LATE ITEM – Regular Council Meeting Agenda – July 15, 2026
Item 7(b) | Bylaws

SUBJECT: “Town of Qualicum Beach 2026-2030 Financial Plan Bylaw No. 921, 2026, Amendment Bylaw No. 921.01, 2026”

Staff Recommendation:

THAT the “Town of Qualicum Beach 2026-2030 Financial Plan Bylaw No. 921, 2026, Amendment Bylaw No. 921.01, 2026” be adopted.

TOWN OF QUALICUM BEACH
BYLAW N0. 921.01, 2026

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

1. "Town of Qualicum Beach 2026-2030 Financial Plan Bylaw No. 921, 2026" is hereby amended by deleting Schedule "A" in its entirety and substituting Revised Schedule "A" as attached hereto and forming part of this Bylaw.

2. "Town of Qualicum Beach 2026-2030 Financial Plan Bylaw No. 921, 2026" is hereby amended by deleting Schedule "B" in its entirety and substituting Revised Schedule "B" as attached hereto and forming part of this Bylaw.

3. This Bylaw may be cited for all purposes as "Town of Qualicum Beach 2026-2030 Financial Plan Bylaw No. 921, 2026, Amendment Bylaw No. 921.01, 2026".

READ A FIRST TIME on the 24th day of June 2026.

READ A SECOND TIME on the 24th day of June 2026.

READ A THIRD TIME on the 24th day of June 2026.

ADOPTED on the ______ day of, 2026.

______________________________	______________________________
Teunis Westbroek	Heather Svensen
Mayor	Director of Corporate Services/Deputy CAO

REVISED SCHEDULE "A"

QUALICUM BEACH FINANCIAL PLAN AMENDMENT BYLAW NO.921.01, 2026

FOR THE FIVE YEAR PERIOD 2026 TO 2030

	2026	2027	2028	2029	2030
Revenues					
Municipal Taxation	14,206,200	15,060,900	15,666,700	16,672,700	17,907,000
Grants in Lieu of Taxes	413,600	417,800	422,000	426,200	430,500
Parcel Taxes	1,656,100	1,795,500	1,914,400	2,031,800	2,149,200
Vancouver Island Regional Library Levy	778,100	801,400	825,400	850,200	875,700
Fees and Charges	4,940,200	4,776,100	5,160,900	4,811,400	6,785,500
Own Sources	1,969,400	1,701,900	1,717,200	1,732,700	1,748,200
Grants and Contributions	12,097,500	5,168,100	2,670,600	5,229,200	2,195,900
Other Revenue	694,500	694,800	701,900	709,100	716,300
Total Revenue	36,755,600	30,416,500	29,079,100	32,463,300	32,808,300
Use of Reserve Funds	8,849,400	7,021,900	8,281,900	6,321,000	5,623,500
Proceeds from Sale of Assets	6,824,800	5,483,400	5,533,400	-	-
Proceeds of Debt	-	6,000,000	6,800,000	-	-
Total Revenue, Use of Reserves and Proceeds of Debt	**52,429,800**	**48,921,800**	**49,694,400**	**38,784,300**	**38,431,800**
Expenditures					
Operating Expenditures					
General Government	3,252,800	3,114,600	3,229,100	3,363,200	3,504,200
Protective Services	3,781,500	3,809,600	3,972,900	4,150,100	4,432,500
Public Works	5,394,200	5,266,200	5,438,500	5,625,200	5,819,100
Parks and Recreation and Culture	3,044,800	3,137,000	3,239,600	3,348,900	3,462,000
Solid Waste and Recyling	1,034,700	1,004,500.00	1,036,100	1,068,800	1,102,600
Utilities	2,720,700	2,809,300	2,898,100	2,992,300	3,089,100
Planning, Development and Strategic Initiatives	1,598,000	1,443,600	1,140,100	1,528,900	1,014,200
Total Operating Expenditures	20,826,700	20,584,800	20,954,400	22,077,400	22,423,700
Capital Expenditures	25,371,400	18,865,000	18,952,000	9,151,000	7,700,000
Debt Servicing					
Debt Interest	134,900	156,700	212,300	441,700	494,200
Debt Principal	564,700	658,400	455,200	155,300	360,200
Contributions to Reserves	5,532,100	8,656,900	9,120,500	6,958,900	7,453,700
Total Expenditures and Reserve Contributions	**52,429,800**	**48,921,800**	**49,694,400**	**38,784,300**	**38,431,800**

Revised SCHEDULE "B"
STATEMENT OF OBJECTIVES AND POLICIES FOR AMENDMENT BYLAW NO. 921.01
FOR THE FIVE-YEAR PERIOD 2026 TO 2030

In accordance with Section 165(3.1) of the *Community Charter*, the Town of Qualicum Beach is required to include in the Five-Year Financial Plan, objectives and policies regarding each of the following:

1. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the *Community Charter*;
2. The distribution of property taxes among the property classes, and
3. The use of permissive tax exemptions.

