Notice & Agenda for the 9:00 am Wednesday, June 25, 2025, Town of Qualicum Beach Special Council Meeting to be held in the Committee Room, Municipal Office, 660 Primrose Street, Qualicum Beach, BC

Page No. **(This meeting may be recorded)**

1. ADOPTION OF THE AGENDA

1-2 THAT Council adopts the June 25, 2025, special Council meeting agenda.

2. MOTION TO CLOSE at 9:00 am

THAT the Special meeting of Council be closed to the public, pursuance to section 90(1)(e) of the *Community Charter*, for the purpose of considering:

(e) the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality.

Following adoption of the above motion, the meeting will be closed to the public.

MEETING REOPENS TO THE PUBLIC at 10:00 am in Council Chamber

3. BYLAWS

3-4 (a) **Adoption of "Town of Qualicum Beach Miscellaneous Rates Bylaw No. 638, 2009, Amendment Bylaw No. 638.04, 2025"**

Staff Recommendation:

1. THAT the Bylaw entitled Town of Qualicum Beach Miscellaneous Rates Bylaw No. 638, 2009, Amendment Bylaw No. 638.04, 2025 be adopted.

4. STAFF REPORTS

(1) Corporate Administration

5-9 (a) **Visual Identity Refresh Update and Timeline**

Staff Recommendation:

THAT Council authorizes staff to issue a Request for Proposals (RFP) for the purpose of engaging a consultant to assist the Town in undertaking the Strategic Initiative titled "Visual Identity Refresh" as outlined in the 2024-2025 Town of Qualicum Beach Communications Strategy.

AND FURTHER, THAT Council provide endorsement to establish a Visual Identity Refresh Working Group to provide input into the visual identity process and to help shape the "community story" behind the visual identity.

(2) Finance

10-58 (a) **2024 Statement of Financial Information (SOFI)**

Staff Recommendation:

THAT the Town of Qualicum Beach 2024 Statement of Financial Information be approved.

59-60 (b) **2024 Annual Report**

Staff Recommendation:

THAT the Town of Qualicum Beach 2024 Annual Report be approved.

5. ADJOURNMENT

THAT Council adjourns the meeting.

NEXT SCHEDULED
REGULAR COUNCIL MEETING: Wednesday, July 16, 2025, at 10:00 am

Heather Svensen
Director of Corporate Services/Deputy CAO

TOWN OF QUALICUM BEACH
BYLAW NO. 638.04

A BYLAW TO AMEND THE TOWN OF QUALICUM BEACH MISCELLANEOUS RATES BYLAW NO. 638, 2009

The Council of the Town of Qualicum Beach, in open meeting assembled, hereby enacts as follows:

1. This Bylaw may be cited for all purposes as "Town of Qualicum Beach Miscellaneous Rates Bylaw No. 638, 2009, Amendment Bylaw No. 638.04, 2025".

2. "Town of Qualicum Beach Miscellaneous Rates Bylaw No. 638, 2009" is hereby amended by:
   (1) Inserting in Schedule "B" Section i) EV Charger Fees
   (2) Inserting in Schedule "B" Section j) Amenities Sponsorship Fees

   attached as Schedule "A" and forming part of this Bylaw.

INTRODUCED AND READ A FIRST TIME this 6th day of June, 2025.

READ A SECOND TIME this 6th day of June, 2025.

READ A THIRD TIME, AS AMENDED this 18th day of June, 2025.

ADOPTED this ____day of June, 2025.

Teunis Westbroek
Mayor

Heather Svensen
Director of Corporate Services/Deputy CAO

Schedule "A"
"Town of Qualicum Beach Miscellaneous Rates Bylaw No. 638, 2009, Amendment Bylaw No. 638.04, 2025"

	ITEM	FEE
i)	EV Charger Fees	
	Per Minute for First 2 Hours	$0.025
	Per Minute Every Minute thereafter	$0.07
j)	Amenities Sponsorship Fees	
	Standard Bench with one Plaque (Type 1) (10 Year Term)	$2,800
	Decorative Bench with one Plaque (Type 2) (10 Year Term)	$3,000
	Standard Picnic Table with one Plaque (10 Year Term)	$3,100
	Additional Plaque(s) requested (per Plaque) (During amenity Term)	$150
	Removal and installation of replacement Plaque (During amenity Term)	$400

TOWN OF **QUALICUM BEACH**

STAFF REPORT

File No. 6430-04

TO: Lou Varela, Chief Administrative Officer

FOR: Special Council Meeting

DATE: June 25, 2025

FROM: Heather Svensen, Director of Corporate Services/Deputy CAO

SUBJECT: **Visual Identity Refresh Update and Timeline**

GOVERNANCE DECISION
For Council to approve the timeline, process and scope of work associated with the Town's Visual Identity Refresh.

Note: Elements outside the scope are not considered under this report

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RECOMMENDATIONS:
THAT Council authorizes staff to issue a Request for Proposals (RFP) for the purpose of engaging a consultant to assist the Town in undertaking the Strategic Initiative titled "Visual Identity Refresh" as outlined in the 2024-2025 Town of Qualicum Beach Communications Strategy.

AND FURTHER, THAT Council provide endorsement to establish a Visual Identity Refresh Working Group to provide input into the visual identity process and to help shape the "community story" behind the visual identity.

PURPOSE
To update Council on the status of the Visual Identity Refresh and to receive approval to proceed with the refresh process as outlined in this report, including issuing an RFP and appointment of a Visual Identity Refresh Working Group.

BACKGROUND
A communications audit of the Town's communications channels and practices was completed in March 2022. The audit identified an inconsistent approach to the Town's corporate identity, visual standards, and wordmark and crest usage. It was recommended to develop a visual identity for the Town, including standardized colours, a logo that reflects the Town's identity, a visual standards guide and templates for staff and Council use.

The 2024-2025 Town of Qualicum Beach Strategic Communications Plan was presented to Council in December 2024. The strategy outlined three goals, including Goal #2: Undertake a Visual Identity Refresh to strengthen the Town's municipal identity and foster community pride.

The Visual Identity Refresh is included in the 2025-2029 Financial Plan under Corporate Services Strategic Initiatives for 2025.

In 2024, resources and staff capacity were focused on the development of the Town's new website. With the development work completed, resources will now focus on the Visual Identity Refresh.

DISCUSSION

A strong visual identity is essential for reinforcing the Town's leadership, enhancing its presence with the public, and fostering a sense of pride among residents. A refreshed and modernized look will bring consistency to Town communications and assets (physical and digital) and reflect the values of the Qualicum Beach community and aspirations of the Town.

The Visual Identity Refresh will align with best practices, identified through research into other municipalities that have recently undergone a similar process. A unified and recognizable visual identity signals a forward-thinking, professional local government while also creating opportunities to engage the public in shaping how their community is represented.

To support this work, the Town will issue a Request for Proposals (RFP) to secure a qualified firm with expertise in brand development, community engagement, and graphic design. The selected firm will be expected to work closely with staff, Council, and the community to develop a refreshed visual identity that reflects the Town's vision and shared values.

The Town is also seeking Council's endorsement to establish a Visual Identity Refresh Working Group. This Group will be formed of community members representing a broad range of demographics, interests, and lived experiences. Their role will be to contribute to public engagement efforts, provide input into the visual identity process, and help shape the "community story" behind the visual identity. This collaborative approach will ensure the final identity is rooted in local pride and widely supported by residents.

Deliverables within this project include:

- Engagement processes to understand Qualicum Beach's values, priorities, and identity with the following groups:
    - Council and Town Staff
    - Visual Identity Refresh Working Group
    - Members of the public
- Design of a visual identity, including:
    - Visual Standards Guide for use across all Town assets, including fonts, colours, and imagery.
    - Community story that aligns with local values and vision
    - Town of Qualicum Beach logo
    - Standardized templates for Town communications, including letterhead, presentations, signage, social media, newsletters and more.

