

Town of Qualicum Beach
Report under the Financial Information Act
For the Year Ended December 31, 2018

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Town of Qualicum Beach
Schedule Showing Council Remuneration and Expenses Paid
For The Twelve Months Ending December 31, 2018

Council	Remuneration (Stipend)			Reimbursed Expenses	Grand Total
	Payroll	Expenses	Total		
Avis, B	\$12,480	\$6,236	\$18,716	\$8,449	\$27,165
Harrison, S	\$2,206	\$1,103	\$3,308	\$3,333	\$6,641
Horner, N	\$12,480	\$6,236	\$18,716	\$8,973	\$27,689
Luchtmeijer, W	\$12,480	\$6,236	\$18,716	\$4,997	\$23,713
Filmer, R	\$2,206	\$1,103	\$3,308	\$2,631	\$5,939
Skipsey, A	\$12,480	\$6,236	\$18,716	\$7,347	\$26,063
Walker, A	\$2,206	\$1,103	\$3,308	\$2,386	\$5,694
Westbroek, T	\$23,080	\$11,540	\$34,620	\$13,303	\$47,923
Wiese, B	\$3,742	\$1,871	\$5,614	\$2,902	\$8,516
	<u>\$83,358</u>	<u>\$41,665</u>	<u>\$125,023</u>	<u>\$54,321</u>	<u>\$179,344</u>

Town of Qualicum Beach
Schedule Showing Staff Remuneration and Expenses Paid
For The Twelve Months Ending December 31, 2018

Staff	Remuneration	Expenses	Total
Botelho, A.	87,813	3,195	91,008
Cornell, P.G.	105,034	10,083	115,117
Daman, R	76,079	2,140	78,219
Gould, H	87,589	4,468	92,057
Kobe, T	96,077	72	96,149
Kohse, D.E.	105,220	5,640	110,860
Marsh, J.K.	101,620	3,429	105,049
Marshall, D.R.	81,533	1,762	83,295
Purdon, C.D.	98,400	1,521	99,921
Rehor, C.I.	110,181	2,652	112,833
Sailland, D	161,491	9,661	171,152
Sales, L.B.	115,837	2,080	117,917
Schwabe, A.	93,364	4,432	97,796
Smith, B.H.	88,468	85	88,553
Smith, R.J.	89,305	1,523	90,828
Svensen, H.B.	115,161	2,122	117,283
Thomas, B.G.	96,598	100	96,698
Trudeau, D.M.	119,046	379	119,425
Weir, R.K.	138,522	3,181	141,703
Total For Employees Over \$75,000	1,967,340	58,525	2,025,865
Total For Employees Under \$75,000	3,089,619	101,002	3,190,621
Total For All Employees	5,056,959	159,527	5,216,486

Town of Qualicum Beach
Schedule Showing Reconciliation of Staff and Council Remuneration
as compared to 2018 Financial Statements

	Amount
Employee remuneration schedule	5,056,959
Council remuneration schedule	<u>125,023</u>
sub total	5,181,982
Employee Benefits and Other Adjustments	<u>947,331</u>
Total Wages and Benefits in Financial Statements	<u><u>6,129,313</u></u>

**TOWN OF QUALICUM BEACH
SUPPLIER PAYMENTS - 2018**

SUPPLIER NAME	AMOUNT
BC ASSESSMENT AUTHORITY	121,200
BC HYDRO	474,004
CALGON CARBON CORP	33,288
CANEM SYSTEMS-VANCOUVER ISLAND	30,936
CDW CANADA	43,526
CITY OF PARKSVILLE	62,989
COMPUGEN INC	70,234
CUPE - LOCAL #401	63,859
D.K.I. SERVICES LTD	26,533
DAVID STALKER EXCAVATING LTD	344,240
DBL DISPOSAL SERVICES	102,424
DOLLY'S HOME HARDWARE	40,901
DON MAY CONSTRUCTION	324,264
E.B. HORSMAN & SON	25,907
ENEX FUELS	405,770
FOUR STAR WATERWORKS LTD	77,294
GREGG DISTRIBUTORS (BC) LTD	34,142
GUILLEVIN INTERNATIONAL INC.	54,363
HAYLOCK BROTHERS PAVING	166,024
I.C.B.C.	54,555
ISLAND TIMBER FRAME	43,930
IWC EXCAVATION LTD	297,183
JAKE'S ROOFING	28,650
JAWL BUNDON LLP IN TRUST	340,000
JSK TRAFFIC CONTROL	28,233
KAL TIRE	34,358
KESO TURF	32,074
KNAPPETT INDUSTRIES (2006) LTD	208,916
KOERS & ASSOCIATES ENGINEERING	565,332
LAFRENTZ ROAD MARKING	45,363
LANARC 2015 CONSULTANTS LTD	46,369
LARSON, BRIAN	26,888
LEUCO CONSTRUCTION INC	118,620
LEWKOWICH ENGINEERING ASSOCIATES	28,149
LIVING STONES INTERLOCKING BRICK	47,855
MADILL - THE OFFICE COMPANY	25,336
MCGORMAN MACLEAN	26,250
MINISTER OF FINANCE - MSP	43,500
MINISTER OF FINANCE - School Tax	1,144,844
MUNICIPAL INSURANCE ASSOC. OF BC	152,268
MUNICIPAL PENSION FUND	707,902

