

2023

ANNUAL REPORT



TOWN OF QUALICUM BEACH

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MESSAGE FROM **COUNCIL**

I am pleased to introduce the 2023 Annual Report on behalf of Council for the Town of Qualicum Beach. Qualicum Beach continues to be one of the most desirable places in the world to live, work and play, and the Town is working to support this quality of life and community character.

This Report is prepared in a readable format, and better aligns with the budgeting and Strategic Planning processes. Providing Qualicum Beach residents with robust sources of information such as this Report assists with both transparency, accessibility of information, community engagement and governance decision-making.

Importantly, I want to acknowledge that our community exists on the traditional and unceded lands of the Coast Salish people, and in particular the Qualicum First Nation.

I also want to thank Council for their collegial, professional, and respectful approach to decision-making. This approach best supports the long-term interests of our residents and our business community, high quality public engagement and staff performance.

The Annual Report outlines the accomplishments and advancements the Town made in the previous year, as outlined below:

- Undertook a public and fulsome Strategic Planning process that had clear linkages to the Official Community Plan and Financial Plan.
- Engaged a consultant to create an Uptown Mobility Study and advance planning for the Bus Garage Property (near the intersection of Fern and Memorial).
- Worked with Vancouver Island University on a Development Review Toolkit that will be presented to Council in 2024.
- Extended placement of public benches and bike racks.

MESSAGE FROM **COUNCIL** continued

- Successfully navigated a program to resolve streetlight issues.
- Advanced accessibility through the creation of an Accessibility Advisory Team.
- Celebrated the commencement of Kiwanis affordable housing project 'Residences at Qualicum Station'.
- Promoted emergency preparedness and increased fire resiliency.
- Enacted a Tree Protection Bylaw to manage the natural tree canopy.
- Began construction of the Beach Creek Viewing Platform and Separated Walkway to enhance safety and tourism at the waterfront.
- Completed East Village Phase 2 improvements, paving the way for revitalization of the area.
- Initiated the Saahtlam Park Design Plan, set for completion in 2024.
- Completed the first phase of the Waterfront Expansion to promote safety and accessibility on the waterfront.
- Hired an Emergency Program/Climate Action Coordinator and other key staff positions to advance Council's Strategic Plan.
- Embarked on Airport Consultation process to better understand challenges and opportunities for the Town-owned Airport.

These are only some of the accomplishments that demonstrate the dedication, collaboration and vision of our Council, staff, our volunteers and our community partners. Together we continue to shape Qualicum Beach as a thriving, inclusive and sustainable community.

Mayor Teunis Westbroek

“
*I am also grateful to both
our volunteers and our
staff for their unwavering
commitment and tireless
efforts to make our Town the
very best it can be.*”

- MAYOR **WESTBROEK**

Declaration and Identification of Disqualified Council Members for 2023

There were no Council or former Council members disqualified from office under Section 111 of the *Community Charter*.



MESSAGE FROM THE **CHIEF ADMINISTRATIVE OFFICER**

On behalf of the Town of Qualicum Beach I would like to thank you for reading the 2023 Annual Report, a vital means of communication between the Town and its residents. This Report highlights the Town's accomplishments from the previous year while providing insights into the current year's activities and goals. The Annual Report also underscores the strong connection between the Town's Official Community Plan, Council's Focus Areas and associated Strategic Initiatives, and operational outcomes.

Staff are tasked with delivering services and advancing Council's direction, and it is with great pride that I witness staff's commitment to providing solution-oriented and innovative approaches. These approaches ensure the consistent delivery of excellent services to the community and the advancement of significant capital projects. I continue to be inspired by staff at all levels of the organization and am grateful for their diligent work and professional expertise.

I am also grateful to Council for their inspired governance. Building on best practices, Council continues to host high-quality meetings including public Strategic Planning and Budget processes that prescribed an ambitious program for both 2023 and 2024. Council's commitment to actioning best practices is also reflected in many municipal achievements over the last year, including but not limited to: enhanced communication channels, optimizing practices and processes, adopting new technology, and bolstering recruitment and retention efforts.

The outcomes of a local government are paramount to its success, and so is the way in which that municipal business is carried out. Council ensures 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.

Supporting people to come together for the betterment of community is something to be proud of. It is the efforts of our residents that enriches the fabric of this beautiful community. As such, it is important to recognize and celebrate the many volunteers who give their valuable knowledge, time and skills to improve our quality of life in Qualicum Beach.

As we reflect upon the achievements of the past year, I am filled with optimism for the future of our organization and our 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



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 forecast to increase, with the service sector expected to show the strongest growth. Employment in the agricultural and primary sector however, is anticipated to decline slightly. Manufacturing is expected to experience modest growth, increasing at approximately half the rate of the service sector, while 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 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*, and *Freedom of Information and Protection of Privacy Act* (FOIPPA).

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 Corporate Administrator, 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

2023 OFFICE OF THE CAO HIGHLIGHTS AND ACCOMPLISHMENTS

- Continued to establish service level definitions.
- Supported Council with robust Strategic Planning and Budget processes that better aligned service levels with resources.
- Completed the 1st (2023) and 2nd (2024) Public Strategic Planning sessions in January 2023 and November 2023, respectively.
- Hired and onboarded a number of key positions, including but not limited to:
 - Director of Human Resources
 - Director of Finance
 - Director of Infrastructure Services
 - Dedicated Airport Manager.

- Restructured the Operations Department.
- Supported implementation of the ongoing Communication Strategy.
- Conducted Respectful Workplace Training for Elected Officials.
- Provided training on the importance of psychological safety in the workplace to support good governance, staff performance and public engagement.
- Improved the Airport Complaint Process and enhanced communication related to Airport concerns.
- Attended Union of BC Municipalities Conference with all members of Council.
- Virtually attended the Planning Institute of BC conference to maintain Registered Professional Planner (RPP) accreditation.
- Served as co-mentor at the Municipal Administration Training Institute (MATI) Successful CAO program offered by Capilano University in cooperation with the Local Government Management Association (LGMA).
- Attended the LGMA CAO Forum for professional development.
- Supported Council liaison in meetings with resident associations to enhance communications.





CORPORATE SERVICES

The Corporate Services team provides administrative services to Council, the organization, and to the public. It is responsible for legislative duties, communications, 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 legislative 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.
- Apply for and administrate federal and provincial grant applications.
- Maintaining the Town's website, and other communication resources.
- 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, communications, and 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.

PROPERTY RESOURCES

Town 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 licences.

SPECIAL EVENTS

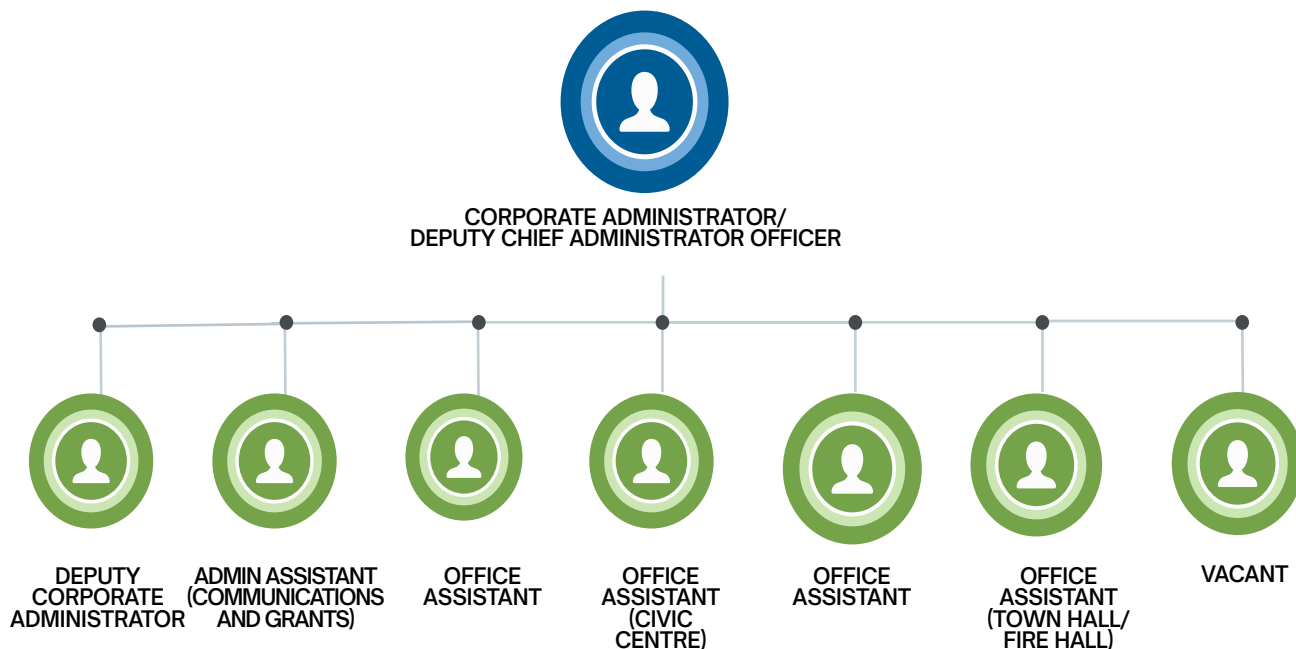
Special event programming helps create a sense of community identity, belonging, pride, and spirit. It showcases Qualicum Beach to residents and visitors as a great place to visit, live, work, and play. Some of the annual special events planned in Qualicum Beach include Beach Day, Family Day, Youth Appreciation 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, Administrative Assistant (Communications and Grants), and five full-time Office Assistants who provide customer service and primarily serve all departments.





2023 HIGHLIGHTS AND ACCOMPLISHMENTS

- Instituted a robust Privacy Management Program and adopted a new Privacy Policy.
- Formed the Accessibility Advisory Team and developed a Draft Accessibility Plan to meet provincial requirements.
- Continued to increase social media presence and general communications strategies.
- Attended and provided administrative and legislative support with over 100 hours of Council and Committee of the Whole meetings.

KEY INDICATORS

Corporate Administration

Key Activity Levels	2023 Actual	2024 Forecast
Council Meetings (Regular and Special)	23	20
Council Meetings (Closed)	25	20
Committee of the Whole	12	12
Committee/Advisory Body Meetings	56	50
Public Hearings Conducted	5	5
Media Releases	48	50
Noteworthy Bulletins	3	3
Monthly Newsletters - Print	12	12
Monthly Newsletters - Digital	12	12
Freedom of Information Requests	83	100
Website Visitor Sessions	175,000	180,000
Website Homepage views	70,000	80,000
Facebook Posts	700	800
Facebook Followers	5,734	6,200
Facebook Reach	269,846	300,000
Council Correspondence log items	1,500	1,750
Constant Contact Notices	165	170
Online Surveys Posted	8	10



HUMAN RESOURCES

The Human Resources Department (HR) provides leadership and expertise to ensure the Town remains a competitive employer. A key priority is to foster a culture which attracts and retains excellent staff ensuring taxpayers, business owners and visitors continue to receive high quality municipal services.

Our employees are the Town’s most valuable resource and are at the core of everything we do. HR is steadfast in its dedication to establishing a setting where every member of the Town’s team experiences a sense of worth, support, and respect. The HR team delivers services that are consistent, transparent and demonstrate exemplary customer service.

HR is a service department to all other Town departments providing internal support in the following areas:

- Careers – recruitment, selection, and retention,
- Employee relations,
- Labour relations,
- Occupational Health and Safety,
- Employee training, development and wellness,
- Organizational planning, and
- Employee recognition and engagement.

