenue are recognized on an accrual basis when earned.

Property sales are recognized as revenue when the significant risks and rewards of ownership of the related properties are transferred to the purchaser.

Government Transfers

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Any resulting liability is recognized in the statement of operations as the stipulation liabilities are settled.

Interest on Debt

RMOW records interest expense on an accrual basis.

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies (Continued)

Deferred Revenue Deferred revenue results from the collection of property taxes, revenue from business licences and other sources that are related to the next fiscal year.

Deferred Contributions and Deposits Deferred contributions represent funds collected from third parties for use in specific capital projects and may be refundable to the contributor in certain circumstances. These contributions are recognized in the period in which the qualifying expenditures are incurred.

Deposits represent receipts restricted by legislation of senior government or by agreement with external parties and are refundable under certain circumstances. When qualifying expenditures are incurred, deposits are recognized as revenue at amounts equal to the qualifying expenses.

Financial Plan Amounts The Financial Plan amounts reflect the Five Year Financial Plan as adopted on January 24, 2023, with subsequent reallocations, reclassifications, and consolidations of controlled entity budgets to conform with the financial statement presentation (Note 18).

Use of Estimates The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. The areas requiring the greatest level of estimation for the RMOW are asset retirement obligations, useful lives of tangible capital assets, certain employee future benefit liabilities, and contingent liabilities.

Financial Instruments Effective January 1, 2023, the RMOW adopted PS 3450 - Financial Instruments. The standard was adopted prospectively and comparative figures were not restated.

The RMOW's financial instruments consist of cash, accounts receivable, investments, accounts payable, deposits and debt. All financial instruments are measured at cost or amortized cost on the consolidated statement of financial position, using the effective interest rate method to determine interest revenue or expense. Transaction costs are added to the carrying value for the financial statements.

All financial assets are tested annually for impairment. Impairment is defined as a loss in value that is other than a temporary decline. When financial assets are impaired, impairment losses are recorded in the consolidated financial statement of operations.

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies (Continued)

**Financial
Instruments
(continued)**

Unrealized gains and losses from changes in fair value of financial instruments would be recognized in the consolidated statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the consolidated statement of remeasurement gains and losses and recognized in the consolidated statement of operations. Interest and dividends attributable to financial instruments are reported in the consolidated statement of operations. As the RMOW has no financial instruments reported at fair value, no consolidated statement of remeasurement gain or loss is presented in these consolidated financial statements.

**Properties under
Development**

Properties under development include costs related to projects currently under planning, development or construction that will result in a finished real estate asset at a future date (Note 19). Completed projects will either be reclassified as income properties, or properties held-for-sale. Costs related to planning, development or construction are capitalized until such time as the property is ready for use or sale. Management allocates site development costs to lots based on land area, direct costs to specific lots and relative densities of the units that may be developed per lot.

**Asset Retirement
Obligations**

Effective January 1, 2023, the RMOW adopted PS 3280 - Asset Retirement Obligations (ARO). The standard requires the reporting of legal obligations associated with the retirements of tangible capital assets. Under this standard, a liability for an ARO is recognized when (i) there is a legal obligation to incur retirement costs in relation to a tangible capital asset; (ii) the past transaction or event giving rise to the liability has occurred; (iii) it is expected that future economic benefits will be given up; and (iv) a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date.

Upon initial recognition of the liability for the ARO, the RMOW recognized an asset retirement cost by increasing the carrying amount of the related tangible capital asset in productive use by the same amount as the liability. Amounts capitalized as a result of an asset retirement obligation are amortized with the related tangible capital asset in accordance with the policy for tangible capital assets. Asset retirement costs associated with fully amortized tangible capital assets and unrecognized tangible capital assets were expensed upon adoption of the standard.

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies (Continued)

**Asset Retirement
Obligations
(Continued)**

The ARO 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 RMOW to apply the standard to events and transactions from the date of origin using current assumptions and discount rates.

**Segmented
Information**

RMOW segments its operations for financial reporting purposes based upon areas of managerial responsibility. This information is provided in Note 22.

**Future Changes in
Accounting
Policies**

PS 3400 - Revenue establishes standards on how to account for and report on revenue and is effective for the RMOW's fiscal year ending December 31, 2024. This standard differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions".

Revenue from transactions with performance obligations should be recognized when (or as) the RMOW satisfies a performance obligation by providing the promised goods or services to a payor. Revenue from the transactions with no performance obligations should be recognized when the RMOW (a) has the authority to claim or retain an inflow of economic resources, and (b) identifies a past transaction or event that gives rise to an asset.

This standard may be applied retroactively or prospectively. Management is in the process of assessing the impact of adopting this standard on the RMOW's consolidated financial results.

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

2. Nature of Operations

The RMOW is a local government situated in the province of British Columbia, Canada. The RMOW is subject to the laws and regulations of the provincial statutes of the *Community Charter*, the *Local Government Act* and the *Resort Municipality of Whistler Act*. Local governments in Canada are not subject to income tax. The RMOW provides community services to its taxpayers and, as a world class destination resort, it is responsible for creating and maintaining an infrastructure to serve a population much in excess of the number of full time residents.

3. Accounts Receivable

	2023	2022
Property taxes	\$ 3,499,350	\$ 3,674,677
Other governments	6,906,788	9,528,920
Other	2,832,166	3,371,430
	\$ 13,238,304	\$ 16,575,027

4. Investments

	2023	2022
<u>Municipal Finance Authority Pooled Funds</u>		
Short-term bond fund	\$ 35,369,537	\$ 42,587,485
Long-term bond	4,986,156	-
Money Market	2,717,007	-
Fossil fuel free diversified multi-asset class	2,026,873	-
<u>Other</u>		
Bonds	9,670,013	12,084,339
Short-term deposits	35,188,495	27,426,916
Long-term deposits	26,994,337	11,000,000
Accrued interest and other	1,479,774	2,290,530
	\$ 118,432,192	\$ 95,389,270

Bonds consist of provincial government bonds and corporate bonds. Bond maturities range from 2024 to 2027 and have yields ranging between 2.09% and 2.37%.

