

FIRST QUARTER FINANCIAL REPORT

For the period ended March 31, 2023

Resort Municipality of Whistler
whistler.ca



INTRODUCTION

Quarterly financial reporting is prepared by the Resort Municipality of Whistler (RMOW) as a means of providing the community and Council with a regular overview of financial information.

This report includes three sections.

- | | |
|-------------------------------------|--|
| 1 Revenue & Expenditures | presents a review of consolidated revenues for the organization by category, and breakdown of both revenues and expenditures by operating department. (pp 2-6) |
| 2 Project Expenditure | discusses project spending, both in aggregate and at the individual project level. (pp 7-13) |
| 3 Investments | reviews the RMOW's investment portfolio and associated income for the period. (p 14) |

All financial information is based on preliminary, unaudited information reported from the municipal financial system as of the report date. All revenue & expenditure amounts are presented on a non-consolidated basis which may give rise to some variations from amounts included in the actual Five-Year Financial Plan Bylaw. Non-consolidated means that subsidiary companies of the municipality (Whistler Housing Authority for example) are not included and interdepartmental sales and purchases have not been removed. Department results and project expenditures are supplementary information and provide additional detail for readers. Quarterly financial reporting follows the fiscal year of the municipality which is January 1 through December 31.

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REVENUE AND EXPENDITURES OVERVIEW

Note: A change has been made to the quarterly report beginning in 1Q23, in which quarterly (not annual) budget figures now appear alongside corresponding quarterly results. RMOW believes that this new approach provides better visibility into results throughout the year. Because the quarterly budgeting approach is new this year, prior-year budgets are not available in a comparable form. Also worth noting is the presentation of 2019 actual expenditure figures alongside current (2023) and prior-year (2022) numbers. This choice has been made in order to provide a picture of how the financial results compare to pre-pandemic operations.

Also worth noting is that the new RMOW reporting structure is now in place. The manner of presentation for the financial results now reflects this new structure.

General Revenue

Revenue ended the quarter 1Q23 at 165 per cent and divisional operating expenditures at 97 per cent of quarterly budgeted amounts. Operating budget amounts were amended once in each of 2022 and 2023. The figures presented here reflect as-amended amounts for both periods.

The greatest single impact to RMOW revenues in 1Q23 was receipt of the Growing Communities Fund grant in the amount of \$4.85 million, received from the Provincial and Federal governments in January. Consultation is under way to determine appropriate uses for this grant funding; the accompanying expenses are expected to land in late 2023 or in 2024. Excluding this one-time grant, 1Q23 revenue was 124 per cent of budgeted amounts.

Tourist visitation remained strong in 1Q23, evident in core MRDT that was up +40.3% vs 1Q22 and +32.8% compared to 1Q19. MRDT from Online Accommodation Providers (MRDT OAP) was also very strong, at \$922 thousand for the quarter. RMOW committed to provide its share of 1Q23 MRDT OAP to Whistler 2020 Development Corp under the MRDT OAP Contribution Agreement and this funding supported ongoing site works in Cheakamus Crossing as well as the final elements of Lot 1 employee housing units.

Investment revenue fell short of expectations in the quarter, as interest rates continued to rise and affect the market value of pooled units sold during the quarter. These losses are expected to be more than offset by the higher interest income generated by new holdings. Prevailing rates on short-term (<12 months) investments have more than doubled from where they were just one year ago, which also supports higher interest income expectations going forward. 90% of Interest is credited to reserves in the year in which is recorded, which helps narrow the gap between the long term renewal needs for RMOW assets and the amount collected directly from the community to fund those needs.

Divisional Operating Revenue

Within ongoing RMOW operations, day skier parking revenues posted another strong quarter, up +23.8% compared to 2022 and +95.1% compared to 2019 levels. Net revenues from day skier parking have (since 2020) been providing essential support to local transit operations, with planned contributions for 2023 of \$1.2 million.

Transit ridership continues to recover from the effects of the lengthy 2022 strike and transit fares for the quarter were -26.4% below 2019 levels. As ridership recovers, Transit is also facing escalating costs, due both to general cost inflation and gradual service level expansion. The Local Transit Fund (held and administered by BC Transit on RMOW's behalf) reserve has been buffering these cost elements for the last three years is expected to be

exhausted by 2025 or 2026. At that point the full cost of Transit service in our community will once again fall to RMOW sources to fund.

