

2023

Annual Report



District of Peachland
British Columbia, Canada



For fiscal year ending
December 31, 2023



2023

ANNUAL REPORT

For the fiscal year ending December 31, 2023
Prepared by the Financial Services and
Corporate Services Departments with
contributions from across the organization.



District of Peachland
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Peachland, BC,
Canada
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www.peachland.ca

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About Peachland

Peachland sits on the west side of Okanagan Lake in the beautiful Central Okanagan, British Columbia, Canada. It is approximately 25 km south of Kelowna, 40 km North of Penticton, 380 km East of Vancouver and 130 km North of the U.S. border.

Our vibrant and growing hillside and lakefront community is home to 6,380 people. Peachland features a three-kilometre waterfront trail, the Okanagan's only lifeguarded swimming park, a bustling business community and countless natural recreational opportunities.

No matter the season, Peachland draws visitors from around the world to soak up the sunny days surrounded by breathtaking scenic trails, beaches and hillsides of orchards and vineyards.

Peachland Council and Staff respectfully acknowledge that the District of Peachland is on the traditional territory of the Syilx/Okanagan People.



Mayors Message

After adopting our Strategic Priorities early in the year, Council and staff were able to focus their efforts on achieving the goals. I spent much of the year speaking directly with provincial and federal representatives. I am spending this important time emphasizing that Peachland may be smaller than other communities in the Central Okanagan, but we face many of the same pressures and challenges as our larger neighbours. We do not, however, have the diversified tax base we need to ensure our financial resiliency and our climate resiliency. We need the help of other levels of government to achieve this and not just when we face emergencies like the Glen Lake wildfire.

I believe we are close to partnering with other levels of government on some important changes in Peachland. Meanwhile we are undertaking our own asset management, reviewing our sewer, water and road infrastructure to help plan for the future. We are engaging with more and more citizens in a variety of ways and we will see some interesting development happening in our community in 2024 thanks to some key work underway now to achieve compliance with new provincial zoning legislation.

OUR MISSION

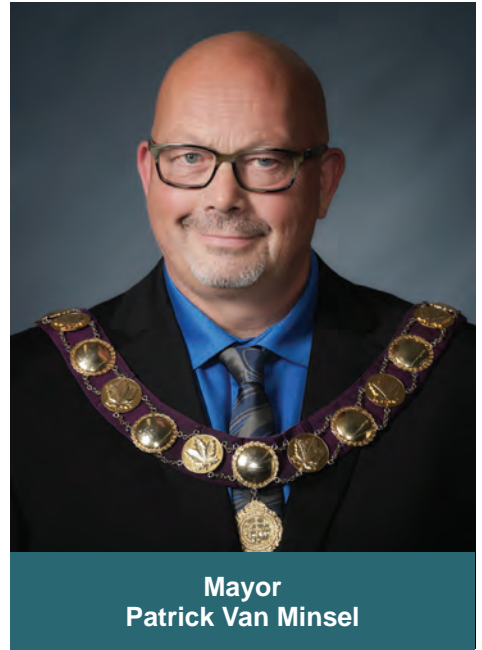
To provide our taxpayers, residents and businesses with affordable quality services and to keep them apprised and engaged in the District affairs by conducting ourselves in a transparent way.

OUR VISION

Peachland's celebration of people and place attracts a diversity of residents and visitors to a collection of healthy sustainable neighbourhoods.

In 2040, Peachland is a diverse, healthy, sustainably-developed, inter-generational community with a quaint, lively downtown where people live, work and play. Peachland embraces its natural surroundings through recreation and preservation, attracting a diversity of residents and visitors.

Citizens are engaged in protecting the beauty of the lake and beach, developing a safe community that embraces multi-modal transportation and responsible growth and development that maintains the small-town character and preserves the environment.

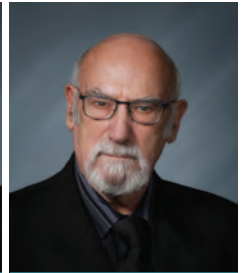


Mayor
Patrick Van Minsel

Peachland Council 2022-2026



Councillor
Rick Ingram



Councillor
Terry Condon



Councillor
Alena Glasman



Councillor
Dave Collins



Councillor
Randy Brophy



Councillor
Keith Thom

OUR STRATEGIC PRIORITIES

-  **FISCAL RESPONSIBILITY**
-  **VIBRANT DOWNTOWN**
-  **INFRASTRUCTURE IMPROVEMENTS**
-  **GOOD GOVERNANCE**
-  **INCREASE HOUSING CHOICE**

Contact Council
council@peachland.ca
250-767-2647

2023 Council Highlights

PSSS Phase II

Council approved the next step in the development of the second phase of the affordable housing project on 6th Street in downtown Peachland. Council gave third readings to Official Community Plan and Zoning Amendment Bylaws for Phase II of the housing project which will provide 73 units in a new building at 4555 6th Street on land donated by the District of Peachland. The first phase, the Residences at 445 6th Street, opened in 2019 and was the result of a partnership between Peachland and the provincial and federal governments. It provides 74 apartments for seniors and people with disabilities at an affordable rent. Council achieved significant cost savings when it chose to reconsider Phase II of the project, ensuring the municipality's taxpayers not be entirely on the hook for the Development Cost Charges and that parking demand would be managed through a long-term parking management plan.



Growing Communities Fund

In April, Peachland received a \$2.7 million grant from the Provincial Growing Communities Fund, intended to support the delivery of infrastructure projects necessary to enable community growth. Council agreed to fund the following community projects in 2024:

- Road Improvements
- Turner Park Upgrades
- Sanderson Dog Park
- Recreation Facilities
- Childcare Facility
- Westside Trail

New Committees

Early in the year, Council created three new committees; the Downtown Revitalization Task Force, the Peachland Climate Sustainability and Resiliency Task Force and the Accessibility Advisory Committee. The short-term Downtown Revitalization Task Force will help guide the development of the *Downtown Revitalization Implementation Strategy* and oversee the Complete Communities Assessment. The Climate Sustainability and Resiliency Task Force will assist Council in being environmental stewards and improving community resiliency by preparing for climate change and advise Council on the development of a *Climate Sustainability and Resiliency Action Plan*, to be completed by December 1, 2024. The Accessibility Advisory Committee will help develop a plan that will outline strategies and actions to improve accessibility and inclusivity in Peachland. The plan will focus on ensuring that individuals with disabilities have equal access to facilities, services and opportunities within the community. Council thanks all committee volunteers for their generous donation of time.



2023 Council Highlights



Remembrance Day Ceremony
Peachland Elementary School



Peachland Warriors Night
Sold out crowd at Royal LePage Place



"On behalf of Peachland Council, I extend our heartfelt condolences to those in our community, and indeed, our country, who are impacted by the harms of the residential school system and offer our promise to continue to seek the truth, to not shy away from dismantling systemic discrimination, and to do what we can towards true reconciliation." - Mayor Patrick Van Minsel, September 30, 2023.

2024 Municipal Conferences



2023 Civic Award Winners



Citizen of the Year – MADELEINE NIXON
Long-time, dedicated volunteer with multiple Peachland organizations.



Youth Citizen of the Year
OLIVIA GEMPERLE



Mayor's Award of Merit
VINCE BOYKO



Unsung Hero Award
SHEILA KERR



Councillors' Award of Merit
MOIRA BAXTER



50th Wedding Anniversary
WAYNE & MARY POWER



Lifetime Service Award - 25 Years
DARLENE HARTFORD



**Excellence in
Community
Accessibility**
**RICK
HORVATH**



**Excellence in
Seniors'
Physical
Fitness**
KAY MUIR



**Excellence in
Visionary
Leadership**
**MURRAY
WOOD**



**Excellence in
Environment and
Conservation**
**PEACHLAND
WATERSHED
PROTECTION
ALLIANCE**



**Excellence in
Health Promotion**
**JUBI STEINHAUER
& SARAH
KENDRICK**



**Excellence in
Community
Inclusion**
**PAM
COLLINGWOOD**



**Excellence in
Volunteerism**
**ALEXANDRA
MORRISON**



**Excellence
in Arts**
**JANET
HORNSETH**



**Excellence in
Dedication
and Service**
**MICK
ARMSTRONG**

2023 Community Highlights

Glen Lake Wildfire

On September 17, 2023, while the community was supporting the emergency response to the nearby McDougall Creek Wildfire, Peachland homes and livelihoods were threatened by the Glen Lake Wildfire. All residences were put on Evacuation Alert until September 28 when the fire was deemed under control.



Our Peachland Open House

Council hosted the Our Peachland Open House and Barbecue on June 8, an event attended by over 400 people. Peachlanders talked to Mayor, Councillors and staff and took part in fun public consultation activities. Regional partner programs and community groups were included and all attendees were treated to free food, games and giveaways. A Mayor's Address highlighted Council's strategic goals. Council will make this an annual event.

Historic Schoolhouse on Beach Ave

With the relocation of the Visitor Centre (Page 9), Council agreed to lease the Historic Schoolhouse to three non-profits and provided a startup grant for OUR SPACE, a collaborative of the Peachland Community Arts Council, the Okanagan Folk School and BEEPS (Bat Education and Ecological Protection Society). OUR SPACE is expected to offer a wide range of arts, music, culture and ecology programming to the whole community beginning in 2024.



Peachland Classic Car Show

After news that the World of Wheels car show organizers were moving the event to another community in 2024, Council threw its support behind the Peachland Chamber of Commerce which agreed to host an annual car show on the May long weekend in 2024. The Peachland Classic Car Show, to take place May 19, 2024, will be the 25th annual car show to shine in Peachland.

2023 Community Highlights



Murals Brighten Peachland

The Making Waves Mural Festival brightened the landscape of Peachland again in 2023 with a beautiful mural of a mother fox and her kits, painted by artist Shelby Willis, that now graces the wall of the Peachland Firehall. The fox represents FireSmart, and was suggested by Fire Chief Dennis Craig. A second mural, by artist Jean Bradbury, is planned for the wall of 4th Street Place.

New Community Garden

Council approved a request from the Peachland Wellness Centre to build and operate an intergenerational community garden on the south side of the Historic Schoolhouse on Beach Avenue. Community gardening provides a way for a wide cross section of locals to practice a timeless craft in a safe and welcoming neighbourhood setting. The former site of the Peachland Wellness Centre's garden was vacated to make way for the Peachland Seniors Support Society affordable housing project.



Shape of the Lake

A new sculpture now graces the entrance to the Historic Schoolhouse. Artists Vicky Molloy (Sculpture Design/Painting) and Terry Moore (Painting) (pictured right with Mayor Van Minsel) created the work to celebrate Salmon and Water. The project was sponsored by the Peachland Community Arts Council.



Visitor Centre Moves to Museum

Peachland Council approved an agreement with the Peachland Historical Society to operate the Visitor Centre in the Peachland Museum at 5890 Beach Avenue beginning in 2024. The move will create important efficiencies in providing two core municipal services to the community. The museum is slated to undergo critical structural upgrades during Spring 2024 and will reopen to the public when complete. The move of the Visitor Centre was prompted after the Peachland Community Arts Council advised it would not be renewing the contract to operate the Visitor Centre from the Historic Schoolhouse.



Message from the CAO

Again in 2023, the staff of the District of Peachland impressed me with their talents, tenacity and professionalism. Our focus on achieving Council's strategic goals was never lost despite some external pressures, including facing one of the worst wildfire seasons BC has ever seen and surprising new planning legislation.

Staff helped Council establish new committees, sought and received grant funding for key projects, launched Turner Park upgrades and completed the Swim Bay flood remediation. We conducted complex negotiations on behalf of Council seeking mutually-beneficial agreements and innovation, and we engaged with the public like never before with a dedicated communications function.

We continued to dig deep into the way we are doing things in all aspects of our organization, seeking to improve timelines and streamline process.