Term deposits consist of Guaranteed Investment Certificates. Short-term deposits mature in less than 1 year from the purchase date, with yields ranging from 5.30% to 6.35%. Long-term deposits mature in greater than 1 year from the purchase date, with maturities ranging from July 2024 to July 2025 and yields ranging from 2.65% to 6.30%.

MFA pooled funds are recorded at cost. In 2023, MFA pooled funds have yields ranging between 3.16% to 5.01% (2022 - 2.42%).

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

5. Investment in Government Business Enterprises

In 2004, RMOW purchased 51% of the outstanding voting, non-participating shares and 50% of the outstanding non-voting participating shares of Whistler.com Systems Inc. and its affiliate Tourdex.com Systems Inc., entitling RMOW to 50% of net income and losses of the companies. These locally-based companies provide reservation services for properties within Whistler. The purchase price was \$925,000. Results from operations in government business enterprises are included in Income from government business enterprises.

Condensed Financial Information for 2023:

	Whistler.com	Tourdex.com
Financial assets	\$ 7,001,355	\$ 321,014
Non financial assets	23,544	-
	7,024,899	321,014
Liabilities	4,502,569	274,733
Equity	2,522,330	46,281
	\$ 7,024,899	\$ 321,014
Revenues	\$ 2,743,733	\$ -
Expenses	2,249,172	1,696
Net income (loss)	494,561	(1,696)
RMOW's portion	\$ 247,280	\$ (848)
	2023	2022
Investment in government business enterprises, opening	\$ 1,898,442	\$ 1,844,932
Income from government business enterprises	246,432	53,510
Investment in government business enterprises, ending	\$ 2,144,874	\$ 1,898,442

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

6. Accounts Payable

	2023	2022
School taxes payable	\$ 4,576,585	\$ 4,350,435
Other governments	549,071	208,459
Public transit and RCMP	2,229,241	2,557,493
Trade accounts	11,139,752	14,072,789
Payroll	5,256,681	4,170,416
	\$23,751,330	\$ 25,359,592

7. Employee Future Benefits

The RMOW provides paid sick leave to qualifying employees. Unused amounts up to a maximum of 120 days can be banked for future use. Management has accounted for this liability based on the results of an actuarial valuation done by an independent firm. The valuation uses a projected benefit actuarial valuation method pro rated on services, and will be reviewed on a periodic basis. The 2023 valuation is based on actual data as at December 31, 2023. The rate of compensation increase, based on age, gender, inflation and job description, ranged from 2.59% to 4.50% annually. The RMOW has fully expensed the employee future benefits. In 2023, the actuarial valuation used a discount rate of 4.0% (2022 - 4.4%).

	2023	2022
Balance, beginning of year	\$ 461,700	\$ 467,800
Current service costs, including interest	(4,100)	9,400
Benefits paid	(47,600)	(15,500)
Balance, end of year	\$ 410,000	\$ 461,700
Accrued benefit obligation	\$ 290,500	\$ 337,300
Unamortized net actuarial gain	119,500	124,400
Accrued benefit liability	\$ 410,000	\$ 461,700

8. Asset Retirement Obligations

The RMOW operated a landfill site until its closure in 2005. The RMOW is obligated by government legislation to fund closure and post closure costs related to this site. The recorded liability amount increased from \$927,804 in 2022 to \$934,725 in 2023 to reflect changes to the RMOW's estimated future post closure care costs. The liability is calculated based on the discounted estimated future cash flows associated with post-closure activities. Estimated future cash flows are discounted at 4.73% (2022 - 4.28%) and inflation is estimated at 3.25% for 2024 and 2025 and 2.00% per annum thereafter (2022 - 5.00% for 2023 and 2024, and 2.00% thereafter).

Resort Municipality of Whistler
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8. Asset Retirement Obligations (continued)

The RMOW has recognized asset retirement obligations related to the decommissioning of certain tangible capital assets. These obligations primarily relate to (i) the remediation of asbestos and other hazardous materials, which represent a health hazard upon demolition of the buildings and thus a legal obligation exists to remove it, as well as (ii) the removal of underground storage tanks at the end of their useful lives.

Asset retirement obligations are initially measured at the date the legal obligation is incurred, relying on management's best estimate of the retirement amount required for tangible capital assets. Estimates are based on previous experience, third-party quotes, and professional judgment. The estimated undiscounted asset retirement obligation is \$1,691,151 (2022 - \$1,691,151). A discount rate of 4.28% (2022 - 4.28%) was used to calculate the present value of the asset retirement obligation. Timing of these expenses is conditional on the buildings undergoing renovations or being demolished.

Management conducts regular reviews to ensure the accuracy of assumptions and the adequacy of provisions related to asset retirement obligations.

	Buildings	Fuel storage tanks	Total
Balance at January 1, 2022	\$ 567,311	\$ 69,790	\$ 637,101
Accretion expense	24,281	2,987	27,268
Balance at December 31, 2022	591,592	72,777	664,369
Accretion expense	25,320	3,115	28,435
Balance at December 31, 2023	\$ 616,912	\$ 75,892	\$ 692,804

The impact of adoption has been summarized below:

	Dec 31, 2022 Previously stated	Adjustment	Dec 31, 2022 Restated
Liabilities			
Asset retirement obligation	\$ -	664,369	\$ 664,369
Net financial assets	53,142,814	(664,369)	52,478,445
Non-financial assets			
Tangible capital asset	514,457,194	82,827	514,540,021
Annual surplus	29,947,476	(29,249)	29,918,227
Accumulated surplus - beginning of year	568,016,328	(552,294)	567,464,034
Accumulated surplus - end of year	\$ 597,963,804	(581,543)	\$ 597,382,261

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

9. Deferred Contribution and Deposits

Refundable deposits consist primarily of the refundable portion of development permits, building permits and tenant security deposits. In addition to refundable deposits, the RMOW holds irrevocable letters of credit in the aggregate amount of \$3,441,593 (2022 - \$3,511,913) received from developers to ensure the performance of capital works to be undertaken. The letters of credit are not reflected in the consolidated financial statements.

