



2022

ANNUAL REPORT

TOWN OF QUALICUM BEACH

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MESSAGE FROM COUNCIL

It is with great pleasure and pride that, on behalf of Council, I present to you the annual report for the year 2022, outlining the remarkable progress and accomplishments of our Town.

Throughout the year, the Town's dedicated efforts centered around establishing a solid foundation for the Town's growth and prosperity. We diligently crafted a comprehensive 5 Year Financial Plan, bylaws, policies, and strategies that reflect the distinct character of Qualicum Beach. In partnership with our capable staff, we strived to ensure the efficient and high-level provision of services that our residents and businesses have come to expect.

I am delighted to highlight some of the positive outcomes resulting from our decision-making in 2022:

- Integrated diverse housing types in multiple developments (duplexes, condominiums, town homes, rental housing, and affordable rental units).
- Constructed the "Into the Woods" childcare facility. The Town contributed approximately \$420,000 in direct capital funding, provided the land, and provided in-kind staff resources. The Province committed over \$2,000,000 in grant funding, including start-up costs.
- Adopted a Local Area Service Bylaw, a Loan Authorization Bylaw, and issued a tender award for infrastructure construction in the East Village.
- Extended the lease with the St. Andrew's Lodge Historical and Cultural Society to 2026.
- Advanced foundational pieces of a communications strategy, with work continuing in 2023.
- Advanced the Waterfront Master Plan, a multi-decade project.
- Contributed financially to the Oceanside Track project.
- Partnered with the Chamber of Commerce for a mobile satellite visitor information kiosk to promote Qualicum Beach at local and regional events.
- Responded to numerous grant opportunities.
- Recruited a new Chief Administrative Officer.
- Approved the first phase of the Pheasant Golf Course Resort Development.

These accomplishments are a testament to the dedication, collaboration, and vision of our Council, administration, and community partners. Together, we are shaping Qualicum Beach into a thriving, inclusive, and sustainable community.

Mayor Teunis Westbrook



MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

On behalf of the Town of Qualicum Beach, I would like to thank you for reading the 2022 Annual Report. This Report serves as a vital means of communication, highlighting the Town's accomplishments from the previous year while providing insights into plans for the current year. The Annual Report also underscores the strong connection between strategic goals and operational outcomes.

Having joined the Town of Qualicum Beach in May of 2022, I was immediately struck by the extraordinary dedication exhibited by staff. It is with great pride that I witness their commitment to finding creative and resilient solutions to challenges, all while ensuring the consistent delivery of excellent services to the community. Throughout 2022, notable progress was made in enhancing communication channels, optimizing practices and processes, adopting new technology, bolstering recruitment efforts, and more. I wholeheartedly express my gratitude to Town staff for their diligent work and professional expertise.

One of the most significant milestones of the past year was the inauguration of a newly elected Council. Following a comprehensive orientation program, and building upon the groundwork laid in the final months of 2022, Council was quick to embark on high-quality public Strategic Planning and Budget processes that prescribed an ambitious program for 2023. I am immensely appreciative of the thoughtful and respectful governance provided by the Mayor and Council.

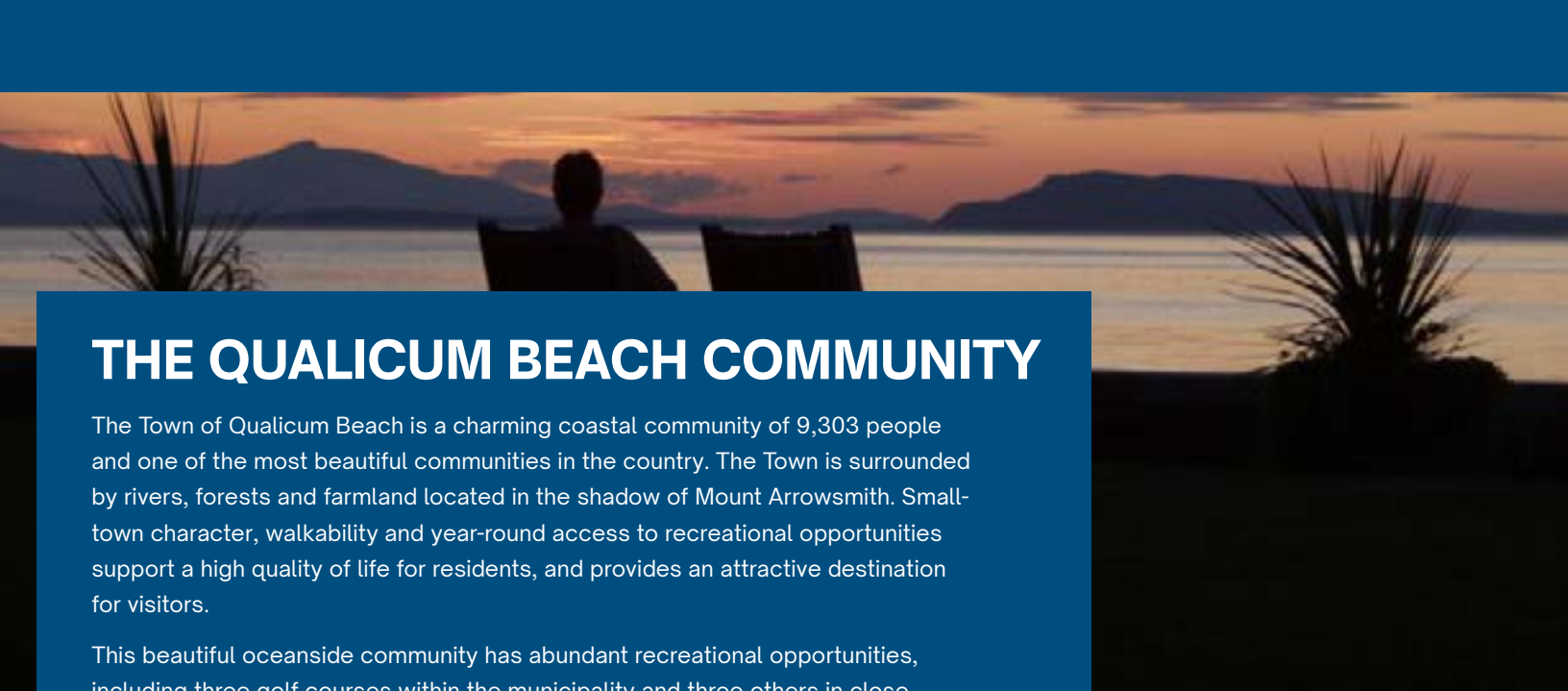
As we reflect upon the achievements of the past year and continue to devote our efforts to the projects and initiatives chosen by Council, I am filled with optimism for the future of our organization and our community. This is a staff group and a Council that is committed to ensuring our municipal places of business are safe and respectful forums which support good governance, promote community engagement, encourage top performance, and allow for divergent opinions to be heard on important community matters.

Lastly, I want to recognize the many volunteers who give their valuable time for the betterment of Qualicum Beach. Their contributions of knowledge and tireless effort enrich the fabric of this beautiful community.

It is an honour to serve the Mayor and Council, staff, and the community as Chief Administrative Officer for the Town of Qualicum Beach.

Lou Varela

Chief Administrative Officer



THE QUALICUM BEACH COMMUNITY

The Town of Qualicum Beach is a charming coastal community of 9,303 people and one of the most beautiful communities in the country. The Town is surrounded by rivers, forests and farmland located in the shadow of Mount Arrowsmith. Small-town character, walkability and year-round access to recreational opportunities support a high quality of life for residents, and provides an attractive destination for visitors.

This beautiful oceanside community has abundant recreational opportunities, including three golf courses within the municipality and three others in close proximity. Opportunities for fishing, hiking and biking are also plentiful. The community features over seven kilometres of curving, postcard perfect beaches. The Town centre is vibrant, and an exciting revitalization of the adjacent East Village area is underway. Qualicum Beach is known for its connection to nature, as well as its celebration of arts and culture.

INDUSTRY

Qualicum Beach has a mix of tourism, manufacturing and service industries. The service sector (which includes retail, wholesale, finance, insurance, real estate, business services, accommodations, and other services) remains the largest employer in the region, accounting for 67% of overall employment. The trade sector, which includes both retail and wholesale trade, accounted for 20.5% of overall employment and reflects a growing trend in retail.

EMPLOYMENT

Employment is forecasted to increase and the service sector is expected to show the strongest growth. However, employment in the agricultural and primary sector is anticipated to decline slightly. Manufacturing is expected to experience modest growth, increasing at approximately half the rate of the service sector. Construction will see positive employment growth along with business services. Given the aging population of Qualicum Beach, health and social services, along with other services, will likely see significant increases in employment opportunities. It is expected that employment in these two sub-sectors will almost double over the next 25 years.

POPULATION

The largest population of Qualicum Beach is the age group between 65 and 69 years old, and the least populated age group is between 25 and 29 years old. 41.7% of the population are in the working age group between 15 to 64 years old, while 14.88% make up the younger population which will be a part of the labour force in less than two decades.



PHOTO CREDIT: VANCOUVER ISLAND UNIVERSITY

TRADITIONAL ACKNOWLEDGEMENT

We would like to recognize that we are standing/working/meeting on the traditional unceded territory of the Qualicum First Nation, and also wish to acknowledge the broader territory of the Coast Salish Peoples.





ORGANIZATIONAL PROFILE

THE MUNICIPAL COUNCIL

Under the *Community Charter* and *Local Government Act*, municipalities and regional districts have broad authority to provide services that their respective municipal councils or regional district boards consider necessary or desirable. Services may be varied both in size and type, examples of which include water and wastewater management, garbage disposal, recreational facilities and economic development.

Governance in the Town of Qualicum Beach is provided by a Mayor and Council. Currently, a Mayor and four Councillors are elected for four-year terms. New Council members elected in 2022 were sworn in on November 7, 2022:

Mayor Teunis Westbroek

Councillor Jean Young

Councillor Petronella Vander Valk

Councillor Scott Harrison

Councillor Anne Skipsey

The main functions of a municipal council are to look after the current and future economic, social and environmental wellbeing of its community. Council's primary duties are to create administrative policy, adopt bylaws on matters delegated to local government through the *Local Government Act* and other provincial statutes to protect the public, and to collect taxes for those purposes. Council also acquires, manages, and disposes of the Town's assets. Council's vision sets a course of action, and charts goals that are accomplished by municipal staff under the direction of the Chief Administrative Officer (CAO).

Council is committed to collaborative governance and sound management through the provision of high-quality facilities and services that provide opportunities for continuous improvement to the quality of life for people of all ages in the community. In pursuing the Town's goals, Council is guided by the principles of understanding and respecting different perspectives, acting with respect and integrity, defining plans and evaluating successes, making informed decisions, and supporting decision-making through processes and partnerships.

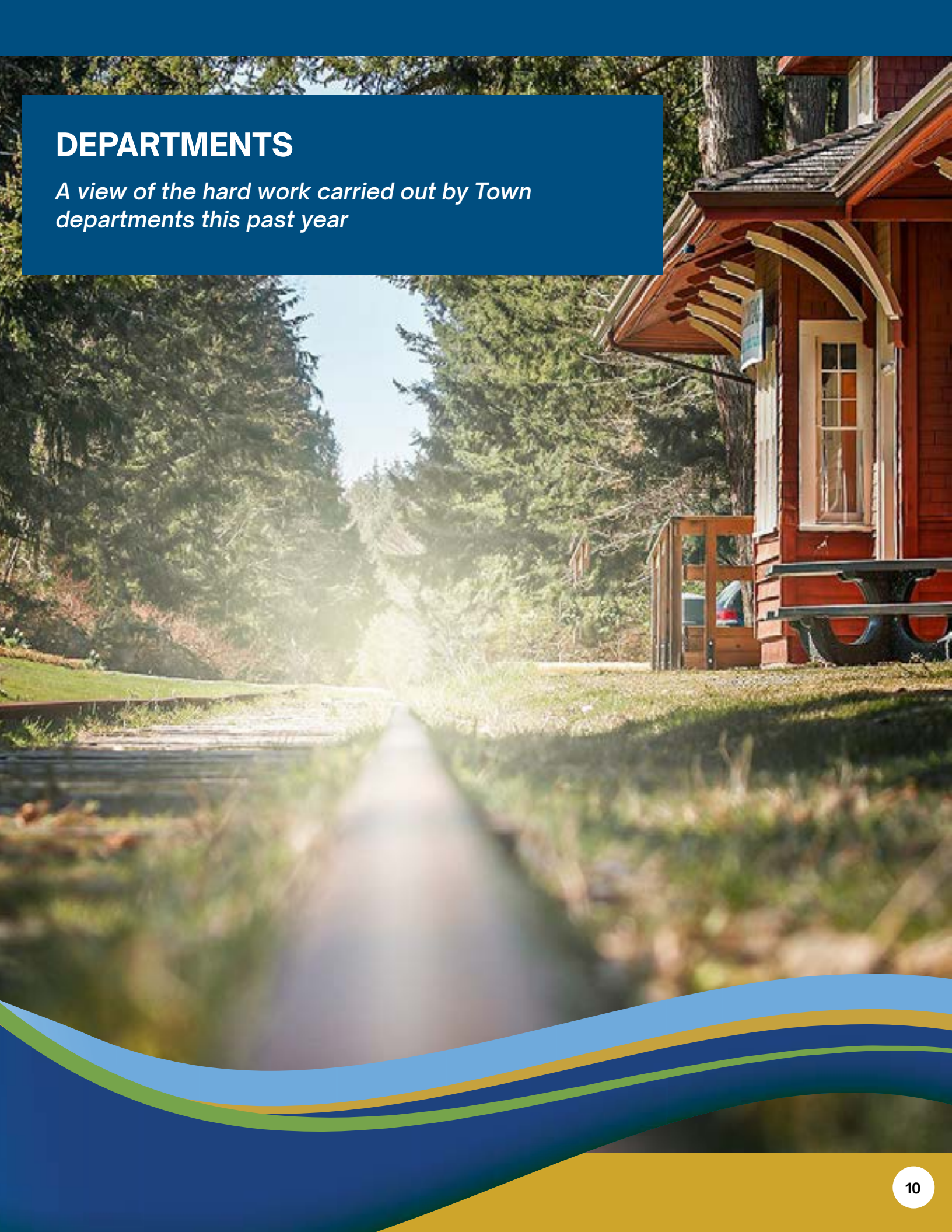
THE EMPLOYEE TEAM

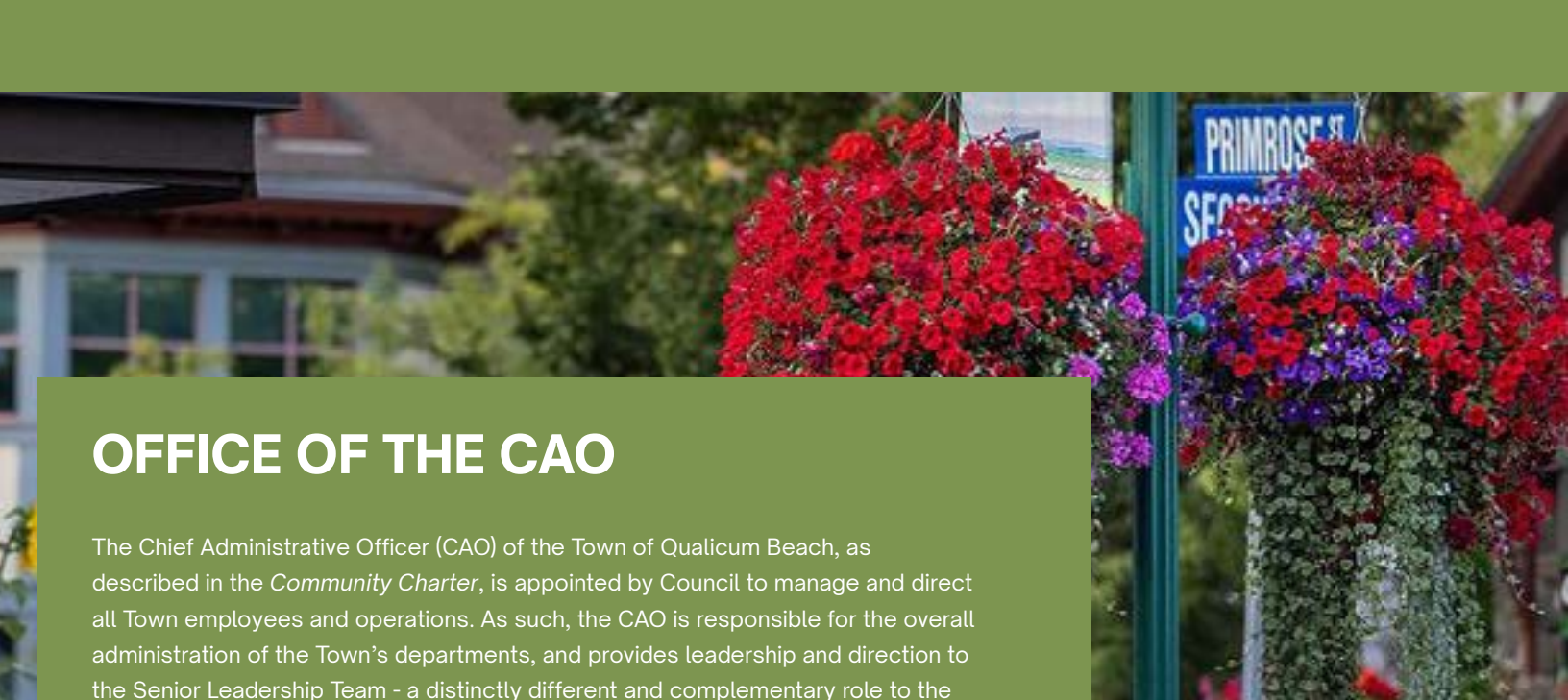
The Chief Administrative Officer (CAO) leads a small team of dedicated employees responsible for providing recommendations and policy advice to Council and coordinating the day-to-day operations of the municipality.