Read through the achievements of staff on the following pages. These are just some highlights of the work we do as we try to make the District of Peachland even more wonderful.



Leadership Team



Cory Labrecque
Director of
Community
Services



Jennifer Sawatzky
Director of
Corporate
Services



Garry Filafilo
Chief Financial
Officer



Ian Cummings
Fire Chief
Peachland Fire &
Rescue



Jason Sandberg
Director of
Infrastructure &
Engineering

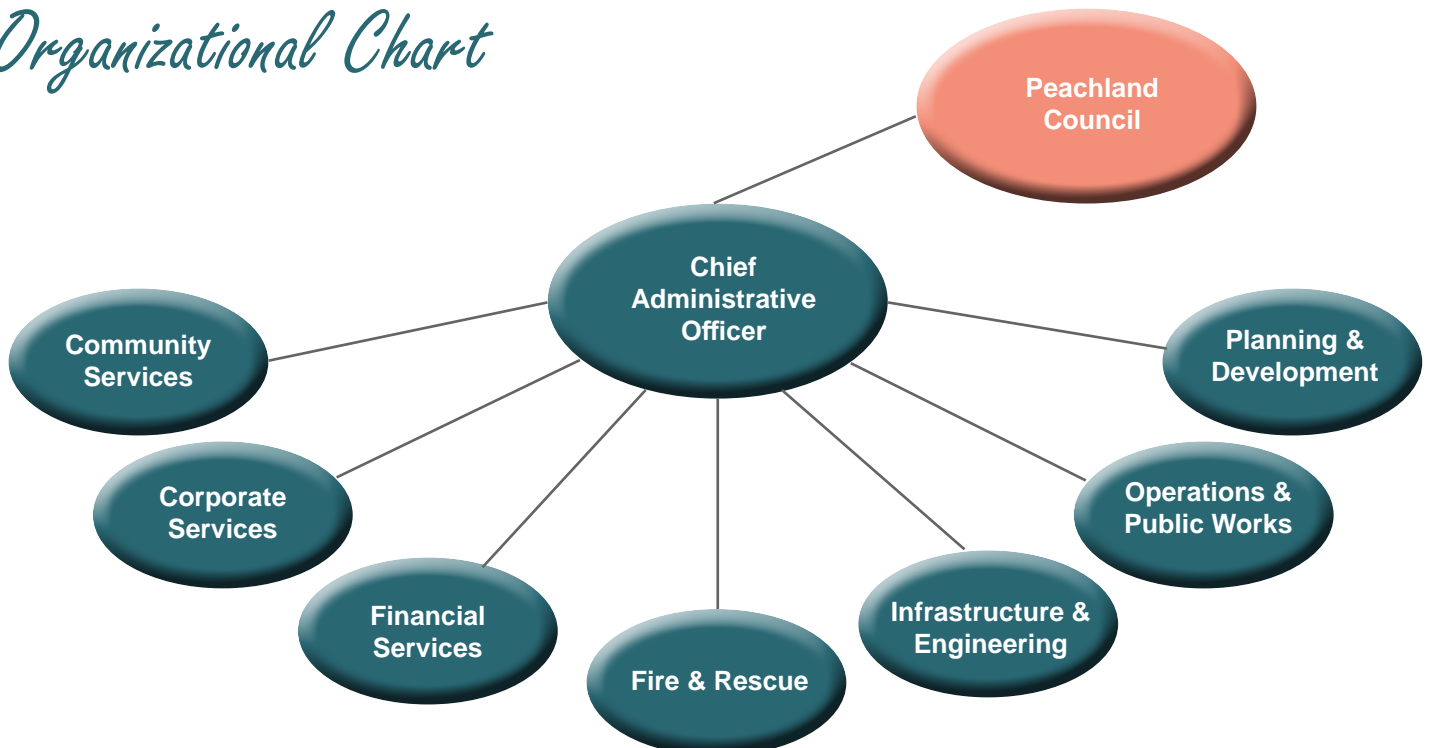


Shawn Grundy
Director of
Operations &
Public Works



Darin Schaal
Director of
Planning &
Development

Organizational Chart





*Departmental
Achievements*

Community Services plays an important role in the quality of life for citizens of all ages and abilities. Using Peachland's beautiful indoor and outdoor spaces, the Department offers year-round recreation services and special events. Fostering partnerships with local and regional service providers ensures residents are provided abundant opportunities to be healthy and active, socially connected and feel a sense of belonging. The Department administers facility, park and field reservations, special events, recreational programs and lifeguard services at Swim Bay. Community Services is actively engaged in ensuring quality leisure services are offered in Peachland.

- **Special Projects**
- **Parks and Facilities Planning**
- **Recreation Planning**
- **Program Administration**
- **Facilities Administration**
- **Special Events**
- **Non-Profit Liaison**
- **Grants**
- **Parks & Facilities Maintenance**
- **Economic Development**

BY THE NUMBERS

300+

Recreation Programs

11

Community Events

6,000

Canada Day Attendees

350+

People Taught to Swim

3,000+

Recreation Participants

Community Services Highlights

ChildCareBC New Spaces Fund

The Department continued to pursue a childcare facility in Peachland in line with Council's strategic goals. Council authorized the Department to apply for funding through the ChildCareBC News Spaces Fund.

Jays Care Foundation Field of Dreams Grant

The District received a \$37,985 grant through the Jays Care Foundation Field of Dreams program. The money is helping fund the Turner Park Upgrade. The District hosted an announcement event at the Peachland Community Centre on April 30, 2023 and learned it was one of 15 winners across Canada to receive a grant. With those funds, Turner Park's baseball dugouts, backstop and perimeter fencing were upgraded and new bleachers were purchased.

Active Transportation Plan

Council approved the 2023 Active Transportation Network Plan as a guiding framework for future improvements to Peachland's pedestrian and cycling infrastructure. The District received grant funding from the BC Active Transportation Grant Program to develop the plan and will implement recommendations as funding opportunities arise and development occurs.

BC Active Transportation Grant

The Department oversaw the application for funding through the BC Active Transportation Infrastructure Grant program for up to \$500,000 to construct the Peachland to West Kelowna Multi-Use Trail. Council set aside a portion of the Growing Communities Fund in its 2024 budget for the proposed 2.8 km trail that starts just north of the intersection of Highway 97 and Buchanan Road and ends near the Seclusion Bay underpass in West Kelowna. It will provide a safe, protected multi-use pathway, allowing essential active transportation between the two communities.

Canada Day Celebration

Despite windy conditions, the 2023 fireworks show was a success, launched safely from a barge out on Okanagan Lake. Overseen by Peachland firefighters, the show wowed the crowd of 5,000+ along Beach Avenue, capping a full day of celebratory events. Highlights of the 2023 event included a parade, pancake breakfast, vendors, family friendly concerts and entertainment in Heritage Park that kept the crowds dancing into the evening.

Swim Bay Lifeguarding

The Lifeguards returned to Swim Bay in Peachland with new hours of operation. The schedule was changed slightly due to limited staff, but was concentrated to focus on weekend hours. Peachland's Swim Bay is the only lifeguarded public park on Okanagan Lake. When the lifeguards are on duty, the entire park at 6th Street is open and includes a zipline, rope swing and a high diving board. When there is no guard on duty, the zipline, rope swing and diving board are closed.

Community Services 2024 Objectives

- Support the Peachland Seniors Support Society Phase 2 Affordable Housing construction.
- Advance the Westside Trail project.
- Implement strategic facility and staffing enhancements to ensure that Swim Bay continues to operate as a safe and enjoyable family-oriented recreational destination for 10,000+ local and out-of-town visitors.
- Support an increased demand for family-friendly events in the downtown area through strategic infrastructure improvements and staff support at Heritage Park and the Peachland Community Centre.
- Support the Peachland Historical Society in establishing Peachland's new Visitor Information Centre.
- Seek community input to increase customer-oriented offerings and uptake for all ages and abilities, including family-friendly programs and special events.
- Collaborate with community groups in planning and implementing intergenerational community gardening opportunities that highlight sustainable gardening practices.
- Develop and implement sponsorship and rental program to generate revenue and increase access to a new portable Community Stage.
- Continue to advance Turner Park planning and improvements.



Polar Bear Swim, January 1 at Swim Bay



Corporate Services works closely with Council to provide the necessary information and tools to promote effective decision making in an open, accountable and professional manner. The department strives to provide accessible, friendly and effective procedures to assist with the flow of information and communication between Council and constituents. Corporate Services oversees the management of District bylaws, policies and procedures. The Department also oversees human resources and labour relations, manages Freedom of Information and privacy programs, corporate communications and all municipal electoral processes and administers the Peachland Cemetery.

- **Legislative Services**
- **Council Support**
- **Council Committee Support**
- **Meeting Management**
- **Policies & Procedures Bylaws**
- **Communications**
- **Records Management**
- **Municipal Elections**
- **Human Resources**
- **Freedom of Information**

BY THE NUMBERS

63

Council Meetings

153

Council Resolutions

7

FOI Requests

678

E-news Subscribers

39

News Releases

42

Municipal Employees

Corporate Services Highlights

Committee Members Secured

The Department oversaw the administration of three new committees created by Council, the Downtown Revitalization Task Force, the Climate Sustainability/Resiliency Task Force and the Accessibility Advisory Committee. This included developing Terms of Reference and calling for volunteers to be recommended to Council.

How Accessible is Peachland?

The Department developed a community-wide survey for the Accessibility Advisory Committee, asking residents “How Accessible is Peachland?” The results of the survey will be considered as the committee develops an action plan to help make Peachland more accessible for all its residents.

Code of Conduct

New legislative requirements of the Community Charter prompted the development of a Code of Conduct Bylaw. The Department began the process of updating Peachland Council’s current code of Conduct Bylaw, adopted in 2020. The new bylaw, to be complete in 2024, will include guidance specifically relating to conduct issues and complaint and resolution procedures.

Council Remuneration and Expense Policy

Corporate Services developed an updated Council Remuneration and Expense Policy, replacing the 2018 policy, which now encompass all aspects of Council’s pay and expenses and to provide an oversight process for expenditures by elected officials. The policy sets base salaries, benefits, per diems and allowances. It also sets spending limits for Council members when traveling and attending to Council business outside of District boundaries and establishes a process for claiming expenses.

Communications & Grants Function

The Department oversaw the development of a corporate communications and grants coordination function with the hiring of a coordinator as approved by Council in the 2023 budget. Communications staff developed an intranet for staff, conducted a website audit, initiated a grants administration program, promoted email subscription and instituted formal corporate communications processes.

Corporate Services 2024 Objectives

- Coordinate update of achievements related to Council's Strategic Plan.
- Plan and host a comprehensive public open house on District initiatives and services.
- Work to update the New Employee Orientation procedure.
- Begin negotiations for a new collective agreement with District unionized employees.
- Finalize a Code of Conduct Policy for Council's consideration.
- Continue consolidation of permanent records and source a new location for file archives.
- Review corporate policies for effectiveness.
- Review Freedom of Information and Protection of Privacy policy for the District to ensure compliance.
- Conduct a Citizens' Survey, polling residents about municipal services.
- Develop a Fees and Charges bylaw for the organization.
- Implement a Strategic Communications Plan
- Develop a Visual Standards Guide and update the District's website.



The Finance Department serves to monitor, control and allocate financial resources in order to achieve the long term goals and objectives of the District. Some of the specific functions performed by Financial Services include revenue collection, vendor payments for invoices, maintaining property tax assessment roll information, establishing annual municipal tax rates, preparing five-year capital and operating plans and processing approved grant application requests. The Department also completes the required financial activities as legislated in the Local Government Act and the Community Charter which includes filing of Bylaws, Audited Financial Statements and expenditure reports.