Recreation benefitted from strong 1Q23 revenues in both Lost Lake Cross Country (LLXC) skiing and Whistler Olympic Plaza Ice rink (WOPIR) operations, up +10.9% and +20.9% respectively compared to 1Q19. The operating season for both of these programs spans two different fiscal years. Looking at the full season 2022/23 rather than the quarter, LLXC reported very strong revenues (127% of the prior four seasons' average) and better cost recovery (84.7% compared to prior four years at 73.1%). WOPIR by comparison was less busy this season, with revenues at 91% of typical, and reported lower cost recovery (64.7% compared to 85.2%).

Likewise, Meadow Park Sports Centre (MPSC) was quite busy in 1Q23, with passes and admissions sales up +67.6% versus 1Q22 and +14.9% versus 1Q19. Programs are slowly returning to normal volumes, but remain challenged by the lifeguard shortage, which affects swim lesson offerings.

Divisional Operating Expenditures

1Q23 payroll has come in ahead of budgeted amounts in several departments. Some like Parks Planning relate to acting pay, which may land in a different division than where it was budgeted. Some like Mayor & Council relate to rate of pay increases that were not captured at budget time but came into effect during the first fiscal quarter. Across the organization, payroll was inline with expectations. It continues to be true that an unusual number of roles are remaining unfilled for longer than typical. Recruitment and retention remains a challenge for the RMOW. This was particularly true in Protective Services and Planning, both of which reported payroll for the quarter well below.

Village Events & Animation expenditures in 1Q were higher than expected in the budget; this relates to the timing of some large invoices supporting the summer Concert Series. Similarly, Legislative Services expenditures were affected by the timing of the Insurance renewal, and Information Technology by the timing of payments for software license renewals. These variances against budget are expected to normalize as the year goes on.

Across all departments, persistent inflation continues to drive variances, notably in categories like Fuel and Chemicals. Although the pace of YOY change in CPI (headline inflation) has fallen, it remains stubbornly in the mid single digits, and prices for things purchased by the RMOW continue to move higher. A choice was made when building the 2023 budget to exclude further price increases from consideration, in order to ensure we weren't speculating on future inflation outcomes. Though this does create a situation in which price increases are going to much more quickly become negative variances. This is likely to remain the case throughout the year, and the approach will be reconsidered when 2024 budgeting begins.

REVENUE AND EXPENDITURES TABLE

Resort Municipality of Whistler

Summary of Operational Results

For the three months ended March 31, 2023 (Unaudited)

	1Q 2023 Budget amended	1Q 2023 Actual	% of Budget	1Q 2022 Actual	Change YOY	Change v 2019	1Q 2019 Actual
Revenues							
Property Tax	49,000	(49,322)		2,343			2,207
User Fees	1,341,034	1,045,403	78%	883,856	18%	54%	677,340
Programs & Admissions	665,620	737,888	111%	583,963	26%	6%	696,634
Permits and Fees	1,859,866	2,510,247	135%	1,890,264	33%	163%	953,525
Grants Revenue	345,363	5,075,831		298,543			(1,379,478)
Transit Fares, Leases and Rent	851,472	1,114,273	131%	638,825	74%	-10%	1,244,096
Works and Service Revenue	176,250	264,838	150%	264,093			29,075
RMI and MRDT	5,018,677	7,237,348	144%	2,428,388	198%	151%	2,882,927
Investment Revenue	812,154	541,541	67%	195,417	177%	96%	276,614
Other Revenue	763,950	1,146,947	150%	615,170	86%	85%	621,254
	11,883,388	19,624,994	165%	7,800,861	152%	227%	6,004,195
Divisional Operating Expenditures							
Mayor and Council	164,232	179,413	109%	131,315	37%	61%	111,531
CAO Office	472,419	480,328	102%	504,528	-5%	26%	380,186
Community Engagement and Cultural Services	3,703,447	3,870,920	105%	2,845,012	36%	25%	3,101,235
Climate Action, Planning and Development	4,556,430	4,302,715	94%	3,252,061	32%	11%	3,876,781
Infrastructure Services	6,240,421	5,699,675	91%	5,087,878	12%	18%	4,820,421
Corporate Services & Public Safety	5,281,205	5,755,747	109%	5,385,573	7%	46%	3,944,145
	20,418,155	20,288,798	99%	17,206,367	18%	25%	16,234,299

Resort Municipality Of Whistler
 Comparative Summary of Department Operations: REVENUES
 For the three months ended March 31, 2023 (unaudited)