DEPARTMENT STAFF AND STRUCTURE

The Department is led by the Director of Human Resources, and supported by an HR and Safety Coordinator.



2023 HIGHLIGHTS AND ACCOMPLISHMENTS

In 2023, the Human Resources department enhanced its service levels, with a focus on compliance with WorkSafeBC regulations, employee and labour relations and training and development.

Key Initiatives in 2023

- Service Level Enhancements: Made significant improvements in HR services impacting labour and employee relations.
- Health and Safety Programs: Reviewed and updated accident and injury reporting processes; initiated health and safety program updates.
- Recruitment Success: Filled 25 positions through successful recruitment processes (4 new positions, 21 replacements or reorganization).
- Training and Development: Laid a strong foundation for ongoing training and staff engagement initiatives set for 2024.
- Policy Framework: Began creating a framework for programs, policies, and procedures to develop an innovative and agile workforce.
- Training Needs Assessment: Completed a survey to inform the 2024 training plan.
- Safety Culture Enhancement: Placed a strong emphasis on injury prevention and spearheaded the Town's participation in North America Occupational Safety and Health (NAOSH) Week.
- Support for Staff Issues: Continued support for staff and supervisors on various issues.
- Labour Relations: Worked on resolving grievances and improving relationships with CUPE 401.
- Bullying and Harassment: Updated Town's Bullying and Harassment Program and delivered training to Operations staff.
- Enhanced Communication: Increased communication about important dates, events, and support available to staff.
- Training offered in 2023:
 - WorkSafeBC injury reporting for Public Works staff
 - Indigenous Awareness
 - Respect Matters
 - Due Diligence for Supervisors
 - Restore & Thrive: Cultivating a Resilience Practice
 - Personal Safety
 - Safety training for Joint Occupational and Health Committee members.

Key Activity Levels		2023 Actual	2024 Forecast
Recruitments		25	TBD
Training - Corporate	Courses scheduled (external)	4	7
	Courses scheduled (internal)	1	5
	Registrations	152	TBD
Training - Individuals		19	TBD
WorkSafeBC files	Time Loss/Healthcare/Report Only	16	TBD
Investigations		12	TBD



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 the following:

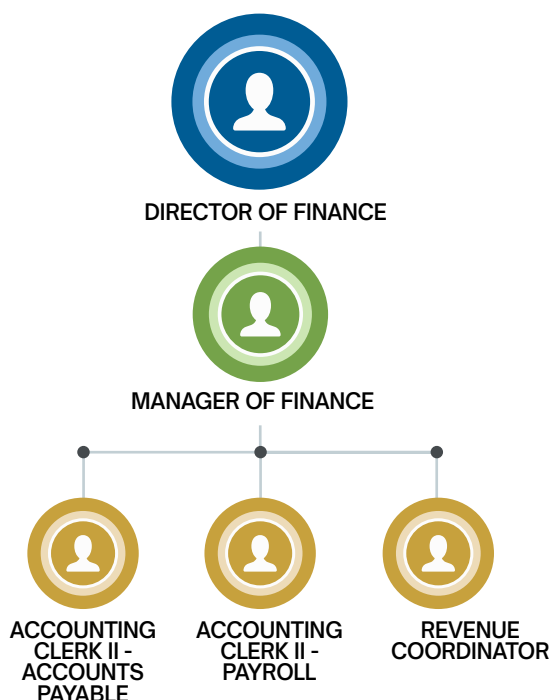
- Coordinating the annual financial planning (budget) and long-term financial planning processes.
- Supporting departments with financial analysis and strategic advice
- Processing accounts payable for over 4,000 invoices annually.
- Processing bi-weekly payroll for 60-70 staff members and 25-30 Paid-on-Call Firefighters.
- Maintaining benefits records for over 55 staff.
- Purchasing and procurement.
- Adminstrating Permissive Tax Exemptions.
- Investment management.
- Developing financial policy.
- Preparing financial statements which are audited by an independent auditing firm.
- Adherence to new and existing standards for financial reporting.
- Processing revenue including property taxes, utility billing, dog tags and business licences.
- 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, Revenue Coordinator, Accounts Payable Clerk, and Payroll Clerk.



2023 HIGHLIGHTS AND ACCOMPLISHMENTS

- Prepared a Financial Plan with advancement towards the Government Finance Officers Association (GFOA) Distinguished Budget Standards.
- Improved financial reporting through robust quarterly reporting.
- Improved transparency for the Town by creating clear linkages between the Financial Plan and the Strategic Plan.
- Established statutory reserves for Asset Management.
- Introduced financial monitoring tools for managers and directors to track and compare budgeted versus actual results.
- Empowered directors and managers to manage their own budgets.
- Appointed external auditors for a five-year term.
- Prepared a preliminary Asset Management Plan for the Town.
- Played a pivotal role in Strategic Planning process for 2024-2028, ensuring effective coordination and support throughout.

Key Activity Levels		2023 Actual	2024 Forecast
Property Taxation	Collections (Million) Tax	23.7	TBD
	Notices Issued Property Tax	4,955	4,960
	Deferments	685	685
Payroll	Bi-weekly paystubs Issued	1,930	1,960
Utility Billing	Bills Issued	9,650	9,675
Accounts Payable/Receivable	Invoices Processed	4,500	4,600



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.

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 information systems such as Mais, Microsoft 365 and ArcGIS Enterprise.
4. **Data Maintenance** – Business needs are regularly assessed, and new structures are 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 provides online engagement and communication.

KEY POLICIES AND PLANS

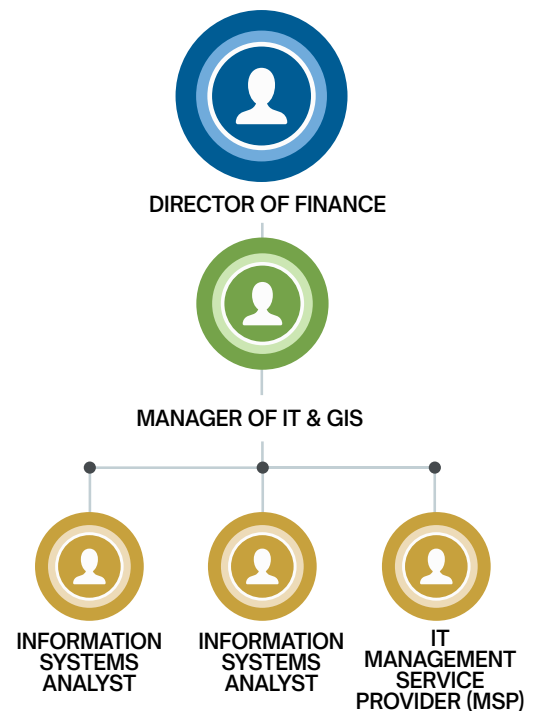
- Video Surveillance of Town-owned Buildings (CCTV)
- Acceptable Use for Information Technology Systems
- Wireless Communication Devices

2023 HIGHLIGHTS AND ACCOMPLISHMENTS

- Commenced a Town website redesign project based on comprehensive research and reviews.
- Migrated SCADA (Supervisory Control and Data Acquisition) from Personal Computer (PC) to Virtual Machine to reduce single point of hardware failure risk.
- Launched the Development Tracker Project to streamline and enhance transparency in permit and licence management for internal staff and public using Microsoft 365 and ArcGIS Enterprise.
- Advanced the Public Inquiries System to centralize, streamline and automate the management of public inquiries featuring both internal and public dashboards for real-time tracking, visualization and analytics.
- Upgraded enterprise GIS solution ArcGIS Enterprise to the latest version with more user-friendly and automated features for asset data management activities.
- Replaced all end-of-life or end-of-support network equipment to ensure network infrastructure is “evergreen”.
- Completed Multi-Factor Authentication (MFA) implementation to significantly improve cybersecurity level.
- Implemented and optimized IT help desk and IT equipment dashboards to measure performance and challenges of IT/GIS tickets and projects.
- Increased credential security.
- Replaced legacy Asset Management and work order management system with internally developed solution using existing technology and resources.
- Deployed phishing, malware, and ransomware protection software on all mobile devices.
- Completed semi-automated cadastral data maintenance.
- Developed Tree Removal Permit Application public-facing form, automation, and internal management tool utilizing existing enterprise solutions.
- Prepared and assisted migration from legacy water meter reading hardware and software solution to a new system.
- Updated GIS aerial imagery from Regional District of Nanaimo’s (RDN) 2020 and 2022 aerial imagery.

DEPARTMENT STAFF AND STRUCTURE

The Department is supervised by the Director of Finance and led by the Manager of IT and GIS, and is comprised of two Information Systems Analysts. 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.



Key Activity Levels		2023 Actual	2024 Forecast
Staff Complement	IT Department FTE	3	3
Helpdesk	Helpdesk requests Total	1921	2130
	Supported by Town IT	1020	1130
	Supported by RBS MSP	901	1000
Software Supported	Business Applications/Platforms	115	140
Hardware Supported	Servers	16	15
	Virtual Desktops	6	6
	Computers/Laptops/Tablets	140	145
	Printers	32	33
	Mobile Data Plan Enabled Devices	77	80
	Landline Phones	70	70
	CCTV Cameras	28	33
Network Equipment Supported	Firewalls	2	2
	Switches	31	31
	Routers	15	17
	Wireless Access Points	24	24
	Fibre Optics Cable	7.1km	7.1km
Server Data Storage Capacity	Terrabytes	38.5	51.46
Email	Mailboxes Supported	158	175
GIS	Datasets Supported	270	330
Network Connected	99.9% Uptime	100%	100%
Internet Connected	99.9% Uptime	100%	100%
Data Backups Completed	Weekly	52	52
Core applications up to date	Updates completed on time	95%	95%



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 are as follows.