**TOWN OF QUALICUM BEACH
SUPPLIER PAYMENTS - 2018**

SUPPLIER NAME	AMOUNT
NANAIMO REGIONAL HOSPITAL DIST	506,939
P/Q NEWS	32,414
PACIFIC BLUE CROSS	207,431
PARKSVILLE CHRYSLER DODGE JEEP	107,956
PARKSVILLE HEAVY EQUIPMENT	32,859
PRAIRIE COAST EQUIPMENT	47,230
QB CHAMBER OF COMMERCE	54,285
QB HISTORICAL & MUSEUM SOCIETY	88,702
RECEIVER GENERAL FOR CANADA (PAYROLL)	244,770
RECEIVER GENERAL FOR CANADA (RCMP)	1,169,936
REGIONAL DISTRICT OF NANAIMO	4,799,009
ROCKY MOUNTAIN PHOENIX	43,660
RODWAY & PERRY IN TRUST	3,682,821
ROYAL LEPAGE IN TRUST	25,000
SHAW CABLESYSTEMS GP	25,680
SHELL CANADA PRODUCTS	46,880
SNC-LAVALIN INC	106,757
SUNSET MEMORIAL & STONE LTD	37,799
SUPERIOR POWER SWEEPING LTD	27,707
TELUS COMMUNICATIONS (BC) INC	39,744
TELUS COMMUNICATIONS-PG	39,557
TREEWORKS TREE SERVICES	34,567
URBANICS CONSULTANTS LTD	27,215
VANCOUVER ISLAND REGIONAL LIBRARY	508,480
VISA	133,046
WASTE CONNECTIONS OF CANADA	76,931
WAYWEST MECHANICAL LTD	25,146
WINDLEY CONTRACTING	59,203
WINDSOR PLYWOOD PARKSVILLE	45,799
WORKSAFEBC	99,123
YOUNG, ANDERSON BARRISTERS & SOLICITORS	26,601
TOTAL PAID TO SUPPLIERS GREATER THAN \$25,000	19,113,578
CONSOLIDATED TOTAL OF ALL OTHER PAYMENTS	2,020,434
GRAND TOTAL	21,134,012

**Town of Qualicum Beach
Reconciliation of Suppliers Payments for 2018
Compared to Financial Statements**

Supplier Name	Amount
Supplier payments	21,134,012
Employee remuneration	5,056,959
Council remuneration	125,023
Acquisition of capital assets	-7,814,944
Amortization of capital assets	3,197,854
Other amounts and adjustments	-716,001
Other government tax payments	<u>-6,030,953</u>
Total Adjusted Payments	<u>14,951,951</u>
2018 Financial Statement Expenditures	<u>14,951,951</u>

**Town of Qualicum Beach
Schedule of Debt (Long Term)
For the year ended December 31, 2018**

	2018	2017
<u>Capital Lease</u>		
Fire Hall Loan 2.25%, due November 30, 2025	\$3,240,555	\$3,703,491

Town of Qualicum Beach
Schedule of Guarantee & Indemnity Agreements
For the year ended December 31, 2018

There were no guarantee & indemnity agreements outstanding at December 31, 2018.

**Town of Qualicum Beach
Report of Employee Severance Agreements
For the year ended December 31, 2018**

There were no non-union employee severance agreements in 2018.

TOWN OF QUALICUM BEACH
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

TOWN OF QUALICUM BEACH
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

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**TOWN OF QUALICUM BEACH
MANAGEMENT'S RESPONSIBILITY REPORT
2018 FINANCIAL STATEMENTS**

The preparation of these financial statements is the responsibility of management. The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility.

Management is also responsible for implementing and maintaining a system of internal control to provide reasonable assurance that reliable financial information is produced.

Council is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility. Council meets with the external auditors two times per year.

The external auditors, McGorman MacLean, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. Their examination includes a review and evaluation of the Town's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to Council.

On behalf of the Town of Qualicum Beach



John Marsh, CPA, CMA
Financial Administrator /Deputy CAO



Brian Wiese
Mayor

INDEPENDENT AUDITORS' REPORT

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To the Mayor and Council of the
Town of Qualicum Beach

We have audited the accompanying consolidated financial statements of the Town of Qualicum Beach (the "Town"), which comprise the consolidated statement of financial position as at December 31, 2018 and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2018, and the results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

Auditors' 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 auditors' 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 these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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.

Parksville, Canada
May 15, 2019

McGorman MacLean
CHARTERED PROFESSIONAL ACCOUNTANTS

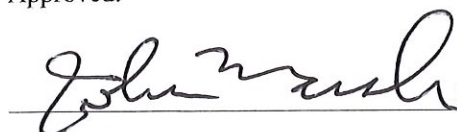
TOWN OF QUALICUM BEACH
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018

S3
STATEMENT 1

	<u>2018</u>	<u>2017</u>
FINANCIAL ASSETS		
Cash and cash equivalents (note 2)	\$ 10,926,206	\$ 13,152,284
Accounts receivable (note 3)	1,110,345	1,751,064
Capital lease receivable (note 4)	100,449	110,734
Municipal Finance Authority debt reserve fund deposit	49,682	48,624
Assets held for sale	582,914	-
	<u>12,769,596</u>	<u>15,062,706</u>
FINANCIAL LIABILITIES		
Accounts payable (note 5)	1,465,259	1,009,428
Accrued employee benefits	701,611	636,260
Deferred revenue	1,606,576	1,895,771
Performance bonds and deposits	986,052	897,689
Deferred revenue - capital (note 6)	2,325,617	1,985,065
Long term debt (note 7)	3,240,555	3,703,491
	<u>10,325,670</u>	<u>10,127,704</u>
NET FINANCIAL ASSETS	<u>2,443,926</u>	<u>4,935,002</u>
NON-FINANCIAL ASSETS		
Inventories	88,787	61,380
Prepaid expenses	14,914	22,100
Tangible capital assets (note 8)	116,534,008	112,505,264
	<u>116,637,709</u>	<u>112,588,744</u>
ACCUMULATED SURPLUS (notes 9 and 10)	<u>\$ 119,081,635</u>	<u>\$ 117,523,746</u>

