



DISTRICT OF  
**UCLUELET**



**2022** Annual Report

# 2022 Annual Report



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## 2022 Annual Report

January 1 to December 31, 2022

This document was prepared by the Corporate Services Department, with departmental information provided by each Department Head.

**Photography** Mike Dandurand, Jen McLeod, and District of Ucluelet Staff  
**Layout & Design** Sarita Mielke - [wildfreecreative.com](http://wildfreecreative.com)

# Overview

2022 Annual Report

## Our Commitment

- Lead by example
- Own our decisions and the outcomes
- Be prepared and informed as we make decisions
- Be collaborative with our partners
- Have an open mind
- Be consistent

## Our Community, Our Future

The District of Ucluelet is a self-contained community located on the rugged west coast of Vancouver Island within the traditional territory of the Yuułu?it?ath. Ucluelet has the benefit of a range of assets and amenities relative to its size and although remote, enjoys excellent physical and digital access to the rest of the world.

The community is defined by a deep appreciation for the natural environment and a culture of creativity and resilience. With a strong sense of community, residents rely on one another and take pride in their spirit of partnership, volunteerism, and entrepreneurship.

Despite fluctuations in the economy and local industries over time, Ucluelet has always adapted and thrived. We see a bright future for our community with quality, sustainable infrastructure and services to support a population of all ages, from young families to active retirees who choose to call Ucluelet home. As our community faces demands for growth, we strive to preserve our quality of life and our natural assets while ensuring that future development is aligned with our community's values.

## Our Role

The District of Ucluelet provides leadership in the community with emphasis on inclusive and strategic planning for the future. We play a role in unifying the community towards a common vision and communicating with our residents on issues that are important to them and the District. We collaborate with our neighbors to enhance our collective provision of services and to ensure effective advocacy on regional issues. Ultimately, our role is to pursue the aspirations of our community and leave a legacy for future generations.

# Message from the Mayor

2022 saw us gradually emerging from the blackness known as COVID-19. Although a lot of on-line only meetings and events finally became hybrid, many of us were thankful to have face to face meetings once again; yet knowing that Zoom and other on-line platforms are no doubt here to stay.

I am so proud of how our District senior managers and staff carried on getting District business done these past three years while adhering to all the ever-changing health regulations and personal struggles we have all experienced. Ucluelet businesses and residents were kind to each other through it all, and most of us have come through the experience more deeply appreciating each other, and especially realizing how much we love social gatherings and celebrations!

Our staff and council had a busy year of preparing/adopting some very important documents that will lead discussions and decisions for the future of our community:

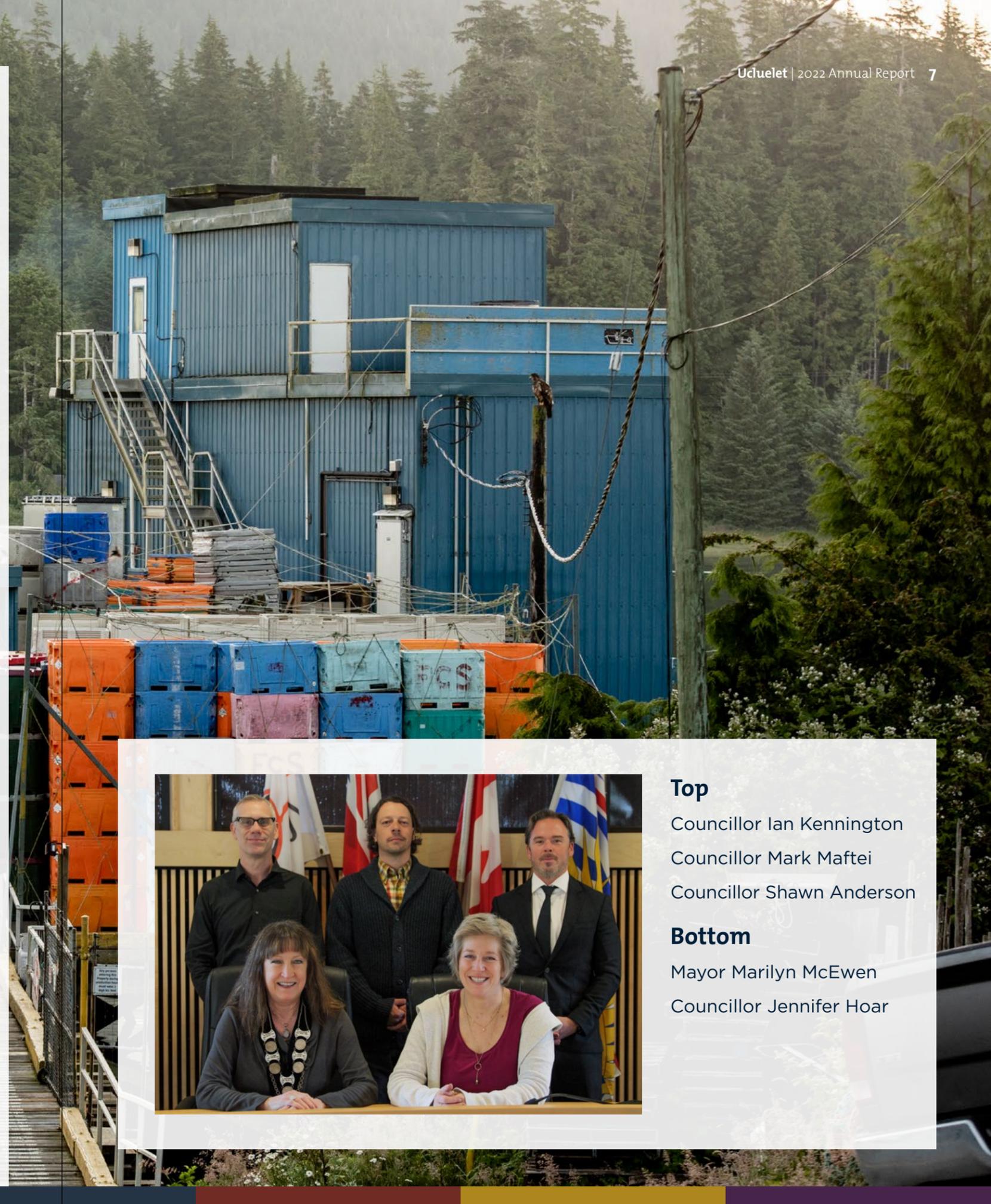
- Ucluelet Housing Needs Report
- Ucluelet Harbour Master Plan
- Ucluelet Tourism Master Plan
- Ucluelet Official Community Plan
- Single-Use Item Regulations

We also embarked on several capital projects to improve the liveability and beauty of our community, such as the Amphitrite Lightkeepers House & Grounds project, the Village Green Beautification project, and our Water Treatment & Filtration System upgrades.

Housing projects such as Lot 13 Marine Drive Affordable Housing Development; Lot 16 mix of small single-family lots, townhouses and a 48-unit apartment building; and Minato Bay Development have been rezoned and are in various stages of moving forward to ensure a wide range of housing options for our community in the not too distant future.

And of course, the municipal election on October 15th saw four councillors acclaimed, and your Mayor elected. It has only been a few months but already we are working well together, and I look forward to the progress we will make over the next three and a half years serving the people of Ucluelet.

**Marilyn McEwen**  
Mayor



## Top

Councillor Ian Kennington  
Councillor Mark Maftai  
Councillor Shawn Anderson

## Bottom

Mayor Marilyn McEwen  
Councillor Jennifer Hoar

# Message from the CAO

This report provides an overview of how your tax dollars work to enhance District of Ucluelet services and capital assets. As we move into 2023, we intend to progress key community projects, improve communications, and modernize our systems to be more responsive.

I would like to begin by thanking our past Council: Mayco Noël, Marilyn McEwen, Jennifer Hoar, Lara Kempes, and Rachelle Cole. This Council achieved many strategic objectives during their term including completing a housing needs assessment, adopting zoning amendments to allow additional housing units, adopting an updated Official Community Plan, and initiating an asset management program. This Council also advanced key capital projects related to Peninsula Road, redevelopment of the Amphitrite House, and the expansion of the Village Green.