- Financial Reporting
- Financial Planning
- Financial Accounting
- Budgeting
- Accounts Payable
- Accounts Receivable
- Payroll
- Taxation
- Utility Billing
- Information Technology
- Risk Management
- Customer Service

BY THE NUMBERS

2,988

Property Tax Notices Issued

10,748

Utility Invoices Issued

248

Dog Licences Issued

Financial Services Highlights

Revenue Generation

The Department led a Council workshop in July to discuss potential initiatives that could generate more revenue for the municipality. Several topics were discussed and Council agreed to request administration prepare a report with more information on instituting accommodation and tourism taxes and fees for parking and boat launch use.

Introducing Parcel Tax Changes

The Department recommended significant changes to Peachland's Parcel Taxes for the 2024 Budget. Parcel taxes are flat rates on properties in a particular service area. The tax is levied per parcel, no matter the size of the property. Parcel taxes are set for a finite period, usually for a specific project or service. Property taxes, on the other hand, are levied based on the assessed value of a property. Your taxes vary depending on the value of your property. For years, Peachland has been collecting parcel taxes for asset renewal or capital expenditures for sewer or water infrastructure. Prudent long-term planning dictates that infrastructure accommodate current and future users, with all taxpayers contributing towards maintenance and replacement. In 2024, the General Capital Asset Renewal, Sewer Capital Asset Renewal, Water Capital Asset Renewal and Water Capital Improvement parcel taxes will be transferred to General Taxes for 2024 and parcel taxes will decrease in 2024 from 2023 by approximately \$115.

Civic Grants

The Department oversaw the distribution of \$76,150 in 2023 Civic Grants to Peachland Community Groups, distributed as follows:

- \$8,000 to the Peachland Ambassador Society
- \$16,000 to the Peachland Historical Society
- \$10,000 to the Peachland 50+ Centre
- \$1,750 to the Community Policing
- \$2,400 to the Peachland Citizens Patrol
- \$15,000 to the Peachland Community Arts Council
- \$15,000 to the Peachland Wellness Centre
- \$3,000 to the Peachland Fall Fair
- \$1,000 to the Bat Education & Ecological Protection Society
- \$1,000 to the Peachland Watershed Protection Alliance
- \$3,000 to the Okanagan Folk School Society

Financial Services 2024 Objectives

- Conduct a review of internal controls.
- Conduct policy reviews to ensure effectiveness.
- Update finance transaction procedure documentation.
- Consider new revenue generating opportunities such as Municipal Regional District Tax.
- Assist with review of water rates.

	Your Property's Value Change	Property Tax Impact
1.	 LOWER than Average Change for Property Class	Taxes Likely * DECREASE
2.	 SIMILAR to the Average Change for Property Class	Taxes Likely * DO NOT CHANGE
3.	 HIGHER than Average Change for Property Class	Taxes Likely * INCREASE



Peachland Fire & Rescue Services provides 24-hour fire and emergency response for the District of Peachland.

With the exception of a Chief and Deputy Chief, the department consists entirely of paid-on-call firefighters. These dedicated personnel respond from home or work 24 hours a day, seven days a week when emergency calls. The 40 POCs train weekly and are on call throughout the year. In 2022 Peachland firefighters participated in over 2,903 hours of training and over 5,418 person hours of emergency response. The Department provides public education on fire safety.

- Fire Services
- Fuel Reduction
- Emergency Operations Centre
- Occupational Healthy & Safety
- Risk Management

BY THE NUMBERS

40

Volunteer Firefighters

99

FireSmart Yard Inspections

57

FireSmart Yard Waste Vouchers Distributed

9.3

Hectares of Fuel Modification

Fire & Rescue Highlights

Pigeon Creek, Glen Lake & Regional Wildfires

On June 4, the community watched as BC Wildfire fought the Pigeon Creek Wildfire burning 6.5 kilometers west of Peachland. With the entire province facing the most destructive wildfire season in BC's recorded history, the department was soon supporting the regional emergency response to several wildfires in the Central Okanagan. The largest by far was the McDougall Creek Wildfire which began on August 17, grew to 13,500 hectares in size, forced the evacuation of 35,000 people and destroyed 190 buildings. During the response to this immense fire, a lightning strike caused a wildfire near Glen Lake and the entire community of Peachland was put on Evacuation Alert. Emergency plans were engaged and protective fire apparatus set up in key locations in the community, ready to be used but, thankfully, not.

Generous Donation

The Department gratefully received an anonymous donation of \$10,000 from a Peachland resident, to be used to purchase training equipment.

Firesmart Yard Waste Voucher

The department introduced a free yard waste voucher program for Peachland residents who complete a FireSmart Assessment. As part of its FireSmart Program, the Peachland Fire Department is covering the fees to encourage residents to collect and dispose of yard waste and consider more FireSmart activities for their properties.

Tree Protection Bylaw

The District adopted a Tree Protection Bylaw to regulate tree removal and requirements for replanting. The bylaw supports the Peachland Fire Department's FireSmart program ensuring replacement trees do not further compound the existing problem by planting coniferous trees within the non-combustible zone of a structure. The bylaw supports residents trying to incorporate FireSmart principles by exempting them from the permit process when completing activities within the immediate zone around structures.

Evacuation Preparedness Open House

The Peachland Fire Department hosted a Community Evacuation Preparedness Open House on June 20 and invited representatives from the Regional Emergency Program, Emergency Support Services, RCMP, Central Okanagan Search and Rescue, Animal Lifeline Emergency Response Team and FireSmart to join a panel discussion and information session. Attendees were responding in a safe manner when it is time to evacuate private property and seek safety during an emergency. The event took place just a few days after Peachland faced a wildfire threat with the Pigeon Creek Wildfire.

Fire & Rescue 2024 Objectives

- Seek grant funding for the construction of a Protective Services building.
- Seek FireSmart program funding and continue FireSmart programs in Peachland.
- Continue FireSmart work and assist neighbourhoods with hazard reduction projects.
- Expand the homeowner FireSmart rebate grant program.
- Implement the Home Partners Program from FireSmart BC.

Type of Incidents	2023	2022	2021	2020	2019
Fires	20	15	26	12	40
First Medical Response	230	196	168	81	192
Motor Vehicle Incident	48	58	40	46	52
Other*	122	106	118	118	96
TOTAL INCIDENTS	420	375	352	257	380



The Department is responsible for development engineering in the municipality as well as overall asset management. This includes planning for the maintenance and renewal of the municipality's sewer and water infrastructure. The Department oversees capital construction in the community, waterfront infrastructure and transportation network planning. The Department works closely with other departments to review applications for subdivisions, rezoning, development and building permits.

- Water, Sewer, Road Use & Blasting Permits
- Transportation Planning
- Capital Projects
- Asset Management
- Development Engineering

BY THE NUMBERS

66

Kilometres of Roads

83

Kilometres of Water Mains

50

Kilometres of Sewer Mains

8

Kilometres of Drainage Mains

Infrastructure & Engineering Highlights

Swim Bay Flood Mitigation Project

The department oversaw a flood mitigation project at Swim Bay involving the installation of rip-rap, anchored logs, V-logs and rock groynes (a shore protection structure built perpendicular to the shoreline). The project aimed to re-establish a more natural shoreline that historically broke waves. New landscaping and irrigation and re-decking of the T-dock was also completed. This flood mitigation project was grant-funded and will protect critical infrastructure including Beach Avenue, underground utilities, retaining walls, docks and accessibility ramps. The project was recommended as part of the District's flood mitigation planning in response to flooding of the community's waterways and waterfront in 2017 and 2018.

Renfrew Road and Highway 97 Intersection Improved

The District entered into a partnership to improve the efficiency and safety of the intersection of Renfrew Road and Highway 97 with the Ministry of Transportation and Infrastructure, funding coming from the ministry and developer contributions.

Subdivision & Development Servicing Bylaw

Council approved a Subdivision and Development Servicing Bylaw as part of Peachland's Development Approvals Process Review. The new bylaw makes it easier to administer and increases the efficiency of the approval process.

Centennial Walkway Extension

Council discussed a report on the extension of the Centennial Walkway on Beach Avenue north of 13th Street to Todd Road. Council will consider allocating \$100,000 from the Growing Community Fund to effectively extend the walkway with interim improvements.

Water Restrictions Bylaw

Council granted the ability to initiate Stage 2 watering restrictions to the Director of Operations rather than requiring a Council resolution to enact. This is particularly necessary due to limited Council meetings planned for the summer months when restrictions are more likely to apply. Stage 1 restrictions are always in place, requiring properties to water only on even calendar days for even numbered addresses and odd days for odd numbered addresses, as well as some time restrictions. Stage 2 restrictions would reduce outdoor watering to twice a week.

Infrastructure & Engineering 2024 Objectives

- Complete a comprehensive DCC Bylaw review to ensure rates reflect current projects, costs and legislation.
- Finalize the District's Water Supply Analysis and Transportation Servicing Plans.
- Progress the District's Wastewater Master Plan through the data collection and public engagement phases.
- Promote active transportation through infrastructure improvements.
- Oversee a review of Peachland Water Rates.
- Oversee construction of road improvements as part of the District's Road Rehabilitation Capital Project with \$1.15 million in funding.
- Consult with the public on a multi-use pathway on Beach Avenue to be extended from 13th Street to Todd Road.
- Reinforce aging structural piles at Swim Bay and 13th Street docks.
- Pursue grant funding for a water and wastewater projects.



The Operations & Public Works Department is responsible for the operation, maintenance and repairs of Peachland's streets, sidewalks, water system, sewer system, storm system, cemetery, public facilities and vehicle fleet. The Department oversees maintenance of all municipal parks, trails and green spaces in Peachland. It oversees waste collection, snow removal and ice control services. The Department answers inquiries related to works and services including applications for utilities, latecomer agreements, and grant applications.

- Parks Maintenance
- Roads and Sidewalk Maintenance
- Cemetery Management
- Facilities Maintenance
- Water Department Administration
- Snow & Ice Removal

BY THE NUMBERS

63.5

Hectares of
Parks, Trails &
Sportsfields

26

Municipal
Facilities

40+

District
Vehicles

1,000+

Calls For
Service

Operations & Public Works Highlights

Turner Park Update

The Turner Park Upgrade project got underway new player benches and upgraded baseball dugouts installed, the backstop upgraded and new park fencing along Turner Avenue. The playing field was seeded and closed to the public as the turf takes hold to a degree allowing for competitive sports. The remainder of the upgrade project will begin in Summer 2024 and will include:

- New set of viewing bleachers for the baseball diamond
- Removal of the old playground and replacement
- Connection of the washroom to the sanitary sewer system
- Accessibility improvements to the washroom building
- Removal of the sports box asphalt and fencing and replacement with grass
- Improvement of the parking area
- Irrigation installation
- Accessible pathway installations
- Public benches, waste receptacles and accessible picnic tables
- Vegetation and shade structure installations

The Turner Park Upgrade project is funded through a portion of the \$2.7 million received in April from the Province's Growing Communities Fund and a Jays Care Foundation grant. Turner Park is expected to be fully open, with the field ready for competitive soccer, in the Spring of 2025.

Goose Patrol Pilot Project

The Department launched a pilot project, the Peachland's Goose Patrol, seeking volunteer dog owners to patrol local parks and beaches and scare away migratory birds without harming them. A single Canadian goose can poop up to two pounds a day and this waste constitutes a risk to human health and makes parks and beaches less enjoyable. The project was successful with over 17 volunteer bird chasers. The District of Peachland conducts regular cleanup of waterfowl waste at its parks and is a member of the Okanagan Valley Goose Management Program. A variety of techniques are used in Peachland including scarecrows, reflective tape, irritant laser, distasteful liquids in grassy areas and noisemakers.

Water Turn On/Off fees

The department introduced a fee for turning water services on and off, including additional charges for after-hours callouts. In the past, the District has not charged property owners for this service despite the fee outlined in its Water Rates Bylaw No. 1931. However, the number of requests and the cost of providing this service continues to increase. To ensure that Peachland's water systems are self-funding, the fee of \$75 during regular hours and \$265 outside regular hours was necessary.

