



District of Peachland, British Columbia, Canada

# 2022 ANNUAL REPORT

For fiscal year ending December 31, 2022







# *District of Peachland* **2022 ANNUAL REPORT**

For the fiscal year ending December 31, 2022  
Prepared by the Financial Services and  
Corporate Services Departments with  
contributions from across the organization.

District of Peachland  
5806 Beach Avenue  
Peachland, BC, Canada V0H 1X7

Please note. The *2022 Annual Report* published last year by  
the District of Peachland pertained to 2021 Financial Information.

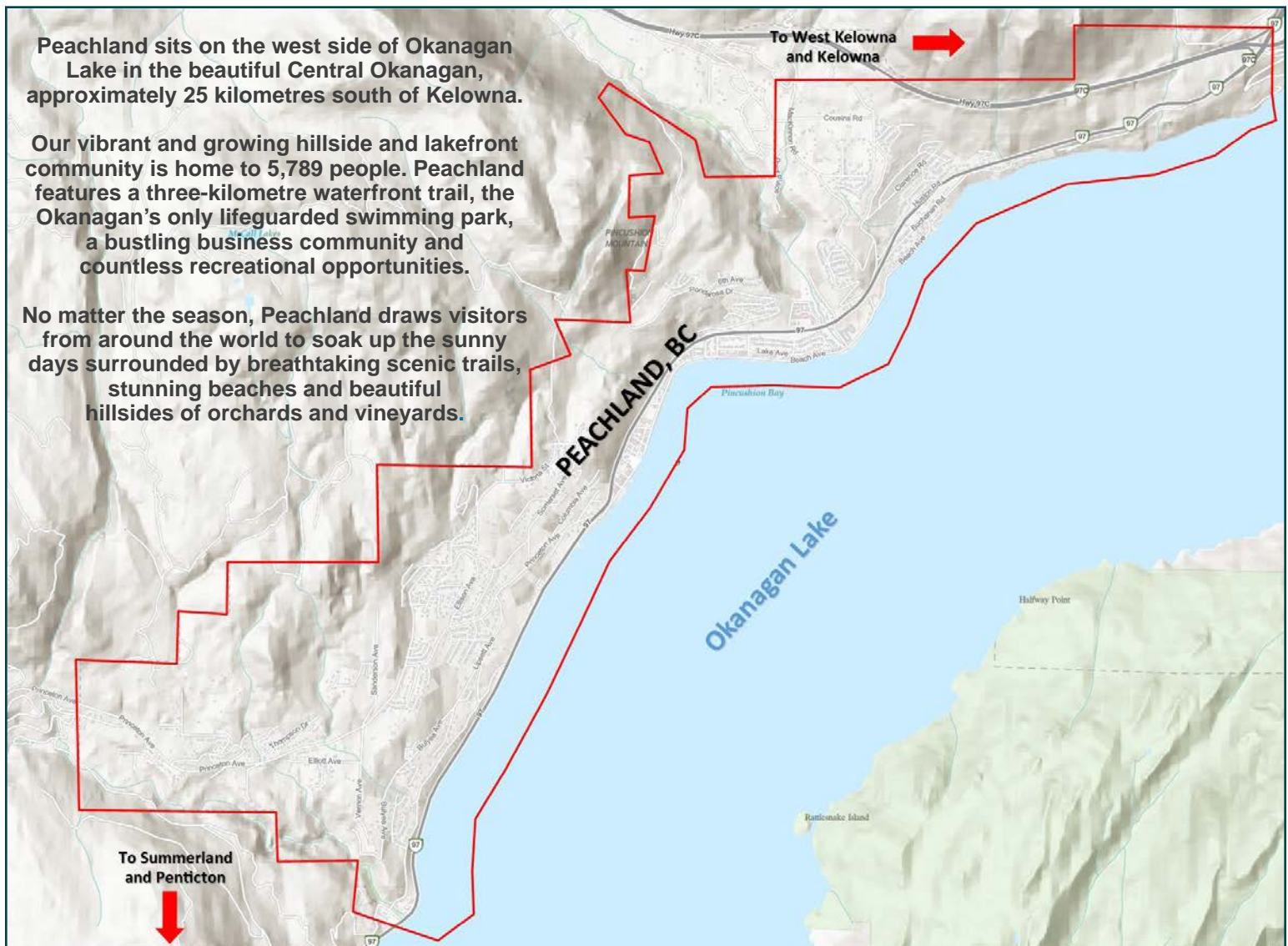




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## About Peachland



# Mayor's Message

On behalf of Council, I am very pleased to present the 2022 Annual Report which features details of our financial performance for the year ending December 31, 2022.

In October 2022, Peachland voters elected me as their mayor for the next four years and chose mostly new faces for their council, with the exception of myself and Councillor Terry Condon who have served on previous councils. This provides this Council with an exciting new energy and the ideas are free flowing.

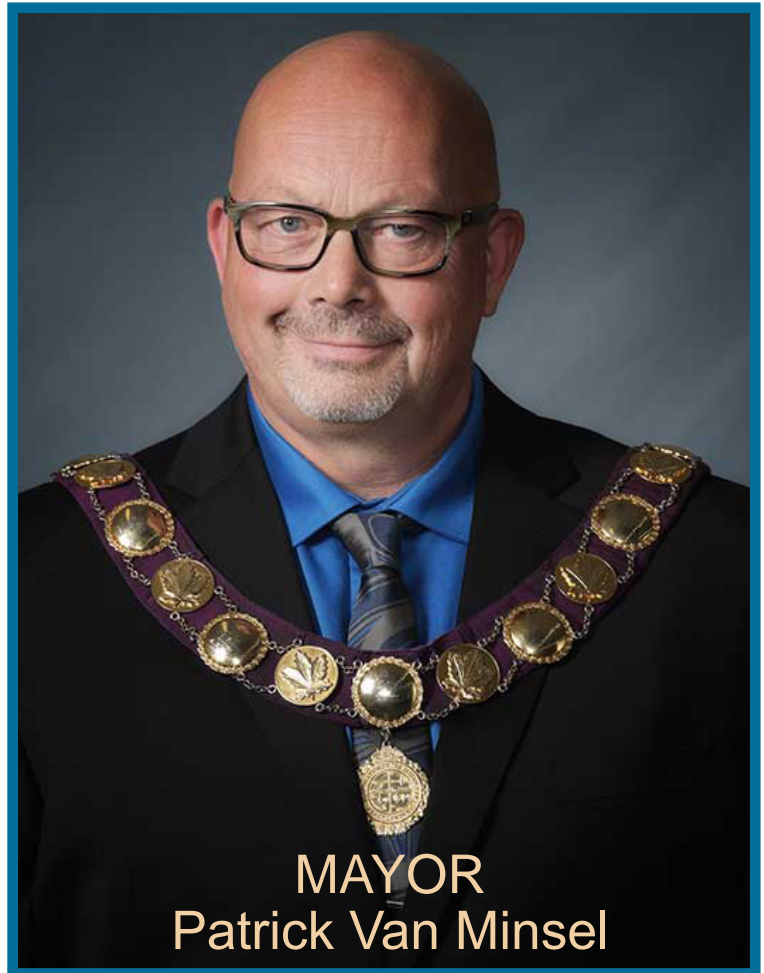
One of the first orders of business in 2022 was to build a team and to establish our strategic priorities and we met early in our term to define what our vision is for the community. We agreed to focus on five key themes:

**Fiscal Responsibility** - We know we need to ensure best value for our taxpayers' dollars. We agreed we need to seek new funding sources, ensure development contributes fairly to our community and strategically advocate senior levels of government for funding. We will work to diversify Peachland's tax base knowing this is vital to a sustainable community.

**Vibrant Downtown** - Our waterfront and Peachland's downtown area are among our greatest community treasures. Previous endeavors to see it revitalized have not fully succeeded and development pressures are not always in line with the community's vision for the area. The time has come to invest seriously in this area, encouraging mixed use developments that increase the housing supply and add vibrancy to the area. We'll talk about transportation options, parking, public spaces and more as we make our way through the process.

**Infrastructure Improvements** - We will invest in Peachland's infrastructure including improvements to Turner Park, Sanderson Dog Park and the building of a new Fire Hall. We will initiate planning into relocating our Municipal Hall and plan to be "shovel ready" for other community projects that may meet a new grant opportunity. We want to invest in road improvements in the areas above Highway 97.

**Good Governance** - We will develop improved relationships with our citizens and our neighbours and fellow governmental organizations. Where we can, we will seek partnerships in providing services or facilities for the community. We will engage with our residents and conduct our business in a transparent manner. We consider protection of our watershed and environmental stewardship a cornerstone of good governance.



**MAYOR**  
**Patrick Van Minsel**

**Increase Housing Choice** - Council knows the housing supply in Peachland, like much of the province and the country, is taxed, with limited affordable options. Council will update the community's housing strategy and undertake bylaw and policy amendments to encourage more housing options. In order to facilitate community housing, Council will update the community housing strategy and the water master plan and we'll conduct a traffic impact study.

Council is eager to tackle these projects and more in our term. We'll be calling for feedback so keep an eye out for consultation opportunities in the coming months as we move forward on our strategic goals for Peachland.

**Patrick Van Minsel**  
**MAYOR**

*Peachland Council respectfully acknowledges  
that the District of Peachland is on the  
traditional territory of the Syilx/Okanagan People.*



Peachland  
Council  
2022-2026



## COUNCIL COMMITTEES



**COUNCILLOR**  
Randy Brophy

Airport Advisory Committee  
Central Okanagan Economic  
Development Committee  
Chamber of Commerce Liaison  
Healthy Watersheds Committee  
Mayor's Task Force  
on Climate Change  
Okanagan Basin Water Board  
Okanagan Regional Library Board

Peachland District Retirement  
Society Liaison  
Tourism and Economic  
Development Committee  
Peachland Senior's  
Support Society  
Regional District Committees  
Regional District Director  
School District #23 Liaison  
Audit Committee



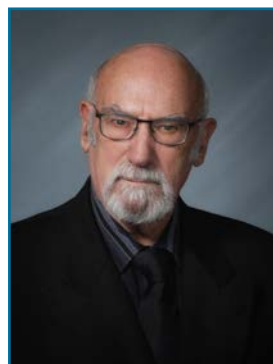
**COUNCILLOR**  
Rick Ingram



**COUNCILLOR**  
David Collins



**COUNCILLOR**  
Alena Glasman



**COUNCILLOR**  
Terry Condon



**COUNCILLOR**  
Keith Thom



# Citizen Involvement

Each year, Peachland organizations and service clubs donate countless hours towards community service. These generous volunteers make Peachland a better place to live and grow and help keep residents healthy, happy and strong!