	Budget 1Q 2023	Actual 1Q 2023	% of Budget	Actual 1Q 2022	Change YOY	Change v 2019	Actual 1Q 2019
Mayor & Council	-	-		-			-
Mayor and Council Total	-	-		-			-
Administrator	-	-		-			-
Human Resources	-	-		-			(540)
CAO Office Total	-	-		-			(540)
Communications	-	-		-			-
CECS Division Admin	-	-		-			-
Village Events and Animation	(27,500)	(8,553)		(11,925)			(2,929)
Whistler Public Library	(39,499)	(28,095)	71%	(25,434)	10.5%	-67.1%	(85,269)
Recreation	(525,260)	(532,507)	101%	(513,058)	3.8%	9.3%	(486,994)
Meadow Park Sports Centre	(483,167)	(592,373)	123%	(411,895)	43.8%	5.5%	(561,572)
Community Engagement & Cultural Svcs	(1,075,426)	(1,161,528) [▼]	108%	(962,312)	20.7%	2.2%	(1,136,764)
CAPD Division Admin	-	-		-			-
Parks Planning	(1,250)	(1,190)		(936)	27.2%		601
Resort Operations	(14,028)	(361,715)		(233,348)	55.0%	53.0%	(236,375)
Climate & Environment	(313)	(224)		(1,708)			(1,826)
Planning	(128,672)	(210,126)	163%	(72,133)			(38,930)
Transportation Planning	(686,150)	(910,554)	133%	(302,405)	201.1%	-6.8%	(976,945)
Building Department Services	(420,156)	(312,293)	74%	(211,768)	47.5%	262.5%	(86,145)
Climate Action, Planning & Development	(1,250,568)	(1,796,103) [▼]	144%	(822,298)	118.4%	34.1%	(1,339,620)
Facilities	(101,501)	(51,587)	51%	(59,236)	-12.9%	17.5%	(43,888)
IS Division Admin	-	-		-			-
Engineering Services	(3,375)	(3,850)		(1,543)			(1,758)
Roads and Drainage	(1,250)	-		(20)			(1,726)
Central Services	(825,798)	(815,468)	99%	(750,262)	8.7%	61.7%	(504,211)
Solid Waste	(1,755,242)	(1,443,196)	82%	(1,291,082)	11.8%	56.0%	(925,133)
Water Fund	(6,000)	(5,758)		3,949			(303)
Sewer Fund	(112,515)	(15,101)	13%	(12,206)	23.7%	4.7%	(14,419)
Infrastructure Services Total	(2,805,681)	(2,334,960) [▼]	83%	(2,110,401)	10.6%	56.6%	(1,491,438)
Finance	(29,925)	(19,488)	65%	(15,465)	26.0%	2.3%	(19,046)
Legislative Services	(2,875)	(1,995)		(4,088)			-
Information Technology	(16,200)	(15,750)	97%	(17,550)	-10.3%	-10.3%	(17,550)
Protective Services	(1,515,615)	(2,070,864)	137%	(1,760,341)	17.6%	126.6%	(914,060)
RCMP	(122,750)	(41,909)	34%	(48,171)	-13.0%	38.3%	(30,306)
Fire Rescue Service	(92,625)	(152,771)	165%	(3,892)			(8,466)
CSPS Division Admin	-	-		-			-
Corporate Services & Public Safety Total	(1,779,990)	(2,302,776) [▼]	129%	(1,849,508)	24.5%	132.7%	(989,428)
General Fund	(2,801,904)	(5,464,620)	195%	(207,374)			(291,382)
Corporate Accounts Total	(2,801,904)	(5,464,620) [▼]	195%	(207,374)			(291,382)

Resort Municipality Of Whistler

Comparative Summary of Department Operations: EXPENDITURES

For the three months ended March 31, 2023 (unaudited)

