



# City of Chilliwack

BRITISH COLUMBIA, CANADA

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## 2019 ANNUAL MUNICIPAL REPORT

For the fiscal year ended December 31, 2019



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# City of Chilliwack

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## 2019 ANNUAL MUNICIPAL REPORT

For the fiscal year ended December 31, 2019

PREPARED BY THE CITY OF CHILLIWACK  
FINANCE DEPARTMENT  
8550 YOUNG RD. CHILLIWACK BC V2P 8A4

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# Introduction

City Snapshot

Message from the Mayor

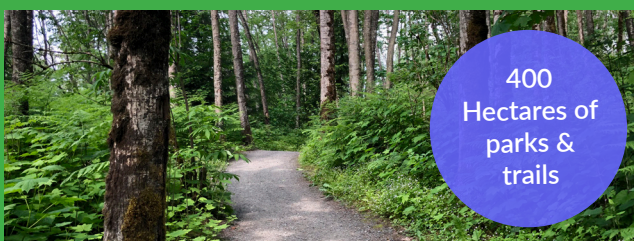
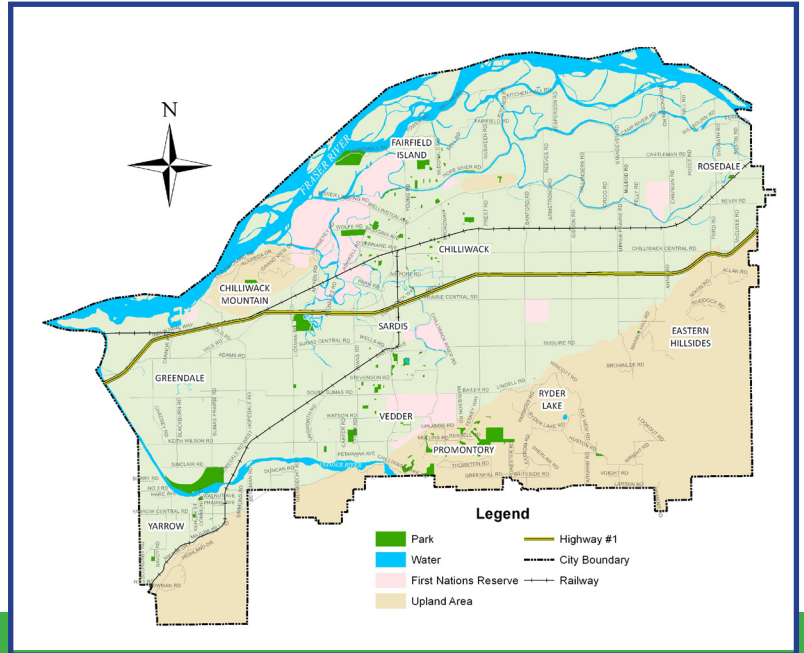
Mayor & Council

Boards & Committees

Organizational Chart

# City Snapshot

Located in the heart of the Fraser Valley, British Columbia



City Council  
2019 Meetings

COUNCIL  
MEETINGS  
24

PUBLIC  
HEARING  
MEETINGS  
22

COMMITTEE  
MEETINGS  
43



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## Message from the Mayor

On behalf of Council, it is my pleasure to present the 2019 Annual Report for the City of Chilliwack. In this report you will find important information about City operations, including a financial overview, accomplishments and progress made on Council's strategic goals. I hope you will think of this report as a summary of all of our collective achievements, as well as a road map for where we plan to go next.

Looking back, 2019 was a big year for our city. We opened some amazing new parks, including Lexw Qwò:m and Kensington, completed the Lickman Interchange Project and established the Integrated Community Safety Task Force. We also focused our efforts to combat litter and illegal dumping. We increased fines for illegal dumping and the burning of pallets and other garbage, and developed an online landfill cost estimator to help residents find inexpensive or free responsible disposal options.

Teamwork played a major role in our 2019 achievements. We completed the 20 kilometre Vedder Rotary Loop Trail, thanks, in part, to the Rotary Club of Chilliwack, and the Chilliwack Chiefs helped us sell out the grand opening of the Sardis Sports Complex. Thanks to the Province and BC Housing, two modular housing facilities opened in Chilliwack to house 92 individuals from one of our most vulnerable populations. With Skwah First Nation, Shxwhá:y Village and the Federal Government, we announced the \$45 million Town Dyke Upgrade project to enhance flood protection infrastructure for each of our communities.

Our team accomplished many goals in 2019, and these successes would not have been possible without the hard work and dedication of Council, advisory committee members, volunteers, City staff, and you. I'd like to end by thanking you, the citizens of Chilliwack. To anyone who has called, emailed, taken a survey, attended a Public Hearing or engagement meeting – thank you. You have all helped to keep Chilliwack a great place to work, live and play, and we will make sure to continue working strategically to best serve you.

Enjoy the read!

A handwritten signature in black ink, appearing to read 'Ken Popove', written in a cursive style.

Mayor Ken Popove



# City Council



Mayor Ken Popove



Councillor  
Chris Kloot



Councillor  
Sue Knott



Councillor  
Jason Lum



Councillor  
Bud Mercer



Councillor  
Jeff Shields



Councillor  
Harv Westeringh

Mayor and Council were elected in November 2018 for a four year term.



# Boards & Committees

## **Affordable Housing & Development Advisory Committee**

Councillor Harv Westeringh (Chair)  
Councillor Bud Mercer (Vice Chair)

## **Agricultural & Rural Advisory Committee**

Councillor Chris Kloot (Chair)  
Councillor Harv Westeringh (Vice Chair)

## **Chilliwack Business Improvement Association (BIA)**

Councillor Sue Knott (Liaison)

## **Chilliwack Arts & Cultural Centre Society Board**

Councillor Jeff Shields (Liaison)

## **Chilliwack Creative Commission**

Councillor Jason Lum (Liaison)

## **Chilliwack Economic Partners Corporation**

Mayor Ken Popove (Ex-Officio)  
Councillor Jeff Shields (Liaison)

## **Chilliwack Healthier Community**

Mayor Ken Popove (Chair)  
Councillor Jason Lum (Alternate)

## **Chilliwack Public Art Advisory Committee**

Councillor Sue Knott (Chair)  
Councillor Harv Westeringh (Vice Chair)

## **Design Review Advisory Committee**

Councillor Chris Kloot (Chair)  
Councillor Bud Mercer (Vice Chair)

## **Emergency Executive Committee**

Mayor Ken Popove (Chair)  
Councillor Chris Kloot  
Councillor Sue Knott

## **Fraser Valley Aboriginal Relations Committee**

Mayor Ken Popove  
Councillor Jeff Shields (Alternate)

## **Fraser Valley Regional District Board Representatives**

Mayor Ken Popove  
Councillor Jason Lum  
Councillor Chris Kloot  
Councillor Bud Mercer  
Councillor Jeff Shields (First Alternate)  
Councillor Sue Knott (Second Alternate)  
Councillor Harv Westeringh (Third Alternate)

## **Fraser Valley Regional Hospital Board Representatives**

Mayor Ken Popove  
Councillor Jason Lum  
Councillor Chris Kloot  
Councillor Bud Mercer  
Councillor Jeff Shields (First Alternate)  
Councillor Sue Knott (Second Alternate)  
Councillor Harv Westeringh (Third Alternate)

## **Fraser Valley Regional Library Representative**

Councillor Sue Knott

## **Heritage Advisory Committee**

Councillor Sue Knott (Chair)  
Councillor Bud Mercer (Vice Chair)

## **Integrated Community Safety Task Force**

Mayor Ken Popove  
Councillor Bud Mercer, Co-Chair

## **Parcel Tax Roll Review Panel**

Councillor Jeff Shields  
Councillor Harv Westeringh  
Councillor Bud Mercer

## **Parks & Trails Committee**

Councillor Bud Mercer (Chair)  
Councillor Jason Lum (Vice Chair)

## **Public Safety Advisory Committee**

Councillor Jason Lum (Chair)  
Councillor Bud Mercer (Vice Chair)

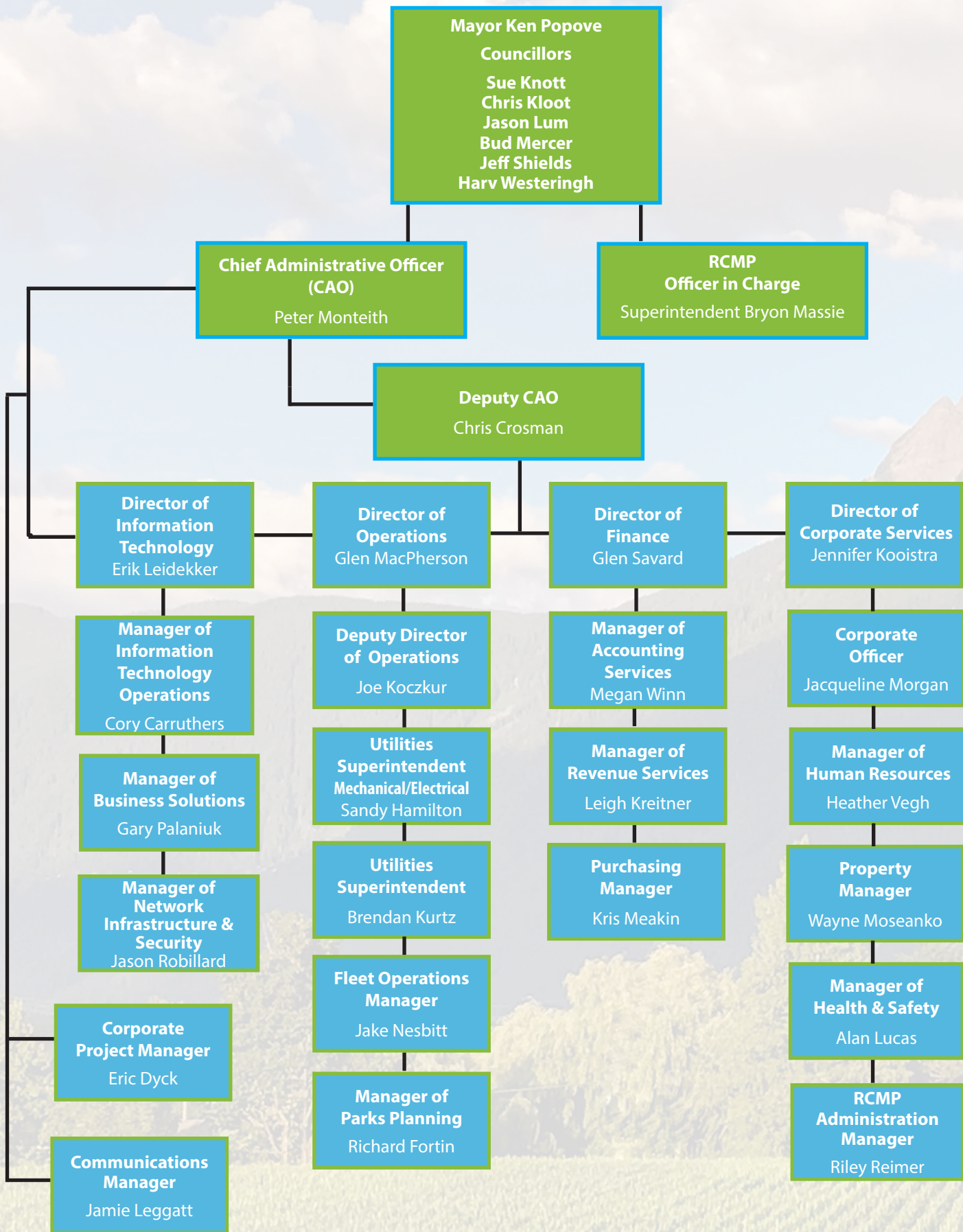
## **Tourism Chilliwack**

Councillor Harv Westeringh (Liaison)

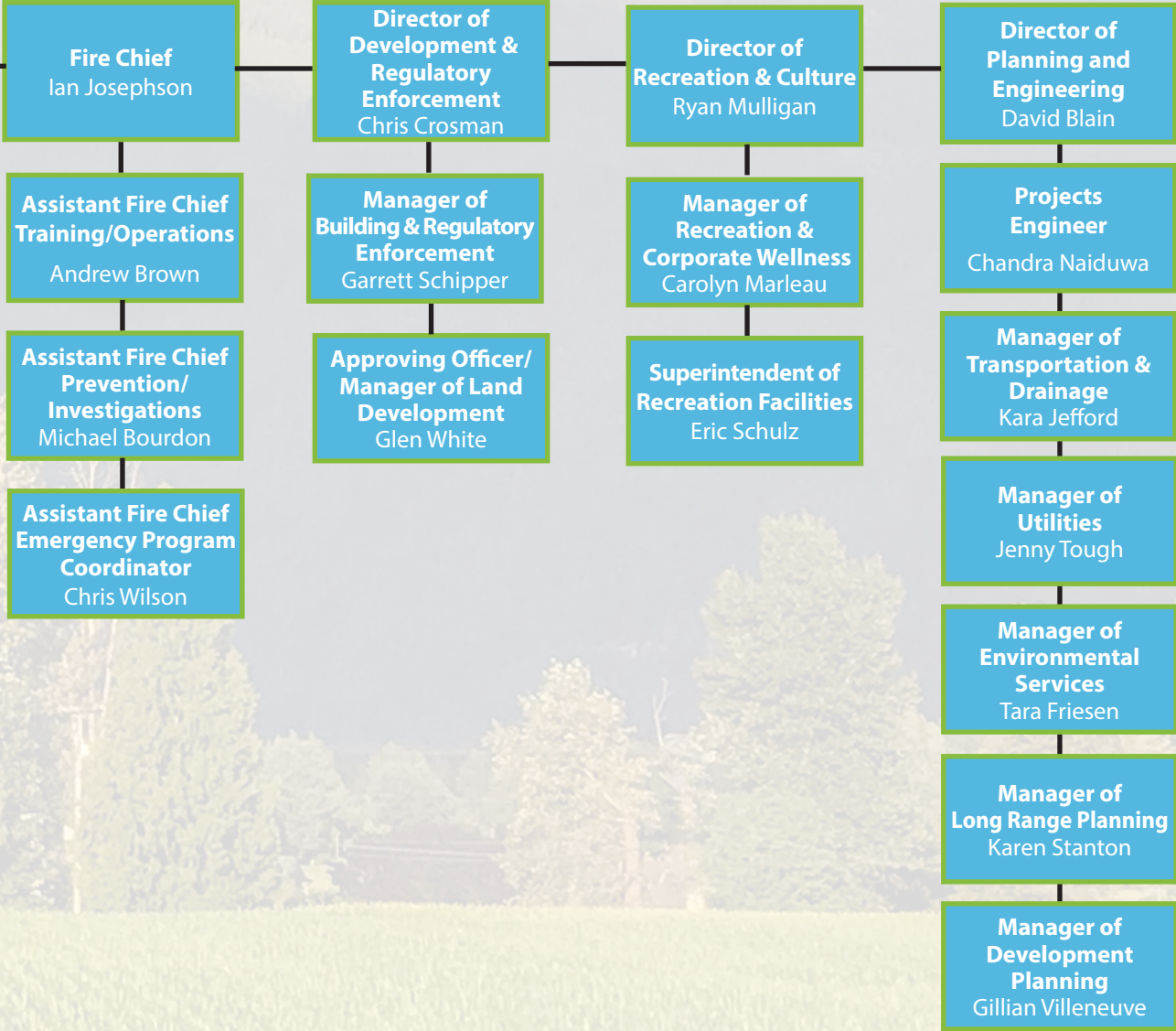
## **Transportation Advisory Committee**

Councillor Jeff Shields (Chair)  
Councillor Jason Lum (Vice Chair)





# Organizational Chart





# Department Overviews

Administration

Corporate Services

Information Technology

Finance

Recreation & Culture

Engineering

Operations

Fire Protection

Policing

Chilliwack Economic Partners Corporation

Planning & Development

Tourism Chilliwack

# Administration

The Chief Administrative Officer (CAO) is appointed by Chilliwack City Council and is accountable to Council for the policies and programs delivered by the City of Chilliwack. As the most senior official in the City's administrative structure, the CAO provides guidance and advice to Council and provides direction to all City departments.