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

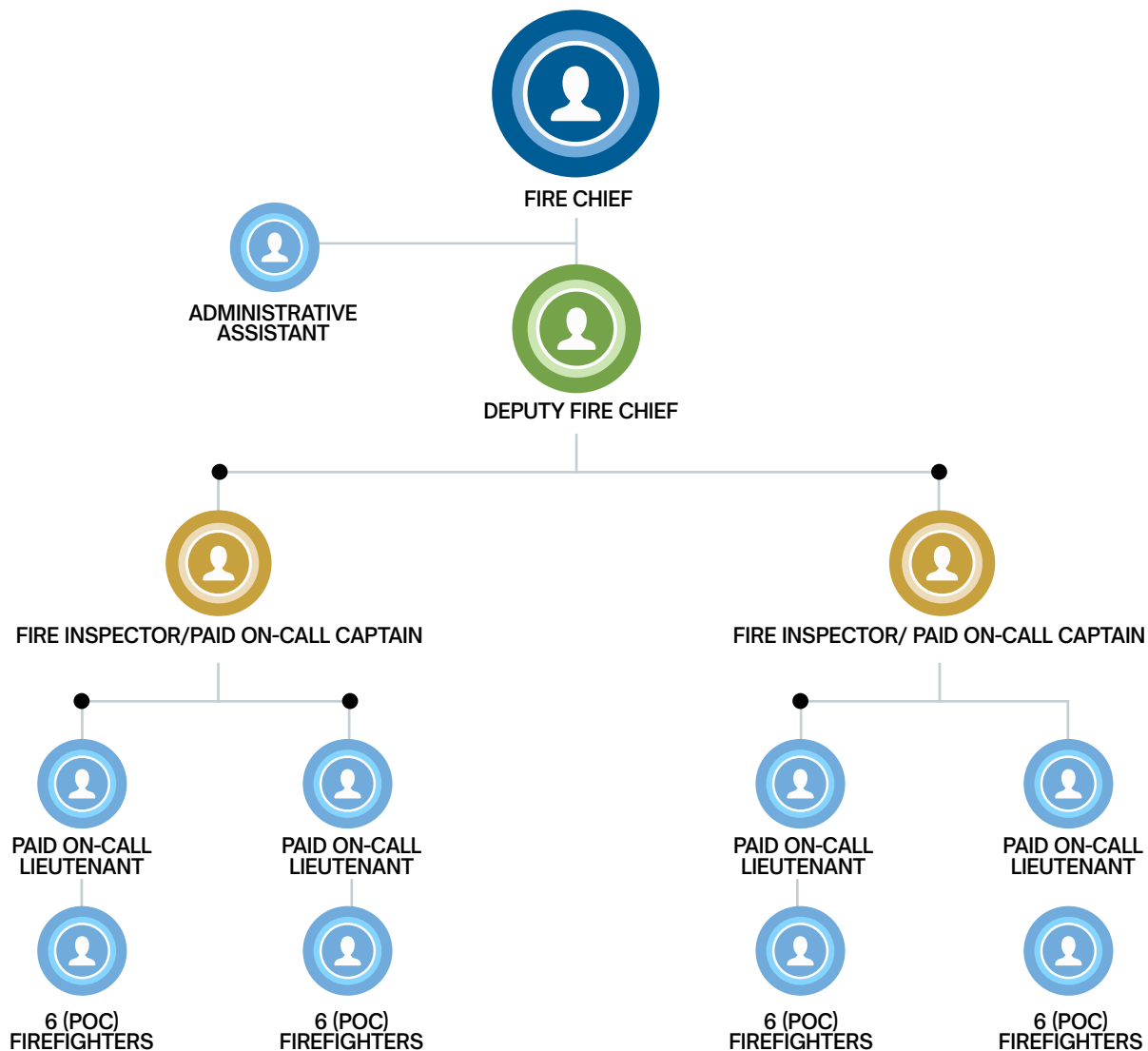
Rescue Services account for the greatest number of calls and include: vehicle rescue; confined space rescue; structural collapse; rope rescue; hazardous materials incidents; weather events; hydro and natural gas emergencies; and general public assistance.

KEY POLICIES AND PLANS

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

DEPARTMENT STAFF AND STRUCTURE

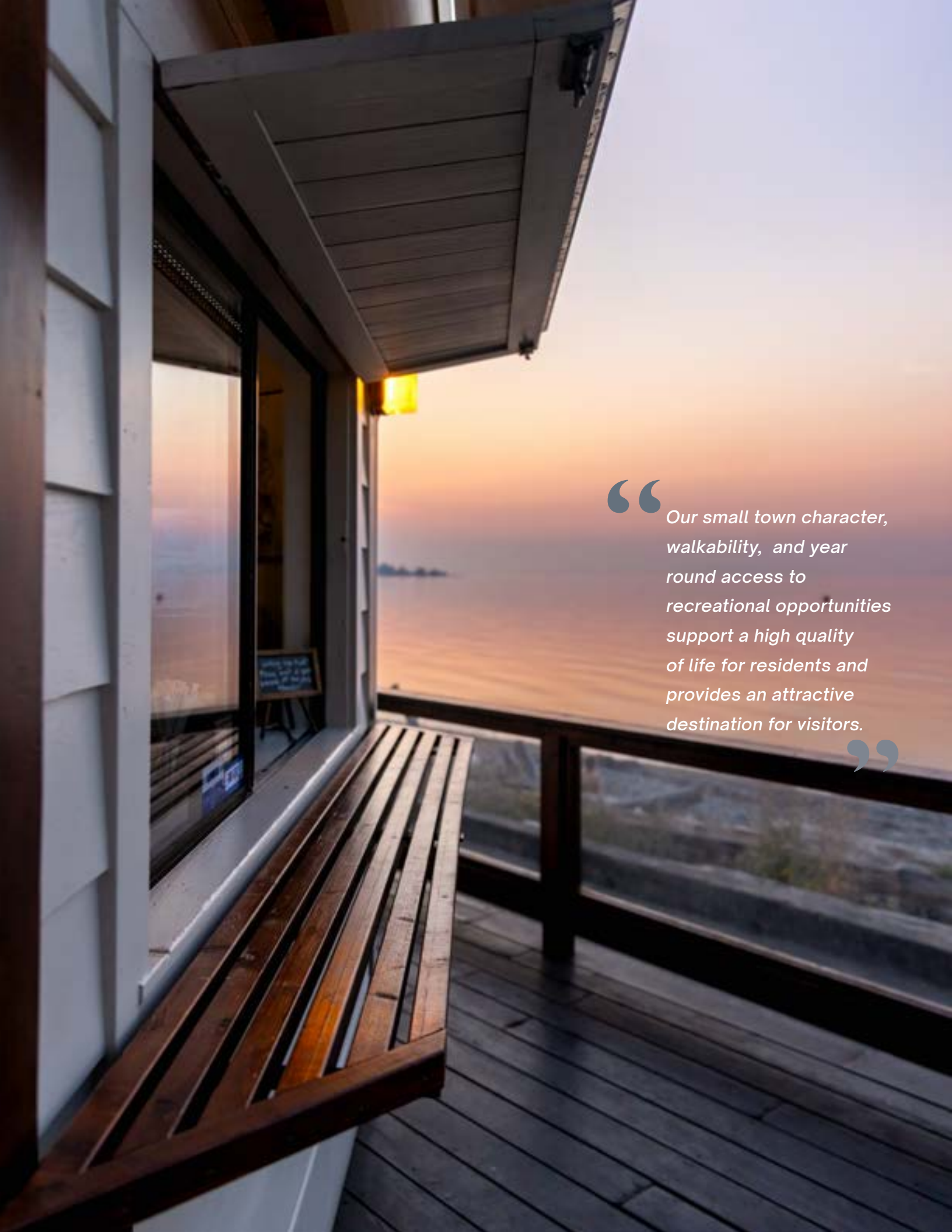
The department consists of a Fire Chief, Deputy Fire Chief, two Paid-on-Call Captains/Fire Inspectors, a part-time Administrative Assistant, and between 25 and 30 Paid-on-Call Firefighters. The department is staffed seven days a week from 8:00 am to 4:00 pm with a minimum of one member supplemented by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



2023 HIGHLIGHTS AND ACCOMPLISHMENTS

- Placed a new eco-friendly ladder truck in service.
- Facilitated a Youth Fire Camp for High School students.
- Certified six members to the National Fire Protection Association (NFPA) 1006 Rope Rescue Technician.
- Trained five new recruits to “exterior operations level”.
- Two Fire Officers certified as NFPA 1021 Fire Officer IV.
- Increased community outreach and recruitment with regular attendance at weekly markets and public events.

Key Activity Levels	2023 Actual	2024 Forecast
Staff Complement including admin support	4.5	5.5
Paid on Call Firefighters	31	31
Average Response Time for Engine (Minutes)	9.53	9.4
Fire Prevention Inspections	388	400
Public Education Sessions	9	10
Public Events	31	50
Department Personnel Training Hours	6,097	6,100
Mutual/ Automatic Aid Responses	14	25
Aircraft Related Emergencies	-	-
Burn Complaint	17	16
Beach/Brush/Misc. Outdoor Fires	28	25
Unattended Campfire	-	-
Unattended Garden Refuse Fire	1	-
Carbon Monoxide Detector Alarm	8	7
Elevator Rescue	-	5
Fire Alarm	69	64
Electrical Fire	1	2
First Responder Echo	22	24
First Responder Delay Delta/Echo	37	35
First Responder Assist Emergency	8	10
First Responder Assist Routine	3	6
Chimney Fire	1	2
Smoke in a Structure	5	6
Structure Fire	11	15
Vehicle Fire	2	4
Hazardous Materials	2	2
Hydro Related Emergency	5	20
Motor Vehicle Accident	56	50
Natural Gas Emergency	2	6
Other	6	4
Assist Other Agency	9	10
Public Assistance	14	15
Vandalism Fire/Dumpster	-	-
Technical Rescue	3	3
Total	310	331

A photograph of a wooden bench on a deck, looking out over a body of water at sunset. The sky is a mix of orange, pink, and blue. A small sign is visible inside the building through the window. The bench is made of dark wood slats. The deck floor is also made of dark wood planks. A railing is visible on the right side of the deck.

“Our 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.”



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 business licencing, 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 its 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 two Planners, a Bylaw Officer, a Building Official, a Climate Action/Emergency Program Coordinator, and a Planning and Engineering Services Assistant.



PLANNING SERVICES

Key Activity Levels	2023 Actual	2024 Forecast
Employees	4	4
OCP Amendment Process Completed	0	1
Zoning Amendment Process Completed	2	3
Development Permit	4	2
Development Variance Permit	8	0
Subdivision Approvals	3	3
Temporary Use Permits	1	0
Board of Variance Decision	2	3
Council Memos (Open)	59	70
Council Open Motions Completed	89	80

BUILDING SERVICES

In 2023 permit volumes finished below previous years.

Key Activity Levels		2023 Actual	2024 Forecast
Employees		1	1
Residential Permits	New SFD Units	17	20
	Suite or Garden Suites	15	12
	Multi Residential Units	68	20
	Net New Units	100	52
	Renovation/Addition \$\$	7,288,360	TBD
	SFD Value \$\$	14,685,000	TBD
	Multi Residential \$\$	20,714,572	TBD
Commercial	Dollars	3,409,000	TBD
Institutional	Dollars	0	TBD
Industrial	Dollars	0	TBD
Recreational	Dollars	0	TBD
Total Construction	Dollars	46,096,932	TBD
Total Permit Revenue	Dollars	338,115	TBD

BYLAW COMPLIANCE

Spring and summer were especially busy for Bylaw Compliance in 2023, conducting beach patrols to educate the public on leash regulations as well as monitoring and cleanup of sites used by individuals experiencing homelessness.

Individuals living in vehicles significantly increased in 2022 and 2023, which resulted in more complaints and the need for monitoring. Parking infractions were also a major challenge in 2023.

Key Activity Levels	2023 Actual	2024 Forecast
Requests for Service (Complaints)	768	700
Courtesy Notices Issues	136	150
MTI Infraction Tickets	37	40
Patrols	2,664	2,500

CLIMATE ACTION

The Community Climate Change Adaptation Plan outlines objectives for community action that come under the guidance of the Climate Action/Emergency Program Coordinator. These objectives are outlined below.

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

2023 HIGHLIGHTS AND ACCOMPLISHMENTS

- Hired a Planner to support Strategic Initiatives.
- Hired administrative staff to support the Tree Protection Bylaw implementation, as well as general planning and engineering support.
- Hired a Climate Action / Emergency Program Coordinator.
- Adopted Tree Protection Bylaw No. 725.
- The Official Community Plan Review Steering Committee was created.
- Commenced an Approvals Process Review (ongoing grant project).
- Completed Hazard Specific Guidelines (Emergency Template).
- Consultant for the Quality of Life Survey selected.
- Skate Park design commenced.
- Saahtlam Park design consultant selected and planning process commenced.
- Bus Garage / Mobility Study consultant selected and planning process underway.
- Completed East Village – Phase 2 Public Realm Improvements and Local Area Service.
- Secured grant for waterfront parking and active transportation improvements.

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. This program is dedicated to preparing for the protection and assistance of citizens and infrastructure during emergencies or disasters. A key milestone was achieved in the fall of 2023 when the Town appointed a new Emergency Program Coordinator, significantly boosting the Town’s resilience.