	Budget 1Q 2023	Actual 1Q 2023	% of Budget	Actual 1Q 2022	Change YOY	Change v 2019	Actual 1Q 2019
Mayor & Council	164,232	179,413	109%	131,315	36.6%	60.9%	111,531
Mayor and Council Total	164,232	179,413	109%	131,315	36.6%	60.9%	111,531
Administrator	170,000	192,072	113%	235,348	-18.4%	25.4%	153,179
Human Resources	298,023	288,256	97%	269,180	7.1%	27.0%	227,007
CAO Office Total	468,023	480,328	103%	504,528	-4.8%	26.3%	380,186
Communications	187,382	158,012	84%	171,855	-8.1%	16.9%	135,168
CECS Division Admin	368,686	381,485	103%	159,669	138.9%	15.3%	330,790
Village Events and Animation	916,036	1,030,780	113%	442,715	132.8%	25.3%	822,892
Whistler Public Library	361,019	376,999	104%	364,073	3.6%	13.9%	331,123
Recreation	808,467	848,604	105%	736,854	15.2%	16.4%	728,785
Meadow Park Sports Centre	1,029,528	1,075,040	104%	1,082,345	-0.7%	3.4%	1,039,746
Community Engagement & Cultural Svcs	3,671,117	3,870,920	105%	2,957,512	30.9%	14.2%	3,388,504
CAPD Division Admin	89,151	89,940	101%	87,879	2.3%	-16.0%	107,043
Parks Planning	157,354	181,478	115%	162,970	11.4%	152.8%	71,792
Resort Operations	1,184,486	1,105,657	93%	1,002,782	10.3%	29.5%	853,961
Climate & Environment	179,021	143,253	80%	135,160	6.0%	77.0%	80,933
Planning	593,543	499,628	84%	523,219	-4.5%	27.2%	392,708
Transportation Planning	1,927,879	1,928,690	100%	1,007,883	91.4%	-8.1%	2,099,617
Building Department Services	390,460	354,069	91%	332,168	6.6%	30.8%	270,727
Climate Action, Planning & Development	4,521,894	4,302,715	95%	3,252,061	32.3%	11.0%	3,876,781
Facilities	691,156	663,677	96%	605,086	9.7%	31.2%	505,830
IS Division Admin	167,637	152,781	91%	86,441	76.7%	118.6%	69,890
Engineering Services	141,699	144,977	102%	139,555	3.9%	-10.5%	161,958
Roads and Drainage	791,846	851,552	108%	845,402	0.7%	19.3%	713,913
Central Services	767,973	781,722	102%	695,820	12.3%	9.3%	715,121
Solid Waste	1,603,035	1,176,582	73%	963,340	22.1%	0.0%	1,176,751
Water Fund	819,233	681,829	83%	653,377	4.4%	117.0%	314,242
Sewer Fund	1,628,878	1,246,554	77%	1,403,357	-11.2%	7.2%	1,162,718
Infrastructure Services Total	6,611,456	5,699,675	86%	5,392,378	5.7%	18.2%	4,820,421
Finance	401,997	421,650	105%	391,772	7.6%	43.9%	292,974
Legislative Services	598,686	875,822	146%	681,788	28.5%	76.2%	497,001
Information Technology	628,763	1,013,055	161%	898,622	12.7%	177.7%	364,853
Protective Services	913,675	815,751	89%	770,325	5.9%	68.7%	483,557
RCMP	1,288,413	1,170,503	91%	1,271,625	-8.0%	3.6%	1,129,396
Fire Rescue Service	1,328,815	1,361,514	102%	1,305,870	4.3%	24.3%	1,095,190
CSPS Division Admin	84,032	97,452	116%	65,570	48.6%	37.7%	70,778
Corporate Services & Public Safety Total	5,244,382	5,755,747	110%	5,385,573	6.9%	46.3%	3,933,749
General Fund	2,129,618	3,370,192	158%	1,087,470			116,856
Corporate Accounts Total	2,129,618	3,370,192	158%	1,087,470			116,856

PROJECTS

Note: Changes to budgets for individual projects may happen throughout the year. Sometimes this happens as part of a Financial Plan Bylaw amendment, and sometimes when budget is shifted between similar projects without affecting the overall size of the Division's planned spending or planned spending from a specific reserve. Individual projects whose current budgets differ from those captured in the original Financial Plan Bylaw are shown in italics.

Projects aim to deliver specific unique and non-recurring outcomes (often, but not always capital in nature) to the community. Because these works can be significant in size, particularly in aggregate, they are funded from municipal reserves. Each year, projects and the planned spending associated with each are presented for consideration with the Budget Guidelines. Individual project budgets may be revised throughout the year and when necessary, changes to Divisional project budget allocations may be made via amendments to the Five-Year Financial Plan.

In the first quarter of 2023, \$1.9 million was spent on municipal projects, or 4.5% of total budgeted amounts of \$41.2 million. This compares to average 1Q project spending numbers for the last five years of 6.2%.

Three multi-million dollar projects including the Public Safety Building (including the Annex trailer), Rainbow Park, and the South Whistler Water supply project, representing \$9.2 million worth of work in 2023, had yet to be substantively under way at the end of the first quarter. As in every year, significant amounts of work can be expected to proceed in 2Q and especially 3Q this year.

Good progress was made on projects that don't require favourable weather, including IT infrastructure renewal and upgrades. I-series projects were 13.1% spent at March 31. The General Operating reserve supports many important non-capital initiatives and these together were 11.2% spent during the quarter.