	2023	2022
Deferred contributions	\$ 1,890,441	\$ 2,382,760
<u>Refundable deposits</u>		
Development and building permits	3,211,775	2,017,141
Tenant and purchaser deposits	489,372	462,992
Accrued interest on cash securities	177,464	93,346
	\$ 5,769,052	\$ 4,956,239

10. Debt

Details of outstanding debt are outlined in Schedule 2.

In September 2023, Whistler Housing Authority Ltd. entered into a construction loan agreement with the Canada Mortgage and Housing Corporation for the construction of rental housing at 1450 Mount Fee Road in an amount not to exceed \$15,200,000, maturing November 2033. As at December 31, 2023, \$2,613,639 was drawn on this loan. One year after completion of construction and commencement of rentals, the loan will convert to blended payments of principal and interest over a 35 year amortization period.

In December 2023, Whistler Valley Housing Society entered into a mortgage agreement with People's Trust for the construction of rental housing at 1400 Mount Fee Road in an amount of \$12,080,908. As at December 31, 2023, \$3,250,000 was drawn on this loan. Once construction is complete, the mortgage will be converted to a fixed-rate loan with monthly blended payments and interest to be determined at that time.

Collateral for housing and construction loans include first charge on the land and buildings for each loan and a general security agreement and assignment of rents and insurance.

Future payments required are as follows:

	RMOW	Controlled entities	Total	Interest
2024	\$ 910,122	\$ 1,394,343	\$ 2,304,465	\$ 1,188,730
2025	910,122	1,366,554	2,276,676	1,137,823
2026	910,122	983,372	1,893,494	1,105,294
2027	910,122	1,003,931	1,914,053	1,084,972
2028	910,122	4,018,200	4,928,322	1,016,597
Thereafter	204,903	28,595,533	28,800,436	502,634
Sinking fund earnings	3,352,947	-	3,352,947	-
	\$ 8,108,460	\$ 37,361,933	\$ 45,470,393	\$ 6,036,050

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

11. Tangible Capital Assets

	General			Infrastructure					2023 Total
	Land improvements	Land		Buildings	Equipment	Transportation	Water	Sewer	
Cost, beginning of year	\$ 54,255,716	\$ 225,360,505	\$ 76,534,016	\$ 89,961,968	\$ 89,984,425	\$ 64,882,420	\$ 24,150,327	\$ 14,198,552	\$ 749,924,824
Additions	2,807,429	295,397	505,649	2,643,432	4,559,435	1,817,350	894,619	35,382,249	52,748,346
Transfers	-	351,737	3,153,092	1,496,086	1,910,745	2,837,441	4,438,413	(21,044,138)	-
Disposals & adjustments	-	-	(465,733)	(1,233,844)	(85,519)	(358,961)	-	(15,333)	(2,159,390)
Cost, end of year	113,404,324	54,902,850	228,553,513	79,439,690	96,346,629	73,556,394	29,483,359	28,521,330	800,513,780
Accumulated amortization, beginning of year	-	15,494,940	92,858,718	37,137,208	37,025,766	26,069,111	8,454,539	-	235,384,803
Amortization	-	1,380,873	5,684,648	3,728,226	2,434,193	1,579,449	377,362	-	16,259,989
Disposals	-	-	(407,586)	(1,230,327)	(79,540)	(248,353)	-	-	(1,965,806)
Accumulated amortization, end of year	-	16,875,813	98,135,780	39,635,107	39,380,419	27,400,207	8,831,901	-	249,678,986
Net book value, year ended 2023	\$ 113,404,324	\$ 38,027,037	\$ 130,417,733	\$ 39,804,583	\$ 56,966,210	\$ 68,905,484	\$ 20,651,458	\$ 28,521,330	\$ 550,834,794
Net book value, year ended 2022	\$ 110,596,895	\$ 38,760,776	\$ 132,501,787	\$ 39,396,808	\$ 52,936,202	\$ 63,915,314	\$ 15,695,788	\$ 14,198,552	\$ 514,540,021

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

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11. Tangible Capital Assets (Continued)

	Infrastructure							2022 Total		
	General			Infrastructure						
	Land improvements	Land	Buildings	Equipment	Transportation	Water	Sewer	Drainage	Work in progress	
Cost, beginning of year	\$ 110,596,895	\$ 53,497,136	\$ 223,473,044	\$ 74,168,042	\$ 89,049,485	\$ 89,000,657	\$ 62,739,713	\$ 23,976,199	\$ 6,739,256	\$ 733,240,427
Additions	-	38,277	99,164	3,121,244	912,483	983,768	1,532,707	-	10,868,391	17,556,034
Transfers	-	720,303	1,885,189	(62,945)	-	-	610,000	174,128	(3,326,675)	-
Disposals & adjustments	-	-	(96,892)	(692,325)	-	-	-	-	(82,420)	(871,637)
Cost, end of year	110,596,895	54,255,716	225,360,505	76,534,016	89,961,968	89,984,425	64,882,420	24,150,327	14,198,552	749,924,824
Accumulated amortization,										
beginning of year	-	14,122,344	87,191,116	34,273,542	34,630,180	24,562,156	17,334,114	8,090,955	-	220,204,407
Amortization	-	1,372,596	5,764,494	3,521,128	2,395,586	1,506,955	1,010,407	363,584	-	15,934,750
Disposals	-	-	(96,892)	(657,462)	-	-	-	-	-	(754,354)
Accumulated amortization,										
end of year	-	15,494,940	92,858,718	37,137,208	37,025,766	26,069,111	18,344,521	8,454,539	-	235,384,803
Net book value,										
year ended 2022	\$ 110,596,895	\$ 38,760,776	\$ 132,501,787	\$ 39,396,808	\$ 52,936,202	\$ 63,915,314	\$ 46,537,899	\$ 15,695,788	\$ 14,198,552	\$ 514,540,021
Net book value,										
year ended 2021	\$ 110,596,895	\$ 39,374,792	\$ 136,281,928	\$ 39,894,500	\$ 54,419,305	\$ 64,438,501	\$ 45,405,599	\$ 15,885,244	\$ 6,739,256	\$ 513,036,020