In 2023 the Emergency Support Services (ESS) and the Emergency Communication Team (ECT) logged a total of 2,856 training hours. Two joint Emergency Operation Centre training exercises were conducted for the Town of Qualicum Beach and City of Parksville staff, and an emergency preparedness session was held with resident associations. With fully resourced Emergency Program, the focus will now be on strengthening the Town’s resiliency and supporting residents in their preparation for potential emergencies.



Key Activity Levels	2023 Actual	2024 Forecast
Staff	1	1
Volunteers (ESS & ECT)	45	50
Emergency Info Packages distributed	160	160
Educational Sessions (NEP)	7	7
Public information at special events	15	15
Training Hours (volunteer & staff)	3,251	3,251
Fire Smart Assessments	5	5

2023 HIGHLIGHTS AND ACCOMPLISHMENTS

- Robust training program for Emergency Management volunteers (2,856 hours) and staff (305 hours).
- Initiated Emergency Operation Centre training exercises.
- Hired full time Climate Action/Emergency Program Coordinator.
- First round of airport emergency planning exercises conducted.
- Appeared on Shaw Spotlight, with two videos filmed and released for public education.
- Presentation to Vancouver Island University's Elder College.
- Emergency Preparedness Week information booths set up in Qualicum Beach and Parksville.
- Mid-Island Radio Association (MIRA) three day field weekend with trailers for ESS and ECT.
- Presentation to MIRA.
- SD69 CUPE presentation.
- Shakeout drills for Parksville and Qualicum Beach.



MUNICIPAL OPERATIONS

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 Town 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 more.



SEWER

System infrastructure serves 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.

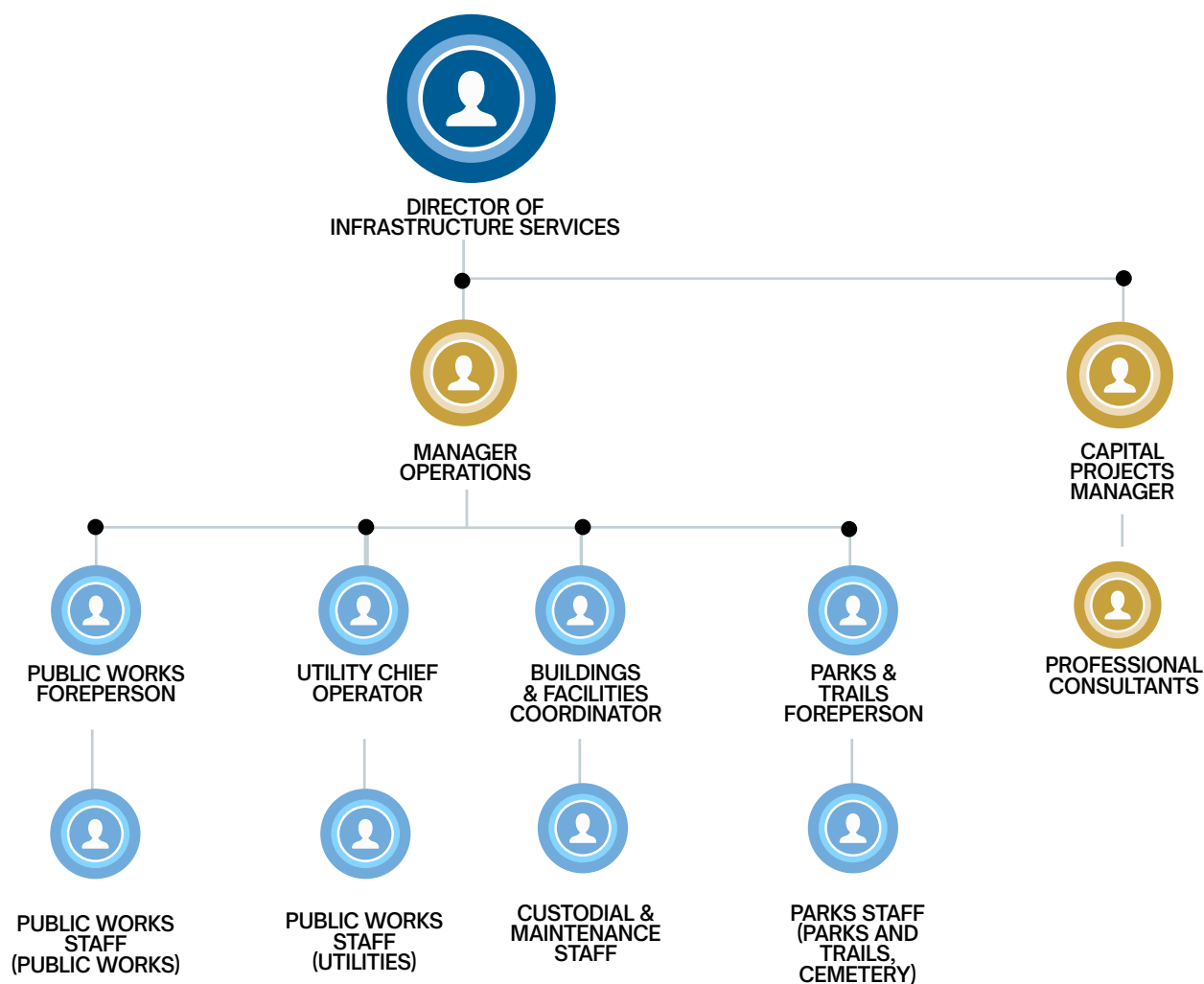


WATER

Water system infrastructure includes: nine groundwater wells; five reservoirs (Berwick (2), Village Way (1), 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 led by the Director of Infrastructure Services, with support from a team of dedicated employees. There is a department total of 40.1 full-time employees which is supported by various third party professionals such as engineering consultants, archaeologists, planners and landscape architects.



2023 HIGHLIGHTS AND ACCOMPLISHMENTS

TRANSPORTATION HIGHLIGHTS

- A fully electric utility vehicle was added to the Town fleet.
- Sandblasted 27 concrete bullnoses and installed hazard marker signs to increase safety and reduce annual painting requirements.
- Hosted a successful Public Works Open House.
- Upgraded 32 painted accessible parking symbols, and 7 crosswalks with a more durable product.
- Installed innovative drainage design on Miraloma Drive to prevent road failure from storm water.
- Commissioned the East Village Phase 2 improvements.
- Fabricated a decorative portable base for the “Sharing the Catch” eagle statue located at the Airport.
- Repaired 27 sidewalk defects.
- Installed new pedestrian crosswalk lights on Village Way near Highway 19A.
- Installed 4 new crosswalks connecting the new waterfront parking areas on the south side of Highway 19A.
- Captured over 30 data counts using new traffic counters.

DRAINAGE HIGHLIGHTS

- Installed 300 metres of storm main on Miraloma Drive to intercept groundwater and extend the life of the road.
- Reconstructed failed headwall on Hoylake Road near Grandon Creek Strata.
- Installed new roadway culvert on Hollywood Road at Fern Road East to improve flows.
- Undertook temporary repairs to the Beach Creek Culvert under Crescent Road East.

FACILITIES HIGHLIGHTS

- Upgrades to the HVAC system in Town Hall.
- Hiring of a new Buildings and Facilities Coordinator.
- Construction completed for the “Into the Woods” childcare facility, for lease to the operators “Into the Woods Early Learning Child Care Society”.

WATER HIGHLIGHTS

- 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 the College Road Booster Station.



PARKS DEPARTMENT

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. The Facilities Department looks after municipal buildings, including: the Civic Centre, Community Hall, 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
Turf C1	9,200 m2
Turf C2	28,200 m2
Turf C3	42,700 m2
Annual beds	200 m2
Mixed Planting Beds and Street Nodes	3,800 m2
Shrub Beds	11,000 m2
Hedges	1,750 m2
Hanging Baskets	122
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
- Saahlam 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
- Waterwise Garden

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

2023 HIGHLIGHTS AND ACCOMPLISHMENTS

- Installed new Columbarium (80 niche) for cemetery.
- Replaced Grandon Creek Trail wooden stairs with durable aluminum stairs.

DEPARTMENT STAFF AND STRUCTURE

The Department is led by the Director of Infrastructure Services, Manager of Operations, and a Parks & Trails Foreperson, with support from employees.



AIRPORT (**CAT4**)

Beginning in 1954, the Qualicum Beach Airport (CAT4) was built by volunteers of the Qualicum Beach Rotary Club. In 1957, the province transferred 160 acres of Crown land to the Town of Qualicum Beach for airport purposes. The Airport has a paved 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 Airport provides service to Qualicum Beach, Parksville, and the surrounding area. The Airport is a transportation gateway, offering scheduled flights to YVR south terminal, and provides, accessible, convenient 24-hour parking.

There is full fuel service, (JET A, AVGAS 100LL) and tie down area for visiting aircraft. The terminal building is equipped with a lounge area for arrivals and departures and has a restaurant that is open five days per week.

Iskwew Air and Sealand Flight School both operate from the Airport. Helicopter training is also made possible to private companies, the Ministry of Forests, firefighters, the military, and BC Ambulance. BC Ambulance Medevac provides essential medical service to the region from the facility.

KEY POLICIES AND PLANS

- Airport Establishment and Operation Bylaw
- 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

The CAO is the Airport Accountable Executive and is supported by the Airport Manager and Deputy Airport Manager (contract). Public Works staff ground-crews look after the daily maintenance of the Airport.



2023 HIGHLIGHTS AND ACCOMPLISHMENTS

- Hiring of a new Airport Manager.
- Airport Consultation Plan.
- Emergency exercise training as per Transport Canada regulations.
- Row B repaving.
- A \$289,000 BC Air Access Program grant to support the replacement of the underground AVGAS system.

MAJOR INITIATIVES

A look back at some of the standout projects for 2023



EAST VILLAGE PHASE 2

Council was onsite in August of 2023 to celebrate the opening of Second Avenue East, and completion of Phase 2 of the Town's "East Village Revitalization".

This transformative initiative encompassed a range of improvements aimed at enhancing the overall appeal, accessibility, and sustainability of the area. Improvements included roadwork, paving, curbs, gutters, catch basins, street lighting, street trees, and irrigation.

Prioritization of pedestrians was a key element of the revitalization, with a variety of traffic calming measures implemented to create a pedestrian-friendly environment for users of all mobility levels.

Designed to provide opportunities for community gathering, Second Avenue East was equipped with multiple servicing kiosks to accommodate mobile vendors and community events. Likewise, removable bollards allow for mobile vendors and event traffic to move in and around the site with ease.

Furthermore, with sustainability in mind, the project featured carefully chosen trees planted using innovative technology such as Silva Cell and Permavoid tree technology to ensure trees have sufficient water retention and room for healthy root growth.

This phase of work sets the stage for Second Avenue East to be transformed into a unique and thriving neighborhood for both businesses and residents, with development currently underway to introduce 72 units with mixed commercial/residential use.

This is the second of a three-phase project, with Phase 3 anticipated to continue revitalization along Fir Street to create a fully restored neighbourhood.

“

The Town was fortunate to receive \$250,000 in funding from Island Coastal Economic Trust (ICET) and \$444,525 from Community Economic Recovery Infrastructure Program

”



BEACH CREEK **VIEWING PLATFORM AND SEPARATED WALKWAY**



The Town has long been committed to improving active transportation networks, particularly those linking the uptown area with the waterfront. The Memorial / Highway 19A route is a vital connection and gateway to our prized beach which attracts countless visitors year-round. The Separated Walkway and Viewing Platform project will help the waterfront reach its full potential, creating a destination for both tourists and locals, and supporting safe forms of active recreation.