Summary of Project Expenditures

For the three months ended March 31, 2023 (unaudited)

	2023 Budget	1Q23 Expenditures	% of Budget
CAO Office			
Administrator			
A080 EPI Initiatives	40,000	-	
A083 Strategic Planning Committee	60,000	-	
A089 CAO Initiatives	50,000	27,264	55%
H015 Cultural Awareness	15,000	-	
Dept Total: Administrator	165,000	27,264	
Human Resources			
H002 Collective Bargaining	40,000	-	
H013 HR Initiatives	51,000	-	
Dept Total: Human Resources	91,000	-	
Division Total: CAO Office	256,000	27,264	10.7%
Climate Action, Planning and Development			
CAPD Division Admin			
A072 Geopark	199,000	16,283	8%
A074 Interpretive Panels	157,027	11,140	7%
C012 Conference Centre Annual Building Reinvestment	150,000	-	
X079 Seismic and emergency power review	85,000	259	0%
Dept Total: CAPD Division Admin	591,027	27,682	
Parks Planning			
B010 Parks	318,000	2,722	1%
P005 Village Enhancement	147,000	6,398	4%
P053 Park Master Planning	30,000	-	
P072 Lost Lake Gateway Improvements	-	(21,731)	
P081 Recreational Trail Maps Upgrade and Web Maps	50,000	825	2%
P086 Park Use Bylaw Update and E-Device Policy Adoption	20,000	-	
P091 Data Collection and Monitoring	88,975	5,232	6%
P093 Disc Golf Feasibility Study	178,000	3,541	2%
P098 Cemetery	300,000	8,575	3%
P109 Railway Crossings Safety Improvements	85,000	1,225	1%
P110 RTS Trails Master Plan	50,000	-	
P113 Public Art Repair	20,000	-	
P115 Alpha Lake Projects	233,000	2,212	1%
P116 Millar Creek Lands Acquisition	180,000	-	
X116 Meadow Park Rejuvenation	352,392	20,109	6%
X117 Valley Trail Access and Safety Improvements	434,543	-	
X121 Recreational Trails and Trailheads	244,007	6,990	3%
X145 Rainbow Park Rejuvenation	4,107,354	66,608	2%
X156 Alta Vista Valley Trail & Lighting	40,382	-	
X157 Conference Centre Landscape Improvements	150,000	-	
X179 Recreation Trail Bridge Replacements	316,000	5,876	2%
Dept Total: Parks Planning	7,344,653	108,582	

Summary of Project Expenditures

For the three months ended March 31, 2023 (unaudited)

		2023 Budget	1Q23 Expenditures	% of Budget
Resort Operations				
P101	Parks Accessibility	24,245	-	
T021	Valley Trail Reconstruction	150,000	3,134	2%
X008	Recreation Trail Program	81,500	689	1%
X012	Park Operations General Improvement	225,000	26,667	12%
X084	Tennis Court Reconstruction	20,000	-	
X086	Park and Trail Asbuilt Surveys	19,914	1,369	7%
X135	REX - BCA report Building Upgrades	-	-	
X140	CECAP Trail Hardening	34,604	1,576	5%
X152	Village Stroll Tree Strategy	80,000	-	
X154	Three Stream Waste Diversion	40,000	9,375	23%
X162	Public Safety Building Upgrades	-	-	
X168	Lost Lake Snowmaking	-	118,669	
Dept Total: Resort Operations		675,263	161,479	
Climate & Environment				
P079	Energy & Climate Program	30,500	4,504	15%
P084	Western Toad Infrastructure	92,000	-	
P100	EV Chargers	186,395	83	0%
P102	River of Golden Dreams Improvements	255,245	-	
P106	Priority Habitat Management Strategy	35,000	-	
P114	Municipal Natural Assets Management	25,000	500	2%
S018	Community Wildfire Protection	348,971	89,716	26%
Dept Total: Climate & Environment		973,111	94,803	
Planning				
P064	Planning Initiatives	160,000	3,247	2%
Dept Total: Planning		160,000	3,247	
Transportation Planning				
T055	Bus Stop Upgrades	95,000	71	0%
Dept Total: Transportation Planning		95,000	71	
Building Department Services				
P085	Building Department Process Upgrades	495,000	76,342	15%
Dept Total: Building Department Services		495,000	76,342	
Division Total: Climate Action, Planning and Development		10,334,054	472,206	4.6%
Community Engagement and Cultural Services				
CECS Division Admin				
A088	Cultural Initiatives	65,000	-	
A092	Lamppost and Connector Banners	40,000	-	
Dept Total: CECS Division Admin		105,000	-	
Village Events and Animation				
P108	Village Animation & Events Infrastructure Enhanceme	185,000	-	
Dept Total: Village Events and Animation		185,000	-	