Proposed Timeline:

- **July 2025**: Issue RFP
- **September 2025:** RFP Award
- **August – September 2025:** Staff selection of the Visual Identity Working Group
- **September – December 2025**: Community engagement phase
  - Engagement with Council members
  - Engagement with Town staff and senior leadership
  - Public engagement
- **December 2025 – January 2026:** Present visual identity options to Council for review and direction
- **January 2026:** Selection of new visual identity for the Town of Qualicum Beach
- **February 2026:** Public launch of new identity
- **2026-2028:** Phased rollout of visual identity across all Town assets

FINANCIAL IMPLICATIONS

The Visual Identity Refresh is included in the 2025-2029 Financial Plan under Good Governance Strategic Initiatives. Budget provisions are included in financial years 2025 to 2028 as follows:

2025 $ 30,000 Strategic Initiative Reserve:
- Consultant costs

2026 $ 20,000 Strategic Initiative Reserve
- Consultant costs
- Transition of Town's digital and physical assets

2027 $ 50,000 Strategic Initiative Reserve
- Transition of Town's physical assets including signage, vehicle decals and other high visibility assets.

2028 $ 50,000 Strategic Initiative Reserve
- Transition of Town's physical assets including signage, vehicle decals and other high visibility assets.

PUBLIC PARTICIPATION SPECTRUM (IAP^2)

Public Participation Framework developed by the International Association for Public Participation – IAP^2 International.

INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
• Provide balanced and objective data to assist in understanding issues, alternatives, opportunities, and solutions	• Obtain feedback on analysis, alternatives, and/or decisions	• Work directly with stakeholders to ensure concerns and aspirations are understood and considered	• Partner with stakeholders in each aspect of the decision, development of alternatives, and identification of preferred solutions	• Final decision making in the hands of the stakeholders

INFORM:
Provide public and staff with information to support understanding of the project scope, process, and timeline. This includes educational information about the value and benefits of a visual identity refresh.

- Project webpage with background, FAQs, and regular updates
- Social media posts and newsletters introducing the initiative

CONSULT:
Gather targeted input from Council and staff to understand internal needs, values, and vision.

- One-on-one or small group interviews with Council
- Facilitated engagement sessions with staff and senior leadership
- Summary of insights used to inform the direction of the visual identity
- Engage public in identifying the core values and character of the community to support the "community story" behind the visual identity.
    - Online survey and polling through the Town website, email, and social media. A paper survey will be available at Town Hall.
    - Assign a Visual Identity Refresh Working Group.
        - Regular working group meetings with the selected design firm
        - Co-development of the "community story" that grounds the visual identity
        - Review and feedback on design concepts and messaging direction

- While final approval remains with Council, the working group's input will carry significant influence throughout the process.
    - Working group contributes to key recommendations
    - Council receives options informed by the group's guidance and community input
    - Council selects the final visual identity

STRATEGIC PLAN ALIGNMENT
Council's Strategic Plan Focus Area(s) supported by this initiative:

- Good Governance: *To govern the public interest of our community while managing competing interests, ensuring availability of transparent and accessible information, fostering respectful public engagement, and demonstrating ethical values.*
- Economic Prosperity: *To pursue economic opportunities based on sustainable growth, development, and investment that meets the needs of the community.*
- Community Health & Wellbeing: *To improve the health and wellbeing of people who live, work, and play in the Town.*

SUMMARY
The Visual Identity Refresh will be a collaborative process guided by a community-based working group and informed by engagement with Council, staff, and the public. In order to implement the Visual Identity Refresh, staff is seeking Council's approval to issue an RPF, and to establish a Visual Identity Refresh Working Group to help ensure the results are representative of community vision.

ALTERNATIVE OPTIONS

1. THAT Council suggest an altered timeline for the visual identity refresh.

2. THAT Council direct staff to undertake a more in-depth engagement process with or without the assignment of a working group.

APPROVALS
Report respectfully submitted by Heather Svensen, Director of Corporate Services/Deputy CAO.

Heather Svensen
Director of Corporate Services/Deputy CAO
Report Author

Lou Varela, MCIP, RPP
Chief Administrative Officer
Concurrence

Raj Hayre
Director of Finance
Concurrence

TOWN OF **QUALICUM BEACH**

STAFF REPORT

File No. 1600-2199

TO: Lou Varela, Chief Administrative Officer

FOR: Special Council Meeting

DATE: June 25, 2025

FROM: Raj Hayre, Director of Finance

SUBJECT: **2024 Statement of Financial Information (SOFI)**

GOVERNANCE DECISION
The 2024 Statement of Financial Information (SOFI) is a legislative requirement pursuant to the *Financial Information Act*. Council approval is required by June 30, 2025.

RECOMMENDATIONS:
THAT the Town of Qualicum Beach 2024 Statement of Financial Information be approved.

PURPOSE
To present the 2024 Statement of Financial Information as required pursuant to the *Financial Information Act.*

BACKGROUND & DISCUSSION
All local governments must prepare an annual Statement of Financial Information in accordance with the *Financial Information Act*. The Statement of Financial Information must be available for public viewing by June 30th each year and be accessible for the following three years. The *Financial Information Act* requires the following information to be included in the SOFI report:

- A schedule of Council remuneration and expenses
- A schedule of Employee remuneration (over $75,000) and expenses and reconciliation to the financial statements
- A schedule of Supplier payments for goods and services (over $25,000) and a reconciliation to the financial statements
- A schedule of long-term debt, a schedule of guarantee and indemnity agreements, and report on number of employee severance agreements
- Management Report (included in the 2024 Audited Financial Statements)
- Consolidated financial statements of financial position, operations and net financial assets
- Notes and schedules to the financial statements

When reviewing the Schedule of Employee Remuneration and Expenses, it is important to note that, besides the annual consumer price index or collective agreement adjustments, employee remuneration may differ from the previous year due to several other factors.

The most significant of these factors include the payout of unused vacation time, the payout of Union employee overtime, and on-call pay for some employees.

FINANCIAL IMPLICATIONS

There are no financial implications anticipated from this report.

PUBLIC PARTICIPATION SPECTRUM (IAP^2)

Public Participation Framework developed by the International Association for Public Participation – IAP^2

INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
• Provide balanced and objective data to assist in understanding issues, alternatives, opportunities, and solutions	• Obtain feedback on analysis, alternatives, and/or decisions	• Work directly with stakeholders to ensure concerns and aspirations are understood and considered	• Partner with stakeholders in each aspect of the decision, development of alternatives, and identification of preferred solutions	• Final decision making in the hands of the stakeholders

International.

INFORM:

- The 2024 Statement of Financial Information Report will be available for public viewing on the Town's website.

STRATEGIC PLAN ALIGNMENT

Council's Strategic Plan Focus Area(s) supported by this initiative:

- Good Governance: *To govern for the public interest of our community while managing competing interests, ensuring availability of transparent and accessible information, fostering respectful public engagement, and demonstrating ethical values.*

ALTERNATIVE OPTIONS

As directed by Council.

APPROVALS

Report respectfully submitted by Raj Hayre, Director of Finance

Raj Hayre
Director of Finance
Report Author

Lou Varela, MCIP, RPP
Chief Administrative Officer
Concurrence

REFERENCES

Attachment 1: 2024 Statement of Financial Information

Town of Qualicum Beach
Statement of Financial Information
For the Year Ended December 31, 2024

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Other Financial Information Section

Schedule of Council remuneration and expenses

Schedule of Employee remuneration and expenses, and reconciliation

Schedule of Supplier payments for goods and services, and reconciliation

Schedule of long term debt

Schedule of guarantee and indemnity agreements (nil in 2024)

Report of severance agreements

Financial Statement Section (Items Included in Audited Financial Statements)

Management Responsibilities

Independent Auditors' Report

Consolidated Statement of Financial Position

Consolidated Statement of Operations

Consolidated Statement of Change in Net Financial Assets

Consolidated Statement of Cash Flows

Notes to Financial Statements

Consolidate Revenues

Consolidated Expenses

Receipts and Disbursements of Gas Tax Agreement

Consolidated Segment Disclosure by Service

Consolidated Tangible Capital Assets

Town of Qualicum Beach
Schedule of Council Remuneration and Expenses
For The Twelve Months Ending December 31, 2024

Name	Position	Remuneration (Stipend)	Reimbursed Expenses
Harrison, S	Councillor	$40,541	$4,366
Skipsey, A	Councillor	$40,541	$5,263
Vander Valk, P	Councillor	$40,541	$8,601
Westbroek, T	Mayor	$54,054	$10,608
Young, J	Councillor	$40,541	$5,836
		$216,218	**$34,674**