DEPARTMENTS

A view of the hard work carried out by Town departments this past year





OFFICE OF THE CAO

The Chief Administrative Officer (CAO) of the Town of Qualicum Beach, as described in the *Community Charter*, is appointed by Council to manage and direct all Town employees and operations. As such, the CAO is responsible for the overall administration of the Town's departments, and provides leadership and direction to the Senior Leadership Team - a distinctly different and complementary role to the governance realm of Elected Officials.

The current CAO was hired in May 2022. The CAO reports to Council and works collaboratively with them to develop policies, programs and strategies to address the unique needs of the community. The CAO is responsible for providing advice on governance as well as on the municipality's authority and responsibility under the *Community Charter*, *Local Government Act*, *Freedom of Information and Protection of Privacy Act* (FOIPPA), and *Municipal Finance Authority Act*.

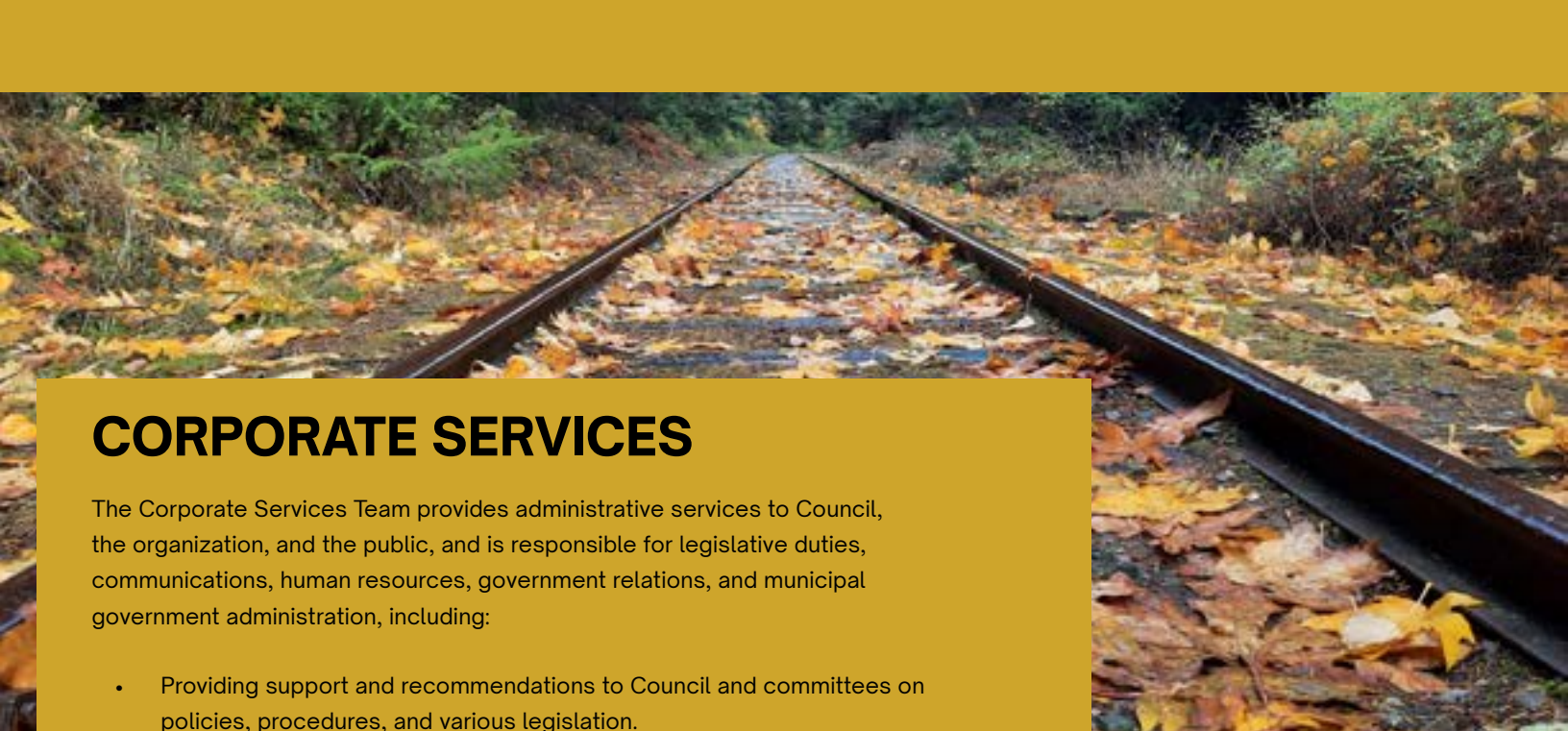
The department consists of the CAO and an Executive Assistant who is shared with the Mayor's Office and Council. Additional support is provided by the Director of Corporate Services, who also serves as the Deputy CAO.

KEY POLICIES AND PLANS

- Official Community Plan
- Council Procedure Bylaw
- Council's Standards of Conduct
- Anti-Bullying and Harassment Policy

2022 OFFICE OF THE CAO HIGHLIGHTS AND ACCOMPLISHMENTS

- Identified challenges, opportunities, resources and barriers at the operational, cultural and governance levels.
- Developed Frequently Asked Questions (FAQs) on issues of importance and interest, and increased responsiveness to email queries.
- Embarked on establishing service level definitions.
- Formalized Correspondence Log practice (process optimization).
- Completed Respectful Workplace Training for exempt and unionized employees.
- Onboarded the newly elected Council.
- Commenced an ongoing Council orientation program.



CORPORATE SERVICES

The Corporate Services Team provides administrative services to Council, the organization, and the public, and is responsible for legislative duties, communications, human resources, government relations, and municipal government administration, including:

- Providing support and recommendations to Council and committees on policies, procedures, and various legislation.
- Processing official correspondence to and from Council.
- Managing corporate records and maintaining the legislation records (including bylaws, agendas, and minutes).
- Researching and developing corporate bylaws and policies.
- Managing *Freedom of Information and Protection of Privacy Act* requests.
- Overseeing risk management claims, property negotiations, and land registrations.
- Processing federal and provincial grant applications.
- Maintaining the Town's website.
- Coordinating cemetery services.
- Managing and overseeing municipal special events.
- Conducting municipal elections and by-elections.
- Providing shared administrative support to all departments.

COMMUNICATIONS AND PUBLIC ENGAGEMENT

The Corporate Services team utilizes communication and community engagement expertise from internal staff and contracted resources who work closely with departments on government relations, media relations, social media, website, emergency communication, branding, graphic design, and communications strategic planning.

Engagement includes outreach to community partners, the Qualicum First Nation, and provincial and federal government partners, in order to address intergovernmental, regional, and inter-municipal priorities and issues.

HUMAN RESOURCES

Human Resources provides strategic advice and expertise on a full range of services and programs. Focus is given to attracting, retaining, and motivating a qualified, diverse, and inclusive workforce. This includes: workforce health and safety; recruitment and workforce planning; disability and leave management; employee training and development; benefits; compensation; employee administration; and labour relations.

PROPERTY RESOURCES

Property Resources include: Civic Centre and Community Hall management and bookings; management of claims; risk assessments; third party liability claims; land purchases and sales; land registrations; long-term leases; and short-term leases and licenses.

SPECIAL EVENTS

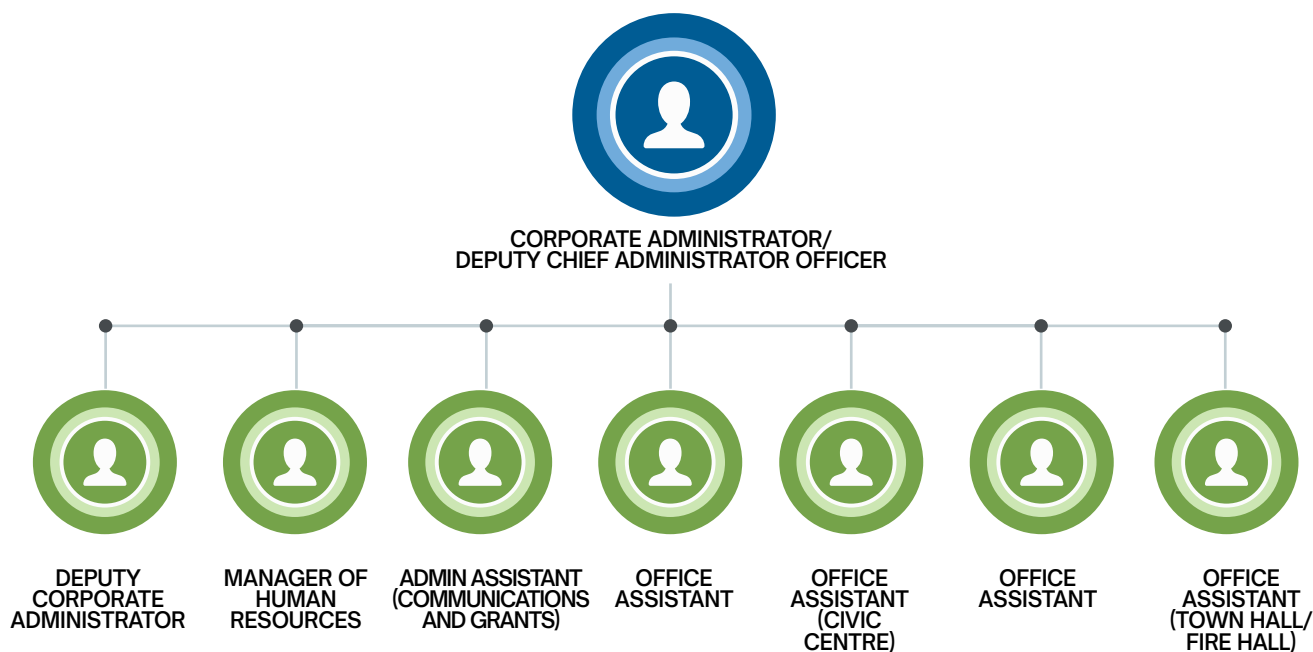
Special event programming helps create a sense of community identity, belonging, pride, and spirit. It showcases Qualicum Beach to residents and visitors as a great place to visit, live, work, and play. Some of the annual special events planned in Qualicum Beach include Beach Day, Family Day, Youth Appreciation Lunch, Ocean Mile Swim, Moonlight Madness, Volunteer Appreciation, Communities in Bloom, and Remembrance Day. Many community partners and event organizers are also supported by the Town to hold special events.

KEY POLICIES AND PLANS

- *Local Government Act*
- *Community Charter*
- *Freedom of Information and Protection of Privacy Act*
- *Council Procedure Bylaw*

DEPARTMENT STAFF AND STRUCTURE

The Department is led by the Corporate Administrator/Deputy CAO and is comprised of a Deputy Corporate Administrator, Manager of Human Resources, Administrative Assistant (Communications and Grants), and four full-time Office Assistants. Administrative support is provided on a shared basis to all departments.



2022 HIGHLIGHTS AND ACCOMPLISHMENTS

- Adopted the Council Standards of Conduct Policy
- Conducted the 2022 General Local Election
- Completed communications audit
- Significantly increased social media presence and general communications strategies

2022 AT A GLANCE



Discover
QB

Town
Services

Planning
& Building

Town
Hall

Business
& Economy

Stay
Engaged



SEARCH

Mapping Town Projects Events Garbage & Recycling Council Meetings Contact Document Library

I WANT TO

COUNCIL AGENDAS, MINUTES AND LIVE STREAMING



UPCOMING EVENTS

- May 1, 2022 Board of Variance Meeting 3:00 pm (if required)
- May 4, 2022 Advisory Planning Commission Meeting 2:00 pm (if required)
- May 12, 2022 Public Open House 10:00 am
- May 16, 2022 Regular Council Meeting 10:00 am
- May 23, 2022 Advisory Planning Commission Meeting 2:00 pm (if required)
- May 26, 2022 Committee of the Whole Meeting 10:00 am (if required)

NEWS & HIGHLIGHTS

Public Works Open House - May 25

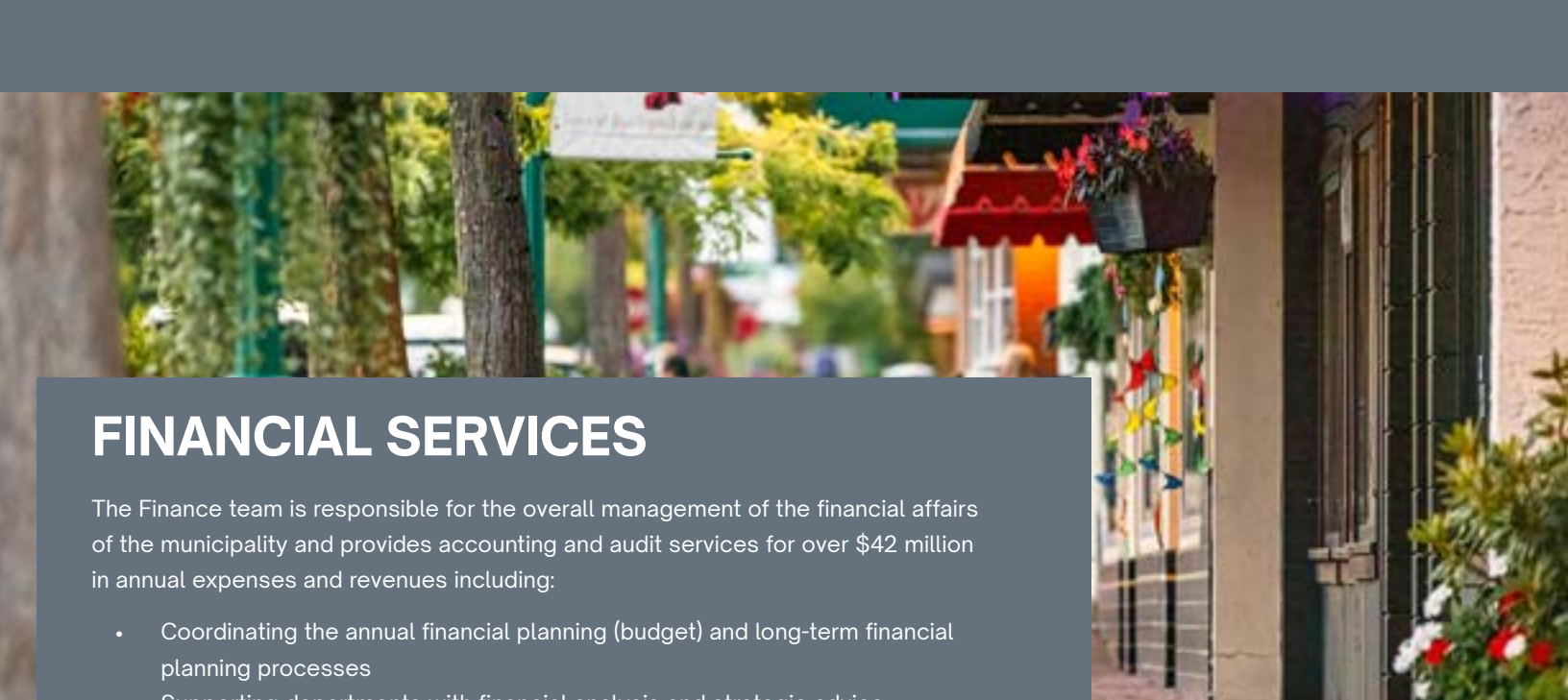
We invite you to attend our Public Works Open House on Thursday, May 25, from 9:00 am to noon, and 1 pm to 3 pm at our Public Works Yard, located at 252 Fern Road East.