The Separated Walkway is designed to significantly improve the safety and accessibility at the roundabout, with dedicated space for pedestrians, separate from cyclists and ensuring conflict free access. To further support cyclists, a public bicycle repair stand will be installed to help cater to cycling enthusiasts enjoying active forms of recreation.

The Viewing Platform will also serve as a captivating destination for tourists and locals to appreciate the breathtaking vista of the Beach Creek estuary and the Strait of Georgia. The installation of attractive and durable street furniture, along with interpretive signage, will elevate the appeal of the walkway, creating a welcoming attraction for year round visitation.

With approved grant of \$2,039,000, a large portion of the anticipated project value (\$3,244,000) is covered by provincial and federal grants. This project is expected to be completed by the end of 2024.

AIRPORT JET FUEL GAS

With the assistance from the BC Air Access Program (BCAAP), the Town installed a new jet fuel system at the Qualicum Beach Airport (CAT4).

The new storage system and dispensing unit is an above ground double-walled containment tank that provides a safe and reliable storage option that safeguards against leakage and environmental damage.

The replacement of the tank became increasingly urgent in 2022 when the obsolete dispensing system failed and was unable to be replaced. The capacity was also grossly under-performing to meet the demand, which had tripled since its installation 40 years earlier.



BEFORE



AFTER

“*Jet fuel is used for critical services such as medevac, wildfire suppression and emergency services.*”

This urgent need prompted staff to approach the Province for assistance outside of a grant cycle. The Town gratefully received \$159,000 funding from BCAAP to help cover the \$240,000 cost of replacement.

Jet fuel is used by critical services such as medevac, wildfire suppression and other emergency services. An increase in recreational traffic to the Airport placed greater need to expand storage capacity, as did the firefighting season which increased use by several helicopter companies and the 19 Wing Comox military base. This new fuel system will ensure users are provided with safe, reliable service in times of need.

WATERFRONT **EXPANSION**



The Waterfront Expansion Project was founded to enhance Qualicum Beach's waterfront, a premier tourism attraction, by improving accessibility to unlock its greater potential.

The project added much needed parking infrastructure at the central waterfront, ensuring space for safe vehicle access, and adding dedicated shoulders for cyclists and pedestrians. This work involved infilling approximately 420 metres of roadside ditch and undertaking peripheral works to stabilize the slope and install stormwater drainage.

Recognizing the importance of pedestrian safety, the project added four new crossings in the central waterfront area. To further enhance accessibility on Highway 19A, two pedestrian-activated crossings were also installed including one at the Shady Rest Pub and the other at Hemsworth Road.

To further expand the waterfront's offerings, a raised pad was added to accommodate mobile vendors and food trucks. To accompany this space, located next to the Tourist Information Centre, a covered seating area was also added for all-weather use, providing visitors with a comfortable space to enjoy their time at the waterfront.

The Town received \$700,000 in funding from the Ministry of Tourism, Arts and Culture, through their Tourism Dependent Community Fund. This funding was instrumental in helping make the waterfront an even more appealing and accessible destination for all to enjoy.



AFFORDABLE HOUSING

The 'Residences at Qualicum Station' development project commenced construction in March 2023.

The project will provide 56 affordable housing units on Town-owned land located at the intersection of Railway Street and Village Way, and is expected to be completed in late 2024.

Located at 136 Village Way West, The Residences at Qualicum Station is a four-storey woodframe building with a mix of studios, apartments, and town homes accommodating one, two and three bedroom options. The building is next to a community garden and within walking distance of schools, medical facilities and public transit.

As part of the land designated for multi-residential development in the Town's Official Community Plan, this new housing development will ensure a high quality of life for families, workers, seniors, and lower income residents in Qualicum Beach.

“

The Residences will expand affordable housing options for people that are living, working or studying in the local community.

”



SKATE PARK **FEASIBILITY STUDY**



EXISTING

The Qualicum Beach skate park was constructed 25 years ago and is now at the end of its usable life. The Town contracted New Line Skateparks Inc to develop a Feasibility Study to explore options for its restoration.

After engaging with the public through a Design Workshop, an online survey, and user meetings, the consultants came back to Council with recommendations to reconstruct the skate park with a new facility that provides modern terrain and addresses site integration issues.

“ *Different mixes of style and features developed from the options will cater for a variety of skill levels and promote progression.* ”

- FINAL CONCEPT **PLAN**



PROPOSED

In addition to the direct benefit to skaters, the conceptual design also includes improvements to the broader Community Park.

- Reconstruction of the skate park will open up views from the Civic Centre parking lot to improve public safety and connectivity.
- The design includes an accessible connection from the Civic Centre parking lot to the playing field area.
- The design provides multipurpose seating at the height of land that can serve both the skate park and adjacent playing fields.

A construction cost of \$1,200,000 has been budgeted by the Town for 2025, with the Qualicum Beach Skaters group raising an additional \$300,000. After the user group has raised their portion of the funding, a staff report will be prepared to guide Council governance decisions, and help move construction forward.

SAAHTLAM PARK

DETAILED DESIGN PARK PLAN

In 2018, the Town purchased the historic St. Andrew's Lodge property. The property is approximately 2.4 acres, has over 70 metres of waterfront and is in a key location at Buller Road and Highway 19A. The park is now named Saahtlam, which refers to "the green at the mouth of the river", a name gifted by the Qualicum First Nation.

Beginning in June 2019, the Town undertook a comprehensive public consultation and visioning process led by Lanarc Consultants to help ensure the future of the land aligned with the community's vision.

In 2020, Lanarc led a three-phase community engagement process to develop a Park Concept Plan. The project then advanced further in May of 2023, with a Detailed Park Plan. The feedback from public engagement resulted in a refined vision statement and updated Park Plan Illustration. This Detailed Park Plan will help guide decision-making, park development, and amenity upgrades over the next ten years and beyond.

Looking ahead to 2024, a staff report will be prepared for Council, to assist with decision-making that will help bring the vision of Saahtlam Park to fruition.



BUS GARAGE REVITALIZATION

The Bus Garage Revitalization project is helping to advance a community vision for the area known as the “Bus Garage”. Located at the corner of Memorial Avenue and Fern Road West, the project will help shape the character, amenities, and experience of this central area for years to come.

In 2023, the Town contracted PWL Partnership to lead public consultation and develop a conceptual design for the .63 ha Town-owned lands, as well as to undertake a related Mobility Study. The conceptual design will encompass parking and public space and help determine the amenities and activities on the site. This design will also consider the site’s interaction with its surroundings, including transportation, pedestrian connections, and nearby businesses.

A final Bus Garage Concept Design Report will be presented to Council in Summer 2024 to help direct next steps toward construction.



AIRPORT CONSULTATION PLAN

The Town of Qualicum Beach conducted a multi-phase consultation and assessment process to consider challenges and opportunities for the municipally owned and operated Qualicum Beach Airport.

The intent of this 2023 Council initiative was to better understand how the Airport was used, how it is viewed by the local and regional community, and to identify Council decision making opportunities beyond the regulations of Transport Canada and NAVCANADA. To assist with this undertaking, the Town retained Operations Economics Inc, who after six months of stakeholder and public consultation, presented the Airport Consultation Plan final report to Council in early 2024.

The consultation process gathered information on subjects including Airport services, travel, values, medevac operations and training, noise, economic impact, facilities, and communication. Recognizing the value of the Airport to the community, there were also concerns brought forward relating to noise, helicopter training, AVGAS fuel usage, communication, and response to public inquiries.

To assist with public concerns, the Town created an online complaint tracking system. The online form allows public concerns to be submitted, actions to be tracked and data to be collected. The Airport Complaint Contact Form is available at qualicumbeach.com/airport.

Recommendations from the final report will be considered as part of Council's 2025 Strategic Planning Process. A scheduled bi-annual open house (as a Committee of the Whole meeting) was also implemented to provide regularly scheduled opportunity for public input on Airport related matters.

“

Activities at the Airport include flight training, cadets, search and rescue, medevac flights, aircraft maintenance, and a restaurant.

”

- AIRPORT CONSULTATION **PLAN**



FEATURES AND HIGHLIGHTS

A few of the outstanding features in our community during 2023



COMMUNITY PARTNERSHIPS & EVENTS

The Town of Qualicum Beach collaborates with local organizations to foster a community enriched with arts and culture, and bolster its economy while preserving its charming small-town character. The Town works together with the Qualicum Beach Chamber of Commerce, the Parksville Qualicum Beach Tourism Association, the Qualicum Beach Historical and Museum Society, and numerous other organizations and volunteers to provide services, events and other amenities for the Town.

COMMUNITY 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.

The Town, along with many community partners and event organizers work together to hold special events such as those below from 2023.

- Coldest Night of the Year – February 24
- Youth Appreciation Lunch – May 9
- Oceanside Community Running Association Mother's Day Race – May 14
- Public Works Open House - May 25
- Family Day Community Event - May 28
- Outdoor Movie Night - May 16
- Seaside Cruizers Street Dance - June 17
- Father's Day Show n' Shine - June 18
- Grad Parade - June 24
- Qualicum Beach Triathlon - June 25
- Qualicum Beach Legion Canada Day Celebrations - July 1
- Uptown Market - July 4 to August 29
- Downtown Sidewalk Sale - July 15
- Beach Day Community Event - July 16
- Ocean Mile Swim - August 20
- Remembrance Day - November 11
- Moonlight Madness - November 21

OCEAN MILE SWIM



Swimmers of all ages and skills united in friendly competition for the 63rd annual Ocean Mile Swim.

Over 80 participants braved the morning waters off the coast of Qualicum Beach, ranging in age from 10 years old to 83 years, with some swimmers travelling from as far away as New Brunswick to participate.

The annual event, hosted by the Town of Qualicum Beach and the Regional District of Nanaimo, was made possible by the many volunteers including the Qualicum Beach Streamkeepers, Coastguard, Regional District of Nanaimo Leaders in Training, and Arrowsmith Search and Rescue.

YOUTH APPRECIATION LUNCH



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. This year the event landed on May 4, adopting a "May the Fourth Be With You" theme adding extra fun to the festivities.

FIRE OPEN HOUSE



Qualicum Beach Fire Rescue hosted its annual Open House where visitors enjoyed station tours, climbed aboard firetrucks, and saw life-saving equipment in action.

There were plenty of activities including a hands on fire extinguisher practice, live high-angle rope rescue demonstrations, and a realistic vehicle extrication. Special guest Sparky the Fire Dog was there for high-fives, and firefighters chatted with attendees about fire safety and prevention.

COMMUNITIES IN BLOOM

While the Town is no stranger to the Communities in Bloom competition, this is the second year the Town participated under its Friendship category.

This year the importance of youth interaction with nature took centre stage, highlighting that young people are not merely observers, but dedicated stewards of the environment. Pictured below are from the showcase projects submitted: Milner Garden “Shoots with Roots” group (a program that provides place-based, curriculum-linked nature education), Qualicum Beach Museum, and ‘Mindfulness in May’ Art Program.



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 annually 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 2023 event saw record numbers turn out to celebrate a sunny Sunday day in Qualicum Beach. Notable mentions include Skyhawks Canada sky dive spectacular, the Tik Tok sensation Funkanometry, Dog Agility demonstration, and a dynamic Skate Jam for skaters of all ages. There were over 25 community group exhibits who each hosted a fun interactive activity, and numerous stage entertainers ranging from musicians and dancers to magicians.



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 volunteer committee is to bring awareness to the precious resource that the ocean offers to our community, inspiring environmental stewardship via a fun and interactive approach.