Town of Qualicum Beach
Schedule of Employee Remuneration and Expenses
For The Twelve Months Ending December 31, 2024

Name	Position	Base Remuneration[1]	Other Remuneration[2]	Total Remuneration	Expenses	Total
Allsop, K	Utility III	75,579	382	75,961	3,688	79,649
Augustyn, R	Senior Planner	87,897	2,586	90,483	1,154	91,637
Beck, J	Revenue Coordinator	74,754	709	75,463	1,043	76,506
Burow, P	Utility Chief Operator	90,117	389	90,506	308	90,814
Coates, T	Acting Deputy Corporate Administrator	84,300	2,813	87,113	0	87,113
Conn, G	Manager of Finance	119,453	5,194	124,647	1,680	126,327
Cornell, P.G.	Fire Chief	152,593	769	153,362	2,373	155,735
Crossley, C	Utility IV	76,504	389	76,893	707	77,600
Dickinson, R	Director of Infrastructure Services	152,055	5,785	157,840	1,558	159,398
Draper, S	Building and Facilities Coordinator	86,956	259	87,215	566	87,781
Eshpeter, M	Building Inspector III	78,030	389	78,419	2,625	81,044
Eurico, H	Utility III	75,579	1,828	77,407	0	77,407
Froats, J	Information Systems Analyst	87,763	389	88,152	5,337	93,489
Goldfuss, K	Airport Manager	87,705	0	87,705	449	88,154
Golob, E	Local Ass't Fire Commissioner III	82,070	24,200	106,270	11,786	118,056
Gray, J	Utility IV	76,504	389	76,893	4,265	81,158
Hart, E	Human Resources & Safety Coordinator	79,945	675	80,620	3,214	83,834
Hayre, R	Director of Finance	152,055	769	152,824	2,681	155,505
Hillsden, C	Trades III	85,652	389	86,041	1,874	87,915
Humphreys, J	Utility III	75,579	1,015	76,594	0	76,594
Lyonnais, R	Utility III	75,579	423	76,002	0	76,002
Marshall, D.R.	Bylaw Officer II	90,456	389	90,845	1,694	92,539
McKenzie, F	Deputy Fire Chief	134,350	769	135,119	2,793	137,912
Myden, S	Utility IV	76,381	2,037	78,418	1,553	79,971
Oakes, J	Utility III	75,579	1,224	76,803	104	76,907
Orr, P	Mechanic/Trades I	76,504	389	76,893	100	76,993
Phye, D	Utility IV	76,504	389	76,893	0	76,893
Protasiewich, B	Utility III	75,579	389	75,968	0	75,968
Sales, L.B.	Director of Planning	152,055	22,578	174,633	1,876	176,509
Smith, C	Working Foreman	83,896	389	84,285	1,017	85,302
Stanger, C	Manager of Operations	119,840	14,217	134,057	6,948	141,005
Sumando, C	Local Ass't Fire Commissioner III	82,070	23,408	105,478	7,723	113,201
Sun, R	Manager of IT and GIS	119,453	5,219	124,672	785	125,457
Svensen, H.B.	Director of Corporate Services/ Deputy CAO	161,013	14,471	175,484	461	175,945
Twigge, L	Working Foreman	83,896	9,238	93,134	559	93,693
Van Duin, K	Utility III	75,579	782	76,361	0	76,361
Varela, L	Chief Administrative Officer	210,280	752	211,032	10,613	221,645
Warzybok, A	Director of Human Resources	151,867	769	152,636	7,145	159,781
Watson, O	Manager of Capital Projects	120,595	9,602	130,197	2,574	132,771
Young, E.A.	Utility IV	76,504	1,056	77,560	812	78,372
Total For Employees Over $75,000		**3,999,070**	**157,808**	**4,156,878**	**92,065**	**4,248,943**
Total For Employees Under $75,000				**2,249,309**	**29,161**	**2,278,470**
Total For All Employees				**6,406,187**	**121,226**	**6,527,413**

[1]Base remuneration includes any form of salary or wages paid to an employee during the year but does not include anything payable under a severance agreement.

[2]Other Remuneration includes taxable benefits, vacation payouts, overtime payouts for Union staff and fire pay.

Town of Qualicum Beach
Reconciliation of Employee and Council Remuneration
as compared to 2024 Financial Statements

	Amount
Employee remuneration schedule	6,406,187
Council remuneration schedule	216,218
sub total	6,622,405
Employee Benefits and Other Adjustments	1,879,358
Total Wages and Benefits in Financial Statements	**8,501,763**

Employee Benefits and Other Adjustments include non-taxable benefits and differences related to the financial statements being prepared on an accrual basis per PSAB and the SOFI amounts being actual payments in the year.

Town of Qualicum Beach
Schedule of Supplier Payments for 2024

SUPPLIER NAME	
724280 BC LTD	110,918
ADVANTAGE ONE TECHNOLOGY	26,571
AMAIS TECHNOLOGIES INC	30,641
AMAZON.COM.CA ULC	42,014
ARROWVIEW ELECTRIC	182,499
BARR BRENDA	32,500
BASELINE ARCHAEOLOGICAL SERVICES	59,272
BC ASSESSMENT AUTHORITY	178,492
BC HYDRO	504,225
BRANCHING OUT URBAN FORESTRY	26,949
BROGAN FIRE & SAFETY	72,146
BUNZL CLEANING & HYGIENE	27,590
C&L SUPERIOR CLEANING SERVICES	120,829
CANOE PROCUREMENT GROUP	73,388
CITY OF PARKSVILLE	72,321
CLEAN CUTS TREE SERVICE LTD	38,849
CUPE - LOCAL #401	76,790
D.R. CLOUGH CONSULTING	28,645
DALELYNN CONSULTING SERVICES	74,753
DAVID STALKER EXCAVATING LTD	2,011,835
DBL DISPOSAL SERVICES	59,122
DIAMOND HEAD CONSULTING	62,801
ENEX FUELS	843,036
ESRI CANADA	33,235
EXPRESS CUSTOM MFG (2024)	25,424
FORTIS BC-NATURAL GAS	26,512
FORTIS BC-SURREY	46,331
GREGG DISTRIBUTORS (BC) LTD	54,703
HARRIS & COMPANY LLP	51,057
HARRIS OCEANSIDE GM	61,532
HAYLOCK BROTHERS PAVING	401,462
HBR CONSULTING INC	56,175
ICBC	42,544
ICONIX WATERWORKS LP	92,256
IDEA CAMP COMMUNICATIONS	88,166
INNOTECH FLEET STRATEGIES	29,400
ISLAND FORD SUPERSTORE	67,191
IWC EXCAVATION LTD	1,051,471
KIMBO DESIGN	68,523
KIRACO CONSULTING	40,793
KNAPPETT INDUSTRIES (2006) LTD	859,426
KOERS & ASSOCIATES ENGINEERING	956,843
KPMG LLP	42,693
LAFRENTZ ROAD MARKING	85,416
LEUCO CONSTRUCTION INC	74,264
MINISTER OF FINANCE	3,172,988
MONACO HOLDINGS INC	43,205