Traffic Interruptions - May 28

Some streets in the downtown core will be temporarily closed to facilitate the 2022 Family Day Parade.

RFP Seashell Park - Detailed Park Plan

Seeking proposals for a consultant team to lead the public consultation and finalization of a detailed park plan for Seashell Park.



FINANCIAL SERVICES

The Finance team is responsible for the overall management of the financial affairs of the municipality and provides accounting and audit services for over \$42 million in annual expenses and revenues including:

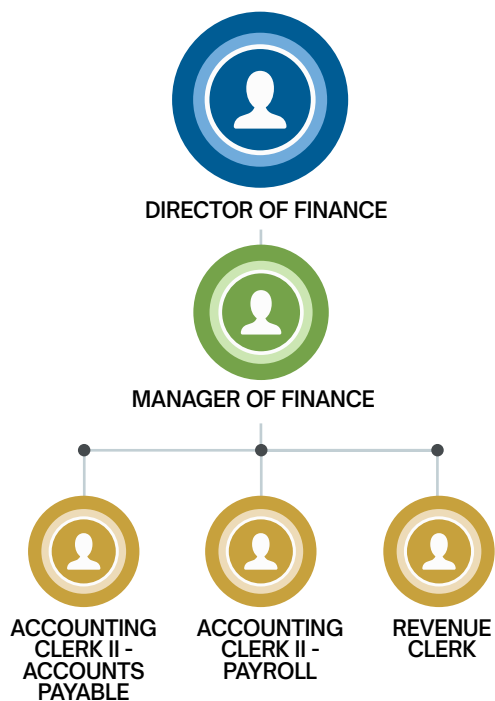
- Coordinating the annual financial planning (budget) and long-term financial planning processes
- Supporting departments with financial analysis and strategic advice
- Processing accounts payable for over 4,000 invoices annually
- Processing bi-weekly payroll for 60-70 staff members and 25-30 Paid-on-Call Firefighters
- Maintaining benefits records for over 55 staff
- Purchasing and procurement
- Administering Permissive Tax Exemptions
- Investment management
- Developing financial policy
- Preparing financial statements which are audited by an independent auditing firm
- Adherence to existing and new standards for financial reporting
- Processing of revenue including property taxes, utility billing, dog tags and business licenses
- Producing 5,100 tax notices annually
- Producing over 9,500 utility bills twice annually, mailed out to residents in May and October
- Managing pre-authorized property tax installments
- Invoicing miscellaneous accounts receivable

KEY POLICIES AND PLANS

- Purchasing Policy
- Social Procurement
- Tangible Capital Asset Policy and Municipal Asset Management Policy
- Asset Management Strategy
- Disposal of Municipal Assets

DEPARTMENT STAFF AND STRUCTURE

The Department is led by the Director of Finance and is comprised of a Manager of Finance, Accounts Payable Clerk, Payroll Clerk and Revenue Clerk.



2022 AT A GLANCE



COMPLETED

Tax rate bylaw



MOVED

To electronic tax certificates



COMPLETED

Permissive tax exemption bylaws



ISSUED

Request for proposal (RFP) for audit services



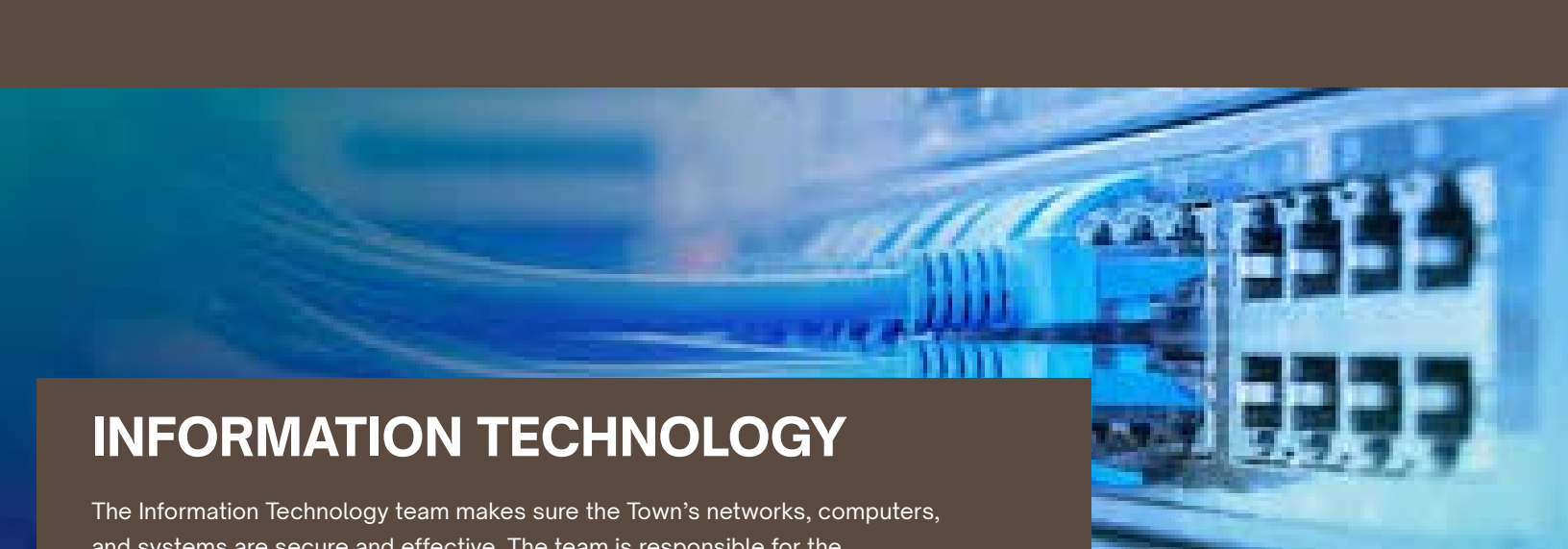
INCORPORATED

Asset management concepts into budget discussions for 2023



SOLD

698 dog tags & 667 business licences



INFORMATION TECHNOLOGY

The Information Technology team makes sure the Town's networks, computers, and systems are secure and effective. The team is responsible for the management, planning and development of core technology, data, web/mobile applications and automations.

The department is led by a Manager of IT and GIS, and is comprised of an Information Systems Analyst and a Technology Support Tech. An external local IT Management Service Provider is contracted to optimize cybersecurity, disaster recovery, servers, network, and 50-60% of IT help-desk related tasks

SERVICES ARE PROVIDED IN SIX AREAS:

1. **Cybersecurity** – Key infrastructure architecture is protected and continuously monitored 24/7 by multi-layer hardware, software and a security operations centre. Staff are regularly trained to identify and mitigate threats through cybersecurity awareness and cyber-attack simulations.
2. **IT Infrastructure** – Modern infrastructure architecture and network services are deployed to ensure high performance resiliency and reliability.
3. **Enterprise Information Systems** – Configuration and integration support is provided for enterprise applications such as MAIS, ActiveNet, FirePro, Microsoft 365, DOT, SCADA, and ArcGIS Enterprise.
4. **Data Maintenance** – Business needs are regularly assessed, and new structures designed to ensure data accuracy and consistency of municipal asset management, cadastral and other datasets.
5. **Business Development** - Web and mobile applications are developed and supported. Processes are optimized and automated and data is regularly analyzed and developed into dashboards, maps, and reports.
6. **Digital Engagement/Communication** – Technology to provide online engagement and communication.

KEY POLICIES AND PLANS

- Video Surveillance of Town-owned buildings (CCTV)
- Acceptable Use for Information Technology Systems
- Wireless Communication Devices

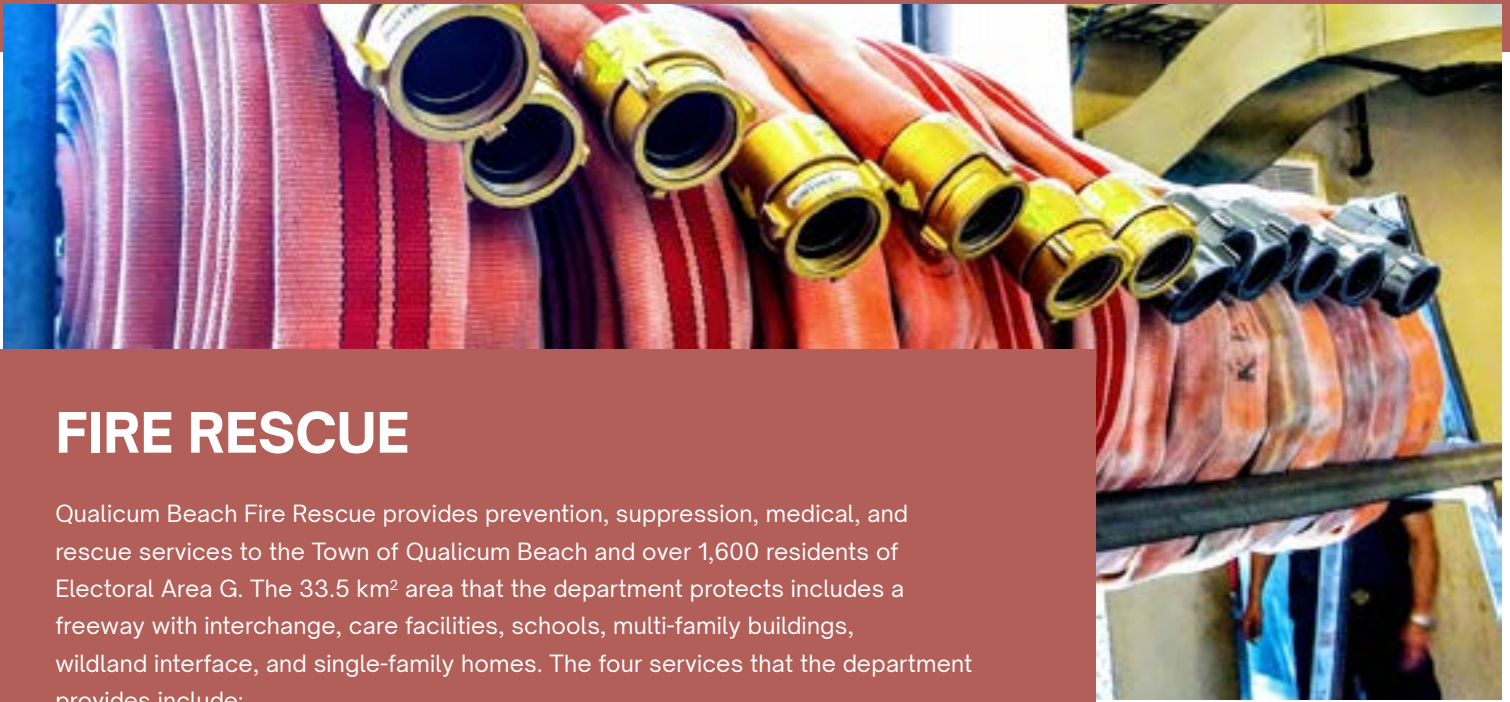
2022 HIGHLIGHTS AND ACCOMPLISHMENTS

- Upgraded to managed internet service for more stable/supported internet
- Replaced all end-of-life network equipment to ensure network infrastructure is “evergreen”
- Relocated server infrastructure to a secure, cooled location to increase security and performance
- Relocated server backup equipment to improve security
- Installed satellite internet service for deployment during emergencies at the Fire Hall
- Upgraded facility bookings from end-of-life software to a cloud facility booking system
- Implemented a SharePoint online portal to improve internal communications
- Implemented a cybersecurity training platform and 98% of staff completed initial training
- Began deploying Multi-Factor Authentication (MFA) to significantly improve cybersecurity
- Began implementing a help desk dashboard to measure IT/GIS performance and challenges
- Replaced five CCTVs with cloud-based, high resolution, wide-angle CCTVs
- Replaced legacy asset management software with mobile and web applications
- Updated tree, bench, sidewalk, storm drain/sanitary sewer maintenance-hole, and catch basin datasets
- Built internal test dashboards for bench, cemetery, generator monthly testing, hydrant services, and backflow prevention



GEOGRAPHIC INFORMATION SYSTEMS (GIS)

- BC ONE CALL automation and property service card digitalization
- Update address data to comply with Next Generation 911 (NG911) standard
- Open Data portal implementation
- Continued GIS and asset management decision making integration
- Bi-annual Ortho and Oblique imagery projects with the City of Parksville



FIRE RESCUE

Qualicum Beach Fire Rescue provides prevention, suppression, medical, and rescue services to the Town of Qualicum Beach and over 1,600 residents of Electoral Area G. The 33.5 km² area that the department protects includes a freeway with interchange, care facilities, schools, multi-family buildings, wildland interface, and single-family homes. The four services that the department provides include:

FIRE PREVENTION

Fire Prevention includes public education, fire inspection, development permit and building plan review, public events, community outreach, fire investigation, and pre-fire planning.

FIRE SUPPRESSION

The department responds to a wide range of fire suppression incidents which include structure, vehicle, brush, and wildland fires.

Each year there are large or complex incidents that require more resources than an individual fire department can provide. Qualicum Beach is a member of an automatic and mutual-aid agreement which provides additional apparatus and firefighters to any incident in District 69 if needed. The automatic aid agreement made acquiring a District 69 Superior Tender Shuttle rating possible, which includes significant insurance savings for many property owners.

MEDICAL CARE

The “First Responder” program is part of the pre-hospital medical care system in the Province of British Columbia. The department responds to those calls of a serious nature in which critical lifesaving intervention is required or if requested from a BC Emergency Health Services (BCEHS) Ambulance crew on scene.