**THANK YOU, VOLUNTEERS!**

Volunteer Appreciation Breakfast



Canada Day



*Thank you!*

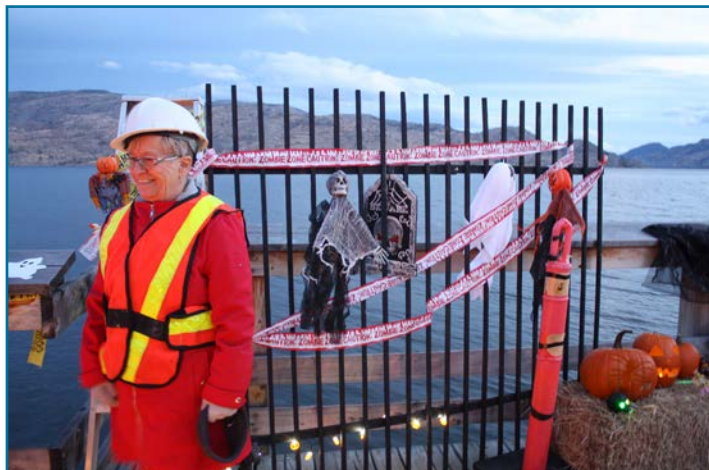
Christmas Light-Up



Haunted Halloween Walk



*Thank you!*





# SPIRIT OF PEACHLAND 2022 CIVIC AWARDS

The annual Spirit of Peachland Civic Awards celebrate residents who contributed to their community in a variety of categories including arts and culture achievements, volunteerism, community inclusion, leadership, health promotion, environmental protection and more. Congratulations to award recipients for 2022!

A heartfelt thank you to the hardworking volunteers who made the Awards Presentation held on May 5, 2023 at the Peachland Community Centre a great success!



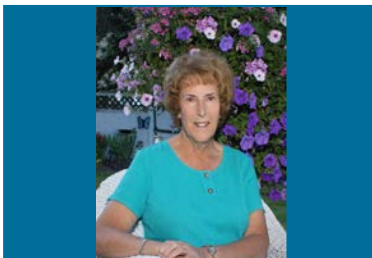
**Megan Avendano Gregory**  
Youth Citizen of the Year



**Vince Boyko**  
Councillors' Award of Merit



**Graham and Kelley Todd**  
Mayor's Award of Merit



**Lynne Herrin**  
Pillar of the Community



**Janice Liebe**  
Unsung Hero



**Madeleine Nixon**  
Excellence in Community Spirit



**Barrie Hewer**  
Excellence in Health  
Promotion



**Gwen Bodnarek**  
Excellence in Volunteerism



**Sandy MacLeod**  
Excellence in Accessibility



**Syd Kendrick**  
Excellence in Dedication  
and Service

## Congratulations also go to...

Albert Galpin was awarded the Freedom of the Municipality Award. Al celebrated his 100th Birthday on February 14, 2023. He passed away peacefully at home on February 26 with his loving wife, Bernice, by his side

Brian and Linda Gregory celebrated their 50th Anniversary on February 2nd, 2023

Lifetime Service Awards were given for dedicated service to the community to:

Graham and Kelly Todd – 30 years of service  
Truda Kennedy – 30 years of service  
Alice Mumm – 15 years of service  
Valerie MacGillivray – 15 years of service

# Strategic Plan

## MISSION:

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

## 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.

## OUR VALUES:

- Respectful dialogue
- Fiscal responsibility
- Meaningful engagement
- Collaboration, partnerships, relationships and advocacy
- Good governance
- Transparency
- Engagement and communication with residents
- Plan for climate change and recognize responsibility to future generations
- Think long term and beyond the current term

### FISCAL RESPONSIBILITY



#### PRIORITIES

- Add a staff resource to focus on grant writing and communications.
- Complete comprehensive DCC Bylaw review.
- Research and identify additional municipal revenue stream opportunities.
- Strategically advocate senior levels of government for funding opportunities for priority projects.
- Develop procedures and policies that lead to building District financial reserves.
- Continue to invest in asset management.
- Diversify municipal tax base to be more sustainable and less dependent on low density residential.
- Implement Municipal and Regional District Tax (MRDT) for short-term vacation rents.
- Review transit to ensure value for money.

### VIBRANT DOWNTOWN



#### PRIORITIES

- Update the Downtown Strategy that will provide analysis, actions and clarity for viable redevelopment of our downtown.
- Streamline the development application process to facilitate downtown revitalization.
- Create an environment for a collaborative approach (partnerships) for downtown revitalization.
- Encourage mixed use developments to increase housing options and add vibrancy to the downtown.
- Consider incentives for the implementation of the Downtown Strategy.
- Complete a Transportation Demand Management Study.
- Connect the downtown to other neighbourhoods and adjacent trails.

### INFRASTRUCTURE IMPROVEMENTS



#### PRIORITIES

- Complete Turner Park Phase 1 improvements.
- Complete a property acquisition and disposition strategy.
- Construct a new Fire Hall.
- Initiate planning for City Hall relocation.
- Continue to invest in asset management.
- Invest in multi-use transportation planning to be grant ready for capital improvements.
- Complete sports field improvement plan and develop plans for "grant/shovel ready" projects.

### GOOD GOVERNANCE



#### PRIORITIES

- Actively engage the community by holding an annual Town Hall meeting.
- Fiscal responsibility.
- Develop partnerships with regional local governments, senior governments, First Nations and non-governmental organizations.
- Protect our watershed.
- Review of Official Community Plan.
- Be environmental stewards and improve community resilience by preparing for climate change.
- Pursue grant funding to develop a childcare strategy.
- Work with school district to allow their infrastructure to be used for community use.
- Review the existing committee structure and transition to a task force structure.

### INCREASE HOUSING CHOICE



#### PRIORITIES

- Update Housing Strategy.
- Undertake policy and bylaw amendments to update the short term rental policy.
- Increase opportunities for gentle density (ie: plexes, garden suites, secondary suites).
- Consider pre-zoning and incorporating density bonus provisions as a means to facilitate the development of mixed-use and medium density housing downtown.
- Create a "housing fund" to facilitate affordable housing opportunities for Peachland's workforce.
- Consider land use amendments that increase opportunities for housing choice.
- Identify potential incentives for encouraging rental housing
- Encourage opportunities to age in place.



# Message from the CAO

Thank you for taking the time to review this report on the work accomplished by the District of Peachland in 2022. As I look through these pages, I was struck by the volume of work undertaken by staff in 2022 above the core work that always keeps us busy.

This year was an election year, and our staff oversaw a successful election of a new Mayor and Council. This year, we also held a referendum in conjunction with the election, asking our citizens if they approved borrowing to build a new Fire Hall. The background work on this project was intense and I commend all staff involved. Support from Peachland residents was overwhelmingly in favour of this important safety initiative.

We also focused on Council's goal to improve our building and development processes and launched a services review to dig deep into the way we are doing things with the goal of improving timelines and streamlining process.

We took the first steps towards downtown planning and began actively seeking financial support from other levels of government for this endeavor and others, hoping to capitalize on the variety of opportunities out there for local governments.

Climate change continues to occupy us as we work to build resiliency into our operations. We also continue to pursue initiatives to bring more affordable housing to our community.

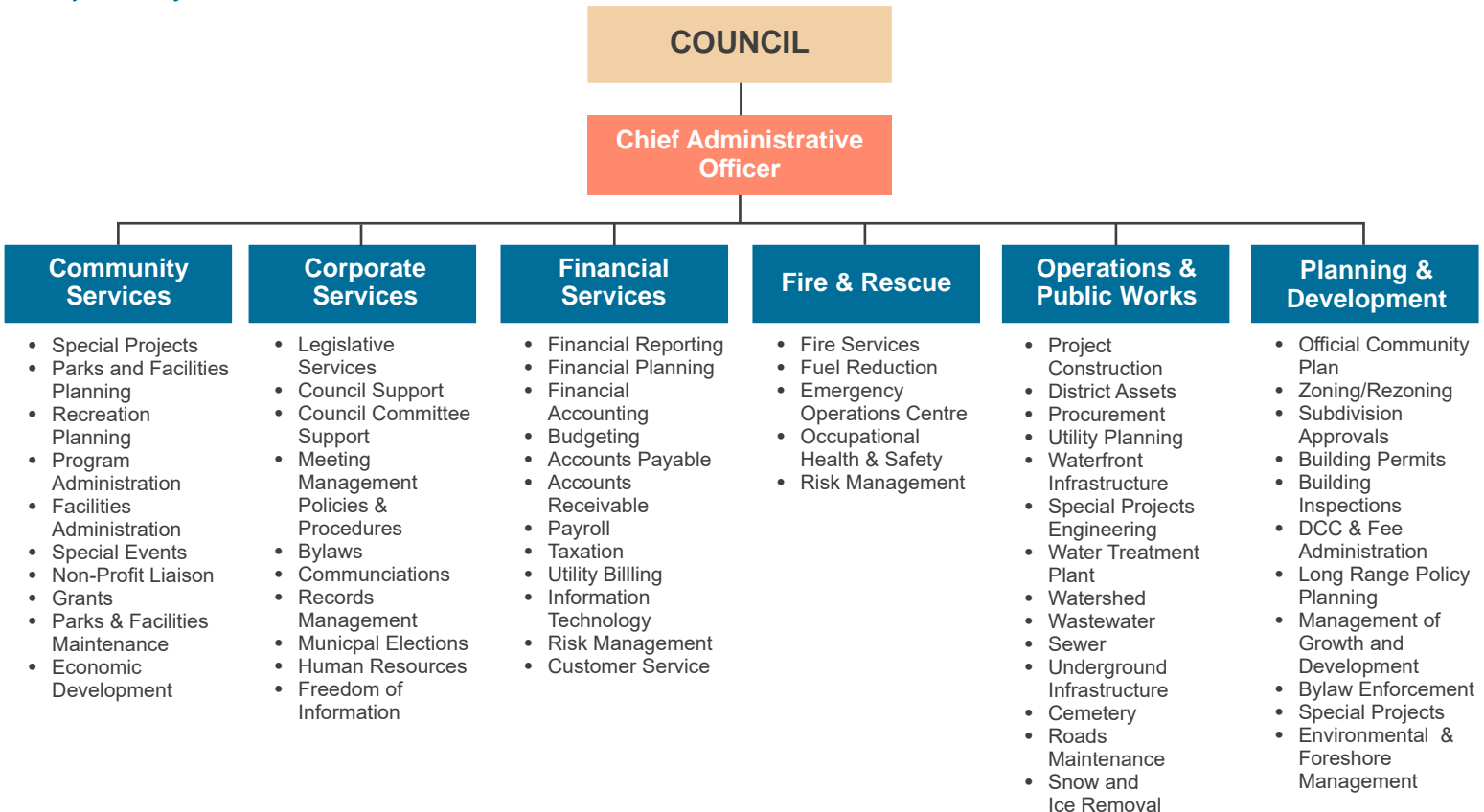
In 2023, we will undertake the long-awaited foreshore works at Swim Bay to protect against flood damage. We'll improve Turner Park and will see progress on the first 9 holes of the Ponderosa area golf course. Seeking grants for our protective services building will also be on our radar.