Administration provides support for Council, Committees of Council and departmental operations. By providing guidance to the City's departments, Administration ensures a coordinated and balanced implementation of Council's policies. This division of local government is responsible for ensuring:

- The most cost effective delivery of services to the public
- Corporate fiscal responsibility and accountability
- The provision of efficient, timely and friendly customer service
- Responsive action to community needs

The Communications function of Administration works collaboratively across the organization to ensure that information is thorough, factual and timely. Communications activities include disseminating timely and accurate information, boosting awareness and understanding of local government processes and priorities, developing website content, communication through social media, coordinating advertising and supporting a consistent identity for communications.

1,781  
INSTAGRAM FOLLOWERS

8,743  
FACEBOOK FOLLOWERS

6,000  
TWITTER FOLLOWERS

# Corporate Services

The Corporate Services Department provides the statutory function of the Corporate Officer, which facilitates Council business by:

- Preparing minutes and agendas
- Composing, reviewing and providing advice on municipal bylaws
- Initiating the follow-up action to Council meetings
- Providing adjudication services for bylaw offences

Corporate Services also provides a wide variety of internal services to Council and other City departments. Some of these include:

- Access to information
- Human Resources
- Labour relations
- Liquor licensing
- Occupational health and safety
- Property management
- Law enforcement support services
- Bylaw Adjudication system
- Records management

112  
BYLAWS ADOPTED

104  
JOB POSTINGS IN 2019

# Information Technology

The Information Technology (IT) Department provides computer related technical service and support for the City. These include:

- Website development & maintenance
- Programming services for in-house applications
- Technical help-desk support
- Network administration
- PC support
- Telecommunications
- Administration of security systems
- Monitoring of Systems Control and Data Acquisition (SCADA) programs which maintain flows and controls of the water and sewer systems

The Geographic Information Systems (GIS) function of IT maintains detailed cadastral mapping information that tracks exact lot lines, properties, right of ways, setbacks, zoning and the location of sewer and water utilities, manholes and fire hydrants.

2,960  
HELP DESK REQUESTS

459  
DESKTOP & LAPTOP  
COMPUTERS

22,000  
PARCELS OF LAND  
MAINTAINED IN THE  
GIS SYSTEM



# Finance

The Finance Department is responsible for the financial management functions of the City.

Finance staff liaise with all City departments and various external organizations, including the RCMP and the Fraser Valley Regional Library, to coordinate the City's financial activities. The Finance Department is responsible for the development of the City's annual Financial Plan (budget), the annual financial statements, the annual review of the Development Cost Charge (DCC) Bylaw and the preparation of the Annual Report. Finance is also responsible for the external annual reporting of financial activities to the Province.

This department's functions include:

- Accounts receivable
- Accounts payable
- Payroll
- Collection of property taxes, water, sewer, curbside collection and recycling fees
- Safekeeping of all financial instruments
- Investment management
- Municipal government grant research
- Risk management

12,576

HOMEOWNER GRANTS  
PROCESSED ONLINE

4,621

TAX PREPAYMENT PLAN  
PARTICIPANTS

14,661

MYCHILLIWACK ACCOUNTS

# Recreation & Culture

The Recreation & Culture Department is responsible for the coordination and the provision of leisure services within Chilliwack. The department operates a number of facilities and coordinates the use of numerous sports fields and parks.

This department coordinates the delivery of recreational and cultural services in Chilliwack and operates a number of facilities which include:

- Evergreen Hall
- The Landing Sports Centre
- Sardis Sports Complex
- 3 synthetic turf fields
- 58 grass sports fields
- 69 ball diamonds

Funding for many of Chilliwack's cultural programs is provided within the Recreation & Culture Department. These include:

- Chilliwack Museum & Archives
- Community schools
- Senior resources
- Youth services

Recreation & Culture also coordinates the contracted operations of:

- Chilliwack Landing Leisure Centre
- Cheam Leisure Centre
- Chilliwack Cultural Centre
- Chilliwack Heritage Park
- Chilliwack, Sardis and Yarrow Libraries
- Rotary Outdoor Pool
- Great Blue Heron Nature Reserve

## Facilities

- The newly completed Sardis Sports Complex additional ice arena officially opened on August 29, 2019. The additional arena has five team dressing rooms, elevated seating for 500, an official's room and a multipurpose room. The Sardis Sports Complex (formerly Twink Rinks) now has three ice arena surfaces.



- Facility upgrades are carried out on a regular basis to maintain their integrity. The gym floor at the Cheam Leisure Centre was sanded and a new finish was applied.



## Celebration & Activity Grant

- A total of 43 events and block parties, servicing 4,634 community members with \$10,125 in funding support.



4,634

ATTENDED CELEBRATION &  
ACTIVITY GRANT EVENTS

36

BLOCK PARTIES

595

MUSEUM VISITS

22,000+

GREAT BLUE HERON  
NATURE RESERVE VISITORS

# Engineering

The Engineering Department is responsible for the planning, design and construction of various City infrastructure. This includes the provision of transportation related services, the urban transit system and sewer and water utilities.

The City's waste reduction, bio-diversity and other environmental initiatives are also the responsibility of the Engineering Department.

## 2019 HIGHLIGHTS:

450

TONNES OF GLASS  
COLLECTED  
(APRIL - DECEMBER)

8,515

TONNES OF  
COMPOSTABLES  
COLLECTED

70%

DIVERSION RATE  
THROUGH RECYCLING &  
COMPOSTING

9.49 km

ROADS REPAVED

3.6 km

PAVED BIKE LANE  
IMPROVEMENTS

143

REBATES ISSUED  
UNDER TOILET  
REBATE PROGRAM

440m

SEWER MAIN  
REPLACEMENT

1,165m

CAST IRON WATER  
PIPES REPLACED

68

WATER CONSERVATION  
KITS SOLD

## TRANSPORTATION & DRAINAGE

### Lickman Interchange Project

- Improvements include an additional northbound and southbound lane and construction of a two lane roundabout at the Yale Rd./Luckakuck Way intersection
- Extension of the northbound left turn lane on the suspended portion over Highway 1
- Bike lanes in both directions on Lickman Rd.

### Valley Rail Trail South Enhancement

- Lighting, fencing and visibility enhancements were installed along the existing section of the trail between Knight Rd. and Luckakuck Way

### Hack Brown/Prest Rd./Five Corners Design-Build Project

- Detailed designs were advanced on all projects including design coordination with BC Hydro/Telus for pole relocations at the Prest Rd. and Chilliwack Central roundabout location
- The Prest Rd. roundabout construction began, which includes road widening, culvert installation and drainage works

### Webster Sidewalk Installation

- New sidewalk and drainage works were completed along Webster Rd. from Keith Wilson Rd. south
- Installation of streelights scheduled for the first quarter of 2020

### Road Improvements - Asphalt

- Approximately 9.49 km of roadways were re-paved on the following: Banford Rd., Castleman Rd., Elk View Rd., Evans Rd., Extrom Rd., Matheson Rd. and Old Orchard Rd.

### Delineators

- Roadway delineators were installed to increase safety in the following areas;
  - Watson Elementary
  - Vedder Road north of Keith Wilson Road
  - Young Road north and south of Hocking Ave.
  - Southlands Drive
  - Spadina Avenue
  - Ashwell Road
  - Hope River Road
  - McSween Road
  - Promontory Road. at Uplands Road

## UTILITIES



### Mechanical Systems Replacement Project

Upgrades to four sanitary pump stations (SPS) and one pressure reducing valve (PRV).

- SPS 5, 6 and 7 replacements;
  - required to increase pump station capacity to meet future flow conditions
- The SPS 10 upgrade;
  - required to meet future flow conditions and to improve operational reliability
- Upgrade to the Goldspring PRV;
  - required to meet current WorkSafe BC confined space regulations efficiently and to replace infrastructure that has reached the end of its serviceable life

### 2019 Utilities Upgrade Project

- 6 watermain installations
- 2 sewer main upgrades
- 1 storm sewer main upgrade
- 1 PRV installation
- Landfill gas collection system

### Wastewater Treatment Plant Inlet Works Upgrade Project

- The new inlet works will be able to manage flows projected for the next 30 years and beyond. The project includes a new inlet works building to house the new treatment system and includes the following efficient high-performance processing systems:
  - fine screening;
  - screenings washing, compaction and conveyance;
  - induced vortex grit removal;
  - grit washing and dewatering; and
  - space for a future trucked septage receiving and screening station

### Scooter Road-eo

The second annual “Scooter Road-eo” was held on April 27 in partnership with Speed Watch, Chilliwack & District Seniors Resources Society, the RCMP, Discount MediQuip, CN Police and First Transit Canada. This interactive open house of safe scooter use brought in nearly 40 visitors. A slalom course, operator speed alley, bus access, ramp, rail crossing practice and trying a variety of scooters were all offered at the event. Informational booths were also showcased.



### Back to School

The City of Chilliwack Safer City team attended 18 schools educating drivers on 30 km/hr school zones.

The local business community donated their advertising space on their roadside advertising boards in an effort to collectively raise awareness that school was back in session; many of the businesses kept the messaging up into the month of October. School zone safety reminders were also provided through social media, website tips, newspaper and radio ads.



### School Bus Safety Videos

A short video series was prepared for public education for the 2019 back to school season. The strong partnership and cost sharing with Chilliwack School District #33 enabled the Safer City team to move quickly to secure a local production company. The videos were released throughout the school year in an effort to keep school bus safety top of mind for drivers.



## FLOOD PROTECTION



### McGillivray Pump Station Upgrade

- Construction is complete on the \$4.7 million project and the City Operations Department has taken over operation of the facility. The work included construction of a new electrical building with standby generator plus upgrades to the pump intake structure, pump discharge piping and new 600 HP pump/motors. The flood box was also retrofitted including a new automated slide gate. The project received funding of \$4.2 million from the Province of BC.

## Environmental Services

### Coho Overwintering Pond Construction

A new overwintering pond was created for Coho salmon in Wilson Park in Yarrow for juvenile fish to seek refuge during strong winter flows on Stewart Creek. 300 students from Yarrow Elementary participated in a school-wide fieldtrip to plant hundreds of trees, shrubs, and emergent vegetation to enhance the new habitat.



### Hooge Road Salmon Rearing Pond Construction

A new salmon rearing pond adjacent to the Vedder River was created near the Hooge Road parking lot by the Fraser Valley Watersheds Coalition in partnership with Fisheries and Oceans Resource Restoration Unit (DFO) and funders. The City assisted with acquisition of large woody debris, facilitation, trail closures, and community notifications.

### Curbside Glass Collection

Bi-weekly, separate curbside glass collection to the 22,000 homes receiving curbside collection began in April. Grey bins were delivered to residents on the curbside program in March, and education continued through April, targeting non-program materials to reduce contamination (i.e. drinking glasses, window panes). An average of 38 tonnes of glass was collected each month from April through December.



### Illegal Dumping Reduction

Environmental Services worked with Bylaw, Operations, Administration and community volunteers on several initiatives to reduce illegal dumping in 2019:

- Increased fines for illegal dumping from \$200 to \$500
- Provided free disposal to volunteers who clean up illegally dumped material on riverbanks and other public land
- Launched an education campaign to raise awareness about free/low cost disposal options, reporting of and fines for illegal dumping
- Installed signage to deter illegal dumping
- Worked with UFV students on projects to create unique outreach materials
- Continued to collaborate with other members of the Fraser Valley Illegal Dumping Alliance

## EVENTS

- **Adopt a River Cleanups** – Three river cleanups with 1,075 volunteers participating and 14.5 tonnes of waste removed
- **Biodiversity Projects** – 15 biodiversity projects and events with approximately 475 students participating; 958 trees and 385 shrubs planted, thousands of chum salmon released, two salmon habitat ponds created, invasive species removed, nine photo monitoring stations installed, and 10 pet impact education signs installed
- **Community Cleanups** – Over 103 volunteer groups performing quarterly Adopt A Road cleanups; other one-time community cleanup events removed 8.2 tonnes of waste
- **Free Soil Giveaway** – BioCentral, operator of Parr Road Green Depot, gave residents 480 free bags of compost
- **Green Commuter Challenge** – Over 440 ballots submitted by participants to win a free bike
- **Household Hazardous Waste Day** – 9.7 tonnes plus 15,500 litres of hazardous waste responsibly disposed of by Terrapure Environmental Solutions, Product Care Recycling (Chilliwack Bottle Depot), and Schnitzer Steel (Viper Fuels); \$1,800 cash donations plus 4,300 food items collected for the Salvation Army Food bank
- **Pumpkin and Christmas Tree Composting** – 170 trees and 100 pumpkins brought to the Parr Road Green Depot community drop-off option and collected through the Curbside Collection Program
- **School Presentations** – Five community/school presentations including one all-day school-wide outdoor classroom for 400 students from Vedder Elementary
- **Semi-annual scrap metal recycling events** – 133 tonnes dropped off from 1,482 customers
- **Semi-annual City-Wide Garage Sales** – 290 residences participated
- **Semi-annual Shred-a-Thon and Food Drives** – \$16,498 cash donations plus 1,550 lbs. of food collected for the Salvation Army Food bank by residents dropping off documents for shredding
- **Transit Driver Appreciation Day** – Kids handed out cards for transit users to give to bus drivers to show appreciation

# Operations

The Operations Department is responsible for the operation and maintenance of the City's:

- Parks
- Trails
- Sports fields
- Sanitary sewer system
- Potable water system
- Roads
- Open drainage
- Storm sewer system
- Dyking infrastructure
- Fleet maintenance

The Operations Department maintains over 100 parks and natural areas which together make up over 400 hectares of green space. Operations also maintains over 100km of recreational trails ranging from challenging hillside terrain, to easy and flat riverside trails.

Providing water and sewer service to properties within the municipal boundaries, the Operations Department maintains and operates:

- 51 sanitary pump stations
- Wastewater Treatment Plant
- 10 potable water production wells
- 14 water booster pump stations
- 19 water reservoirs
- 4 drainage pumping stations
- Over 750 km of water and sewer pipe systems

## 2019 HIGHLIGHTS:

**32**  
RETREADED TIRES  
USED FOR EQUIPMENT

**1,750**  
WATER SAMPLES TESTED

**1,500+**  
REPAIRS & PREVENTATIVE  
MAINTENANCE WORK  
ORDERS COMPLETED

**1,000+**  
FIRE HYDRANTS  
DISMANTLED,  
SERVICED & REBUILT

**200m**  
NEW WATERMAIN  
INSTALLED

**19,300**  
TOTAL RESIDENTIAL  
WATER METERS

**350**  
LIFE EXPIRED WATER  
METERS REPLACED



## Yale Road Downtown Greening

As part of the City's greening initiative, five garden beds along Yale Rd. from Spadina Ave. to Kipp Ave. were revamped. The gardens, trees and surrounding brick were removed as they posed tripping hazards. The brick was replaced with a new concrete sidewalk and the garden beds were lowered to sidewalk height. All gardens received a new planter pole, flowers, shrubbery and an ornamental tree.



