

**Town of Gibsons**  
**Financial Statements**  
December 31, 2023

**Town of Gibsons  
Financial Statements  
For the Year Ended December 31, 2023**

**Contents**

---

<b>Management's Responsibility for the Financial Statements</b>	<b>1</b>
<b>Independent Auditor's Report</b>	<b>2-3</b>
<b>Financial Statements</b>	
<b>Statement of Financial Position</b>	<b>4</b>
<b>Statement of Operations</b>	<b>5</b>
<b>Statement of Changes in Net Financial Assets</b>	<b>6</b>
<b>Statement of Cash Flow</b>	<b>7</b>
<b>Notes to the Financial Statements</b>	<b>8-26</b>
<b>Schedule 1 - Long-Term Debt</b>	<b>27</b>
<b>Schedule 2 - Government Transfers</b>	<b>28</b>
<b>Schedule 3 - Statement of Operations by Segment – 2023</b>	<b>29</b>
<b>Schedule 4 - Statement of Operations by Segment – 2022</b>	<b>30</b>
<b>Schedule A - COVID-19 Safe Restart Grants for Local Governments – Unaudited</b>	<b>31</b>
<b>Schedule B - Growing Communities Fund – Unaudited</b>	<b>32</b>

---

## Management's Responsibility for the Financial Statements

---

The accompanying financial statements of the Town of Gibsons (the "Town") are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

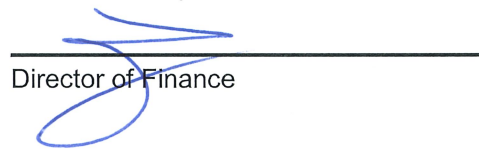
The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Town. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Town's financial statements.



---

Chief Administrative Officer

April 23, 2024



---

Director of Finance

---

## Independent Auditor's Report

---

To the Mayor and Council of the Town of Gibsons

### Opinion

We have audited the financial statements of the Town of Gibsons (the "Town") which comprise the Statement of Financial Position as at December 31, 2023 and the Statements of Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

### Basis for Opinion

We conducted our audit in accordance with Canadian generally-accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report. We are independent of the Town 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.

### Unaudited Information

We have not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the Schedule A and B of the Town's financial statements.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Financial Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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



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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an 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 financial statements. As part of an audit in accordance with Canadian generally-accepted auditing standards we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. But not for the purpose of expressing an opinion on the effectiveness of the Town'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 Town'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 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 Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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


Chartered Professional Accountants

Vancouver, British Columbia  
April 29, 2024

**Town of Gibsons**  
**Statement of Financial Position**

December 31	2023	2022 Restated
<b>Assets</b>		
<b>Financial Assets</b>		
Cash	\$ 675,376	\$ 896,085
Portfolio investments (Note 2)	15,362,239	16,409,938
Taxes receivable	262,253	298,356
Accounts receivable	2,286,005	1,273,393
	<b>18,585,873</b>	<b>18,877,772</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	2,483,259	2,646,314
Deferred revenue (Note 3)	1,583,642	1,277,433
Long-term debt (Note 4) (Schedule 1)	8,972,234	9,485,914
Development cost charges (Note 5)	2,186,368	2,298,841
Asset Retirement Obligations (Note 6)	449,677	431,276
Refundable deposits	950,647	3,273,708
	<b>16,625,827</b>	<b>19,413,486</b>
<b>Net Financial Assets (Debt)</b>	<b>1,960,046</b>	<b>(535,714)</b>
<b>Non-Financial Assets</b>		
Tangible capital assets (Note 10)	63,912,382	61,515,164
Prepaid expenses	83,121	63,440
	<b>63,995,503</b>	<b>61,578,604</b>
<b>Accumulated Surplus (Note 7)</b>	<b>\$ 65,955,549</b>	<b>\$ 61,042,890</b>

Restated (Note 17)

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Director of Finance

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

**Town of Gibsons**  
**Statement of Operations**

<b>For the Year Ended December 31</b>	<b>2023 Fiscal Plan</b>	<b>2023</b>	<b>2022 Restated</b>
<b>Revenue</b> (Schedules 3 and 4)			
Taxation (Note 11)	\$ 5,867,816	\$ 5,851,146	\$ 5,476,035
Utility user rates and connection fees	2,688,982	2,413,332	2,270,523
Government transfers (Schedule 2)	5,872,240	5,316,991	1,387,489
Other contributions	-	24,797	119,109
Sales of services	1,150,275	657,737	578,378
Other revenue	2,150,908	2,391,911	2,006,461
Contributions from developers	1,021,762	440,690	470,166
	<b>18,751,983</b>	<b>17,096,604</b>	<b>12,308,161</b>
<b>Expenses</b> (Schedules 3 and 4)			
General departmental expenditures	8,836,595	8,368,312	7,903,748
Water system	1,544,556	1,744,590	1,425,926
Sewer system	1,980,043	1,802,390	1,810,709
Motor vehicle license agency	275,143	259,252	252,566
Loss on disposal of tangible capital assets	-	9,401	14,734
	<b>12,636,337</b>	<b>12,183,945</b>	<b>11,407,683</b>
<b>Annual Surplus</b>	<b>6,115,646</b>	<b>4,912,659</b>	<b>900,478</b>
<b>Accumulated Surplus, beginning of year</b>	<b>61,042,890</b>	<b>61,042,890</b>	<b>60,142,412</b>
<b>Accumulated Surplus, end of year</b>	<b>\$ 67,158,536</b>	<b>\$ 65,955,549</b>	<b>\$ 61,042,890</b>

Fiscal Plan (Note 15)

Restated (Note 17)

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

**Town of Gibsons**  
**Statement of Changes in Net Financial Assets**

<b>For the Year Ended December 31</b>	<b>2023</b> <b>Fiscal Plan</b>	<b>2023</b>	<b>2022</b> <b>Restated</b>
<b>Annual Surplus</b>	<b>\$ 6,140,646</b>	<b>\$ 4,912,659</b>	<b>\$ 900,478</b>
Acquisition of tangible capital assets	<b>(9,223,900)</b>	<b>(4,259,327)</b>	<b>(2,054,764)</b>
Amortization of tangible capital assets	<b>1,827,144</b>	<b>1,852,708</b>	<b>1,829,675</b>
Loss on disposal of tangible capital assets	<b>-</b>	<b>9,401</b>	<b>14,734</b>
	<b>(7,396,756)</b>	<b>(2,397,218)</b>	<b>(210,355)</b>
Net acquisition of prepaid expenses	<b>-</b>	<b>(19,681)</b>	<b>(12,887)</b>
<b>Change in net financial assets for the year</b>	<b>(1,256,110)</b>	<b>2,495,760</b>	<b>677,236</b>
<b>Net debt, beginning of year, as restated</b>	<b>(535,714)</b>	<b>(535,714)</b>	<b>(1,212,950)</b>
<b>Net financial assets (debt), end of year</b>	<b>\$ (1,791,824)</b>	<b>\$ 1,960,046</b>	<b>\$ (535,714)</b>