Town of Qualicum Beach
Schedule of Supplier Payments for 2024

SUPPLIER NAME	
MUNICIPAL INSURANCE ASSOC OF BC	232,622
MUNICIPAL PENSION FUND	946,448
NAKED NATURALS WHOLE FOODS LTD	27,208
NEWAY TRAFFIC MANAGEMENT	36,911
PACIFIC BLUE CROSS	261,341
PACIFIC INDUSTRIAL & MARINE LTD	624,750
PICTOMETRY CANADA CORP	26,753
PRO PACIFIC RESTORATION LTD	25,188
PWL PARTNERSHIP LANDSCAPE ARCHITECTS	51,390
QB CHAMBER OF COMMERCE	71,193
QB HISTORICAL & MUSEUM SOCIETY	123,133
QUALICUM & DISTRICT CURLING CLUB	50,735
RBS MANAGED IT SERVICES	361,104
RECEIVER GENERAL FOR CANADA (RCMP)	1,883,461
REGIONAL DISTRICT OF NANAIMO	10,230,068
RISEBRIDGE	40,160
ROTO-ROOTER PLUMBERS	40,174
SAFETEK EMERGENCY VEHICLES LTD	94,254
SEAL TEC INDUSTRIES LTD	37,843
SPARROW MECHANICAL SERVICES	50,733
STRAIN LANDSCAPES LTD	182,579
TECNET CANADA INC	49,018
TELUS MOBILITY (BC)	34,430
TETRA TECH CANADA INC	273,899
THRIVE LANDSCAPES	35,375
TRAN SIGN 2022 LTD	27,521
VALLEY TRAFFIC SYSTEMS	34,067
VANCOUVER ISLAND REGIONAL LIBRARY	715,243
VANCOUVER ISLAND TREE SERVICE LTD	26,957
VANCOUVER ISLAND UNIVERSITY	69,585
VIMAR EQUIPMENT LTD	639,023
WASTE CONNECTIONS OF CANADA	84,790
WELLINGTON FOUNDRY	44,095
WESTERN OIL SERVICES	435,039
WHITE PACIFIC SERVICES	260,677
WINDSOR PLYWOOD PARKSVILLE	26,965
WORKSAFEBC	290,559
YOUNG ANDERSON BARRISTERS	106,732
YOUR CITY SOLUTIONS INC	28,875
TOTAL PAYMENTS (Vendors Over $25,000)	30,808,693
MISCELLANEOUS PAYMENTS ($25,000 and Under)	2,385,441
TOTAL PAYMENTS	**33,194,135**

Town of Qualicum Beach
Reconciliation of Suppliers Payments for 2024
Compared to Financial Statements

Supplier Name	**Amount**
Supplier payments	33,194,135
Employee remuneration	6,406,187
Council remuneration	216,217
Acquisition of capital assets	-9,561,800
Amortization of capital assets	3,839,821
Other amounts and adjustments	-922,839
Other government tax payments	-11,753,250
Total Adjusted Payments	**21,418,471**
2024 Financial Statement Expenditures	**21,418,471**

Other amounts and adjustments includes payments of GST which is included in supplier payments but is not included in the Financial Statement Expenditures and differences related to the financial statements being prepared on an accrual basis per PSAB and the SOFI amounts being payments in the year.

Town of Qualicum Beach
Schedule of Debt (Long Term)
For the year ended December 31, 2024

	2024	2023
Fire Hall Loan 2.25%, due November 30, 2025	$ 462,936	$ 925,873
Fire Truck Loan, daily floating rate, due December 31, 2027	$ 588,461	$ 771,615
Fire Truck Loan, daily floating rate, due October 31, 2028	$1,636,695	$2,000,000

Town of Qualicum Beach
Schedule of Guarantee & Indemnity Agreements
For the year ended December 31, 2024

There were no guarantee & indemnity agreements outstanding at December 31, 2024.

Town of Qualicum Beach
Report of Employee Severance Agreements
For the year ended December 31, 2024

There was one severance agreement made between the Town of Qualicum Beach and its non-unionized employees during 2024. This agreement represents 9 months of compensation.

Consolidated Financial Statements of

TOWN OF QUALICUM BEACH

And Independent Auditor's Report thereon

Year ended December 31, 2024

TOWN OF
QUALICUM BEACH

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Town of Qualicum Beach (the "Town") are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated 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 consolidated financial statements. These systems are monitored and evaluated by management.

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

The consolidated financial statements have been audited by KPMG 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 consolidated financial statements.

Director of Finance

KPMG LLP
177 Victoria Street, Suite 400
Prince George, BC V2L 5R8
Canada
Telephone 250 563 7151
Fax 250 563 5693

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of the of Town of Qualicum Beach

Opinion

We have audited the consolidated financial statements of Town of Qualicum Beach (the Town), which comprise:

- the consolidated statement of financial position as at December 31, 2024
- the consolidated statement of operation and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2024 and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's 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.

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 the 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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Town to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants

Prince George, Canada

May 14, 2025

TOWN OF
QUALICUM BEACH

Consolidated Statement of Financial Position

December 31, 2024, with comparative information for 2023

	2024	2023
Financial assets:		
Cash and cash equivalents (note 3)	$ 28,142,587	$ 29,354,282
Accounts receivable (note 4)	4,636,953	3,471,171
Municipal Finance Authority debt reserve fund deposit	57,560	55,623
	32,837,100	32,881,076
Financial liabilities:		
Accounts payable and accrued liabilities (note 5)	2,446,283	4,220,711
Accrued employee benefits	808,807	720,310
Deferred revenue (note 6)	6,584,705	6,144,768
Performance bonds and deposits	942,619	1,065,711
Long-term debt (note 7)	2,688,092	3,697,488
Asset retirement obligation (note 8)	307,130	307,130
	13,777,636	16,156,118
Net financial assets	19,059,464	16,724,958
Non-financial assets:		
Inventories	163,276	180,961
Prepaid expenses	94,398	96,488
Tangible capital assets (note 9)	139,790,670	134,156,312
	140,048,344	134,433,761
Commitments and contingencies (note 15)		
Accumulated surplus (note 10)	$ 159,107,808	$ 151,158,719

See accompanying notes to consolidated financial statements.

TOWN OF
QUALICUM BEACH

Consolidated Statement of Operation and Accumulated Surplus

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget (note 17)	2024 Actual	2023 Actual
Revenue (note 16):			
Net taxation (note 12)	$ 14,746,600	$ 14,641,109	$ 13,418,972
Sales of services	3,812,900	3,907,986	4,109,157
Other revenue from own sources	1,680,200	1,608,977	1,684,225
Interest and tax penalties	666,000	1,446,723	1,302,422
Government transfers (note 13)	6,088,600	4,683,585	7,383,214
Capital contributions	-	970,570	930,000
Other income (note 14)	-	2,076,231	67,590
Gain on sale of tangible capital assets	-	32,379	29,816
Total revenue	26,994,300	29,367,560	28,925,396
Expenses (note 16):			
General government services	2,325,100	3,178,667	2,636,314
Protective services	3,159,900	2,980,163	2,702,508
Transportation services	4,767,100	6,961,058	6,395,266
Solid waste services	970,700	987,291	995,136
Water services	1,935,200	2,407,564	2,236,007
Sewer services	819,200	996,574	961,120
Planning and development services	1,492,400	1,221,724	1,244,575
Parks and community services	2,678,000	2,685,430	2,502,591
Total expenses	18,147,600	21,418,471	19,673,517
Annual surplus	8,846,700	7,949,089	9,251,879
Accumulated surplus, beginning of year	151,158,719	151,158,719	141,906,840
Accumulated surplus, end of the year	$ 160,005,419	$ 159,107,808	$ 151,158,719

See accompanying notes to consolidated financial statements.

TOWN OF
QUALICUM BEACH

Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget (note 17)	2024	2023
Annual surplus	$ 8,846,700	$ 7,949,089	$ 9,251,879
Acquisition of tangible capital assets	(13,831,000)	(9,561,800)	(9,540,740)
Amortization of tangible capital assets	-	3,839,821	3,922,330
Proceeds on sale of tangible capital assets	-	120,000	29,816
Gain on disposal of tangible capital assets	-	(32,379)	(29,816)
	(13,831,000)	(5,634,358)	(5,618,410)
Use (purchase) of supplies inventories	-	17,685	(83,615)
Change in prepaid expenses	-	2,090	(51,180)
	-	19,775	(134,795)
Change in net financial assets	(4,984,300)	2,334,506	3,498,674
Net financial assets, beginning of year	16,724,958	16,724,958	13,226,284
Net financial assets, end of year	$ 11,740,658	$ 19,059,464	$ 16,724,958

See accompanying notes to consolidated financial statements.