I hope you enjoy the information shared in this report and I thank Council and staff for working hard to make Peachland a beautiful and safe place.



**Joe Creron**  
Chief Administrative Officer

## Organizational Chart







# DEPARTMENTAL ACHIEVEMENTS







## About Us

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.

## Accomplishments in 2022

- Restarted Recreation and Cultural services in response to reductions in pandemic-related public health orders and subsequent community demand for a full range of in-person programs, services, and events.
- Collaborated with community groups and instructors on scheduling changes and facility moves, to temporarily host Peachland Food Bank and Peachland Wellness Centre at 4th Street Place to make way for PSSS Phase 2.
- Hosting online and in-person community engagement to collect input for a new Active Transportation Network Master Plan, with the goal of improved connectivity and safety for local pedestrians and cyclists.
- Created and filled a new Recreation and Culture Technician role focused on providing high-quality customer service and communications, improving programming and events, and advancing important community projects.
- Oversaw a technical audit and completed building upgrades to the Peachland Riding Club that improved public safety and community accessibility.
- Applied for a Blue Jays Foundation Field of Dreams grant to support Phase 1 improvements to Turner Park.
- Applied for a UBCM grant to replace existing obsolete air conditioning units at the Community Centre in order to improve user comfort as well as public health and safety.





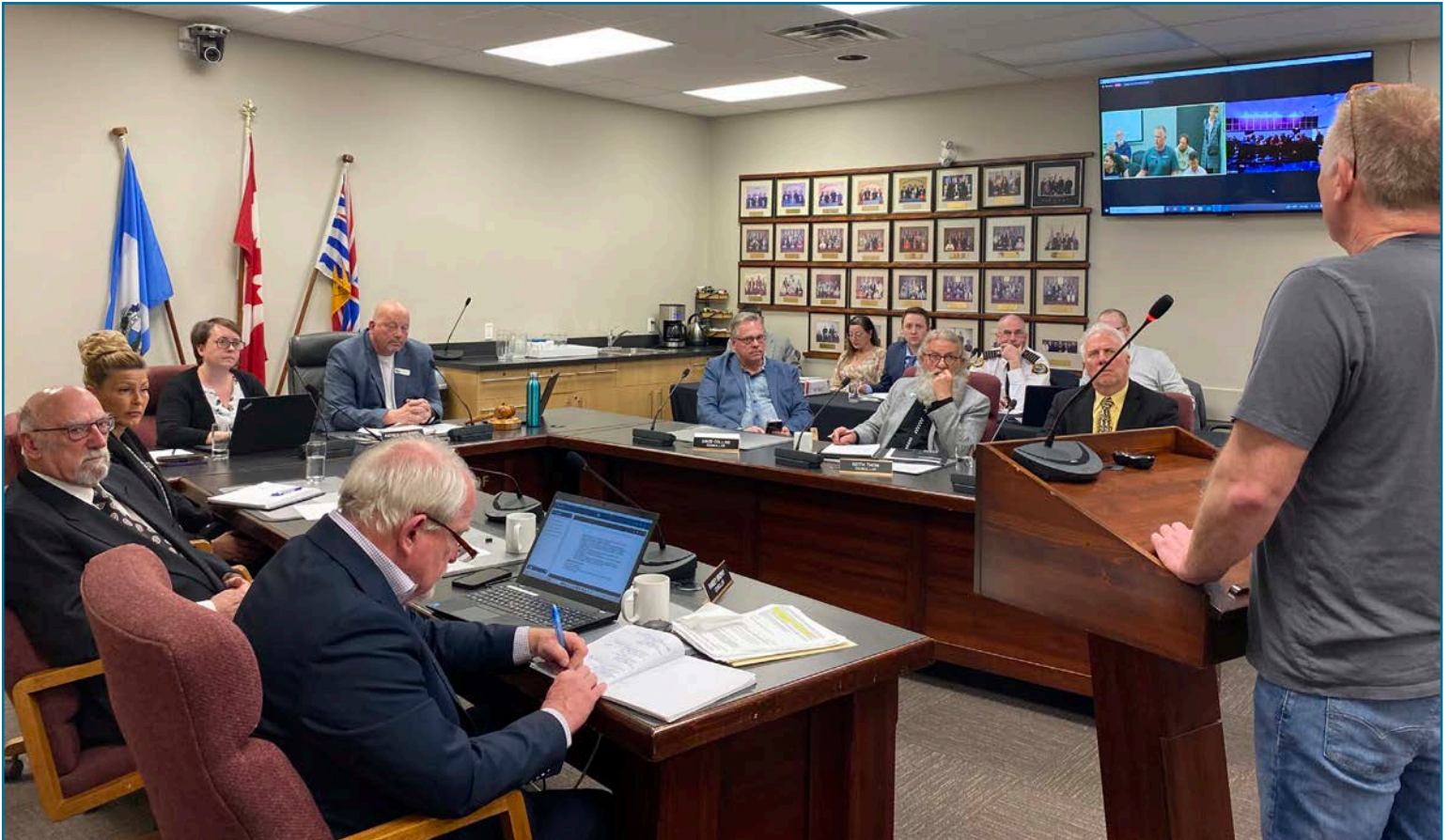
# Community Services

## Objectives for 2023 and Beyond

- Support the transition of community groups from buildings at the Peachland Seniors Support Society Phase 2 Affordable Housing site to suitable alternative locations.
- Lead the completion and approval of a community-wide Active Transportation Master Plan to guide and support future infrastructure improvements that promote safer and more convenient pedestrian and bicycle connectivity.
- Advance the Westside Trail project by applying for Ministry of Transportation permits, design finalization, and grants in collaboration with Trail of the Okanagans Society.
- 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.
- Collaborate with the Peachland Historical Society on developing long-term fiscal and operational sustainability and developing a new Services Agreement.
- 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.







## About Us

The Corporate Services Department 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 its 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 oversees all municipal electoral processes. The department also oversees administration of the Peachland Cemetery.

## Accomplishments in 2022

- Successfully conducted the 2022 Local General Election in October. The department also oversaw a referendum, administered in conjunction with the election, asking residents if they support borrowing up to \$17.5 million for a new Protective Services Building to accommodate the Peachland Fire Department. The referendum passed with 75% of voters in support.
- Administered new Council orientation and began the strategic planning process - see details of Council's **2023 Strategic Plan** on page 8.
- Implemented a new meeting management software and upgraded the webcasting equipment for Council meetings.
- Developed a draft Communications Plan including a recommendation that the District pursue a dedicated communications employee.
- Centralized records management for the District, improved workflow between departments.
- Continuing review of District policies and procedures.





# Corporate Services

## Objectives for 2023 and Beyond

- Coordinate Strategic Planning for 2023 including plan development and approval, publication and promotion.
- 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.
- Develop of a Code of Conduct Policy for Council's consideration.
- Continue consolidation of permanent records and source a new location for file archives.
- Conduct a review of current policies to ensure effectiveness.
- Improve communications and grants coordination functions within the organization.
- Review Freedom of Information and Protection of Privacy policy for the District to ensure compliance.







## About Us

The Finance Department serves to monitor, control and allocate financial resources in order to achieve the long term goals and objectives. Some of the specific functions performed by Financial Services include revenue collection, paying on-going bills and 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.

## Accomplishments in 2022

- The Department implemented new software to protect District information from cyber security attacks.
- A revised annual budget process was introduced to increase efficiency in developing and approving annual budget.
- The investments and cash flow requirements were reviewed to capitalize on higher interest rates.
- The Department reviewed and updated finance policies to increase efficiencies and reviewed and updated internal control procedures.

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



# Financial Services

## Objectives for 2023 and Beyond

- Implement billing procedure for non-reading water meters.
- Seek out and implement revenue opportunities to assist with maintaining a reasonable tax rate for residents.
- Review and collaborate with consultants and staff to implement Public Sector Accounting Standard 3280 Asset Retirement Obligations for the Audited Annual Financial Statements.
- Review and collaborate with consultants and staff to implement Public Sector Accounting Standard 3450, Financial Instruments for the Audited Annual Financial Statements.
- Continue to review policies and procedures, identify those that are essential and work towards approved versions of essential policies.