## 2019 Reservoir Tank Cleaning

In the spring, Operations Department staff completed the draining, cleaning and inspection of four drinking water reservoirs in the Promontory area. The tanks were refilled and returned to service for another three years before the next cleaning cycle.

## Second Garbage Truck

A second, full service, garbage truck was put into operation. It is capable of compacting up to 6.5 cubic yards of refuse and is equipped with a high pressure washdown system to clean out garbage cans and other debris from sidewalks and walkways. This second truck enables crews to increase garbage collection services for parks and trails and can allow for expanded services.



## PARKS

### The Landing Playground Expansion

- Updates included a large excavation play machine flanked by two operational digging toy features that dig at the sand play surface and spin 360 degrees
- A new asphalt "play street" with miniature street signage offers a play surface for children of all abilities on all types of wheeled conveyances

### New Play Equipment in Parks

- Three parks received new play structures: Guinet Park on Fairfield Island, Higginson Park in Sardis and Parker Park in the downtown area

### Kensington Park

- "Parkour" structure installed providing challenges for age group 5-12, while the secondary sand play structure caters to the 2-5 age group
- A "play street" was installed for children of all abilities on all types of wheeled conveyance
- Sports court provided with pickle ball, basketball, hockey, and other asphalt based games as well as a small picnic area and drinking fountain

### Kinsmen Park on Portage

- Playground relocated to a more central location
- "Centre Stage" structure provided with three slides and four ways to climb up and a smaller 2-5 years of age structure with classic spring toys
- Three new benches installed in a large, paved guardian area with a historical display. An asphalt "play street" has also been constructed

### Webster Park Washroom Facilities – "Portland Loo"

- A "Portland Loo" washroom facility and new drinking fountain was constructed
- This is the first "Portland Loo" that the City has installed and will act as a test facility for future consideration at additional locations around the City



## TRAILS



### Vedder Rotary Loop Trail

- Officially completed and opened to the public on Saturday, November 16, 2019
- 20 km of uninterrupted river side trail stretching from the Vedder Bridge to the pedestrian crossing on the Keith Wilson Bridge, on both north and south sides of the river
- The loop trail connects a series of nodal points that offer parking, playgrounds, picnic facilities and washrooms, offering recreational opportunities for families and all types of users, year-round



### Rotary Trail Equestrian Mounting Blocks

- Horse mounting / dismounting blocks installed just east and west of the Southern Rail Bridge on the Rotary Trail
- Provides equestrians a safe means of mounting and dismounting from their horse in order to walk their horses safely under the rail bridge



### Kinsmen Hall to Chartwell Drive Trail

- Built between Little Mountain and Kinsmen Park
- Work included removing organic material along Hope River Road for 260m to allow for a 1.5m wide gravel trail on the south side of the road
- The new trail offers a new connection to the Hope River Trail system

### Sheffield Way Bike Repair Stand

- Work was completed to install a bicycle repair stand for local cyclists using the bike commuter route
- Offers users the use of a range of different tools that may be required to fix their bicycles and to add air to a low tire, while using the Rail Trail



### Mt. Thom Summit Bypass Trail

- A new connector trail between Karver's Trail and Thom Creek Trail was completed to create 560m of new forested trail that allows users to bypass some of the steeper sections of the Thom Creek Trail

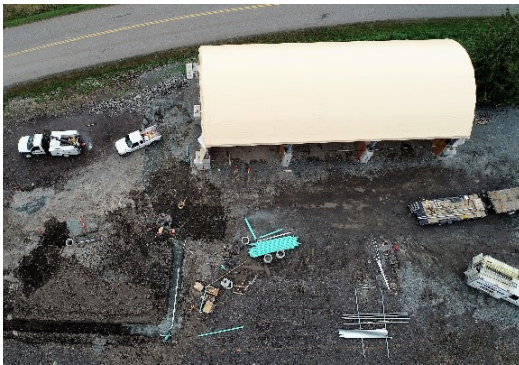
### Lower Thom Creek Stair Removal

- The stairs from the beginning portion of Thom Creek Trail at the base of Thom Creek Drive were removed and replaced with a less steep, gravel, 2m wide path to increase safety and accessibility for mobility impaired users



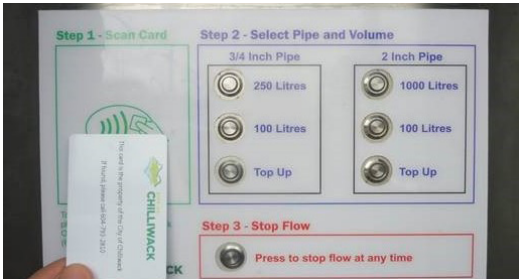
## Watercourse Cleaning 2019

Instream cleaning and maintenance of the Hope and Camp systems continued in 2019. Camp Slough cleaning involved cleaning of Gravelly Slough from the confluence of Hope Slough to Camp Slough. Camp Slough was cleaned to the confluence of Bear Slough. Bear Slough was cleaned around and reconnected to Camp Slough at Rose Road. A total of 4,000 lineal meters of grass, log, and sediment removal was completed. A 55ft. long boom excavator was used for the cleaning and an environmental consultant monitored the instream works. Each year the Hope and Camp systems are seeing more and more waterway cleaned and opened up which not only benefits drainage for the area but also increases recreational opportunities.



## Satellite Winter Operations Facility

As a result of the continuing development in the Eastern Hillside a need was identified to construct a satellite salt and sand storage facility in the east end of the City. Prior to construction, all equipment would be required to travel up to 15km from the Operations Centre to service East Chilliwack and would need to travel a 30km round trip to refill sanders with salt and sand. The addition of this satellite facility has vastly increased service levels to East Chilliwack.



## Additional Bulk Water Filling Station

A second Bulk Water Filling Station located on Yale Road West was commissioned in 2019 in order to meet a steadily growing user group. The original station is located at 46893 Bailey Road and was becoming over subscribed. The addition of the station on Yale Road West will allow commercial users to access a bulk, pay per use, water supply which is centrally located.



## SPS #8 Gets Emergency Standby Power Capability

A new generator at Sanitary Pump Station #8, located on Brooks Avenue, was installed to provide standby power at the station during a power outage.



## Additional RV Sani Dump Location Added

The "pay per use" Sani Dump facility at Heritage Park, constructed in 2001, had reached the point of overuse and was subject to RV traffic congestion during the summer months. As a result, a second sani dump facility was constructed on Yale Road West, close by the Evans Road roundabout. The new facility is ideally located for freeway access and creates a good distribution of usage between the two sites, reducing congestion at the Heritage Park location.



# Fire Protection

Chilliwack's six fire halls protect an area over 250 square kilometres and are staffed as needed by paid on-call firefighters, providing services of fire suppression, rescue, and emergency medical aid. Fire engines staffed with career firefighters operate out of downtown Fire Hall 1 and Sardis Fire Hall 4 on a 24 hour basis.

The Fire Department employs 36 career and 130 paid on-call firefighters and fire officers who are managed and supported by:

- 1 Fire Chief
- 3 Assistant Chiefs
- 2 Training Officers
- 2 Fire Prevention Officers

The Fire Department delivers the following services:

- Fire prevention including public education, fire inspections and fire investigations
- Public service hazard assessment and mitigation
- Fire suppression
- Rescues
- Motor vehicle incident mitigation
- Emergency medical aid

## Fire Prevention

The Fire Department has a very proactive fire prevention program. Fire prevention services delivered to the community include fire and life safety inspections of public buildings and public education to schools, seniors, community groups, and local employers. Thorough fire investigations are completed for all fire losses. Fire prevention and community engagement activities include:

- Fire Prevention Week
- Burn Awareness Week
- Emergency Preparedness Week
- Youth fire setter program
- Home smoke alarm program
- Seniors fire safety program
- Health and safety inspections
- Fire alarm upgrade program
- Home Safe program
- Home fire sprinkler program
- Fire Smart program

## Emergency Management

The Fire Department plans and prepares for disaster emergency response, emergency preparedness and prevention and recovery planning. The Fire Department works closely with local volunteer groups, community organizations, neighbouring fire departments and other levels of government that include:

- Emergency Social Services
- Amateur Radio Club
- Search and Rescue
- School District 33
- Fraser Health Authority
- Provincial Government
- First Nations
- Other local governments

## Community Involvement

- Participated in many community events, including the Salvation Army's Christmas Food Drive, collecting over 21,000 food donations for the local food bank
- Raised and donated over \$24,000 to the BC Burn Fund and local charities
- Partnered with Chilliwack Bowls of Hope to deliver and serve hot soup to school age children
- The Chilliwack Firefighters Education Fund awarded seven (7) post-secondary financial awards to Chilliwack high school graduates
- Chilliwack Firefighters Charitable Society awarded 6 scholarships to Chilliwack high school graduates
- Chilliwack Fire Department Honour Guard participated in various community events

## Emergency Management

- Conducted Emergency Operations Centre exercises with representatives from all City departments
- Provided training and support for local Emergency Support Services volunteers
- Emergency Support Services volunteers provided emergency support and assistance to building fire evacuees
- Delivered emergency preparedness presentations to a variety of participants such as neighbourhood groups, community service organizations, service clubs, First Nations, City employees, and the public



## Training

- Infrastructure and building construction improvements continued at the Fire Training Centre. The Fire Training Centre is utilized to support training exercises and education for the local firefighters
- Delivered competency based training to 177 fire officers and firefighters in all aspects of fire, rescue and prevention services
- Delivered training to and graduated 15 new paid on-call firefighters in our five month recruit training program
- Paid on-call firefighters contributed over 34,000 hours of community service to training and incident responses

## Fire Prevention

- 4,593 residents educated or trained in fire and life safety and emergency preparedness
- Fire Department personnel completed 1,104 fire and life safety inspections to ensure fire code and bylaw compliance

## 3,218 Calls for Service in 2019

341

FIRE RESPONSES

782

ALARM ACTIVATION RESPONSES

454

MOTOR VEHICLE ACCIDENTS

161

MEDICAL CALLS

306

BURNING COMPLAINTS

982

PUBLIC SERVICE CALLS

112

PUBLIC HAZARD CALLS

1

RESCUE

79

HAZARDOUS MATERIALS CALLS



# Policing

The Chilliwack Detachment provides a wide range of policing services from patrol and investigations to proactive services. Operational support is enhanced by support staff (municipal employees, public servants and regular members) fulfilling roles as prisoner guards, records management clerks, court liaisons, information officers, administrative clerks and other administrative assistance.

## **Crime Reduction Strategies**

Intelligence led policing is a key element to crime reduction, as it ensures policing resources are used in a way that will have the greatest impact on reducing crime in the community. The crime reduction initiative focuses on three main tenets:

- prolific/priority offender management
- identifying crime hotspots
- identifying crime causation factors

As crime reduction strategies move forward, police will focus on developing more proactive approaches to reducing criminal activity.

## **Prolific Offender Management Program**

The Upper Fraser Valley Regional Detachment RCMP Prolific Offender Management Program was launched in Chilliwack in February 2009. It is now a regional program which expands to Agassiz, Harrison Hot Springs, Hope and Boston Bar.

## **Social Chronic Offender Management Program**

Hand in hand with the Prolific Offender Program is the Social Chronic Offenders Program. The coordinator is a constable working under the supervision of the Corporal managing the Prolific Offender Program. The Constable works closely with the Community Mental Health counsellor in assessing and providing services for those clients with mental health issues. This partnership has successfully resolved issues with repeat clients and has reduced calls for service.

## **Road Safety/Traffic Enforcement**

The RCMP traffic services unit continues to be proactive, concentrating their efforts on school zones, impaired and distracted driving. Traffic safety is a top priority in the region and traffic members, as well as general duty members, will continue to ensure safety on Chilliwack roads.

## **Public & Internal Education & Training**

Public education is a key component of the overall crime reduction strategy. As crime trends in the community are identified, real time information and education can be provided to community members to help prevent the crime occurrence. In 2019, the RCMP also focused on the education of members to provide them with additional training and development of skills and tools needed to fulfill crime reduction goals.

## Crime Prevention Services

Another key area of support comes from the staff and over 100 volunteers of the Chilliwack Crime Prevention Society who operate out of the downtown Wellington Community Policing and Operational Support Office (CPOS) which offers the following programs:

- Victim Services
- Block Watch
- City Watch
- Speed Watch
- Crime Free Multi-Housing Program

The Chilliwack Crime Prevention Society, a separate non-profit organization, receives operational funding from the City of Chilliwack. The Society would not be able to function adequately without the dedication of its many volunteers. All of its employees and volunteers are committed to making Chilliwack a safe place to live and work. The RCMP is very proud of the dedication and hard work these individuals devote towards the safety of the community.

## Police Visibility, Non-Vehicle Patrols and Seasonal Policing

Key police visibility and community relations initiatives include:

- Non-vehicle patrols (foot/bike/boat/ATV) to allow for greater interaction with the public while promoting public safety
- Seasonal policing enforcement and education
- Road safety and traffic enforcement
- Auxiliary Constable recruitment and training

## First Nations Policing

Community partnerships have continued to be maintained and strengthened to help address crime issues in First Nations communities. The UFVRD RCMP First Nations Police Unit was selected to conduct a pilot project for the Aboriginal Shield program. This program is similar to the DARE program, including First Nations content and involvement.

# 107

CRIME PREVENTION  
SOCIETY VOLUNTEERS

# 15,400

POUNDS OF FOOD  
COLLECTED IN CHILLIWACK  
AT THE 11TH ANNUAL  
STUFF THE CRUISER EVENT



# Chilliwack Economic Partners Corp.

Chilliwack Economic Partners Corporation (CEPCO) is a wholly owned subsidiary of the City of Chilliwack, with its own volunteer Board of Directors representing local businesses and community stakeholders.

CEPCO's efforts seek to improve the economic well-being and quality of life for the community. This is accomplished through business attraction, retention and expansion, workforce attraction and promotion, site selection assistance, immigration investment and other related supports and services.

CEPCO maintains strategic community and government stakeholder partnerships as well as other committees. The Chilliwack Agricultural Commission, Chilliwack Creative Commission and Chilliwack Innovation Network provide outlets for community economic growth.

CEPCO continues to be the lead agency involved in the award winning development of Canada Education Park that includes the University of the Fraser Valley, Justice Institute of British Columbia, RCMP Pacific Region Training Centre and Canada Border Services Agency.



## Chilliwack Agricultural Commission

- 18th Annual Agriculture Tour



## Molson Coors

- Continued working with Molson Coors as the project moved forward to completion
- Grand opening took place September 17, 2019



## Downtown Revitalization

- Work continued on the downtown redevelopment of the Five Corners properties



## Chilliwack Innovation Network

- Supports innovation, entrepreneurship and education for business growth and job creation
- 3rd Annual Tech Forum at Coast Chilliwack focused on Funding and Workforce Development for Fraser Valley Start-ups and Tech Companies
- Hackathon “Build a Tech Company in 24 Hours”



## Holland Imports

- Canada’s largest and most diverse independent wholesaler of consumer goods, built a new 172,000 sq.ft. warehouse and distribution centre in Yarrow

## Health Care

- Continued recruitment of physicians, specialists and health care professionals with community tours and information packages
- Continued support of Chilliwack Hospital Foundation

## Pacific Autism Family Network Fraser Valley Office in Downtown Chilliwack

- The centre opened in December and offers services that include education, training and support for people with autism and their families



## Chilliwack Creative Commission

- Liaised with film industry on several film productions in downtown Chilliwack
- The 5th Annual PechaKucha event was held on October 4



# Planning & Development

The City's municipal development functions operate as two departments within the organization: Development and Regulatory Services and Planning and Strategic Initiatives.