TOWN OF
QUALICUM BEACH

Consolidated Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash and cash equivalents provided by (used in):		
Operations:		
Annual surplus	$ 7,949,089	$ 9,251,879
Items not involving cash:		
Gain on disposal of tangible capital assets	(32,379)	(29,816)
Amortization of tangible capital assets	3,839,821	3,922,330
	11,756,531	13,144,393
Changes in non-cash operating working capital:		
Accounts receivable	(1,165,782)	(702,721)
Capital lease receivable	-	29,306
Municipal Finance Authority debt reserve fund deposit	(1,937)	(1,678)
Inventories	17,685	(83,615)
Prepaid expenses	2,090	(51,180)
Accounts payable and accrued liabilities	(1,774,428)	1,253,126
Accrued employee benefits	88,497	122,235
Deferred revenue	439,937	868,139
Performance bonds and deposits	(123,092)	148,460
Asset retirement obligation	-	307,130
	9,239,501	15,033,595
Financing:		
Repayment of long-term debt	(1,009,396)	(611,321)
Proceeds from long-term debt	-	2,000,000
	(1,009,396)	1,388,679
Investing:		
Acquisition of tangible capital assets	(9,561,800)	(9,540,740)
Proceeds on disposal of tangible capital assets	120,000	29,816
	(9,441,800)	(9,510,924)
(Decrease) increase in cash and cash equivalents	(1,211,695)	6,911,350
Cash and cash equivalents, beginning of year	29,354,282	22,442,932
Cash and cash equivalents, end of year	$ 28,142,587	$ 29,354,282

See accompanying notes to consolidated financial statements.

Nature of operations:

The Town of Qualicum Beach (the "Entity") was incorporated on May 5, 1942 under the provisions of the Local Government Act of British Columbia. The Town's principal activities include the provision of services to residents of Qualicum Beach. These include general government services, protective services, transportation services, solid waste services, water services, sewer services, planning and development services, and parks and community services.

1. Significant accounting policies:

These consolidated financial statements of the Town are prepared in accordance with Canadian generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the Town are as follows:

(a) Basis of consolidation:

(i) Consolidated entities:

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the Town. The Town is comprised of all organizations, committees and local boards accountable for the administration of it's financial affairs and resources to the Town and which are owned or controlled by the Town.

(ii) Accounting for Region and School Board transactions:

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the Region and the School Board are not reflected in these consolidated financial statements.

(iii) Trust funds:

Trust funds and their related operations administered by the Town are not included in these consolidated financial statements.

1. Significant accounting policies (continued):

(b) Basis of accounting:

The Town follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Revenue recognition:

Taxation and user fee revenues are recognized in accordance with the provisions of the Community Charter. The Town is required to act as the agent for the collection of certain taxes and fees imposed by other authorities. Collections for other authorities are excluded from the Town's taxation revenues, except for the taxes collected for the Vancouver Island Regional Library.

Revenue unearned in the current period is reported on the consolidated statement of financial position as deferred revenue.

(d) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

(e) 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. Transfer revenue is recognized in the statement of operations as the stipulations for liabilities are settled.

(f) Cash and cash equivalents:

Cash equivalents include short-term highly liquid investments with a term to maturity of 90 days or less at acquisition.

1. Significant accounting policies (continued):

(g) Assets held for sale:

Assets held for sale are those expected to be sold within one year. They are valued at the lower of cost or expected net realizable value. When a decline in net realizable value is determined to be other than temporary, the impairment is recognized in the consolidated statement of operations and accumulated surplus.

(h) Accrued employee benefits:

The Town and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred.

In addition to the Municipal Pension Plan, sick leave and other retirement benefits are also available to the Town's employees. The costs of these benefits are determined based on years of service and best estimates of retirement ages and expected future salary and wage increases. The obligations under these benefit plans are accrued based on projected benefits earned as the employees render services necessary to earn the future benefits.

(i) Non-financial assets:

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

(i) Inventories:

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost.

1. Significant accounting policies (continued):

(i) Non-financial assets (continued):

(ii) Tangible capital assets:

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

Asset	Useful life - Years
Buildings	5-50
Equipment	3-20
Land improvements	10-75
Transportation	20-75
Water and sewer	50-80

A full year of amortization is charged in the year that an asset becomes available for productive use and none in the year of disposal.

Assets under construction are not amortized until the asset is available for productive use.

(iii) Contributions of tangible capital assets:

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

(iv) Interest capitalization:

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

1. Significant accounting policies (continued):

(j) Use of estimates:

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying value of tangible capital assets, collectibility of accounts receivable, accrued liabilities, obligations related to employee future benefits, and the provision for asset retirement obligations.

The Town's implementation of PS3280 Asset Retirement Obligations has resulted in the requirement for management to make estimates regarding the useful lives of affected tangible capital assets and the expected retirement costs, as well as the timing and duration of these retirement costs.

Actual results could differ from those estimates.

(k) Contaminated sites:

Contaminated sites are defined as the result of contamination being introduced in 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, net of any expected recoveries, when all of the following criteria are met:

a) an environmental standard exists;
b) contamination exceeds the environmental standard;
c) the organization is directly responsible or accepts responsibility for the liability;
d) future economic benefits will be given up; and
e) a reasonable estimate of the liability can be made.

1. Significant accounting policies (continued):

(l) Asset retirement obligation:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

a) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
b) the past transaction or event giving rise to the liability has occurred;
c) it is expected that future economic benefits will be given up; and
d) a reasonable estimate of the amount can be made.

The estimate of the asset retirement obligation includes costs directly attributable to the asset retirement activities.

If the tangible capital asset is in productive use, the estimated obligation is recorded as a liability and increase to the related tangible capital asset. The increase to the tangible capital asset is amortized in accordance with the amortization accounting policy outlined in note 1(i)(ii). The carrying value of the liability is reviewed at each financial reporting date with changes to the amount of the original estimate of cash flows recorded as an adjustment to the asset retirement obligations liability and related tangible capital asset.

If the tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed. The carrying value of the liability is reviewed at each financial reporting date with changes to the amount of the original estimate of cash flows recorded as an adjustment to the asset retirement obligations liability and expense.

1. Significant accounting policies (continued):

(m) Financial instruments:

Financial instruments include cash and cash equivalents, accounts receivable, Municipal Finance Authority ("MFA") deposit, accounts payable and accrued liabilities, accrued employee benefits, performance bonds and deposits, and long-term debt. Cash and cash equivalents include cash, high-interest savings accounts and short-term highly liquid investments that are readily convertible to known amount of cash and are subject to insignificant risk of changes in value.

Financial instruments are recorded at fair value on initial recognition. Equity instruments quoted in an active market and derivatives are subsequently measured at fair value as at the reporting date. All other financial instruments are subsequently measured at cost or amortized cost unless the Town has elected to carry the financial instrument at fair value. The Town has elected to carry any financial instruments at cost.

Unrealized changes in fair value would be recognized on the consolidated statement of remeasurement gains and losses. They are recorded in the consolidated statement of operations when they are realized. There are no unrealized changes in fair value as at December 31, 2024 and 2023 as the Town does not hold any equity instruments quoted in an active market nor any derivatives. As a result, the Town does not have a consolidated statement of remeasurement gains and losses.

Transaction costs incurred on the acquisition of financial instruments subsequently measured at fair value are expensed as incurred. Transaction costs incurred on the acquisition of financial instruments recorded at cost or amortized cost are included in the cost.

Sales and purchases of investments are recorded on the trade date.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the consolidated statement of operations.

2. Changes in accounting policies:

(a) PS 3400 - Revenue:

On January 1, 2024, the Town adopted Canadian public sector accounting standard 3400 Revenue. The new accounting standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition and its measurement. As at December 31, 2024, the Town determined that the adoption of this new standard did not have an impact on the amounts presented in the consolidated financial statements.

(b) PS 3160 - Public Private Partnerships:

On January 1, 2024, the Town adopted PS 3160 – Public Private Partnerships ("P3"). This new accounting standard identifies requirements on how to account for and disclose transactions in which public sector entities procure major infrastructure assets and/or services from private sector entities. Recognition of assets arising from P3 arrangements is ultimately dependent on whether public sector entities control the purpose and use of the assets, access to the future economic benefits and exposure to the risks associated with the assets, and significant residual interest in the asset, if any, at the end of the P3 term. Measurement of the asset and related liability will also be dependent on the overall model used to compensate the private sector entity. The Town adopted the standard prospectively. The implementation of this new standard did not result in identification of transactions that would meet the definition of P3.