Summary of Project Expenditures

For the three months ended March 31, 2023 (unaudited)

	2023 Budget	1Q23 Expenditures	% of Budget
Whistler Public Library			
L001 Library Furniture and Equipment	26,530	2,154	8%
L002 Library Collection	146,000	47,249	32%
L010 Library Infrastructure & Improvements	115,114	4,543	4%
Dept Total: Whistler Public Library	287,644	53,946	
Recreation			
P033 Whistler Olympic Plaza Ice Rink	80,000	2,706	3%
Dept Total: Recreation	80,000	2,706	
Meadow Park Sports Centre			
M001 Recreation Equipment	123,000	2,619	2%
M002 Recreation Infrastructure Replacement	320,670	(1,001)	0%
Dept Total: Meadow Park Sports Centre	443,670	1,618	
Division Total: Community Engagement and Cultural Service	1,101,314	58,270	5.3%
Corporate Services & Public Safety			
Legislative Services			
C080 Legislative Services	35,000	10,148	29%
Dept Total: Legislative Services	35,000	10,148	
Information Technology			
I001 Computer Systems Replacement	171,250	53,999	32%
I005 Local Infrastructure & Server Room	320,000	17,867	6%
I006 Corporate Software	266,250	54,313	20%
I014 RMOW Geographic Information System (GIS)	122,518	701	1%
I015 RMOW Civic Platform	123,100	350	0%
Dept Total: Information Technology	1,003,118	127,230	
Protective Services			
C085 Protective Services	250,246	15,504	6%
C086 Protective Initiatives	(20,000)	(39,809)	199%
Dept Total: Protective Services	230,246	(24,305)	
Fire Rescue Service			
S013 Firefighting Equipment and Replacement	195,000	76,831	39%
S056 Wildfire Protection	90,000	-	
Dept Total: Fire Rescue Service	536,628	76,831	
Division Total: Corporate and Community Services	1,804,992	189,904	10.5%

Summary of Project Expenditures

For the three months ended March 31, 2023 (unaudited)

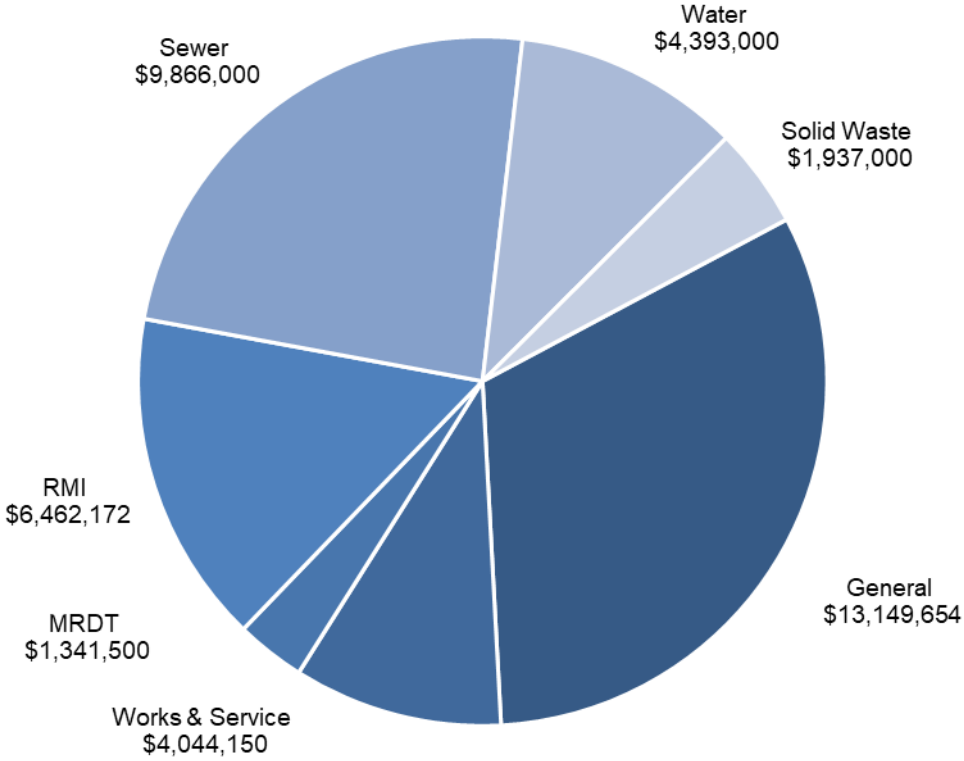
		2023 Budget	1Q23 Expenditures	% of Budget
Infrastructure Services				
Facilities				
B001	Municipal Hall	415,000	24,952	6%
B002	Public Safety Building	2,325,000	34,832	1%
B003	Public Works Yard	372,050	135	0%
B004	Meadow Park Sports Centre	768,950	8,058	1%
B005	Library	45,000	-	
B007	Fire Halls	65,000	-	
B008	Other Buildings	155,000	-	
B012	Continuing Maintenance	220,000	-	
B017	Other Buildings and Structures	25,000	-	
B200	Electrical Services	534,000	22,377	4%
B700	Village	110,000	-	
B703	Domestic Water Upgrades	241,471	12,651	5%
B705	Building Condition Assessment (BCA) Building Upgrad	805,500	44,003	5%
B706	Subdivision Signs	40,000	-	
Dept Total: Facilities		6,121,971	147,008	
Roads and Drainage				
T001	<i>Upgrade Roads</i>	2,145,200	11,561	1%
T006	Fitzsimmons Creek Gravel Removal	425,000	7,500	2%
T027	Fitzsimmons Creek Debris Barrier Monitoring	95,000	2,357	2%
T028	Bridge Reconstruction Program	300,000	-	
T052	<i>Flood Plain Mapping & Mitigation</i>	330,000	9,320	3%
T057	Air Quality Monitoring Cheakamus Crossing	75,000	7,345	10%
T061	Traffic Studies and Initiatives to support TAG	70,000	17,447	25%
T063	Traffic Light System renewals	60,000	-	
T067	Storm Water Infrastructure Annual Monitoring	20,000	-	
T069	Fitzsimmons Creek Compensation Channel Design anc	50,000	-	
T075	Highway Intersection Upgrades	135,000	1,770	1%
T077	GIS Layer Update - Transportation	35,000	-	
Dept Total: Roads and Drainage		3,740,200	57,300	
Central Services				
Y001	Fleet Replacement	1,440,000	325,602	23%
Y014	Central Services Annual Reconstruction	465,000	9,764	2%
Y019	Central Services Annual Maintenance	8,500	-	
Dept Total: Central Services		1,913,500	335,366	
Solid Waste				
E088	<i>Solid Waste Annual Reconstruction</i>	1,440,000	29,950	2%
E130	Solid Waste Outreach Program	92,000	3,327	4%
X133	Solid Waste Building Upgrades	25,000	-	
Dept Total: Solid Waste		1,557,000	33,277	