I would also like to welcome our new Council, Mayor Marilyn McEwen and Councillors Jennifer Hoar, Ian Kennington, Shawn Anderson, and Mark Maftai. I look forward to working with Council over the coming years to address local challenges and realize Council's strategic objectives.

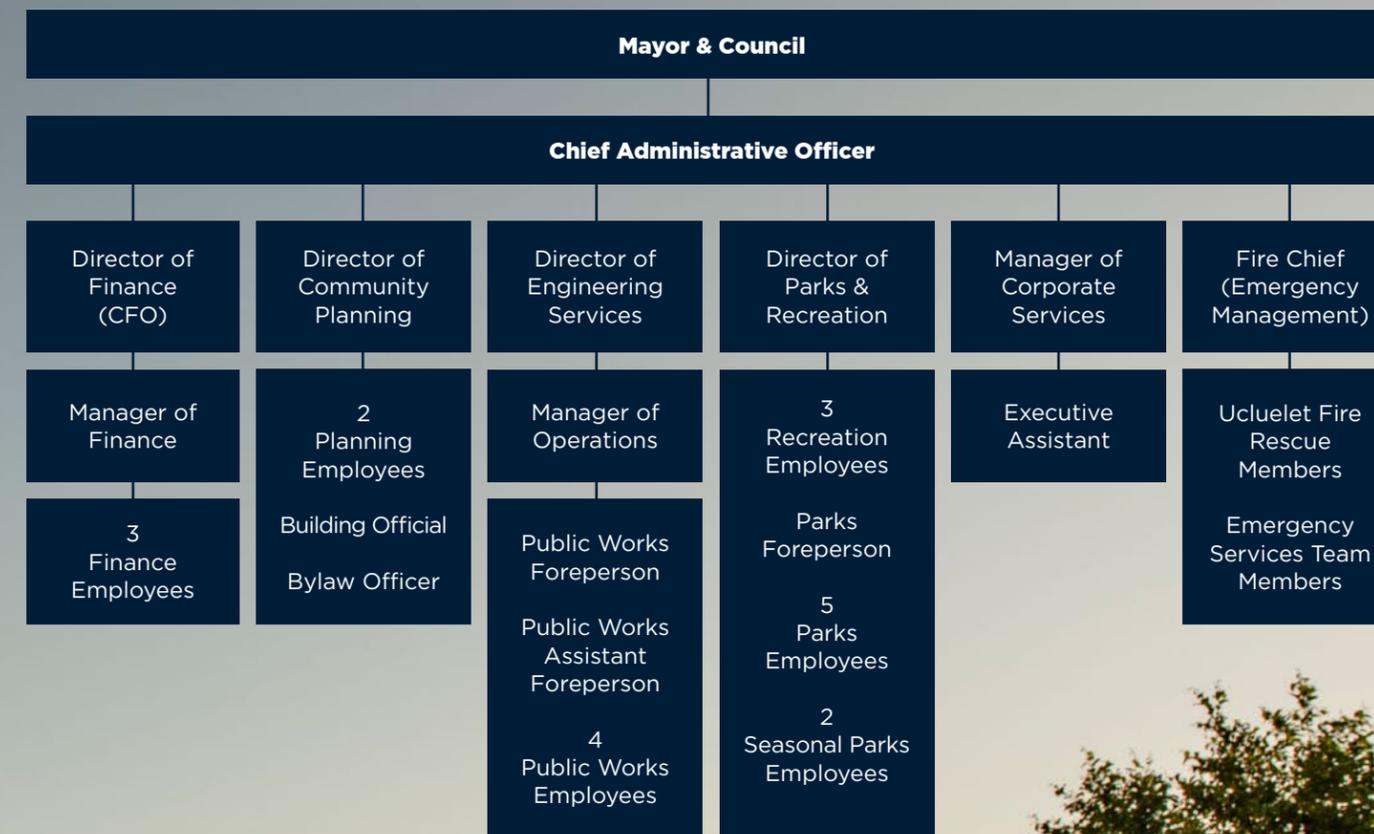
One key challenge in Ucluelet is the lack of affordable and attainable housing, which reduces affordability for residents and constrains business growth and function. In 2022 the District implemented bylaw reforms intended to increase housing supply by permitting accessory dwelling units and curbing the conversion of secondary suites to short-term rental units. Work will continue at the Council table and Staff level to address this challenge in 2023.

2022 also saw a significant work toward long-term high priority community projects. The expansion of the Village Green was initiated late in 2022 and completed in May 2023. The Amphitrite House project was also awarded, with work to commence this year. A key component of our water and sanitary system was also completed which will provide substantial relief to the overburdened Victoria Road Lift Station.

Thank you for taking the time to review this report and learn more about the many services your local government provides and how your tax dollars are at work for you and your community.

**Duane Lawrence**  
Chief Administrative Officer

## Organizational Structure



# Community Planning

## Key Responsibilities

### Planning Duties

- Prepare long range land use plans and policies
- Process development permits, board of variance referrals, rezoning and subdivision applications
- Serve the community by responding to a wide range of inquiries and applications related to the use and development of land
- Plan and design improvements for public pathways, roads, trails and open space
- Building Inspection services and permit administration

### Bylaw Duties

- Bylaw enforcement and business licensing
- Administer land use bylaws, standards and policies in light of legislation and other approving agency jurisdictions
- Provide public education and respond to inquiries

## Department Overview

The Community Planning Department provides professional and technical advice to Council on current and future uses of land in the District and on issues concerning housing, the environment, culture and heritage preservation, transportation, tourism, harbour and managed water uses, and socioeconomic policies.

The planning division of this Department is responsible for the administration of zoning, land use and development applications, community planning, parks and trail network systems, streamside protection, and long-term visions such as the Official Community Plan (OCP) bylaw; keeping these all current to reflect community priorities guides the yearly work plans and objectives of this Department.

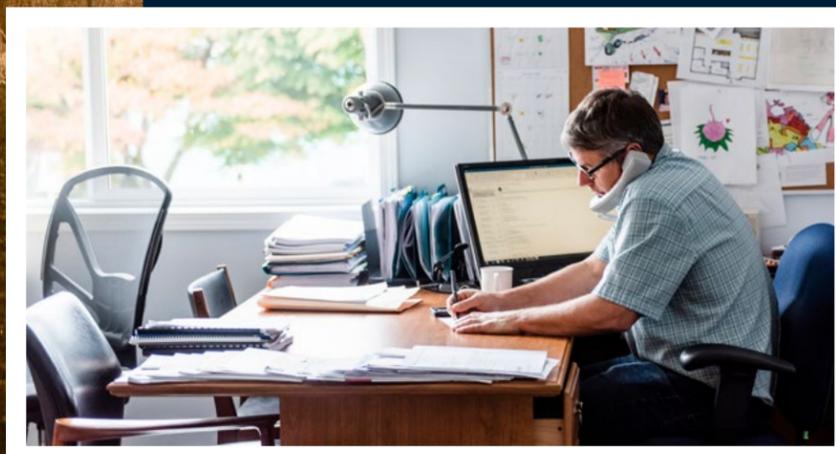
The building, license and bylaw division of this Department maintains the quality of life for the District of Ucluelet's citizens, by ensuring safety through compliance with established building codes and the community's adopted bylaws. This division also receives and processes complaints and coordinates the bylaw enforcement activities for the District.

## 2022 Completed Projects

- OCP Bylaw adoption
- Interim policy for early referrals to Yuułu?it?ath Government
- Interim policy on Tsunami Flood Risk
- Village Green Phase I design & tendering
- Larch Rd. Multi-Use Path grant applications
- Secondary Suites/Cottage Dwelling zoning project
- West Coast Housing Need and Demand Study
- Minato Bay housing development rezoning

## 2023 Planned Projects

- Revisit OCP growth scenario analysis
- Review of short-term rental regulations
- CMHC Rapid Housing Initiative grant
- 1300 Peninsula Road - Supportive Housing design
- Development Application Procedures bylaw update



## Key Responsibilities

- Community health & safety
- Community & adaptable programming
- Community special events & partnerships
- Support for Community Services
- Tourism & Recreation facilities and amenities
- Tourism partnerships & planning
- Trails & green space maintenance and planning
- Beautification of green spaces & recreation facilities
- Playground maintenance & planning
- Public Realm Projects (parks, paths, facilities)

## Department Overview

The Parks and Recreation Department provides the fundamental building blocks for a healthy and flourishing community. Our focus is to provide excellent, accessible programs through community involvement and outstanding facilities. Ucluelet Parks and Recreation Department is committed to ensuring a high level of excellence in its service to the community and continues to strive to promote an atmosphere of friendly, effective, and inclusive service. The Department also supports and plans various tourism infrastructure projects with its focus on the Resort Development Strategy.