Operations & Public Works

- Continue with water meter replacement program.
- Complete the Turner Park Improvement capital project.
- Construct improvements to Sanderson Dog Park.
- Complete the Peachland Museum renovation project.
- Dock replacement and lake bed remediation at the dog beach boat launch.
- Road remediation works, asphalt re-surfacing.
- Finalize plow truck purchase.
- Finish riparian planting along lakeshore and landscape area where Heritage washroom was located.
- Complete detailed design and installation of Bonnie Lane PRV replacment



Planning and Development Services is responsible for land use management and planning, building inspections, and bylaw enforcement. Core work within the department includes processing community development applications such as zoning amendments, development and variance permits, subdivisions and building permits. Core work also includes managing business licenses, suite licenses, wharf and buoy licenses (foreshore management), sidewalk/patio licenses, outdoor vending licences, bed and breakfast licenses and bylaw infractions and complaints.

- Official Community Plan
- Zoning/Rezoning
- Subdivision Approvals
- Development Approvals
- Building Permits
- Building Inspections
- Development Cost Charges & Amenity Contribution Charges Administration
- Long Range Policy Planning
- Management of Growth and Development
- Bylaw Enforcement
- Special Projects
- Environmental & Foreshore Management

BY THE NUMBERS

57

New Business Licenses

105

Building Permits Issued

26

New Dwelling Units

85

Bylaw Complaints

Planning & Development Highlights

Development Approvals Process Review

Prompted by a province-wide DAPR process and new funding streams through UBCM, Peachland secured funding in August 2021 and began a review of its development approval processes that continued into 2023. The review will clarify process requirements and help streamline the process with positive provision of affordable housing and other community priorities as outlined within the Official Community Plan and other guiding documents. In May 2022, Council received the External Process Review which identified a list of recommended actions, including short, medium, and long-term action items to improve the District's development application process. One of the short-term, grant-funded recommendations in the report is to revise Peachland's Development Application Procedures Bylaw to reflect changes in legislation and improve process clarity.

Housing Needs Assessment

Council endorsed the District's Housing Needs Assessment, prepared by Urban Systems Ltd. Provincial requirements mean municipalities must collect data, analyze trends and present reports that describe current and anticipated housing needs in the community. This assessment will help support the completion of Peachland's Downtown Revitalization Implementation Strategy, the Peachland Complete Communities Assessment, and other land use and housing initiatives outline in the 2022-2026 Strategic Plan.

Proposed Developments

Ponderosa Development: Council gave first three readings to Official CP and Zoning Amendment Bylaws intended to provide the legislative framework to support the Ponderosa Development Phasing Strategy, The District worked with new owners to develop a revised phasing strategy to accommodate a new development concept involving approximately 445 residential units, conditional on the construction of a 9-hole championship golf course and other amenities.

Renfrew Road Development Proposal: Council gave third reading to amendment bylaws to allow development of 6575 and 6650 Renfrew Road with up to 71 dwelling units. The application includes proposed road improvements for Renfrew Road and Bulyea Avenue and a parkland donation.

Princeton Avenue Rezoning: Council gave second reading to a Zoning Bylaw Amendment for 4607 Princeton Avenue to allow a 22 multiple-unit development with no less than 12 rental flex units. The proposed development would prompt a Community Amenity Contribution and frontage road improvements including a paved multi-use pathway as well as a donation towards parkland.

Overnight Parking on Beach Tackled

Bylaw Enforcement Officers targeted illegal overnight parking on Beach Avenue and District parking lots in the summer, reminding people that parking a recreational vehicle overnight is not allowed in Peachland. Peachland's Bylaw Enforcement Officers operate on a rotating shift in the peak season and keep an eye on problem areas on the waterfront.

Planning & Development 2024 Objectives

- Continue implementation of Development Approvals Process Review project.
- Continue Downtown Revitalization Implementation Strategy project.
- Conclude Complete Communities Assessment project.
- Advance Municipal Boundary Extension project.
- Amend Peachland's Zoning Bylaw, Official Community Plan and Procedures Bylaw to comply with new Provincial housing legislation.
- Update the District's Housing Needs Assessment to comply with new provincial legislation.
- Support work on the major/comprehensive DCC Bylaw review.
- Continue development of the Property Acquisition and Disposition Strategy, Phase 2 and 3.
- Action key land acquisition and dispositions, as directed by Council.

Development Services	2023	2022	2021	2020	2019
Official Community Plan Amendments	3	5	3	0	0
Zoning Amendments	4	6	5	4	1
Development Permits (Technical)	11	19	17	12	16
Development Permits (Form and Character)	3	4	3	5	3
Variance Permits	2	5	8	4	8
Subdivision	3	6	2	5	2
Building Permits Issued	105	87	96	67	97
Value of Building Permits	\$19.4M	\$28.1M	\$23.9M	\$9.2M	\$13.8M
New Residential Units	26	36	44	10	16
Bylaw Offence Warning/Complaints	No longer tracked	25/196	19/199	42	233
Bylaw Notice Tickets	17	8	11	2	147
New Business Licenses	57	48	65	40	60

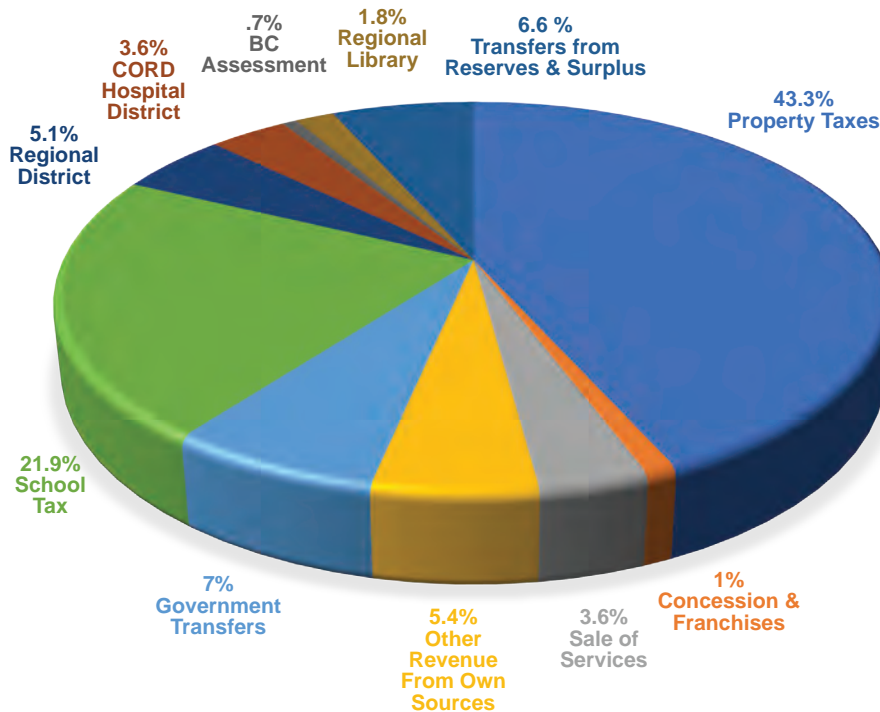




Financial Statements

Chief Financial Officer Report

Where the Money Comes From



Garry Filafilo
Chief Financial Officer

The 2023 Budget included a tax rate increase of 5.12%. On a typical Peachland home with an assessed value of \$890,000, the increase was approximately \$75. Reserves and prior years' surplus were used to reduce the tax impact.

Funding was received from the provincial Community Works Reserve for eligible capital projects such as the foreshore flood mitigation project near Swim Bay. The 2023 policing budget increased 7.65% due to forced growth in the City of Kelowna support services contract as well as increases to the RCMP contract. The Transit budget increased \$5,700 overall due to increased operating costs. Collection of taxes for other authorities increased by 11.39%; the largest increase is in School Taxes.

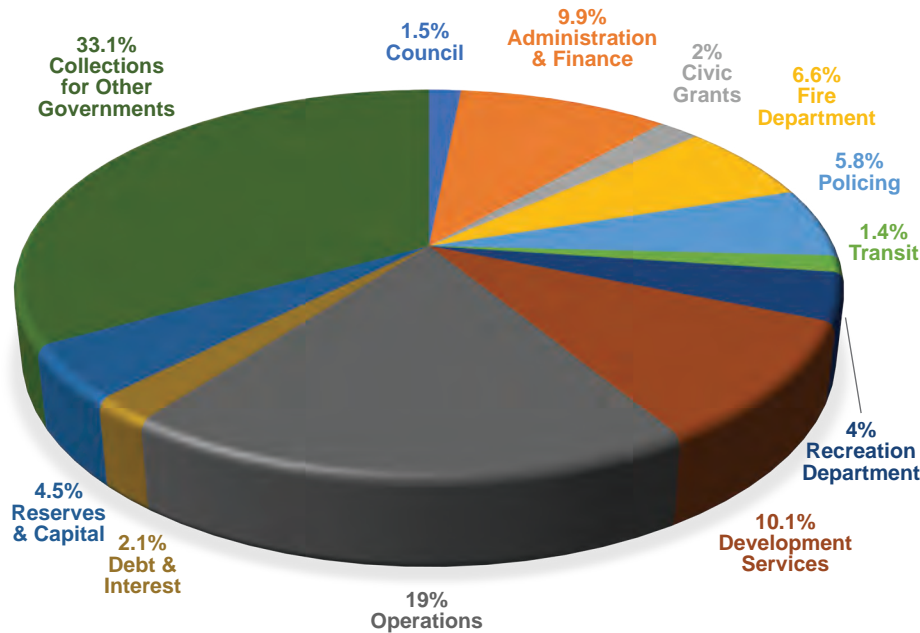
Depicted on this page are Peachland's General Revenues. These are not specifically attributable to or generated by any particular District of Peachland Departments.

The pie graph summarizes the District's General Revenues by type and percentage. The table summarizes the District's budgeted General Revenues.

REVENUES	2022 Revenues Budgeted	2023 Revenues Budgeted	Budget Variance
Tax Levy	6,207,054	6,521,776	314,722
Concessions and Franchises	138,844	142,580	3,736
Other Revenue From Own Sources	521,087	549,294	28,207
Sales of Service	785,041	836,302	51,261
Government Transfers	782,115	1,069,030	286,915
School Tax	3,075,815	3,137,331	61,516
Regional District	705,453	719,562	14,109
CORD Hospital District	538,523	549,293	10,770
Municipal Finance Authority	511	521	10
BC Assessment Authority	90,813	92,629	1,816
Okanagan Regional Library	265,993	271,313	5,320
Transfers From Reserves & Surplus	702,679	873,100	170,421
TOTAL REVENUES	13,813,928	14,762,731	948,802

Chief Financial Officer Report

Where the Money Goes



Depicted on this page are Peachland's Expenditures. The District's expenditure analysis uses departmental reporting.

Depicted in this graph, and table below, are the net operating expenditures of each department.