Contingent liabilities and commitments (note 11)

Approved:

 Financial Administrator

The accompanying notes are an integral part of these consolidated financial statements

TOWN OF QUALICUM BEACH
CONSOLIDATED STATEMENT OF OPERATIONS
AS AT DECEMBER 31, 2018

S4
STATEMENT 2

	2018 Budget (unaudited)	2018 Actual	2017 Actual
REVENUE			
Net taxation	\$ 9,849,919	\$ 9,865,146	\$ 9,547,389
Water and sewer rates	1,759,883	1,933,838	1,935,550
Sale of services	739,090	688,403	761,287
Other revenue from own sources	1,210,435	1,631,719	1,672,672
Government transfers	2,647,103	1,319,355	1,840,600
Gain (loss) on disposal of tangible capital assets	-	196,860	(40,144)
Developer contributions	-	874,519	198,640
	<u>16,206,430</u>	<u>16,509,840</u>	<u>15,915,994</u>
EXPENSES			
General government services	2,095,718	2,037,272	1,939,190
Protective services	2,776,008	2,617,248	2,624,617
Transportation services	4,904,087	5,005,764	4,926,068
Environmental health services	613,659	720,127	581,999
Water services	1,455,322	1,410,547	1,301,017
Sewer services	405,611	359,370	427,270
Public health services	48,000	51,987	48,535
Planning and development services	864,831	903,398	814,839
Parks and recreation services	1,732,939	1,846,238	1,592,461
	<u>14,896,175</u>	<u>14,951,951</u>	<u>14,255,996</u>
ANNUAL SURPLUS	1,310,255	1,557,889	1,659,998
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	<u>117,523,746</u>	<u>117,523,746</u>	<u>115,863,748</u>
ACCUMULATED SURPLUS AT END OF YEAR	<u>\$ 118,834,001</u>	<u>\$ 119,081,635</u>	<u>\$ 117,523,746</u>

The accompanying notes are an integral part of these consolidated financial statements

TOWN OF QUALICUM BEACH
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
AS AT DECEMBER 31, 2018

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STATEMENT 3

	2018 Budget (unaudited)	2018 Actual	2017 Actual
ANNUAL SURPLUS	\$ 1,310,255	\$ 1,557,889	\$ 1,659,998
Acquisition of tangible capital assets	(8,457,255)	(7,814,944)	(3,761,875)
Amortization of tangible capital assets	3,200,000	3,197,854	3,230,333
Proceeds on disposal of tangible capital assets	10,000	214,760	57,410
(Gain) loss on disposal of tangible capital assets	-	(196,860)	40,144
Tangible capital assets transferred to held for sale	-	570,446	-
	<u>(5,247,255)</u>	<u>(4,028,744)</u>	<u>(433,988)</u>
Purchase of supplies inventories	-	(27,407)	(31,512)
Decrease (increase) in prepaid expenses	-	7,186	(16,315)
	<u>-</u>	<u>(20,221)</u>	<u>(47,827)</u>
CHANGE IN NET FINANCIAL ASSETS	(3,937,000)	(2,491,076)	1,178,183
NET FINANCIAL ASSETS AT BEGINNING OF YEAR	<u>4,935,002</u>	<u>4,935,002</u>	<u>3,756,819</u>
NET FINANCIAL ASSETS AT END OF YEAR	<u>\$ 998,002</u>	<u>\$ 2,443,926</u>	<u>\$ 4,935,002</u>

The accompanying notes are an integral part of these consolidated financial statements

TOWN OF QUALICUM BEACH
CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT DECEMBER 31, 2018

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STATEMENT 4

	<u>2018</u>	<u>2017</u>
CASH PROVIDED BY OPERATIONS		
Annual surplus	\$ 1,557,889	\$ 1,659,998
Items not involving cash:		
Amortization of tangible capital assets	3,197,854	3,230,333
(Gain) loss on disposal of tangible capital assets	(196,860)	40,144
Tangible capital assets transferred to held for sale	570,446	
Change in non-cash operating assets and liabilities:		
Decrease (increase)		
Accounts receivable	640,719	(163,120)
Capital lease receivable	10,285	10,288
Municipal Finance Authority debt reserve fund deposit	(1,058)	(930)
Assets held for sale	(582,914)	
Inventories	(27,407)	(31,512)
Prepaid expenses	7,186	(16,315)
Increase (decrease)		
Accounts payable	455,831	(49,177)
Accrued employee benefits	65,351	57,483
Deferred revenue	(289,195)	821,600
Performance bonds and deposits	88,363	708,961
Deferred revenue - capital	340,552	226,821
	<u>5,837,042</u>	<u>6,494,574</u>
FINANCING ACTIVITIES		
Decrease in long term debt	<u>(462,936)</u>	<u>(462,937)</u>
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(7,814,944)	(3,761,875)
Proceeds on disposal of tangible capital assets	214,760	57,410
	<u>(7,600,184)</u>	<u>(3,704,465)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,226,078)	2,327,172
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>13,152,284</u>	<u>10,825,112</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 10,926,206</u>	<u>\$ 13,152,284</u>
SUPPLEMENTARY CASH FLOW INFORMATION:		
Cash paid for interest	<u>\$ 143,731</u>	<u>\$ 103,059</u>

The accompanying notes are an integral part of these consolidated financial statements

TOWN OF QUALICUM BEACH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

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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, environmental services, planning and development services and parks and recreation services.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

Consolidated financial statements have been prepared in accordance with Canadian Public Sector Accounting Board (PSAB) standards. The consolidated statement of financial position includes all assets and liabilities of the Town.