## 2022 Completed Projects

- Amphitrite Lightkeeper's Design Phase
- Village Green Playground community input
- Electric Vehicle station installs
- Tourism Master Plan
- Additional heritage signage
- Edna Batchelor Park pathway

## 2023 Planned Projects

- Parks & Recreation Master Plan
- First Nation Tourism projects & planning
- Recreation Hall Replacement Study
- Accessibility Policy
- Tourism Metrics
- Amphitrite Lightkeeper's House Phase II
- Hard Sports Facility design
- Village Green playground install
- Winter Lights
- Bridge replacement
- Wayfinding signage installation
- Additional heritage signage
- Wild Pacific trail upgrades
- Kayak Launch



# Fire & Emergency Services

## Key Responsibilities

- Response for fire, rescue, motor vehicle incidents, and medical first responder calls in Ucluelet and contracted areas
- Fire prevention and public education
- Fire safety inspections
- Community emergency preparedness
- Emergency Support Services (ESS)
- Ucluelet Emergency Program (UEP)
- Emergency Operations Centre (EOC)

## Department Overview

Ucluelet Fire Rescue (UFR) has been providing fire services for the District of Ucluelet and contracted areas since 1949. 2022 was the fire department's busiest year on record with 189 calls. Four new recruits were added to the team and immediately began the training program.

The Emergency Support Services (ESS) team of volunteers is responsible for coordinating the provision of shelter, food, clothing, transportation, medical services, and reunification services to victims of emergencies and disasters.

The Ucluelet Emergency Program (UEP) is comprised of a multi-jurisdictional emergency planning committee that consists of representatives from the District of Ucluelet and its partner agencies.

## 2022 Completed Projects

- Development of Ucluelet's first community wildfire resiliency plan. This project was funded through a Union of BC Municipalities (UBCM) grant
- Joint UBCM grant application with the ACRD and District of Tofino. This will provide training and upgrades to the District's EOC communication/technology equipment
- Firehall feasibility study
- Installation of a the ESS trailer carport
- Installation of the emergency back-up generator at Ucluelet Secondary School

- Training of UEP staff and volunteers
- Several firefighters completed National Fire Protection Association (NFPA) 1001 certification
- Ongoing training for firefighters

## 2023 Planned Projects

- Hiring of a fulltime Deputy Fire Chief
- Safety repairs/renovations to the firehall
- Completion of the community assembly area/emergency kiosk at Tugwell Field
- Joint EOC training with ACRD and District of Tofino. Funded through a UBCM grant
- Upgrade EOC comm/tech equipment
- Continue fire safety inspection program
- EOC Essentials course for Ucluelet Emergency Program staff and volunteers
- Continue joint wildfire training with Parks Canada and the District of Tofino
- High Ground Hike community evacuation drill
- National Fire Protection Association (NFPA) 1001 certification for firefighters
- Fire Officer development training, recruit class for four new fire department members and ongoing training for firefighters
- Updating of fire services and emergency support services agreements with ACRD

## Key Responsibilities

- Management and maintenance of the municipal water, wastewater, and storm networks as well as all District roads, sidewalks, street-lights, facilities, and fleet
- Infrastructure support and development for the District's growing utilities needs
- 24-hour emergency services for the community's public works

## Department Overview

The Ucluelet Public Works Department is on call 365 days a year to ensure the community's infrastructure is in a state of good repair and provide necessary services to locals, visitors and businesses.

In addition to daily infrastructure, facility maintenance, and long-term infrastructure planning, the Public Works department takes on key projects each year.

## 2022 Completed Projects

- Initiation of new water treatment facilities
- Full implementation of Ucluelet's Clean Drinking Water Action Plan including reservoir and District-wide pipe flushing, a Water Conservation Plan, and updated testing records available on the District website
- Completion of the Master Plans: Sewer and Water
- Implementation of digital service and maintenance management using Citywide including updated District rounds and inspections to include portfolio integration
- Completion of roads and sidewalk maintenance including the replacement of the damaged school sidewalk
- Procurement of fleet vehicles including Janitorial van, Building Inspector vehicle, excavator, skid steer, small & large tractor
- Installation of new storm and water lines on Peninsula Road between Matterson Drive and Otter Street

- Utilities upgrades to provide sewer and water services for Lot 16 on Matterson Drive and Victoria Road
- Installation of Cedar Hub washroom
- Initiation of Peninsula Road Safety and Revitalization Project in unison with the Planning and Parks Departments
- Ongoing maintenance and state of good repair for all Public Works portfolio

## 2023 Planned Projects

- Water treatment facilities design
- Peninsula Road design and construction
  - Safety and Revitalization Project
  - Storm system design and replacement
  - Highway resurfacing
- Larch Road multi-use path design and installation
- Complete Village Green Revitalization
- Victoria Road Lift Station Bypass
- Replacement of the water supply submarine line to Ittatsoo
- Construction of the Amphitrite House
- New fleet storage structure at Public Works yard
- SCADA development and upgrades
- Completion of Master Plan: Storm
- Ongoing maintenance of roads, pathways and line painting

## Key Responsibilities

### Finance Services

- Financial planning and budgeting
- Reporting and fiscal management
- Procurement and purchasing
- Treasury and taxation
- Manage business licensing
- Accounting for transactions
- Support services to all departments

### Corporate Services

- Corporate leadership and administrative support to Council and Chief Administrative Officer
- Management, information and support services to Council, Committees, and Boards
- Information technology services, legislative services and records management
- HR and communications
- Freedom of information, land acquisitions, legal/risk management

## Department Overview

The Finance and Corporate Services Department's primary responsibility is to maintain the business foundation of the District. Its objective is to provide accurate, timely information and support to the community, District departments, and Council. The department invests a considerable portion of time and resources to Council-decision support and managing the District's financial, administrative, and legislative responsibilities. Additionally, the department provides IT-related support to improve internal and external effectiveness and holds the communications and human resources portfolios.

## 2022 Completed Projects

- 2022 General Municipal Election
- Council Procedure Bylaw updates
- Alternative Approval Process for Water System and Filtration Improvements Project
- Reserves and Surplus Policy and Bylaw

- Single-Use Items Regulation update
- Business License fees and regulation review
- District server update and migration
- George Fraser Room audio visual upgrades
- Officers and Officials Bylaw
- Paperless Council agendas

## 2023 Planned Projects

- Privacy Management updates
- Accessibility Committee support
- 20-year Capital Plan
- Development Cost Charges (DCC) Bylaw update
- Ongoing bylaw and policy updates
- Website Rebuild
- Collective Bargaining



# Small Craft Harbour



## Department Overview

Ucluelet’s Small Craft Harbour is the West Coast’s most comprehensive marine facility. Our Small Craft Harbour is a classic example of a true working harbour, situated on the outskirts of Barkley Sound.

The jurisdictional boundary for the District of Ucluelet extends approximately 200 metres into the Pacific Ocean surrounding the Ucluth Peninsula. The facilities include, the Boat Basin, Whiskey Dock and 52 Steps which are all within walking distance of the village center.

The Small Craft Harbour is overseen by the Ucluelet Harbour Authority and the Department of Fisheries and Oceans.