## Development & Regulatory Enforcement Services

### Land Development

- Subdivision
- Development Permits
- Geotechnical/Environmental
- Riparian
- Property Records Maintenance

### Building Services

- Permits
- Inspections

### Bylaw Enforcement

As in past years, the Bylaw Enforcement Department's continued goal is to facilitate a safe and healthy community, providing a high quality of life for all. To achieve this, the Department strives not to penalize residents, but rather to achieve voluntary compliance with reasonable standards through increased public education, awareness of the regulations and the rationale behind them. Throughout the year, the Bylaw Department addressed a broad range of complaints and violations of City Bylaws relating to untidy properties, excessive noise, on-street parking, use of City parks and public property, illegal dumping and were successful at achieving voluntary compliance for the majority of violations. In addition to responding to complaints from members of the public, Bylaw Enforcement Officers engaged in proactive patrols and enforcement with respect to issues relating to camping in prohibited areas or during prohibited times, smoking in parks and other nuisance issues. The Bike Patrol Unit, which was first initiated in 2016, continued to proactively conduct bicycle and foot patrols in neighbourhoods, parks and trails, and hotspot areas. Additionally, the Bylaw Department continued its partnership with RCMP and the City's contracted security company to conduct daily foot patrols in the downtown, parks and other hotspot areas to present a unified enforcement front to address and prevent bylaw infractions and criminal activity.



296

NEW SINGLE FAMILY  
DWELLINGS CONSTRUCTED

544

OTHER DWELLINGS  
(INC. MULTI-FAMILY)

12,203

BUILDING INSPECTIONS

67

HEALTH & SAFETY  
INSPECTIONS

29

DEVELOPMENT PERMIT  
APPLICATIONS  
(GEOTECHNICAL, RIPARIAN)

## Planning and Strategic Initiatives

### Development Planning

- Rezoning (including Official Community Plan amendments)
- Development Variance Permits
- Development Permits (Form & Character)
- Temporary Use Permits
- Agricultural Land Reserve Applications

### Long-Range Planning

- Official Community Plan
- Neighbourhood Plans
- Growth Projections
- Policy Development

### 'One Stop' Business Registration and Licencing

- General and Inter-municipal Business Licencing

### Intermunicipal Business Licences

- 2019 = 498
- 2018 = 459
- 2017 = 374
- 2016 = 315
- 2015 = 248
- 2014 = 197
- 2013 = 135

### Homelessness Action Plan/ Affordable Housing Strategy

- Continued work with community partners to leverage investment from senior levels of government to address homelessness, increase supply of affordable housing and improve services to those in need
- Launched a Housing for Aging Adults study as well as a Housing Needs Report. Both projects involved use of surveys, focus group discussion, stakeholder interviews, extensive data analysis and a review of best practices in addressing housing needs
- The Mayor's Integrated Community Safety Task Force was established to develop a Community Safety and Well-Being (CSWB) plan



### Planning Projects

- Zoning Bylaw Review
- Child Care Space Creation Plan
- Heritage Strategic Action Plan
- Sardis Neighbourhood Plan
- Industrial Land Policy
- Liquor Ancillary Policy

109

DEVELOPMENT VARIANCE  
PERMITS

126

FORM & CHARACTER  
DEVELOPMENT PERMITS

25

AGRICULTURAL LAND  
RESERVE APPLICATIONS

558

NEW BUSINESS LICENCES

80

REZONING APPLICATIONS

15

TEMPORARY USE PERMITS



# Tourism Chilliwack Inc.

Led by a private sector Board of Directors, Tourism Chilliwack was incorporated in December 2006 with the City of Chilliwack the sole shareholder. Tourism Chilliwack was originally established in 1998 as a subsidiary of the Chilliwack Economic Partners Corporation (CEPCO).

The tourism industry in Chilliwack continues to play a significant role in the provincial economy in terms of revenue earned by tourism businesses, value added to the economy by tourism activities, and creation of employment opportunities.

Tourism Chilliwack is based at the Chilliwack Visitor Centre and is a leading Community Destination Marketing Organization in British Columbia, with a vision to “To create a WOW destination” by strengthening the tourism industry in the City of Chilliwack and in partnership with our surrounding communities. The mission of Tourism Chilliwack is simple, “To grow Chilliwack’s tourism economy”. This captures the partnership approach necessary to increase the economic benefits derived from the tourism industry for our community. Since January 2012, Tourism Chilliwack has been the facility manager of Chilliwack Heritage Park. This important community owned trade and exhibition facility is home to a wide range of events and activities throughout the year. Tourism Chilliwack works to ensure that the operation remains financially sustainable so as to continue to be an economic driver in the community.

The Chilliwack Visitor Centre is open year-round and benefits from a highly visible and accessible location alongside Highway 1. It receives many positive comments on the amount and quality of information available for both local residents and visitors. Tourism Chilliwack is proactive in exploring new ways to provide visitor services and takes advantage of highway signage, social media, blogging, and other online technology to accomplish this objective.

Tourism Chilliwack also provides the materials necessary to properly market Chilliwack as a visitor destination. An extensive library of quality high definition video footage and photographs of Chilliwack and the surrounding area has been compiled. The community marketing materials include an Experiences Guide, maps, and sector/activity focused initiatives that promote agri-tourism, arts and culture, hiking, and fishing.

The business minded approach of Tourism Chilliwack provides expanded revenue opportunities not dependent upon government funding. Since 2007, Tourism Chilliwack has been the owner/operator of the Chilliwack Flag Shop franchise, one of twelve locations across Canada. This business initiative better utilizes the high profile nature of the Visitor Centre by attracting people year-round.

# CH'ILLIWACK

BRITISH COLUMBIA

## Chilliwack Heritage Park

- Welcomed 74 large scale shows, 62 smaller shows, and a wide range of local and evening rentals
- Building upgrades included dedicated entrances and washrooms on Floors 1 and 2 and solid roll up doors between floors

## Tourism Chilliwack

- It has been four years since the launch of the #ShareChilliwack campaign. The hashtag has now been used over 82,000 times. The Instagram account now has over 14,000 followers sharing and engaging in the #sharechilliwack movement
- Implemented year 3 of the 5 year Strategic Business Plan and Marketing Tactical Plan for Tourism Chilliwack
- Launched a new Chilliwack branded clothing line and gear
- Tourism Fraser Valley Group (Hope, Harrison, Chilliwack, Mission, Abbotsford and Langley) in partnership with Destination BC continue to market together to create destination awareness
- Implemented niche cooperative marketing initiatives: Cultus Lake, Cycle Guide, Circle Farm Tour, Hiking Guide, Stó:lō Place Names, "Meet the Maker" series
- Enhanced all sizes of sporting events in Chilliwack by providing welcome packages and other related resources
- Attended the BC Tourism Industry Conference, the Canadian Association of Exposition Management Conference, and the Canadian Inbound Tour Operators - Asian Pacific Trade Show
- Supported Chilliwack Tulip Festival and the Chilliwack Sunflower Festival



15,000

PEOPLE SERVED AT THE CHILLIWACK VISITOR CENTRE

217,450

VISITORS TO HERITAGE PARK

14,000

INSTAGRAM FOLLOWERS

98,000

VISITORS ATTENDED THE TULIP & SUNFLOWER FESTIVALS

# Supplemental Information

Objectives, Measures and Progress

Permissive Tax Exemptions

# Objectives, Measures and Progress

OBJECTIVE	STRATEGY	MEASURE	PROGRESS
<b>Financial Stability</b>	Plan for anticipated community needs	Long-term Comprehensive Municipal Plan (CMP) updated annually	CMP to Council in January 2019.
	Fund planned capital expenditures.	Balance CMP without long-term borrowing.	All capital expenditures funded without long-term debt in 2019 CMP.
	Build reserves for anticipated and unanticipated community needs.	Maintain Unrestricted General Reserve Fund balance for unanticipated future.	2019 closing balance of \$16.3 million. CMP includes an annual allocation to the Unrestricted Reserve.
	Maintain a reasonable tax burden for taxpayers.	Annual tax rate increase similar to rate increase of other local governments.	Chilliwack's 2019 tax increase was 3.43%, Abbotsford was 2.88%, Maple Ridge 3.50%, and Township of Langley 3.85%.
		To have Chilliwack maintain lower municipal taxation levies on a representative home when compared to similar communities in the Lower Mainland.	Chilliwack has the lowest general municipal taxation levy, on a representative home, of the 19 Lower Mainland communities surveyed. With the inclusion of water, sewer and garbage collection fees, Chilliwack is lower by a substantially greater margin.
		To have Chilliwack maintain lower business taxation levies when compared to similar communities in the Lower Mainland in an effort to attract business to the area.	Chilliwack continues to have the lowest business class multiplier of the 19 Lower Mainland communities surveyed.
		Explore opportunities for other sources of capital and operational funding.	Available government grants successfully applied for include \$263,200 from Transport Canada for Southern Railway Crossing at Airport Road, \$60,750 from Bike BC for Valley Rail Trail South Lighting/Visibility Improvements (Knight to Luckakuck), \$5,000 from Bike BC for Berkeley at Young crossing improvements, \$3,000 from Bike BC for Sardis Bike Route Wayfinding Signage, \$437,263 from Bike BC for the Valley Rail Trail North Extension (Airport to Hocking), \$750,000 through UBCM (funded by EMBC) for Fraser River bank erosion protection, and \$960,000 through the National Disaster Mitigation Program (NDMP) for raising the West Dyke (Right Bank).
		Identify priority projects that may be eligible for future infrastructure grants and save for the municipal funding portion.	Incorporated a savings plan into the 10 Year CMP to fund the City's 1/3 funding portion for various projects that could be eligible for future grants. This will ensure projects proceed should an application receive funding.
		New growth pays for itself.	DCC Bylaw annual review completed and rates amended accordingly.
<b>Good Stewardship of Municipal Infrastructure</b>	Maintain the road system.	Average pavement quality index goals set at: Arterial 6.5, Collector 6.0, Local 5.5.	Investment into the annual road rehabilitation program of \$3.3 million in 2019 to allow surface condition maintenance. Incrementally increasing annually to \$3.4 million in 2022 and rising to 3.7 million by 2025.
	Maintain the utility systems.	Service delivery interruptions minimized.	Flushed 120% of the water system, and replaced over 350 life expired water meters. Over 2,400 backflow prevention devices tested. Dismantled, serviced and rebuilt over 1,000 fire hydrants. Installed 200 metres of new watermain and replaced 1,165 metres of aging cast iron water pipes. Installed 30 metres of sanitary sewer lines and replaced 440 metres of existing AC sewer pipes. Flushed 125 km of sewer lines.
	Maintain civic facilities.	Extend the life of buildings and reduce unplanned costly repairs.	Maintain regular major maintenance program and roof inspection program for all civic facilities. Upgraded 2 civic building roofs. Shut down the Cheam Landing Leisure Centre for three weeks for repairs on the moveable floor, tile work in the pool basins and changing natatorium lights to LED.
	Maintain municipal fleet.	Repair and replacement program planned and funded.	Vehicle Maintenance Management System in use. Equipment Replacement Reserve Fund in balance.



			Replaced aged items as required. Used 32 retreaded tires. 105 heavy duty vehicles / equipment serviced and inspected quarterly in 2019 and 101 light vehicles serviced. 7 high efficiency diesel trucks, 5 hybrid cars and 1 electric car in service. 100% bio-degradable oil in 3 Parks mowers, 3 backhoes, 2 graders and 2 dump trucks in Operations. Replacing standard mineral based oils with long-life synthetics oils. Completed over 1,500 repairs and preventative maintenance work orders in 2019.
	Manage airport lease.	Manage airport lease.	Ditch work for the future expansion is nearing completion.
	Protect the community from flood risk.	Remove 230,000 cubic metres of gravel from the Fraser River annually and 100,000 cubic metres of gravel from the Vedder River every second year.	No gravel removed by the Province from the Fraser River in 2019. Provincial Government reviewing Fraser River gravel management program. No gravel removed from the Vedder River in 2018/2019 due to limited sediment accumulation between 2016 and 2018. Removals occur in even-numbered years.
		Existing funding opportunities for flood studies and dyke upgrades maximized. Senior levels of government lobbied for additional monies.	Received funding through the Province of BC for the \$4.2 million McGillivray Pump Station upgrades; the design-build project was completed in mid-2019. Applied for and received funding through the National Disaster Mitigation Program for \$341,850 for updated floodplain mapping; work on the project commenced in 2018 and was completed in early 2019. Applied for and received \$750,000 through UBCM (funded by EMBC) for Fraser River bank erosion protection and downstream CHIP location and Orchard Slough Check Dam location; work was completed in 2019. Applied for funding through the National Disaster Mitigation Program (NDMP) for raising the West Dyke (Right Bank) between Sumas Prairie Road and the Vedder Canal. EMBC has accepted the application and approved funding in the amount of \$960,000; the design-build project is under way with work scheduled to take place late 2019 and early 2020. Collaborated with Skwah First Nation and Shxwhá:y Village to review flood protection options for the two First Nations communities. The federal Disaster Mitigation and Adaptation Fund application was approved in the amount of \$45 million; this is in addition to the City of Chilliwack contribution of \$7 million and potential Indigenous Services Canada \$10 million contribution. The Continued support for the development of a regional approach to flood management to maximize lobby efforts to secure senior government funding opportunities.
		Open drainage watercourses and ditches in the floodplain cleaned on a 3 - 7-year cycle to maintain drainage integrity.	The 2019 drainage maintenance program saw 58,000 linear channel metres being cleaned with DFO approval.
		Drainage pumping stations to be operable at all times.	McGillivray, Collinson and Wolfe Road drainage stations inspected and operational during 2019 freshet. Transformer oil testing, replacement of river level transducers, fire suppression system verification and control panel upgrades have all been completed in 2019.
		Dykes maintained to Provincial standards.	All dykes inspected and maintained in 2019 prior to freshet. West Dyke and Vedder Dyke Drainage Pump Stations and Flood Boxes inspected in fall 2019 prior to high winter stream flows.
	Maximize utilization of existing infrastructure.	Development directed to serviced areas.	Infill development.
	Ensure adequate water supply.	Amount of water produced meeting daily demand.	Demand met. Stage 2 lawn watering restrictions program implemented during summer. Issued 143 rebates under



			the toilet rebate program. A comprehensive water conservation plan is being designed and implemented.
	Ensure quality drinking water.	Meets drinking water standards.	Comprehensive and extensive drinking water quality testing program undertaken in 2019, with 1,750 water samples tested. Full-time drinking water chlorination in operation maintaining a min. 0.2ppm chlorine residual throughout the system. Key maintenance activities such as semi-annual flushing, reservoir cleaning and production well repairs have been conducted. Drinking water quality has been maintained to meet drinking water quality guidelines throughout 2019.
<b>Good Stewardship of the Environment</b>	Protect the waterways.	Effluent meets or exceeds Provincial standards.	Continues to meet Provincial standards. Biological Treatment Systems at WWTP continue to improve water quality in 2019. Design-build procurement process for the Inlet Works Upgrade project is complete and design in progress. Completed High Strength Wastewater Pre-Treatment Facility at the WWTP to treat high strength wastewater to meet discharge water quality requirements.
		Enhancement of fish habitat.	Undertook several mitigative measures in order to preserve and enhance habitat during the annual open channel drainage maintenance program, with the support and approval of DFO. Worked directly with Species at Risk and DFO representatives in the field at the Hope Slough. Worked toward verifying for DFO that responsible drainage maintenance can improve fish habitat values. Collaborated with the Fraser Valley Conservancy and Provincial staff to remove invasive species and replant the banks of several Creeks with native vegetation. Worked with DFO and the Fraser Valley Watersheds Coalition to construct additional spawning and rearing habitat adjacent to the Vedder River in Peach Creek.
	Protect water course riparian areas.	Consider scientifically determined stream setbacks in all new development applications.	Continued to protect riparian areas by maintaining RAR standards and enforcing Development Permit Area #3 rules.
	Encourage waste diversion.	Increase Curbside Program waste diversion rate from 34% in 2014 to 65% by 2018 and 75% by 2025.	Curbside waste diversion rate 70% in 2019. Diversion is achieved through successful recycling and compostables collection programs.
	Protect the airshed.	Work with the Province to assess agricultural air quality impacts.	Provincial Government introduced new Agricultural Environmental Management Code of Practice to replace the Agricultural Waste Control Regulation, with a goal of "enhancing and improving water and air quality by ensuring that good agricultural practices are followed". Changes include emission standards, testing and monitoring requirements for biogas-fueled boilers and heaters, as well as composting and nutrient management requirements to protect air and water quality.
		Explore economically viable methane extraction opportunities or other renewable energy. Install a gas extraction system at the Bailey Landfill.	Expanded gas extraction system at the Bailey Landfill in 2019, significantly increasing gas capture. Continued to utilize methane produced at WWTP to run biogas boiler heat digesters. Commenced operation of a stand-alone biogas heating system to run the industrial high strength pre-treatment facility at the WWTP. Continued exploring options to convert excess biogas at the WWTP to biomethane and subsequent retailing to FORTIS BC. Applied for \$9 million grant through the CleanBC Communities Fund for the design and construction of an Organic Food Waste Receiving and Pre-Processing Station and Anaerobic Digester to increase biogas production at the WWTP.