Summary of Project Expenditures

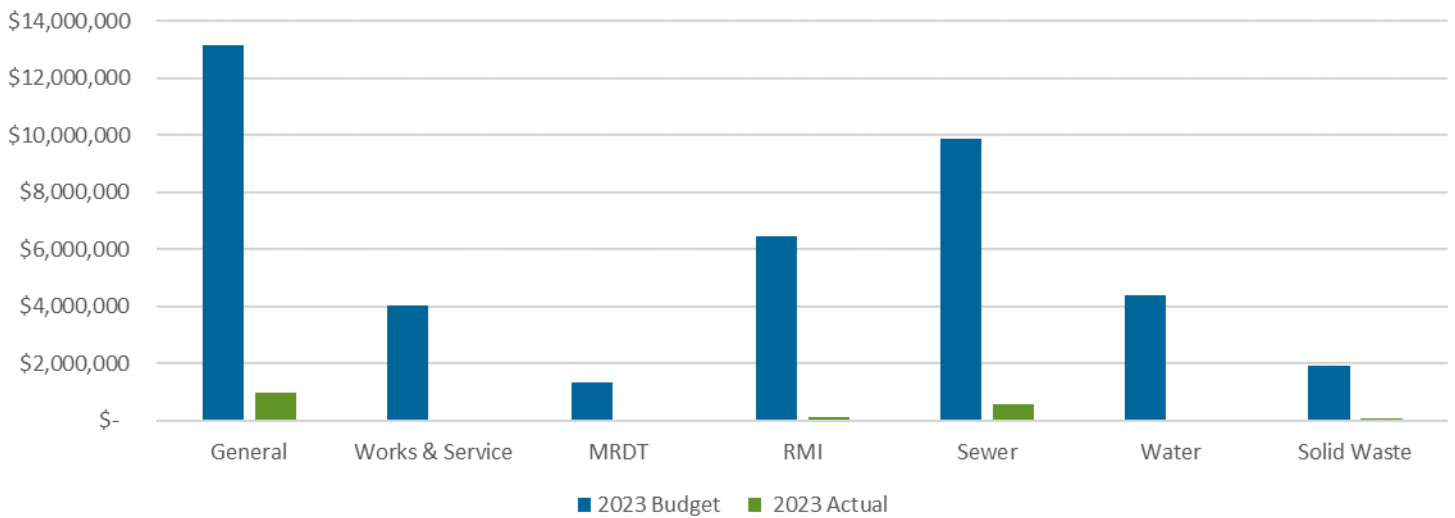
For the three months ended March 31, 2023 (unaudited)