## 2022 Completed Projects

- Harbour Master Plan roll out
- Small Craft Harbour beautification work
- Cleaning station education signage
- New pilings at Whiskey Dock
- Electric vehicle charger install

## 2023 Planned Projects

- 52 Steps upgrade
- Fish Cleaning Station upgrade
- Additional new pilings at Whiskey Dock
- Small Craft Harbour beautification work
- Inner Boat Basin Pathway study
- Boat launch design

## Key Responsibilities

- Support of Commercial Fisheries
- Support of Recreational Fisheries and businesses
- Harbour Master Plan recommendations
- Provision of safe, clean, and clear dock ways
- Support of navigable waterways
- Beautification of assets
- Environmental health & safety
- User education



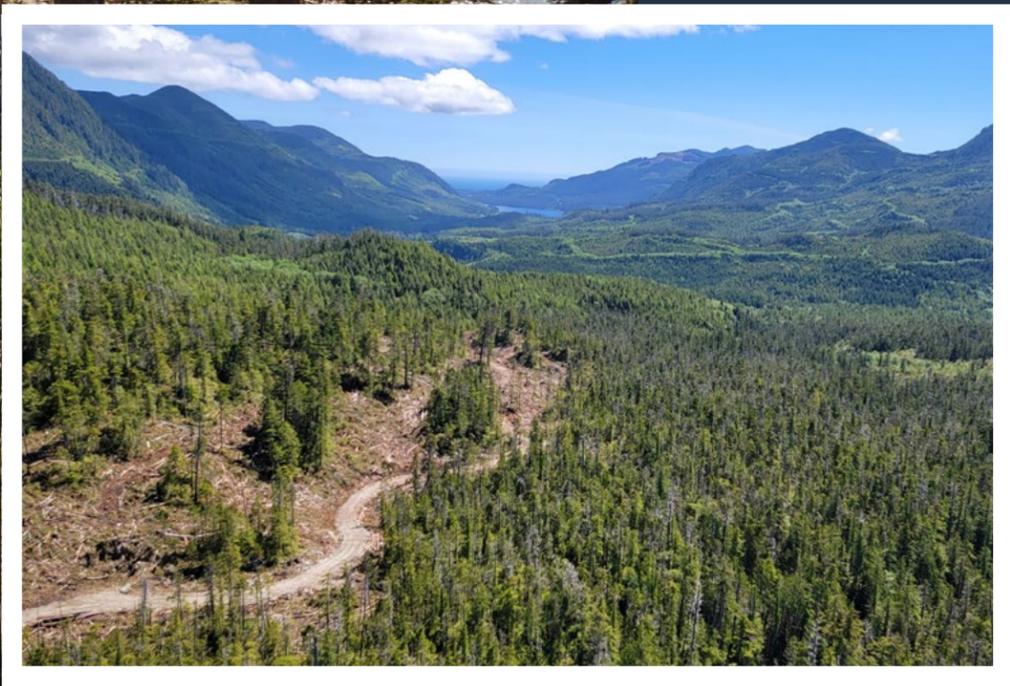


The Barkley Community Forest Corp (BCF) was established in 2004 in a joint partnership between the Toquaht Nation and the District of Ucluelet, to enhance community stability and quality of life for local residents through community control of forest resources. This corporation provides employment and utilizes forest resources in a diversified manner.

The District periodically receives dividends from the BCF when harvesting occurs, beginning with the first harvest in 2017. In 2022, the District received a \$367,000 dividend from BCF.

The District of Ucluelet has established the Barkley Community Forest Reserve Fund for the purpose of funding project or initiatives Council has determined would provide the most benefit to the community. Council has also established a Barkley Community Forest Legacy Reserve Fund which funds community grant in aid initiatives in accordance with the District of Ucluelet Grants in Aid Policy.

We are proud to be part of this organization which utilizes forest resources for the benefit of current and future generations.



## Department Overview

In March of 2019, Ucluelet adopted its first Climate Action Plan, which set ambitious 2050 targets of 100% Renewable Energy and 80% reduction in Greenhouse Gas (GHG) emissions. Funded by the FCM Municipalities for Climate Innovation Program, the plan includes an inventory of community emissions, goals to achieve the targets, and strategies to achieve those goals. This effort led to the awarding of FCM Partners for Climate Protection (PCP) Milestone 4 and Milestone 2 for action community and corporate emissions, respectively.

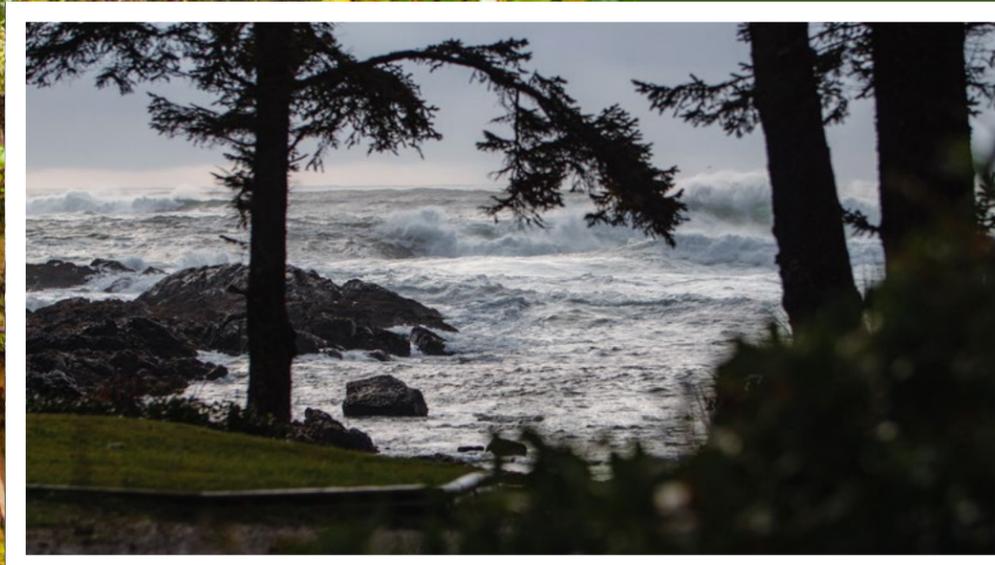
In January of 2021, Ucluelet adopted its first Climate Change Adaptation Plan after conducting risk assessments to identify current and future climate impacts to the coastal community. This project was funded under the ICLEI Changemakers Project.

## 2022 Completed Projects

Ucluelet has moved forward on other important climate action initiatives including:

- The District installed 2 dual port Level 2 EV Charging Stations at strategic locations in conjunction with the Mid Island Network, Community Energy Association.
- The conversion of many gas-powered hand tools to electric.
- Council's adoption of the updated 2022 Official Community Plan Bylaw incorporates new maps from the Ucluelet flood risk mapping study, and new policies from the Climate Change Adaption Plan and 100% Renewable Energy Plan.

Please visit our Sustainability and Climate webpage at [ucluelet.ca](https://www.ucluelet.ca) to view our Climate Change Adaption Plan and 100% Renewable Energy Plan - Clean Energy for the Safe Harbour.



# Financial Statement

District of Ucluelet - December 31, 2022



## Management's Responsibility

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

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

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

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

June 27, 2023

Duane Lawrence  
Chief Administrative Officer & Finance Officer

## Independent Auditor's Report



To the Mayor and Council of the District of Ucluelet:

### Qualified Opinion

We have audited the consolidated financial statements of the District of Ucluelet (the "District"), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statements of operations, changes in net financial assets and cash flows and related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2022, and the results of its consolidated operations, changes in its net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Qualified Opinion

The District holds an investment in the Barkley Community Forest Limited Partnership. The audited financial statements of the Limited Partnership was not available as at the audit report date and our audit opinion has been qualified as a result. We were unable to determine whether any adjustments to the following line items were necessary as of December 31, 2022: Investment in Government Business Enterprise, Earnings from investment in Government Business Enterprise, annual surplus, and accumulated surplus.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under Statements section of our report. We are independent of the District in accordance with the ethical requirements that are those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial relevant to our audit of the consolidated 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 qualified opinion.