CAPITAL PROJECTS

Some of the major General Fund capital projects identified in the 2023 Financial Plan included:

- \$415,000 for a plow truck, sander attachment and snowmobile
- \$150,000 for Fire Hall replacement pre-construction drawings
- \$550,000 for the District's Road Remediation program
- \$300,000 for SCBA replacement for the Fire Department
- \$920,000 for acquisition of property for the new Protective Services Building
- \$249,300 for dock repairs and replacements, HVAC unit for the Community Centre and a portable stage for community events

Major Water Fund capital projects for 2023 include:

- \$2,500,000 for Residuals Treatment Upgrade for the Water Treatment Plant
- \$400,000 for water meter replacements
- \$299,000 for Water Supply analysis and upgrades

EXPENDITURES	2022 Revenues Budgeted	2023 Revenues Budgeted	Budget Variance
Council	208,763	233,961	25,198
Administration & Finance	1,368,348	1,515,487	147,139
Civic Grants	257,487	297,674	40,187
Community Events	61,887	63,080	1,193
Protective Services	1,846,909	1,901,376	54,467
Transit	209,251	215,000	5,749
Recreation Department	519,162	546,446	27,284
Development Services Department	1,019,361	1,328,048	308,687
Operations Department	2,733,266	2,880,445	147,180
Fiscal Services	323,637	319,104	-4,533
Reserves and Capital	588,750	691,461	102,711
Collection for Other Governments	4,677,108	4,770,649	93,541
TOTAL EXPENDITURES	13,813,928	14,762,731	948,802

Financial Statements



Grant Thornton

Financial Statements

December 31, 2023

The Corporation of the District of Peachland

Financial Statements

The Corporation of the District of Peachland

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Independent Auditor's Report

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To the Mayor and Council of the
Corporation of the District of Peachland

Opinion

We have audited the financial statements of The Corporation of the District of Peachland ("the District"), which comprise the statement of financial position as at December 31, 2023, and the statements of operations and accumulated surplus, changes in net financial assets and cash flow 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 financial position of The Corporation of the District of Peachland as at December 31, 2023, and the results of operations and its 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 report. We are independent of the District 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.

Emphasis of Matter – Restated Comparative Information

We draw attention to Note 2 to the financial statements, which explains that certain comparative information presented for the year ended December 31, 2022 has been restated. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of these 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 District's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

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

Financial Statements

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 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 District'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 District'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 District 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.

Kelowna, Canada
May 7, 2024

original signed by G. Thornton

Chartered Professional Accountants

Financial Statements

The Corporation of the District of Peachland Statement of Financial Position

December 31

2023

2022

(Restated – Note 2)

Financial assets

Cash	\$ 8,791,105	\$ 9,928,468
Investments (Note 4)	20,404,235	17,234,284
Accounts receivable (Note 4)	<u>2,028,539</u>	<u>1,513,544</u>
	<u>31,223,879</u>	<u>28,676,296</u>

Liabilities

Accounts payable and accrued liabilities (Note 4)	6,143,573	5,458,756
Deferred revenue (Note 4)	2,239,406	2,030,925
Deferred development cost charges (Note 4)	2,440,481	2,100,610
Long term debt (Note 4)	10,639,695	13,119,058
Asset retirement obligations (Note 4)	<u>1,735,987</u>	<u>1,706,895</u>
	<u>23,199,142</u>	<u>24,416,244</u>

Net financial assets

8,024,737

4,260,052

Non-financial assets

Tangible capital assets (Schedule 1)	<u>96,433,120</u>	<u>96,137,299</u>
Accumulated surplus (Schedule 2)	<u>\$ 104,457,857</u>	<u>\$ 100,397,351</u>

Trust funds (Note 8)

Contingent liabilities (Note 9)

Financial Statements

The Corporation of the District of Peachland Statement of Operations and Accumulated Surplus

Year ended December 31	2023 Actual	2023 Budget (Note 14)	2022 Actual (Restated – Note 2)
Revenue			
Property taxation – net (Note 5)	\$ 5,897,457	\$ 5,906,683	\$ 5,373,363
Parcel taxes	2,240,030	2,246,252	2,248,252
Concessions and franchise	170,082	142,580	144,580
Sale of services	898,558	549,294	686,132
User fees	2,147,442	2,068,198	1,951,261
Other revenue from own services (Note 6)	2,402,739	882,055	1,337,450
Government transfers (Note 7)	4,605,996	1,590,541	1,287,564
Contributions from developers and other	-	-	245,878
(Loss) gain on disposal of tangible capital assets	(14,457)	-	723,131
	<u>18,347,847</u>	<u>13,385,603</u>	<u>13,997,611</u>
Expenses (Schedule 3)			
General government services	1,727,956	2,346,891	1,614,694
Protective services	1,902,558	1,609,296	1,747,646
Recreation services	583,778	603,486	506,146
Parks and cultural services	829,648	916,404	696,501
Environmental development services	1,380,439	880,643	998,206
Transportation services and public works	1,092,833	1,189,091	1,068,399
Environmental health services	575,766	804,648	530,593
Public health services	33,521	53,643	35,870
Facilities services	468,129	536,432	436,923
Water services	1,918,341	2,022,175	1,538,704
Sewer services	812,909	823,789	662,412
Civic grants	257,046	299,984	255,963
Interest and bank charges (Note 4)	486,855	147,632	420,871
Amortization of tangible capital assets	2,169,440	1,590,000	2,168,674
Accretion	48,122	-	44,305
	<u>14,287,341</u>	<u>13,824,114</u>	<u>12,725,907</u>
Annual surplus (deficit)	<u>4,060,506</u>	<u>(438,511)</u>	<u>1,271,704</u>
Accumulated surplus, beginning of year, as originally stated	100,397,351	100,397,351	100,503,395
Change due to adoption of new standard (Note 2)	-	-	(1,377,748)
Accumulated surplus, beginning of year, as restated	<u>100,397,351</u>	<u>-</u>	<u>99,125,647</u>
Accumulated surplus, end of year	<u>\$ 104,457,857</u>	<u>\$ 99,958,840</u>	<u>\$ 100,397,351</u>

See accompanying notes to the financial statements

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Financial Statements

The Corporation of the District of Peachland Statement of Changes in Net Financial Assets

Year ended December 31	2023 Actual	2023 Budget (Note 14)	2022 Actual (Restated – Note 2)
Annual surplus (deficit)	\$ 4,060,506	\$ (438,511)	\$ 1,271,704
Acquisition of tangible capital assets, net of transfers	(2,574,715)	(6,034,300)	(1,207,211)
Increase in tangible capital assets due to asset retirement obligations	-	-	(95,585)
Amortization of tangible capital assets	2,169,440	1,590,000	2,168,674
Proceeds on disposal of tangible capital assets	95,000	-	1,741,324
Loss (gain) on disposal of tangible capital assets	14,457	-	(723,131)
Increase (decrease) in net financial assets	3,764,688	(4,882,811)	3,155,775
Net financial assets, beginning of year, as originally stated	4,260,052	4,260,052	2,482,025
Change due to adoption of new standard (Note 2)	-	-	(1,377,748)
Net financial assets, beginning of year, as restated	-	-	1,104,277
Net financial assets, end of year	\$ 8,024,737	\$ (676,759)	\$ 4,260,052

Financial Statements

The Corporation of the District of Peachland Statement of Cash Flows

Year ended December 31

2023

2022

(Restated – Note 2)

Cash provided by (used for)

Operating activities

Annual surplus	\$ 4,060,506	\$ 1,271,704
Adjustments for non-cash items		
Amortization of tangible capital assets	2,169,440	2,168,674
Accretion	48,122	44,305
Loss (gain) on disposal of tangible capital assets	14,457	(723,131)
Actuarial adjustment on long term debt	(244,616)	(239,899)
Transition adjustment for landfill closure liability	-	189,257
Change in		
Accounts receivable	(514,995)	817,172
Accounts payable and accrued liabilities	684,817	(952,621)
Deferred revenue	208,481	16,372
Deferred development cost charges	339,871	262,486
	<u>6,766,083</u>	<u>2,854,319</u>

Capital activities

Acquisition of tangible capital assets net of transfers	(2,574,715)	(1,207,211)
Proceeds on disposal of tangible capital assets	95,000	1,741,324
Settlement of asset retirement obligations	(19,030)	(13,702)
	<u>(2,498,745)</u>	<u>520,411</u>

Investing activities

Proceeds on disposal of investments	15,226,896	2,000,000
Purchases of investments	(18,396,850)	(6,298,163)
	<u>(3,169,954)</u>	<u>(4,298,163)</u>

Financing activities

Proceeds from issuance of long term debt	-	9,285,456
Repayment of long term debt	(2,234,747)	(9,437,870)
	<u>(2,234,747)</u>	<u>(152,414)</u>

Net decrease in cash	(1,137,363)	(1,075,847)
Cash, beginning of year	<u>9,928,468</u>	<u>11,004,315</u>
Cash, end of year	<u>\$ 8,791,105</u>	<u>\$ 9,928,468</u>

Supplementary cash flow information

Interest paid	\$ 486,855	\$ 420,871
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See accompanying notes to the financial statements

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The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

Notes to the financial statements are an integral part of the statements. They explain the significant accounting and reporting policies and principles underlying these statements. They also provide relevant supplementary information and explanations which cannot be conveniently explained in the financial statements.

The financial statements are the responsibility of and prepared by management in accordance with Canadian public sector accounting standards. The preparation of 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.

1. Nature of business

The District is incorporated under the laws of British Columbia and is engaged in the operation of a Municipality.

2. Change in accounting policies

PS 3280 Asset Retirement Obligations

Effective January 1, 2022, the District adopted new Public Sector Accounting Standards Section PS 3280 Asset Retirement Obligations (ARO) which recognizes legal obligations associated with the retirement of tangible capital assets. As this standard includes solid waste landfill sites active and post-closing obligations, upon adoption of this new standard, existing Section PS 3270 Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 was withdrawn. The standard was adopted using the modified retroactive application at the date of adoption.

As a result of the adoption of this new accounting policy, the following changes have been made to the following 2022 financial statement line items:

	2022
Increase in cost of tangible capital assets	\$321,427
Increase in accumulated amortization of tangible capital assets	\$233,356
Increase in asset retirement obligations	\$1,706,895
Decrease in accounts payable and accrued liabilities	\$189,257
Decrease in opening accumulated surplus	\$1,377,748
Increase in amortization of tangible capital assets	\$7,512
Increase in accretion	\$44,305

PS 3450 Financial Instruments, PS 3041 Portfolio Investments, PS 2601 Foreign Currency Translation and PS 1201 Financial Statement Presentation

Effective January 1, 2023, the District adopted new Public Sector Accounting Standards Sections PS 3450 Financial Instruments, PS 3041 Portfolio Investments, PS 2601 Foreign Currency Translation and PS 1201 Financial Statement Presentation along with the related amendments.

(continued)

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

2. Change in accounting policies *(continued)*

PS 3450 requires the fair value measurement of derivatives and portfolio investments in equities quoted in an active market. All other financial assets and liabilities are measured at cost or amortized cost (using the effective interest method), or, by policy choice, at fair value when the entity defines and implements a risk management or investment strategy to manage and evaluate the performance of a group of financial assets, financial liabilities or both on a fair value basis.

The measurement requirement were applied prospectively. The recognition, derecognition, and measurement policies followed in the comparative period were not reversed and the comparative figures have not been restated.

The adoption of this new accounting policy did not result in any change in the financial statements as the District does not have any financial instruments that require fair value measurement.

3. Summary of significant accounting policies

Basis of presentation

The District's resources and operations are segregated into General, Water and Sewer funds and Statutory and Non-statutory reserve funds and Reserve for future capital expenditures for accounting and financial reporting purposes. The financial statements include all of the accounts of these funds. All inter-fund transactions and balances have been eliminated.

Basis of accounting

The District's financial statements are prepared using the accrual basis of accounting.

Financial instruments

All financial instruments are recorded at their cost or amortized cost except for portfolio investments in equity instruments quoted in an active market and derivatives which are recorded at their fair value with unrealized remeasurement gains and losses recorded in the statement of remeasurement gains and losses. Once realized, remeasurement gains and losses are transferred to the statement of operations. Changes in the fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met, upon which the gain or loss is recognized in the statement of operations.

Transaction costs related to financial instruments measured at cost or amortized cost are added to the carrying value of the financial instrument. Transaction costs related to financial instruments recorded at their fair values are expensed as incurred.

Financial liabilities (or part of a financial liability) are removed from the statement of financial position when, and only when, they are discharged or cancelled or expire.