## Accomplishments in 2022

### About Us

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

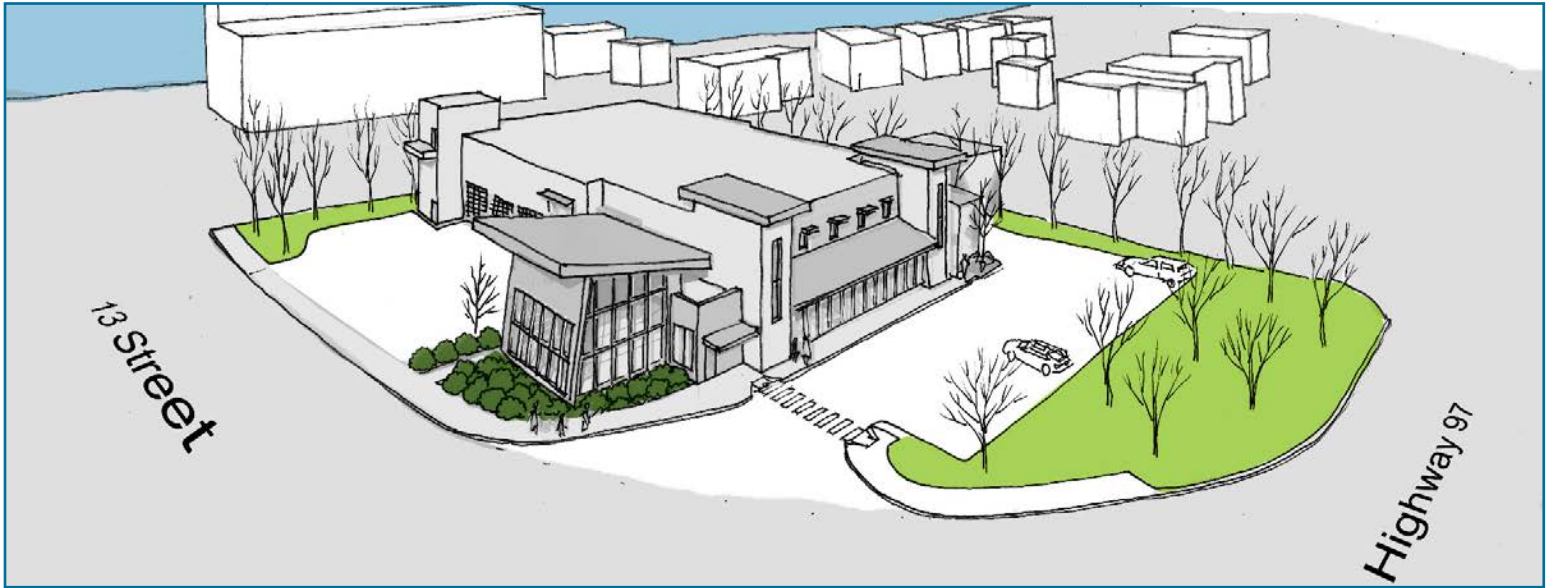
With the exception of a Chief and Deputy Chief, the department consists entirely of paid-on-call firefighters. These dedicated personnel respond from home or work 24 hours a day, seven days a week when emergency calls. The 40 POCs train weekly and are on call throughout the year. In 2022 Peachland firefighters 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.

- Peachland Fire & Rescue Services led the public consultation on the Protective Services Building referendum, held in conjunction with the 2022 Local General Election. The new Protective Services Building will improve Peachland's fire and emergency service operations and support the long-term safety of our community. The current fire hall will be relocated to a property at the corner of San Clemente Avenue and 13th Street, where a new Protective Services Building will be constructed. The new facility will house the fire department and may include other community safety services to serve Peachland and area. The community voted 75% in support of borrowing funds to construct the facility.
- The department offered a FireSmart Rebate Program to property owners who clean combustible debris from their roof and gutters and clear their properties. Homeowners were offered up to \$500 in rebates for work completed. The department secured a grant through the FireSmart Community Funding program. The Department also supported the Eagles View Strata which started the process to become a FireSmart Neighbourhood, and other communities working to prevent fire on their properties.
- The Department was deployed to assist with wildfire response in Keremeos and Hudson Hope in 2022.





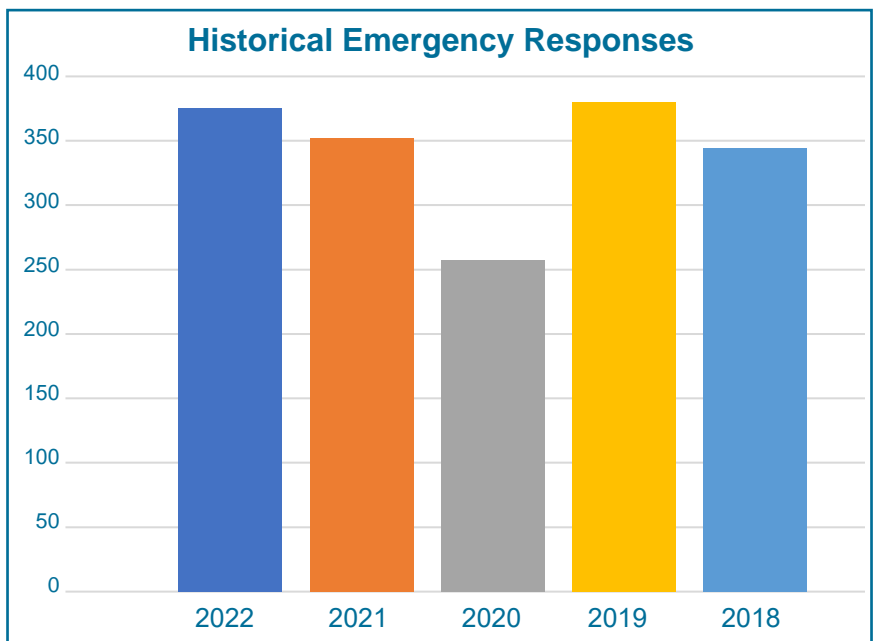
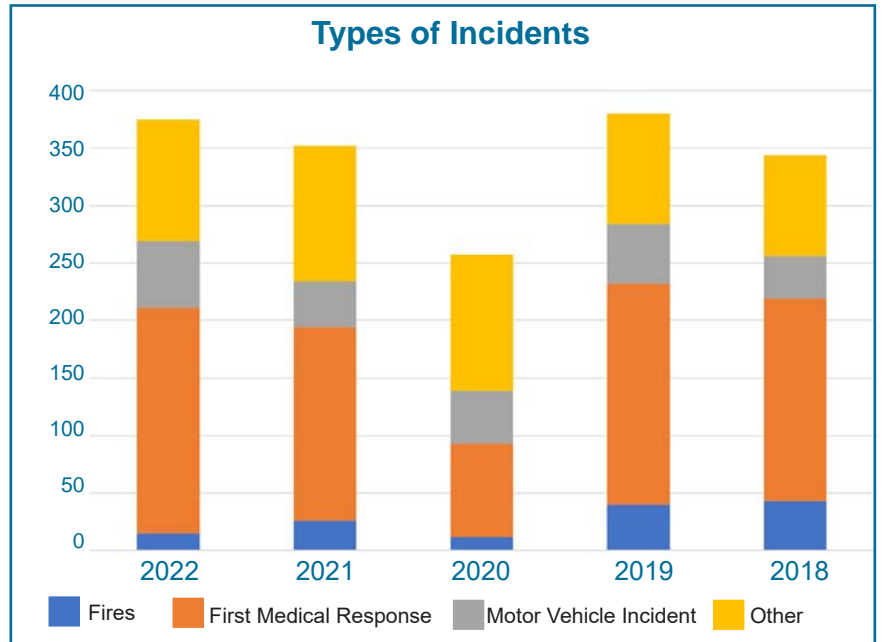


## Objectives for 2023 and Beyond

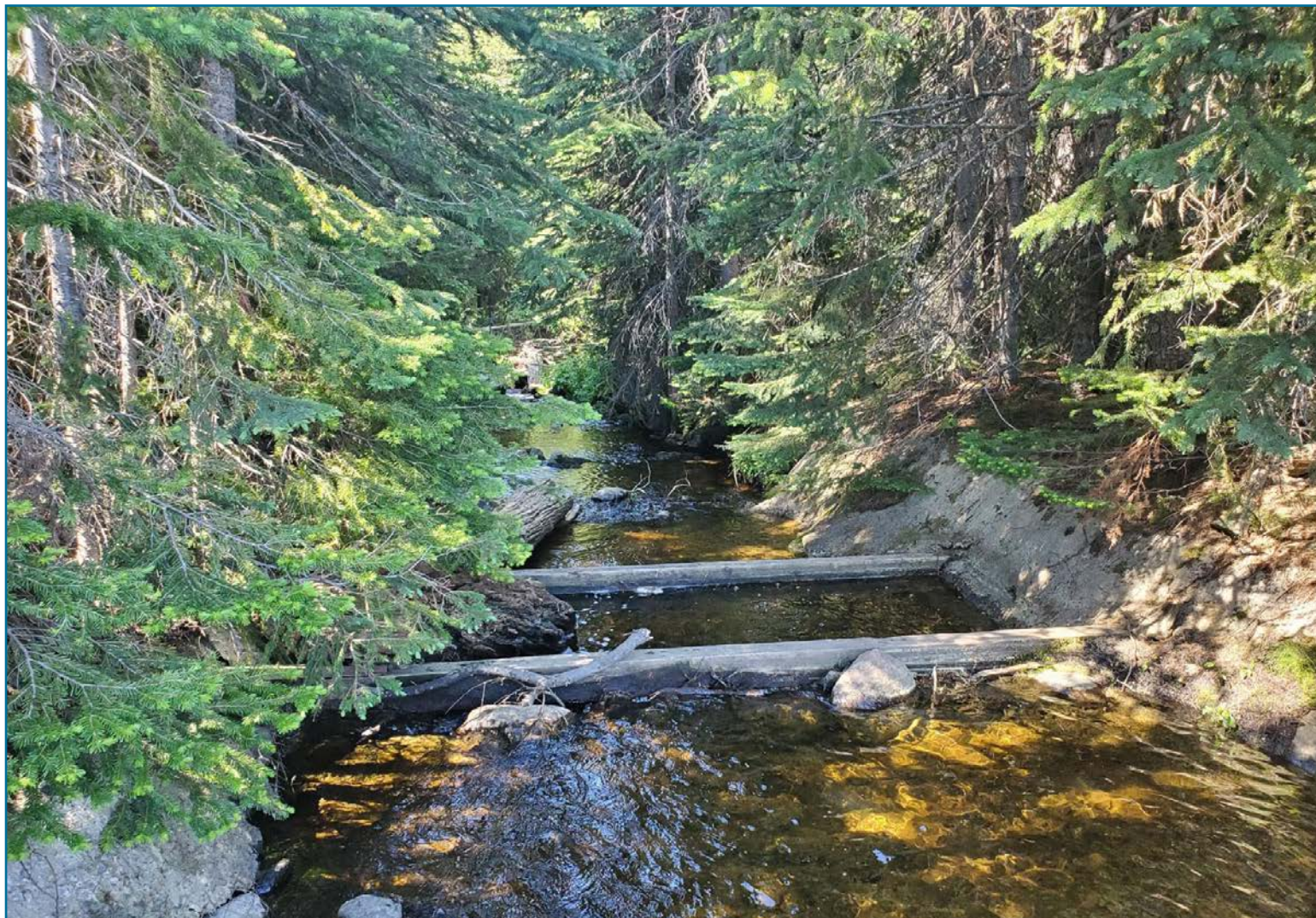
- The Department, in conjunction with other District departments, will proceed with the purchase of the new site for the new Protective Services Building. The new facility will include 20,000 square feet of space dedicated for protective services. It will replace the 60-year-old station on 3rd Street which is too small for fire operations.
- The FireSmart Rebate Program will be expanded, providing more incentives for property owners to educate themselves and make their properties resistant to fire. Grant funding will be sought for the program.