RESCUE SERVICES

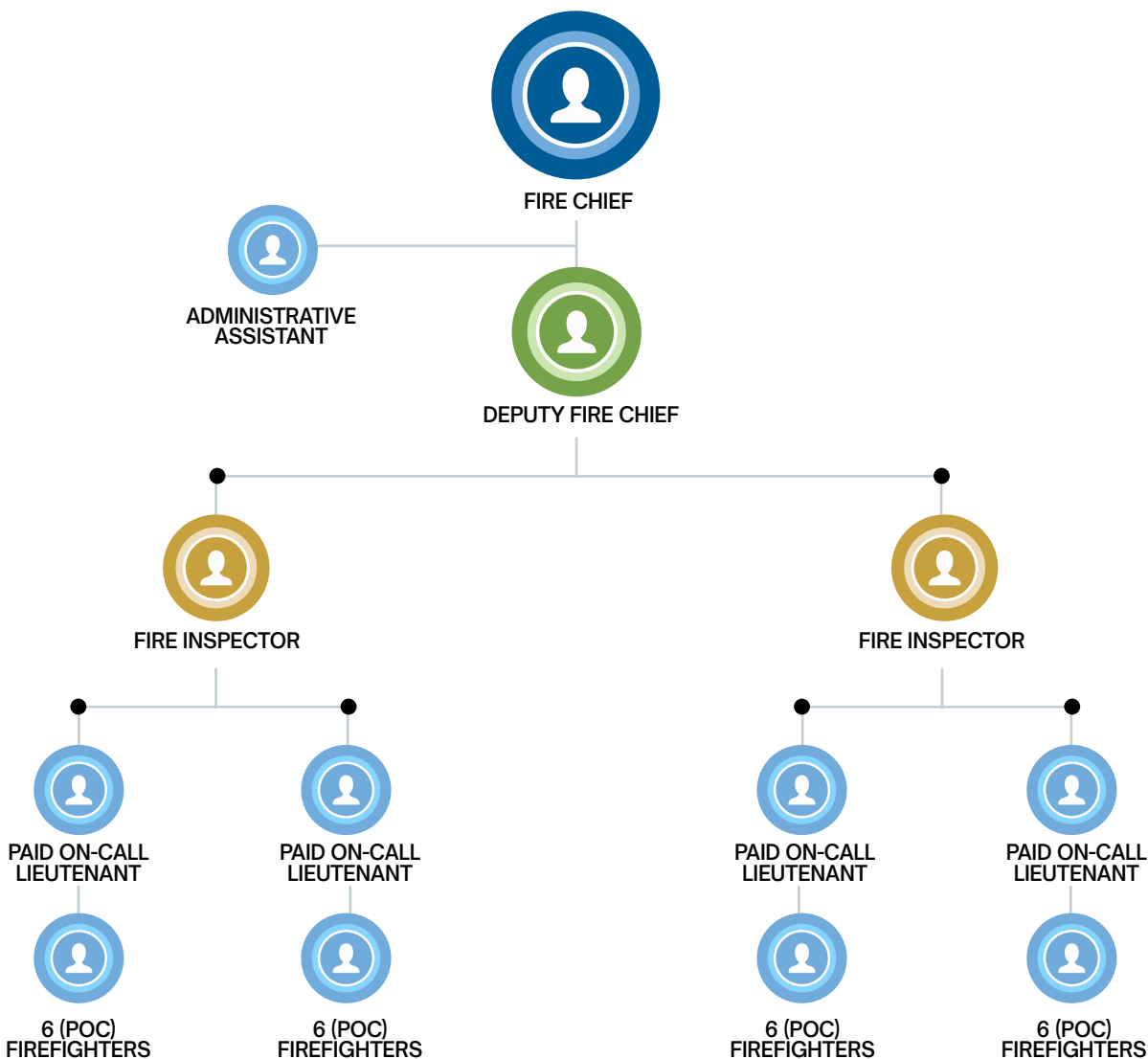
Rescue Services account for the greatest number of calls and include; vehicle rescue; confined space rescue; structural collapse; rope rescue; hazardous materials incidents; weather events; hydro and natural gas emergencies; and general public assistance.

KEY POLICIES AND PLANS

- WorkSafe BC Regulation Part 31
- British Columbia Structure Firefighter Minimum Training Standards
- *Fire Services Act*

DEPARTMENT STAFF AND STRUCTURE

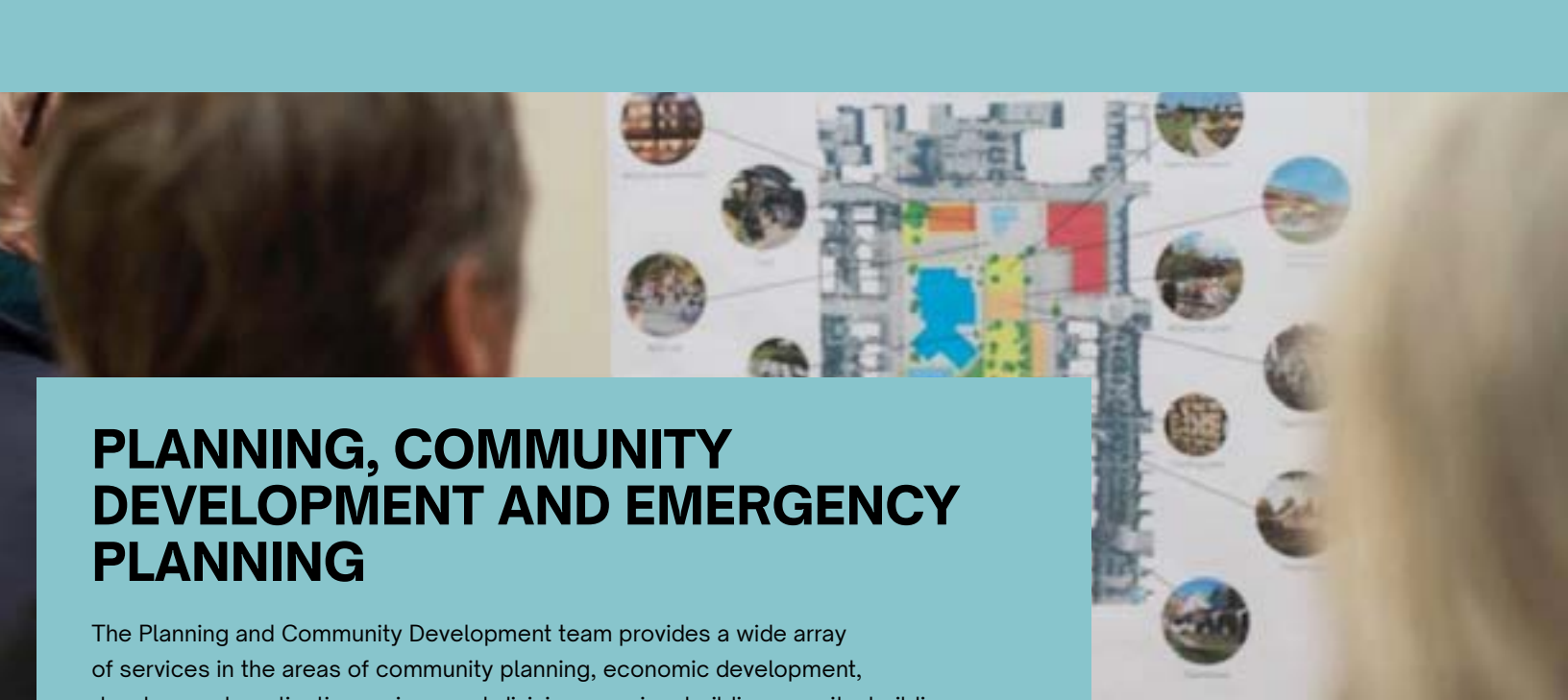
The department consists of a Fire Chief, Deputy Fire Chief, two Paid-on-Call Captains/Fire Inspectors, a part-time Administrative Assistant, and between 25 and 30 Paid-on-Call Firefighters. The department is staffed seven days a week from 8:00 am to 4:00 pm with a minimum of one member supplemented by the Paid-on-Call Captain/Fire Inspector, a Duty Officer, and a Duty Chief as necessary.



2022 HIGHLIGHTS AND ACCOMPLISHMENTS

- Updates to the Elementary School Public Education Program
- Recruited 14 new Paid-on-Call Firefighters
- Hired a second Fire Inspector
- Developed a new Fire Department website
- Increased community outreach and recruitment with regular attendance at weekly markets and public events
- Improved the department's social media presence
- Completed final inspection and placed a new firetruck in service





PLANNING, COMMUNITY DEVELOPMENT AND EMERGENCY PLANNING

The Planning and Community Development team provides a wide array of services in the areas of community planning, economic development, development application reviews, subdivisions, zoning, building permits, building inspections, and emergency planning. In addition to managing building permits and development approvals, the Planning team advises Council on sustainability initiatives, growth management, economic development and bylaw development. The Planning team also administers sign permits, municipal addressing, and other complementary services.

Advancing sustainability initiatives and preserving a high quality of life for the Town's residents are core goals of the Planning and Community Development team. The team is tasked with planning for the future, preparing for the unknown, and working with Town bylaws to protect community health, safety and the environment.

Planning advises Council on the future of the community and how to develop plans, bylaws and policies that change to advance long-term sustainability goals.

The Building Inspection Department works with builders to ensure that buildings are constructed in accordance with the BC Building Code and best practices.

Bylaw Compliance works with the community to achieve compliance with municipal bylaws, prioritizing health, safety and environmental protection. The goal is to obtain voluntary compliance with municipal bylaws and policies to support a safe and livable environment for all Town residents.

Emergency Planning helps the Town, residents and businesses plan and prepare for known and unknown hazards through the partnership with Emergency Management Oceanside.

KEY POLICIES AND PLANS

- Official Community Plan / Sustainability Plan
- Waterfront Master Plan
- Community Climate Change Adaptation Plan
- Urban Forest Master Plan
- Zoning Bylaw, Sign Bylaw, Building Bylaw
- Pesticide Use, Noxious Weeds and Grasses Bylaws
- Traffic Bylaw
- Development Cost Charges Bylaw
- Business Licensing and Regulation, Mobile Vending, Sidewalk Café and Regulation Bylaws, Municipal Ticketing Information, Noise Control, Unsightly Premises, Public Nuisances and Disturbances on a Highway or Public Place
- Animal Control Bylaw
- Emergency Program Bylaw
- Smoking Regulation Bylaw
- Youth and Young Families Retention and Attraction Strategy

DEPARTMENT STAFF AND STRUCTURE

The Department is comprised of a Director of Planning and Community Development with support from a Planner, a Bylaw Officer, one Building Official and an Emergency Program Coordinator. One FTE of Planning staff is being added as per Council direction March 1, 2023



PLANNING SERVICES

Key Activity Levels	2022 Actual
Employees	2
OCP Amendment Process Completed	1
Zoning Amendment Process Completed	4
Development Permit	3
Development Variance Permit	4
Subdivision Approvals	5
Temporary Use Permits	2
Board of Variance Decision	4
Council Memos (Open)	60
Council Open Motions Completed	80

BUILDING SERVICES

Building activity decreased in the first half of 2022 but finished the year above historic averages. Early in 2022 a “Building Official in Training” program began, and one Public Works employee is now qualified to continue most building inspections when the primary Building Official is not available.

Key Activity Levels		2022 Actual
Employees		1
Residential Permits	New SFD Units	23
	Suite or Garden Suites	11
	Multi Residential Units	56
	Net New Units	90
	Renovation/Addition \$\$	4,904,000
	SFD Value	15,488,000
	Multi Residential \$\$	18,000,000
Commercial	Dollars	1,832,000
Institutional	Dollars	3,500,000
Industrial	Dollars	475,000
Recreational	Dollars	-
Total Construction	Dollars	44,199,000
Total Permit Revenue	Dollars	178,346

BYLAW COMPLIANCE

Spring and summer were especially busy for Bylaw Compliance in 2022, doing beach patrols to educate the public on leash regulation as well as working on homeless issues. Fortunately, an operations employee was able to support the single Bylaw Officer during this busy time, as well as provide Bylaw Compliance service outside of regular business hours. A persistent challenge in 2022 was the monitoring and cleanup of sites used by individuals experiencing homelessness. Individuals living in vehicles significantly increased in 2022, which resulted in more complaints and need for monitoring.

Key Activity Levels	2022 Actual
Requests for Service (Complaints)	599
Courtesy Notices Issues	57
MTI Infraction Tickets	81
Patrols	1,936

CLIMATE ACTION

The Community Climate Change Adaptation Plan outlines objectives for community action:

1. Integrate climate change thinking into future planning
2. Improve public health, safety and preparedness for climate-related events
3. Effectively manage and support a healthy urban forest
4. Continue long-term planning for sea level rise in alignment with the Waterfront Master Plan
5. Improve coordinated watershed management and planning, and increase water conservation practices and policies
6. Promote and expand use of Low Impact Development (LID) and Nature-based Solutions (NBS) for building
7. Continue to manage invasive species throughout the community
8. Proactively mitigate wild and urban interface fire risk

2022 HIGHLIGHTS AND ACCOMPLISHMENTS

- Adopted Backyard Chicken Bylaw
- Completed the Urban Forest Master Plan
- Completed the Age-Friendly Wayfinding Project
- Development of “Into the Woods” childcare facility
- Processed the 56-unit affordable housing development building permit
- Completed East Village – Phase 1 Public Realm Improvements
- Approved East Village – Phase 2 Public Realm Improvements and Local Area Service
- Processed several large development applications
- Secured grant for waterfront parking and active transportation improvements
- Multiple high-value grant applications submitted, and grant secured for emergency generator at Civic Centre
- Completed land sales to replenish reserve funding spent on Saahtlam Park (Former St. Andrews Waterfront Park)
- Advanced Community Climate Change Adaptation Plan
- Collaborated with Vancouver Island University and other municipalities for the ongoing Development Application Review Project

EMERGENCY PROGRAM

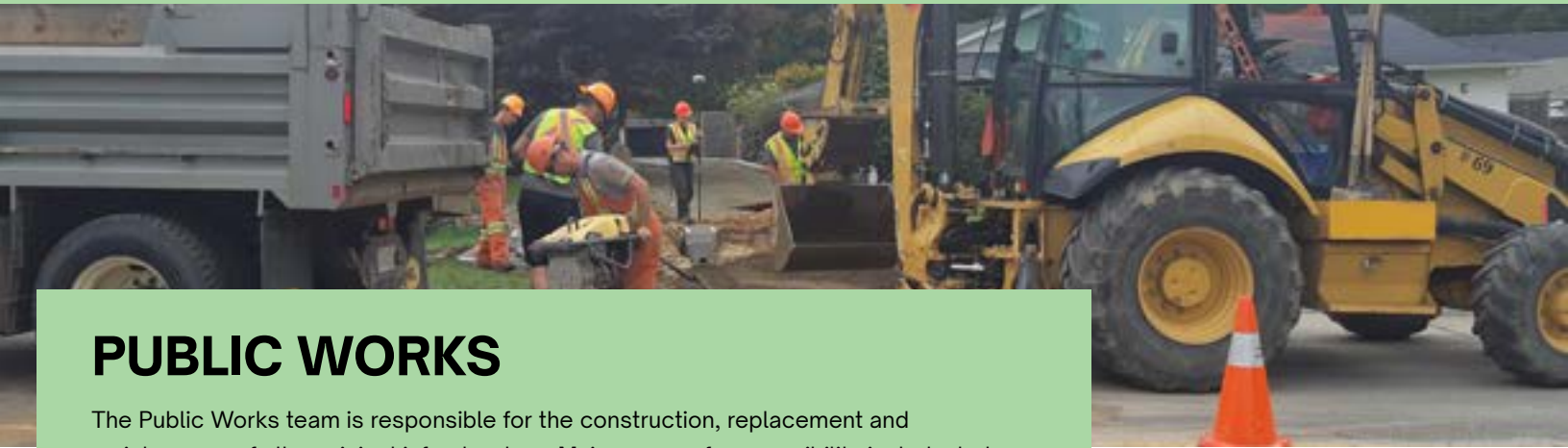
The Town of Qualicum Beach has an extensive Emergency Planning program through the Emergency Management Oceanside (EMO) partnership with the City of Parksville. EMO focuses on preparation for the protection of, and assistance for, citizens and infrastructure during the time of emergency or disaster. Town staff (Administration and Planning) are currently backfilling emergency planning functions due to a vacancy in the Emergency Program Coordinator position.