		Reduced reliance on automobiles.	In 2019 the City provided free transit Canada Day, Christmas day as well as transit shuttles for major community events and free transit for Seniors on Oct. 1, National Seniors Day, in order to encourage the use of transit in the community. The City is extending the Valley Rail Trail north from Airport to Hocking to extend the all ages and abilities cycling facility. Staged annual Green Commuter Challenge to encourage sustainable transportation.
		Measure airshed greenhouse gas emissions and foster the community to become more energy efficient.	Continued to facilitate sustainable transportation and encourage greater density and more efficient developments. Commenced process to create the Sardis Neighbourhood Plan and established the Infill Development Policy to support densification. Continued converting existing street lights to LED and requiring LED street lights for new developments. The City is recognized annually by the joint Provincial-Union of British Columbia Municipalities Green Communities Committee for our successful efforts to measure and reduce corporate greenhouse gas emissions. The Level 3 recognition demonstrates strong climate leadership and sets the stage for broader climate action in our community.
		Minimize burning.	Burning restrictions continue to be enforced through the Open-Air Burning Regulation Bylaw. The Provincial Ministry of Environment and Climate Change Strategy has revised and adopted new Open-Air Burning Smoke Control Regulations. The City's Open-Air Burning Bylaw is under review and will be revised to comply with the new regulations. Over the last 4 burning seasons the online test that requires property owners to answer a questionnaire related to the open-air burning bylaw prior to receiving their permit has proven to be successful. Fire Department staff continues to gain compliance through public education and increased enforcement by issuing tickets to bylaw violators
		Reduction in energy consumption.	Continued energy efficiency upgrades at municipal facilities in 2019. These include continued LED lighting conversions at City Hall, Heritage Park, Evergreen Hall and the Chilliwack Landing Leisure Centre pool, Cheam Leisure Centre, and Sardis Sports Complex parking lot. Completed construction of new energy efficient arena at Sardis Sports Complex, which includes reusing waste heat. Completion of a stand-alone biogas heating system to run the industrial high strength pre-treatment facility at the WWTP.
	Promote a "zero waste" philosophy to minimize the generation of solid waste in the City, while maximizing reuse and recycling initiatives.	Reduce the annual amount of residential garbage being generated per household and increase the diversion rate.	In 2019 the estimated annual Curbside Program waste generated was 260 kilograms per household; the same rate as 2018 and a significant decrease (22%) from 2017 since this was the first full year that compostables collection was in place. Zero waste initiatives included curbside recycling, compostables diversion, Waste Reduction Month programs and outreach and City-Wide Garage Sales. Supporting the Fraser Valley Regional District with the region-wide source separation requirements to separate recycling and compostables from garbage in all sectors, which come into effect in April 2020.
	Ensure a Financial Plan is in place for long-term sustainability of the landfill.	Financial Plan projects a positive reserve fund balance, along with a plan to fund closure and post-closure costs.	Landfill Financial Plan reviewed in 2019 to ensure the economic sustainability of the Bailey Landfill.

<p><b>Facilitate a High Quality of Life</b></p>	<p>Provide quality parks and recreational opportunities.</p>	<p>Comparison to other communities. Taxpayer feedback.</p>	<p>The City of Chilliwack committed a goal in the Greenspace Plan of creating and sustaining the best quality of life for our community by expanding and maintaining a variety of excellent, high quality recreational opportunities in over 100 parks and on over 100km of trails. The City has achieved numerous goals as set out in the Greenspace Plan and the Trail Network Plan. These documents will continue to guide the vision for Chilliwack’s parks and trails in the coming decades in line with the City’s Official Community Plan.</p> <p>With the scheduled opening of the Vedder Rotary Loop Trail in the fall of 2019 this will complete a vision set in motion a few decades ago. Traveling from the new Vedder Crossing Bridge to the pedestrian crossing on the Keith Wilson Bridge, this loop trail boasts over 20km of non-interrupted non-motorized experience. With the main nodal points, amenities, facilities and the Vedder River this new loop is forecasted to remain the most popular recreation facility in the City if not the Region. Other upgrades included an additional 50 parking stalls at No. 3 Road parking area, rail line underpass improvements, trail upgrades, maps and wayfinding sign installation.</p> <p>Another popular trail destination is Mt Thom Park. This park has an extensive trail system which is now complete with the addition of the summit bypass trail. New urban trails /paths have been installed in a variety of parks to allow easier green commuting within neighborhoods.</p> <p>Park development in 2019 included two neighbourhood parks and the development of an existing City lot into interruptive areas and trails. The first neighbor park was the completion of the playground in Kensington Park with a main parkour structure, a sand play secondary structure, looping street play paths, picnic area and a sports court. The next neighbourhood park was developed in the downtown at the corner of Reece and Mellard. A once open grass City owned lot is now home to a full-service park with play value for all ages in a noted park deficient area. Finally, with the addition of Lexw Qwo:m Park Chilliwack residents have an additional 3.48 hectares of wooded park space and 700m of internal trails to explore. Within this park a visitor will find the remains of the water intake systems serving Chilliwack for decades. New large playgrounds were added to Kinsmen Park on Portage and the Landing Playground.</p> <p>Play structure equipment and other amenities were installed in Guinet Park, Higginson Park and Parker Park.</p> <p>Replaced the old curling rink building with a new curling and community centre facility that opened in late 2018. A new ice surface opened next to the Twin Rinks building in 2019.</p>
	<p>Enhance the connectivity between the City’s recreational trail network and regional trails adjacent to City boundaries.</p>	<p>Feedback from FVRD, taxpayers and trail user groups.</p>	<p>City staff partake in a quarterly meeting with Regional land managers and shareholders to support and endorse continued communications on regional items. Regional trail strategic planning form part of the discussion where the City seeks opportunities to install or enhance existing regional trail connections.</p>



	Facilitate the attraction of community events.	Events held in local recreational facilities.	Heritage Park, Prospera Centre, and the Chilliwack Cultural Centre booked year-round, including large scale events. Partnership with the Active Communities Committee and Tourism Chilliwack for hosting health and wellness events and sport tourism opportunities. Assisted with Canada Day, Santa Parade, Terry Fox Run and Party in the Park.
	Support cultural groups.	Facility and funding assistance.	The Chilliwack Cultural Centre hosts many large scale shows and events attracting patrons from throughout the region as well as providing an important venue for developing and showcasing local artists and performers.
		Support public art.	The Chilliwack Public Art Advisory Committee (PAAC) continues to support public art in the community, including the Prest Road roundabouts art feature and the selection of street banners.
	Foster community spirit.	Recognize volunteers.	Recognized sport achievement and legacy through Chilliwack Sports Hall of Fame.
		Support community organizations.	Funded a number of organizations and initiatives through the Community Development Initiatives policy in 2019.
	Maintain, enhance and promote the natural beauty of Chilliwack.	Promote tourism.	Contract with Tourism Chilliwack.
		Portray a visually appealing image.	Six community gateway signs to welcome visitors entering Rosedale, Yarrow and Chilliwack were installed at the community boundaries. To enhance the urban streetscapes, 8 traffic control kiosks were fitted with decorative mylar wraps portraying Chilliwack's natural beauty. The Vedder Rotary Trail has become a popular destination for local residents and visitors alike. With the opening of the Vedder Rotary Loop Trail, and to assist new users, simple wayfinding signage and accurate Greenway map have been added to all trail nodes to assist new users.
		Provide a pedestrian-friendly community.	<p>With the scheduled opening of the Vedder Rotary Loop Trail in the fall of 2019 it was necessary to complete a few large tasks/projects quickly. These tasks included the pedestrian cloverleaf at the Keith Wilson Bridge, the installation of the underpass of the Southern rail line on the south side, the routing through the Vedder River Campground and finally the negotiation and installation of trail over the two properties near the City quarry. These works have created a trail amenity with over 20km of a non-interrupted, non-motorized trail experience. The new summit by pass trail travels along the north slope of Mt. Thom connecting the newer Karver's Trail to the original Mt. Thom trails.</p> <p>With the addition of Lexw Qwo:m Park Chilliwack residents have an additional 3.48 hectors of wooded park space and 700m of internal trails which is connected to the Community Forest.</p> <p>New urban trails /path have been installed in a variety of parks to allow easier green commuting within neighborhoods.</p>
		Through innovation and flexibility, establish standards to successfully integrate hillside development within its unique natural context.	Continued and consistent application of the Hillside Development Standards Policy to provide flexibility and innovation in terms of how developers address the challenges associated with hillside development.
	Support accessibility, inclusion and diversity.	Identify projects or programs that nurture inclusivity.	Created the Mayor's Task Force on Inclusiveness, Diversity and Accessibility (MTFIDA).

			<p>Supported Pink Shirt Day.</p> <p>Supported Chilliwack Healthier Communities (CHC).</p> <p>Approved inclusive public art pieces, including a rainbow mural of the word “LOVE”.</p>
		Support youth initiatives and activities that benefit the community.	In 2018, the Youth Engagement Projects (YEP) Grant was created, which is a matching grant of up to \$1,000 that empowers youth to engage in their community through neighbourhood-enhancing projects and events.
	Support truth and reconciliation.	Build a relationship of mutual respect and understanding with local First Nations.	<p>Relationship building through the Fraser Valley Aboriginal Relations Committee.</p> <p>Supported Orange Shirt Day.</p> <p>Mayor and Council members joined reconciliation walks on September 30.</p> <p>Worked with Shxwhá:y Village and Skwah First Nation on a combined dyke project that will provide flood protection to both First Nations land and infrastructure as well as municipal.</p> <p>Hosted “ISR 101 - Introductory Topics in Indigenous/Settler Relations”, a two-hour workshop by the Fraser Valley Regional District, in Council Chambers for City staff.</p>
<b>Attract &amp; Maintain Business Growth</b>	Contract with CEPCO for economic development.	New businesses locating in Chilliwack.	Non-market business/industry assessment increased in 2019 as a result of new business attraction.
		Work cooperatively with CEPCO in setting mutual priorities.	Current contract with CEPCO.
	Encourage redevelopment in the downtown area.	Provide revitalization tax exemptions (RTE) through the Revitalization Tax Exemption Bylaw.	One application for RTE within the downtown area for a commercial renovation on Alexander Avenue in 2018. No applications for RTE to date in 2019.
		Facilitating an environment for downtown revitalization.	Phase 1 and 2 of the innovative multi-phase downtown redevelopment at Five Corners by Algra Bros. Developments for their innovative multi-phase proposal is underway. The project will retain some buildings and upgrade their historic facades while creating a sustainable, walkable and vibrant city centre and is expected to be a catalyst for redevelopment in the downtown.
	Create an environment that is positive to business creation.	Comparison of taxes and fees, and timing of service delivery.	Chilliwack provides low business taxes and fees in comparison to other Lower Mainland communities.
			Through the Industrial Revitalization Tax Exemption Bylaw (2011), the City had 2 applications in 2018 for Luster Products and Level Fab. No applications for IRTE to date in 2019, although several applications, including Molson’s, are in the works.
			NAIOP: Final survey results for 2019 have not yet been made available, however, it’s expected that the City will continue to have the lowest commercial to residential property tax burden and be one of the best for development application and permit turnaround times.
	Ensure plans are in place to facilitate regional growth predictions.	Regional growth accommodated in OCP and CMP.	The 2040 Official Community Plan was adopted in 2014, the Regional Growth Strategy goals were incorporated into the OCP. In 2019 the City initiated the following



			growth-related studies and plans: Aging Adults Housing Needs Study, a Childcare Space Creation Study, and the Sardis Neighbourhood Plan and a Housing Needs Report. An update to infill policies was also made to support neighbourhood densification. In collaboration with CEPCO an industrial land review was undertaken which resulted an industrial land policy to support efficient use of land.
<b>Engage the Community</b>	Provide community forum venues on major issues under consideration.	Public meetings and online feedback.	As part of the Residential Parking Study, public engagement sessions were held at Cottonwood Mall and Evergreen Hall in addition to an online survey. City staff engaged the community on a wide variety of subjects, including the new curbside collection program, playground replacement, updates to the Building Act, roundabout safety, wildfire preparedness, road safety, neighbourhood planning and more. Parks Operations hosted public engagement sessions in Cottonwood Mall and at the Chilliwack Fair on a wide variety of subjects including outdoor exercise equipment, the looping of the Vedder Rotary Trail, the Experience the Fraser Trail and updates to the City's Greenspace and Trail Network Plans. Park meetings were held in community parks to receive feedback from local residents on future park designs at Parker Park, Kensington Park, Emerald Park, Balmoral Park and Mountview Park. 2019 engagement included Seniors Housing Study, Childcare Space Creation Study, Heritage Action Plan, Sardis Neighbourhood Plan and rural community engagement.
			Staff continue to attend Canadian Homebuilders Association functions regularly; liaised and continued to build relationships with members of our development community.
	Advertising City services, events and initiatives regularly on City website and through print and radio ads where feasible.	Event attendance, online and in-person feedback and public uptake of City services.	Events well-attended and response to City services and initiatives continues to grow. Online surveys received hundreds of responses and budget survey completed online and on paper.
	Committees of Council meet regularly.	Committees meeting attendance and regular feedback to Council.	All Committees active during year.
	Build and maintain positive relationships with other governments.	Meetings between City elected officials and other municipal, provincial, federal and First Nations officials.	Individual meetings have occurred as needed to discuss specific issues. These meetings will continue and joint group meetings will be scheduled.
		Inter-agency interactions.	City staff continue to work collaboratively with other organizations to further and communicate projects of mutual interest.
	Ensure timely and accurate information to the community.	Information provided.	A social media presence was established on Facebook and Twitter in 2011, on Instagram in 2018 and timely updates are provided on a regular basis. A social media policy is in place and staff regularly answer questions and concerns posted on social media. The City has 8,743 followers on Facebook, 6,000 followers on Twitter and 1,781 followers on Instagram.
<b>Develop and Maintain a First-Rate Work Force</b>	Have recruiting strategies that attract the brightest and the best.	Qualified applicants.	To date in 2019, there have been 90 job postings for 113 positions. As of October 1, 2019, 51 new employees have started with our organization.