**Congratulations to Audrina, our 2022 Fire Chief for a day!**  
Audrina's family planned their escape route and practiced in their home during Fire Prevention Week.







## About Us

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. It oversees waste collection, snow removal and ice control services.

It oversees District construction projects and is responsible for infrastructure and asset management.

The Department works closely with other departments to review applications for subdivisions, rezoning and building permits.

## Accomplishments in 2022

- A \$2.5 million residuals treatment upgrade was begun on the Water Treatment Plant.
- The Department launched an Active Transportation Master Plan project that included substantial in-person and online public engagement.
- The District applied for a federal grant to advance design and construction of the Westside Trail from Peachland to West Kelowna.
- In 2022, the District approved the Turner Park Master Plan to help guide phased improvements of the park, and planned for the partial implementation of Phase 1 improvements to begin in 2023.
- Two new fleet vehicles were purchased for \$90,000, allowing for safe physical distancing and greater flexibility.
- \$30,000 was spent on stormwater infrastructure improvements.
- The Department initiated an LED street light replacement program in various locations around town. These lights can provide up to 68% in energy savings.





# Operations & Public Works

## Objectives for 2023 and Beyond

- Continue with the Residuals Treatment Upgrade at the Water Treatment Plant.
- Planned Road Rehabilitation work will be undertaken with a budget of \$550,000.
- Complete the Flood Mitigation project at Swim Bay in 2023.
- Purchase a new plow truck and sander attachment, to assist with snow removal and a new snowmobile for accessing upland lakes and dams in Peachland's watershed.
- The HVAC unit for the Community Centre will be replaced at an estimated cost of \$86,000. Most of the cost will be covered by a UBCM Climate Adaption grant.
- Complete updates on Water Supply and Peachland Lake Dam Consequence Analyses.
- Accelerate water meter replacement program
- Pursue grant funding for a Wastewater Master Plan.



Peachland Lake Dam





## About Us

Planning and Development Services is responsible for land use management, planning, building inspections, economic development and bylaw enforcement. They make bylaw, policy recommendations to Council and communicate with a broad range of stakeholders, all with a view to informed and sustainable community planning. Core work within the department includes processing community development applications such as zoning amendments, subdivision, development and variance permits and building permits. The Department also manages licenses for businesses, suites, wharves and buoys, sidewalk patios, outdoor vending, and bed and breakfasts. The Department oversees bylaw enforcement for the District.

## Accomplishments in 2022

- The Department began a Sidewalk Patio Policy review.
- The Development Approvals Process Review continued through 2022; funding for the project received through a grant in 2021. Part of this project will produce user friendly development processes and guides to help streamline the process.
- Continued coordination with other departments on DCC review project.
- A review of the Fees Bylaw was begun, continuing into 2023.



## Objectives for 2023

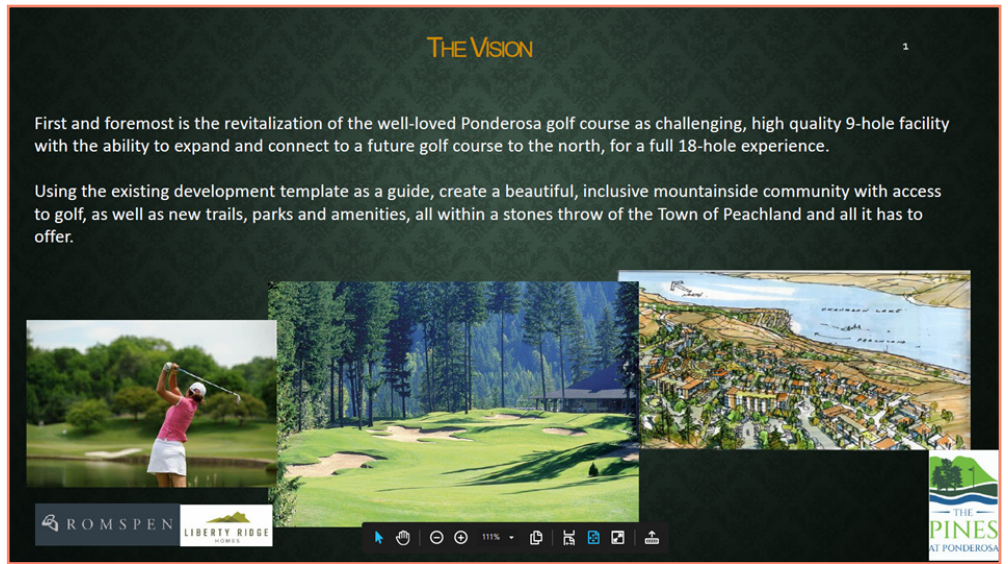
- Complete the Beach Avenue Zoning Amendment Project
- Complete the Development Approvals Process Review project including amendments to the Subdivision and Development Servicing Bylaw, Development Applications Procedures Bylaw, Zoning Bylaw and OCP sundry mapping amendments.
- Complete the review and amendment to the Fees and Charges Bylaw, including update to the Community Amenity Contribution Policy.
- Draft a Tree Protection Bylaw and procedures for tree removal, including associated bylaw amendments.
- Initiate key land acquisitions and dispositions, as directed by Council
- Commence work on the Downtown Revitalization Implementation Strategy.



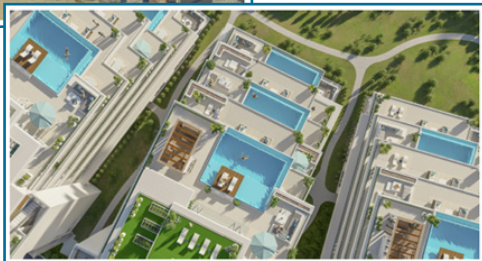
# Planning & Development

## Objectives for 2024

- Initiate work on Phase 1 of the Boundary Expansion project.
- Continue to implement procedural improvements out of the Development Approvals Process Review project; commit to streamlined development processes and prioritization of new housing units.
- Support work on the major/comprehensive DCC Bylaw review.
- Recommence work on the Property Acquisition and Disposition Strategy, Phase 2 and 3.
- Action key land acquisition and disposition, as directed by Council.
- Conduct minor OCP Review.



DEVELOPMENT SERVICES STATISTICS	2018	2019	2020	2021	2022
Official Community Plan Amendments	0	0	0	3	5
Zoning Amendments	4	1	4	5	6
Development Permits (Technical)	14	16	12	17	19
Development Permits (Form and Character)	8	3	5	3	4
Variance Permits	12	8	4	8	5
Subdivision	7	2	5	2	6
Building Permits Issued	84	97	67	96	87
Value of Building Permits	\$19.2 M	\$13.8 M	\$9.2 M	\$23.9 M	\$28.1 M
New Residential Units	47	16	10	44	36
Bylaw Offence Warnings/Complaints	257	233	42	19/199	25/196
Bylaw Notice Tickets	74	147	2	11	8
New Business Licenses Issued	--	60	40	65	48







# FINANCIAL STATEMENTS



# Chief Financial Officer Report

The 2022 Financial Plan presents minor tax impacts as a result of:

- A budget review that focused on completing existing projects and a review of proposed expenditures reflecting historical costs while considering current levels of inflation,
- additional revenue generated by new construction assessment,
- the use of COVID Safe Restart grant funding, and
- funding from the Federal Gas Tax program, Community Works Reserve for eligible projects.

Council, through the budget deliberation process, approved a 2.27% increase in general municipal property taxes for the average single-family dwelling. This tax increase, plus tax revenue from new construction assessment, generates additional tax revenue in the amount of \$189,918. Although Council approved the introduction of capital asset renewal parcel taxation in 2016, the District continues to experience funding shortfalls in reserve contributions required to replace existing infrastructure throughout the District.

In 2022, an existing parcel tax of \$350 for the purpose of funding capital improvements in the Water Capital Fund was reduced by \$190 to \$160 per parcel. A new parcel tax was approved for the same amount of \$190 per parcel to fund the debt repayment for the Water Treatment Plant and Trepanier Interconnect project. The net result is that no additional parcel taxes have been added for 2022.

This year saw continued use of the COVID-19 Safe Restart grant funding available for capital and operating projects such as:

- \$65,000 for upgrades to webcasting equipment for Council meetings,
- \$50,000 for fire department training site to reduce the need to travel for training, and
- \$66,000 for technology upgrades including laptops and software operating system.

The 2022 policing budget in the amount of \$951,251 is an increase of \$176,191 which includes a \$122,000 one-time payment for retroactive pay for the past five years as the RCMP members are now under a collective agreement. This one-time cost was funded from the Police Reserve Fund. The balance of the increase equates to a \$26.33 or 10.16% for the average household, due to forced growth in the City of Kelowna support services contract as well as the RCMP police services contract.