In 2022, the Town delivered a record number of emergency information packages in collaboration with the Chartwell Residents' Association. Emergency Support Services (ESS) and Emergency Communication Team (ECT) has continued without interruption thanks to the ESS/ECT Volunteer Coordinator and a strong contingent of volunteers. In 2022 staff also supported the City of Parksville in the hiring of a new Emergency Program Coordinator.



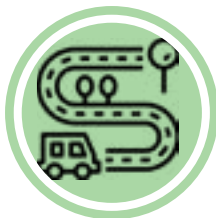
2022 HIGHLIGHTS AND ACCOMPLISHMENTS





PUBLIC WORKS

The Public Works team is responsible for the construction, replacement and maintenance of all municipal infrastructure. Major areas of responsibility include, but are not limited to, water services, sanitary and storm services, roadway maintenance, sidewalks, street lights, maintenance of Town vehicles, and airport operations.



Transportation

The transportation system includes: 113 km of paved roads; 1 km of gravel surface roads; 9 km of sidewalks; over 3,700 signs; 581 municipal streetlights; and 554 BC Hydro streetlights.



Drainage

The drainage system includes: 49.1 km of storm mains; 9.5 km of culverts; 1,600 catch basins; 915 maintenance-holes; 6.9 km of catch basin and service laterals; and 40 km of open ditches.



Facilities

The Town's facilities are comprised of 60 structures that support the critical functions of local government, municipal operations services and public safety. These facilities include: the Municipal Hall; Fire Hall; Civic Centre; Airport Terminal Building; Public Works Buildings and Yard; The Old School House (TOSH) Arts Centre; Parks Buildings and Yard; and many more.



Sewer

System infrastructure serves approximately 3,900 customers and includes: 83 km of sanitary mains; 0.4 km of sanitary force main; one lift station; and 1,284 maintenance-holes.

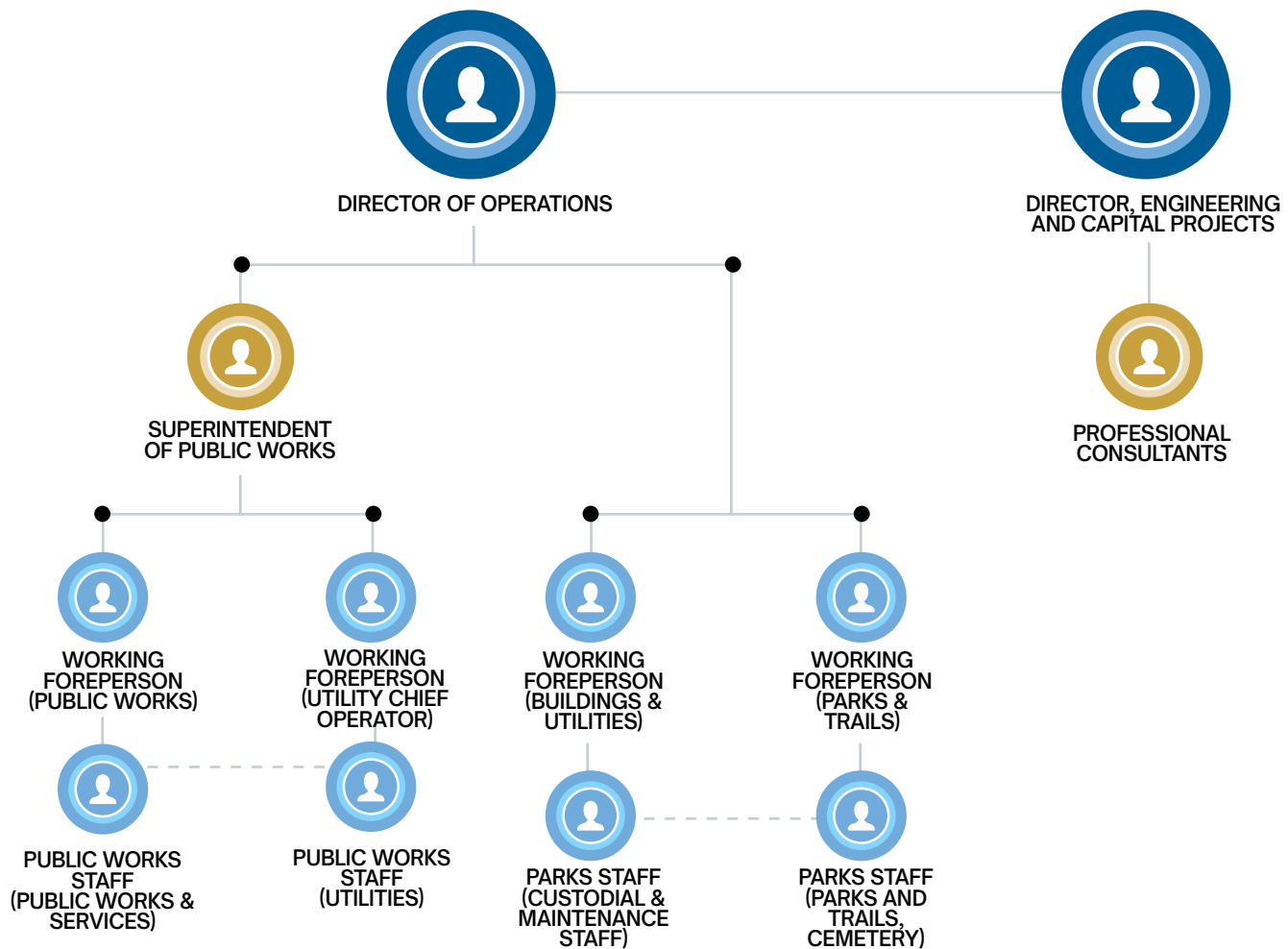


Water

Water system infrastructure includes: nine groundwater wells; five reservoirs (Berwick (2), Village Way, Parks Yard (2)); 108 km of water mains; and five booster stations (Berwick Road, Garrett Road, College Road, Hemsworth Road and Jones Street). Approximately 4,000 properties are metered and there are 451 fire hydrants.

DEPARTMENT STAFF AND STRUCTURE

The Department is co-led by a Director of Engineering and Capital Projects, and a Director of Operations, with support from: a Superintendent of Public Works; Working Forepersons; a Utility Chief Operator; 32 employees; and engineering consultants.



KEY POLICIES AND PLANS

- Road Right-of-Way Opening
- Road Shoulders, Snow and Ice Control
- Towing Contract, Engine Idling, Wood Chipping Program
- Sidewalk and Parking Lot Inspection and Maintenance

2022 HIGHLIGHTS AND ACCOMPLISHMENTS

- Addition of fully electric utility vehicle
- Sandblasted 27 concrete bullnoses and installed hazard marker signs to increase safety and reduce annual painting requirements
- Upgraded 32 painted accessible parking symbols with a more durable product
- Converted seven painted crosswalks to a more durable product
- Temporary repairs to the Beach Creek Culvert under Crescent Road East
- Began cleaning Berwick (1) well casing and replacing worn out components
- Raised 34 hydrants to comply with National Fire Protection Association (NFPA) standards
- Upgraded obsolete computer and communications hardware in College Road Booster Station
- Upgrades to the HVAC system in Town Hall
- Hiring of a new Buildings and Facilities Coordinator
- Completion of 2021 Facilities Condition Assessment with grant funding







PARKS

The Parks Department maintains our trees, boulevards, parks, trails, fields, baskets, flower beds and cemetery.

The Parks system includes a significant inventory of over 280 hectares of green space and recreational forest areas, and the Maintenance Team looks after municipal buildings, including the Civic Centre, the Community Hall, the Town Hall, Airport, Digital Media Studio, Public Works and Parks buildings, and public washrooms.

The Parks system includes a significant inventory of green space and recreational forest areas including the following:

Asset	Quantity
Sports Fields	8,700 m ²
Other Grassed Areas	77,400 m ²
Annual Beds	250 m ²
Mixed Planting Beds and Street Nodes	6,500 m ²
Shrub Beds	10,500 m ²
Hedges	1,700 m ²
Hanging Baskets	100
Concrete Street Planters	20
Trails	24 km
Street and Park Trees	630
Playgrounds	2
Skate Park	1
Cemetery	1
Benches and Picnic Tables	235
Heritage Forest Area	19 ha
Civic Centre Forest Area	38 ha

Over 280 hectares of parks and green spaces are available for the community including:

- Christleton Park
- General Money Park
- Community Parks that contain six ball diamonds / soccer pitches / cricket pitch
- Glassford Square
- Grandon Creek Trail
- Heritage Forest
- Jubilee Park
- Miraloma Park
- Seacrest Park
- Yambury Park
- Valhalla grounds
- Playgrounds at Community Park and Christleton Park
- BMX park
- Skate Park
- Tennis Courts
- Off-leash dog parks
- Rain Garden
- Seaside Nature Park

KEY POLICIES AND PLANS

- Urban Forest Master Plan
- Significant Trees of Qualicum Beach
- Waterfront Master Plan
- Road Allowance and Lane Closure
- Notice of Removal of Trees in Community Park
- Pruning Trimming and Removal of Trees on Town Controlled Lands
- Heritage Forest Public Use
- Dedication of Amenities
- Cemetery Bylaw

2022 HIGHLIGHTS AND ACCOMPLISHMENTS

- Replacement of swing set at the Community Park (CSA approved)
- Purchased battery-powered club car (GHG reduction)
- Purchased battery-powered snow blower (GHG reduction)
- Purchased Columbarium (80 niche) for cemetery
- Year of the Garden (Communities in Bloom) planted additional color displays along Memorial Avenue to Highway 19A



DEPARTMENT STAFF AND STRUCTURE

The Department is led by the Director of Operations, a Parks Foreperson, with support from 12 employees.

The Parks Team maintains Town trees, boulevards, parks, trails, fields, flower baskets, flower beds and the cemetery.





AIRPORT

The Qualicum Beach Airport (XQU) was built by volunteers of the Qualicum Beach Rotary Club, beginning in 1954. In 1957, the Province transferred 160 acres of Crown land to the Town of Qualicum Beach for airport purposes. The Qualicum Beach Airport now serves not only Qualicum Beach, but Parksville and the surrounding area with full fuel service, paved runways and good parking availability. The Airport provides a transportation gateway that is both accessible and convenient.

The Airport has a runway that is 3,564 feet long and 75 feet wide, with displacements at each end of the runway, six taxiways (one private), and two aprons. The aprons are certified as a public use DAY/NIGHT, VISUAL FLIGHT RULES (VFR)/INSTRUMENT FLIGHT RULES (IFR) airport where night operations are prohibited when Precision Approach Path Indicator (PAPI) is unserviceable.

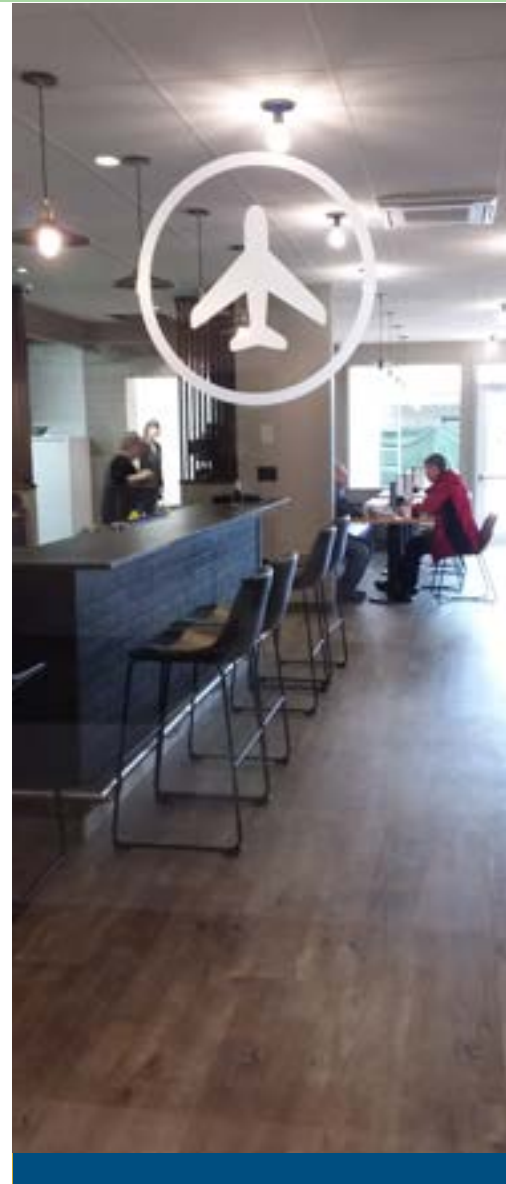
Iskwew Air and Sealand Flight School both operate from the Airport. Helicopter training is also provided through three private companies, and the Ministry of Forests. Training sessions are also provided for firefighters, the military, and BC Ambulance. BC Ambulance Medevac provides essential medical service to the region from the facility.

Airport services include 24-hour parking, an airport terminal, a full-service restaurant and the sale of Avgas and Jet A Fuel (available in 2023).

The Qualicum Beach Airport Users Committee discusses and consults on Airport matters and is made up of Airport business/user representatives; two Members at Large; one Council representative; and two Qualicum Beach staff members.