(c) Public Sector Guideline 8 - Purchased Intangibles:

On January 1, 2024, the Town adopted Public Sector Guideline 8 – Purchased Intangibles. This new guideline allows public sector entities to recognize intangibles purchased through an exchange transaction. The Town adopted the standard prospectively. The implementation of this new standard did not result in identification of assets that would meet the definition of purchases intangibles

2. Changes in accounting policies (continued):

(d) Future accounting prononcements:

These standards and amendments were not effective for the year ended December 31, 2024, and have therefore not been applied in preparing these consolidated financial statements. Management is currently assessing the impact of the following accounting standards updates on the future consolidated financial statements.

i. Concepts Underlying Financial Performance. The revised conceptual framework will replace the existing conceptual framework, which consists of Section PS 1000, Financial Statement Concepts, and Section PS 1100, Financial Statement Objectives. The conceptual framework is to be adopted prospectively. This revised conceptual framework is effective for fiscal years beginning on or after April 1, 2026 (the Town's December 31, 2027 year end).

ii. PS 1202, Financial Statement Presentation, will replace the current section PS 1201. The Town is currently assessing the impact of this standard on the future financial statements. Prior period amounts would need to be restated to conform to the presentation requirements for comparative financial information. This standard is effective for fiscal years beginning on or after April 1, 2026 (the Town's December 31, 2027 year end).

iii. PS 3251, Employee Benefits, will replace the current sections PS 3250 and PS 3255. The proposed section is currently undergoing discussions where further changes are expected as a result of the re-exposure comments. Effective date is currently not determined.

3. Cash and cash equivalents:

Included in cash and cash equivalents is $270,654 (2023 - $270,652) that is invested on behalf of the cemetery trust fund. These funds may only be used for the upkeep and care of the cemetery and burial plots.

4. Accounts receivable:

	2024	2023
Property taxes	$ 458,609	$ 447,072
Water rates	361,443	329,417
Sewer rates	208,794	197,797
Solid waste	227,110	212,829
Local area service tax receivable	546,319	-
Receivable from federal government	1,005,715	1,018,638
Receivable from provincial government	1,565,369	1,000,095
Interest receivable	94,220	124,459
Trade receivables	169,374	140,864
	$ 4,636,953	$ 3,471,171

5. Accounts payable and accrued liabilities:

	2024	2023
Trade payables	$ 1,726,271	$ 2,687,672
Payable to federal government	444,474	988,257
Payable to provincial government	47,618	359,979
Holdbacks payable	227,920	184,803
	$ 2,446,283	$ 4,220,711

6. Deferred revenue:

	2024	2023
Prepaid taxes	$ 1,655,376	$ 1,560,894
Prepaid utilities	18,318	13,224
Development cost charges	3,264,160	2,941,318
Off street parking	376,407	336,999
Grants	1,012,033	913,395
Land lease	139,375	143,125
Shoreline works	45,000	45,000
Building permits	8,479	126,202
Building licenses	4,470	17,210
Other	61,087	47,401
	$ 6,584,705	$ 6,144,768

Development cost charges (DCC) includes statutory reserves that are required to be set-up under section 188(2) of the Community Charter.

7. Long-term debt:

	2024	2023
Municipal Finance Authority Loan bearing interest at 2.25% per annum, principal payments of $231,468 semi-annually plus interest, due November 30, 2025.	$ 462,936	$ 925,873
Municipal Finance Authority Loan bearing interest at a daily floating rate, payments of $17,156 monthly including interest, due December 31, 2027.	588,461	771,615
Municipal Finance Authority Loan bearing interest at a daily floating rate, payments of $38,322 monthly including interest, due October 31, 2028.	1,636,695	2,000,000
	$ 2,688,092	$ 3,697,488

Principal repayments are due as follows:

2025	$ 1,058,506
2026	618,341
2027	644,336
2028	366,909
	$ 2,688,092

8. Assets retirement obligation:

The Town owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the buildings and there is a legal obligation to remove it. Following the adoption of PS 3280 - Asset Retirement Obligations, the Town recognized an obligation relating to the removal and post-removal care of the asbestos in these buildings as estimated in the amount of $307,130.

9. Tangible capital assets:

The Town manages and controls various works of art located at Town sites and public display areas including paintings and a sculpture. These assets are not recorded as tangible capital assets and are not amortized.

	2024								
	Work in progress	Land	Buildings	Equipment	Transportation	Land Improvements	Water	Sewer	Total
Cost:									
Balance, beginning of year	$ 6,454,075	$ 38,432,522	$ 36,038,646	$ 10,080,745	$ 71,343,490	$ 30,263,357	$ 16,393,560	$ 11,182,667	$ 220,189,062
Additions	5,306,339	-	231,216	1,659,630	522,258	1,004,281	451,417	386,659	9,561,800
Disposal	-	-	-	(772,393)	(42,060)	-	-	-	(814,453)
Transfers	(2,976,476)	-	-	171,227	1,325,283	1,268,112	145,359	66,495	-
Balance, end of year	8,783,938	38,432,522	36,269,862	11,139,209	73,148,971	32,535,750	16,990,336	11,635,821	228,936,409
Accumulated amortization:									
Balance, beginning of year	-	-	13,283,640	4,775,898	41,606,518	13,153,283	6,997,506	6,215,905	86,032,750
Amortization	-	-	788,829	715,261	1,235,604	663,082	242,605	194,440	3,839,821
Disposals	-	-	-	(684,772)	(42,060)	-	-	-	(726,832)
Balance, end of year	-	-	14,072,469	4,806,387	42,800,062	13,816,365	7,240,111	6,410,345	89,145,739
Net book value	$ 8,783,938	$ 38,432,522	$ 22,197,393	$ 6,332,822	$ 30,348,909	$ 18,719,385	$ 9,750,225	$ 5,225,476	$ 139,790,670

9. Tangible capital assets (continued):

2023									
	Work in progress	Land	Buildings	Equipment	Transportation	Land Improvements	Water	Sewer	Total
Cost:									
Balance, beginning of year	$ 11,536,664	$ 38,432,522	$ 32,642,014	$ 7,355,562	$ 66,386,292	$ 27,974,552	$ 16,191,037	$ 10,242,315	$ 210,760,958
Additions	4,919,811	-	603,046	2,494,571	302,453	287,299	3,560	930,000	9,540,740
Disposal	-	-	-	(112,636)	-	-	-	-	(112,636)
Transfers	(10,002,400)	-	2,793,586	343,248	4,654,745	2,001,506	198,963	10,352	-
Balance, end of year	6,454,075	38,432,522	36,038,646	10,080,745	71,343,490	30,263,357	16,393,560	11,182,667	220,189,062
Accumulated amortization:									
Balance, beginning of year	-	-	12,530,725	4,353,230	39,994,286	12,552,142	6,763,426	6,029,247	82,223,056
Amortization	-	-	752,915	535,304	1,612,232	601,141	234,080	186,658	3,922,330
Disposals	-	-	-	(112,636)	-	-	-	-	(112,636)
Balance, end of year	-	-	13,283,640	4,775,898	41,606,518	13,153,283	6,997,506	6,215,905	86,032,750
Net book value	$ 6,454,075	$ 38,432,522	$ 22,755,006	$ 5,304,847	$ 29,736,972	$ 17,110,074	$ 9,396,054	$ 4,966,762	$ 134,156,312

10. Accumulated surplus:

	2024	2023
Surplus:		
Investment in tangible capital assets	$ 136,795,448	$ 130,151,694
General operating	2,161,599	1,538,519
Water operating	1,061,617	1,067,662
Sewer operating	226,865	214,633
	140,245,529	132,972,508
Statutory Reserves:		
Property reserve fund	1,233,966	2,127,648
Park land reserve fund	287,959	103,952
Emissions reduction reserve fund	26,794	25,519
Park improvements reserve fund	105,277	100,266
Cemetery reserve fund	292,004	282,892
Asset replacement reserve fund	5,384,623	5,714,475
New asset investment reserve fund	1,360,722	313,182
Water infrastructure reserve fund	2,528,105	2,812,416
Sewer infrastructure reserve fund	597,250	760,339
Growing communities fund	3,573,510	3,414,107
Curling building reserve fund	128,532	115,272
	15,518,742	15,770,068
Non Statutory Reserves:		
Municipal Finance Authority debt reserve fund	57,560	55,623
Arrowsmith water reserve	82,270	76,515
Affordable housing reserve	450,000	450,000
Developer contribution reserve	104,202	104,202
Local government capacity funding reserve	191,885	-
Tree replacement	30,200	29,000
Skate board park donation reserve	51,160	-
Community Works (Gas Tax) reserve	1,199,265	919,468
Election reserve fund	20,000	10,000
Strategic initiatives reserve fund	781,995	771,335
Community amenity contributions reserve	375,000	-
	3,343,537	2,416,143
	$ 159,107,808	$ 151,158,719