(b) Principles of consolidation

These financial statements include accounts of all funds of the Town. Inter-fund transactions and balances have been eliminated.

(c) Basis of accounting

Except as noted below, the basis of accounting followed in the financial statement presentation is the accrual basis and includes revenue in the period in which the transactions or events occurred that gave rise to the revenue, and expenses in the period the goods and services are acquired and a liability is incurred or transfers are due.

(d) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand, demand deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(e) 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.

(f) Employee future benefits

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

TOWN OF QUALICUM BEACH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

(g) Deferred revenue

Amounts that have been received in advance of services being rendered are recorded as deferred revenue until the Town discharges the obligations that led to the collection of funds.

Revenue or receipts with respect to capital, which are subject to external restrictions, are deferred and reported as deferred revenue capital. Revenue is recognized when qualifying expenses are incurred.

(h) 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.

Inventories

Inventories are recorded at the lower of cost and net realizable value.

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 assets. Tangible capital assets transferred to the Town from developers are recorded at their fair market value at the date of transfer and are also recorded as revenue. The cost, less the residual value, of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

	<u>Years</u>
Buildings and structures	50
Infrastructure - utilities	50 - 80
Infrastructure - transportation	20 - 75
Infrastructure - land improvements	25 - 75
Equipment	7 - 20

A full year of amortization is charged in the year of acquisition and none in the year of disposal. Assets under construction are initially recorded as work-in-progress and are not amortized until the asset is available for productive use.

TOWN OF QUALICUM BEACH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Taxation and related revenues

Property tax revenues in the form of local government requisitions are recognized in the year they are levied. Grants in lieu of taxes are recorded on an accrual basis when it is possible to reasonably estimate the amounts receivable. Parcel taxes are recognized in the year they are levied.

(j) Government transfers

Government transfers are recognized in the consolidated financial statements as revenue in the period the transfers are authorized and any eligibility criteria have been met, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability for the recipient government. Transfers received which meet the definition of a liability are included in deferred revenue. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

(k) Contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all of the following criteria are met:

- An environmental standard exists;
- Contamination exceeds the environmental standard;
- The Town is:
 - o Directly responsible; or
 - o Accepts responsibility;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

There are no liabilities to be recorded as at December 31, 2018.

TOWN OF QUALICUM BEACH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the amounts of assets and liabilities, disclosure of contingent assets and liabilities and the reported amounts of revenue and expenses. As such, actual results could differ from these estimates. Significant estimates include assumptions used in estimating provisions for accounts receivable, accrued employee benefits, performing calculations of employee future benefits, estimating fair value of contributed tangible capital assets, estimating the useful lives of tangible capital assets and allocation of expenses. Developer contributions of tangible capital assets are recorded at the Town's best estimate of fair value on the date of contribution. These estimates are reviewed periodically and adjustments are made to income as appropriate in the

2. RESTRICTED CASH AND CASH EQUIVALENTS

Included in financial assets are cash and cash equivalents of \$220,749 (2017: \$212,445) that are 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.

3. ACCOUNTS RECEIVABLE

	2018	2017
Property taxes	\$ 239,932	\$ 252,684
Water rates	269,184	257,648
Sewer rates	177,435	161,121
Solid waste	174,929	186,072
Receivable from federal government	84,850	675,641
Trades receivable	164,015	217,898
	<u>\$ 1,110,345</u>	<u>\$ 1,751,064</u>

TOWN OF QUALICUM BEACH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

S7

4. CAPITAL LEASE RECEIVABLE

On April 1, 2016, the Town entered into a long term lease agreement for a building owned by the Town. The lease requires annual payments of \$10,757, expiring March 31, 2028. Provided the tenant satisfies all the conditions of the lease, including payment in full of the rent due over the lease term, the tenant will have an exclusive option to purchase the building from the Town for a nominal amount.

Payments due over the next five years on the capital lease receivable are as follows:

2019	\$	10,757
2020		10,757
2021		10,757
2022		10,757
2023		10,757

5. ACCOUNTS PAYABLE

	2018	2017
Trades payable	\$ 1,109,822	\$ 659,687
Payable to federal government	323,329	339,203
Payable to provincial government	3,578	-
Holdbacks payable	28,530	10,538
	<u>\$ 1,465,259</u>	<u>\$ 1,009,428</u>

6. DEFERRED REVENUE - CAPITAL

	Off Street Parking	Development Cost Charges	Total
Balance at beginning of year	\$ 190,430	\$ 1,794,635	\$ 1,985,065
Additions	-	309,163	309,163
Interest	2,856	28,533	31,389
	<u>\$ 193,286</u>	<u>\$ 2,132,331</u>	<u>\$ 2,325,617</u>

Deferred revenue - capital includes statutory reserves that are required to be set-up under section 188(2) of the Community Charter.