Fiscal Plan (Note 15)

Restated (Note 17)

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



**Town of Gibsons**  
**Statement of Cash Flows**

<b>For the Year Ended December 31</b>	<b>2023</b>	<b>2022</b> Restated
<b>Cash provided by (used in)</b>		
<b>Operating transactions</b>		
Annual surplus	\$ 4,912,659	\$ 900,478
<b>Items not involving cash</b>		
Development cost charges recognized	(440,190)	(133,283)
Contributed tangible capital assets	-	(325,332)
Loss on disposal of tangible capital assets	9,401	14,733
Amortization	1,852,708	1,829,675
Accretion	18,401	17,634
	<b>6,352,979</b>	<b>2,303,905</b>
<b>Changes in non-cash operating balances</b>		
Accounts and taxes receivable	(976,509)	(206,688)
Accounts payable and accrued liabilities	(2,486,116)	109,156
Prepaid expenses	(19,681)	(12,887)
Deferred revenue	306,209	10,455
	<b>3,176,882</b>	<b>2,203,941</b>
<b>Capital transaction</b>		
Acquisition of tangible capital assets	(4,259,327)	(1,729,432)
<b>Investing transactions</b>		
Change in portfolio investments, gross	1,047,699	(196,203)
<b>Financing transactions</b>		
Development cost charges contributions	199,082	478,958
Interest on development cost charges	128,635	50,169
Issuance of debt	-	43,000
Repayment of debt	(513,680)	(588,528)
	<b>(185,963)</b>	<b>(16,401)</b>
<b>Increase (decrease) in cash during year</b>	<b>(220,709)</b>	<b>261,905</b>
<b>Cash, beginning of year</b>	<b>896,085</b>	<b>634,180</b>
<b>Cash, end of year</b>	<b>\$ 675,376</b>	<b>\$ 896,085</b>

Restated (Note 17)

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

---

**Town of Gibsons**  
**Notes to the Financial Statements**

**December 31, 2023**

---

The Town of Gibsons (the "Town") is a municipality in the Province of British Columbia and operates under the provisions of the Local Government Act and Community Charter. The Town provides municipal services such as public works, planning, parks, garbage collection and other general government services.

These financial statements are prepared by management in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board ("PSAB").

**1. Significant Accounting Policies**

**(a) Cash**

Cash includes all highly liquid investments with maturity of three months or less at acquisition.

**(b) Portfolio Investments**

Portfolio investments represent pooled investment funds and term deposits and are recorded at market values which approximate cost.

**(c) Revenue Recognition**

Taxes are recorded in the period when they meet the definition of an asset, have been authorized and the taxable event occurs. Annual levies for non-optional municipal services and general administrative services are recorded as taxes for municipal services in the year they are levied. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts. Levies imposed by other taxing authorities and collected on their behalf are not included as taxation revenue.

Through the British Columbia Assessments appeal process, taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized at the time they are awarded.

Sale of service and other revenue is recognized on an accrual basis as services are rendered.

Charges for sewer and water usage are recorded as utility user fees. Connection fee revenues are recognized when the connection has been established.

Receipts which are restricted by agreement with external parties are recorded as deferred revenue at the time they are received. When the qualifying expenditures are incurred the related contributions are brought into revenue.

**(d) 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. Government transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Government transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

**(e) Collection of Taxes on Behalf of Other Entities**

The Town collects taxation revenue on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of entities are not reflected in these financial statements.

---

**Town of Gibsons**  
**Notes to the Financial Statements**

**December 31, 2023**

---

**1. Significant Accounting Policies (Continued)**

**(f) Deferred Revenue**

Funds received for specific purposes as restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specified purpose.

Revenues from the sale of business licenses, dog tags and rental revenues pertaining to the subsequent year have been deferred. These amounts will be recognized as revenue in the period services are provided over the period to which they were collected.

**(g) Liability for Contaminated Sites**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the Town is directly responsible or accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

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

As at December 31, 2023 and 2022, the Town has reported no amounts as liability for contaminated sites.

**(h) Asset Retirement Obligations**

On January 1, 2023, the Town adopted Public Accounting Standard PS 3280 Asset Retirement Obligations. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. The standard was adopted on the modified retrospective basis at the date of adoption.

An asset retirement obligation is a legal obligation associated with the retirement of a tangible capital asset that the Town will be required to settle. The Town recognizes asset retirement obligations when there is a legal obligation to incur retirements costs in relation to a tangible capital asset, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.

Asset retirement obligations are initially measured at the best estimate of the amount required to retire a tangible capital asset at the financial statement date. The estimate of a liability includes costs directly attributable to asset retirement activities.

**1. Significant Accounting Policies (Continued)**

**(h) Asset Retirement Obligations (Continued)**

Asset retirement obligations are recorded as liabilities with a corresponding increase to the carrying amount of the related tangible capital asset. Subsequently, the asset retirement costs are allocated to expenses over the useful life of the tangible capital asset. The obligation is adjusted to reflect period-to-period changes in the liability resulting from the passage of time and for revisions to either the timing or the amount of the original estimate of the undiscounted cash flows or the discount rate.

**(i) Tangible Capital Assets**

Tangible capital assets 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. Contributed tangible capital assets are recorded at fair value at the time of the contribution.