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

11. Tangible Capital Assets (Continued)

Transfer of tangible capital assets from properties under development (Note 19):

During the year, public works within the Cheakamus Crossing neighbourhood development with a cost of \$8,103,782 were substantially completed and transferred to the RMOW pursuant to a subdivision servicing agreement with Whistler 2020 Development Corporation. The public works consist of roads, sidewalks and water, sanitary sewer and storm drainage systems, as well as the parcel of land under the roadway.

12. Accumulated Surplus

Accumulated surplus consists of:

	2023	2022
Reserve funds (Schedule 1)	\$104,800,022	\$ 77,487,784
Investment in properties under development	4,232,665	28,461,956
Unallocated surplus	800,463	9,095,427
Unallocated surplus for controlled entities	11,856,076	5,829,110
Investment in tangible capital assets	505,364,402	476,507,984
	\$627,053,628	\$597,382,261

Reserve Funds

(a) Reserve funds

Reserve funds are funds that have been internally restricted by Council. Formal establishing bylaws have been adopted pursuant to the *Community Charter*, *Local Government Act*, and *Resort Municipality of Whistler Act* which define how these reserves are to be used.

(b) Resort Municipality Initiative and Municipal and Regional District Tax (Schedule 1)

The Municipal and Regional District Tax ("MRDT") is funded by a tax on room rentals which is collected by the Province of British Columbia with a portion remitted to the RMOW monthly.

The Province of British Columbia created the Resort Municipality Initiative (RMI) to support the expansion, development and improvement of resorts in British Columbia to increase tourism, economic development and employment.

Expenditures from both these funds are restricted to those set out in the establishing Order in Council for the MRDT and to an agreement between the RMOW and the Province of British Columbia for the RMI funding.

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

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12. Accumulated Surplus (Continued)

Reserve Funds (Continued)

(c) Cheakamus Crossing Affordable Employee Housing Reserve

The Community Land Bank Trust Declaration between the RMOW and the Province of BC requires that all profits from development of land in the Community Land Bank be contributed to a reserve for the development and maintenance of affordable employee housing. The RMOW has established the Cheakamus Crossing Affordable Employee Housing Reserve for this purpose. All profits from the sale of properties under development or properties held for sale must be contributed to this reserve at the end of the development project (Note 19).

13. Trust Funds

The Cemetery Trust Funds are excluded from the consolidated financial statements. The RMOW administers the Cemetery Care Trust Fund for the perpetual care and maintenance of the municipal-owned cemetery and the Cemetery Trust Fund for interment services previously collected.

	<u>2023</u>	<u>2022</u>
Balances, beginning of year	\$ 77,969	\$ 72,954
Contributions received	2,899	5,998
	<u>80,868</u>	<u>78,952</u>
Less: expenses and transfers	1,915	982
Balances, end of year	<u>\$ 78,953</u>	<u>\$ 77,970</u>

Resort Municipality of Whistler
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14. Taxation Revenue

Taxation revenue for general municipal purposes comprises the following amounts:

	2023	%	2022	%
Total taxation and levies	\$107,056,912	100.00	\$ 96,067,434	100.00
Taxation and levies collected for other governments:				
Hospital District	887,296	0.83	888,994	0.93
Regional District	1,716,718	1.60	1,656,068	1.72
B.C. Assessment Authority	1,089,499	1.02	979,749	1.02
Municipal Finance Authority	6,228	0.01	5,373	0.01
Province - school	46,523,434	43.46	39,452,537	41.07
	50,223,175	46.92	42,982,721	44.75
Municipal taxation and levies	47,450,443		43,426,201	
1% Utility tax	568,155		526,631	
Parcel and frontage taxes	8,815,138		9,131,881	
Net municipal taxation	\$ 56,833,736	53.08	\$ 53,084,713	55.25

15. Fees and Charges

	2023	2022
Fees and charges are comprised as follows:		
Permits and fines	\$ 9,316,051	\$ 7,571,968
Admissions and programs	2,571,521	2,085,796
Facility rental	7,935,030	7,618,126
Fares	2,409,895	1,058,378
User fees - utility funds	15,402,707	14,595,916
	\$37,635,204	\$ 32,930,184

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

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16. Contingent Liabilities

- (a) The RMOW 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, 2022, 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 RMOW paid \$2,633,708 (2022 - \$2,314,014) for employer contributions while employees contributed \$2,347,730 (2022 - \$2,072,280) to the plan in fiscal 2023. The next valuation will be as at December 31, 2024.

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 costs to individual employers participating in the plan.

- (b) A number of legal claims have been initiated against the RMOW in varying and unspecified amounts arising from the ordinary course of operations. The outcome of these claims cannot reasonably be determined at this time. Losses resulting from claims are recorded in the period the loss becomes likely and can be reasonably estimated.