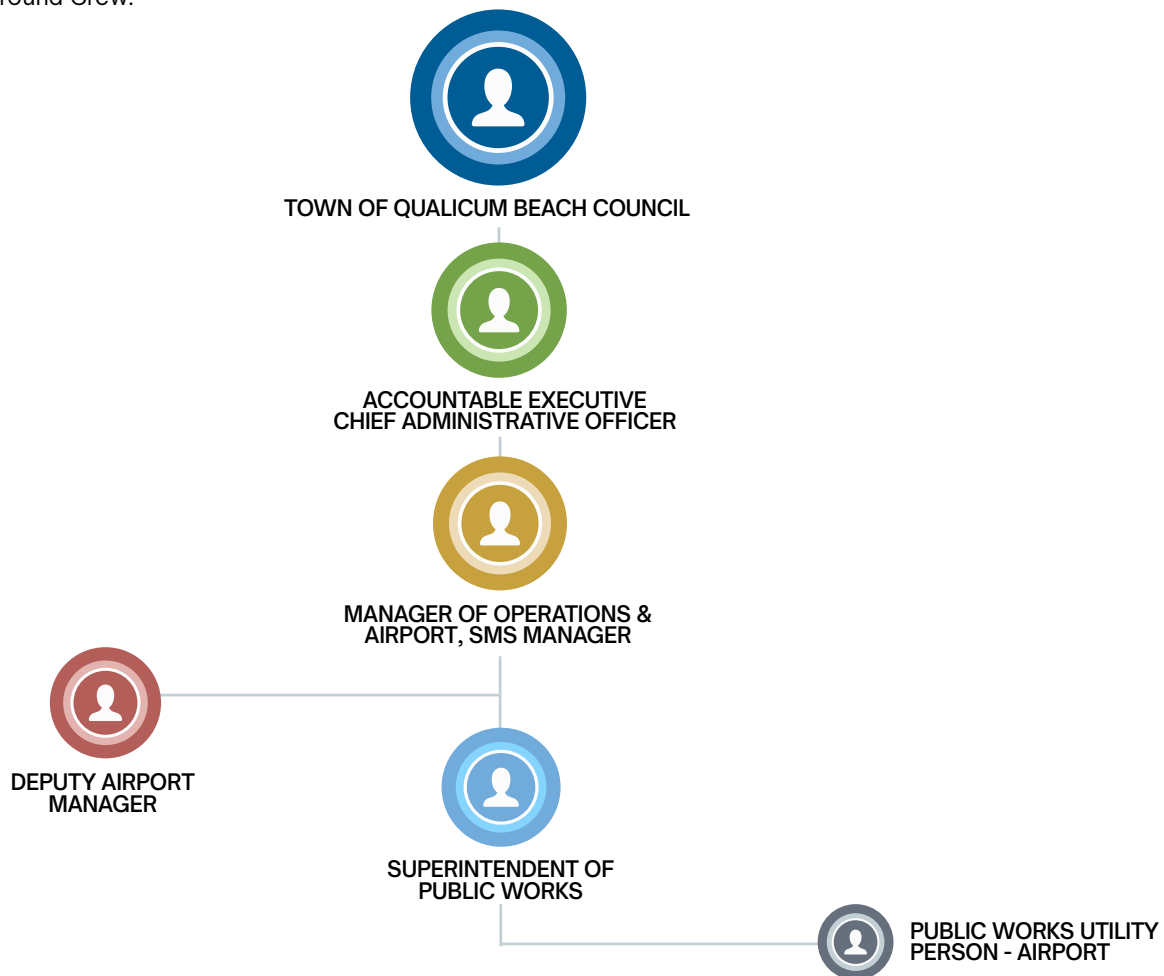
KEY POLICIES AND PLANS

- Airport Establishment and Operation Bylaw
- Airport Business Plan
- Airport Operations Manual, Airport Standard Operational Procedures
- Airport Emergency Response Plan, Safety Management Systems Plan, Wildlife Management Plan
- TP312 – Aerodrome Standards and Recommended Practices
- Transport Canada mandated Noise Abatement Procedures



DEPARTMENT STAFF AND STRUCTURE

Airport operations are led by the CAO who serves as the Airport Accountable Executive with the support of the Director of Operations, a Consultant Deputy Airport Manager for Airport Management, the Superintendent of Public Works, and Public Works staff for Airport Operations/Ground Crew.



2022 HIGHLIGHTS AND ACCOMPLISHMENTS

- A \$159,000 BC Air Access Program grant was received to support the replacement of the JET A Fuel system which failed at the end of 2021.
- A \$1,400,000 Airport Capital Assistance Program grant fully funded the replacement of the Airport lighting system originally installed in 1996. The system had reached its end-of-life. In July 2022, the construction plan was approved by Transport Canada and the upgrade work began shortly afterwards. The work is expected to be completed by April 2023.

MAJOR INITIATIVES

A look back at some of the standout projects for 2021



INTO THE WOODS CHILDCARE STUDIO



The 'Into the Woods Childcare Studio' is a much-needed addition to the community, providing 37 affordable and high-quality childcare spaces for infants and children aged three to five years. Operated by a non-profit society, this facility will address the critical need for accessible childcare services.

The location of the facility, situated in the Town-owned community park near the intersection of Park Road and Dorset Road, offers a unique opportunity to incorporate the surrounding natural environment into the childcare experience. Nestled within a mature native forest, the studio will provide opportunities for children to engage with nature, both indoors and outdoors. The tasteful and durable design of the building is a fitting complement to the pristine natural setting.

This project was generously funded by the Ministry of Children and Family Development New Spaces Fund and the Community Child Care Space Creation program administered by the Union of British Columbia Municipalities (UBCM). The total project cost was \$2,458,355 all of which was covered by grant funding.

The 'Into the Woods Early Learning Childcare Society' will take on a five-year lease agreement to operate the centre. The Society is a third-party not-for-profit group with a volunteer board made up from community stakeholders. An executive director and professional staff will oversee the day-to-day operations of the centre.



AIRPORT LED LIGHT REHABILITATION

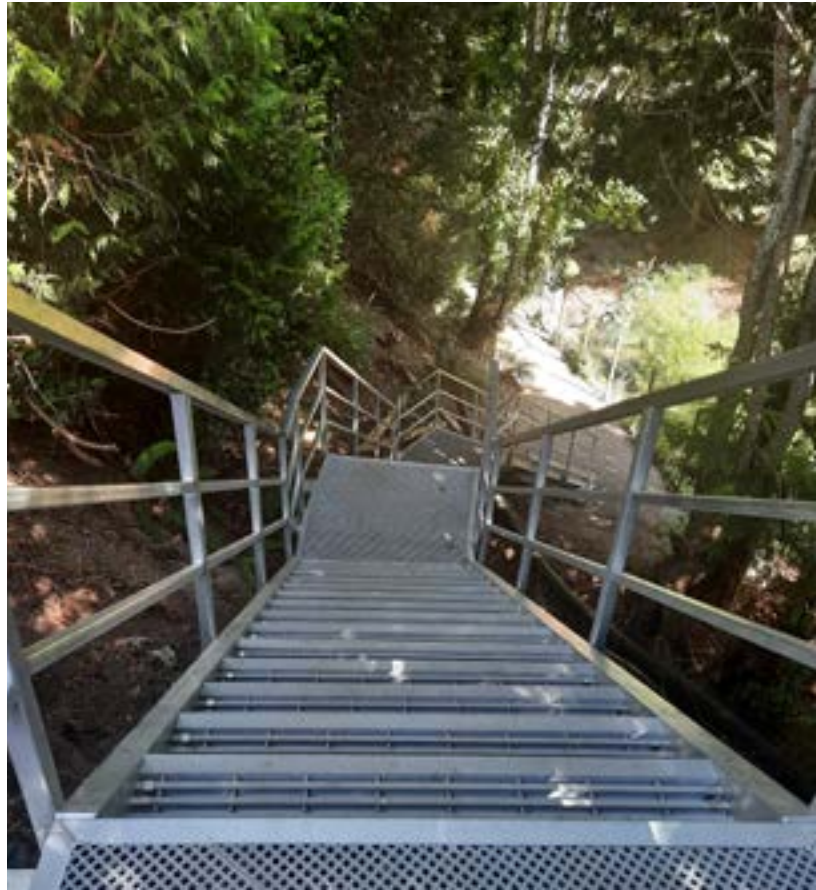
Important airfield lighting upgrades have now been completed at a cost of \$1,341,856. Generous funding from the Transport Canada Airports Capital Assistance Program covered 100% of infrastructure costs. The upgrades will ensure the safe and sustainable operation of essential airport services for the Town and region.

This is timely funding, as many aspects of the lighting were considered urgent, and were well past their expected service lifespan. The work included:

- Runway Edge Lighting
- Taxiway/Apron Edge Lighting
- Illuminated Windsocks
- Upgrade to full Precision Approach Path Indication (PAPI) systems
- Field Electrical Centre (FEC) Equipment Replacement
- New FEC Building
- New Illuminated Airfield Guidance Signs
- New Apron Floodlighting



RODWAY TRAIL

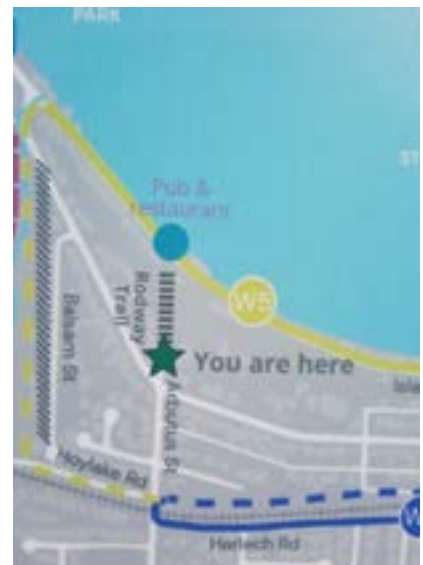


The Rodway Trail was once a heavily used recreational and commuter trail that provided access for residents in west Qualicum Beach to the waterfront area. The trail was not a formal one and when the slope became compromised the trail was closed.

The new trail runs from Arbutus Street to Highway 19A, with a graded access point built with engineered stairs that creates a continuous trail down the bank. The Town received \$100,000 from the Ministry of Forests, Lands, Natural Resource Operations and Rural Development through the Rural Community Development Grant funding stream.

This trail will not only open up commuter connections for residents, but will allow tourists access to walking 'loops' that lead to various attractions and businesses around the Town. Likewise, the waterfront is one of Qualicum Beach's most integral cultural, social and environmental assets, and access to it from multiple points strengthens the community's connection to it.

The new aluminum stairs have an expected lifespan of over 50 years and will ensure durability and grip to withstand the high usage this trail enjoys.



EAST VILLAGE PHASE 1



The East Village plan emerged as a concept in 2016 at the start of the Town's Official Community Plan review. Design was approved in 2018 and construction of the Fern and Cedar followed in 2019.

The East Village Revitalization project seeks to transform a neglected, uninviting area in Qualicum Beach's uptown into a unique and thriving neighbourhood for both businesses and residents.

The Town gratefully received \$694,525 in funding to complete this first phase of the project, which focused on streetscape redesign to spur the development of new mixed-use residential and commercial spaces. The grant specifically helped facilitate community social spaces to allow for mobile vendors, event hosting, and recurring community staples such as farmers' markets.

Focusing on Berwick Road, grant funding saw the completion of utility upgrades and undergrounding of services, as well as beautifying the area through paving, curbs, gutters, lighting and tree plantings.

The next phase of the project will focus on similar beautification along Second Avenue East, from Berwick Road to Fir Street (Clock Tower Square).



>> GRANT FUNDING

\$296,558

DEVELOPMENT REVIEW TOOLKIT

Develop a unique and practical "Development Review Toolkit" to improve development review processes.

OUTREACH PROGRAM FOR HOMELESS

Provide support services for Oceanside's homeless, helping to alleviate urgent needs during COVID-19.

\$189,660

\$25,000

CIVIC CENTRE EMERGENCY GENERATOR

Supply and install 150Kw Diesel Generator with 96 Hr tank. Supply and install 800 Amp 120/208 Volt, 3 Phase Bypass Automatic Transfer Switch

WATERFRONT TOURISM EXPANSION

Create new parking stalls, servicing kiosks for mobile vendors, and other amenities on the waterfront.

\$700,000

\$1,395,360

AIRFIELD LIGHTING REHABILITATION

Replace runway and taxiway lights, precision approach path systems, Field Electrical Centre (FEC) equipment. New FEC building, airfield guidance signs, and apron floodlighting.

JET FUEL SYSTEM REPLACEMENT

Purchase and installation of a 60,000 litre fuel tank and fuel system

\$159,000

\$500,000

BEACH CREEK WATERFRONT VIEWING PLATFORM & WALKWAY

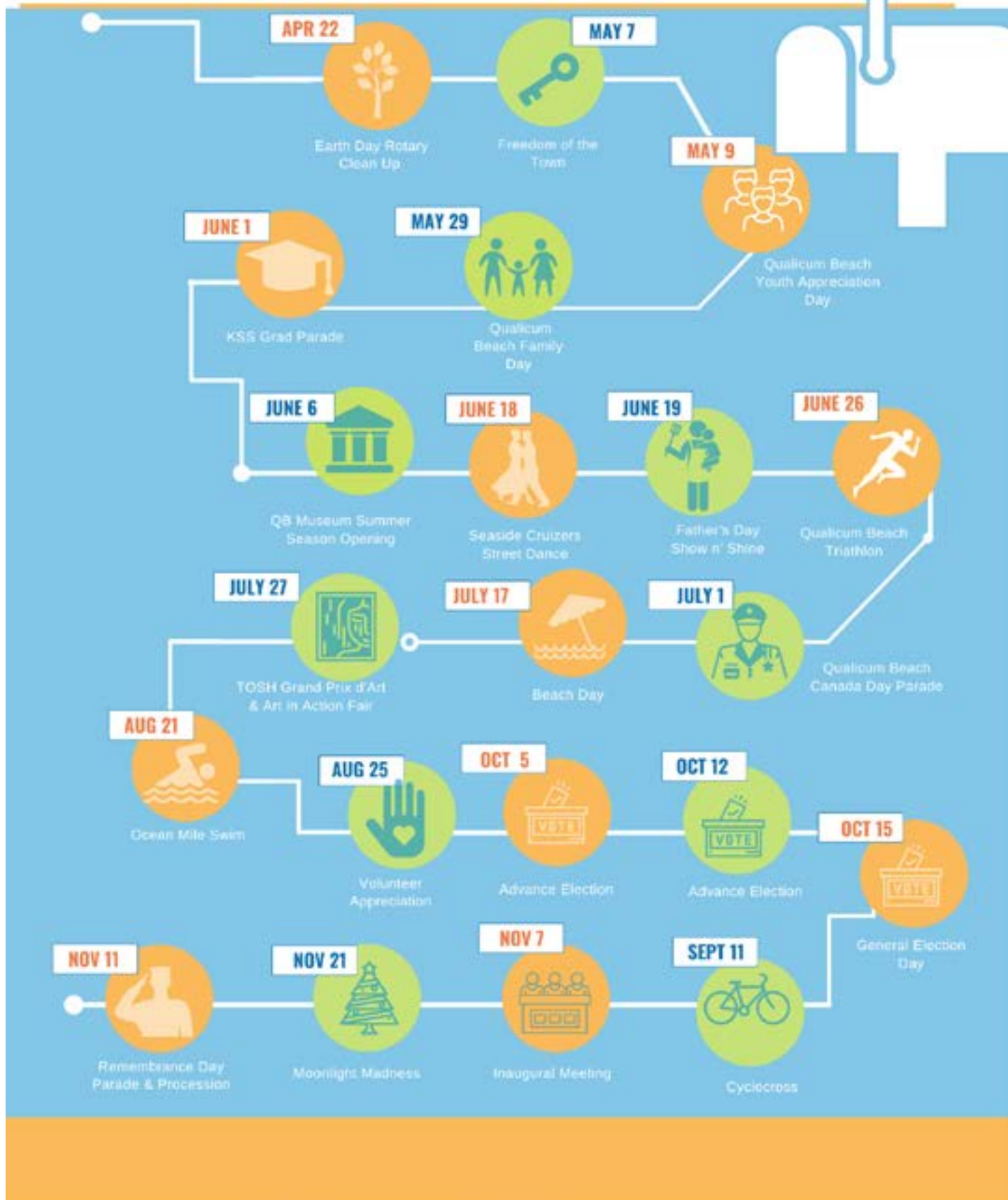
Create a separate walkway & viewing platform to increase safety & tourism visitation

FEATURES AND HIGHLIGHTS

A few of the outstanding features in our community during 2022



2022 EVENTS CALENDAR



2022 GENERAL ELECTION

As per the *Local Government Act* each municipality is required to hold a general election of Council every four years on the third Saturday of October. Accordingly, the Town invited candidates to run for the offices of one mayor and four councillors, to serve for a four year term ending in 2026. The official results were declared on October 19, 2022, following a final review of the ballot counts. Voter turnout was approximately 52.7%, up from 41% in the 2021 By-Election.

The number of votes cast for MAYOR were:

- **WESTBROEK, Teunis - 2,819**
- WIESE, Brian – 1,565

The number of votes cast for COUNCILLORS were:

- BEECH, Stanley Arthur - 406
- FILMER, Robert – 795
- **HARRISON, Scott - 1,715**
- KENT, Peter - 1,639
- MACKAY-DUNN, Doreen - 1,368
- PHILLIPS, John C - 1,385
- **SKIPSEY, Anne – 3,022**
- **VANDER VALK, Petronella - 2,181**
- WILLIE, Dave - 1,531
- **YOUNG, Jean - 1,724**

Mayor and Council were officially sworn in at the Inaugural Meeting on Monday, November 7, 2022, held at the Town's Civic Centre.