Estimate useful lives of tangible capital assets are as follows:

Buildings	50 to 60 years
Equipment and Furniture	5 to 25 years
Vehicles	10 to 15 years
Roads	15 to 80 years
Drainage	30 to 80 years
Geo Utility	10 to 80 years
Other Tangible Capital Assets	15 to 40 years
Sewer Infrastructure	3 to 80 years
Water Infrastructure	10 to 80 years
Work in Progress	Not amortized until put into use

The Town is fortunate to have many natural assets that reduce the need for engineered infrastructure that would otherwise be required. This includes the Gibsons Aquifer (water storage and filtration), creeks, riparian areas and wetlands (storm water management), the marine foreshore (natural seawall) and the urban forest (numerous social, environmental and economic benefits). Canadian public sector accounting standards do not allow for the valuation and recording of such assets into the financial statements of the Town. As such, these natural assets are not reported in these financial statements. The Town's ability to provide services is dependent on the ability of these assets to withstand the impacts of climate change and to continue to perform as required. Recognizing the importance of this, the Town continues to invest in natural assets to increase our resiliency to climate change. This investment includes: coastal resiliency modelling, urban forest planning, creek assessment and monitoring, aquifer monitoring, expansion of storm water retention ponds, upgrading a seaside sanitary pump station and undertaking a watershed scale mapping study.

---

**Town of Gibsons**  
**Notes to the Financial Statements**

**December 31, 2023**

---

**1. Significant Accounting Policies (Continued)**

**(j) Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Areas requiring significant estimation include useful lives of tangible capital assets, valuation of asset retirement obligations, and collectability of receivables.

**(k) Financial Instruments**

Cash and equity instruments quoted in an active market are measured at fair value. All other financial instruments are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Interest and dividends attributable to financial instruments are reported in the statement of operations.

For portfolio measurements measured at cost, the cost method records the initial investment at cost and earnings from such investments are recognized only to the extent received or receivable. When an investment is written down to recognize an impairment loss, the new carrying value is deemed to be the new cost basis for subsequent accounting purposes.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

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.

---

**2. Portfolio Investments**

Portfolio investments include CIBC high interest savings, BC Credit Union term deposits and Municipal Finance Authority Pooled Investments. CIBC high interest savings and BC Credit Union term deposits yielded an effective interest rate of 4.25% - 5.20% (2022 - 0.80% - 4.34%). MFA money market, government focused and short term bond funds include securities issued by federal and provincial governments, Canadian banks and highly rated corporations. The money market fund yielded an annualized interest rate of 5.07% (2022 - 1.93%). The bond funds yielded annualized interest rates of 4.82% and 5.05% (2022 - 4.78% and 5.80%). These investments are held by the Town for the purposes of earning investment income.

**Town of Gibsons**  
**Notes to the Financial Statements**  
December 31, 2023

**3. Deferred Revenue**

Deferred revenue represents funds received, that are held for various restricted purposes. These funds are recognized as revenue in the period when the eligible related expenditures have been incurred or restrictions have been met.

	2022	Receipts	Revenue Recognized	2023
Donations	\$ 17,668	\$ -	\$ -	\$ 17,668
Prepaid rent	116,652	139,982	(139,982)	116,652
Prepaid services	71,201	90,175	(71,201)	90,175
Grants	1,071,912	1,025,951	(738,716)	1,359,147
	<u>\$ 1,277,433</u>	<u>\$ 1,256,108</u>	<u>\$ (949,899)</u>	<u>\$ 1,583,642</u>

**4. Debt**

**(a) Future principal requirements on existing long-term debt:**

Loan payments over the next five years and thereafter are as follows. For additional detailed information see Schedule of Long Term Debt (Schedule 1).

2024	\$ 581,643
2025	601,226
2026	562,998
2027	582,960
2028	557,683
2028 and onwards	<u>6,085,724</u>
	<u>\$ 8,972,234</u>

**Town of Gibsons**  
**Notes to the Financial Statements**  
December 31, 2023

**4. Debt (Continued)**

**(b) Unissued Debt**

The following approved debt remained unissued as at December 31, 2023:

Loan Authorization	Expiry	Gross Amount Approved	Unissued Amount	Temporary Borrowings
1264 Sewer Capital Improvements	2024	1,760,000	267,000	-
1265 Water Capital Improvements	2024	3,329,000	879,000	2,450,000

**5. Development Cost Charges**

	Roads	Drainage	Water	Sewer	Total
Balance, January 1, 2022	\$ 657,178	\$ 549,958	\$ 326,518	\$ 369,344	\$ 1,902,998
Interest received	18,576	13,526	8,569	9,498	50,169
Developer contributions	296,806	11,030	95,710	75,411	478,957
Expenditures	(38,723)	(26,009)	(29,815)	(38,736)	(133,283)
Balance, December 31, 2022	933,837	548,505	400,982	415,517	2,298,841
Interest received	54,504	29,134	22,161	22,837	128,636
Developer contributions	119,363	6,261	38,337	35,121	199,082
Expenditures	-	(77,104)	(225,334)	(137,753)	(440,191)
<b>Balance, December 31, 2023</b>	<b>\$ 1,107,704</b>	<b>\$ 506,796</b>	<b>\$ 236,146</b>	<b>\$ 335,722</b>	<b>\$ 2,186,368</b>

---

**Town of Gibsons**  
**Notes to the Financial Statements**  
December 31, 2023

---

**6. Asset Retirement Obligations**

The Town owns and operates several assets that are known to have asbestos and lead paint, which represent a health hazard upon demolition or renovation of the assets. There is a legal obligation to remove and dispose of the hazardous materials. Following the adoption of Public Accounting Standard PS 3280 Asset Retirement Obligations, the Town recognized an obligation relating to the removal of the hazardous materials in these assets as estimated at January 1, 2023. The transition and recognition of asset retirement obligations involved an accompanying increase to the Buildings, Water and Sanitary Sewer Infrastructure capital assets. The increase in capital assets is amortized on a straight-line basis over the remaining expected useful life of the related assets.

The Town has adopted this standard on a modified retrospective basis. Under the modified retrospective method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard. Estimated costs totalling \$497,205 have been discounted using a present value calculation with a discount rate of 4.35%. The timing of these expenditures is estimated to occur between 2023 and 2049 with the regular replacement, renovation, or disposal of assets. No recoveries are expected at this time.