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

17. Contractual Obligations

- (a) The RMOW has an agreement with Tourism Whistler where the RMOW agrees to transfer 50% of all MRDT, including 50% of hotel tax from Online Accommodation Providers (“OAP”), earned within the Municipality for the calendar year. The current year transfers to Tourism Whistler under all agreements were \$7,574,915 (2022 - \$6,413,446).

The RMOW allocates the remaining 50% of OAP funds to the Employee Housing Reserve to support affordable housing in Whistler.

- (b) The British Columbia Housing Management Commission and Canada Mortgage and Housing Corporation have provided Whistler Housing Authority Ltd. (“WHA”) with forgivable loans in the amount of \$7,729,571 (2022 - \$7,749,270). Under the related agreements, principal is incrementally forgiven annually beginning in future years, provided that WHA remains compliant under the agreements by continuing to use, and operate the lands as intended. These forgivable loans are secured by the land and building and assignment of rents.

Management has assessed it to be probable that the WHA will meet all forgiveness criteria and, as a result, the amounts have been recognized in government transfers in the statement of operations in the year received or receivable.

- (c) Whistler 2020 Development Corporation (“WDC”) has entered into various agreements and contracts for services and construction to complete the development activities in the Cheakamus Crossing neighbourhood. Commitments outstanding as at December 31, 2023 are approximately \$7,883,284 (2022 - \$2,115,683).

WDC is responsible for the new home warranty provided to purchasers at 1340 and 1360 Mount Fee Road and is providing two, five and ten year warranty insurance as required for residential units. Management has assessed the potential risk associated with the warranties and believes there is no material exposure in the year.

Resort Municipality of Whistler
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December 31, 2023

18. Financial Plan

Financial Plan amounts represent the Financial Plan bylaw adopted by Council on January 25, 2023 as adjusted to match the required presentation in the Statement of Operations and the Statement of Change in Net Financial Assets in accordance with PSAS. This adjustment is necessary because certain revenue items in the Financial Plan are not considered revenues for PSAS purposes including transfers from reserves and other internal sources, collection of works and services charges and debt proceeds. Similarly capital expenditures and debt principal repayments are not considered expenses for PSAS purposes. The Financial Plan amounts are also presented on a consolidated basis and include the budgets for all entities that form part of the RMOW's reporting entity.

The following shows how these two different bases are reconciled:

Excess of expenditure over revenue per Financial Plan bylaw	\$ (32,592,092)
Controlled entity budgets not included in bylaw	2,478,779
Debt principal repayments	1,392,562
Capital expenditure	<u>13,194,130</u>
Financial plan deficit on a PSAS basis	<u>(15,526,621)</u>
Acquisition of tangible capital assets	(13,194,130)
Net investment in properties under development	(1,882,490)
Cost of developments sold	21,762,795
Amortization	<u>18,376,160</u>
Change in net financial assets	<u>\$ 9,535,714</u>

19. Properties Under Development

Whistler 2020 Development Corporation is developing affordable employee housing and market value lots in the Cheakamus Crossing neighbourhood. The current development extends Mount Fee Road and added 100 new units of resident restricted housing to Whistler over the last two years. During the year, two lots were sold to Whistler Housing Authority Ltd. and Whistler Valley Housing Society and have been transferred to land additions in Note 11.

As at December 31, 2023, Properties Under Development include inventory held for sale totalling \$297,975, representing the value of one market subplot that has not yet been sold and expenditures on development of the remaining lots within the Cheakamus Crossing Phase II area. Land and development expenditures are summarized as follows:

	2023	2022
Balance, beginning of year	\$28,461,956	\$ 23,881,905
Development expenditures	3,940,019	23,319,946
Transfer of public works infrastructure	(8,103,782)	-
Cost of properties sold and transfers	<u>(20,065,528)</u>	<u>(18,739,895)</u>
Balance, end of year	<u>\$ 4,232,665</u>	<u>\$ 28,461,956</u>

Resort Municipality of Whistler Notes to the Consolidated Financial Statements

December 31, 2023

20. Financial Instrument Risk

In the normal course of operations, the RMOW is exposed to certain financial risks through its financial assets and liabilities. The following analysis provides an assessment of those risks as at December 31, 2023. These risks remain unchanged from the prior year.

Credit Risk

Credit risk is the risk that the RMOW's counterparties will fail to meet their financial obligations to the RMOW, causing a financial loss. The RMOW is exposed to concentrations of credit risk related to its cash, accounts receivable, and investments. No collateral is directly held as security for financial receivables.

The RMOW mitigates its risk by holding its cash and investments at Canadian chartered banks and BC credit unions, which provide deposit insurance coverage via the Canadian Deposit Insurance Corporation and the Credit Union Insurance Corporation, and at the Municipal Finance Authority of BC, which meets the investment requirements of Section 183 of the Community Charter of the Province of BC.

Concentrations of credit risk related to accounts receivable are mitigated as the majority, approximately 80%, are due from other governments and property tax ratepayers (Note 3), for which there exists legislation to safeguard collection. As at December 31, 2023, approximately 74% (2022 - 96%) of the other accounts receivable balance is outstanding for less than 30 days. The RMOW reviews overdue balances regularly and maintains allowances for potential credit losses.

Liquidity Risk

Liquidity risk is the risk that the RMOW may be unable to generate or obtain sufficient cash in a timely and cost effective manner to meet its financial commitments as they come due. The RMOW is exposed to liquidity risk through its accounts payable (Note 6), deposits (Note 9), and debt (Note 10). The RMOW has a planning and budgeting process in place to help determine the funds required to support the normal operating requirements. The RMOW's annual operating and capital expenditure budgets are approved by Council and quarterly variance analysis is reported to Council. Cash flow forecasting is used to ensure the scale and timing of cash required to meet upcoming commitments is understood, and sufficient cash can reasonably be expected to be available to meet these demands.