The transit budget increased \$21,142 overall due to increased operating costs including costs for the District to join Route 70 to Penticton as part of the RDOS system. This represents an increase of \$9.14 or 14.52% for the average household.

Some of the major General Fund capital projects identified in the 2022 Financial Plan included:

- \$400,000 for Princeton Avenue pedestrian improvements
- \$150,000 for fire hall replacement pre-construction drawings
- Two fleet vehicle purchases for \$90,000 (with \$45,000 coming from the Safe Restart Grant funding) allowing for safe physical distancing and greater flexibility
- \$30,000 for stormwater infrastructure improvements.

Major Water Fund capital projects includes \$2.5 million for residuals treatment upgrades for the Water Treatment Plant.

Community Works Gas Tax funding in the amount of \$626,000 has been used to fund \$6,000 in operating projects and \$620,000 in capital projects.

**Chief Financial Officer  
Garry Filafilo**



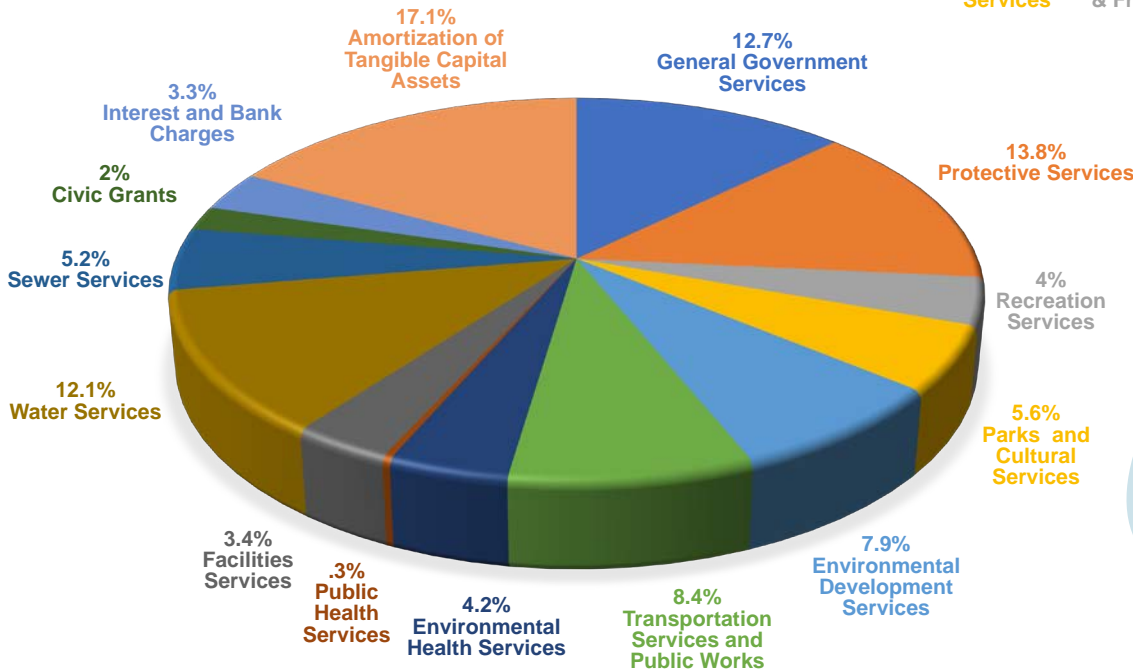
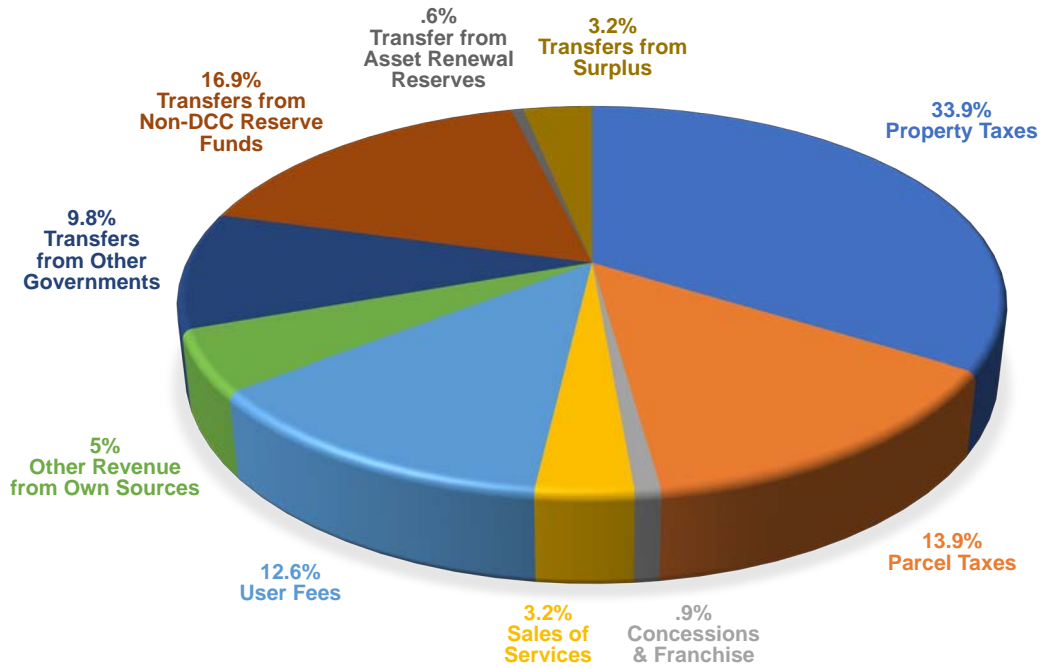
**CFO  
Garry Filafilo**

2022 Property Taxes for Typical Residential Property (valued at \$820,000)	
<b>General Municipal Taxation</b>	
General Municipal	1,477
Policing Tax	286
Transit Tax	72
General Capital Renewal	150
General Land Debt Servicing	100
Water Capital Improvement	160
Water Capital Renewal	55
Water Capital Debt Servicing	190
Sewer Capital Improvement	75
Sewer Capital Renewal	19
<b>Total Municipal Taxes</b>	<b>2,584</b>
<b>Other Taxation Authorities</b>	
RDCO Tax Requisition	178
RDCO Solid Waste Parcel Tax	33
Hospital District	164
BC Assessment Authority	26
School Taxes	901
Okanagan Regional Library	87
<b>Total Taxation for Other Taxation Authorities</b>	<b>1389</b>
<b>Total Taxation</b>	<b>3,973</b>



# Chief Financial Officer Report

*Where The Money Comes From*



*Where The Money Goes*

## Distribution of Property Taxes

Class	General	Policing	Transit	Total	Percentage
Residential	4,020,883	777,132	196,114	4,994,129	93.2
Utility	14,625	3,768	951	19,343	.4
Light Industry	6,722	1,119	282	8,123	.2
Business	257,549	45,153	11,395	314,096	5.9
Recreation	11,093	1,852	467	13,412	.3
Farm	1,168	168	42	1,378	0
<b>Total</b>	<b>4,312,040</b>	<b>829,192</b>	<b>209,251</b>	<b>5,350,482</b>	<b>100</b>



## 2022 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
<b>Total</b>			<b>114,990</b>





Financial Statements

December 31, 2022

The Corporation of the District of Peachland



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## Independent Auditor's Report

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**Grant Thornton LLP**  
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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, 2022, 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, 2022, 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.

### 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.



## 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 9, 2023

*Grant Thornton LLP*

Chartered Professional Accountants



**The Corporation of the District of Peachland  
Statement of Financial Position**

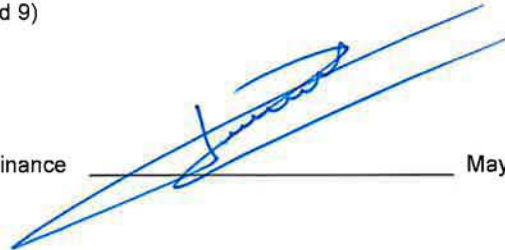
December 31	2022	2021
<b>Financial assets</b>		
Cash	\$ 9,928,468	\$ 11,004,315
Investments (Note 3)	17,234,284	12,936,121
Accounts receivable (Note 3)	<u>1,513,544</u>	<u>2,330,716</u>
	<u>28,676,296</u>	<u>26,271,152</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 3)	5,648,013	6,425,079
Deferred revenue (Note 3)	2,030,925	2,014,553
Deferred development cost charges (Note 3)	2,100,610	1,838,124
Long term debt (Note 3)	<u>13,119,058</u>	<u>13,511,371</u>
	<u>22,898,606</u>	<u>23,789,127</u>
Net financial assets	5,777,690	2,482,025
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	<u>96,049,226</u>	<u>98,021,370</u>
Accumulated surplus (Schedule 2)	<u>\$ 101,826,916</u>	<u>\$ 100,503,395</u>

Trust funds (Note 7)  
Contingent liabilities and commitment (Notes 8 and 9)

On behalf of the District



Director of Finance



Mayor

See accompanying notes to the financial statements



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

Year ended December 31	2022 Actual	2022 Budget (Note 14)	2021 Actual
<b>Revenue</b>			
Property taxation – net (Note 4)	\$ 5,373,363	\$ 5,472,482	\$ 5,282,442
Parcel taxes	2,248,252	2,250,576	2,240,803
Concessions and franchise	144,580	138,844	134,513
Sale of services	686,132	521,087	765,606
User fees	1,951,261	2,034,062	1,970,755
Other revenue from own services (Note 5)	1,337,450	819,128	1,083,821
Government transfers (Note 6)	1,287,564	1,587,017	4,184,849
Contributions from developers and other	245,878	-	978,100
Gain on disposal of tangible capital assets	723,131	-	-
	<u>13,997,611</u>	<u>12,823,196</u>	<u>16,640,889</u>
<b>Expenses (Schedule 3)</b>			
General government services	1,614,694	2,093,223	1,413,463
Protective services	1,747,646	1,435,353	1,428,956
Recreation services	506,146	538,257	531,458
Parks and cultural services	696,501	817,354	733,373
Environmental development services	998,206	785,457	651,340
Transportation services and public works	1,068,399	1,060,566	956,994
Environmental health services	530,593	717,676	428,670
Public health services	35,870	47,845	42,133
Facilities services	436,923	478,451	421,996
Water services	1,538,704	1,817,912	1,369,741
Sewer services	662,412	700,697	642,697
Civic grants	255,963	259,752	242,981
Interest and bank charges (Note 3)	420,871	254,866	157,145
Amortization of tangible capital assets	2,161,162	1,590,000	1,880,548
	<u>12,674,090</u>	<u>12,597,409</u>	<u>10,901,495</u>
<b>Annual surplus</b>	<u>1,323,521</u>	<u>225,787</u>	<u>5,739,394</u>
Accumulated surplus, beginning of year	<u>100,503,395</u>	<u>100,503,395</u>	<u>94,764,001</u>
<b>Accumulated surplus, end of year</b>	<u>\$ 101,826,916</u>	<u>\$ 100,729,282</u>	<u>\$ 100,503,395</u>