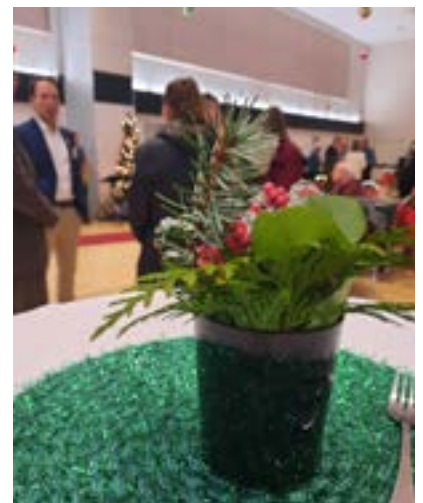


VOLUNTEER APPRECIATION EVENT

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 in Qualicum Beach.

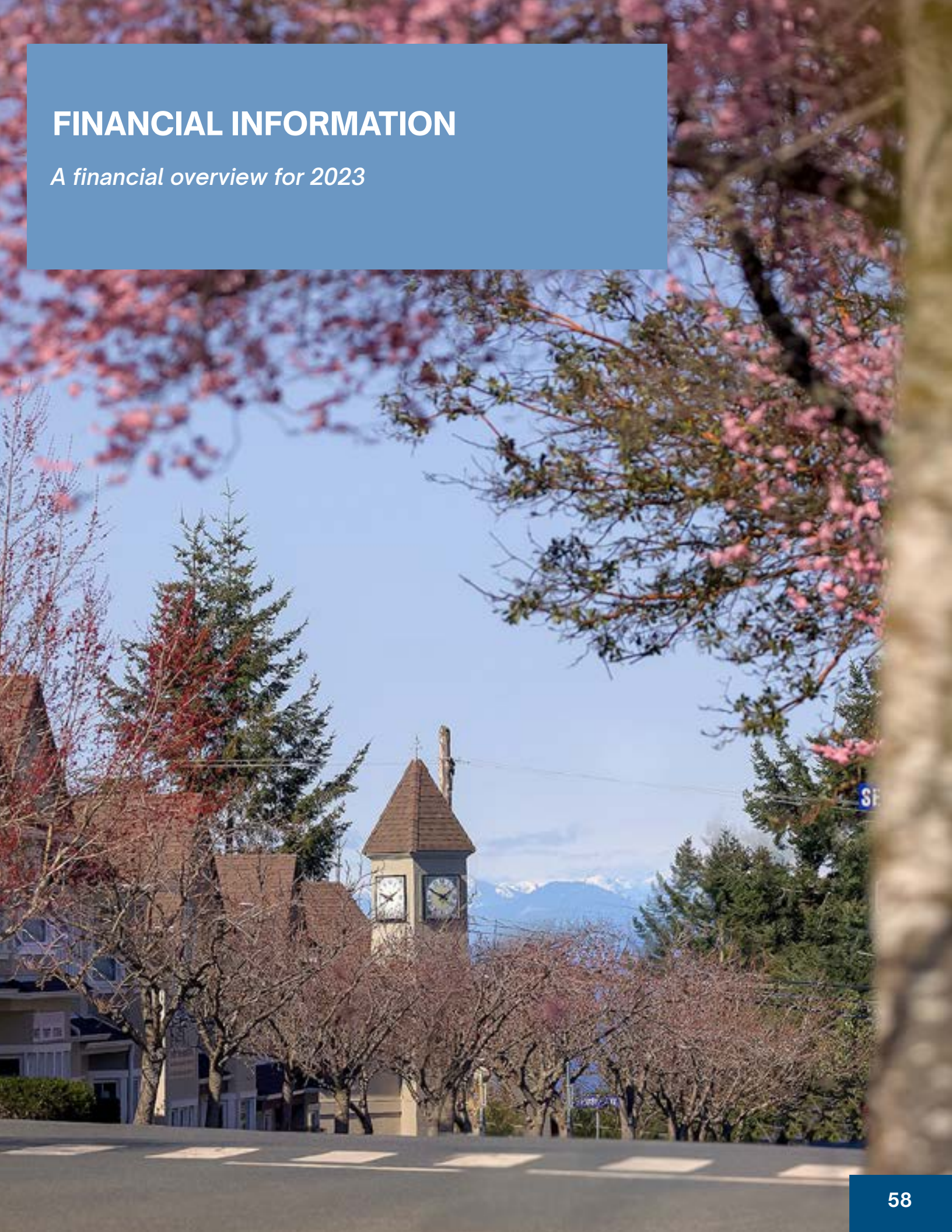
Each year, nominations are accepted for volunteers that have gone 'above & beyond'. These are individuals that have demonstrated extraordinary character, leadership, selflessness and integrity. The winner of the Above and Beyond Volunteer Award Adele Kristalovich was chosen by Council for her outstanding fundraising achievements and extensive community involvement in the Oceanside area.

Adele Kristalovich, known as 'Del', is a volunteer of a number of organizations, including Flowerstone Health Society, Manna Homeless Society, Oceanside Division of Family Practice, and North Island Wildlife Recovery Centre. She exemplifies the true meaning of going 'above and beyond' in our community.



FINANCIAL INFORMATION

A financial overview for 2023



PERMISSIVE TAX EXEMPTIONS

Town of Qualicum Beach Statement of 2023 Property Tax Exemptions – Bylaw 775 & 776

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	33,437	15,647
lot 6, Block 10, Plan 1854, District Lot 78, Newcastle Land District	211 Fern Road West	Rotary Club of Qualicum Beach – Sunrise	6,110	3,144
lot 1, Plan 27285, District Lot 78, Newcastle Land District	250 First Avenue West	Kiwanis Housing	42,051	29,029
That part of District lots 59 and 58 Newcastle District shown on Plan EPP106404	125 Village Way West	Kiwanis Housing	5,003	2,245
Portion of District Lot 101 & 101A, Newcastle Land District, SW 1/4 NE of P. 3858, SW 1/4 NE of P. 3858 NW 1/4 SW 1/4 NW of S20 NE P. 3W of R2.	2711 Island Highway West	Tolland Bureau	1,613	790
Portion of lot B, Plan MIP52293, District Lot 59 & 60, Newcastle Land District, Except Plan MIP52287	644 Memorial Avenue	Curling Club	3,265	1,423
Portion of lot 9, Plan 2047, District Lot 75, Newcastle Land District Except Plan 27288, 42165, MIP5424, & P50076	365 Jones Street	Lawn Bowling Club	9,773	4,375
Portion of Lot A, District Lot 124, Nanoose District, Plan 42657 Except That Part in Plan 44330.	Lease A3 – 1000 Reverendbourne Lane	Beaufort Squadron @ Airport	3,222	1,658
Portion of Lot A, District Lot 124, Nanoose District, Plan 42657 Except That Part in Plan 44330.	Lease D1 – 1000 Reverendbourne Lane	Arrowsmth Search and Rescue @ Airport	8,098	3,528
Lot A, Plan 35180, District Lot 57, Newcastle Land District, Except PART IN P. AG 3022 R/W.	557 Beach Road	Museum	4,783	2,365
lot 584, Plan 2008, Block 17, District Lot 53, Land District 35.	181 Jenningsdale Road West	Blue Sphere Foundation	4,770	2,162
lot A, Plan 9145, District Lot 63 and remainder of Plan 1026, DL 57-62, Newcastle Land District	461 Memorial Avenue	Qualicum Beach Memorial Golf Club	43,628	22,745
lot 1, Plan 10424, District Lot 57, Newcastle Land District.	210 Chasler Road West	Vallhalla Hospice	23,327	8,857
lot 2, Plan 43567, District Lot 78, Newcastle Land District.	122 Fern Road West	105+ Arts Centre	25,115	10,108
Strata Lot 1, Plan M55454, District Lot 75, Newcastle Land District	703 Memorial Avenue	Qualicum Beach Seniors' Activity Centre	5,761	2,510
Block 3, Plan 1834, DL 78, Newcastle Land District	180 Veterans' Way	Royal Canadian Legion Branch #76	12,772	6,132
lot A, Plan M755620, District Lot 78 & 68, Nanoose Land District, Nanoose and Newcastle Districts M.e 3914 to 100.114 – portion of M.P 60029- PID 024 135 222	E&N Railway	Island Corridor Foundation	55,093	7,024

Lot A, Plan VIP 66629, District Lot 78 & 88, Nanoose Land District, & Newcastle Land District except there out 0.21 acre lease - see Folio 565-01167, 100. Mile 100.14 to 101.59 - portion of VIP 66629 made Quilicum Beach - located between Hollywood & First Avenue, VIP 70055 / 70058 / 7111 / 73170 - No Adj. E & N R/W - Island Corridor Foundation	E & N Railway	Island Corridor Foundation	25,113	13,184
Lot A, Plan VIP 68677, District Lot 57-73, Newcastle Land District EXCEPT PLANS VIP 74072-E & N R/W located in the Town-Mile 101.59 TO 103.257, VIP 70059, 70060, 70115, 70118, 71119, 70125, 70112, 70458, 73107-73136 - No Adj.	E & N Railway	Island Corridor Foundation	78,901	15,173
District Lot 57-60, Nanoose Land District, VIA Rail Lease situated on E & N R/W, DL 52 to 60 Inc. & Part of D. 78 within the Town of Quilicum Beach	174 Railway Street Train Station	Island Corridor Foundation	4,493	3,957
Lot A, Plan 19140, District Lot 78, Newcastle Land District	591 Arbutus Street	Church of Jesus Christ of Latter Day Saints	1,679	864
Lot 12, Block 3, Plan 1835, District Lot 51, Newcastle Land District	423 First Avenue West	Jehovah's Witnesses	10,891	5,604
Lot A, Plan 50863, District Lot 38/59, Newcastle Land District	138 Howlake Road West	St. Mark's Anglican Church	5,854	3,012
Lot A, V 056799, District Lot 60, Newcastle Land District	150 Village Way	St. Stephen's United Church	7,846	1,464
Lot 1, Plan 18066, District Lot 177, Nanoose Land District	875 Village Way	Christian Fellowship Centre	15,798	7,871
Plan V 359287, District Lot 57 & 58, Newcastle Land District, those parts shown as "Road to be Closed": Lease of portion of parent property (Roll Number 16-000) being Lot 1-4, Lot 9-11, Block 2, Plan V 39938, District Lot 17, Newcastle Land District	500 Beach Road 3319 Island Hwy West	Quilicum Community Baptist Church St. Andrews Lodge Historical & Cultural Society	6,674 38,168	3,434 16,636

Consolidated Financial Statements of



TOWN OF
QUALICUM BEACH

And Independent Auditor's Report thereon

Year ended December 31, 2023



TOWN OF QUALICUM BEACH

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Town of Qualicum Beach (the "Town") are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

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

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

Director of Finance



KPMG LLP
177 Victoria Street, Suite 400
Prince George BC V2L 5R8
Canada
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, 2023
- 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, 2023 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.

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.
- 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.



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- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, flowing style. Below the signature is a single horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants

Prince George, Canada

May 3, 2024



TOWN OF QUALICUM BEACH

Consolidated Statement of Financial Position

December 31, 2023, with comparative information for 2022

	2023	2022
Financial assets:		
Cash and cash equivalents (note 3)	\$ 29,354,282	\$ 22,442,932
Accounts receivable (note 4)	3,471,171	2,768,450
Municipal Finance Authority debt reserve fund deposit	55,623	53,945
Capital lease receivable	-	29,306
	<u>32,881,076</u>	<u>25,294,633</u>
Financial liabilities:		
Accounts payable and accrued liabilities (note 5)	4,220,711	2,967,585
Accrued employee benefits	720,310	598,075
Deferred revenue (note 6)	6,144,768	5,276,629
Performance bonds and deposits	1,065,711	917,251
Long-term debt (note 7)	3,697,488	2,308,809
Asset retirement obligation (note 8)	307,130	-
	<u>16,156,118</u>	<u>12,068,349</u>
	16,724,958	13,226,284
Non-financial assets:		
Inventories	180,961	97,346
Prepaid expenses	96,488	45,308
Tangible capital assets (note 9)	134,156,312	128,537,902
	<u>134,433,761</u>	<u>128,680,556</u>
Commitments and contingencies (note 14)		
Accumulated surplus (note 10)	\$ 151,158,719	\$ 141,906,840

See accompanying notes to consolidated financial statements.