Municipal pension plan

The District's pension plan follows the guidelines of the Municipal Pension Plan which is administered by the Province of British Columbia for all British Columbia municipalities. The District 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.

(continued)

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

3. Summary of significant accounting policies *(continued)*

Budget figures

The budget figures are from the 5-Year Financial Plan Bylaw and are adopted before May 15th of each year. Subsequent amendments have been made by Council to reflect changes in the budget as required by law.

Work in progress

Work in progress is valued at cost and represents capital projects under construction but not yet completed. Amortization commences once the individual projects are completed.

Tangible capital assets and amortization

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. The costs, less residual values, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives according to an estimated useful life on the following table.

General capital fund	Estimated useful life
Land	Indefinite
Buildings	30-60 years
Equipment	5-18 years
Engineering structures	30-80 years
Water system capital fund	
Land	Indefinite
Buildings	50-60 years
Equipment	5-18 years
Engineering structures	25-80 years
Sewer system capital fund	
Land	Indefinite
Equipment	5-18 years
Engineering structures	35-80 years

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

The District has numerous works of art located throughout the District which are not reflected in these financial statements.

Deferred revenue

Deferred revenue relates to restricted grants and other amounts that have been received in advance of services being rendered.

Long term debt

Outstanding debenture debt is reported net of applicable sinking fund balances.

Interest on debt is charged to current operations. Interest charges are accrued for the period from the date of the latest interest payment to the end of the year.

Reserve funds

Non-statutory reserves represent an appropriation of surplus for specific purposes. Reserves for future capital expenditures represent funds to finance incomplete capital projects. Statutory reserves are restricted by the Community Charter and the associated municipal bylaws that established the reserves.

(continued)

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

3. Summary of significant accounting policies (continued)

Asset retirement obligations

A liability for an asset retirement obligation is recognized when 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 of can be made.

The liability is measured at the District's best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date. The estimate includes costs directly attributable to the asset retirement activities. The costs also include post-retirement operation, maintenance and monitoring that are an integral part of the retirement of the tangible capital asset and the costs of tangible capital assets acquired as part of asset retirement activities to the extent those assets have no alternative use.

Upon initial recognition of the liability for an asset retirement obligation, the carrying amount of the corresponding tangible capital asset (or component thereof) is increased by the same amount. The capitalized asset retirement cost is expensed in a rational and systematic manner over the useful life of the tangible capital asset (or a component thereof). For obligations for which there is no tangible capital asset recognized or for tangible capital assets that are no longer in productive use, the asset retirement costs are expensed immediately. Subsequently, the liability is reviewed at each financial statement reporting date and adjusted for (1) changes as a result of the passage of time with corresponding accretion expense and (2) adjusted for any revisions to the timing, amount of the original estimate of undiscounted cash flows, or the discount rate. Adjustments to the liability as a result of revisions to the timing, amount of the estimate of undiscounted cash flows or the discount rate are adjusted to the cost of the related tangible capital asset and the revised carrying amount of the related tangible capital asset is amortized except for adjustments related to tangible capital assets that are not recognized or no longer in productive use, which are expensed in the period they are incurred.

The asset retirement costs are amortized on a straight-line basis over the estimated useful life of the asset.

A recovery related to asset retirement obligation is recognized when the recovery can be appropriately measured; reasonably estimated and it is expected that future economic benefits will be obtained. The recovery is not netted against the liability.

Liability for 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 all of the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the District is directly responsible and accepts responsibility; and
- a reasonable estimate of the amount of can be made.

The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring.

(continued)

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

3. Summary of significant accounting policies (continued)

Municipal Finance Authority debt reserve deposits

The District issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the Municipal Finance Authority as a debt reserve fund. The District also executes demand notes in connection with each debenture whereby the District may be required to loan certain amounts to the Municipal Finance Authority. The details of the cash deposits and demand notes at year end are as follows:

	Demand notes	Cash deposits	2023	2022
General Fund	\$ -	\$ -	\$ -	\$ 3,709
Water Funds	199,061	97,499	296,560	293,621
Sewer Fund	72,436	54,791	127,227	337,493
	<u>\$ 271,497</u>	<u>\$ 152,290</u>	<u>\$ 423,787</u>	<u>\$ 634,823</u>

Revenue recognition

Taxation revenues are recorded on the accrual basis and recognized when earned. Sale of services and user fee revenues are recognized when the service or product is provided by the District. Concession and franchise and other revenue is recorded as it is earned and measurable. Transfers from other governments are recognized as revenue in the period that the transfer is authorized, eligibility criteria, if any, have been met by the District, and a reasonable estimate of the amount to be received can be made. Contributions from developers and other are recognized as revenue during the period in which the related costs are incurred. Amounts that have been received in advance of services being rendered are recorded as deferred revenue until the District discharges the obligation that led to the collection of funds.

Expenses

Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the creation of a legal obligation to pay.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Significant areas requiring the use of management estimates relate to the determination of employee benefit accrual, allowance for doubtful accounts receivable, asset retirement obligations, provision for contingencies, the determination of tangible capital asset estimated useful lives and related amortization expenses and settlement costs associated with outstanding legal actions.

Actual results could differ from management's best estimates as additional information becomes available. Adjustments, if any, will be reflected in the financial statements in the period that the change in estimate is made, as well as the period of settlement if the amount is different.

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

4. Financial assets and liabilities

Operating line of credit

The District has an operating line of credit with VantageOne Credit Union for an authorized amount of \$1,000,000, bearing interest at the credit union prime rate. At December 31, 2023, the balance outstanding on the operating line of credit was \$nil (2022 – \$nil).

Investments

Investments in GICs are carried at cost and are comprised of term deposits with maturity dates ranging from March 2024 through October 2025 and earning interest at rates between 4.30% and 5.20% (2022 – 1.50% and 4.30%).

Accounts receivable

Accounts receivable are recorded net of allowance and are comprised of the following:

	<u>2023</u>	<u>2022</u>
Due from Provincial government	\$ 442,308	\$ 72,086
Due from Federal government	207,801	143,785
Property tax	630,137	559,791
Utilities	534,458	523,849
Trade receivables	213,834	214,033
	<u>\$ 2,028,538</u>	<u>\$ 1,513,544</u>

Accounts payable and accrued liabilities

Accounts payable are comprised of the following:

	<u>2023</u>	<u>2022</u> (Restated – Note 2)
Security deposits	\$ 2,687,362	\$ 2,206,493
Accounts payable	1,604,325	1,306,118
Project holdbacks	111,811	234,890
Prepayments	992,416	968,431
Wages and benefits	453,919	617,135
Due to other governments	293,740	125,689
	<u>\$ 6,143,573</u>	<u>\$ 5,458,756</u>

(continued)

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

4. Financial assets and liabilities (continued)

Deferred revenue

The District records deferred revenue for funds received for services not yet rendered and recognizes the revenue during the period in which the services are provided. The District records deferred revenue when a contract specifies how the resources are to be used, and therefore funds received in advance are deferred until the period in which the requirements are met. Because these funds are restricted in nature, they are shown as liabilities.

	<u>2023</u>	<u>2022</u>
Community works fund grant	\$ 1,144,261	\$ 1,077,153
Flood mitigation grant	-	101,199
Left turn lane grant	65,867	65,867
Recreation programs	63,296	60,324
Rural dividend fund	28,484	28,484
School acc plaza trust	21,541	29,812
Donations for future capital projects	3,407	3,407
Heritage fund project	528,230	544,097
Local government climate action program	158,164	79,082
External process review grant	113,000	41,500
CRI FireSmart grants	29,365	-
NextGen 911 grant	22,500	-
Local government complete communities	61,291	-
	<u>\$ 2,239,406</u>	<u>\$ 2,030,925</u>

Deferred development cost charges ("DCC")

Pursuant to the provisions of the Local Government Act, DCCs are held in separate reserve funds for the purpose for which the charges have been imposed. When the related costs are incurred, the DCCs are recognized as revenue. Because these funds are restricted in nature they are shown as a liability.

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 2,100,610	\$ 1,838,124
Contributions from developers	283,244	257,632
Interest on investments	56,627	29,854
Bylaw expenditures	-	(25,000)
Balance, end of year	<u>\$ 2,440,481</u>	<u>\$ 2,100,610</u>

The balance of DCCs can be itemized as follows:

Water system DCC	\$ 884,770	\$ 784,346
Roads DCC	736,600	670,006
Sewer DCC	411,926	370,995
Park DCC	115,808	112,033
Water treatment plant DCC	291,377	163,230
	<u>\$ 2,440,481</u>	<u>\$ 2,100,610</u>

(continued)

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

4. Financial assets and liabilities (continued)

Long term debt

	Balance, beginning of year	Additions	Sinking fund payments	Actuarial adjustment	Balance, end of year	Current interest rate (%)
General capital fund						
MFA equipment loan	\$ 84,052	\$ -	\$ (46,155)	\$ -	\$ 37,897	Variable
MFA equipment loan	73,418	-	(36,662)	-	36,756	Variable
MFA issue #68	4,730	-	(1,466)	(3,264)	-	N/A
MFA Turner Park loan	2,060,800	-	(1,698,954)	-	361,846	Variable
	<u>2,223,000</u>	<u>-</u>	<u>(1,783,237)</u>	<u>(3,264)</u>	<u>436,499</u>	
Water system capital fund						
MFA issue #157	9,285,456	-	(271,840)	-	9,013,616	3.360
	<u>9,285,456</u>	<u>-</u>	<u>(271,840)</u>	<u>-</u>	<u>9,013,616</u>	
Sewer system capital fund						
MFA issue #95	1,340,307	-	(95,860)	(54,867)	1,189,580	1.800
MFA issue #68	183,130	-	(56,783)	(126,347)	-	N/A
MFA issue #68	87,165	-	(27,027)	(60,138)	-	N/A
	<u>1,610,602</u>	<u>-</u>	<u>(179,670)</u>	<u>(241,352)</u>	<u>1,189,580</u>	
Total long term debt	\$13,119,058	\$ -	\$ (2,234,747)	\$ (244,616)	\$10,639,695	

The requirements for future repayments of principal on existing debt for the next five years are as follows:

	2024	2025	2026	2027	2028
General Fund	\$ 74,482	\$ -	\$ -	\$ -	\$ -
Water Fund	271,840	271,840	271,840	271,840	271,840
Sewer Fund	95,859	95,859	95,859	95,859	95,859
	<u>\$ 442,181</u>	<u>\$ 367,699</u>	<u>\$ 367,699</u>	<u>\$ 367,699</u>	<u>\$ 367,699</u>

Interest and bank charges expensed comprises the following amounts related to obligations under capital lease and long term debt:

	2023	2022
Interest on long term debt	\$ 394,774	\$ 365,158
Interest on short term debt and bank charges	6,102	3,838
Interest on equipment loans	85,979	51,875
	<u>\$ 486,855</u>	<u>\$ 420,871</u>

(continued)

Financial Statements

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

4. Financial assets and liabilities (continued)

Asset retirement obligations

The District owns and operates several assets that are known to contain asbestos, which represent a health hazard upon demolition or renovation of the assets. There is a legal obligation to remove and dispose of the hazardous materials. Estimated costs totaling \$2,023,961 have been discounted using a present value calculation with a discount rate of 4.15% (2022 – 4.15%). The timing of these expenditures is estimated to occur between 2023 and 2050 with the regular replacement, renovation, or disposal of the assets.

The District also owns a closed landfill site for which continued post-closure care is required. Post-closure care is expected to be completed in 2035, with annual costs expected to be incurred up to this date. Estimated costs totaling \$340,689 have been discounted using a present value calculation with a discount rate of 4.15% (2022 – 4.15%).