11. Investment in tangible capital assets:

	2024	2023
Investment in tangible capital assets beginning of the year	$ 130,151,694	$ 126,229,093
Add:		
Acquisition of tangible capital assets	9,561,800	9,540,740
Reduction in long-term debt	1,009,396	611,321
Proceeds on long-term debt	-	(2,000,000)
Asset retirement obligation	-	(307,130)
Less:		
Amortization	(3,839,821)	(3,922,330)
Net book value of tangible capital asset disposals	(87,621)	-
Investment in tangible capital assets at end of year	$ 136,795,448	$ 130,151,694

12. Net taxation revenue:

	2024	2023
Taxes collected		
General	$ 12,118,665	$ 11,112,967
Parcel tax - water	1,128,000	1,027,840
Parcel tax - sewer	263,048	237,700
1% utility tax	152,810	155,827
	13,662,523	12,534,334
Taxes collected for other government services		
Education	6,341,526	6,177,120
Regional District of Nanaimo	5,403,906	5,147,986
Nanaimo Regional Hospital District	2,254,335	1,776,043
Vancouver Island Regional Library	715,090	619,686
B.C. Assessment Authority	178,239	175,049
Municipal Finance Authority	998	1,009
	14,894,094	13,896,893
Less taxes paid to other governments	(14,191,776)	(13,286,956)
	702,318	609,937
Grants-in-lieu of taxes		
Federal government	17,294	15,943
Taxes paid to other governments	(9,494)	(8,484)
Fortis BC	93,197	93,220
B.C. Hydro	175,271	174,022
	276,268	274,701
	$ 14,641,109	$ 13,418,972

13. Government transfers:

the government transfers reported on the consolidated statement of operations and accumulated surplus are:

	2024	2023
Provincial grants		
Unconditional	$ 868,225	$ 792,692
BC Active Transportation Infrastructure Grant	38,254	500,000
BC Air Access Program	259,507	20,895
Capacity Funding - Local Government Housing Initiatives	191,885	-
Child Care Capital Funding Program - Childcare BC New Spaces Fund	-	124,700
Strengthening Communities Program	-	29,400
Development Approvals Program	65,501	77,286
Destination Development - Beach Creek Estuary	481,619	-
Investing in Canada Infrastructure Program - Beach Creek Culvert Replacement	1,374,938	-
Local Government Climate Action Plan	45,094	-
Regional District of Nanaimo - Bulk Water Supply Agreement for RDN French Creek Water Service Area	720,000	-
UBCM Community Wildfire Resiliency Plan	66,862	-
Waterfront Improvement Grant	-	532,093
Growing Communities Grant	-	3,346,000
Regional: Digital Fire Training System	-	87,451
Others	79,928	149,611
	4,191,813	5,660,128
Federal grants		
Canada Community Building Fund	487,013	471,343
Canada Summer Jobs	4,759	-
Airport Capital Assistance Program	-	233,105
Active Transportation Fund	-	1,018,638
	491,772	1,723,086
	$ 4,683,585	$ 7,383,214

14. Other income:

	2024	2023
Cash received in-lieu of park dedication	$ 174,000	$ -
Community amenity contributions	375,000	-
Donations	51,160	-
Local area service taxes - East Village	1,325,000	-
Provincial emergency program recoveries	38,291	-
DCC revenue	57,448	-
Other	55,332	67,590
	$ 2,076,231	$ 67,590

Community amenity contributions (CAC) is a voluntary contribution that a developer provides to a municipality, typically as part of a rezoning or development approval process, to help offset the impacts of increased density or population growth. In 2024, the Town received $375,000 in CAC.

The local area service taxes - East Village relates to the recovery of costs incurred for the underground servicing and beautification work performed on Second Avenue East.

15. Commitments and contingencies:

(a) Regional District

The Town is responsible, as a member of the Regional District of Nanaimo and the Nanaimo Regional Hospital District, for its proportion of any operating deficits or capital debt related to functions in which it participates.

(b) Municipal Pension Plan

The Town and its employees contribute to the Municipal Pension Plan (a jointly trusteed 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, 2024, the plan has about 256,000 active members and approximately 129,000 retired members. Active members include approximately 45,000 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 Town paid $520,275 (2023 - $449,731) for employer contributions to the plan in fiscal 2024.

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 cost to individual employers participating in the plan.

15. Commitments and contingencies (continued):

(c) Municipal Finance Authority contingent demand notes

Under borrowing arrangements with the MFA, the Town is required to lodge security by means of a demand note and an interest-bearing cash deposit based on the amount of the borrowing. As a condition of the borrowing, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. This deposit is included in the Town's financial assets and is held by the MFA as security against the possibility of debt repayment default. If the debt is repaid without default, the deposit is refunded to the Town. At December 31, 2024, there was a contingent demand note of $212,517 (2023 - $212,517) which was not included in the financial statements of the Town.

(d) Municipal Insurance Association of British Columbia

The Town is a participant in the Municipal Insurance Association of British Columbia. Should the Association pay out claims in excess of premiums received, it is possible that the Town, along with other participants, would be required to contribute towards the deficit.

(e) Contingent liabilities

The Town may, from time to time, be involved in legal proceedings, claims, and litigation that arise in the normal course of business. It is considered that the potential claims would not materially affect the Town's financial statements and any amounts ultimately settled will be recorded in the period in which the claim is resolved. At December 31, 2024, there are no claims outstanding.

16. Segmented information:

The Town is a diversified municipal government that provides a wide range of services to its residents. The following is a description of the types of services included in each of the main segments of the Town's financial statements:

General government services

Services related to general corporate and legislative governance and administration as well as human resources, information technology and financial management.

Protective services

Services related to providing fire protection, bylaw enforcement and building inspection to the Town, as well as the Town's share of expenses related to providing policing.

16. Segmented information (continued):

Transportation services

Services related to the delivery of municipal public works services including the development and maintenance of roadway systems, street lighting, airport operations and other public works and engineering related services.

Solid waste services

Services related to the collection of garbage and chipping as well as environmental testing and monitoring.

Water services

Services related to the delivery of water and the planning and development and maintenance of the Town's water infrastructure.

Sewer services

Services related to the sanitary sewer removal and the planning and development and maintenance of the Town's sewer infrastructure.

Planning and development services

Services related to planning for development and for improving quality of life and sustainability initiatives.

Parks and community services

Services related to the development and maintenance of parks and trails, municipal landscaping, and providing and maintaining recreation and cultural buildings.