TOWN OF QUALICUM BEACH

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2023, with comparative information for 2022

	2023 Budget (note 16)	2023 Actual	2022 Actual
Revenue (note 15):			
Net taxation (note 12)	\$ 13,394,600	\$ 13,418,972	\$ 12,686,574
Sales of services	3,741,400	4,176,746	4,118,601
Other revenue from own sources	1,623,500	1,684,226	1,775,667
Interest and tax penalties	407,000	1,302,422	495,359
Government transfers (note 13)	7,537,300	7,383,214	5,187,136
Capital contributions	-	930,000	12,550
Gain on sale of tangible capital assets	-	29,816	-
Gain on sale of assets held for sale	-	-	2,581,704
Total revenue	26,703,800	28,925,396	26,857,591
Expenses (note 15):			
General government services	2,505,700	2,636,314	2,494,906
Protective services	2,867,500	2,702,508	2,653,714
Transportation services	3,825,900	6,395,266	6,606,705
Solid waste services	933,700	995,136	924,259
Water services	2,249,600	2,236,007	1,727,514
Sewer services	1,032,000	961,120	458,847
Planning and development services	2,651,400	2,187,978	1,983,827
Parks and recreation services	1,513,200	1,559,188	1,616,134
Total expenses	17,579,000	19,673,517	18,465,906
Annual surplus	9,124,800	9,251,879	8,391,685
Accumulated surplus, beginning of year	141,906,840	141,906,840	133,515,155
Accumulated surplus, end of the year	\$ 151,031,640	\$ 151,158,719	\$ 141,906,840

See accompanying notes to consolidated financial statements.



TOWN OF QUALICUM BEACH

Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2023, with comparative information for 2022

	Budget	2023	2022
Annual surplus	\$ 9,124,800	\$ 9,251,879	\$ 8,391,685
Acquisition of tangible capital assets	(9,987,500)	(9,540,740)	(7,069,247)
Amortization of tangible capital assets	-	3,922,330	3,541,508
Proceeds on sale of tangible capital assets	-	29,816	-
(Gain) loss on disposal of tangible capital assets	-	(29,816)	43,063
	(9,987,500)	(5,618,410)	(3,484,676)
(Purchase) use of supplies inventories	-	(83,615)	7,580
Change in prepaid expenses	-	(51,180)	10,920
	-	(134,795)	18,500
Change in net financial assets	(862,700)	3,498,674	4,925,509
Net financial assets, beginning of year	13,226,284	13,226,284	8,300,775
Net financial assets, end of year	\$ 12,363,584	\$ 16,724,958	\$ 13,226,284

See accompanying notes to consolidated financial statements.



TOWN OF QUALICUM BEACH

Consolidated Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 9,251,879	\$ 8,391,685
Items not involving cash:		
Gain on sale of assets held for sale	-	(2,581,704)
(Gain) loss on disposal of tangible capital assets	(29,816)	43,063
Amortization of tangible capital assets	3,922,330	3,541,508
	13,144,393	9,394,552
Changes in non-cash operating working capital:		
Accounts receivable	(702,721)	(1,123,767)
Capital lease receivable	29,306	40,286
Municipal Finance Authority debt reserve fund deposit	(1,678)	(1,179)
Inventories	(83,615)	7,580
Prepaid expenses	(51,180)	10,920
Accounts payable and accrued liabilities	1,253,126	122,551
Accrued employee benefits	122,235	(211,572)
Deferred revenue	868,139	(960,203)
Performance bonds and deposits	148,460	(83,940)
Asset retirement obligation	307,130	-
	15,033,595	7,195,228
Financing:		
Repayment of long-term debt	(611,321)	(462,937)
Proceeds from long-term debt	2,000,000	920,000
	1,388,679	457,063
Investing:		
Acquisition of tangible capital assets	(9,540,740)	(7,069,247)
Proceeds on disposal of tangible capital assets	29,816	-
Acquisition of assets held for sale	-	(186,940)
Proceeds on sale of assets held for sale	-	4,149,380
	(9,510,924)	(3,106,807)
Increase in cash and cash equivalents	6,911,350	4,545,484
Cash and cash equivalents, beginning of year	22,442,932	17,897,448
Cash and cash equivalents, end of year	\$ 29,354,282	\$ 22,442,932

See accompanying notes to consolidated financial statements.



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements

Year ended December 31, 2023

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.

1. Significant accounting policies (continued):

(b) Basis of accounting:

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

(c) Revenue recognition:

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

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

(d) Investment income:

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

(e) Government transfers:

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfer revenue is recognized in the statement of operations as the stipulations for liabilities are settled.

(f) Cash and cash equivalents:

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



1. Significant accounting policies (continued):

(g) Assets held for sale:

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

(h) Accrued employee benefits:

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

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

(i) Non-financial assets:

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

(ii) 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, 2023

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.



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(j) Use of estimates:

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

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

Actual results could differ from those estimates.

(k) Contaminated sites:

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

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

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



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(l) Asset retirement obligation:

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

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

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

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

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



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(m) Financial instruments:

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

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

Unrealized changes in fair value would be recognized on the consolidated statement of remeasurement gains and losses. They are recorded in the consolidated statement of operations when they are realized. There are no unrealized changes in fair value as at December 31, 2023 and 2022 as the Town does not hold any equity instruments quoted in an active market nor any derivatives. As a result, the Town does not have a consolidated statement of remeasurement gains and losses.

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

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

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



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

2. Changes in accounting policies:

(a) PS 3450 - Financial Instruments:

On January 1, 2023, the Town adopted Public Accounting Standards PS 3450 – Financial Instruments. The standard was adopted prospectively from the date of adoption.

The new standards provide comprehensive requirements for the recognition, measurement, presentation and disclosure of financial instruments and foreign currency transactions.

Under PS 3450, all financial instruments, including derivatives, are included on the consolidated statement of financial position, and are measured either at fair value or amortized cost based on the characteristics of the instrument and the Town's accounting policy choices.

Financial instruments are classified into two categories: fair value or cost.

- i. Fair value category: Includes investments that are quoted in an active market and derivative instruments reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments is recorded as an expense. Unrealized gains and losses on financial assets would be recognized in the statement of remeasurement gains and losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the statement of operations and accumulated surplus. There are no unrealized gains or losses as of December 31, 2023. As a result, the Town does not have a statement of remeasurement gains and losses.
- ii. Cost category: Gains and losses are recognized in the statement of operations and accumulated surplus when the financial asset is derecognized due to disposal or impairment. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments is included in the cost of the related investments.



2. Changes in accounting policies (continued):

(b) PS 3280 - Asset Retirement Obligations:

On January 1, 2023, the Town adopted Canadian public sector accounting standard 3280 Asset Retirement Obligations. The new accounting standard addresses the reporting of legal obligations associated with the retirement of tangible capital assets. The standard was adopted using the prospective transitional provisions.

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

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The estimated asset retirement costs are capitalized only if the related tangible capital asset is in productive use and recognized in the Town's books. The increase to the tangible capital asset is amortized in accordance with the amortization accounting policy outlined in note 1(i)(ii).

3. Cash and cash equivalents:

Included in cash and cash equivalents is \$270,652 (2022 - \$261,610) 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, 2023

4. Accounts receivable:

	2023	2022
Property taxes	\$ 447,072	\$ 384,062
Water rates	329,417	333,592
Sewer rates	197,797	202,577
Solid waste	212,829	212,743
Receivable from federal government	1,018,638	725,381
Receivable from provincial government	1,000,095	460,520
Interest receivable	124,459	83,432
Trade receivables	140,864	366,143
	<u>\$ 3,471,171</u>	<u>\$ 2,768,450</u>

5. Accounts payable and accrued liabilities:

	2023	2022
Trade payables	\$ 2,687,672	\$ 1,852,002
Payable to federal government	988,257	359,273
Payable to provincial government	359,979	181,967
Holdbacks payable	184,803	574,344
	<u>\$ 4,220,711</u>	<u>\$ 2,967,586</u>



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

6. Deferred revenue:

	2023	2022
Prepaid taxes	\$ 1,560,894	\$ 1,392,954
Prepaid utilities	13,224	10,328
Development cost charges	2,941,318	2,742,106
Off street parking	336,999	216,064
Grants	913,395	645,746
Land lease	143,125	150,000
Shoreline works	45,000	45,000
Building permits	126,202	22,856
Building licenses	17,210	-
Other	47,401	51,575
	<u>\$ 6,144,768</u>	<u>\$ 5,276,629</u>

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



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

7. Long-term debt:

	2023	2022
Municipal Finance Authority Loan bearing interest at 2.25% per annum, principal payments of \$231,468 semi-annually plus interest, due November 30, 2025.	\$ 925,873	\$ 1,388,809
Municipal Finance Authority Loan bearing interest at a daily floating rate, payments of \$17,156 monthly plus interest, due December 31, 2027.	771,615	920,000
Municipal Finance Authority Loan bearing interest at a daily floating rate, payments of \$38,322 monthly plus interest, due December 31, 2028.	2,000,000	-
	<u>\$ 3,697,488</u>	<u>\$ 2,308,809</u>

Principal repayments are due as follows:

2024	\$ 1,000,751
2025	1,018,166
2026	587,017
2027	648,081
2028	443,473
	<u>\$ 3,697,488</u>

8. Assets retirement obligation:

The Town owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the buildings and there is a legal obligation to remove it. In the 2023 initial recognition year, the Town recognized an obligation relating to the removal and post-removal care of the asbestos in these buildings as estimated at December 31, 2023 in the undiscounted amount of \$307,130.