TOWN OF QUALICUM BEACH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

S7

7. LONG TERM DEBT

	<u>2018</u>	<u>2017</u>
2.25% Municipal Finance Authority Loan, principal payments of \$231,468 semi-annually plus interest, due November 30, 2025	\$ 3,240,555	\$ 3,703,491

Principal due over the next five years on long term debt is as follows:

2019	\$ 462,936
2020	462,936
2021	462,936
2022	462,936
2023	462,936

8. TANGIBLE CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>
<u>2018</u>			
Land	\$ 37,769,788	\$ -	\$ 37,769,788
Buildings and structures	30,112,962	9,728,865	20,384,097
Infrastructure	112,289,622	55,865,832	56,423,790
Equipment	5,614,611	3,658,277	1,956,334
	<u>\$ 185,786,983</u>	<u>\$ 69,252,975</u>	<u>\$ 116,534,008</u>

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>
<u>2017</u>			
Land	\$ 34,025,924	\$ -	\$ 34,025,924
Buildings and structures	29,854,527	9,133,417	20,721,110
Infrastructure	109,310,808	53,596,364	55,714,444
Equipment	5,464,466	3,420,680	2,043,786
	<u>\$ 178,655,725</u>	<u>\$ 66,150,461</u>	<u>\$ 112,505,264</u>

TOWN OF QUALICUM BEACH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

S7

9. ACCUMULATED SURPLUS

	2018	2017
<u>Reserves and Surpluses</u>		
Equipment reserve fund	\$ 54,141	\$ 53,340
Property reserve fund	212,323	209,185
Park land reserve fund	93,304	91,925
Emissions reduction reserve fund	17,997	13,025
Park improvements reserve fund	89,995	88,665
Cemetery reserve fund	230,229	220,665
Municipal Finance Authority debt reserve fund	49,682	48,624
Arrowsmith water reserve	52,577	48,467
Protective services reserve	18,732	18,732
Buildings reserve account	56,000	56,000
Unallocated surplus		
General	3,005,241	5,525,393
Water	1,559,407	1,999,408
Sewer	348,554	348,544
	5,788,182	8,721,973
Investment in tangible capital assets (note 10)	113,293,453	108,801,773
Total accumulated surplus	<u>\$ 119,081,635</u>	<u>\$ 117,523,746</u>

10. INVESTMENT IN TANGIBLE CAPITAL ASSETS

	2018	2017
Investment in tangible capital assets at beginning of year	\$ 108,801,773	\$ 107,904,848
Add: Acquisition of tangible capital assets	7,814,944	3,761,875
Reduction in long term debt	462,936	462,937
Less: Amortization	(3,197,854)	(3,230,333)
Net book value of tangible capital asset disposals	(17,900)	(97,554)
Tangible capital assets transferred to held for sale	(570,446)	-
Investment in tangible capital assets at end of year	<u>\$ 113,293,453</u>	<u>\$ 108,801,773</u>

TOWN OF QUALICUM BEACH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

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11. CONTINGENT LIABILITIES AND COMMITMENTS

- (a) Regional District - The Town is responsible, as a member of the Regional District of Nanaimo and of 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 trustees pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2017, the plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 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 as at December 31, 2015 indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The Town of Qualicum Beach paid \$378,638 for employer contributions to the plan in the fiscal year ended December 31, 2018.

The next valuation will be as at December 31, 2018, with results available in 2019.

Employers participating in the plan record their pension expenses 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. Contributions to the plan were as follows:

	2018	2017
Employer portion	\$ 378,638	\$ 368,730
Employee portion	334,085	324,990
	<u>\$ 712,723</u>	<u>\$ 693,720</u>

TOWN OF QUALICUM BEACH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

S7

11. CONTINGENT LIABILITIES AND COMMITMENTS (continued)

- (c) Municipal Finance Authority contingent demand notes - Under borrowing arrangements with the Municipal Finance Authority (MFA), the Town is required to lodge security by means of a demand note and an interest-bearing cash deposit based on the amount of the borrowing. As a condition of the borrowing, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. This deposit is included in the Town's financial assets and is held by the MFA as security against the possibility of debt repayment default. If the debt is repaid without default, the deposit is refunded to the Town. At December 31, 2018, there was a contingent demand note of \$212,517 (2017 - \$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) Other contingent liabilities consisting of routine claims will be accounted for as an expense in the period in which the costs are incurred. It is not possible to determine the Town's liability, if any, with respect to these other matters.

12. SEGMENT DISCLOSURE BY SERVICE

The Town of Qualicum Beach 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.

Transportation Services

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

TOWN OF QUALICUM BEACH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

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12. SEGMENT DISCLOSURE BY SERVICE (continued)

Environmental Services

Services related to the collection of garbage and chipping as well as environmental testing and monitoring. It also includes services related to the delivery of water, sanitary sewer removal and the planning and development and maintenance of the Town's water and 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 accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 1. For additional information see the Consolidated Schedule of Segment Disclosure by Service (Schedule D).

13. COMPARATIVE FIGURES

Certain 2017 comparative figures have been changed to reflect financial statement presentation adopted in the current year.