### Other Information

Management is responsible for the other information, consisting of an annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the District to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Nanaimo, British Columbia

June 27, 2023

Chartered Professional Accountants

**District of Ucluelet**  
**Consolidated Statement of Financial Position**  
*As at December 31, 2022*

	2022	2021
<b>Financial Assets</b>		
Cash and cash equivalents	\$ 2,244,260	\$ 5,701,168
Investments (Note 2)	11,462,768	8,242,966
Accounts receivable (Note 3)	1,972,170	520,439
Investment in Government Business Enterprise (Note 4)	2,516,852	1,723,371
	<b>\$ 18,196,050</b>	<b>\$ 16,187,944</b>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities (Note 5)	\$ 803,676	\$ 812,345
Refundable deposits (Note 6)	192,610	221,064
Deferred revenue (Note 7)	2,372,629	2,151,297
Prepaid property taxes and utilities	100,074	75,526
Development cost charges (Note 8)	770,715	1,038,469
Equipment financing (Note 9)	434,044	143,825
Debt (Note 10)	1,653,969	1,754,565
	<b>\$ 6,327,717</b>	<b>\$ 6,197,091</b>
<b>Net Financial Assets</b>	<b>\$ 11,868,333</b>	<b>\$ 9,990,853</b>
<b>Non-Financial Assets</b>		
Tangible capital assets (Note 11, Schedule 1)	\$ 41,156,769	\$ 40,979,160
Inventory of supplies	20,944	20,944
Prepaid expenses	114,643	83,988
	<b>\$ 41,292,356</b>	<b>\$ 41,084,092</b>
<b>Accumulated Surplus (Note 12)</b>	<b>\$ 53,160,689</b>	<b>\$ 51,074,945</b>

Commitments and contingencies (Note 17)

  
 Chief Administrative Officer

**District of Ucluelet**  
**Consolidated Statement of Operations**  
*For the year ended December 31, 2022*

	2022 Budget (Note 18)	2022	2021
<b>Revenue</b>			
Taxation, net (Note 14)	\$ 3,949,711	\$ 3,952,968	\$ 3,426,783
Sale of services	2,147,463	2,171,429	1,838,444
Other revenue from own sources	-	389,791	372,999
Investment income	85,300	162,587	48,562
Grants and contributions	5,091,713	1,532,055	1,061,452
DCC revenue	940,056	379,769	-
Ministry and Regional District Tax	484,000	740,359	545,737
Earnings from Investment in Government Business Enterprise (Note 4)	-	1,160,481	985,066
	<b>\$ 12,698,243</b>	<b>\$ 10,489,439</b>	<b>\$ 8,279,043</b>
<b>Expenses</b>			
General government services	\$ 3,150,038	\$ 1,538,222	\$ 1,278,282
Protective services	403,648	748,273	564,529
Transportation services	1,113,551	1,562,875	1,432,303
Planning and environmental services	754,902	382,442	452,855
Recreation and cultural services	1,847,636	2,628,959	2,316,108
Water utility	950,583	870,715	709,383
Sewer utility	633,462	672,209	711,467
	<b>\$ 8,853,820</b>	<b>\$ 8,403,695</b>	<b>\$ 7,464,927</b>
<b>Annual surplus</b>	3,844,423	2,085,744	814,116
	51,074,945	51,074,945	50,260,829
<b>Accumulated surplus, Beginning of the year</b>			
<b>Accumulated surplus, End of the year</b>	<b>\$ 54,919,368</b>	<b>\$ 53,160,689</b>	<b>\$ 51,074,945</b>

**District of Ucluelet**  
**Consolidated Statement of Change in Net Financial Assets**  
*For the year ended December 31, 2022*

	2022 Budget (Note 18)	2022	2021
<b>Annual surplus</b>	\$ 3,844,423	\$ 2,085,744	\$ 814,116
Acquisition of tangible capital assets	(8,281,516)	(1,467,998)	(1,014,296)
Loss on disposal of tangible capital assets	-	-	113
Amortization of tangible capital assets	1,168,995	1,290,391	1,300,714
Change in prepaid expenses	-	(30,655)	(17,980)
<b>Increase (decrease) in Net Financial Assets</b>	(3,268,098)	1,877,482	1,082,667
<b>Net Financial Assets, Beginning of the year</b>	9,990,853	9,990,853	8,908,186
<b>Net Financial Assets, End of the year</b>	\$ 6,722,755	\$ 11,868,335	\$ 9,990,853

**District of Ucluelet**  
**Consolidated Statement of Cash Flows**  
*For the year ended December 31, 2022*

	2022	2021
Operating Transactions		
Annual surplus	\$ 2,085,744	\$ 814,116
Non-cash items included in surplus:		
Amortization of tangible capital assets	1,290,391	1,300,714
Loss on disposal of tangible capital assets	-	113
Earnings from investment in Government Business Enterprise	(1,160,481)	(985,066)
Actuarial adjustment on debt	(22,861)	(22,169)
	\$ 2,192,793	\$ 1,107,708
Change in non-cash working capital balances related to operations		
Accounts receivable	\$ (1,451,731)	\$ 196,196
Accounts payable and accrued liabilities	(8,670)	(877,314)
Refundable deposits	(28,455)	123,564
Deferred revenue	221,332	1,072,877
Prepaid property taxes and utilities	24,548	6,436
Development cost charges	(267,755)	213,526
Prepaid expenses	(30,655)	(17,980)
	\$ 651,407	\$ 1,825,013
Cash provided by operating transactions		
Capital Transactions		
Acquisition of tangible capital assets	\$ (1,467,998)	\$ (1,014,296)
Investment Transactions		
Decrease (increase) in investments	\$ (3,219,802)	\$ (34,224)
Dividends received from Government Business Enterprise	367,000	-
	(2,852,802)	(34,224)
Financing activities		
Proceeds from equipment financing	\$ 350,000	\$ -
Debt repaid	(137,515)	(112,300)
	\$ 212,485	\$ (112,300)
Net change in cash and cash equivalents	(3,456,908)	664,193
Cash and cash equivalents, Beginning of the year	5,701,168	5,036,975
Cash and cash equivalents, End of the year	\$ 2,244,260	\$ 5,701,168

The District of Ucluelet (the "District") is a municipality in the Province of British Columbia and operates under the provisions of the Local Government Act and the Community Charter of British Columbia. The District's principal activities include the provision of local government services to residents of the incorporated area.

**1. Significant accounting policies**

The consolidated financial statements of the District are prepared by management in accordance with Canadian public sector accounting standards, as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants Canada. Significant accounting policies adopted by the District are as follows:

**(a) Reporting entity**

The consolidated financial statements reflect the combination of all the assets, liabilities, revenues, expenses, and accumulated surplus of the District. Inter-departmental balances and transactions have been eliminated.

The District's business partnerships, jointly owned and controlled by the District but not dependent on the District for their continuing operations, are included in the consolidated financial statements using the modified equity method.

The modified equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the District. Thus, the District's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post-acquisition earnings and decreased by post acquisition losses and distributions received.

Entities accounted for by the modified equity basis include:

- Barkley Community Forest Limited Partnership (50% ownership)
- Ucluelet Economic Development Corporation (wholly owned)

The District administers certain trust assets on behalf of external parties which are excluded from the financial statements.

**(b) Basis of presentation**

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

**(c) Government transfers**

Government transfers are recognized in the consolidated financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made, except when and to the extent the transfer gives rise to an obligation that meets the definition of a liability.

**(d) Property tax revenue**

Property tax revenue is recognized on an accrual basis using the approved tax rates and the anticipated assessment related to the current year.

**(e) Deferred revenue**

Deferred revenue includes grants, contributions and other amounts received from third parties pursuant to legislation, regulation and agreement which may only be used in certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets are acquired, thereby extinguishing the related liability.

**1. Significant accounting policies (continued)**

**(f) Development cost charges**

Development cost charges are amounts which are restricted by government legislation or agreement with external parties. When qualifying expenditures are incurred development cost charges are recognized as revenue in amounts which equal the associated expenses.

**(g) Cash and cash equivalents**

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

**(h) Deposits and repayments**

Receipts restricted by third parties are deferred and recorded as deposits and are refundable under certain circumstances. Deposits and prepayments are recognized as revenue when qualifying expenditures are incurred.