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

9. Tangible capital assets:

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

2023										
	Work in progress	Land	Buildings	Equipment	Transportation	Improvements	Land	Water	Sewer	Total
Cost:										
Balance, beginning of year	\$ 11,536,664	\$ 38,432,522	\$ 32,642,014	\$ 7,355,562	\$ 66,396,292	\$ 27,974,552	\$ 16,191,037	\$ 10,242,315	\$ 210,760,958	
Additions	4,919,811	-	295,916	2,801,701	302,453	287,299	3,560	930,000	9,540,740	
Disposals	-	-	-	(112,636)	-	-	-	-	-	(112,636)
Transfers	(10,002,400)	-	2,793,586	343,248	4,654,745	2,001,506	198,963	10,352	-	
Balance, end of year	6,454,075	38,432,522	35,731,516	10,387,875	71,343,490	30,263,357	16,393,560	11,182,667	220,189,062	
Accumulated amortization:										
Balance, beginning of year	-	-	12,530,725	4,353,230	39,994,286	12,552,142	6,763,426	6,029,247	82,223,056	
Amortization	-	-	752,915	535,304	1,612,232	601,141	234,080	186,658	3,922,330	
Disposals	-	-	-	(112,636)	-	-	-	-	-	(112,636)
Balance, end of year	-	-	13,283,640	4,775,898	41,606,518	13,153,283	6,997,506	6,215,905	86,032,750	
Net book value	\$ 6,454,075	\$ 38,432,522	\$ 22,447,876	\$ 5,611,977	\$ 29,736,972	\$ 17,110,074	\$ 9,396,054	\$ 4,966,762	\$ 134,156,312	



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

9. Tangible capital assets (continued):

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	\$ 27,182,672	\$ 16,191,037	\$ 10,242,315	\$ 204,121,688	
Additions	5,282,922	-	815,786	573,965	35,593	360,951	-	-	7,069,247	
Disposal	(39,898)	-	-	(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	38,518,819	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	



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

10. Accumulated surplus:

	2023	2022
Surplus:		
Investment in tangible capital assets	\$ 130,151,694	\$ 126,229,093
General		
Operating	1,538,519	1,592,773
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	1,067,662	685,013
Allocation to asset management reserves	-	1,880,000
Sewer		
Operating	214,633	149,875
Allocation to asset management reserves	-	572,000
	132,972,508	138,407,537
Statutory Reserves:		
Equipment reserve fund	-	57,414
Property reserve fund	2,127,648	2,025,159
Park land reserve fund	103,952	98,945
Emissions reduction reserve fund	25,519	24,290
Park improvements reserve fund	100,266	95,436
Cemetery reserve fund	282,892	270,650
Asset replacement reserve fund	5,714,475	-
New asset investment reserve fund	313,182	-
Water infrastructure reserve fund	2,812,416	-
Sewer infrastructure reserve fund	760,339	-
Growing Communities Fund	3,414,107	-
Curling Building reserve fund	115,272	-
	15,770,068	2,571,894

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

10. Accumulated surplus (continued):

	2023	2022
Non Statutory Reserves:		
Municipal Finance Authority debt reserve fund	55,623	53,946
Arrowsmith water reserve	76,515	70,761
Buildings reserve	-	56,000
Affordable housing reserve	450,000	450,000
Developer contribution reserve	104,202	104,202
COVID-19 Safe Restart Grant reserve	-	80,000
Tree replacement	29,000	10,000
Curling Club equipment	-	102,500
Community Works (Gas Tax) reserve	919,468	-
Election reserve fund	10,000	-
Strategic initiatives reserve fund	771,335	-
	2,416,143	927,409
	\$ 151,158,719	\$ 141,906,840

11. Investment in tangible capital assets:

	2023	2022
Investment in tangible capital assets beginning of the year	\$ 126,229,093	\$ 123,201,480
Add:		
Acquisition of tangible capital assets	9,540,740	7,069,247
Reduction in long-term debt	611,321	462,937
Proceeds on long-term debt	(2,000,000)	(920,000)
Asset retirement obligation	(307,130)	-
Less:		
Amortization	(3,922,330)	(3,541,508)
Net book value of tangible capital asset disposals	-	(43,063)
Investment in tangible capital assets at end of year	\$ 130,151,694	\$ 126,229,093



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

12. Net taxation revenue:

	2023	2022
Taxes collected		
General	\$ 11,112,967	\$ 10,430,330
Parcel tax - water	1,027,840	933,000
Parcel tax - sewer	237,700	213,615
1% utility tax	155,827	144,921
	12,534,334	11,721,866
Taxes collected for other government services		
Education	6,177,120	5,828,777
Regional District of Nanaimo	5,147,986	4,829,124
Nanaimo Regional Hospital District	1,776,043	1,434,763
Vancouver Island Regional Library	619,686	561,928
B.C. Assessment Authority	175,049	166,730
Municipal Finance Authority	1,009	922
	13,896,893	12,822,244
Less taxes paid to other governments	(13,286,956)	(12,224,232)
	609,937	598,012
Grants-in-lieu of taxes		
Federal government	15,943	17,115
Taxes paid to other governments	(8,484)	(9,123)
Fortis BC	93,220	65,863
B.C. Hydro	174,022	133,841
Permissive tax exemptions	-	159,000
	274,701	366,696
	\$ 13,418,972	\$ 12,686,574



TOWN OF QUALICUM BEACH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

13. Government transfers:

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

	2023	2022
Provincial grants		
Unconditional	\$ 792,692	\$ 563,711
BC Air Access Program	20,895	159,000
Childcare Planning and Space Creation (UBCM)	-	850,549
Child Care Capital Funding Program - Childcare BC		
New Spaces Fund	124,700	1,160,176
Strengthening Communities Program	29,400	132,119
Development Approvals Program	77,286	152,741
Tourism Dependent Communities Grant	-	73,732
BC Active Transportation Infrastructure Grant	500,000	-
Waterfront Improvement Grant	532,093	-
Growing Communities Grant	3,346,000	-
Regional: Digital Fire Training System	87,451	-
Others	149,611	-
	5,660,128	3,092,028
Federal grants		
Canada Community Building Fund	471,343	451,479
Airport Capital Assistance Program	233,105	1,075,269
Active Transportation Fund	1,018,638	-
Other	-	568,360
	1,723,086	2,095,108
	\$ 7,383,214	\$ 5,187,136



14. 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 trustee 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, 2023, the plan has about 240,000 (2022 - 227,000) active members and approximately 124,000 (2022 - 118,000) retired members. Active members include approximately 43,000 (2022 - 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 \$449,731 for employer contributions to the plan in fiscal 2023 (2022 - \$402,534).

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.

14. Commitments and contingencies (continued):

(c) Municipal Finance Authority contingent demand notes

Under borrowing arrangements with the MFA, the Town is required to lodge security by means of a demand note and an interest-bearing cash deposit based on the amount of the borrowing. As a condition of the borrowing, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. This deposit is included in the Town's financial assets and is held by the MFA as security against the possibility of debt repayment default. If the debt is repaid without default, the deposit is refunded to the Town. At December 31, 2023, there was a contingent demand note of \$212,517 (2022 - \$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, 2023, 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.

15. Segmented information:

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

General government services

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

Protective services

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

15. Segmented information (continued):

Transportation services

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

Solid waste services

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

Water services

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

Sewer services

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

Planning and development services

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

Parks and 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, 2023

15. Segmented information (continued):

	2023								
	General government services	Protective services	Transportation services	Solid waste services	Water services	Sewer services	Planning and development services	Parks and recreation services	Total
Revenue:									
Net taxation	\$ 12,153,432	\$ -	\$ -	\$ -	\$ 1,027,840	\$ 237,700	\$ -	\$ -	\$ 13,418,972
Sale of services	44,885	121,335	32,320	826,640	2,042,885	770,616	301,701	36,364	4,176,746
Other revenue from own sources	648,750	-	897,025	-	-	-	-	138,451	1,684,226
Interest and tax penalties	1,302,422	-	-	-	-	-	-	-	1,302,422
Government transfers	3,758,500	346,055	1,277,436	-	-	-	198,798	1,802,425	7,383,214
Capital contributions	-	-	-	-	-	930,000	-	-	930,000
Gain on disposal of assets	29,816	-	-	-	-	-	-	-	29,816
Total revenues	17,937,805	467,390	2,206,781	826,640	3,070,725	1,938,316	500,499	1,977,240	28,925,366
Expenses:									
Salaries, wages and employee benefits	2,017,945	1,069,298	1,516,773	148,859	761,082	260,287	688,741	891,398	7,355,381
Goods and services	408,612	1,483,888	2,000,696	846,277	1,076,340	529,447	1,498,237	433,030	8,276,517
Amortization	90,468	149,322	2,877,807	-	398,585	171,386	-	234,762	3,922,330
Fiscal services	119,289	-	-	-	-	-	-	-	119,289
Total expenses	2,636,314	2,702,508	6,395,266	995,136	2,236,007	961,120	2,187,978	1,559,188	19,673,517
Annual surplus (deficit)	\$ 15,301,491	\$ (2,235,116)	\$ (4,188,485)	\$ (168,496)	\$ 834,718	\$ 977,196	\$ (1,687,479)	\$ 418,052	\$ 9,251,879

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

15. 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	Total	
Revenue:											
Net taxation	\$	11,539,959	\$	-	\$	933,000	\$	213,615	\$	-	
Sale of services		307,749	107,077	40,070	782,296	1,665,640	727,445	240,773	13,555	3,044,605	
Other revenue from own sources		848,615	-	921,773	-	-	-	-	181,680	1,750,068	
Interest and tax penalties		495,359	-	-	-	-	-	-	-	495,359	
Government transfers		515,000	262,811	1,721,269	-	210,103	-	284,859	2,193,094	5,187,136	
Capital contributions		-	-	12,550	-	-	-	-	-	12,550	
Gain on disposal of assets		2,581,704	-	-	-	-	-	-	-	2,581,704	
Total revenues		16,146,386	369,888	2,695,662	782,296	2,808,743	941,060	525,632	2,388,329	26,657,096	
Expenses:											
Salaries, wages and employee benefits		1,128,014	1,097,761	1,610,759	154,928	688,190	235,596	672,134	1,026,089	6,613,451	
Goods and services		1,230,372	1,421,129	2,397,547	769,330	679,438	68,506	1,311,693	378,096	8,256,111	
Amortization		61,684	134,824	2,568,399	-	359,888	154,746	-	211,959	3,541,508	
Fiscal services		54,836	-	-	-	-	-	-	-	54,836	
Total expenses		2,494,906	2,653,714	6,606,705	924,258	1,727,514	458,848	1,983,827	1,616,134	18,465,906	
Annual surplus (deficit)	\$	13,651,480	\$	(2,283,826)	\$	(141,962)	\$	482,212	\$	772,195	
										\$	8,192,090

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

16. Budget data

The budget data presented in these consolidated financial statements is based upon the 2023 operating and capital budgets approved by Council via Bylaw 778 on May 10, 2023.

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

	Budget amount
Revenue:	
Operating budget	\$ 26,703,800
Less:	
Add:	
Proceeds from borrowing	3,325,000
Transfers from surplus or reserves	5,468,000
Total revenue	35,496,800
Expenses:	
Operating budget	17,579,000
Capital budget	9,987,500
Less:	
Add:	
Transfers to reserves	7,230,300
Debt principal repayments	628,000
Debt interest payments	72,000
Total expenses	35,496,800
	\$ -

17. Comparative information:

Certain 2022 comparative figures have been reclassified to conform with the consolidated financial statement presentation adopted for the current year. The changes had no impact on prior year annual surplus.



TOWN OF QUALICUM BEACH

Schedule 1 - Canada Community Building Fund

Year ended December 31, 2023

	2023	2022
Opening balance	\$ 453,783	\$ -
Grant funds received	471,343	451,478
Interest earned	33,891	2,305
	959,017	453,783
Project expenditures	19,205	-
	\$ 939,812	\$ 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 specified in the funding agreement.



TOWN OF QUALICUM BEACH

Schedule 2 - COVID-19 Safe Restart Grant

Year ended December 31, 2023

	2023	2022
Opening balance	\$ 80,000	\$ 526,097
Project expenditures		
Revenue shortfalls	-	15,000
Technology costs to improve remote work	38,378	173,369
Community grants	-	70,385
General administration	-	37,355
Emergency services	11,108	50,682
Protective services	-	1,600
Parks and buildings	-	97,706
Planning and community development	30,514	-
	80,000	446,097
	\$ -	\$ 80,000



TOWN OF QUALICUM BEACH

Schedule 3 - Growing Communities Fund

Year ended December 31, 2023
(Unaudited)

The Province of British Columbia distributed conditional Growing Communities Fund (GCF) grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of population growth. The GCF provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia.

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

	2023	2022
Growing Community Fund	\$ 3,346,000	\$ -
Project expenditures:		
Park upgrades	61,968	-
	3,284,032	-
Interest earned	130,075	-
	\$ 3,414,107	\$ -

TOWN OF QUALICUM BEACH

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