The following statement provides additional information for the foregoing functions. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

16. Segmented information (continued):

	2024								
	General government services	Protective services	Transportation services	Solid waste services	Water services	Sewer services	Planning and development services	Parks and community services	Total
Revenue:									
Net taxation	$ 13,250,061	$ -	$ -	$ -	$ 1,128,000	$ 263,048	$ -	$ -	$ 14,641,109
Sale of services	5,999	136,172	6,750	849,817	1,829,004	770,912	288,698	20,634	3,907,986
Other revenue from own sources	608,335	-	859,967	-	-	-	-	140,675	1,608,977
Interest and tax penalties	1,446,723	-	-	-	-	-	-	-	1,446,723
Government transfers	448,100	362,524	2,159,712	-	751,532	-	309,434	652,283	4,683,585
Capital contributions	-	-	287,070	-	330,000	353,500	-	-	970,570
Other	1,888,357	36,939	88,769	-	-	-	55,035	7,131	2,076,231
Gain on disposal of assets	32,379	-	-	-	-	-	-	-	32,379
Total revenues	17,679,954	535,635	3,402,268	849,817	4,038,536	1,387,460	653,167	820,723	29,367,560
Expenses:									
Salaries, wages and employee benefits	2,286,760	1,199,120	1,996,026	188,218	779,928	270,646	706,991	1,074,074	8,501,763
Goods and services	590,443	1,634,862	2,147,761	799,073	1,237,437	558,147	514,733	1,381,532	8,863,988
Amortization	88,565	146,181	2,817,271	-	390,199	167,781	-	229,824	3,839,821
Fiscal services	212,899	-	-	-	-	-	-	-	212,899
Total expenses	3,178,667	2,980,163	6,961,058	987,291	2,407,564	996,574	1,221,724	2,685,430	21,418,471
Annual surplus (deficit)	$ 14,501,287	$ (2,444,528)	$ (3,558,790)	$ (137,474)	$ 1,630,972	$ 390,886	$ (568,557)	$ (1,864,707)	$ 7,949,089

16. Segmented information (continued):

	2023								
	General government services	Protective services	Transportation services	Solid waste services	Water services	Sewer services	Planning and development services	Parks and community services	Total
Revenue:									
Net taxation	$ 12,153,432	$ -	$ -	$ -	$ 1,027,840	$ 237,700	$ -	$ -	$ 13,418,972
Sale of services	5,895	121,335	8,520	826,640	2,042,885	770,616	301,701	31,565	4,109,157
Other revenue from own sources	648,750	-	897,025	-	-	-	-	138,450	1,684,225
Interest and tax penalties	1,302,422	-	-	-	-	-	-	-	1,302,422
Government transfers	3,758,500	346,055	1,277,436	-	-	-	198,798	1,802,425	7,383,214
Capital contributions	-	-	-	-	-	930,000	-	-	930,000
Other income	38,990	-	23,800	-	-	-	-	4,800	67,590
Gain on disposal of assets	29,816	-	-	-	-	-	-	-	29,816
Total revenues	17,937,805	467,390	2,206,781	826,640	3,070,725	1,938,316	500,499	1,977,240	28,925,396
Expenses:									
Salaries, wages and employee benefits	2,017,945	1,069,298	1,516,773	148,859	761,082	260,287	615,893	965,244	7,355,381
Goods and services	408,612	1,483,888	2,000,686	846,277	1,076,340	529,447	628,682	1,302,585	8,276,517
Amortization	90,468	149,322	2,877,807	-	398,585	171,386	-	234,762	3,922,330
Fiscal services	119,289	-	-	-	-	-	-	-	119,289
Total expenses	2,636,314	2,702,508	6,395,266	995,136	2,236,007	961,120	1,244,575	2,502,591	19,673,517
Annual surplus (deficit)	$ 15,301,491	$ (2,235,118)	$ (4,188,485)	$ (168,496)	$ 834,718	$ 977,196	$ (744,076)	$ (525,351)	$ 9,251,879

17. Budget data

The budget data presented in these consolidated financial statements is based upon the 2024 operating and capital budgets approved by Council via Bylaw 789 on March 13, 2024.

The table below reconciles the approved budget to the budget figures reported in these consolidated financial statements:

	Budget amount
Revenue:	
Operating budget	$ 26,994,300
Less:	
Add:	
Transfers from surplus or reserves	10,606,700
Total revenue	37,601,000
Expenses:	
Operating budget	18,147,600
Capital budget	13,831,000
Less:	
Add:	
Transfers to reserves	4,387,200
Debt principal repayments	1,017,100
Debt interest payments	218,100
Total expenses	37,601,000
	$ -

18. Comparative information:

Certain 2023 comparative figures have been reclassified to conform with the consolidated financial statement presentation adopted for the current year. The changes had no impact on prior year annual surplus.

TOWN OF
QUALICUM BEACH

Schedule 1 - Canada Community Building Fund

Year ended December 31, 2024

	2024	2023
Opening balance	$ 939,812	$ 453,783
Grant funds received	487,013	471,343
Interest earned	-	33,891
	1,426,825	959,017
Project expenditures	227,560	19,205
	$ 1,199,265	$ 939,812

Canada Community Building Fund grants are provided by the Government of Canada. Use of the funding is established by a funding agreement between the Municipality and the Union of British Columbia Municipalities. Canada Community Buildings Fund grants may be used towards designated public transport, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreement.

TOWN OF
QUALICUM BEACH

Schedule 2 - COVID-19 Safe Restart Grant

Year ended December 31, 2024

	2024	2023
Opening balance	$ -	$ 80,000
Project expenditures		
Technology costs to improve remote work	-	38,378
Emergency services	-	11,108
Planning and community development	-	30,514
	-	80,000
	$ -	$ -

TOWN OF
QUALICUM BEACH

Schedule 3 - Growing Communities Fund

Year ended December 31, 2024
(Unaudited)

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.

The Town received $3,346,000 of GCF funding in March 2023.

	2024	2023
Growing Community Fund	$ 3,414,107	$ 3,346,000
Project expenditures:		
Park upgrades	-	61,968
Skate park project	11,200	-
	3,402,907	3,284,032
Interest earned	170,603	130,075
	$ 3,573,510	$ 3,414,107

TOWN OF **QUALICUM BEACH**

STAFF REPORT

File No. 0640-20

TO: Heather Svensen, Director of Corporate Services/Deputy CAO

FOR: Special Council Meeting

DATE: June 25, 2025

FROM: Danielle Leurebourg, Deputy Director of Corporate Services

SUBJECT: **2024 Annual Report**

GOVERNANCE DECISION
The 2024 Annual Report is a legislative requirement pursuant to the *Community Charter*.

RECOMMENDATIONS:
THAT the Town of Qualicum Beach 2024 Annual Report be approved.

PURPOSE
To present the 2024 Annual Report as required pursuant to the *Community Charter.*

BACKGROUND & DISCUSSION
Section 98 of the *Community Charter* requires Council to prepare an annual report, make the report available for public inspection and consider the report at a Council meeting along with any submissions or questions from the public regarding the report. The Annual Report must include:

- The municipality's audited annual financial statements for the previous year (2024).
- A list of the permissive tax exemptions provided by Council and for each exemption, the amount of general municipal property tax that would have been imposed during the previous year if the exemption had not been granted;
- A report on the municipality's services and operations for the previous year;
- A progress report on the performance of the municipality with respect to established objectives and measures;
- A statement of objectives and measures that will be used as the basis for determining the municipality's performance during the previous year and the current year (2025); and
- The details of any declarations of disqualification made against individual Council members during the previous year.

Notification of the 2024 Annual Report availability for public inspection has been advertised in accordance with legislated requirements and has been available for inspection on the Town's website with a hard copy available for review at Town Hall since June 11, 2025.

FINANCIAL IMPLICATIONS

There are no financial implications anticipated from this report.

PUBLIC PARTICIPATION SPECTRUM (IAP^2)

Public Participation Framework developed by the International Association for Public Participation – IAP^2 International.

INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
• Provide balanced and objective data to assist in understanding issues, alternatives, opportunities, and solutions	• Obtain feedback on analysis, alternatives, and/or decisions	• Work directly with stakeholders to ensure concerns and aspirations are understood and considered	• Partner with stakeholders in each aspect of the decision, development of alternatives, and identification of preferred solutions	• Final decision making in the hands of the stakeholders

INFORM:

- The approved Annual Report is available on the Town's website.

STRATEGIC PLAN ALIGNMENT

Council's Strategic Plan Focus Area(s) supported by this initiative:

- Good Governance: *To govern for the public interest of our community while managing competing interests, ensuring availability of transparent and accessible information, fostering respectful public engagement, and demonstrating ethical values.*

SUMMARY

Notification that the 2024 Annual Report is available for public inspection and has been advertised in accordance with legislated requirements and has been available for inspection on the Town's website with a hard copy available for review at Town Hall since June 11, 2025.

APPROVALS

Report respectfully submitted by Danielle Leurebourg, Deputy Director of Corporate Services.

Danielle Leurebourg, MBA
Deputy Director of
Corporate Services
Report Author

Lou Varela, MCIP, RPP
Chief Administrative Officer
Concurrence

Heather Svensen
Director of Corporate
Services/Deputy CAO
Concurrence