<b>December 31</b>	<b>2023</b>	<b>2022</b>
Opening asset retirement obligation	<b>\$ 431,276</b>	\$ 413,642
Increase due to accretion	<b>18,401</b>	17,634
<b>Closing asset retirement obligation</b>	<b>\$ 449,677</b>	\$ 431,276

---

**7. Accumulated Surplus**

The Town segregates its accumulated surplus in the following categories:

	<b>2023</b>	<b>2022</b>
Total Operating Fund (a)	<b>\$ 8,479,478</b>	\$ 6,863,857
Reserve Fund (b)	<b>2,535,923</b>	2,149,783
Investment in tangible capital assets (c)	<b>54,940,148</b>	52,029,250
	<b>\$ 65,955,549</b>	\$ 61,042,890



**Town of Gibsons**  
**Notes to the Financial Statements**

**December 31, 2023**

**7. Accumulated Surplus (Continued)**

- (a) Included in the total are funds: 1) Funds related to the Estate of Muriel E. Haynes of \$224,644 (2022 - \$213,378). These funds are to be spent on capital improvements at the Gibsons & District Aquatic Facility for the general benefit of the community of Gibsons as a whole. 2) A Covid-19 Safe Restart Grant for Local Governments in the amount of \$1,512,000 was provided to the Town to support the provision of essential services during the effects of the pandemic. The remaining balance of allocated funds as at December 31, 2023 is \$383,924 (2022 - \$775,575). 3) Growing Communities Funds in the amount of \$2,314,000 was provided to the Town in 2023 to fund the construction of infrastructure and amenities required to support the increase in local housing supply. The remaining balance of funds as at December 31, 2023 is \$2,375,533 (2022 - \$-)
- (b) Reserve funds represent funds set aside in accordance with a bylaw or council resolution for specific purposes and are comprised of the following:

	<b>Capital Works</b>	<b>Community Works</b>	<b>Public Parking</b>	<b>Park Acquisition</b>	<b>Affordable Housing</b>	<b>Community Amenity</b>	<b>Total</b>
Balance, January 1, 2022	\$ 944,814	\$ 690,906	\$ 125,656	\$ 30,733	\$ 558,698	\$ 7,428	<b>\$2,358,235</b>
Interest Received	23,671	18,099	3,079	753	13,748	605	<b>59,955</b>
Contributions and transfers	10,289	260,555	-	-	-	61,591	<b>332,435</b>
Transfers between reserves	-	-	-	-	24,615	-	<b>24,615</b>
Operating fund transfers	239,230	-	-	-	-	-	<b>239,230</b>
Expenditures	(279,895)	(234,878)	-	-	(349,914)	-	<b>(864,687)</b>
<b>Balance, December 31, 2022</b>	<b>938,109</b>	<b>734,682</b>	<b>128,735</b>	<b>31,486</b>	<b>247,147</b>	<b>69,624</b>	<b>2,149,783</b>
Interest received	50,657	41,430	6,797	1,662	13,049	3,676	<b>117,271</b>
Contributions and transfers	46,825	272,236	-	-	-	-	<b>319,061</b>
Operating fund transfers	260,000	-	-	-	-	-	<b>260,000</b>
Expenditures	(63,747)	(232,242)	-	-	(14,203)	-	<b>(310,192)</b>
<b>Balance, December 31, 2023</b>	<b>\$1,231,844</b>	<b>\$ 816,106</b>	<b>\$ 135,532</b>	<b>\$ 33,148</b>	<b>\$ 245,993</b>	<b>\$ 73,300</b>	<b>\$2,535,923</b>

---

**Town of Gibsons**  
**Notes to the Financial Statements**  
December 31, 2023

---

**7. Accumulated Surplus (Continued)**

(c) The investment in tangible capital assets represents amounts already spent and invested in infrastructure.

	<b>2023</b>	<b>2022 Restated (Note 17)</b>
Tangible capital assets	<b>\$63,912,382</b>	\$61,515,164
Amounts financed by:		
Long-term debt	<b>(8,972,234)</b>	(9,485,914)
<b>Investment in Tangible Capital Assets</b>	<b>\$54,940,148</b>	<b>\$52,029,250</b>

---

**8. Commitments**

**(a) Integration of Regional District and Town Water Supply**

The Town has entered into a Bulk Water Supply Agreement with the Sunshine Coast Regional District ("Regional District") to provide water supply to Zone 3 residents. As of August 1, 2020, the Town expanded the use of its own water supply and now supplies Zone 3 with aquifer water. The Town's reliance on the Regional District supplied water is now limited to fire flow and peak demand supply for Zone 3 as required. There is no minimum purchase required under this agreement. The Town did not purchase any water under this agreement in 2023 or 2022. The twenty-five year agreement commenced June 3, 2013 and expires June 2, 2038.

---

**9. Pension Plan**

The Town and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly-trusteed pension plan. The board of Trustees, representing plan members and employers, is responsible for administering the management of the Plan, including investment of the assets and administration of the benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided 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 government.

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 funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

**9. Pension Plan (Continued)**

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

The Town paid \$324,377 (2022 - \$258,455) for employer contributions while employee contributions totaled \$298,703 (2022 - \$239,107) to the Plan in fiscal 2023.

The next valuation will be as at December 31, 2024, with results available in 2025. Employers participating in the plan record their pension expense at 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.

---

**Town of Gibsons**  
**Notes to the Financial Statements**

December 31

**10. Tangible Capital Assets**

	Land	Buildings	Furn. and Equip.	Vehicles	Roads	Drainage	Geo Utility	Other Tangible Capital Assets	Sewer Utility	Water Utility	Work In Progr.	2023
Cost, beginning of year	\$11,390,262	\$ 7,468,974	\$ 705,680	\$ 1,991,576	\$18,840,682	\$ 7,110,842	\$ 1,250,867	\$ 3,541,715	\$18,448,494	\$18,272,766	\$ 2,147,171	<b>\$91,169,029</b>
Additions	-	147,285	-	-	115,326	13,997	-	40,536	68,223	1,344,371	2,529,589	<b>4,259,327</b>
Disposals	-	-	-	(191,303)	(69,450)	(21,868)	-	-	-	(59,009)	-	<b>(341,630)</b>
Transfers	-	40,394	-	-	-	-	-	-	-	1,050,189	(1,090,583)	-
Cost, end of year	11,390,262	7,656,653	705,680	1,800,273	18,886,558	7,102,971	1,250,867	3,582,251	18,516,717	20,608,317	3,586,177	<b>95,086,726</b>
Accumulated amortization, beginning of year	-	4,025,904	518,500	1,217,229	8,763,038	1,956,942	280,088	1,738,653	6,094,550	5,058,961	-	<b>29,653,865</b>
Amortization	-	186,063	58,047	96,191	561,824	90,784	26,926	87,262	379,387	366,224	-	<b>1,852,708</b>
Disposals	-	-	-	(181,901)	(69,450)	(21,869)	-	-	-	(59,009)	-	<b>(332,229)</b>
Accumulated amortization, end of year	-	4,211,967	576,547	1,131,519	9,255,412	2,025,857	307,014	1,825,915	6,473,937	5,366,176	-	<b>31,174,344</b>
Net carrying amount, end of year	\$11,390,262	\$ 3,444,686	\$ 129,133	\$ 668,754	\$ 9,631,146	\$ 5,077,114	\$ 943,853	\$ 1,756,336	\$12,042,780	\$15,242,141	\$ 3,586,177	<b>\$63,912,382</b>