Market Risk

Market risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

Resort Municipality of Whistler
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December 31, 2023

20. Financial Instrument Risk (Continued)

Interest Rate Risk

Interest rate risk is the risk that future cash flows will be affected by changes in market interest rates. The RMOW is exposed to interest rate risk through its investments (Note 4) and debt (Note 10). The RMOW's objective is to minimize interest rate risk by managing investments with consideration for preservation of capital, liquidity requirements and investment returns. Specifically, the RMOW invests in guaranteed investment certificates and Municipal Finance Authority pooled investment funds that management plans to hold to maturity, and locks in fixed rates on its debt.

Currency Risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The functional currency of the RMOW is Canadian dollars. It is management's opinion that the RMOW is not exposed to significant currency risk, as amounts held and payments received in U.S. dollars, as well as operating and capital costs charged in U.S. or other foreign currencies are insignificant.

21. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

22. Segmented Operations

The RMOW is a diversified local government that provides a wide range of services to its taxpayers and visitors. Our vision statement is, *Whistler: A place where our community thrives, nature is protected and guests are inspired.*

For management reporting purposes, the RMOW's operations and activities are organized and reported by Divisions. Municipal Services are provided by various departments and their activities are reported in these respective Divisions. The departments disclosed in the segment information, along with the services they provide, are as follows.

General Government Services

Mayor and Council, Chief Administrator, Communications, Economic Development, Human Resources

Adopting bylaws and administrative policy; smart tourism and economic development, housing analysis and performance monitoring; and ensuring that high quality Municipal services standards are met.

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

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22. Segmented Operations (Continued)

Community Engagement & Cultural Services

Communications, Library, Village Events and Animation, Recreation & Meadow Park Sports Centre

Promoting community engagement and effective communication; coordinating festivals, events, sports tournaments and community groups; operating Village and Park Host programs; operating the Meadow Park Sports Centre pool, arena, fitness centre, youth centre and outdoor facilities; and operating the Whistler Public Library.

Climate Action, Planning & Development Services

Planning, Building, Climate & Environment, Resort Operations, Parks Planning, Transportation Planning

Prepare land use plans, bylaws and policies for sustainable development of the RMOW, including development of high quality parks and outdoor spaces. Maintaining municipal parks, trails, lighting and irrigation. Leading change on climate and environment through the RMOW's Big Moves Strategy and transportation planning, focusing on transit initiatives.

Infrastructure Services

Capital Projects, Water and Sewer Utilities, Road, Drainage & Solid Waste, Central Services & Fleet, Engineering Services, Facility Construction Management

Broad function comprised of the Capital Projects team, engineering departments and public works crews maintaining and improving road systems, drainage, flood protection, fleet maintenance, municipal facilities, and approving subdivision servicing plans. Water and Sewer Utilities include water and waste water system networks, storm mains, pump stations and reservoirs. Waste Management includes managing solid waste, recycling and organics collection at the residential depots and the transfer station.

Corporate Services & Public Safety

Finance, Information Technology, Legislative Services, Protective Services, RCMP, Fire

Ensuring effective financial management; supporting the RMOW's integrated technology systems; and managing statutory governance processes, records, risk and insurance. Protective Services ensure safety for the public through the provision of emergency response, RCMP and fire services, as well as emergency management planning, Fire Smart, bylaw enforcement, and animal control.

Infrastructure Maintenance and Amortization

Repair and maintenance projects, as well as non-capital projects that deliver specific unique and non-recurring outcomes.

Controlled Entities

Entities controlled by the RMOW, as disclosed in Note 1.

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

2.2. Segmented Operations (Continued)

	GENERAL GOVERNMENT SERVICES	COMMUNITY ENGAGEMENT & CULTURAL SERVICES	CLIMATE ACTION, PLANNING & DEVELOPMENT	INFRASTRUCTURE SERVICES	SERVICES & PUBLIC SAFETY	INFRASTRUCTURE MAINTENANCE & AMORTIZATION	CONTROLLED ENTITIES	2023
REVENUES								
Taxation revenue	\$ 48,018,598	\$ -	\$ -	\$ 8,815,138	\$ -	\$ -	\$ -	\$ 56,833,736
Government transfers and grant revenue	27,681,370	106,260	3,000	606,122	513,331	4,282,498	5,169	33,197,750
Fees and charges	535,306	3,476,859	4,731,241	15,798,110	6,300,378	16,512	6,776,798	37,635,204
Investment income	3,880,621	-	-	532,566	-	-	657,830	5,071,017
Works and services charges	309,862	-	-	-	-	-	-	309,862
Gain (loss) on disposal of tangible capital assets	-	-	-	135,389	-	(192,833)	-	(57,444)
Income from government business enterprises	246,432	-	-	-	-	-	-	246,432
Other income	109,567	470,303	718,757	330,468	690,016	232,881	11,351	2,563,343
Property sales revenue	-	-	-	-	-	-	24,571,943	24,571,943
	80,781,756	4,053,422	5,452,998	26,217,793	7,503,725	4,339,058	32,023,091	160,371,843
EXPENSES								
Payroll	2,285,229	8,948,908	10,224,057	8,856,814	12,244,174	737,954	863,850	44,160,986
Goods and services	9,003,466	5,969,234	8,333,044	12,207,960	8,684,656	90,122	2,751,780	47,040,262
Interest charges on debt	21,596	-	-	609,000	-	-	681,446	1,312,042
Infrastructure maintenance	-	-	143,246	-	-	5,203,700	127,139	5,474,085
Accretion expense	-	-	-	96,742	-	28,436	-	125,178
Cost of developments sold and transfers	-	-	-	-	-	-	16,327,934	16,327,934
	11,310,291	14,918,142	18,700,347	21,770,516	20,928,830	6,060,212	20,752,149	114,440,487
Amortization	-	-	-	-	-	14,349,759	1,910,230	16,259,989
	11,310,291	14,918,142	18,700,347	21,770,516	20,928,830	20,409,971	22,662,379	130,700,476
Annual surplus (deficit)	69,471,465	(10,864,720)	(13,247,349)	4,447,277	(13,425,105)	(16,070,913)	9,360,712	29,671,367
Transfer to/from other funds	22,019,761	(3,979,640)	(3,353,126)	10,532,841	2,346,508	(27,560,892)	(5,452)	-
Net Change in Financial Equity	\$ 47,451,704	\$ (6,885,080)	\$ (9,894,223)	\$ (6,085,564)	\$ (15,771,613)	\$ 11,489,979	\$ 9,366,164	\$ 29,671,367