**(i) Employee future benefits**

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

Sick leave and other benefits are available to the District's employees. The costs of these benefits are estimated based on accumulated sick leave and best estimates of future usage and expected future salary and wage increases. The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

**(j) Investment income**

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

**(k) Debt**

Debt is recorded net of related payments and actuarial earnings.

**(l) Non-financial assets**

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

**a. Tangible capital assets**

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to the acquisition, construction, development, or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful life - years
Buildings	10 - 60
Vehicles and Equipment	5 - 25
Other structures	15 - 50
Roads	20 - 60
Drainage structures	30 - 50
Water structures	10 - 50
Sewer structures	10 - 50

**1. Significant accounting policies (continued)**

Amortization is charged annually, including the year of acquisition and disposal. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the District's ability to provide goods and services or when the value of the future economic benefits associated with the asset are less than the book value of the asset.

- b. Contributions of tangible capital assets  
Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are recorded as revenue.
- c. Natural resources  
Natural resources that have not been purchased are not recognized as assets in the consolidated financial statements.
- d. Works of art and cultural historic assets  
Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.
- e. Interest capitalization  
The District does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.
- f. Leased tangible capital assets  
Leases which transfer substantially all the benefits and risks incidental to ownership of property are accounted for as operating leases and the related payments are charged to expenses as incurred.
- g. Inventory of supplies  
Inventory of supplies held for consumption are recorded at lower of cost and replacement cost.

**(m) Contaminated sites**

A liability for remediation of contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the District is either directly responsible or accepts the responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2022.

At each financial reporting date, the District reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The District continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when made. As at December 31, 2022, the District has not recorded any liability for contaminated sites as no such sites exist.

**(n) Use of estimates**

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Significant areas requiring the use of management estimates relate to the collectability of accounts receivable, accrued liabilities, employee future benefits, provisions for contingencies and amortization, useful lives, and salvage values for determining tangible capital asset values. Actual results could differ from these estimates.

**(o) Recent accounting pronouncements**

PS 3280 Asset Retirement Obligations, issued August 2018, establishes standards for recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets and is effective for the District as of January 1, 2023. A liability will be recognized when, as at the financial reporting date:

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

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.

Management is in the process of assessing the impact of adopting this standard on the District's financial results.

**2. Investments**

Investments include funds invested in Guaranteed Investment Certificates and Money Market funds with CIBC Wood Gundy and the Municipal Finance Authority of B.C. The investments are carried at market value which is equal to the carrying value.

**3. Accounts receivable**

	2022	2021
Property taxes	\$ 342,898	\$ 147,796
Due from other governments	250,428	39,425
User fee and other	1,378,844	333,218
	<b>\$ 1,972,170</b>	<b>\$ 520,439</b>

**District of Ucluelet**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2022**

**4. Investment in Government Business Enterprise**

The Barkley Community Forest Limited Partnership is a limited partnership owned by the District and Toquaht Nation as limited partners and Barkley Community Forest Corporation as the general partner. The objective and purpose of the partnership is to hold one or more Community Forest Agreements and to carry on such business and activities as may be desirable and permitted under the Community Forest Agreements.

The following table provides condensed supplementary financial information for the limited partnership at December 31, 2022.

	2022	2021
<b>Financial position</b>		
Assets	\$ 6,224,737	\$ 4,519,020
Liabilities		
Current	\$ 631,950	\$ 600,746
Silviculture accrual	559,082	471,532
	1,191,032	1,072,278
Equity		
Retained earnings	5,033,705	3,446,742
	\$ 6,224,737	\$ 4,519,020
<b>Operations</b>		
Revenue	\$ 2,700,927	\$ 2,588,909
Expenses	379,965	618,778
	\$ 2,320,962	\$ 1,970,131

The District's share of income from the government business enterprise was a total of \$1,160,481 (2021 - \$985,066). During 2022, the District received \$367,000 (2021 - nil) dividends from the government business enterprise, which was recorded as a reduction in its investment. No other transactions occurred between the two entities.

**5. Accounts payable and accrued liabilities**

	2022	2021
Trade accounts payable	\$ 522,121	\$ 490,016
Salaries and wages payable	110,748	118,041
Employee future benefits	113,362	112,414
Due to other governments	40,472	74,901
Accrued interest	16,973	16,973
	\$ 803,676	\$ 812,345

**6. Refundable deposits**

	2022	2021
Damage deposits	\$ 127,850	\$ 113,150
Developer performance deposits	64,760	107,914
	\$ 192,610	\$ 221,064

**District of Ucluelet**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2022**

**7. Deferred revenue**

Deferred revenue consists of the following balances:

	Opening balance	Interest	Receipts	Revenue Recognized	Ending balance
Resort Municipality Initiative	\$ 1,058,347	\$ 16,565	\$ 211,671	\$ -	\$ 1,286,584
Other	1,092,950	-	12,367	19,271	1,086,046
	\$ 2,151,297	\$ 16,565	\$ 224,038	\$ 19,271	\$ 2,372,629

**8. Development cost charges**

Development cost charges represent funds received from developers and deposited into a separate fund for capital expenditures. The District records these funds as a liability upon receipt which is then recognized as revenue when the related costs are incurred.

	Opening balance	Interest	Receipts	Revenue recognized	Ending balance
Roads	\$ 121,978	\$ 1,006	\$ 30,756	\$ -	\$ 153,741
Storm water	210,885	1,965	-	144,469	68,381
Sewer	275,525	1,917	15,633	-	244,189
Water	203,441	1,699	32,930	-	238,070
Parks	226,640	2,594	23,515	235,300	66,334
	\$ 1,038,469	\$ 9,181	\$ 102,834	\$ 379,769	\$ 770,715

**9. Equipment financing**

The District is party to two equipment loan financed through the Municipal Finance Authority for the acquisition of vehicles. The loans have a term of five years and bear interest at a rate of 1.525% and 2.11%. The vehicles under this loan have a carrying value of \$150,399 (2021 - \$166,771) and are recorded as non-financial assets in the consolidated financial statements.

Principal payments on the debt for the next five years are as follows:

2023	\$ 104,066
2024	100,892
2025	90,043
2026	68,329
2027	70,714

**10. Debt**

The District obtains debenture debt through the Municipal Finance Authority (MFA), pursuant to security issuing bylaws under authority of the Local Government Act, to finance capital expenditures.

	Interest Rate	Original Amount	Repayments and actuarial earnings	Balance 2022	Balance 2021
MFA issue 1074	2.90%	\$ 1,948,000	\$ 633,440	\$ 1,314,560	\$ 1,386,411
MFA issue 1195	2.65%	475,000	135,591	339,409	368,154
		\$ 2,423,000	\$ 769,031	\$ 1,653,969	\$ 1,754,565

As a condition of the borrowing through MFA, a portion of the debenture proceeds is retained by the MFA as a debt reserve fund. As at December 31, 2022, the cash balance of the District's debt reserve funds was \$31,465 (2021 - \$30,778). Debt reserve funds are not recorded elsewhere in the consolidated financial statements.

The loan agreements with the Alberni-Clayoquot Regional District and the MFA provide that, if at any time the scheduled payments provided for in the agreements are not sufficient to meet the MFA's obligations in respect to such borrowings, the resulting deficiency becomes a liability of the District.

Principal payments on debt for the next five years are as follows:

2023	\$ 77,734
2024	77,734
2025	77,734
2026	77,734
2027	77,734

Interest paid during the year was \$41,936 (2021 - \$76,610).

**11. Tangible capital assets**

(a) Contributed tangible capital assets

Contributed tangible capital assets of nil (2021 – nil) were recognized during the year.

(b) Tangible capital assets disclosed at nominal values

Where an estimate of fair value could not be made, the tangible capital asset has been recognized at a nominal value.

(c) Write-down of tangible capital assets

No write-down of tangible capital assets occurred during the year.

(d) Work in progress

During the year there were net transfers from work in progress of \$219,997 (2021 - \$3,348,700). Amortization of work in progress commences in the year the asset is transferred to tangible capital assets and is put into service.