**Town of Gibsons**  
**Notes to the Financial Statements**

**December 31**

**10. Tangible Capital Assets (Continued)**

	Land	Buildings	Furn. and Equip.	Vehicles	Roads	Drainage	Geo Utility	Other Tangible Capital Assets	Sewer Utility	Water Utility	Work In Progr.	2022 Restated
Cost, beginning of year	\$11,390,262	\$ 7,458,443	\$ 639,646	\$ 1,751,869	\$18,659,145	\$ 7,110,842	\$ 1,250,867	\$ 3,361,709	\$18,362,652	\$18,195,094	\$ 1,026,191	\$89,206,720
Additions	-	-	81,374	258,001	295,233	-	-	166,006	72,000	35,534	1,146,616	2,054,764
Additions due to ARO recognition (Note 17)	-	51,042	-	-	-	-	-	-	2,206	42,138	-	95,386
Disposals	-	(40,511)	(15,340)	(18,294)	(113,696)	-	-	-	-	-	-	(187,841)
Transfers	-	-	-	-	-	-	-	14,000	11,636	-	(25,636)	-
Cost, end of year	11,390,262	7,468,974	705,680	1,991,576	18,840,682	7,110,842	1,250,867	3,541,715	18,448,494	18,272,766	2,147,171	91,169,029
Accumulated amortization, beginning of year	-	3,828,850	489,691	1,125,649	8,320,900	1,865,740	253,162	1,640,000	5,728,490	4,658,787	-	27,911,269
Amortization	-	186,805	44,149	100,879	555,834	91,202	26,926	98,653	364,552	360,675	-	1,829,675
Additional amortization due to ARO recognition (Note 17)	-	45,021	-	-	-	-	-	-	1,508	39,499	-	86,028
Disposals	-	(34,772)	(15,340)	(9,299)	(113,696)	-	-	-	-	-	-	(173,107)
Accumulated amortization, end of year	-	4,025,904	518,500	1,217,229	8,763,038	1,956,942	280,088	1,738,653	6,094,550	5,058,961	-	29,653,865
Net carrying amount, end of year	\$11,390,262	\$ 3,443,070	\$ 187,180	\$ 774,347	\$10,077,644	\$ 5,153,900	\$ 970,779	\$ 1,803,062	\$12,353,944	\$13,213,805	\$ 2,147,171	\$61,515,164
Restated (Note 17)												

**Town of Gibsons**  
**Notes to the Financial Statements**  
December 31, 2023

**11. Taxation**

	Fiscal Plan 2023	2023	2022
General municipal purposes	\$ 4,086,807	\$ 4,086,396	\$ 3,823,896
Collections for other governments			
Province of British Columbia - School	-	3,376,226	3,058,998
Regional District Hospital	-	187,521	155,149
Municipal Finance Authority	-	568	499
British Columbia Assessment Authority	-	100,886	92,756
Regional District	-	3,756,411	3,362,794
Police Tax	-	526,715	419,115
	<b>4,086,807</b>	<b>12,034,723</b>	10,913,207
Transfers to other governments			
Province of British Columbia - School	-	(3,367,860)	(3,058,715)
Regional Hospital District	-	(187,524)	(155,147)
Municipal Finance Authority	-	(569)	(500)
British Columbia Assessment Authority	-	(100,888)	(92,759)
Regional District	-	(3,756,618)	(3,362,793)
Police Tax	-	(527,232)	(419,124)
	-	<b>(7,940,691)</b>	(7,089,038)
Total general municipal taxes	<b>4,086,807</b>	<b>4,094,032</b>	3,824,169
Frontage, local improvement and parcel taxes			
Water system	725,788	715,476	674,869
Sewer system	1,055,221	1,041,638	976,997
	<b>1,781,009</b>	<b>1,757,114</b>	1,651,866
	<b>\$ 5,867,816</b>	<b>\$ 5,851,146</b>	\$ 5,476,035

---

**Town of Gibsons**  
**Notes to the Financial Statements**

**December 31, 2023**

---

**12. Gibsons Landing Harbour Authority**

The Gibsons Landing Harbour Authority (the "GLHA") is an independently operated organization of which the Town of Gibsons is the sole member. The Town controls the board appointments of the GLHA. However, its bylaws require that upon dissolution or wind-up, its net assets will revert to the Department of Fisheries - Government of Canada. As such, the Town does not meet the definition of control over GLHA according to public sector accounting standards and therefore, the transactions and balances of the GLHA are not included in these financial statements.

---

**13. Contingent Liabilities**

- (a) As a member of the Sunshine Coast Regional District, the Town is jointly and severally liable with the other member municipalities for the net capital liabilities of those authorities.
  - (b) The Sunshine Coast Regional District has requested and has been provided with demand notes drawn in its favour totalling \$278,644 (2022 - \$230,614) to provide for additional funds, should the need arise, to service its debt in which the Town shares. The demand notes are callable only if there are additional requirements to be met to service its debt in which the Town shares, and therefore have not been recorded in the statement of financial position.
  - (c) The Town is partially self-insured through the Municipal Insurance Association of British Columbia. Should the Association in aggregate pay out claims in excess of premiums received, it is possible that the Town, along with the other participants, would be required to contribute towards the deficit.
- 

**14. Contractual Rights**

**(a) Contributed Tangible Capital Assets**

Subdivision developers are required to provide subdivision infrastructure such as streets, lighting, sidewalks, and drainage. Upon completion these assets are turned over to the Town. Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

**(b) RCMP Funding**

The Town has entered into an agreement with the Royal Canadian Mounted Police for the occupancy of the RCMP station on Sunnycrest Road for the provision of policing services for the Town. In return, the Town has received a commitment to receive annual lease revenue of \$140,000. This agreement will be reviewed once the Town's population exceeds 5,000 according to the Canadian Census. The next Census takes place in 2026.

**14. Contractual Rights (Continued)**

**(c) Marina Lease**

The Town has entered into a Marina Lease Agreement with Gibsons Marina Hotel Incorporated (GMHI) for a 30 year term, expiring February 28, 2042. In return, the Town has received a commitment to receive annual lease revenue which is based on a portion of annual gross revenue earned by GMHI. The annual lease revenue received in 2023 was \$191,455 (2022 - \$175,895).