Resort Municipality of Whistler
Notes to the Consolidated Financial Statements

December 31, 2023

22. Segmented Operations (Continued)

	GENERAL GOVERNMENT SERVICES	COMMUNITY ENGAGEMENT & CULTURAL SERVICES	CLIMATE ACTION, PLANNING & DEVELOPMENT	INFRASTRUCTURE SERVICES	SERVICES & PUBLIC SAFETY	INFRASTRUCTURE MAINTENANCE & AMORTIZATION	CONTROLLED ENTITIES	2022
REVENUES								
Taxation revenue	\$ 43,952,832	\$ -	\$ -	\$ 9,131,881	\$ -	\$ -	\$ -	\$ 53,084,713
Government transfers and grant revenue	19,084,600	109,845	4,000	582,098	475,044	881,457	13,831	21,150,875
Fees and charges	560,413	2,932,209	2,412,548	14,811,493	5,511,855	32,737	6,668,929	32,930,184
Investment income	2,391,497	-	-	471,682	1,525	-	199,192	3,063,896
Works and services charges	498,849	-	-	-	-	-	-	498,849
Gain (loss) on disposal of tangible capital assets	-	-	-	108,392	-	(35,536)	(41,500)	31,356
Income from government business enterprises	53,510	-	-	-	-	-	-	53,510
Other income	79,159	418,226	932,112	331,066	662,056	270,753	31,202	2,724,574
Property sales revenue	-	-	-	-	-	-	44,106,103	44,106,103
	<u>66,620,860</u>	<u>3,460,280</u>	<u>3,348,660</u>	<u>25,436,612</u>	<u>6,650,480</u>	<u>1,149,411</u>	<u>50,977,757</u>	<u>157,644,060</u>
EXPENSES								
Payroll	3,111,441	7,977,673	8,756,260	8,056,672	10,907,018	457,224	728,841	39,995,129
Goods and services	7,728,300	5,042,231	6,161,737	11,307,900	7,978,320	125,026	2,511,140	40,854,654
Interest charges on debt	24,401	-	-	609,000	-	-	645,562	1,278,963
Infrastructure maintenance	-	-	230,118	-	-	7,952,415	117,937	8,300,470
Accretion expense	-	-	-	15,355	-	27,268	-	42,623
Cost of developments sold and transfers	-	-	-	-	-	-	21,319,244	21,319,244
	<u>10,864,142</u>	<u>13,019,904</u>	<u>15,148,115</u>	<u>19,988,927</u>	<u>18,885,338</u>	<u>8,561,933</u>	<u>25,322,724</u>	<u>111,791,083</u>
Amortization	-	-	-	-	-	13,948,643	1,986,107	15,934,750
	<u>10,864,142</u>	<u>13,019,904</u>	<u>15,148,115</u>	<u>19,988,927</u>	<u>18,885,338</u>	<u>22,510,576</u>	<u>27,308,831</u>	<u>127,725,833</u>
Annual surplus (deficit)	55,756,718	(9,559,624)	(11,799,455)	5,447,685	(12,234,858)	(21,361,165)	23,668,926	29,918,227
Transfer to/from other funds	19,204,484	(2,528,400)	(3,369,568)	9,600,466	2,018,699	(24,921,429)	(4,252)	-
Net Change in Financial Equity	\$ 36,552,234	\$ (7,031,224)	\$ (8,429,887)	\$ (4,152,781)	\$ (14,253,557)	\$ 3,560,264	\$ 23,673,178	\$ 29,918,227

Resort Municipality of Whistler
Schedule 1 - Consolidated Schedule of Reserves

For the year ended December 31

	Balance 2022	Total Contributions	Total Expenditures	Balance 2023
General fund				
Municipal and regional district tax	\$ 4,046,329	\$ 15,356,002	\$ 15,199,831	\$ 4,202,500
Resort municipality initiative	5,670,538	6,763,020	7,509,157	4,924,401
Vehicle replacement	3,270,276	1,626,056	1,366,841	3,529,491
General operating	7,166,763	3,344,865	2,023,258	8,488,370
General capital	15,761,230	25,482,892	5,533,383	35,710,739
Library	281,162	20,940	5,408	296,694
Parking	529,458	20,436	-	549,894
Recreation works charges	4,353,652	433,104	506,429	4,280,327
Transportation works charges	-	2,254,724	2,254,724	-
Employee housing	586,168	3,014,942	550,000	3,051,110
Cheakamus Crossing Affordable Employee Housing	-	11,000,000	11,000,000	-
Growing Communities Fund	-	5,057,757	-	5,057,757
	<u>41,665,576</u>	<u>74,374,738</u>	<u>45,949,031</u>	<u>70,091,283</u>
Water fund				
Water capital	6,056,929	4,383,374	3,242,041	7,198,262
Water operating	6,609,506	459,542	62,986	7,006,062
Water works charges	838,296	74,846	-	913,142
	<u>13,504,731</u>	<u>4,917,762</u>	<u>3,305,027</u>	<u>15,117,466</u>
Sewer fund				
Sewer capital	3,082,236	2,572,519	5,595,274	59,481
Sewer operating	3,010,493	499,676	318,933	3,191,236
Sewer works charges	12,399,780	591,342	2,367,092	10,624,030
	<u>18,492,509</u>	<u>3,663,537</u>	<u>8,281,299</u>	<u>13,874,747</u>
Solid waste fund				
Solid waste capital	3,767,569	2,056,346	343,685	5,480,230
Solid waste operating	57,399	205,560	26,663	236,296
	<u>3,824,968</u>	<u>2,261,906</u>	<u>370,348</u>	<u>5,716,526</u>
Total	<u>\$ 77,487,784</u>	<u>\$ 85,217,943</u>	<u>\$ 57,905,705</u>	<u>\$ 104,800,022</u>