	2023	2022 (Restated – Note 2)
Asbestos obligations		
Balance, beginning of year	\$ 1,465,745	\$ -
Initial recognition of asset retirement obligations (Note 2)	-	1,428,730
Accretion expense	37,016	37,015
	<u>1,502,761</u>	<u>1,465,745</u>
Landfill post-closure obligations		
Balance, beginning of year	241,150	-
Initial recognition of asset retirement obligations (Note 2)	-	247,562
Accretion expense	11,106	7,290
Settlement of asset retirement obligations	(19,030)	(13,702)
	<u>233,226</u>	<u>241,150</u>
	<u>\$ 1,735,987</u>	<u>\$ 1,706,895</u>

Financial Statements

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

5. Property taxation – net

Taxation revenue comprises the following amounts raised less transfers to other governments:

	<u>2023</u>	<u>2022</u>
General municipal purposes	\$ 5,903,718	\$ 5,350,856
Collections for other governments		
School District #23 (Central Okanagan)	3,399,291	3,175,654
Regional District of Central Okanagan	787,352	733,415
Central Okanagan Regional Hospital District	542,848	538,488
Central Okanagan Regional Library District	288,220	265,989
British Columbia Assessment Authority	98,884	92,695
Municipal Finance Authority	569	512
	<u>11,020,882</u>	<u>10,157,609</u>
Transfers to other governments		
School District #23 (Central Okanagan)	(3,399,290)	(3,175,654)
Regional District of Central Okanagan	(793,212)	(712,346)
Central Okanagan Regional Hospital District	(543,045)	(538,522)
Central Okanagan Regional Library District	(288,393)	(265,992)
British Columbia Assessment Authority	(98,916)	(91,220)
Municipal Finance Authority	(569)	(512)
	<u>(5,123,425)</u>	<u>(4,784,246)</u>
	<u>\$ 5,897,457</u>	<u>\$ 5,373,363</u>

6. Other revenue from own services

	<u>2023</u>	<u>2022</u>
Interest earned	\$ 954,311	\$ 366,901
Development permits	476,735	527,721
Rentals	125,747	145,748
Penalties and interest on taxes	134,467	122,289
Cost recoveries	77,419	94,187
Licences and permits	48,939	46,147
Miscellaneous	585,121	34,457
	<u>\$ 2,402,739</u>	<u>\$ 1,337,450</u>

Financial Statements

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

7. Government transfers

	<u>2023</u>	<u>2022</u>
Federal		
HRDC employment program	\$ 4,693	\$ -
Canada Day grant	<u>5,000</u>	<u>5,000</u>
	<u>9,693</u>	<u>5,000</u>
Provincial		
Small communities protection grant	491,000	633,000
Provincial gas tax program	281,271	255,416
Provincial traffic fine revenue sharing	21,000	25,786
UBCM planning grant	-	32,990
Growing communities fund	2,766,000	-
Provincial sewer grant	50,750	-
Provincial flood mitigation grant	476,199	74,403
Heritage BC Peachland Museum Grant	15,867	25,222
Grants – other (formerly CARIP)	82,390	-
Economic trust grant	<u>28,000</u>	<u>-</u>
	<u>4,212,477</u>	<u>1,046,817</u>
Other		
Emergency recoveries	-	3,500
Okanagan Basin Water Board grant	118,709	135,511
Parks and recreation improvements	251,578	84,397
Regional District – parks grant	12,000	12,000
Cost sharing – highways	<u>1,539</u>	<u>339</u>
	<u>383,526</u>	<u>235,747</u>
Total	<u>\$ 4,605,996</u>	<u>\$ 1,287,564</u>

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

8. Trust funds

Funds held in trust and administered by the District, which are not included in these financial statements, are as follows:

	2023	2022
Assets		
Cash and short term deposits	\$ 173,363	\$ 165,000
Due from the Corporation of the District of Peachland	561	170
	<u>\$ 173,924</u>	<u>\$ 165,170</u>
Fund balances		
Trusts – cemetery care	\$ 167,901	\$ 159,343
– historical society	6,023	5,827
	<u>\$ 173,924</u>	<u>\$ 165,170</u>

Transactions for the year ended December 31, 2023:

	Balance, beginning of year	Interest earned	Contributions	Balance, end of year
Cemetery Care	\$ 159,343	\$ 6,188	\$ 2,370	\$ 173,924
Historical Society	5,827	196	-	6,023
Total	<u>\$ 165,170</u>	<u>\$ 6,384</u>	<u>\$ 2,370</u>	<u>\$ 173,924</u>

9. Contingent liabilities

Regional District of Central Okanagan

Regional District debt is, under the provisions of the Local Government Act, a direct, joint and several liability of the District and each member municipality within the Regional District, including the District of Peachland. The loan agreements between the Regional District of Central Okanagan and the Municipal Finance Authority provide that if at any time the scheduled payments provided for in the agreements are not sufficient to meet the Authority's obligation with respect to such borrowing, the resulting deficiency becomes a liability of the member municipalities.

Legal actions

The District is currently engaged in certain legal actions, the outcomes of which are not determinable at this time. Accordingly, no provision has been made in the accounts for these actions. The amount of loss, if any, arising from these actions will be recorded in the accounts in the period in which the loss is realized.

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

10. Pension liability

The District and its employees contribute to the Municipal Pension Plan ("the Plan"), a jointly trustee pension plan. The Board of Trustees, representing Plan members and employers, is responsible for overseeing the management of the Plan, including investment of 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, 2021, the Plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the Plan and the 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, 2021 indicated a surplus of \$3,761 million for basic pension benefits on a going concern basis. 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.

The District paid \$304,088 (2022 – \$258,834) for employer contributions to the Plan and the employees contributed \$272,555 (2022 – \$232,903) to the Plan in fiscal 2023.

11. Letters of credit

The District is holding letters of credit in the amount of \$2,743,400 (2022 – \$1,393,649), which were received as security related to performance deposits. These amounts are not reflected in the financial statements, but are available to satisfy any liabilities arising from non-performance by the depositors.

12. Expenses by object

Total expenses by object are itemized in Schedule 3.

13. Segmented information

The District of Peachland is a diversified municipal government that provides a wide range of services to its citizens. The District's operations and activities are organized and reported by funds and departments. The General Fund reports on operations, funded primarily by property taxes, which include services provided by the District such as general government services, protective services, recreation and park and cultural services, environmental development services, transportation services and public works, environmental health and public health services and facilities services. The utility operations are comprised of the water and sewer system, each accounting for its own operations and programs within its own fund. Operating results reported by the following segments are included in Schedule 3.

(continued)

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

13. Segmented information (continued)

General government services

General government operations are primarily funded by property taxation and business tax revenues. The expenses within the department are for legislative, general administration and finance functions within the District. The general revenue reported under the department includes revenues associated with taxation, business tax revenues and payments in lieu of taxes. These revenues have not been apportioned to other departments supported by the General Fund.

Protective services

Protective services are comprised of police services provided by the Royal Canadian Mounted Police and fire services. The mandate of the police is to ensure the safety of the lives and property of citizens, preserve peace and good order, prevent crimes from occurring, detect offenders, and enforce the law. The fire department is responsible for providing effective fire protection and public safety services to the District. This includes fire prevention, fire safety inspections, fire control and/or suppression.

Recreation and parks and cultural services

The Peachland recreation and parks and cultural services departments contribute to the quality of life and personal wellness of the community through the provision of a variety of programs, services and facilities. These departments administer facility, park and playing field reservations, special events applications, programs, Awards night, Canada Day celebrations and the Community Christmas celebration.

Environmental development services

The planning and development services department is responsible for land use and sustainable planning, general development services, building inspection and bylaw enforcement. This department addresses community and assists with infrastructure planning, zoning, inspection services, building permits, business licenses, development permits and subdivision.

Transportation services and public works

The transportation services and public works department is responsible for the operation, maintenance and repairs of town streets, sidewalks, water system, sewer system, storm system, parks and open spaces, cemetery, public facilities and the vehicle fleet, as well as providing waste collection from parks, snow removal and ice control services.

Environmental health and public health services

Environmental and public health services are comprised of transit, solid waste, yard waste and recycling services.

Facilities services

Facilities services are responsible for the repairs and maintenance of all District facilities.

Water

The water department provides safe drinking water to citizens of Peachland. Revenues and expenses represent the amounts that are directly attributable to the function of the water department.

Sewer

The sewer system is operated by the Regional District of Central Okanagan.

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

14. Budget reconciliation

The following reconciles the budgeted surplus as shown on the statement of operations to the budget as presented in bylaw #2393 adopted May 1, 2023.

Annual surplus per statement of operations	\$ (438,511)
Capital expenditures	(6,034,300)
Amortization of tangible capital assets	1,590,000
Borrowing proceeds	1,070,000
Debt principal repayments	(771,571)
Transfers to reserve funds	(955,789)
Transfers from surplus and reserve funds	5,540,171
	<u>\$ -</u>

15. Financial instruments

The District is exposed to various risks through its financial instruments. The following analysis provides a measure of the District's risk exposures and concentrations at December 31, 2023:

Credit risk

Credit risk is the risk of financial loss to the District if a debtor fails to discharge their obligation. The District is exposed to this risk arising from its cash, investments, and accounts receivable. The District holds its cash accounts with a federally regulated chartered bank who is insured by the Canadian Deposit Insurance Corporation.

The District's investment policy operates within the constraints of the investment guidelines laid out in the Community Charter, which puts limits on the types of investments the District may invest in, lays out composition of its investment portfolio, specifies the bond quality limits and issuer type limits and general guidelines for geographical exposure. The Community Charter permits the District's funds to be invested in bonds issued by the Government of Canada or a Canadian province having a rating of A or better, or corporate investments having a rating of AAA (high) or better. It also limits its investments in pooled funds to Canadian money market funds and bond funds.

Accounts receivable is primarily due from government, and corporations and individuals. Credit risk is mitigated by the highly diversified nature of the debtors and other customers. The District also holds collateral on taxes and utilities payable through the tax sale mechanism, mitigating the risk of default on these balances. The District measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up as-needed based on the District's historical experience regarding collections. In the current and prior years, no impairment allowance was recorded. There were no changes in exposures to credit risk during the period.

(continued)

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

15. Financial instruments (continued)

The amounts outstanding at year end were as follows:

	2023					Total
	Current	31-60 days	61-90 days	Over 90 days		
Grants and accounts receivable	\$ 715,425	\$ 153,742	\$ -	\$ 529,233	\$ -	1,398,400
Taxes receivable	-	-	-	530,137	-	630,137
Total	715,425	153,742	-	1,159,370	-	2,028,537
Less: impairment allowance	-	-	-	-	-	-
Net receivable	\$ 715,425	\$ 153,742	\$ -	\$ 1,159,370	\$ -	2,028,537

Liquidity risk

Liquidity risk is the risk that the District will not be able to meet all cash outflow obligations as they come due. The District mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise. There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

The following table sets out the expected maturities, representing undiscounted cash-flows of its financial liabilities:

	2023					Total
	Within 1 year	1-2 years	3-5 years	Over 5 years		
Accounts payable	\$ 3,456,211	\$ 1,194,061	\$ 637,632	\$ 855,669	\$ -	6,143,573
Debt	442,181	735,398	735,398	8,726,718	-	10,639,695
Asset retirement obligation	17,569	35,213	53,010	1,630,195	-	1,735,987
Total	\$ 3,915,961	\$ 1,964,672	\$ 1,426,040	\$ 11,212,582	\$ -	18,519,255

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The District operates within the constraints of the investment guidelines in the Community Charter. The investment portfolio is monitored by management and Council.

Currency risk

Currency risk is the risk that arises from the fluctuation in pricing in foreign currencies. During the year, the District was not exposed to currency risk. The District does not maintain cash or accounts payable in foreign currencies. There have been no significant changes from the previous year in the exposure to risk or policies, procedures, and methods used to measure the risk.