2022 Election Numbers

4,453

ballots were cast in the election

2,277

votes at the two Advance Voting dates

329

mail ballots were cast

1,847

votes on General Election Day

NON-BINDING PUBLIC OPINION BALLOT QUESTIONS

Two non-binding public opinion questions were added to the 2022 ballot to gauge public support for the following questions:

Are you in favour of the Town of Qualicum Beach Council increasing in size from four (4) Councillors to six (6) Councillors?

YES - 1,653

NO - 2,551

Should the Town spend the necessary funds, up to a maximum of \$700,000, to refurbish the St. Andrew's Lodge building?

YES - 1,329

NO - 2,734



ANNUAL FAMILY DAY EVENT

Since 1976, Family Day has been sponsored by the Town of Qualicum Beach and organized by a group of dedicated volunteers.

Held on the last Sunday of May, the event includes a pancake breakfast at the Civic Centre, a street parade down Second Avenue, and an afternoon of activities, entertainment, and food at the Community Playing Field. The day then wraps up with a free swim at Ravensong Aquatic Centre.

The 2022 event was themed “Qualicum Beach in Bloom” to celebrate not only the Year of the Garden, but the ‘new season’ after COVID-19 restrictions. The community was ready to come out of hibernation and thousands attended with a renewed vigour for this beloved community event.



ANNUAL BEACH DAY EVENT

Beach Day celebrates the Town’s prized waterfront and the community it hosts. The event has an environmental focus with a plethora of beach themed educational activities, along with live entertainment, food, and beach fun. A main goal of the the volunteer committee is to bringing awareness to the precious resource that the ocean offers to our community, inspiring environmental stewardship via a fun and interactive approach.

This annual event was halted for two years of COVID-19 restrictions, and was exceptionally well attended with a reinvigorated enthusiasm for its community and beach!



VOLUNTEER APPRECIATION EVENT

The Volunteer Appreciation Reception is the Town's opportunity to express appreciation for the many volunteers who dedicate hours, days, months and even years of their lives to bettering the community of Qualicum Beach.

Each year, nominations are accepted for volunteers that have gone 'above & beyond'. These are individuals that have demonstrated extraordinary character, leadership, selflessness and integrity. The winner of the Above and Beyond Volunteer Award was the St. Stephens' Community Meal Program, chosen by Council for their outstanding dedication to those in need throughout the Oceanside area, especially through COVID-19.



FIRE DEPARTMENT 75TH ANNIVERSARY

in 2022, the Qualicum Beach Fire Department reached its milestone 75th anniversary. Since 1947 the fire department has been serving the Town of Qualicum Beach as well as the Qualicum Beach Fire Protection Area, providing fire prevention, suppression, and rescue services.

Included in the milestone were celebratory decals on the fire trucks, a limited edition 75th anniversary kids' helmets used at summer events, and an artful display at the Rotary Friendship Garden featuring a floral fire hydrant. The Fire Department also commemorated the year at their Open House event on October 8, an annual tradition that returned after a two-year pause.

The Fire Department has seen incredible growth from its beginnings to today's fully operational composite department with four apparatus vehicles and attendance to over 300 incidents per year.



YOUTH APPRECIATION

Youth Week is a provincial celebration held annually from May 1-7, to help build connections between young people and their communities, and to profile the issues, accomplishments, and diversity of youth across the Province.

Each year the Town celebrates its youth by providing a lunch, cookies, prizes and live music in the Town's square. Even though the 2022 event weather was not the greatest, the enthusiasm of the Town's youth was not deterred and the celebration was well attended.



PUBLIC WORKS OPEN HOUSE

The Public Works Open House is part of our celebrations for National Public Works Week (May 15 - 21) that annually recognizes the works of Public Works and Parks professionals and the contributions they make to the Town's high quality of life!

The event was well attended with lots of school groups and was a great opportunity to promote public works as a possible future career path to the next generation.

There was equipment on display and knowledgeable staff from Public Works, Parks and Facilities departments were onsite to answer questions and explain the Town's processes.



YEAR OF THE GARDEN AND COMMUNITIES IN BLOOM

The Town has participated in the National Communities in Bloom (CIB) competition over many years, and this year participated under the non-competitive Friendship category and celebrating The Year of the Garden (TYOG) 2022.

The Town celebrated the program through a variety of initiatives, with one of the most visible being The Rotary Friendship Garden on Memorial Avenue, displaying a floral fire hydrant and 75th anniversary logo, that celebrated anniversaries for both the Qualicum Beach Fire Department and the Qualicum Beach Rotary Club. Another notable addition were two welcome signs highlighting the Town's awards over the years, notably the Canadian Classic award won in partnership with the City of Parksville in 2004.

At the wrap-up Symposium for the program, the Town was honoured with a prize for presenting multiple showcase projects including the Eaglecrest Entry Garden Initiative, the Town's Beach Creek Estuary project, Broombusters, Berwick balcony gardening group, and the Qualicum Beach Garden Club's 25th anniversary.



FINANCIAL INFORMATION

A financial overview for 2022



PERMISSIVE TAX EXEMPTIONS

Legal Description	Civic Address	Organization	Value of Permissive Exemption	
			Total Taxes	Municipal Portion
Lots 2 and 3, Plan 3414, District Lot 101A, Newcastle Land District;	2945/49 Island Highway West	Rotary Club of Qualicum Beach – Welch Park	29,389	15,118
Lot 6, Block 10, Plan 1894, District Lot 78, Newcastle Land District;	211 Fern Road West	Rotary Club of Qualicum Beach – Sunrise	5,903	3,037
Lot 1, Plan 27288, District Lot 78, Newcastle Land District;	250 First Avenue West	Kiwanis Housing	40,633	18,415
Lot A, Plan 8548, District Lot 78, Newcastle Land District;	110 Second Avenue West	Village Theatre	4,608	2,008
Portion of District Lot 101 & 101A, Newcastle Land District, SW PT NE of PL3868; SW PT NE of PL3868; REM SW PT; PT SW of RD; NE PT SW of RD;	2711 Island Highway West	Tourist Bureau	1,751	763
Portion of Lot B, Plan VIP58293, District Lot 59 & 60, Newcastle Land District, Except Plan VIP59287;	644 Memorial Avenue	Curling Rink	3,155	1,375
Portion of Lot 9, Plan 2047, District Lot 78, Newcastle Land District Except Plan 27288, 42165, VIP55424, VIP60676;	665 Jones Street	Lawn Bowling Club	9,442	4,227
Portion of Lot A, District Lot 124, Nanoose District, Plan 42657 Except That Part in Plan 44330,	Lease A3 – 1000 Ravensbourne Lane	Beaufort Squadron @ Airport	2,924	1,537
Portion of Lot A, District Lot 124, Nanoose District, Plan 42657 Except That Part in Plan 44330,	Lease D1 – 1000 Ravensbourne Lane	Arrowsmith Search and Rescue @ Airport	7,824	3,409
Lot A, Plan 16180, District Lot 57, Newcastle Land District, Except PART IN PLAN 3022 RW;	587 Beach Road	Museum	4,621	2,285
Lot 3&4, Plan 2008, Block 17, District Lot 58, Land District 35,	181 Sunningdale Road West	Blue Sphere Foundation	4,609	2,089
Lot A, Plan 9145, District Lot 63 and remainder of Plan 1026, DL 57-62, Newcastle Land District;	469 Memorial Avenue	Qualicum Beach Memorial Golf Club	45,051	21,980
Lot 1, Plan 13424, District Lot 57, Newcastle Land District;	210 Crescent Road West	Valhalla - Hospice	19,640	8,557
Lot 2, Plan 43567, District Lot 78, Newcastle Land District;	122 Fern Road West	TOSH Arts Centre	23,303	10,153
Strata Lot 1, Plan V155454, District Lot 78, Newcastle Land District	703 Memorial Avenue	Qualicum Beach Seniors' Activity Centre	5,566	2,425

Block 5, Plan 1894, DL 78, Newcastle Land District;	180 Veterans' Way	Royal Canadian Legion Branch #76	12,340	5,926
Lot A, Plan VIP66629, District Lot 78 & 88, Nanoose Land District, Nanoose and Newcastle Districts Mile 99.13 to 100.114 – portion of VIP 66629; PID 024-135-232	E&N Railway	Island Corridor Foundation	14,583	7,656
Lot A, Plan VIP 66629, District Lot 78 & 88, Nanoose Land District, & Newcastle Land District except there out 0.21 acre lease – see Folio 565-01163.100; Mile 100.14 to 101.59 – portion of VIP66629 inside Qualicum Beach – located between Hollywood & First Avenue, VIP 70053-70058 73117-73120 – No Adj. E&N RW –Island Corridor Foundation	E&N Railway	Island Corridor Foundation	24,263	12,738
Lot A, Plan VIP 68672, District Lot 52-78, Newcastle Land District EXCEPT PLAN VIP74072-E & N R/W located in the Town- Mile 101.59 TO 103.297, VIP70059,70060, 70115, 70118, 70119, 70125,70332,70488, 73107-73116 – No Adj.	E&N Railway	Island Corridor Foundation	27,923	14,660
District Lot 52-60, Nanoose Land District, VIA Rail Lease situated on E&N R/W, DL 52 to 60 Incl. & Part of DL 78 within the Town of Qualicum Beach	174 Railway Street Train Station	Island Corridor Foundation	4,339	1,890
Lot A, Plan 19140, District Lot 78, Newcastle Land District;	591 Arbutus Street	Church of Jesus Christ of Latter-Day Saints	1,622	835
Lot 12, Block 5, Plan 1835, District Lot 53, Newcastle Land District;	423 First Avenue West	Jehovah's Witnesses	10,523	5,414
Lot A, Plan 50661, District Lot 58/59, Newcastle Land District;	138 Hoylake Road West	St. Mark's Anglican Church	5,656	2,910
Lot A, VIP58293, District Lot 60, Newcastle Land District;	150 Village Way	St. Stephen's United Church	2,750	1,415
Lot 1, Plan 13066, District Lot 122, Nanoose Land District;	825 Village Way	Christian Fellowship Centre	14,780	7,605
Plan VIP59287, District Lot 57 & 58, Newcastle Land District, those parts shown as "Road to be Closed";	600 Beach Road	Qualicum Community Baptist Church	6,448	3,318

Consolidated Financial Statements of



TOWN OF
QUALICUM BEACH

And Independent Auditor's Report thereon

Year ended December 31, 2022



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.



Manager of Finance



Director of Finance



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

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of the Town of Qualicum Beach

Opinion

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

- the consolidated statement of financial position as at December 31, 2022
- the consolidated statement of operations 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 Entity as at December 31, 2022 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 Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter - Comparative Information

The consolidated financial statements for the year ended December 31, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on April 27, 2022.



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 Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Entity 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.

A handwritten signature in black ink that reads "KPMG LLP" with a long, horizontal, slightly wavy line underneath it.

Chartered Professional Accountants

Prince George, Canada

May 10, 2023



TOWN OF QUALICUM BEACH

Consolidated Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Financial assets:		
Cash and cash equivalents (note 2)	\$ 22,442,932	\$ 17,897,448
Accounts receivable (note 3)	2,768,450	1,644,683
Municipal Finance Authority debt reserve fund deposit	53,946	52,767
Assets held for sale	-	1,380,736
Capital lease receivable	29,306	69,592
	<u>25,294,634</u>	<u>21,045,226</u>
Financial liabilities:		
Accounts payable and accrued liabilities (note 4)	2,967,586	2,845,035
Accrued employee benefits	598,075	809,647
Deferred revenue (note 5)	5,276,629	6,236,832
Performance bonds and deposits	917,251	1,001,191
Long-term debt (note 6)	2,308,809	1,851,746
	<u>12,068,350</u>	<u>12,744,451</u>
	13,226,284	8,300,775
Non-financial assets:		
Inventories	97,346	104,926
Prepaid expenses	45,308	56,228
Tangible capital assets (note 7)	128,537,902	125,053,226
	<u>128,680,556</u>	<u>125,214,380</u>
Commitments and contingencies (note 12)		
Accumulated surplus (note 8)	\$ 141,906,840	\$ 133,515,155

See accompanying notes to consolidated financial statements.



TOWN OF QUALICUM BEACH

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2022, with comparative information for 2021

	2022 Budget (note 14)	2022 Actual	2021 Actual
Revenue (note 13):			
Net taxation (note 10)	\$ 12,014,000	\$ 12,124,052	\$ 11,337,716
Water and sewer rates	2,297,000	2,393,085	2,287,578
Sale of services	774,000	801,785	791,734
Other revenue from own sources	1,266,000	3,194,755	2,595,188
Government transfers (note 11)	6,134,000	5,187,136	2,913,968
Capital contributions	400,000	12,550	64,940
Gain on sale of tangible capital assets	-	-	315,977
Gain on sale of assets held for sale	-	2,581,704	395,708
Total revenue	22,885,000	26,295,067	20,702,809
Expenses (note 13):			
General government services	2,758,000	2,620,992	2,651,512
Protective services	3,478,000	3,071,689	2,883,343
Transportation services	5,300,000	5,926,188	5,427,473
Solid waste services	908,000	924,259	880,544
Water services	1,556,000	1,767,412	1,458,402
Sewer services	445,000	458,847	412,406
Planning and development services	1,683,000	1,264,645	1,169,779
Parks and recreation services	2,251,000	1,869,350	2,029,298
Total expenses	18,379,000	17,903,382	16,912,757
Annual surplus	4,506,000	8,391,685	3,790,052
Accumulated surplus, beginning of year	133,515,155	133,515,155	129,725,103
Accumulated surplus, end of the year	\$ 138,021,155	\$ 141,906,840	\$ 133,515,155

See accompanying notes to consolidated financial statements.



TOWN OF QUALICUM BEACH

Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2022, with comparative information for 2021

	Budget	2022	2021
Annual surplus	\$ 4,506,000	\$ 8,391,685	\$ 3,790,052
Acquisition of tangible capital assets	(13,357,000)	(7,069,247)	(7,347,011)
Amortization of tangible capital assets	3,400,000	3,541,508	3,465,791
Gain on sale of tangible capital assets	-	-	(315,977)
Proceeds on sale of tangible capital assets	4,000,000	-	395,250
Tangible capital assets transferred to held for sale	-	-	291,681
Loss on disposal of tangible capital assets	-	43,063	-
	(5,957,000)	(3,484,676)	(3,510,266)
Use of supplies inventories	-	7,580	5,856
Change in prepaid expenses	-	10,920	(27,766)
	-	18,500	(21,910)
Change in net financial assets	(1,451,000)	4,925,509	257,876
Net financial assets, beginning of year	8,300,775	8,300,775	8,042,899
Net financial assets, end of year	\$ 6,849,775	\$ 13,226,284	\$ 8,300,775

See accompanying notes to consolidated financial statements.



TOWN OF QUALICUM BEACH

Consolidated Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 8,391,685	\$ 3,790,052
Items not involving cash:		
Gain on sale of assets held for sale	(2,581,704)	-
Loss on disposal of tangible capital assets	43,063	-
Amortization of tangible capital assets	3,541,508	3,465,791
Gain on sale of tangible capital assets	-	(315,977)
Tangible capital assets transferred to held for sale	-	291,681
	9,394,552	7,231,547
Changes in non-cash operating working capital:		
Accounts receivable	(1,123,767)	454,731
Capital lease receivable	40,286	10,285
Municipal Finance Authority debt reserve fund deposit	(1,179)	(882)
Inventories	7,580	5,856
Prepaid expenses	10,920	(27,766)
Accounts payable and accrued liabilities	122,551	293,870
Accrued employee benefits	(211,572)	(43,435)
Deferred revenue	(960,203)	650,305
Performance bonds and deposits	(83,940)	35,092
	7,195,228	8,609,603
Financing:		
Repayment of long-term debt	(462,937)	(462,936)
Proceeds from long-term debt	920,000	-
	457,063	(462,936)
Investing:		
Acquisition of tangible capital assets	(7,069,247)	(7,347,011)
Proceeds on disposal of tangible capital assets	-	395,250
Acquisition of assets held for sale	(186,940)	(262,386)
Proceeds on sale of assets held for sale	4,149,380	-
	(3,106,807)	(7,214,147)
Increase in cash and cash equivalents	4,545,484	932,520
Cash and cash equivalents, beginning of year	17,897,448	16,964,928
Cash and cash equivalents, end of year	\$ 22,442,932	\$ 17,897,448

See accompanying notes to consolidated financial statements.