---

**15. Fiscal Plan**

Fiscal plan amounts represent the Financial Plan Bylaw adopted by Council on May 3, 2023. The Financial Plan does not include certain revenues that are accounted for under Canadian public sector accounting standards. The budget amounts disclosed in the statement of operations and statement of changes in net debt include \$1,021,762 related to contributions from developers and \$3,554,700 related to government transfers that were not included as revenues in the Financial Plan Bylaw.

The Financial Plan Bylaw included certain revenues and expenses that the Town administers on behalf of the Gibsons Public Market. As these amounts do not relate to the Town's operations they are excluded from the budget amounts disclosed in the statement of operations and statement of changes in net debt.

---

**16. Segmented Information**

The Town is a diversified municipal government institution that provides a wide range of services to its citizens such as roads, water, sewer and drainage infrastructure, garbage collection and parks. The Town also contributes to the costs of fire protection and transit which are under the jurisdiction of the Sunshine Coast Regional District. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows. For additional detailed information see Statement of Operations by Segment (Schedules 3 and 4).

**General Government Services**

General Government Services is comprised of the Corporate Services and Financial Services Departments. The Corporate Services Department is the communications link between Council and other Municipal Departments and the general public, providing assistance and advice to citizens with respect to Council/Committee processes, reporting procedures and decisions. A segment of this department is the ICBC Autoplan and Driver Licensing Agency.

The Financial Services Department is responsible for the overall financial, human resources and risk management of the Town.



**16. Segmented Information (Continued)**

**ICBC Autoplan and Driver Licensing Agency**

This department, under an agency agreement, provides ICBC Autoplan and Driver Licensing services. Autoplan services consist of vehicle registration and insurance renewals, and Driver Licensing services include driver licence renewals, road tests and the processing of motor vehicle fines.

**Parks Services**

The Parks and Cultural Services Department contributes to the quality of life and personal wellness of the community through the provision of a variety of special events, programs, services and facilities.

**Planning and Development Services**

This department provides short-term and long-term planning services.

- Short-Term Planning includes the processing of subdivision and development applications.
- Long-Term Planning includes work with the community on reviewing the Town's Official Community Plan, developing new Neighbourhood Plans, the Trail and Bicycle Network Plans and the review of relevant bylaws.

**Protective Services**

Protection is comprised of bylaw enforcement and building inspection.

- Bylaw enforcement administers, monitors, and seeks compliance with the bylaws enacted by the Mayor and Council to regulate the conduct of affairs in the Town of Gibsons.
- The Town of Gibsons Building Department maintains the quality of life for Gibsons' citizens by regulating all construction within the Town. This is achieved through the use of the Town of Gibsons Building and Plumbing Bylaw, the British Columbia Building Code, the British Columbia Fire Code and other related bylaws and enactments within the Town of Gibsons.

**Public Works**

Public works/infrastructure services includes the Water and Sewer Utilities and is responsible for the essential services of the Town:

- ensuring clean and safe water to our Town, supplied through underground pipes, wells and reservoirs;
- maintaining a separate system of underground pipes to collect sewer or waste water for proper treatment prior to discharging it;

---

**Town of Gibsons**  
**Notes to the Financial Statements**  
December 31, 2023

---

**16. Segmented Information (Continued)**

**Public Works (Continued)**

- providing and maintaining the Town's roads, sidewalks, street lights, signage and line markings, storm drainage and hydrants; and
  - providing other key services including street cleaning and the coordination of residential garbage collection services.
- 

**17. Restatement of prior year figures**

On January 1, 2023, the Town adopted the new Public Sector Accounting Standard PS 3280 Asset Retirement Obligations ("ARO"). This new accounting standard addresses the reporting obligations associated with the retirement of certain tangible capital assets. The standard was adopted on a modified retrospective basis as at the date of adoption.

The impact of the prior period adjustment as at, and for the year ending December 2022, is as follows:

	<b>December 31, 2022 (Previously stated)</b>	<b>ARO Adjustments</b>	<b>December 31, 2022 (Restated)</b>
<b>Liabilities</b>			
Asset retirement obligations	\$ -	\$ 431,276	\$ 431,276
<b>Net debt</b>	(104,438)	(431,276)	(535,714)
<b>Non-Financial Assets</b>			
Tangible capital assets	61,508,337	6,827	61,515,164
<b>Annual Surplus</b>	920,642	(20,164)	900,478
<b>Opening Accumulated Surplus</b>	60,546,697	(404,285)	60,142,412
<b>Ending Accumulated Surplus</b>	\$ 61,467,339	\$ (424,449)	\$ 61,042,890

---

## **18. Financial Instrument Risk Management**

The Town is exposed to credit risk, liquidity risk, and interest rate risk from its financial instruments. This note describes the Town's objectives, policies, and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

There have not been any changes from the prior year in the Town's exposure to the above risks, or the policies, and methods it uses to manage and measure the risks.

### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Town is exposed to credit risk through its cash, accounts receivable, and portfolio investments.

The Town manages credit risk by holding balances of cash and cash equivalents with a variety of highly rated institutions under the parameters outlined in Investment Policy 2.11.

Accounts receivable consists primarily of highly diversified holders of property taxes and utility fees as well as receivables from other government reporting entities. The Town measures its exposure to credit risk based on the length of time the amounts have been outstanding and historical experience regarding collections. To reduce the risk, the Town periodically reviews the collectibility of its accounts receivable and establishes an allowance based on its best estimate of potentially uncollectable amounts. The maximum exposure to credit risk at the financial statement date is the carrying value of the Town's cash and accounts receivable as outlined on the Statement of Financial Position. Based on this knowledge, credit risk of cash and accounts receivable are assessed as low.

The Town manages exposure to credit risk for portfolio investments by ensuring adequate diversification through maintaining its investments as guided by the parameters outlined in Investment Policy 2.11 and the investment requirements of Section 183 of the Community Charter of the Province of BC. As a result, the Town has reduced exposure to market or value risk.

### **Liquidity risk**

Liquidity risk is the risk that the Town will encounter difficulty in meeting obligations associated with financial liabilities. The Town is exposed to liquidity risk through its accounts payable, long-term debt and investments.

The Town manages this risk by maintaining a balance of short term or highly liquid investments and staggering maturity dates of the investment portfolio for cash flow needs. The Town also regularly monitors cash activities and expected outflows through budgeting and maintaining investments that can be converted to cash in the near term if unexpected cash flows arise.