TOWN OF QUALICUM BEACH
CONSOLIDATED SCHEDULE OF REVENUES
YEAR ENDED DECEMBER 31, 2018

S8

SCHEDULE A
2017
Actual

	2018 Budget (unaudited)	2018 Actual	
NET TAXATION			
Taxes collected for municipal purposes			
General	\$ 8,493,637	\$ 8,493,786	\$ 8,122,352
Parcel tax - water	795,000	796,050	795,410
Parcel tax - sewer	163,000	163,135	162,995
1% utility tax	139,697	144,091	139,099
	<u>9,591,334</u>	<u>9,597,062</u>	<u>9,219,856</u>
Taxes collected for other government services			
Education	4,726,000	4,726,796	4,570,418
Regional District of Nanaimo	3,752,000	3,749,490	3,763,068
Nanaimo Regional Hospital District	506,000	506,327	492,343
Vancouver Island Regional Library	509,000	509,742	492,259
B.C. Assessment Authority	121,000	121,185	112,773
Municipal Finance Authority	1,000	573	494
	<u>9,615,000</u>	<u>9,614,113</u>	<u>9,431,355</u>
Less taxes paid to other governments	<u>(9,615,000)</u>	<u>(9,609,179)</u>	<u>(9,349,501)</u>
	<u>-</u>	<u>4,934</u>	<u>81,854</u>
Grants-in-lieu of taxes			
Federal government	14,700	14,155	15,563
Taxes paid to other governments	(7,000)	(7,140)	(7,986)
Fortis BC	53,000	53,097	53,034
B.C. Hydro	62,895	68,158	61,804
Permissive tax exemptions	134,990	134,880	123,264
	<u>258,585</u>	<u>263,150</u>	<u>245,679</u>
	<u>\$ 9,849,919</u>	<u>\$ 9,865,146</u>	<u>\$ 9,547,389</u>
WATER AND SEWER RATES			
Water user rates	\$ 1,163,650	\$ 1,316,473	\$ 1,301,878
Water connection fees	7,000	15,370	41,865
Sewer user rates	582,233	594,495	570,807
Sewer connection fees	7,000	7,500	21,000
	<u>\$ 1,759,883</u>	<u>\$ 1,933,838</u>	<u>\$ 1,935,550</u>
SALE OF SERVICES			
Public Works	\$ 34,000	\$ 26,930	\$ 63,396
Solid waste pickup	664,090	608,333	650,386
Cemetery	41,000	53,140	47,505
	<u>\$ 739,090</u>	<u>\$ 688,403</u>	<u>\$ 761,287</u>

TOWN OF QUALICUM BEACH
CONSOLIDATED SCHEDULE OF REVENUES (continued)
YEAR ENDED DECEMBER 31, 2018

S8

SCHEDULE A

	2018 Budget (unaudited)	2018 Actual	2017 Actual
OTHER REVENUE FROM OWN SOURCES			
Licences and permits	\$ 206,150	\$ 226,758	\$ 355,946
Leases and rentals	416,310	501,855	447,506
Interest on investments	45,000	199,283	124,279
Interest on property taxes	74,557	52,192	57,910
Miscellaneous - operating	60,000	196,052	233,307
Contributions and other	40,000	161,103	106,401
Airport services	208,258	144,626	202,040
Community Hall	32,502	30,061	29,287
Civic Centre	127,658	119,789	115,996
	<u>\$ 1,210,435</u>	<u>\$ 1,631,719</u>	<u>\$ 1,672,672</u>
GOVERNMENT TRANSFERS			
Operating			
Revenue sharing grants	\$ 467,000	\$ 463,789	\$ 462,725
Fire protection	103,325	118,565	105,000
Community parks and other	138,778	161,165	136,007
Other grants	13,000	11,868	11,317
	<u>722,103</u>	<u>755,387</u>	<u>715,049</u>
Capital			
Infrastructure	1,500,000	125,000	701,500
Federal gas tax revenue	425,000	438,968	424,051
	<u>1,925,000</u>	<u>563,968</u>	<u>1,125,551</u>
	<u>\$ 2,647,103</u>	<u>\$ 1,319,355</u>	<u>\$ 1,840,600</u>
OTHER CAPITAL REVENUE			
Gain (loss) on disposal of tangible capital assets	\$ -	\$ 196,860	\$ (40,144)
Developer contributions	-	874,519	198,640
	<u>\$ -</u>	<u>\$ 1,071,379</u>	<u>\$ 158,496</u>
TOTAL REVENUE	<u>\$ 16,206,430</u>	<u>\$ 16,509,840</u>	<u>\$ 15,915,994</u>
SUMMARY OF REVENUE			
Operating revenue	\$ 14,241,430	\$ 14,874,493	\$ 14,631,947
Capital and other revenue	1,965,000	1,635,347	1,284,047
	<u>\$ 16,206,430</u>	<u>\$ 16,509,840</u>	<u>\$ 15,915,994</u>

TOWN OF QUALICUM BEACH
CONSOLIDATED SCHEDULE OF EXPENSES
YEAR ENDED DECEMBER 31, 2018

S9
SCHEDULE B

	<u>2018 Budget (unaudited)</u>	<u>2018 Actual</u>	<u>2017 Actual</u>
GENERAL GOVERNMENT SERVICES			
Legislative	\$ 132,000	\$ 132,000	\$ 129,000
Grants-in-aid	220,588	224,975	209,312
Office and ground maintenance	180,600	131,877	150,145
Administrative	1,358,156	1,312,173	1,263,073
Other	<u>116,374</u>	<u>160,642</u>	<u>105,114</u>
	2,007,718	1,961,667	1,856,644
Fiscal services	26,000	17,938	19,731
Amortization of tangible capital assets	<u>62,000</u>	<u>57,667</u>	<u>62,815</u>
	<u>\$ 2,095,718</u>	<u>\$ 2,037,272</u>	<u>\$ 1,939,190</u>
PROTECTIVE SERVICES			
RCMP	\$ 1,365,000	\$ 1,164,344	\$ 1,216,428
Fire department	790,101	830,005	793,348
Other	<u>409,907</u>	<u>412,276</u>	<u>400,484</u>
	2,565,008	2,406,625	2,410,260
Fiscal services	81,000	80,725	83,328
Amortization of tangible capital assets	<u>130,000</u>	<u>129,898</u>	<u>131,029</u>
	<u>\$ 2,776,008</u>	<u>\$ 2,617,248</u>	<u>\$ 2,624,617</u>
TRANSPORTATION SERVICES			
Public Works administration and yard	\$ 770,000	\$ 868,177	\$ 751,925
Roads and drainage	873,849	808,844	904,193
Airport	407,257	550,116	454,724
Less fuel sales	(229,124)	(372,546)	(254,547)
Street lighting	183,353	194,342	183,783
Equipment operating costs	<u>561,752</u>	<u>574,579</u>	<u>528,463</u>
	2,567,087	2,623,512	2,568,541
Fiscal services	-	45,068	-
Amortization of tangible capital assets	<u>2,337,000</u>	<u>2,337,184</u>	<u>2,357,527</u>
	<u>\$ 4,904,087</u>	<u>\$ 5,005,764</u>	<u>\$ 4,926,068</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste removal	\$ 552,847	\$ 622,239	\$ 533,517
Solid waste landfill	7,000	16,871	5,268
Other solid waste	<u>53,812</u>	<u>81,017</u>	<u>43,214</u>
	<u>\$ 613,659</u>	<u>\$ 720,127</u>	<u>\$ 581,999</u>