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements

Year ended December 31, 2022

Nature of operations:

Town of Qualicum Beach (the "Town") The Town of Qualicum Beach (the "Town") 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 recreation 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 its 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.



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

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.

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.



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

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.



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

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, and obligations related to employee future benefits. 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.

2. Cash and cash equivalents:

Included in cash and cash equivalents is \$261,610 (2021 - \$258,484) 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.



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

3. Accounts receivable:

	2022	2021
Property taxes	\$ 384,062	\$ 225,835
Water rates	333,592	295,727
Sewer rates	202,577	182,400
Solid waste	212,743	199,921
Receivable from federal government	725,381	230,130
Receivable from provincial government	460,520	-
Trade receivables	449,575	510,670
	<u>\$ 2,768,450</u>	<u>\$ 1,644,683</u>

4. Accounts payable and accrued liabilities:

	2022	2021
Trade payables	\$ 1,852,002	\$ 1,690,257
Payable to federal government	359,273	697,809
Payable to provincial government	181,967	66,889
Holdbacks payable	574,344	390,080
	<u>\$ 2,967,586</u>	<u>\$ 2,845,035</u>



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

5. Deferred revenue:

	2022	2021
Prepaid taxes	\$ 1,392,954	\$ 1,217,145
Prepaid utilities	10,328	10,684
Development cost charges	2,742,106	2,606,386
Off street parking	216,064	200,129
Grants	645,746	2,164,680
Land lease	150,000	-
Shoreline works	45,000	-
Building permits	22,856	-
Other	51,575	37,808
	<u>\$ 5,276,629</u>	<u>\$ 6,236,832</u>

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

6. Long-term debt:

	2022	2021
Municipal Finance Authority Loan bearing interest at 2.25% per annum, principal payments of \$231,468 semi-annually plus interest, due November 30, 2025.	\$ 1,388,809	\$ 1,851,746
Municipal Finance Authority Loan bearing interest at a daily floating rate, payments of \$17,156 monthly plus interest, due December 31, 2027.	920,000	-
	<u>\$ 2,308,809</u>	<u>\$ 1,851,746</u>



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

6. Long-term debt (continued):

Principal repayments are due as follows:

2023	\$	626,348
2024		634,380
2025		643,366
2026		189,774
2027		214,941
	\$	2,308,809



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

7. 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.

2022										
	Work in progress	Land	Buildings	Equipment	Transportation	Land Improvements	Water	Sewer	Total	
Cost:										
Balance, beginning of year	\$ 7,237,080	\$ 38,432,522	\$ 31,796,546	\$ 6,747,908	\$ 66,291,608	\$ 27,162,672	\$ 16,191,037	\$ 10,242,315	\$ 204,121,688	
Additions	5,282,922	-	815,786	573,995	35,593	360,951	-	-	7,069,247	
Disposal	(39,858)	-	-	(390,079)	-	-	-	-	(429,977)	
Transfers	(943,440)	-	29,682	423,738	59,091	430,929	-	-	-	
Balance, end 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	
Accumulated amortization:										
Balance, beginning of year	-	-	11,800,569	4,354,027	38,516,819	12,004,266	6,532,239	5,858,542	79,068,462	
Amortization	-	-	730,156	386,117	1,475,467	547,876	231,187	170,705	3,541,508	
Disposals	-	-	-	(386,914)	-	-	-	-	(386,914)	
Balance, end of year	-	-	12,530,725	4,353,230	39,994,286	12,552,142	6,763,426	6,029,247	82,223,056	
Net book value	\$ 11,536,664	\$ 38,432,522	\$ 20,111,289	\$ 3,002,332	\$ 26,392,006	\$ 15,422,410	\$ 9,427,611	\$ 4,213,068	\$ 128,537,902	



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

7. Tangible capital assets (continued):

2021										
	Work in progress	Land	Buildings	Equipment	Transportation	Land Improvements	Water	Sewer	Total	
Cost:										
Balance, beginning of year	\$ 1,205,944	\$ 38,782,433	\$ 31,759,227	\$ 6,330,191	\$ 65,799,093	\$ 27,104,695	\$ 16,191,037	\$ 10,100,643	\$ 197,273,463	
Additions	6,031,136	-	37,319	666,692	492,515	77,977	-	141,472	7,347,011	
Disposals	-	(58,230)	-	(148,675)	-	-	-	-	(207,105)	
Transfers	-	(291,681)	-	-	-	-	-	-	(291,681)	
Balance, end of year	7,237,080	38,432,522	31,796,546	6,747,908	66,291,608	27,182,672	16,191,037	10,242,315	204,121,688	
Accumulated amortization:										
Balance, beginning of year	-	-	11,098,304	4,136,609	37,043,134	11,463,665	6,301,052	5,687,837	75,730,501	
Amortization	-	-	702,265	345,248	1,475,685	540,701	231,187	170,705	3,465,791	
Deposals	-	-	-	(127,830)	-	-	-	-	(127,830)	
Balance, end of year	-	-	11,800,569	4,354,027	38,518,819	12,004,266	6,532,239	5,858,542	79,068,462	
Net book value	\$ 7,237,080	\$ 38,432,522	\$ 19,995,977	\$ 2,393,881	\$ 27,772,789	\$ 15,178,406	\$ 9,658,798	\$ 4,383,773	\$ 125,053,226	



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

8. Accumulated surplus:

	2022	2021
Surplus:		
Investment in tangible capital assets	\$ 126,229,093	\$ 123,201,480
General		
Operating	1,592,773	4,038,544
Allocation to Community Works Gas Tax reserve	453,783	-
Allocation to operating projects reserve	796,000	-
Allocation to asset management reserves	6,049,000	-
Water		
Operating	685,013	2,383,013
Allocation to asset management reserves	1,880,000	-
Sewer		
Operating	149,875	601,296
Allocation to asset management reserves	572,000	-
	138,407,537	130,224,333
Statutory Reserves:		
Equipment reserve fund	57,414	56,057
Property reserve fund	2,025,159	219,839
Park land reserve fund	98,945	96,607
Emissions reduction reserve fund	24,290	23,716
Park improvements reserve fund	95,436	93,181
Cemetery reserve fund	270,650	261,609
	2,571,894	751,009
Non Statutory Reserves:		
Municipal Finance Authority debt reserve fund	53,946	52,767
Arrowsmith water reserve	70,761	65,008
Buildings reserve	56,000	56,000
Affordable housing reserve	450,000	450,000
Developer contribution reserve	104,202	109,202
COVID-19 Safe Restart Grant reserve	80,000	526,097
Tree replacement	10,000	-
Curling Club equipment	102,500	-
Assets held for sale	-	1,280,739
	927,409	2,539,813
	\$ 141,906,840	\$ 133,515,155



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

9. Investment in tangible capital assets:

	2022	2021
Investment in tangible capital assets beginning of the year	\$ 123,201,480	\$ 119,228,278
Add:		
Acquisition of tangible capital assets	7,069,247	7,347,011
Reduction in long-term debt	462,937	462,936
Proceeds on long-term debt	(920,000)	-
Less:		
Amortization	(3,541,508)	(3,465,791)
Net book value of tangible capital asset disposals	(43,063)	(79,273)
Tangible capital assets transferred to held for sale	-	(291,681)
Investment in tangible capital assets at end of year	\$ 126,229,093	\$ 123,201,480



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

10. Net taxation revenue:

	2022	2021
Taxes collected		
General	\$ 10,430,330	\$ 9,796,630
Parcel tax - water	933,000	838,260
Parcel tax - sewer	213,615	189,560
1% utility tax	144,921	146,207
	11,721,866	10,970,657
Taxes collected for other government services		
Education	5,828,777	5,298,479
Regional District of Nanaimo	4,829,124	4,289,321
Nanaimo Regional Hospital District	1,434,763	721,447
Vancouver Island Regional Library	561,928	539,392
B.C. Assessment Authority	166,730	144,638
Municipal Finance Authority	922	682
	12,822,244	10,993,959
Less taxes paid to other governments	(12,786,754)	(10,966,773)
	35,490	27,186
Grants-in-lieu of taxes		
Federal government	17,115	16,460
Taxes paid to other governments	(9,123)	(8,482)
Fortis BC	65,863	58,139
B.C. Hydro	133,841	117,756
Permissive tax exemptions	159,000	156,000
	366,696	339,873
	\$ 12,124,052	\$ 11,337,716



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

11. Government transfers:

the government transfers reported on the consolidated Statement of Operations and Accumulated Surplus are:

	2022	2021
Provincial grants		
Unconditional	\$ 563,711	\$ 450,974
BC Air Access Program	159,000	-
Childcare Planning and Space Creation (UBCM)	850,549	176,175
Child Care Capital Funding Program - Childcare BC		
New Spaces Fund	1,160,176	176,755
Strengthening Communities Program	132,119	28,114
Development Approvals Program	152,741	1,031
Tourism Dependent Communities Grant	73,732	94,175
Community Economic Recovery Infrastructure		
Program	-	444,525
Climate Action Revenue Incentive Program (CARIP)	-	12,517
	3,092,028	1,384,266
Federal grants		
Canada Community Building Fund (formerly known		
as Federal Gas Tax Fund)	451,479	883,211
Airport Capital Assistance Program	1,075,269	27,113
Federation of Canadian Municipalities - Asset		
Management	-	50,000
Other	568,360	569,378
	2,095,108	1,529,702
	\$ 5,187,136	\$ 2,913,968



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

12. 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 trusted 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, 2021, the plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 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 \$402,534 for employer contributions to the plan in fiscal 2022 (2021 - \$453,363).

The next valuation will be as at December 31, 2024, with results available in 2025.

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.



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

12. Commitments and contingencies (continued):

(c) Municipal Finance Authority contingent demand notes

Under borrowing arrangements with the Municipal Finance Authority ("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, 2022, there was a contingent demand note of \$212,517 (2021 - \$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. At December 31, 2022, there are claims outstanding and management has determined the outcome to be undeterminable and thus no accrual has been recorded. 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.

13. 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.



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

13. Segmented information (continued):

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.

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 recreation 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.



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

13. Segmented information (continued):

2022									
	General government services	Protective services	Transportation services	Solid waste services	Water services	Sewer services	Planning and development services	Parks and recreation services	Totals
Revenue:									
Net taxation	\$ 10,977,437	\$ -	\$ -	\$ -	\$ 933,000	\$ 213,615	\$ -	\$ -	\$ 12,124,052
Sale of services	-	-	16,270	762,295	1,665,640	727,445	-	3,220	3,194,870
Other operating revenue	1,530,523	273,974	970,973	-	27,657	19,389	126,545	245,694	3,194,755
Government transfers	515,000	262,811	1,721,269	-	210,103	-	284,659	2,193,094	5,187,136
Gain on disposal of assets	2,581,704	-	-	-	-	-	-	-	2,581,704
Capital contributions	-	-	12,550	-	-	-	-	-	12,550
Total revenues	15,604,664	536,785	2,721,062	762,295	2,836,400	960,449	411,404	2,442,008	26,295,067
Expenses:									
Salaries, wages and employee benefits	1,179,827	1,197,911	1,318,089	154,928	688,190	235,596	447,498	1,252,695	6,474,734
Goods and services	1,343,705	1,699,694	2,009,700	769,331	719,336	68,505	817,147	404,686	7,632,304
Amortization	81,684	134,824	2,598,399	-	359,866	154,746	-	211,969	3,541,508
Fiscal services	15,776	39,060	-	-	-	-	-	-	54,836
Total expenses	2,620,992	3,071,689	6,926,188	924,259	1,767,412	458,847	1,264,645	1,869,350	17,903,382
Annual surplus (deficit)	\$ 12,983,672	\$ (2,534,904)	\$ (3,205,126)	\$ (141,964)	\$ 1,068,988	\$ 501,602	\$ (853,241)	\$ 572,658	\$ 8,391,685



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

13. Segmented Information (continued):

	2021							
	General government services	Protective services	Transportation services	Solid waste services	Water services	Sewer services	Planning and development services	Parks and recreation services
Revenue:								
Net taxation	\$ 10,309,896	\$ -	\$ -	\$ -	\$ 638,280	\$ 189,560	\$ -	\$ -
Sale of services	-	-	17,523	772,298	1,608,844	678,735	-	1,912
Other operating revenue	962,359	344,228	666,056	-	12,680	-	469,014	120,851
Government transfers	419,517	211,765	795,293	-	923,108	-	79,145	485,140
Gain on disposal of assets	711,685	-	-	-	-	-	-	-
Capital contributions	-	-	64,940	-	-	-	-	-
Total revenues	12,403,457	555,993	1,543,812	772,298	3,382,892	868,295	568,159	607,903
								20,702,809
Expenses:								
Salaries, wages and employee benefits	1,184,651	1,107,864	1,333,044	161,289	698,415	217,507	414,756	1,324,749
Goods and services	1,373,565	1,591,179	1,571,747	719,255	412,101	40,153	755,023	492,580
Amortization	81,684	134,824	2,522,682	-	359,886	154,746	-	211,959
Fiscal services	11,612	49,476	-	-	-	-	-	-
Total expenses	2,651,512	2,883,343	5,427,473	880,544	1,458,402	412,406	1,169,779	2,029,298
								16,912,757
Annual surplus (deficit)	\$ 9,751,945	\$ (2,327,350)	\$ (3,883,661)	\$ (108,246)	\$ 1,924,490	\$ 455,889	\$ (601,620)	\$ (1,421,395)
								3,790,052



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

14. Budget data

The budget data presented in these consolidated financial statements is based upon the 2022 operating and capital budgets approved by Council via Bylaw 765 on April 27, 2022.

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

	Budget amount
Revenue:	
Operating budget	\$ 22,885,000
Less:	
Add:	
Proceeds from sale of assets	4,000,000
Proceeds from borrowing	2,245,000
Transfers from surplus or reserves	1,777,000
Total revenue	30,907,000
Expenses:	
Operating budget	18,379,000
Capital budget	13,357,000
Less:	
Amortization	(3,400,000)
Add:	
Transfers to reserves	1,957,000
Debt principal repayments	614,000
Total expenses	30,907,000
	\$ -

15. Comparative information:

Certain 2021 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 (formerly know as the Federal Gas Tax Fund)

Year ended December 31, 2022

	2022	2021
Opening balance	\$ -	\$ -
Grand fund received	451,478	883,212
Interest earned	2,305	-
	453,783	883,212
Project expenditures	-	883,212
	\$ 453,783	\$ -

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 specific in the funding agreement.



TOWN OF QUALICUM BEACH

Schedule 2 - COVID-19 Safe Restart Grant

Year ended December 31, 2022

	2022	2021
Opening balance	\$ 526,097	\$ 1,468,502
Project expenditures		
Revenue shortfalls	15,000	160,000
Technology costs to improve remote work	173,369	446,500
Community grants	70,385	121,712
General administration	37,355	98,708
Public works	-	2,132
Emergency services	50,682	-
Protective services	1,600	33,677
Parks and buildings	97,706	79,676
	446,097	942,405
	\$ 80,000	\$ 526,097