See accompanying notes to the financial statements

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

Year ended December 31	2022 Actual	2022 Budget (Note 14)	2021 Actual
Annual surplus	\$ 1,323,521	\$ 225,787	\$ 5,739,394
Usage of inventory	-	-	34,335
Acquisition of tangible capital assets, net of transfers	(1,207,211)	(3,429,650)	(10,631,882)
Amortization of tangible capital assets	2,161,162	1,590,000	1,880,548
Proceeds on disposal of tangible capital assets	1,741,324	-	-
Gain on disposal of tangible capital assets	<u>(723,131)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net financial assets	<b>3,295,665</b>	(1,613,863)	(2,977,605)
Net financial assets, beginning of year	<u>2,482,025</u>	<u>2,482,025</u>	<u>5,459,630</u>
<b>Net financial assets, end of year</b>	<b><u>\$ 5,777,690</u></b>	<b><u>\$ 868,162</u></b>	<b><u>\$ 2,482,025</u></b>

See accompanying notes to the financial statements



## The Corporation of the District of Peachland Statement of Cash Flows

Year ended December 31

2022

2021

Cash provided by (used for)

### Operating activities

Annual surplus	\$ 1,323,521	\$ 5,739,394
Adjustments for non-cash items		
Amortization of tangible capital assets	2,161,162	1,880,548
Gain on disposal of tangible capital assets	(723,131)	-
Actuarial adjustment on long term debt	(239,899)	(218,599)
Increase (decrease) in		
Accounts receivable	817,172	4,676,683
Inventory	-	34,335
Accounts payable and accrued liabilities	(777,066)	(1,743,634)
Deferred revenue	16,372	676,935
Deferred development cost charges	262,486	(129,611)
	<u>2,840,617</u>	<u>10,916,051</u>

### Capital activities

Acquisition of tangible capital assets net of transfers	(1,207,211)	(10,631,881)
Proceeds on disposal of tangible capital assets	1,741,324	-
	<u>534,113</u>	<u>(10,631,881)</u>

### Investing activities

Proceeds on disposal of investments	2,000,000	6,147,858
Purchases of investments	(6,298,163)	(5,505,891)
	<u>(4,298,163)</u>	<u>641,967</u>

### Financing activities

Proceeds from issuance of long term debt	9,285,456	4,240,014
Repayment of long term debt	(9,437,870)	(302,660)
	<u>(152,414)</u>	<u>3,937,354</u>

Net (decrease) increase in cash	(1,075,847)	4,863,491
Cash, beginning of year	<u>11,004,315</u>	<u>6,140,824</u>
Cash, end of year	<u>\$ 9,928,468</u>	<u>\$ 11,004,315</u>

### Supplementary cash flow information

Interest paid	\$ 420,871	\$ 157,145
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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, 2022

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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.

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### 1. Nature of business

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

---

### 2. 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.

#### 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.

#### 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.

*(continued)*



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

December 31, 2022

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### 2. Summary of significant accounting policies *(continued)*

#### 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
<b>Water system capital fund</b>	
Land	Indefinite
Buildings	50-60 years
Equipment	5-18 years
Engineering structures	25-80 years
<b>Sewer system capital fund</b>	
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.

#### 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, 2022

### 2. Summary of significant accounting policies *(continued)*

#### 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.

#### 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	<b>2022</b>	2021
General Fund	\$ 1,976	\$ 1,733	<b>\$ 3,709</b>	\$ 3,671
Water Funds	199,061	94,560	<b>293,621</b>	10,414
Sewer Fund	185,340	152,153	<b>337,493</b>	334,169
	<b>\$ 386,377</b>	<b>\$ 248,446</b>	<b>\$ 634,823</b>	<b>\$ 348,254</b>

#### 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.

#### 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, landfill post closure costs, 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, 2022

### 3. 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, 2022, the balance outstanding on the operating line of credit was \$nil (2021 – \$nil).

#### Investments

Investments in GICs are carried at cost and are comprised of term deposits with maturity dates ranging from February 2023 through August 2023 and earning interest at rates between 1.50% and 4.30% (2021 – 1.25% and 3.10%).

#### Accounts receivable

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

	<u>2022</u>	<u>2021</u>
Due from Provincial government	\$ 72,086	\$ 775,440
Due from Federal government	143,785	161,704
Property tax	559,791	586,464
Utilities	523,849	532,240
Trade receivables	<u>214,033</u>	<u>274,868</u>
	<u>\$ 1,513,544</u>	<u>\$ 2,330,716</u>

#### Accounts payable and accrued liabilities

Accounts payable are comprised of the following:

	<u>2022</u>	<u>2021</u>
Security deposits	\$ 2,206,493	\$ 2,153,050
Accounts payable	1,305,398	1,048,749
Project holdbacks	234,890	867,806
Prepayments	968,431	916,904
Wages and benefits	617,135	586,659
Due to other governments	125,689	648,953
Landfill closure accrual	<u>189,977</u>	<u>202,958</u>
	<u>\$ 5,648,013</u>	<u>\$ 6,425,079</u>

(continued)

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

December 31, 2022

### 3. 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.

	2022	2021
Community works fund grant	\$ 1,077,153	\$ 1,014,850
Flood mitigation grant	101,199	175,602
Left turn lane grant	65,867	65,867
Recreation programs	60,324	55,253
Rural dividend fund	28,484	28,484
School acc plaza trust	29,812	27,566
Donations for future capital projects	3,407	3,407
Heritage fund project	544,097	569,034
Local government climate action program	79,082	-
External process review grant	41,500	60,997
Bike path grant	-	13,493
	\$ 2,030,925	\$ 2,014,553

#### Deferred development cost charges ("DCC")

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

	2022	2021
Balance, beginning of year	\$ 1,838,124	\$ 1,967,735
Contributions from developers	257,632	249,574
Interest on investments	29,854	38,690
Bylaw expenditures	(25,000)	(417,875)
<b>Balance, end of year</b>	<b>\$ 2,100,610</b>	<b>\$ 1,838,124</b>

The balance of DCC's can be itemized as follows:

Water system DCC	\$ 784,347	\$ 700,443
Roads DCC	670,006	621,208
Sewer DCC	370,995	331,751
Park DCC	112,032	104,519
Water treatment plant DCC	163,230	80,203
	\$ 2,100,610	\$ 1,838,124

(continued)



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

December 31, 2022

### 3. 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 (%)
<b>General capital fund</b>						
MFA equipment loan	\$ 131,357	\$ -	\$ (47,305)	\$ -	\$ 84,052	Variable
MFA equipment loan	111,199	-	(37,781)	-	73,418	Variable
MFA equipment loan	4,802	-	(4,802)	-	-	N/A
MFA issue #68	9,234	-	(1,468)	(3,036)	4,730	2.650
MFA Turner Park loan	2,350,000	-	(289,200)	-	2,060,800	Variable
	<u>2,606,592</u>	<u>-</u>	<u>(380,556)</u>	<u>(3,036)</u>	<u>2,223,000</u>	
<b>Water system capital fund</b>						
MFA WTP loan	8,877,645	-	(8,877,645)	-	-	N/A
MFA issue #66	12,772	-	-	(12,772)	-	N/A
MFA issue #157	-	9,285,456	-	-	9,285,456	3.360
	<u>8,890,417</u>	<u>9,285,456</u>	<u>(8,877,645)</u>	<u>(12,772)</u>	<u>9,285,456</u>	
<b>Sewer system capital fund</b>						
MFA issue #95	1,486,643	-	(95,859)	(50,477)	1,340,307	1.800
MFA issue #68	357,540	-	(56,783)	(117,627)	183,130	2.650
MFA issue #68	170,179	-	(27,027)	(55,987)	87,165	2.650
	<u>2,014,362</u>	<u>-</u>	<u>(179,669)</u>	<u>(224,091)</u>	<u>1,610,602</u>	
<b>Total long term debt</b>	<b>\$13,511,371</b>	<b>\$ 9,285,456</b>	<b>\$ (9,437,870)</b>	<b>\$ (239,899)</b>	<b>\$13,119,058</b>	

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

	2023	2024	2025	2026	2027
General Fund	\$ 91,545	\$ 67,391	\$ -	\$ -	\$ -
Water Fund	271,840	271,840	271,840	271,840	271,840
Sewer Fund	179,669	95,859	95,859	95,859	95,859
	<u>\$ 543,054</u>	<u>\$ 435,090</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:

	2022	2021
Interest on long term debt	\$ 365,158	\$ 134,855
Interest on short term debt and bank charges	3,838	19,682
Interest on equipment loans	51,875	2,608
	<u>\$ 420,871</u>	<u>\$ 157,145</u>

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

December 31, 2022

**4. Property taxation – net**

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

	<u>2022</u>	<u>2021</u>
General municipal purposes	\$ 5,350,856	\$ 5,282,384
Collections for other governments		
School District #23 (Central Okanagan)	3,175,654	2,856,185
Regional District of Central Okanagan	733,415	664,425
Central Okanagan Regional Hospital District	538,488	499,373
Central Okanagan Regional Library District	265,989	261,513
British Columbia Assessment Authority	92,695	82,127
Municipal Finance Authority	512	382
	<u>10,157,609</u>	<u>9,646,389</u>
Transfers to other governments		
School District #23 (Central Okanagan)	(3,175,654)	(2,856,187)
Regional District of Central Okanagan	(712,346)	(664,416)
Central Okanagan Regional Hospital District	(538,522)	(499,374)
Central Okanagan Regional Library District	(265,992)	(261,460)
British Columbia Assessment Authority	(91,220)	(82,128)
Municipal Finance Authority	(512)	(382)
	<u>(4,784,246)</u>	<u>(4,363,947)</u>
	<u>\$ 5,373,363</u>	<u>\$ 5,282,442</u>