	Undertake on-site training for employee development, as well as encourage employee professional development.	Employees taking relevant professional training, approved by manager prior to training event.	Various training took place throughout the year, focusing on professional development, skills-based operational and certification training, Health and Safety, and Freedom of Information.
	Provide opportunity for internal advancement.	Employee movement and turnover.	52 employees have changed positions within the organization to date in 2019. In each move, the employee obtained a new position within the organization to advance their careers.
	Offer a fair compensation package and employee programs.	Periodic reviews of compensation in consideration of job content and internal equity.	Collective agreements for CUPE and IAFF, which address unionized employees' compensation packages, are in place until 2019. Exempt staff packages are reviewed annually as per our Municipal Officers and Employees Bylaw.
	Workplace safety.	Number of workdays lost per year due to injury.	117 workdays lost due to injury up to September 30, 2019. A comparison to the number of days lost in previous years is as follows: 136 (2018), 16.5 (2017), 81 (2016), 177 (2015), 49 (2014).  The 2011-2018 year-on-year trendline for claims statistics indicates: <ul style="list-style-type: none"> <li>- 65% Reduction in the Frequency Rate (Medical Aid and Lost Time Claims)</li> <li>- 55% Reduction in the Injury Rate (Lost Time Claims Only)</li> <li>- 32% Reduction in the Severity Rate (Claims Duration)</li> </ul>
<b>Provide Excellent Customer Service</b>	Ensure employees provided with customer service training.	Employees engaged and trained periodically.	Provided group training for all employees.
	Seek taxpayer/customer feedback.	Customer feedback system in place and followed up on.	Concerns and issues followed up on promptly.
	Provide fast and efficient service.	Timeliness of customer service.	Volume of land use applications continues to rise in Development Planning while maintaining fast turn-around times on approvals for all types of development. Volume of building permit applications for 2019 were slightly down from 2018 levels, remaining historically strong. In order to manage turnaround times, additional plan review/inspection staff remained through 2019. Premium plan reviews remain suspended to allow staff to work on regular applications during non-regular work hours. Customer service by staff at the counter and in the field remains exceptional.
		Building Inspection report efficiency improvement.	All building inspection reports are now recorded electronically and field reports are sent directly by email to property owners, applicants and builders.
	Provide enhanced and proactive bylaw enforcement.	Expand proactive enforcement to early mornings, evenings and weekends on a seasonal and as-needed basis.	Two seasonal Bylaw Enforcement Officer positions were converted to two full-time, permanent positions to provide year-round support to the full-time Bylaw staff and evening and weekend services. These officers proactively patrol neighbourhoods, parks and trails on foot and bicycle with voluntary compliance and education as their primary mandate. On average, the officers have over 1,000 interactions with members of the public per month.



<b>Provide a Safe Community</b>	Provide the community with effective fire and life safety education to prevent and reduce the loss of life and property.	Provide fire safety and emergency preparedness education to businesses, community groups and the public. Revise the existing community risk assessment (CRA) and continue to develop community risk reduction programs (CRR).	Delivered 71 fire safety and emergency preparedness education sessions to over 2,315 persons, including education for school children, seniors, community groups, local businesses, First Nations and gated communities. Fire Department continues to deliver our new Home Safe Fire Prevention Program. Fire Department staff replaced 25 smoke alarms. Community Risk Reduction (CRR) programs continue to be developed including our Community Risk Assessment (CRA) that is being updated and revised and is 60% complete.
	Increase fire and life safety in multi-family residential buildings and gated communities.	Continue to work with building owners to upgrade their fire and life safety protection in older apartment buildings.	107 multi-family residential buildings are currently on our fire and life safety upgrade program with 69 (64%) of the upgrades completed.
	Plan for the response and recovery of the City and community in times of disaster. Work with First Nations to integrate emergency plans.	Complete individual City department business continuity plans and attach to City's response and recovery plan.	Researched and reviewed business continuity planning methodology and employee engagement best practices. A facilitated business continuity plan project will commence in 2020. Participated with EMBC and one (1) First Nation on a review of the joint response to the 2018 Fraser River freshet event. Engaged six (6) First Nations on integrated response and recovery planning. Participated in emergency operations centre (EOC) training exercises with two (2) First Nations.
	Develop a sustainable and comprehensive emergency management training program.	Exercise the City's Emergency Preparedness (EP) Plan.	Delivered two (2) emergency operations centre (EOC) exercises focused on wildfire response, public messaging and evacuation planning. Completed three (3) section specific training sessions for each EOC function. Several staff completed emergency management training courses in planning, information officer, finance, operations and emergency operations centre essentials from the JIBC.
	Increase the number of on-duty firefighters to reduce response times and provide safe and effective firefighting operations.	Increase staffing levels to 4 firefighters on both Engines 1 and 4 on a 24/7/365 basis.	Two (2) "flex" firefighters were hired in 2019. The staff increase provided an "in-service" time for Engine 4 (Sardis) of 99% and will provide for a safer and more effective and faster response to incidents south of the freeway.
	Increase the quality and quantity of firefighter training, education and preparedness.	Expand training programs to include leadership and health and wellness education for all career and paid-on-call firefighters. Deliver the Resilient Minds mental wellness program to all fire department members. Continue to work on the fire training centre site. Meet or exceed the competency requirements outlined in the BC Fire Service Minimum Training Standards Playbook.	Continue to develop in-house instructors and increased the use of contract trainers. Ten (10) POC firefighters completed the Emergency Scene Management training program and twelve (12) career firefighters completed the Fire Officer 1 and 2 programs. Eight (8) firefighters completed the Resilient Minds train-the-trainer mental wellness program and will be delivering this program to all fire department members. On-site work continues on the fire training centre, located west of Townsend Park, with 2 new structures and various firefighting props constructed on the site. Continue to adopt and implement best practices and industry standards for firefighter training. Continue to implement competency requirements outlined in the BC Fire Service Minimum Training Standards Playbook.
	Support RCMP initiatives regarding drugs and drug-related crime.	Health & Safety Team (Fire, Bylaw and RCMP) work together to close and clean up residential properties. Bylaw tickets issued.	In 2018, the Health & Safety Inspection Team (RCMP, Bylaw, Fire Department & Technical Safety BC) shut down 8 controlled substance and marijuana grow operations, conducted 1 medicinal grow operation inspection and conducted 58 health and safety inspections. 2019-to-date, the Team has shut down 8 controlled substance and marijuana grow operations and conducted 59 health and safety inspections.



	Increase the health, life and fire safety in buildings that have been used for the purpose of marijuana grow operations.	Health & Safety Team (Fire, Bylaw and RCMP) provide enforcement of Regulatory Bylaws, including remediation in buildings that may have unlicensed marijuana grow operations.	Implemented enforcement strategies including the issuance of fines, building permits and notices on title.
	Address homeless issues.	Develop a Homelessness Action Plan	<p>Extension of shelter spaces – the Portal and Ann Davis totaling 170 spaces.</p> <p>Worked to support the community advisory board for the Salvation Army, and RainCity Housing projects.</p> <p>Expedited the permit process for opening of 46 units with high supports in April and an additional 46 units with high supports (open in November).</p> <p>Implemented the Intensive Case Management Team.</p> <p>Contributed \$110,000 to the Housing Hub project to help 30 people acquire and retain affordable rental housing.</p> <p>Applied to the federal government to become a designated community under the National Housing Strategy, Reaching Home.</p> <p>Worked to support the Paramount project and housing projects for youth.</p> <p>Provided ongoing support of Chilliwack Healthier Community resulting in increased coordination of outreach services and development of a Chilliwack Cares guide, a resource card for friends and families of those affected by addiction or mental illness.</p> <p>Work on the poverty reduction action plan continued.</p> <p>An Every Door is the Right Door for Seniors Services simulation exercise was held.</p> <p>Work with CHC continues to see increased collaboration with First Nations service providers.</p>
	Support RCMP activities in the downtown area.	Co-ordinate efforts with the RCMP and the downtown RCMP station.	Have worked co-operatively on trouble buildings and hotspots. Addressing homeless issues. Bylaw Enforcement, private security and RCMP conduct proactive daily foot patrols to promote a visible presence in the downtown business areas and parks.
	Maintain an adequate number of police officers, consistent with provincial averages.	Police to population.	Funded 6 new members for 2019. Increased funding towards the RCMP Integrated Teams, and maintained a population to member ratio of under 800.
	Support RCMP initiatives regarding prolific offenders.	Crime trends.	Chilliwack does have higher caseloads per member and has funded 6 additional members for 2019 and 25 members over the past 5 years.
	Improve traffic education.	Fund and support the Safer City initiative working in cooperation with RCMP and ICBC.	Public Safety Specialist created and managed initiatives with Safer City partners focusing on motorists, pedestrians and cyclists in an effort to reduce local crash statistics and broaden road safety knowledge.



	<p>Improve the safety of parks and public places.</p>	<p>Crime Prevention through Environmental Design (CPTED) principles are applied in park and public space upgrades.</p>	<p>Mobile security patrols continue - 4 patrol vehicles working overnight and 1 additional patrol working during daytime hours to provide 24hr coverage. Patrols concentrate on downtown core - Central Park, Salish Park and the Chilliwack Library. Night patrols ensure any temporary shelters in parks are removed at the prescribed time. Patrols prevent the set-up of shelters in prohibited locations. High visibility patrols were conducted throughout the year with RMCP, Bylaw and contracted security firms in the downtown core and various commercial areas. Parks are being assessed using CPTED principles and visually obstructive vegetation is being removed to allow for clearer lines of sight.</p>
	<p>Support improved coordination between social agencies in the community.</p>	<p>Support the Chilliwack Healthier Community partnership.</p>	<p>The City continued to provide funding, meeting space and in-kind staff support for the Chilliwack Healthier Community Partnership. Active initiatives include Housing First project development, mental health in the workplace, collaboration with respect to financial literacy and Aboriginal workshops. Monthly partner events support increased awareness of programs and networking and coordination amongst agencies.</p> <p>The City continued to co-chair the Interagency Response Team Situation Table established by the RCMP in late 2018. The Team is a partnership of 15+ provincial and local nonprofit organizations connects individuals with appropriate services within 48 hours of discussing complex situations to promote personal and community wellness and reduce incidents to emergency services.</p>

# Permissive Tax Exemptions

Organization Name	Community Charter Section	2019 Municipal Taxes
Adult & Teen Challenge	Section 224(2)(a)	3,916
Ann Davis Transition Society	Section 224(2)(a)	9,493
Ann Davis Transition Society	Section 224(2)(a)	2,464
Atchelitz Farmer's Institute	Section 224(2)(a)	6,827
Bethesda Christian Association	Section 224(2)(a)	2,002
Bethesda Christian Association	Section 224(2)(a)	8,617
BCSPCA	Section 224(2)(a)	2,395
Camp River Community Hall Society	Section 224(2) (i)	4,330
Canadian Hard of Hearing Association	Section 224(2)(a)	446
Canadian Red Cross Society	Section 224(2)(a)	2,483
Chilliwack Activity Centre (50 Plus)	Section 224(2) (i)	3,215
Chilliwack Alano Society	Section 224(2)(a)	2,056
Chilliwack Alliance Church	Section 224(2)(f)	12,565
Chilliwack Animal Safe Haven	Section 224(2)(a)	4,114
Chilliwack Community Arts Council	Section 224(2) (i)	2,942
Chilliwack Community Policing Society	Section 224(2)(a)	3,963
Chilliwack Community Services	Section 224(2)(a)	8,727
Chilliwack Community Services	Section 224(2)(a)	7,643
Chilliwack Community Services	Section 224(2)(a)	733
Chilliwack Community Services	Section 224(2)(a)	10,427
Chilliwack Family YMCA	Section 224(2) (i)	37,467
Chilliwack Family YMCA	Section 224(2) (i)	5,630
Chilliwack Hospice Society	Section 224(2)(a)	8,900
Chilliwack Housing for Homeless Foundation	Section 224(2)(a)	571
Chilliwack Housing for Homeless Foundation	Section 224(2)(a)	566
Chilliwack Housing for Homeless Foundation	Section 224(2)(a)	441
Chilliwack Keystone Church	Section 224(2)(g)	4,410
Chilliwack Lawn Bowling Society	Section 224(2) (i)	2,861
Chilliwack Opportunity Society	Section 224(2)(a)	4,253
Chilliwack Seniors Social Society	Section 224(2) (i)	2,139
Chilliwack Society for Community Living	Section 224(2)(a)	4,749
Chilliwack Society for Community Living	Section 224(2)(a)	4,080
Chilliwack Society for Community Living	Section 224(2)(a)	6,654
Chilliwack Society for Community Living	Section 224(2)(a)	8,222
Chilliwack Society for Community Living	Section 224(2)(a)	808
Chilliwack Society for Community Living	Section 224(2)(a)	2,449
Chilliwack Society for Community Living	Section 224(2)(a)	2,128
Chilliwack Society for Community Living	Section 224(2)(a)	16,886
Chilliwack Society for Community Living	Section 224(2)(a)	3,416
Chilliwack Society for Community Living	Section 224(2)(a)	1,876
Chilliwack Society for Community Living	Section 224(2)(a)	2,220
Chilliwack Society for Community Living	Section 224(2)(a)	1,968
Chilliwack Society for Community Living	Section 224(2)(a)	1,960
Chilliwack Society for Community Living	Section 224(2)(a)	2,502
Chilliwack Society for Community Living	Section 224(2)(a)	2,548
Chilliwack Society for Community Living	Section 224(2)(a)	3,414
Chilliwack Society for Community Living	Section 224(2)(a)	1,383
Chilliwack Society for Community Living	Section 224(2)(a)	1,890
Chilliwack Society for Community Living	Section 224(2)(a)	2,181
Chilliwack Society for Community Living	Section 224(2)(a)	2,196
Chilliwack Supportive Housing Society	Section 224(2)(a)	445
Chilliwack Supportive Housing Society	Section 224(2)(a)	455
Chilliwack Supportive Housing Society	Section 224(2)(a)	455
Chilliwack Supportive Housing Society	Section 224(2)(a)	484
Chilliwack Supportive Housing Society	Section 224(2)(a)	483