**12. Accumulated surplus**

Accumulated surplus consists of individual fund surplus and reserve funds as follows:

	2022	2021
Investment in tangible capital assets	\$ 39,068,757	\$ 39,080,774
Reserves (Note 13)	6,898,234	6,258,399
Unrestricted surplus	7,193,698	5,735,722
	\$ 53,160,689	\$ 51,074,945

**13. Community Works Fund and COVID-19 Safe Restart Fund**

The Community Works Fund (Gas Tax) is provided by the Government of Canada. The use of the funding is established by a funding agreement between the District and the Union of British Columbia Municipalities. Gas Tax funding may be used toward designated public transit, community energy, water, wastewater, solid waste, and capacity building projects, as specified in the funding agreements.

	2022	2021
Opening balance of unspent funding	\$ 1,279,120	\$ 1,250,929
Add: funding received during the year	133,449	260,800
Add: interest	18,546	5,196
Less: amount spent on projects	(49,067)	(237,885)
	\$ 1,382,048	\$ 1,279,120

The COVID-19 Safe Restart Grant for Local Governments was provided to local governments to assist with the increased operating costs and revenue short-falls as a result of the COVID-19 pandemic. The COVID-19 Safe Restart Grant may be used towards specific eligible costs for funding such as addressing revenue short-falls, facility reopening and operating costs, emergency planning and response costs, bylaw enforcement and protective services, computer and other technology costs, and services for vulnerable persons.

The District of Ucluelet received \$764,000 in COVID-19 Safe Restart Grant in 2020 and reports the balance in a reserve fund until it is used to fund eligible costs.

	2022	2021
Opening balance of unspent funding	\$ 324,706	\$ 550,514
Add: funding received during the year	-	-
Add: interest	3,160	1,797
Less: amount spent on projects		
Lost recreation and other revenue	204,210	141,058
Temporary part-time janitor	-	14,660
RCMP reservist/Bylaw officer	-	37,888
Temporary sanitation labourer	-	33,999
	\$ 123,656	\$ 324,706

**13. Taxation**

Taxation revenue, reported on the consolidated statement of operations, is comprised of the following:

	2022	2021
Municipal purposes		
General	\$ 3,603,249	\$ 3,083,572
Utility	46,114	46,114
Parcel taxes	244,860	244,695
Grants in lieu of taxes	58,745	52,402
	<b>3,952,968</b>	<b>3,426,783</b>
Taxes levied for other authorities		
School authorities	1,773,376	1,552,895
RCMP	199,724	180,265
Regional Hospital	183,149	171,241
Regional District	445,242	381,216
BC Assessment Authority	46,024	37,954
Vancouver Island Regional Library	133,373	122,169
Municipal Finance Authority	249	178
	<b>2,781,137</b>	<b>2,448,918</b>
<b>Total taxes collected</b>	<b>\$ 6,734,105</b>	<b>\$ 5,872,701</b>

**14. Trust funds**

Trust funds administered by the District have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations. The District holds trust funds under British Columbia law for the purposes of maintaining a public cemetery.

	2022	2021
Opening balance	\$ 26,327	\$ 26,267
Funds used	(22,686)	
Interest earned	-	60
<b>Ending balance</b>	<b>\$ 3,641</b>	<b>\$ 26,327</b>

**15. Pension plan**

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. Basic pension benefits are based on a formula. As at December 31, 2021, the plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

**15. Pension plan (continued)**

The District paid \$219,697 (2021 - \$207,974) for employer contributions to the plan in fiscal 2022.

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

**16. Commitments and contingencies**

- (a) Debt incurred by the District is issued by the Alberni Clayoquot Regional District (ACRD), under provisions of the Local Government Act, is a direct, joint and several liability of the ACRD and each member municipality within the ACRD, including the District.
- (b) In the normal course of a year, claims for damages are made against the District. The District records an accrual in respect to legal claims that are likely to be successful and for which a liability amount is reasonably determinable. The District is self-insured for general liability claims through membership in the Municipal Insurance Association of British Columbia. Under this program, member municipalities are to share jointly for general liability claims against any member in excess of \$5,000. Should the Association pay out claims in excess of premiums received, it is possible that the District, along with the other participants, would be required to contribute towards the deficit.
- (c) The District has entered into two agreements during the year. Under the terms of these contracts, the District is committed to costs of \$1,000,000 related to Amphitrite Point work and \$1,138,000 related to the Village Green revitalization project.

**17. Budget**

The budget presented in these consolidated financial statements includes both operating and capital budgets. The District of Ucluelet budget was approved by Council on April 26, 2022, with the adoption of the Five-Year Financial Plan (2022 – 2026) Bylaw No 1307, 2022. The chart below reconciles the approved budget to the budget figures reported in these financial statements. Cemetery expenses are included in the budget but excluded from the annual surplus because these funds are held in trust and not reported in the consolidated financial statements of the District (Note 15).

	2022 Budget
Consolidated Budgeted Surplus, per District of Ucluelet Financial Plan Bylaw 1307	\$ -
Add	
Acquisition of tangible capital assets	8,281,516
Debt repayment	140,564
Transfers to reserves	1,122,406
Net cemetery expenses	(9,566)
Less	
Proceeds of borrowing	(350,000)
Transfers from reserves	(4,171,502)
Amortization	(1,168,995)
<b>Consolidated Budgeted Deficit, per Consolidated Statement of Operations</b>	<b>\$ 3,844,423</b>

**District of Ucluelet  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2022**

**18. Segmented information**

The District is a diversified municipal organization that provides a wide range of services to its citizens. District services are provided by departments and their activities reported separately. Certain functions that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

**General government services**

The general government operations provide the functions of corporate administration and legislative services and any other functions categorized as non-departmental.

**Protective services**

Protective services are comprised of three different functions, including the District's emergency management agency, fire, and regulatory services. The emergency management agency prepares the District to be more prepared and can respond to, recover from, and be aware of, the devastating effects of a disaster or major catastrophic event that will impact the community. The fire department is responsible for providing critical, life-saving services in preventing or minimizing the loss of life and property from fire and natural or man-made emergencies. The mandate of the regulatory services function is to promote, facilitate and enforce general compliance with the provisions of bylaws that pertain to the health, safety and welfare of the community and provide a full range of planning services related to zoning, development permits, variance permits, and current regulatory issues.

**Transportation services**

Transportation services is responsible for a wide variety of transportation functions such as roads and streets. As well, services are provided around infrastructure, transportation planning, pedestrian and cycling issues, harbour facilities, and on-street parking regulations, including street signs and painting.

**Planning and environmental services**

Planning works to achieve the District's community planning goals through the official community plan, and other policy initiatives. Environmental services were established to assist the Emergency, Planning, Public Works, and Recreation Departments with programs associated with the maintenance or improvement of the natural ecosystem.

**Recreation and cultural services**

Parks is responsible for the maintenance and development of all park facilities. Cultural services facilitate the provision of recreation and wellness programs and services.

**Water and Sewer utilities**

The water and sewer utilities operate and distribute the water and sewer networks. They are responsible for the construction and maintenance of the water and sewer distribution systems, including mains and pump stations.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. Taxation revenue is recognized as general government revenue and has not been allocated to other segments.