**5. Other revenue from own services**

	<u>2022</u>	<u>2021</u>
Interest earned	\$ 366,901	\$ 303,313
Development permits	527,721	397,940
Rentals	145,748	119,055
Penalties and interest on taxes	122,289	116,490
Cost recoveries	94,187	72,564
Licences and permits	46,147	49,656
Miscellaneous	34,457	24,803
	<u>\$ 1,337,450</u>	<u>\$ 1,083,821</u>



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

December 31, 2022

### 6. Government transfers

	<u>2022</u>	<u>2021</u>
Federal		
HRDC employment program	\$ -	\$ 20,921
Canada Day grant	<u>5,000</u>	<u>5,000</u>
	<u>5,000</u>	<u>25,921</u>
Provincial		
Water grants	-	2,807,864
Small communities protection grant	<b>633,000</b>	501,000
Provincial gas tax program	<b>255,416</b>	552,256
Provincial traffic fine revenue sharing	<b>25,786</b>	31,714
UBCM planning grant	<u>32,990</u>	<u>10,503</u>
	<u>947,192</u>	<u>3,903,337</u>
Other		
Emergency recoveries	<b>103,125</b>	62,985
Okanagan Basin Water Board grant	<b>135,511</b>	135,511
Parks and recreation improvements	<b>84,397</b>	44,841
Regional District – parks grant	<b>12,000</b>	12,000
Cost sharing – highways	<u>339</u>	<u>254</u>
	<u>335,372</u>	<u>255,591</u>
Total	<u>\$ 1,287,564</u>	<u>\$ 4,184,849</u>

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

December 31, 2022

### 7. Trust funds

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

	2022	2021
<b>Assets</b>		
Cash and short term deposits	\$ 165,000	\$ 155,494
Due from the Corporation of the District of Peachland	170	1,663
	\$ 165,170	\$ 157,157
<b>Fund balances</b>		
Trusts – cemetery care	\$ 159,343	\$ 151,447
– historical society	5,827	5,710
	\$ 165,170	\$ 157,157

Transactions for the year ended December 31, 2022:

	Balance, beginning of year	Interest earned	Contributions	Balance, end of year
Cemetery Care	\$ 151,447	\$ 3,170	\$ 4,726	\$ 159,343
Historical Society	5,710	117	-	5,827
Total	\$ 157,157	\$ 3,287	\$ 4,726	\$ 165,170

### 8. 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.



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

December 31, 2022

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### 9. Commitment

#### Landfill closure and post closure costs

As required by PSAB and regulated by the Ministry of Water, Land and Air Protection, the District has recorded obligations related to closure and post closure costs associated with the landfill. The estimate of post closure costs was re-estimated in 2022 as the original estimated annual cost was less than annual costs incurred. The reported liability of \$189,977 (2021 – \$202,958) represents the portion of the estimated total expenditure recognized as at December 31, 2022. The liability and annual expenditure is calculated using discounted estimated future cash flows associated with closure and post-closure activities. During the 1997 fiscal year, the District's landfill site reached its capacity. The estimated length of time for post-closure care is to 2035.

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### 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 \$237,202 (2021 – \$236,242) for employer contributions to the Plan and the employees contributed \$216,347 (2021 – \$207,275) to the Plan in fiscal 2022.

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### 11. Letters of credit

The District is holding letters of credit in the amount of \$1,393,649 (2021 – \$698,169), 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.

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

December 31, 2022

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### 12. Expenses by object

Total expenses by object are itemized in Schedule 3.

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### 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.

#### 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.

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

December 31, 2022

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### 13. Segmented information (continued)

#### 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.

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### 14. Budget reconciliation

The following reconciles the budgeted surplus as shown on the statement of operations to the budget as presented in bylaw #2341 adopted May 10, 2022.

Annual surplus per statement of operations	\$ 225,787
Capital expenditures	(3,429,650)
Amortization of tangible capital assets	1,590,000
Debt principal repayments	(773,871)
Transfers to reserve funds	(955,296)
Transfers from surplus and reserve funds	<u>3,343,030</u>
	<u>\$ -</u>

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### 15. Comparative figures

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

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

December 31

	Cost				Accumulated Amortization				2021 Net Book Value	2021 Net Book Value
	Opening Balance	Add: Additions	Disposals/Transfers	Closing Balance	Less: Disposals	Add: Amortization	Closing Balance	2021 Net Book Value		
<b>General capital fund</b>										
Land	\$ 18,833,180	\$ -	\$ 1,018,192	\$ 17,814,988	\$ -	\$ -	\$ -	\$ 17,814,988	\$ 18,833,180	\$ 18,833,180
Buildings	5,330,309	281,333	-	5,611,642	2,634,123	107,425	2,741,548	2,870,094	2,696,186	2,696,186
Equipment	4,165,544	207,782	-	4,373,326	3,011,643	196,585	3,208,228	1,165,098	1,153,901	1,153,901
Engineering Structures	29,798,105	176,428	-	29,974,533	15,278,626	614,252	15,892,878	14,081,655	14,519,479	14,519,479
Work in Progress	1,164,413	324,139	-	1,488,552	-	-	-	1,488,552	1,164,413	1,164,413
	<b>59,291,551</b>	<b>989,682</b>	<b>1,018,192</b>	<b>59,263,041</b>	<b>20,924,392</b>	<b>918,262</b>	<b>21,842,654</b>	<b>37,420,387</b>	<b>38,367,159</b>	<b>38,367,159</b>
<b>Water system capital fund</b>										
Land	623,291	-	-	623,291	-	-	-	623,291	623,291	623,291
Buildings	80,000	-	-	80,000	38,965	1,379	40,344	39,656	41,035	41,035
Equipment	588,076	29,334	-	617,410	425,173	27,753	452,926	164,484	162,903	162,903
Engineering Structures	53,830,455	-	-	53,830,455	9,776,369	925,377	10,701,746	43,128,709	44,054,086	44,054,086
Work in Progress	-	180,862	-	180,862	-	-	-	180,862	-	-
	<b>55,121,822</b>	<b>210,196</b>	<b>-</b>	<b>55,332,018</b>	<b>10,240,507</b>	<b>954,509</b>	<b>11,195,016</b>	<b>44,137,002</b>	<b>44,881,315</b>	<b>44,881,315</b>
<b>Sewer system capital fund</b>										
Land	198,000	-	-	198,000	-	-	-	198,000	198,000	198,000
Equipment	147,020	7,333	-	154,353	106,294	6,938	113,232	41,120	40,725	40,725
Engineering Structures	19,282,517	-	-	19,282,517	4,748,346	281,453	5,029,799	14,252,718	14,534,171	14,534,171
	<b>19,627,537</b>	<b>7,333</b>	<b>-</b>	<b>19,634,870</b>	<b>4,854,640</b>	<b>288,391</b>	<b>5,143,031</b>	<b>14,491,838</b>	<b>14,772,896</b>	<b>14,772,896</b>
<b>Total Tangible capital assets - all funds</b>	<b>\$ 134,040,910</b>	<b>\$ 1,207,211</b>	<b>\$ 1,018,192</b>	<b>\$ 134,229,929</b>	<b>\$ 36,019,539</b>	<b>\$ -</b>	<b>\$ 2,161,162</b>	<b>\$ 38,180,701</b>	<b>\$ 96,049,226</b>	<b>\$ 98,021,370</b>

The net book value of work in progress, which are tangible capital assets not being amortized is \$1,669,414 (2021 - \$1,164,413).



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

December 31	2022	2021
<b>Reserve for future capital expenditures</b>		
Specified	\$ 335,345	\$ 335,345
Unspecified	<u>66,814</u>	<u>66,814</u>
	<u>402,159</u>	<u>402,159</u>
<b>Non-statutory reserves</b>		
Amenity	250,858	172,708
Computer replacement	3,119	3,056
COVID safe restart grant (schedule 4)	-	880,158
Fire department equipment	424,572	447,412
General capital asset renewal	2,005,366	1,637,682
Municipal buildings	24,508	24,012
Non-development cost charge – roads	460,075	442,026
Parks and recreation equipment	165,334	161,991
Policing	142,306	258,962
Public works equipment	20,125	19,718
Sewer capital asset renewal	545,932	455,731
Sewer improvement	1,541,178	1,451,707
Transit	28,560	27,983
Water capital asset renewal	1,354,914	1,143,662
Water system #1 – improvements	<u>5,960,508</u>	<u>5,925,174</u>
	<u>12,927,355</u>	<u>13,051,982</u>
<b>Statutory reserves</b>		
Municipal park land acquisition	16,222	15,894
Cemetery maintenance	23,892	23,409
Parking	<u>5,035</u>	<u>3</u>
	<u>45,149</u>	<u>39,306</u>
<b>Surplus of general, sewer and water funds</b>		
Surplus of general, sewer and water funds	<u>5,522,085</u>	<u>2,499,948</u>
<b>Investment in non-financial assets</b>		
Investment in tangible capital assets	<u>82,930,168</u>	<u>84,510,000</u>
<b>Total</b>	<b><u>\$ 101,826,916</u></b>	<b><u>\$ 100,503,395</u></b>





**The Corporation of the District of Peachland  
Schedule 4 – COVID-19 Safe Restart Grant**

(unaudited)

December 31	2022	2021
Opening balance of unspent funds	\$ 880,158	\$ 1,306,794
Less: Amounts spent		
Computer and technology	81,020	45,447
Facility reopening and operating	503,570	219,586
Revenue shortfall	278,005	135,596
Sanitation/PPE	17,563	26,007
Closing balance of unspent funds	\$ -	\$ 880,158







## 2022 ANNUAL REPORT

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