## Permissive Tax Exemptions

Chilliwack Supportive Housing Society	Section 224(2)(a)	493
Chilliwack Supportive Housing Society	Section 224(2)(a)	412
Chilliwack Supportive Housing Society	Section 224(2)(a)	418
Chilliwack Supportive Housing Society	Section 224(2)(a)	418
Chilliwack Supportive Housing Society	Section 224(2)(a)	445
Chilliwack Supportive Housing Society	Section 224(2)(a)	532
Communitas Supportive Care Society	Section 224(2)(a)	400
Communitas Supportive Care Society	Section 224(2)(a)	400
Communitas Supportive Care Society	Section 224(2)(a)	514
Communitas Supportive Care Society	Section 224(2)(a)	514
Communitas Supportive Care Society	Section 224(2)(a)	434
Communitas Supportive Care Society	Section 224(2)(a)	434
Communitas Supportive Care Society	Section 224(2)(a)	509
Communitas Supportive Care Society	Section 224(2)(a)	509
Coqualeetza Cultural Education Centre	Section 224(2)(a)	344
Creative Centre Society	Section 224(2)(a)	2,041
Crossroads Community Church	Section 224(2)(a)	2,366
Elizabeth Fry Society of Greater Vancouver	Section 224(2)(a)	3,358
Evangelical Missionary Church	Section 224(2)(g)	6,281
Evangelical Missionary Church	Section 224(2)(g)	4,074
Evangelical Missionary Church	Section 224(2)(g)	3,161
KayCee Society	Section 224(2)(a)	3,290
Main Street Church	Section 224(2)(g)	1,373
Main Street Church	Section 224(2)(g)	1,826
Mountain View Church	Section 224(2)(g)	1,985
Pacific Community Resources Society	Section 224(2)(a)	2,024
Pentecostal Senior Citizens Society	Section 224(2)(a)	1,822
Royal Canadian Legion Branch #4	Section 224(2)(a)	570
Royal Canadian Legion Branch #4	Section 224(2)(a)	1,893
Ruth and Naomi's Mission	Section 224(2)(a)	1,512
Ruth and Naomi's Mission	Section 224(2)(a)	1,388
Ryder Lake Farmers' and Womens Institute	Section 224(2)(a)	2,466
Seventh-Day Adventist Church	Section 224(2)(g)	1,651
The Nature Trust of BC	Section 224(2) (i)	2,898
The Nature Trust of BC	Section 224(2) (i)	8,023
The Nature Trust of BC	Section 224(2) (i)	66
The Nature Trust of BC	Section 224(2) (i)	6,125
The Nature Trust of BC	Section 224(2) (i)	2,138
The Nature Trust of BC	Section 224(2) (i)	525
The Nature Trust of BC	Section 224(2) (i)	1,280
The Nature Trust of BC	Section 224(2) (i)	1,873
The Nature Trust of BC	Section 224(2) (i)	22,920
The Salvation Army	Section 224(2)(a)	4,753
The Salvation Army	Section 224(2)(a)	14,375
The Salvation Army	Section 224(2)(a)	10,489
Trinitarian Bible Society	Section 224(2)(g)	3,288
Vineyard Christian Fellowship	Section 224(2)(g)	1,330
Vineyard Christian Fellowship	Section 224(2)(g)	11,023
Xolhemet Society	Section 224(2)(a)	2,058
Yarrow Alliance Church	Section 224(2)(g)	3,302
	<b>TOTAL</b>	<b>\$ 388,771</b>

# Statistical Information

Building Permits

Building Permit Construction Value

Population

Residential Properties

Municipal Property Tax Distribution

Assessment by Property Class

Total Property Tax Distribution

Taxation by Property Class

Lower Mainland Municipal Taxes

Lower Mainland Municipal Taxes & Utility Charges

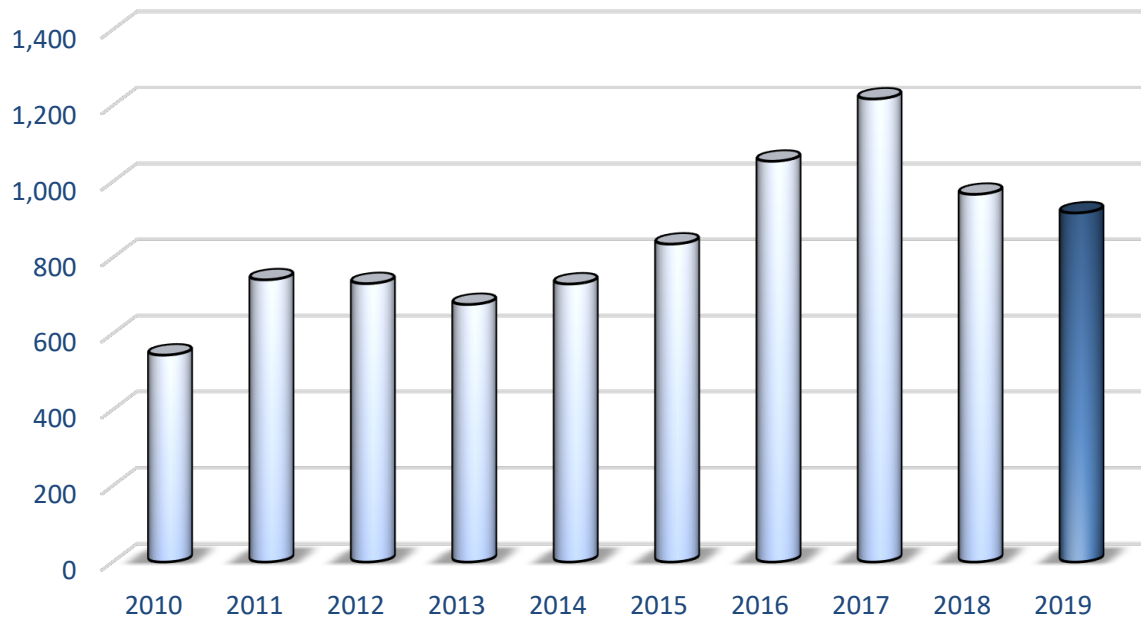
Lower Mainland Total Taxes & Charges

Lower Mainland Business Class Taxation Multiplier

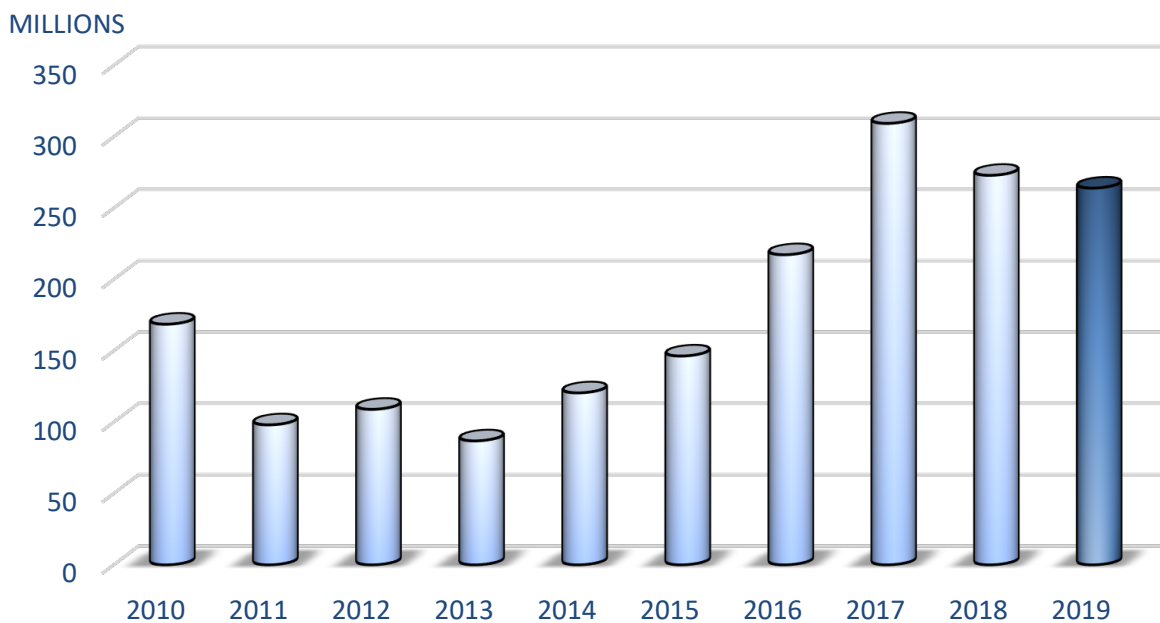
Lower Mainland Representative House Value Comparatives