	2023 Budget	1Q23 Expenditures	% of Budget
Water Fund			
E200 Water Annual Upgrades	200,000	-	
E201 Reservoirs and Intakes Upgrades	125,000	-	
E202 Water Well Upgrades	50,000	-	
E203 Water Pump Station Upgrades	1,850,000	4,760	0%
E204 Pressure Reducing Valve Station Upgrades	450,000	1,488	0%
E205 Watermain Upgrades	950,000	10,353	1%
E206 Water SCADA Upgrades	293,000	1,105	0%
E207 Non-Potable Irrigation System Implementation	75,000	-	
E208 Water Metering Program Implementation	425,000	20,418	5%
E210 Water Operating Capital	325,000	9,783	3%
Dept Total: Water Fund	4,743,000	47,907	
Sewer Fund			
E063 Compost Facility Annual Reconstruction	405,000	23,968	6%
E300 Sewer Annual Upgrades	200,000	-	
E301 Sewer Lift Station Upgrades	100,000	19,155	19%
E303 Sewer Trunk Main Upgrade	50,000	20,492	41%
E306 Sewer SCADA Upgrades	293,000	1,105	0%
E310 Sewer Operating Capital Improvements	440,000	85,637	19%
E320 Sewer Main Upgrades	3,540,000	241,425	7%
E400 WWTP Annual Upgrades	150,000	6,269	4%
E401 WWTP Primary Treatment Upgrades	675,000	70,331	10%
E402 WWTP Fermenter Upgrades	450,000	44,105	10%
E403 WWTP Biological Reactor Upgrades	200,000	4,350	2%
E404 WWTP Solids Handling Upgrades	300,000	-	
E405 WWTP Secondary Treatment Upgrades	1,650,000	2,411	0%
E406 WWTP SCADA Upgrades	118,000	-	
E407 WWTP Tertiary Treatment Upgrades	150,000	-	
E408 District Energy System Upgrades	125,000	-	
E409 WWTP Building Upgrades	1,240,000	42,820	3%
E410 WWTP Operating Capital Upgrades	185,000	17,235	9%
Dept Total: Sewer Fund	10,271,000	579,303	
Division Total: Infrastructure Services	28,346,671	1,200,161	4.2%
Total	41,843,031	1,947,805	4.7%

2023 Project Funding Sources By Reserve



2023 Project Funding By Source



INVESTMENTS

Investment holdings of the RMOW at March 31, 2023, had a value of \$63,713,910. A list of investment holdings is provided below.

The RMOW holds investment balances in order to earn investment income on funds that are not currently required for operations, projects or near-term capital purposes. Funds held for long-term capital purposes often make up the largest portion of the investment holdings. These amounts represent savings accumulated over time that will typically not be expended until years in the future. Operating cash balances also exist, particularly in 3Q when most property tax payments are received by the RMOW. Conversely, investment holdings are often at their lowest in the months just prior to the property tax collection date.

Investment income for the quarter ended March 31, 2023 was \$541,541 (unaudited). This represents 67 per cent of the total budgeted investment income for the quarter. The rapid pace of interest rate increases that affected the markets throughout 2022 slowed in the first part of 2023 in response to cooling inflation and declining consumer confidence. Markets have at various points this year begun to predict interest rate cuts, to begin as early as 3Q, and so for the first time in several years some stability in short-term fixed income returns has been evident. The RMOW continues to seek opportunities to maximize investment income while also guarding against future uncertainty. The shift away from individual bond holdings continues with a preference for MFA pooled product and a portfolio of short-term deposits that are presently earning very attractive returns. This short-term portfolio, while smaller in size than the long-term investments noted below, is expected to be an important source of income in this coming year.

Investment income is allocated to reserves to fund future expenditures with some allocated to operations throughout the year.

Issuer	Book Value
Province of Manitoba	2,731,259
Kootenay Credit Union	3,000,000
Canadian Western Bank	5,000,000
Province of British Columbia	<u>1,510,868</u>
	12,242,127
Gov't Bond Index iShares	4,587,216
MFA Short Term Bond Fund	<u>46,884,567</u>
	51,471,783
Total Investments	63,713,910