**Schedule 1**

**District of Ucluelet  
Consolidated Schedule of Tangible Capital Assets  
Year ended December 31, 2022**

	Land	Buildings	Vehicles and equipment	Other structures	Roads	Drainage structures	Water structures	Sewer Structures	Work in progress	Total
<b>2022</b>										
<b>Cost</b>										
Opening balance	\$ 14,718,568	\$ 11,029,120	\$ 3,420,037	\$ 3,820,424	\$ 8,924,083	\$ 1,609,012	\$ 6,511,551	\$ 11,815,251	\$ 872,943	\$ 62,720,989
Add: Additions	-	39,624	321,717	30,091	-	95,490	9,434	320,465	651,177	1,467,998
Less: Disposals	-	-	-	-	-	-	-	-	-	-
Less: Write-downs	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	9,700	20,539	-	-	189,758	-	(219,997)	-
Closing balance	14,718,568	11,068,744	3,751,454	3,871,054	8,924,083	1,704,502	6,710,743	12,135,716	1,304,123	64,188,987
<b>Accumulated Amortization</b>										
Opening Balance	-	3,311,932	2,271,140	2,336,255	4,440,956	795,281	3,281,129	5,305,136	-	21,741,829
Add: Amortization	-	221,528	141,630	176,171	214,454	38,991	219,363	278,254	-	1,290,391
Less: Write-downs	-	-	-	-	-	-	-	-	-	-
Less: Disposals	-	-	-	-	-	-	-	-	-	-
Ending Balance	-	3,533,460	2,412,770	2,512,426	4,655,410	834,272	3,500,492	5,583,390	-	23,032,220
<b>Net Book Value</b>	\$ 14,718,568	\$ 7,535,284	\$ 1,338,684	\$ 1,358,628	\$ 4,268,673	\$ 870,230	\$ 3,210,251	\$ 6,552,326	\$ 1,304,123	\$ 41,156,769
<b>2021</b>										
<b>Cost</b>										
Opening balance	\$ 14,718,568	\$ 11,014,552	\$ 3,438,325	\$ 3,674,962	\$ 8,041,384	\$ 1,609,012	\$ 6,218,483	\$ 9,188,270	\$ 3,821,425	\$ 61,724,981
Add: Additions	-	14,568	-	143,887	323,215	-	108,277	24,131	400,218	1,014,296
Less: Disposals	-	-	(18,288)	-	-	-	-	-	-	(18,288)
Less: Write-downs	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	1,575	559,484	-	184,791	2,602,850	(3,348,700)	-
Closing balance	14,718,568	11,029,120	3,420,037	3,820,424	8,924,083	1,609,012	6,511,551	11,815,251	872,943	62,720,989
<b>Accumulated Amortization</b>										
Opening Balance	-	3,082,699	2,137,360	2,166,101	4,227,071	758,697	3,066,289	5,021,073	-	20,459,290
Add: Amortization	-	229,233	151,955	170,154	213,885	36,584	214,840	284,063	-	1,300,714
Less: Write-downs	-	-	(18,175)	-	-	-	-	-	-	(18,175)
Less: Disposals	-	-	-	-	-	-	-	-	-	-
Ending Balance	-	3,311,932	2,271,140	2,336,255	4,440,956	795,281	3,281,129	5,305,136	-	21,741,829
<b>Net Book Value</b>	\$ 14,718,568	\$ 7,717,188	\$ 1,148,897	\$ 1,484,169	\$ 4,483,127	\$ 813,731	\$ 3,230,422	\$ 6,510,115	\$ 872,943	\$ 40,979,160

Schedule 2

**District of Ucluelet**  
**Consolidated Schedule of Segment Disclosure by Service**  
*Year ended December 31, 2022*

	General Government Services	Protective Services	Transportation Services	Planning and Environmental Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2022 Actual
<b>Revenue</b>								
Taxation, net	\$ 3,708,108	\$ -	\$ -	\$ -	\$ -	\$ 118,720	\$ 126,140	\$ 3,952,968
Sale of services	16,880	-	470,365	108,365	406,096	703,093	466,630	2,171,429
Grants and contributions	880,574	29,990	7,000	-	528,566	85,925	-	1,532,055
Investment income	162,587	-	-	-	-	-	-	162,587
Recognition of DCC	144,469	-	-	-	-	-	235,300	379,769
Other revenue from own sources	1,226,509	36,030	-	237,440	740,359	50,293	-	2,290,631
	<b>6,139,127</b>	<b>66,020</b>	<b>477,365</b>	<b>345,805</b>	<b>1,675,021</b>	<b>958,031</b>	<b>828,070</b>	<b>10,489,439</b>
<b>Expenses</b>								
Salaries and wages	\$ 889,636	\$ 381,636	\$ 363,321	\$ 284,559	\$ 989,893	\$ 255,314	\$ 191,308	\$ 3,355,667
Contracted services	77,852	36,958	440,713	42,630	164,289	176,476	84,781	1,023,699
Materials and supplies	70,373	169,979	231,219	9,035	281,130	113,396	65,322	940,454
Interest and other	344,266	120,178	46,752	12,632	744,182	42,546	2,687	1,313,243
Audit and legal	90,414	-	-	33,586	-	-	-	124,000
Telephone and utilities	65,681	39,522	85,795	-	51,766	63,620	52,857	359,241
Amortization	-	-	395,075	-	397,699	219,363	275,254	1,287,391
	<b>1,538,222</b>	<b>748,273</b>	<b>1,562,875</b>	<b>382,442</b>	<b>2,628,959</b>	<b>870,715</b>	<b>672,209</b>	<b>8,403,695</b>
<b>Annual surplus (deficit)</b>	<b>\$ 4,600,905</b>	<b>\$ (682,253)</b>	<b>\$ (1,085,510)</b>	<b>\$ (36,637)</b>	<b>\$ (953,938)</b>	<b>\$ 87,316</b>	<b>\$ 155,861</b>	<b>\$ 2,085,744</b>

	General Government Services	Protective Services	Transportation Services	Planning and Environmental Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2021 Actual
<b>Revenue</b>								
Taxation, net	\$ 3,182,088	\$ -	\$ -	\$ -	\$ -	\$ 118,640	\$ 126,055	\$ 3,426,783
Sale of services	7,030	-	401,429	29,253	287,234	633,661	479,837	1,838,444
Grants and contributions	695,871	25,300	7,000	-	333,281	-	-	1,061,452
Investment income	48,562	-	-	-	-	-	-	48,562
Other revenue from own sources	1,058,153	26,532	-	228,378	545,737	42,609	2,393	1,903,802
	<b>4,991,704</b>	<b>51,832</b>	<b>408,429</b>	<b>257,631</b>	<b>1,166,252</b>	<b>794,910</b>	<b>608,285</b>	<b>8,279,043</b>
<b>Expenses</b>								
Salaries and wages	\$ 759,004	\$ 231,990	\$ 401,967	\$ 304,211	\$ 920,876	\$ 253,955	\$ 165,226	\$ 3,037,229
Contracted services	73,056	35,595	322,785	26,038	148,982	78,933	123,319	808,708
Materials and supplies	47,398	169,934	174,469	9,024	179,938	74,208	75,072	730,043
Interest and other	282,015	94,391	41,908	59,697	615,003	22,732	3,396	1,119,142
Audit and legal	56,922	-	-	53,885	-	-	-	110,807
Telephone and utilities	59,887	32,619	88,751	-	51,921	64,714	60,392	358,284
Amortization	-	-	402,423	-	399,388	214,841	284,062	1,300,714
	<b>1,278,282</b>	<b>564,529</b>	<b>1,432,303</b>	<b>452,855</b>	<b>2,316,108</b>	<b>709,383</b>	<b>711,467</b>	<b>7,464,927</b>
<b>Annual surplus (deficit)</b>	<b>\$ 3,713,422</b>	<b>\$ (512,697)</b>	<b>\$ (1,023,874)</b>	<b>\$ (195,224)</b>	<b>\$ (1,149,856)</b>	<b>\$ 85,527</b>	<b>\$ (103,182)</b>	<b>\$ 814,116</b>

# Permissive Tax Exemptions

Organization Name	2022 Municipal Taxes
Christ Community Church of Ucluelet	\$6,747.01
Bishop of Victoria	\$6,258.57
Ucluelet Congregation of Jehovah's Witnesses	\$4,598.87
Food Bank on the Edge	\$1,208.28
Westcoast Community Resources Centre	\$1,642.65
Westcoast Community Resources Centre	\$1,584.59
Nuu-Chah-Nulth First Nations	\$559.20
Ministry of Child and Family Development	\$559.20
Vancouver Island Regional Library	\$3,782.60
Ucluelet Daycare Society	\$1,472.03
Army & Navy Airforce Veterans - Ucluelet Unit #293	\$2,964.40
Ucluelet Aquarium Society	\$23,975.77
KUU-US Crisis Line Society	\$1,601.68
Ucluelet Consumers Co-operative	\$4,463.63

# 2022 Annual Report

## Administration Office

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 [info@ucluelet.ca](mailto:info@ucluelet.ca)



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