FUNDING SOURCES
Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2026. Property taxes form the greatest proportion of revenue. As a revenue source, property taxation offers a number of advantages; for example, it is simple to administer and it is fairly easy for residents to understand. It offers a stable and reliable source of revenue for services that are difficult or undesirable to fund on a user-pay basis. These include services such as general administration, fire protection, police services, bylaw enforcement and public works.

User fees and charges form an important portion of planned revenue. Many services can be measured and charged on a user-pay basis. Services where fees and charges can be easily administered include water and sewer usage, building permits, business licenses, and sale of services – these are charged on a user-pay basis. User fees attempt to apportion the value of a service to those who use the service.

Objective
Over the next five years, the Town will continue to review the proportion of revenue that is received from user fees and charges to determine whether the user-fee component could be increased to lessen the requirement for property taxation.

Policies
- The Town will review all user-fees and parcel taxes to ensure that they are adequately meeting the costs of the service. This will include cemetery, airport, licenses and permits, and all other fees and charges.
- Where possible, the Town will endeavor to supplement revenues from user fees and charges, rather than taxation, to lessen the burden on a limited property tax base. This will include an ongoing comprehensive review of all fees and charges bylaws.

Table 1 Funding Sources

Funding Source	% of Total Revenue	Dollar Value
Property taxes	31.0%	$16,275,900
User fees and charges	9.4%	4,940,200
Other sources	3.8%	1,969,400
Grants and Contributions	23.1%	12,097,500
Library Levy	1.5%	778,100
Other Revenue	1.3%	694,500
Other net transfers/revenue	29.9%	15,674,200
Total	100%	$52,429,800

DISTRIBUTION OF PROPERTY TAXES

Table 2 outlines the distribution of property taxes among the property classes for the Town's portion of the property taxes for 2025. The residential property class provides the largest proportion of property tax revenue. This is appropriate, as this class also forms the largest portion of the assessment base and consumes the majority of Town services.

The 2026 property taxes are based on a 6.5% increase over 2025 property taxes plus 1.7% in new construction taxes. The Town's portion of the property taxes represents approximately 49% of the total tax bill sent to property owners. The other tax levies are not included in the figures below. These other taxes include the Regional District, School, Hospital, Library, BC Assessment, and Municipal Finance Authority. The 2025 Town property tax distribution is shown in table two below as final 2026 property assessment information has not been received from the BC Assessment Authority. Once assessments are received, tax rates are calculated and this could change the distribution shown in the table below.

Table 2 Property Tax Distribution

Class of Property	2025 Town Property Taxes		2025 Town Tax Rate
Residential	$11,791,100	89.9%	2.5225
Utility	59,600	0.5%	39.9988
Light Industry	300	*	6.4235
Commercial/Other	$1,218,700	9.3%	6.4235
Managed Forest	$700	*	2.5225
Recreation/Non-Profit	$37,900	.3%	6.4235
Farm	$300	*	2.5225
Total	$12,120,073	100%	

* Less than 0.1%

Objectives
- Over the next five years, the tax burden between the residential and commercial tax classes should continue to be reviewed to ensure fairness.
- Maintain the property tax rate for Commercial/Other (Class 6) at a rate competitive with surrounding communities.
- Tax increases should be stable and, where possible, targeted to specific areas.

Policies
- Supplement, where possible, revenues from user fees and charges to help offset the burden on the entire property tax base.
- Continue to maintain and encourage community and appropriate economic development initiatives designed to enhance the community.
- Align the distribution of tax rates among the property classes with the social and community development initiatives established by Council.
- Regularly review and compare the Town's taxes with comparable surrounding communities.

<u>Property Tax Projections</u>

Over the next 5 years, property taxes are projected to increase as shown below. These projections are reviewed annually and are subject to change, based on a number of factors. These factors could include inflation, infrastructure conditions, economic climate, environmental considerations, public input and Council priorities.

- 2026 – 6.5% tax increase comprised of 4.1% for municipal operations, 1.3% for the Asset Replacement Program, 0.4% for Investment in New Assets and 0.7% for police services.
- 2026 to 2029 – The Five-Year Financial plan anticipates a 6.0% (2027), 4.0% (2028), 6.4% (2029) and 7.4% (2030) property tax increase in years 2027 to 2030. The rates for inflation service changes and sustainable asset investment levels should also be reviewed annually to ensure that they continue to remain appropriate.

PERMISSIVE TAX EXEMPTIONS

The Town of Qualicum Beach annually exempts from property taxes those properties that are non-profit in nature and provide a community benefit, as determined by Council. Places of public worship are also exempted. These properties are annually advertised and then exempted by bylaw.