Resort Municipality of Whistler
Schedule 2 - Consolidated Schedule of Debt

As at December 31

Bylaws	Purpose	Renewal date	Interest rate	Balance outstanding	
				2023	2022
General fund					
1841	Library - FCM loan	2029	0.743%	<u>\$ 1,229,430</u>	<u>\$ 1,434,334</u>
Sewer utility fund					
1839	WWTP upgrade	2028	2.900%	<u>4,913,593</u>	<u>5,785,884</u>
Solid waste fund					
1840	Transfer station	2028	2.900%	<u>1,965,437</u>	<u>2,314,354</u>
Controlled entities					
	Housing loan - Legacy Way	2030	1.580%	2,009,888	2,286,305
	Housing loan - Seppo's Way	2025	6.800%	854,109	1,275,834
	Housing loan - Cloudburst	2028	3.239%	3,625,800	3,757,407
	Housing Loan - CMHC - Legacy Way	2034	2.500%	1,281,972	1,250,862
	Housing Loan - CMLS - Legacy Way	2029	1.580%	7,031,341	7,130,415
	Housing loan - Bear Paw	2030	2.500%	4,944,985	5,048,376
	Housing loan - Cloudburst	2031	1.490%	7,481,935	7,748,266
	Housing loan - Sarajevo Drive	2034	4.700%	4,268,264	-
	Construction loan - 1450 Mount Fee Road	2033	3.920%	2,613,639	-
	Construction loan - 1400 Mount Fee Road	2034	7.200%	3,250,000	-
				<u>37,361,933</u>	<u>28,497,465</u>
Total debt				\$45,470,393	\$ 38,032,037

Resort Municipality of Whistler
Schedule 3 - Consolidated Schedule of Government Transfers and Grants

For the year ended December 31	2023 Financial Plan	2023 Actual	2022 Actual
	(Note 18)		
Provincial transfers			
Unconditional			
Growing Communities Fund	\$ -	\$ 4,962,000	\$ -
Provincial revenue sharing	258,000	162,000	228,454
Small community grant	312,000	243,000	311,000
	<u>570,000</u>	<u>5,367,000</u>	<u>539,454</u>
Conditional			
Municipal and regional district tax	12,884,008	15,749,830	12,826,892
Resort municipality initiative	5,351,487	6,562,430	5,807,400
South Whistler water supply	-	1,478,325	-
Community wildfire protection	1,620,100	780,627	100,000
Lost Lake snowmaking facilities	665,000	744,769	5,231
Electrical vehicle charging stations	401,902	435,697	-
Firesmart economic recovery	180,000	250,000	74,613
Composter heat exchange	-	244,727	-
Environment and sustainability initiatives	128,000	133,651	73,333
Poverty reduction planning & action program	-	89,338	5,440
RCMP victim services	69,000	79,803	68,404
Rick Hansen Foundation accessibility	-	63,573	-
Provincial grants to library	51,500	61,225	97,622
Emergency operations centres	80,000	58,631	-
Universal washrooms in community facility	-	55,992	12,500
Strengthening communities, outreach programs	-	36,086	230,479
Provincial childcare fund	26,000	29,084	35,278
Other grants	12,000	18,371	54,480
Meadow Park Sports Centre energy reduction study	-	13,875	-
Geopark infrastructure	171,128	2,783	-
Community emergency flood plain mapping	-	-	73,700
Emergency program initiatives	-	-	35,496
Healthy communities grant	-	-	20,090
UBCM convention host	-	-	17,500
	<u>21,640,125</u>	<u>26,888,817</u>	<u>19,538,458</u>
Federal transfers			
Conditional			
Community works grant - gas tax	604,953	604,953	579,598
Flood plain mapping	-	113,529	152,729
Canada community revitalization fund	-	1,169	141,249
Asset management investment plan	-	-	42,306
	<u>604,953</u>	<u>719,651</u>	<u>915,882</u>
Other Transfers			
Conditional			
Whistler Blackcomb Foundation - fire department	30,000	32,222	-
Squamish-Lillooet Regional District - library	18,000	15,450	15,450
Other	-	10,500	2,323
	<u>48,000</u>	<u>58,172</u>	<u>17,773</u>
Total government grants	<u>22,863,078</u>	<u>33,033,640</u>	<u>21,011,567</u>
Grants in lieu of taxes	<u>131,000</u>	<u>164,110</u>	<u>139,308</u>
	<u>\$ 22,994,078</u>	<u>\$ 33,197,750</u>	<u>\$ 21,150,875</u>

Unaudited Schedule

The following schedule has been prepared as supplementary information and is not audited or covered by the Auditor's report.

Resort Municipality of Whistler
Schedule - Growing Communities Fund, Use of Funds
Unaudited

For the year ended December 31, 2023

Growing Communities Fund Grant Received March 2023	\$ 4,962,000
Eligible Costs Incurred	-
Interest Earned on Reserve Balance	95,757
Balance of Unused Funds, December 31, 2023	\$ 5,057,757

The Province of British Columbia distributed conditional Growing Communities Fund ("GCF") grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of population growth. The GCF provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia.

Growing Communities Fund grant funds must be spent by March 31, 2028.