(continued)

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2023

15. Financial instruments *(continued)*

Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in the fair value or future cash flows of financial instruments because of changes in market interest rates. The District is exposed to this risk through its interest-bearing investments and debt. The District manages this risk by holding interest-bearing investments to maturity. There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk). The District is not exposed to other prices risk as it does not have any investments in equity instruments.

16. Comparative figures

Certain comparative figures have been adjusted to conform to changes in the current year presentation.

The Corporation of the District of Peachland Schedule 1 – Tangible Capital Assets

December 31

	Cost				Accumulated Amortization				2023 Net Book Value (2022-2023)
	Opening Balance (restated)	Additions	Disposals/Transfers	Closing Balance	Opening Balance (restated)	Disposals	Add: Amortization	Closing Balance	
General capital fund									
Land	\$ 17,814,968	\$ 971,430	\$ -	\$ 18,786,418	\$ -	\$ -	\$ -	\$ 3,034,186	\$ 17,814,968
Buildings	5,856,958	214,634	-	6,073,592	2,813,935	-	120,251	3,039,406	2,945,023
Equipment	4,373,326	297,336	-	4,670,662	3,208,228	-	191,055	3,399,293	1,271,379
Engineering Structures	29,974,536	1,629,650	-	31,604,186	15,892,880	-	623,136	16,516,016	15,088,170
Work in Progress	1,486,552	760,457	1,777,360	471,649	-	-	-	471,649	1,488,552
	59,510,360	3,873,507	1,777,360	61,606,507	22,015,043	-	934,442	22,949,485	38,657,022
Water system capital fund									
Land	623,291	-	-	623,291	-	-	-	-	623,291
Buildings	80,000	-	-	80,000	40,344	-	1,379	41,723	38,277
Equipment	617,413	41,976	-	659,389	452,926	-	28,972	479,898	179,491
Engineering Structures	53,904,557	59,127	-	53,963,684	10,762,713	-	918,451	11,681,164	42,282,520
Work in Progress	180,862	206,769	-	387,631	-	-	-	387,631	180,862
	55,406,123	307,872	-	55,713,995	11,255,983	-	946,802	12,202,785	43,511,210
Sewer system capital fund									
Land	198,000	-	-	198,000	-	-	-	-	198,000
Equipment	154,356	10,494	-	164,850	113,232	-	6,743	119,975	44,874
Engineering Structures	19,282,517	-	-	19,282,517	5,029,799	-	281,453	\$ 3,112,522	13,971,265
Work in Progress	-	50,750	-	50,750	-	-	-	-	50,750
	19,634,873	61,244	-	19,696,117	5,143,031	-	288,196	5,431,227	14,264,889
Total Tangible capital assets - all funds	\$ 134,561,356	\$ 4,242,623	\$ 1,777,360	\$ 137,016,619	\$ 38,414,057	\$ -	\$ 2,169,440	\$ 40,583,497	\$ 96,433,120

The net book value of work in progress, which are tangible capital assets not being amortized is \$910,038 (2022 - \$1,669,414).

Financial Statements

The Corporation of the District of Peachland Schedule 2 – Accumulated Surplus

December 31	2023	2022
		(Restated – Note 2)
Reserve for future capital expenditures		
Specified	\$ 335,345	\$ 335,345
Unspecified	<u>66,814</u>	<u>66,814</u>
	<u>402,159</u>	<u>402,159</u>
Non-statutory reserves		
Amenity	259,271	250,858
Computer replacement	3,223	3,119
Fire department equipment	581,521	424,572
General capital asset renewal	2,159,489	2,005,366
Growing communities fund (Schedule 4)	2,827,991	-
Municipal buildings	25,330	24,508
Non-development cost charge – roads	491,881	460,075
Parks and recreation equipment	169,861	165,334
Policing	147,089	142,306
Public works equipment	20,800	20,125
Sewer capital asset renewal	662,307	545,932
Sewer improvement	1,592,882	1,541,178
Transit	29,518	28,560
Water capital asset renewal	2,065,041	1,354,914
Water system #1 – improvements	6,009,501	5,960,508
	<u>17,045,705</u>	<u>12,927,355</u>
Statutory reserves		
Municipal park land acquisition	16,767	16,222
Cemetery maintenance	23,892	23,892
Parking	5,203	5,035
	<u>45,862</u>	<u>45,149</u>
Surplus of general, sewer and water funds		
Surplus of general, sewer and water funds	<u>2,906,693</u>	<u>5,711,342</u>
Investment in non-financial assets		
Investment in tangible capital assets	<u>84,057,438</u>	<u>81,311,346</u>
Total	<u>\$ 104,457,857</u>	<u>\$ 100,397,351</u>

The Corporation of the District of Peachland Schedule 3 – Segment Disclosure

December 31, 2023

	General Fund											2022 Total <i>(Revised - Note 2)</i>		
	General government services	Protective services	Recreation services	Parks and culture services	Environmental development services	Transportation services and public works	Environmental health services	Public health services	Facilities services	Sub Total	Water funds		Sewer funds	
Revenue														
Taxation	\$ 1,548,083	\$ 1,061,542	\$ 398,078	\$ 694,489	\$ 580,889	\$ 794,382	\$ 530,771	\$ 35,385	\$ 353,848	\$ 5,807,457	\$ -	\$ -	\$ 5,897,457	\$ 6,372,393
Parcel Taxes	191,318	131,188	49,195	74,704	71,789	98,933	65,584	4,373	43,730	728,822	1,174,643	336,565	2,240,030	2,246,252
Concessions and franchise	44,845	30,815	11,481	17,433	18,753	22,821	15,307	1,020	10,207	170,082	-	-	170,082	144,560
Sale of services	235,875	161,740	80,653	82,102	88,508	118,508	80,970	5,391	53,911	899,556	-	-	958,558	886,132
User fees	-	-	-	-	-	-	-	-	-	1,560,251	587,181	-	2,147,442	1,851,281
Other revenue from own sources	532,465	375,031	140,837	213,559	205,225	277,108	187,516	12,501	125,098	2,069,048	65,658	223,574	2,368,292	2,989,591
Government transfers	1,164,582	786,577	286,468	454,745	438,699	500,956	392,288	29,919	263,182	4,433,537	-	198,458	4,605,996	1,287,564
Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	245,578
Total	\$ 3,718,876	\$ 2,956,693	\$ 959,510	\$ 1,457,032	\$ 1,400,173	\$ 1,880,588	\$ 1,279,346	\$ 85,288	\$ 652,868	\$ 14,200,505	\$ 2,530,552	\$ 1,316,790	\$ 18,347,847	\$ 13,607,611
Expenses														
Salaries and benefits	\$ 989,574	\$ 789,777	\$ 453,600	\$ 477,108	\$ 819,488	\$ 914,837	\$ 3,320	\$ 28,917	\$ 81,586	\$ 4,340,187	\$ 970,427	\$ 151,142	\$ 5,461,755	\$ 4,425,453
Equipment	-	15	-	97,594	13,159	108,836	3,450	6,381	4,876	232,319	47,656	771	281,075	281,804
Contract services	195,674	889,877	62,155	125,831	428,206	184,830	663,969	-	213,802	2,883,770	162,383	1,749	2,847,992	2,750,658
Insurance	64,041	18,359	-	2,990	-	6,380	-	-	36,630	128,407	46,544	8,983	179,914	166,828
Supplies	68,016	130,287	36,988	112,179	14,291	84,834	-	1,323	61,137	508,325	475,882	7,431	991,748	983,541
Leases	-	-	-	-	-	-	-	-	-	-	8,089	-	9,089	23,341
Telephone and utilities	20,283	12,964	3,733	6,436	2,883	82,326	-	-	90,215	218,040	125,501	-	344,440	301,448
Professional services	377,955	13,986	7,795	-	192	-	-	-	-	399,560	7,393	2,082	409,084	287,353
Advertising	14,888	40,394	19,238	3,135	2,193	-	-	-	-	97,838	2,500	-	90,136	114,384
Grants	257,046	-	-	-	-	-	-	-	-	267,046	-	-	267,046	255,683
Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	93,024	-	-	-	-	-	-	-	-	17,447	50,547	642,781	710,755	581,272
Amortization of tangible capital assets	934,441	-	-	-	-	-	-	-	-	93,024	311,581	81,840	486,855	428,871
Accretion	40,038	-	-	-	-	-	-	-	-	934,441	648,933	288,186	2,168,440	2,168,874
	-	-	-	-	-	-	-	-	-	40,038	8,050	-	48,122	44,385
	\$ 3,052,507	\$ 1,902,957	\$ 863,778	\$ 829,848	\$ 1,360,439	\$ 1,880,533	\$ 575,766	\$ 33,521	\$ 469,128	\$ 9,918,177	\$ 3,185,221	\$ 1,182,949	\$ 14,287,341	\$ 12,725,607
Annual surplus	\$ 664,469	\$ 656,136	\$ 375,732	\$ 627,384	\$ 19,735	\$ 797,756	\$ 703,580	\$ 51,769	\$ 384,767	\$ 4,281,328	\$ (356,669)	\$ 133,844	\$ 4,060,306	\$ 1,271,704

Financial Statements

The Corporation of the District of Peachland Schedule 4 – Growing Communities Fund

December 31	2023	2022
Opening balance of unspent funds	\$ -	\$ -
Contributions received	2,766,000	
Interest earned	61,991	
Closing balance of unspent funds	<u>\$ 2,827,991</u>	<u>\$ -</u>

2023 Permissive Tax Exemptions

Name	Legal Description	Civic Address	Revenue
Peachland United Church	4421 4th Street; PID 024-387-754; Parcel A, Block 4, Plan 44, ODYD, DL 490	4421 4th Street	8,911
St. Margaret's Anglican Church	4464 4th Street; PID 024-253-472; Lot 1, Plan KAP62699, ODYD, DL 490	4464 4th Street	4,193
Peachland Baptist Church	4204 Lake Avenue; PID 009-657-495; Lot 12, DL 220, ODYD, Plan KAP9704	4204 Lake Avenue	4,693
Peachland Wellness Centre	4426 5th Street; PID 006-978-975; Lot H, Plan KAP22267, ODYD, DL 490	4426 5th Street	4,893
Peachland Riding Club	5380 Princeton Avenue; PID 012-404-101; Lot 17, Plan KAP410, ODYD, DL 2538	5380 Princeton Avenue	2,989
District of Peachland Community Patrol Office	4440 5th Street; PID 006-978-967; Lot G, Plan KAP22267, ODYD, DL 490	4440 5th Street	7,791
Peachland Community Arts Council (Visitor's Centre; Boys & Girls Club)	5684 Beach Avenue, PID 012-638-277; Lot A, Plan KAP40524, ODYD, DL 490	5684 Beach Avenue	27,069
Peachland District Retirement Society	5672 Beach Avenue; PID 008-710-694; Lot A, Plan KAP38807, ODYD, DL 490	5672 Beach Avenue	13,495
Maple Springs Bible Camp	5247 Inga Street; PID 012-403-989; Lot 5, Plan KAP410, ODYD, DL 2538	5247 Inga Street	11,229
The Nature Trust of BC	3410 Drought Road; PID 027-343-553; Lot A, Plan KAP85621, DL 2690	3410 Drought Road	11,259
Peachland Branch of the Royal Canadian Legion	4407 2nd Street; PID 012-765-490; Lot 6 & 7, Block 2, Plan 44, DL 490	4407 2nd Street	6,237
Okanagan Regional Library	Unit 40, 5500 Clements Crescent; PID 023-739-827; Lot A, Plan KAP58976, ODYD, DL 220, Except Plan KAP60348	Unit 40, 5500 Clements Crescent	4,273
Peachland Chamber of Commerce	5878 Beach Avenue; PID 012-765-201; Lot 3, Block 1, Plan KAP44, ODYD, DL 490	5878 Beach Avenue	7,959
TOTAL			114,990

Contact Us



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