Also to help manage the risk, the Town has in place a planning, budgeting and forecasting process to help determine the funds required to support the normal operating requirements. The Town's five-year financial plan is approved by the Mayor and Council, which includes operations activities and capital investments.

**Town of Gibsons**  
**Notes to the Financial Statements**

December 31, 2023

**18. Financial Instrument Risk Management (Continued)**

The Town measures its exposure to liquidity risk based on approved operational and capital budgets and regular reviews of forecasted cash inflows and expected outflows. The tables below show when the accounts payable and accrued liabilities mature.

<b>December 31, 2023</b>	<b>Within 6 months</b>	<b>Up to 1 year</b>	<b>1 to 5 years</b>	<b>Over 5 years</b>
Accounts payable and accrued liabilities	\$ 1,958,557	\$ 448,154	\$ -	\$ 76,528

<b>December 31, 2022</b>	<b>Within 6 months</b>	<b>Up to 1 year</b>	<b>1 to 5 years</b>	<b>Over 5 years</b>
Accounts payable and accrued liabilities	\$ 1,896,734	\$ 673,052	\$ -	\$ 76,528

The maturity dates of the Town's long-term debt are outlined in Schedule 1. The maturity dates of the remaining financial liabilities cannot be reasonably determined and therefore, are excluded from the above amounts.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Town is exposed to interest rate risk through its long-term debt and the value of portfolio investments.

The Town manages interest rate risk on its long-term debt by holding all debt through the Municipal Finance Authority at a fixed rate, with refinancing typically being completed at the ten or twenty year mark. Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to long-term debt. See Schedule 1 for interest rates and maturity dates for long term debt.

Investments that are subject to interest rate risk are managed according to Investment Policy 2.11 and include term deposits and MFA pooled investment funds (Note 2). The risk is caused by changes in interest rates. The risk exposure associated with the term deposits arises at the maturity date. For MFA pooled investments, as interest rates rise, the fair value of the MFA pooled investment fund notes decrease and, as interest rates fall, the fair value of these investments increase. To mitigate risk, the Town holds a diversified investment portfolio which reduces the Town's exposure to interest rate risk at any one time.

**Town of Gibsons**  
**Schedule 1 - Long-Term Debt**

For the Year Ended December 31

Loan Authorization Bylaw	Purpose	Year of Maturity	Rate	Balance	Outstanding
				2023	2022
<b>General</b>					
1093	Road improvements	2029	2.25%	\$ 32,793	\$ 37,548
1126	RCMP Building	2031	2.41%	1,134,560	1,255,664
1231	Road improvement	2027	2.80%	170,817	210,458
1234	Capital improvements	2026	*	115,000	172,500
1246	Road improvements	2038	3.15%	1,431,512	1,506,237
				<b>2,884,682</b>	<b>3,182,407</b>
<b>Water</b>					
1093	Cross connection control and water meter	2029	2.25%	334,031	382,453
1134	Zone 2 Reservoir	2032	2.90%	542,447	592,994
1186	Water mains	2034	3.30%	464,120	497,211
1272	Zone 3 Aquifer Expansion		*	2,450,000	2,450,000
				<b>3,790,598</b>	<b>3,922,658</b>
<b>Sewer</b>					
977	Waste Water Treatment Plant upgrade	2031	4.85%	803,954	887,849
1271	Capital improvements		*	-	1,493,000
1264	Capital improvements	2043	4.97%	1,493,000	-
				<b>2,296,954</b>	<b>2,380,849</b>
				<b>\$ 8,972,234</b>	<b>\$ 9,485,914</b>

\* This financing bears interest at the 30-day Banker's Acceptance rate, is calculated daily and is payable monthly.

**Town of Gibsons**  
**Schedule 2 - Government Transfers**

For the Year Ended December 31	Fiscal Plan 2023	2023	2022
<b>Government Transfers</b>			
<b>Federal Government</b>			
In lieu of taxes - general	\$ 62,700	\$ 67,173	\$ 62,685
Federal Grant	-	732,221	47,452
	<b>62,700</b>	<b>799,394</b>	110,137
<b>Provincial Government</b>			
Small Communities	507,000	499,000	636,000
Planning	-	65,521	141,915
Street lighting	1,318	1,318	1,318
Other	4,029,082	191,694	99,872
Community Works	272,140	272,236	260,555
Growing Communities Fund	1,000,000	2,314,000	-
ICIP - Rural & Northern Communities - White Tower	-	779,969	46,398
BC Tourism - Active Transportation	-	393,859	91,294
	<b>5,809,540</b>	<b>4,517,597</b>	1,277,352
	<b>\$ 5,872,240</b>	<b>\$ 5,316,991</b>	<b>\$ 1,387,489</b>

**Town of Gibsons**  
**Schedule 3 - Statement of Operations by Segment**

For the Year Ended December 31, 2023	General Government Services	ICBC Autoplan Driver Licence Agency	Protective Services	Planning and Devel. Services	Public Works	Parks Services	Unallocated	Water Utility	Sewer Utility	Total 2023 Actual	Total 2023 Fiscal Plan
<b>Revenues</b>											
Taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,094,032	\$ 715,476	\$ 1,041,638	\$ 5,851,146	\$ 5,867,816
Utility user rates and connection fees	-	-	-	-	-	-	-	1,408,143	1,005,190	2,413,333	2,688,982
Government transfers	28,121	-	-	65,521	2,315,318	-	2,908,030	-	-	5,316,990	5,872,240
Other contributions	3,622	-	-	-	-	-	-	12,273	8,902	24,797	-
Sales of services	52,732	-	10,650	-	594,355	-	-	-	-	657,737	1,150,275
Other revenue	786,881	302,267	482,199	-	53,304	5,782	484,310	138,561	138,607	2,391,911	2,150,908
Contributions from developers	77,104	-	-	-	500	-	-	225,334	137,753	440,690	1,021,762
<b>Total Revenues</b>	<b>948,460</b>	<b>302,267</b>	<b>492,849</b>	<b>65,521</b>	<b>2,963,477</b>	<b>5,782</b>	<b>7,486,372</b>	<b>2,499,787</b>	<b>2,332,090</b>	<b>17,096,604</b>	<b>18,751,983</b>
<b>Expenses</b>											
<b>Operating</b>											
Goods and Services	1,377,628	5,121	30,092	258,851	1,173,170	349,736	-	677,772	863,179	4,735,549	5,409,061
Labour	1,594,305	254,131	430,301	464,222	850,522	579,863	-	485,758	407,565	5,066,667	5,260,817
Debt interest and other	142,669	-	-	-	-	-	-	206,700	151,849	501,218	139,315
Accretion Expense	9,854	-	-	-	-	-	-	8,136	410	18,400	-
Amortization of tangible capital assets	1,107,097	-	-	-	-	-	-	366,224	379,387	1,852,708	1,827,144
	4,231,553	259,252	460,393	723,073	2,023,692	929,599	-	1,744,590	1,802,390	12,174,542	12,636,337
Loss on disposal of tangible capital assets	9,401	-	-	-	-	-	-	-	-	9,401	-
<b>Total Expenses</b>	<b>4,240,954</b>	<b>259,252</b>	<b>460,393</b>	<b>723,073</b>	<b>2,023,692</b>	<b>929,599</b>	<b>-</b>	<b>1,744,590</b>	<b>1,802,390</b>	<b>12,183,945</b>	<b>12,636,337</b>
<b>Excess (deficiency) in revenues over expenses</b>	<b>\$ (3,292,494)</b>	<b>\$ 43,015</b>	<b>\$ 32,456</b>	<b>\$ (657,552)</b>	<b>\$ 939,785</b>	<b>\$ (923,817)</b>	<b>\$ 7,486,372</b>	<b>\$ 755,197</b>	<b>\$ 529,700</b>	<b>\$ 4,912,659</b>	<b>\$ 6,115,646</b>