TOWN OF QUALICUM BEACH
CONSOLIDATED SCHEDULE OF EXPENSES (continued)
YEAR ENDED DECEMBER 31, 2018

S9

SCHEDULE B
2017
Actual

	2018 Budget (unaudited)	2018 Actual	
WATER SERVICES			
Water maintenance	\$ 1,097,322	\$ 1,051,821	\$ 939,169
Amortization of tangible capital assets	<u>358,000</u>	<u>358,726</u>	<u>361,848</u>
	<u>\$ 1,455,322</u>	<u>\$ 1,410,547</u>	<u>\$ 1,301,017</u>
SEWER SERVICES			
Sewer maintenance	\$ 255,611	\$ 208,709	\$ 275,298
Amortization of tangible capital assets	<u>150,000</u>	<u>150,661</u>	<u>151,972</u>
	<u>\$ 405,611</u>	<u>\$ 359,370</u>	<u>\$ 427,270</u>
PUBLIC HEALTH SERVICES			
Cemetery	<u>\$ 48,000</u>	<u>\$ 51,987</u>	<u>\$ 48,535</u>
PLANNING AND DEVELOPMENT SERVICES			
Planning and zoning	\$ 336,200	\$ 342,841	\$ 332,699
Community development	<u>528,631</u>	<u>560,557</u>	<u>482,140</u>
	<u>\$ 864,831</u>	<u>\$ 903,398</u>	<u>\$ 814,839</u>
PARKS AND RECREATION SERVICES			
Recreation	\$ 19,000	\$ 12,375	\$ 15,054
Community Hall	62,758	33,693	53,935
Civic Centre	325,086	326,366	282,965
Parks buildings	83,346	94,707	110,620
Beach maintenance	70,138	135,254	63,650
Parks and landscaping	<u>1,009,611</u>	<u>1,080,125</u>	<u>901,095</u>
	1,569,939	1,682,520	1,427,319
Amortization of tangible capital assets	<u>163,000</u>	<u>163,718</u>	<u>165,142</u>
	<u>\$ 1,732,939</u>	<u>\$ 1,846,238</u>	<u>\$ 1,592,461</u>
TOTAL EXPENSES	<u>\$ 14,896,175</u>	<u>\$ 14,951,951</u>	<u>\$ 14,255,996</u>
SUMMARY OF EXPENSES			
Operating costs	\$ 11,589,175	\$ 11,610,366	\$ 10,922,604
Fiscal services	107,000	143,731	103,059
Amortization of tangible capital assets	<u>3,200,000</u>	<u>3,197,854</u>	<u>3,230,333</u>
	<u>\$ 14,896,175</u>	<u>\$ 14,951,951</u>	<u>\$ 14,255,996</u>

TOWN OF QUALICUM BEACH
SCHEDULE OF RECEIPTS AND DISBURSEMENTS OF GAS TAX AGREEMENT
YEAR ENDED DECEMBER 31, 2018

S10
SCHEDULE C

	<u>2018</u>	<u>2017</u>
Gas Tax Agreement Funds		
Opening balance	\$ (485,557)	\$ (909,608)
Add: Amount received during the year	438,968	424,051
Less: Amount spent on projects	<u>-</u>	<u>-</u>
	<u>\$ (46,589)</u>	<u>\$ (485,557)</u>

Federal gas tax funding is 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. Gas tax funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements.

TOWN OF QUALICUM BEACH
CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY SERVICE
DECEMBER 31, 2018

S11
SCHEDULE D

2018	Consolidated	General Government Services	Protective Services	Transportation Services	Environmental Services	Planning and Development Services	Parks and Recreation Services
Revenue							
Net taxation	\$ 9,865,146	\$ 8,905,961	\$ -	\$ -	\$ 959,185	\$ -	\$ -
Sale of services	2,622,241	-	-	25,517	2,595,310	-	1,414
Other operating revenue	1,631,719	783,143	306,358	267,930	-	86,639	187,649
Government transfers	1,319,355	419,533	162,821	50,000	450,836	-	236,165
Gain on disposal of assets	196,860	196,860	-	-	-	-	-
Other capital revenue	874,519	-	-	874,519	-	-	-
	<u>16,509,840</u>	<u>10,305,497</u>	<u>469,179</u>	<u>1,217,966</u>	<u>4,005,331</u>	<u>86,639</u>	<u>425,228</u>
Expenses							
Wages and salaries	6,129,313	1,040,822	871,525	1,496,967	1,036,001	368,524	1,315,474
Goods and services	5,481,053	920,845	1,535,100	1,126,545	996,643	534,874	367,046
Amortization	3,197,854	57,667	129,898	2,337,184	509,387	-	163,718
Fiscal services	143,731	17,938	80,725	45,068	-	-	-
	<u>14,951,951</u>	<u>2,037,272</u>	<u>2,617,248</u>	<u>5,005,764</u>	<u>2,542,031</u>	<u>903,398</u>	<u>1,846,238</u>
Annual surplus (deficit)	<u>\$ 1,557,889</u>	<u>\$ 8,268,225</u>	<u>\$ (2,148,069)</u>	<u>\$ (3,787,798)</u>	<u>\$ 1,463,300</u>	<u>\$ (816,759)</u>	<u>\$ (1,421,010)</u>

TOWN OF QUALICUM BEACH
CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY SERVICE (continued)
DECEMBER 31, 2018

S11
SCHEDULE D

2017	Consolidated	General Government Services	Protective Services	Transportation Services	Environmental Services	Planning and Development Services	Parks and Recreation Services
Revenue							
Net taxation	\$ 9,547,389	\$ 8,588,984	\$ -	\$ -	\$ 958,405	\$ -	\$ -
Sale of services	2,696,837	-	-	52,766	2,642,312	-	1,759
Other operating revenue	1,672,672	687,894	492,258	262,340	-	79,797	150,383
Government transfers	1,840,600	418,015	149,710	701,500	435,368	-	136,007
Loss on disposal of assets	(40,144)	(40,144)	-	-	-	-	-
Other capital revenue	198,640	-	-	198,640	-	-	-
	<u>15,915,994</u>	<u>9,654,749</u>	<u>641,968</u>	<u>1,215,246</u>	<u>4,036,085</u>	<u>79,797</u>	<u>288,149</u>
Expenses							
Wages and salaries	5,852,314	1,023,968	989,351	1,382,803	962,075	357,367	1,136,750
Goods and services	5,070,290	832,676	1,420,909	1,185,738	882,926	457,472	290,569
Amortization	3,230,333	62,815	131,029	2,357,527	513,820	-	165,142
Fiscal services	103,059	19,731	83,328	-	-	-	-
	<u>14,255,996</u>	<u>1,939,190</u>	<u>2,624,617</u>	<u>4,926,068</u>	<u>2,358,821</u>	<u>814,839</u>	<u>1,592,461</u>
Annual surplus (deficit)	<u>\$ 1,659,998</u>	<u>\$ 7,715,559</u>	<u>\$ (1,982,649)</u>	<u>\$ (3,710,822)</u>	<u>\$ 1,677,264</u>	<u>\$ (735,042)</u>	<u>\$ (1,304,312)</u>

TOWN OF QUALICUM BEACH
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
DECEMBER 31, 2018

S12
SCHEDULE E

	Land	Buildings	Equipment	Water	Sewer	Drainage	Roads	Other	WIP	Parks	Total
COST											
Opening Balance (Jan 1, 2017)	\$ 34,025,924	\$ 29,382,503	\$ 5,304,456	\$ 14,658,446	\$ 9,599,220	\$ 18,156,194	\$ 42,127,960	\$ 18,895,651	\$ 1,623,636	\$ 1,473,928	\$ 175,247,918
2017 Additions	-	484,526	306,680	211,460	7,150	1,238,082	1,606,711	940,339	(1,033,073)	-	3,761,875
2017 Disposals	-	(12,502)	(146,670)	(26,012)	-	(21,219)	(143,997)	(3,668)	-	-	(354,068)
Closing Balance (Dec 31, 2017)	34,025,924	29,854,527	5,464,466	14,843,894	9,606,370	19,373,057	43,590,674	19,832,322	590,563	1,473,928	178,655,725
2018 Additions	4,134,142	488,747	213,241	538,100	61,600	795,371	222,768	308,542	872,152	180,281	7,814,944
2018 Disposals	(17,900)	-	(63,096)	-	-	-	-	-	-	-	(80,996)
2018 Transfers	198,068	(230,312)	-	-	-	-	-	-	-	-	(32,244)
2018 Assets held for sale	(570,446)	-	-	-	-	-	-	-	-	-	(570,446)
Closing Balance (Dec 31, 2018)	37,769,788	30,112,962	5,614,611	15,381,994	9,667,970	20,168,428	43,813,442	20,140,864	1,462,715	1,654,209	185,786,983
ACCUMULATED AMORTIZATION											
Opening Balance (Jan 1, 2017)		8,515,468	3,217,221	5,422,689	5,033,988	6,660,596	24,719,668	8,651,207	-	955,805	63,176,642
2017 Amortization		624,965	297,955	211,977	160,106	335,741	1,169,008	395,637	-	34,944	3,230,333
2017 Disposals		(7,016)	(94,496)	(14,492)	-	(16,913)	(120,654)	(2,943)	-	-	(256,514)
Closing Balance (Dec 31, 2017)		9,133,417	3,420,680	5,620,174	5,194,094	6,979,424	25,768,022	9,043,901	-	990,749	66,150,461
2018 Amortization		627,692	300,693	219,665	161,133	348,997	1,096,322	401,197	-	42,155	3,197,854
2018 Disposals		-	(63,096)	-	-	-	-	-	-	-	(63,096)
2018 Transfers		(32,244)	-	-	-	-	-	-	-	-	(32,244)
Closing Balance (Dec 31, 2018)		9,728,865	3,658,277	5,839,839	5,355,227	7,328,421	26,864,344	9,445,098	-	1,032,904	69,252,975
Net Book Value (Dec 31, 2017)	\$ 34,025,924	\$ 20,721,110	\$ 2,043,786	\$ 9,223,720	\$ 4,412,276	\$ 12,393,633	\$ 17,822,652	\$ 10,788,421	\$ 590,563	\$ 483,179	\$ 112,505,264
Net Book Value (Dec 31, 2018)	\$ 37,769,788	\$ 20,384,097	\$ 1,956,334	\$ 9,542,155	\$ 4,312,743	\$ 12,840,007	\$ 16,949,098	\$ 10,695,766	\$ 1,462,715	\$ 621,305	\$ 116,534,008