**Town of Gibsons**  
**Schedule 4 - Statement of Operations by Segment**

For the Year Ended December 31, 2022	General Government Services	ICBC Autoplan Driver Licence Agency	Protective Services	Planning and Devel. Services	Public Works	Park Services	Unallocated	Water Utility	Sewer Utility	Total 2022 Actual Restated	Total 2022 Fiscal Plan
<b>Revenues</b>											
Taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,824,169	\$ 674,869	\$ 976,997	\$ 5,476,035	\$ 5,502,092
Utility user rates and connection fees	-	-	-	-	-	-	-	1,326,468	944,055	2,270,523	2,618,819
Government transfers	545,571	-	-	141,915	1,318	-	698,685	-	-	1,387,489	3,873,933
Other contributions	25,253	-	-	-	-	-	-	-	93,856	119,109	-
Sales of services	15,766	-	16,110	-	546,502	-	-	-	-	578,378	1,118,551
Other revenue	454,330	263,770	597,415	-	42,269	5,830	471,936	92,530	78,381	2,006,461	1,404,477
Contributions from developers	26,009	-	-	-	269,683	61,591	-	29,815	83,068	470,166	1,767,538
<b>Total Revenues</b>	<b>1,066,929</b>	<b>263,770</b>	<b>613,525</b>	<b>141,915</b>	<b>859,772</b>	<b>67,421</b>	<b>4,994,790</b>	<b>2,123,682</b>	<b>2,176,357</b>	<b>12,308,161</b>	<b>16,285,410</b>
<b>Expenses</b>											
<b>Operating</b>											
Goods and Services	1,124,628	6,120	20,052	583,033	1,182,857	316,886	-	481,824	869,958	4,585,358	4,854,432
Labour	1,442,418	246,446	207,617	379,064	876,354	509,491	-	433,259	448,054	4,542,703	4,551,004
Debt interest and other	147,456	-	-	-	-	-	-	142,371	127,752	417,579	145,600
Accretion Expense	9,444	-	-	-	-	-	-	7,797	393	17,634	-
Amortization of tangible capital assets	1,104,448	-	-	-	-	-	-	360,675	364,552	1,829,675	1,762,094
	3,828,394	252,566	227,669	962,097	2,059,211	826,377	-	1,425,926	1,810,709	11,392,949	11,313,130
Loss on disposal of tangible capital assets	14,734	-	-	-	-	-	-	-	-	14,734	-
<b>Total Expenses</b>	<b>3,843,128</b>	<b>252,566</b>	<b>227,669</b>	<b>962,097</b>	<b>2,059,211</b>	<b>826,377</b>	<b>-</b>	<b>1,425,926</b>	<b>1,810,709</b>	<b>11,407,683</b>	<b>11,313,130</b>
<b>Excess (deficiency) in revenues over expenses</b>	<b>\$ (2,776,199)</b>	<b>\$ 11,204</b>	<b>\$ 385,856</b>	<b>\$ (820,182)</b>	<b>\$ (1,199,439)</b>	<b>\$ (758,956)</b>	<b>\$ 4,994,790</b>	<b>\$ 697,756</b>	<b>\$ 365,648</b>	<b>\$ 900,478</b>	<b>\$ 4,972,280</b>

Restated (Note 17)



**Town of Gibsons**  
**Schedule A - COVID-19 Safe Restart Grants for Local Governments**  
**Unaudited**

<b>For the Year Ended December 31</b>	<b>2023</b>	<b>2022</b>
<b>Opening Balance</b>	<b>775,575</b>	<b>\$ 946,321</b>
<b>Less amount allocated to eligible categories:</b>		
Facility reopening and operating costs	147,163	22,652
Computer and other electronic technology costs	244,488	120,894
Services for vulnerable people	-	27,200
<b>Total allocations</b>	<b>391,651</b>	<b>170,746</b>
<b>Ending Balance</b>	<b>383,924</b>	<b>\$ 775,575</b>

In November 2020, the Town of Gibsons was the recipient of a \$1,512,000 grant under the COVID-19 Safe Restart for Local Governments program from the Province of BC.

This grant funding was provided to support local governments deal with increased operating costs and lower revenue due to the COVID-19 pandemic and ensure local governments can continue to deliver the services people depend on in the community.

**Town of Gibsons**  
**Schedule B - Growing Communities Fund**  
**Unaudited**

<b>For the Year Ended December 31</b>	<b>2023</b>	<b>2022</b>
Opening Balance	2,314,000	\$ -
<b>Less amount allocated to eligible categories:</b>		
Sanitary Sewer Infrastructure	33,532	-
<b>Total allocations</b>	33,532	-
Interest Earned	95,065	-
<b>Ending Balance</b>	<b>2,375,533</b>	<b>\$ -</b>

In March 2023, the Town of Gibsons was the recipient of a \$2,314,000 grant under the Growing Communities Fund program from the Province of BC.

This grant funding was provided to support local governments to aid in the construction of infrastructure and amenities to facilitate greater housing supply for a growing population.