Total Property Assessments

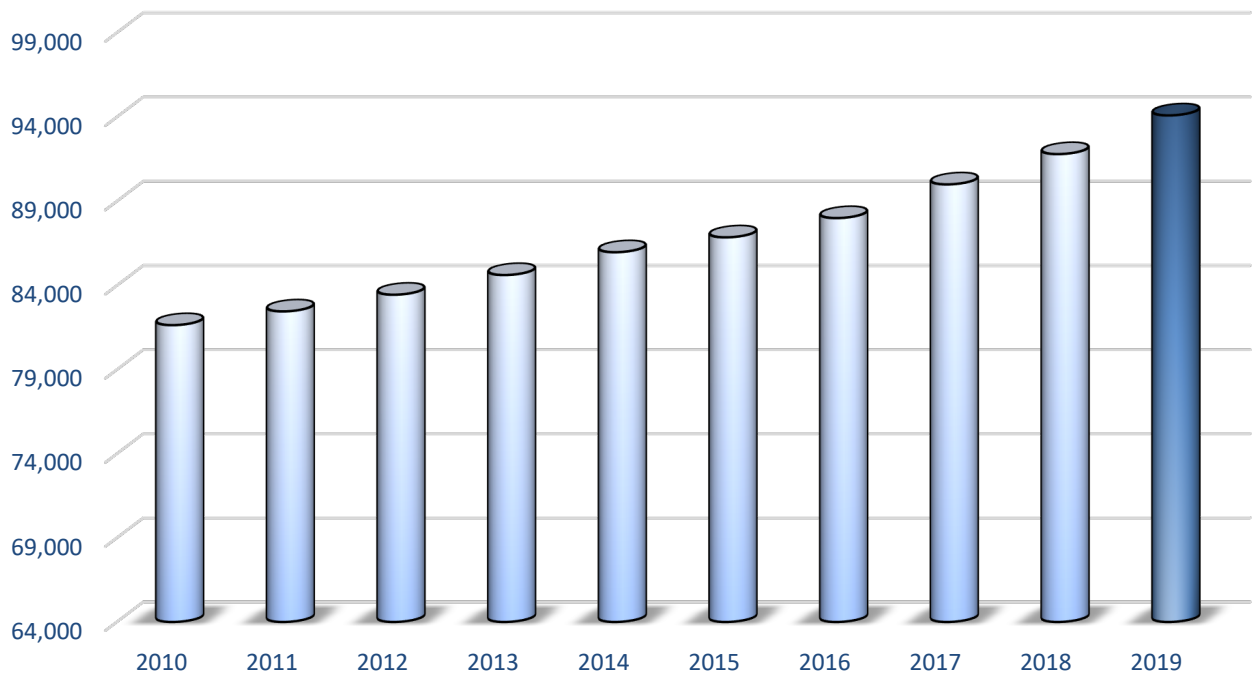
## Building Permits



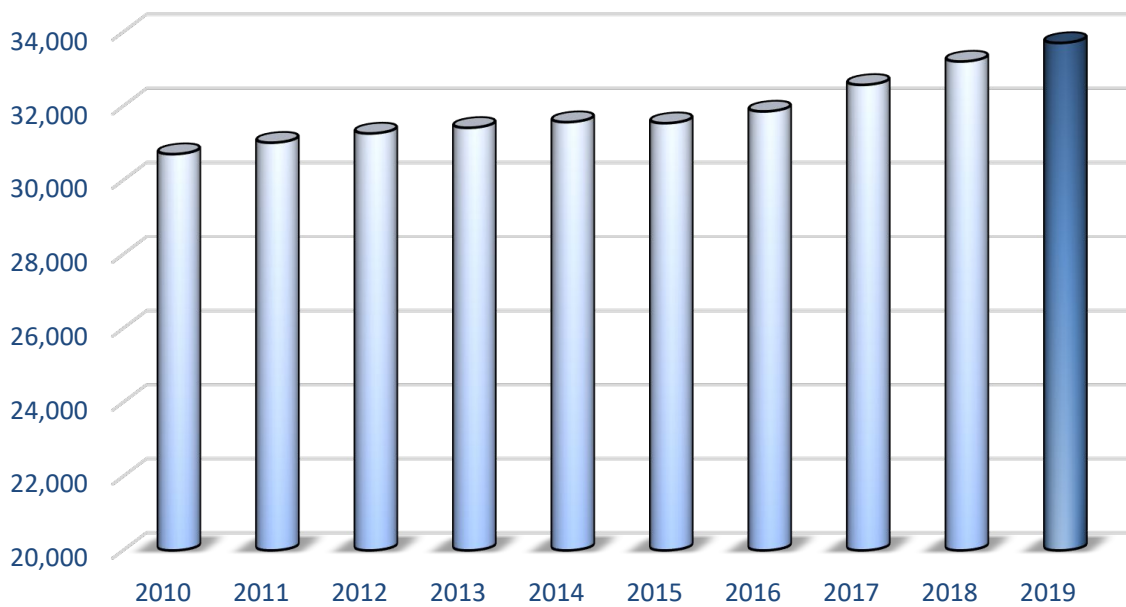
## Building Permit Construction Value



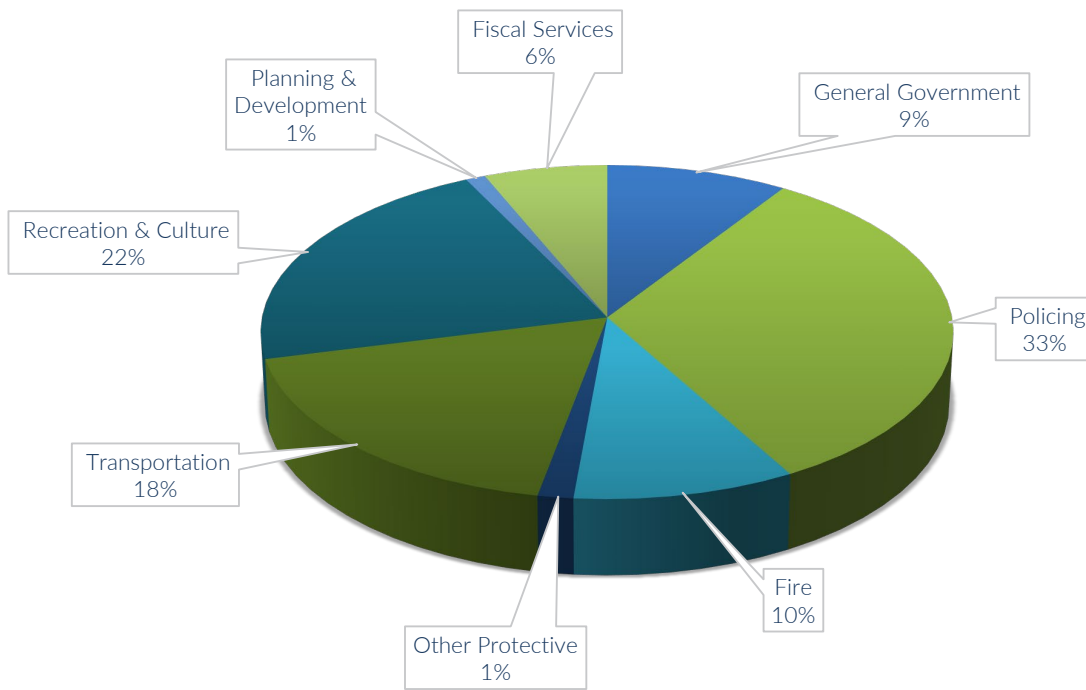
## Population



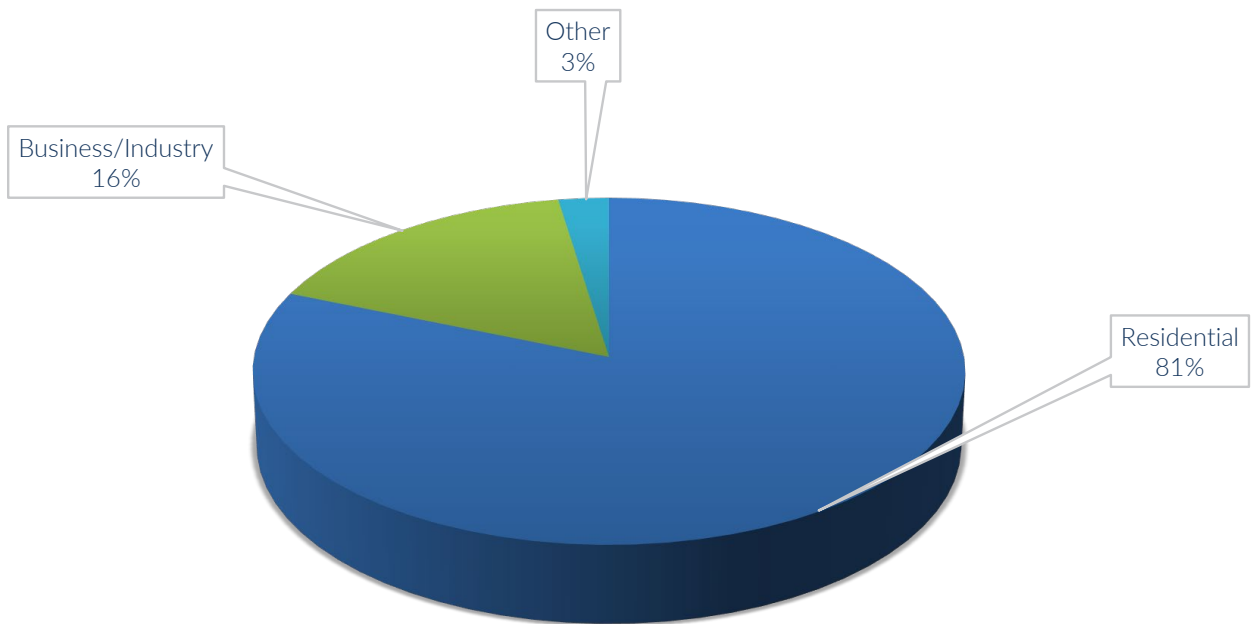
## Residential Properties



# Municipal Property Tax Distribution

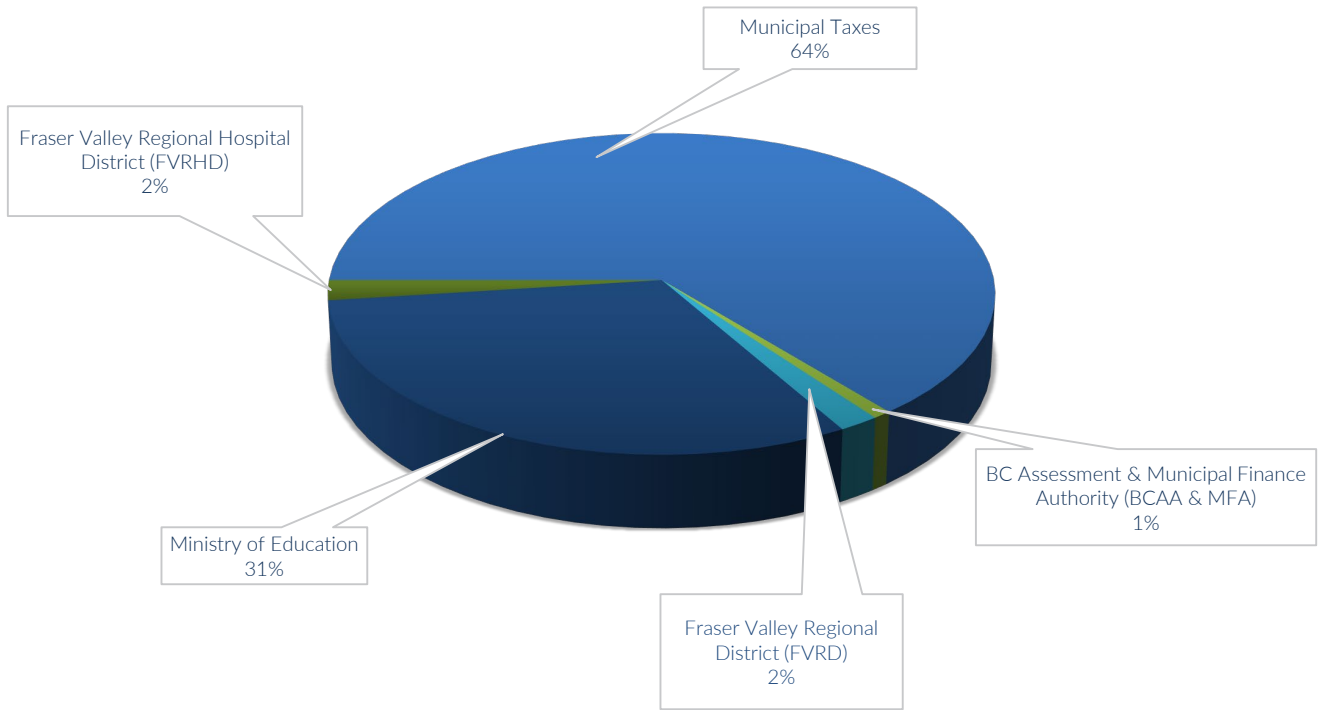


# Assessment by Property Class

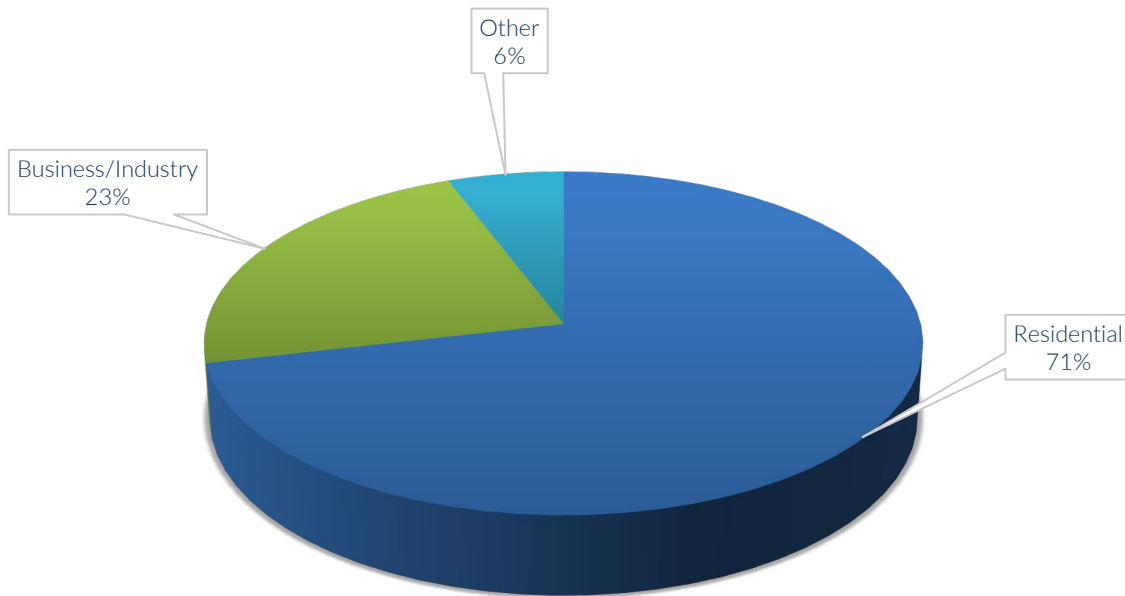




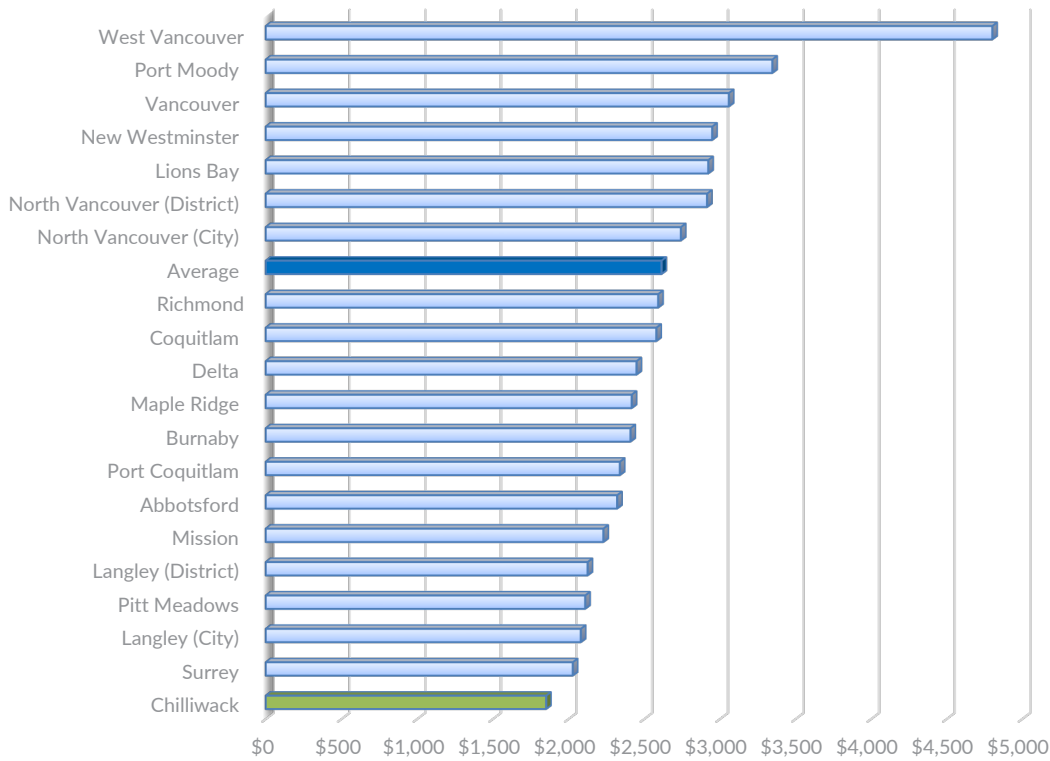
# Total Property Tax Distribution



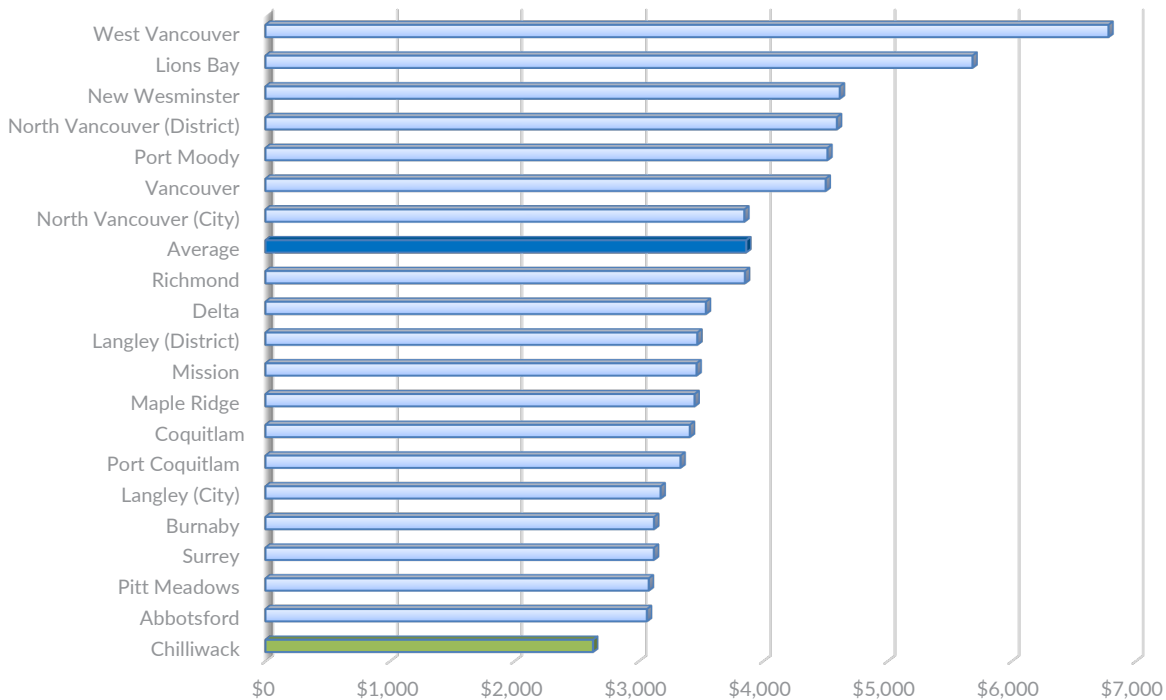
# Taxation by Property Class



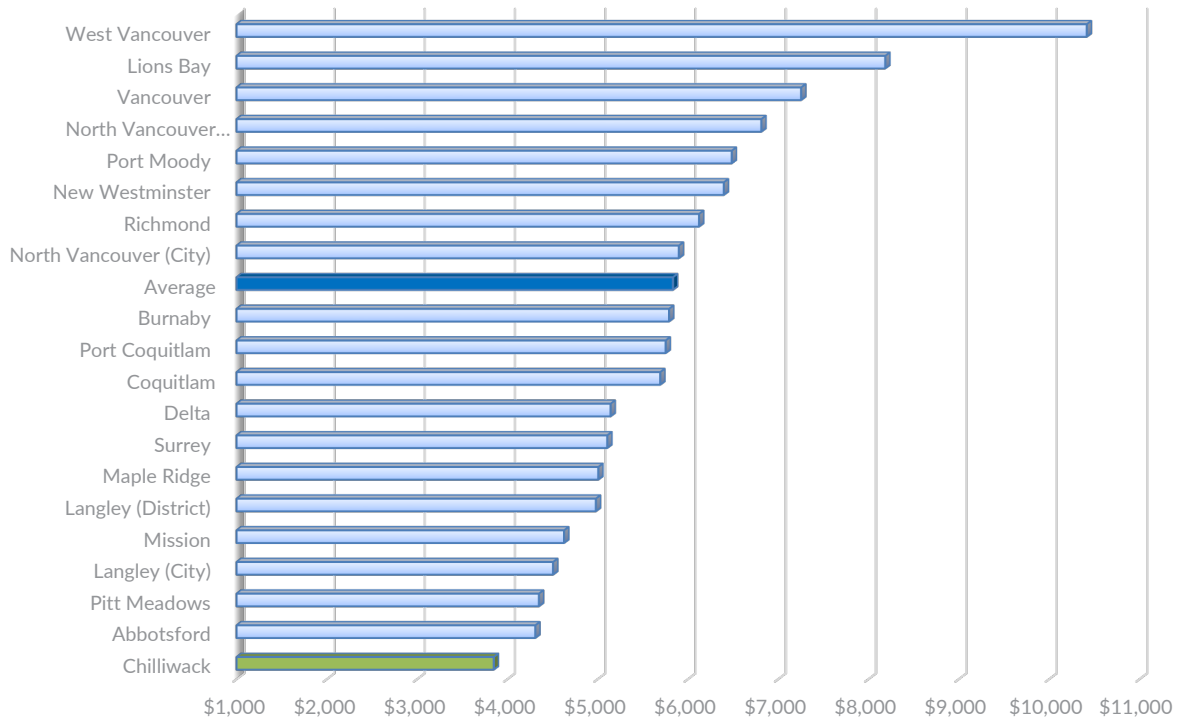
## Lower Mainland Municipal Taxes (per Representative House)



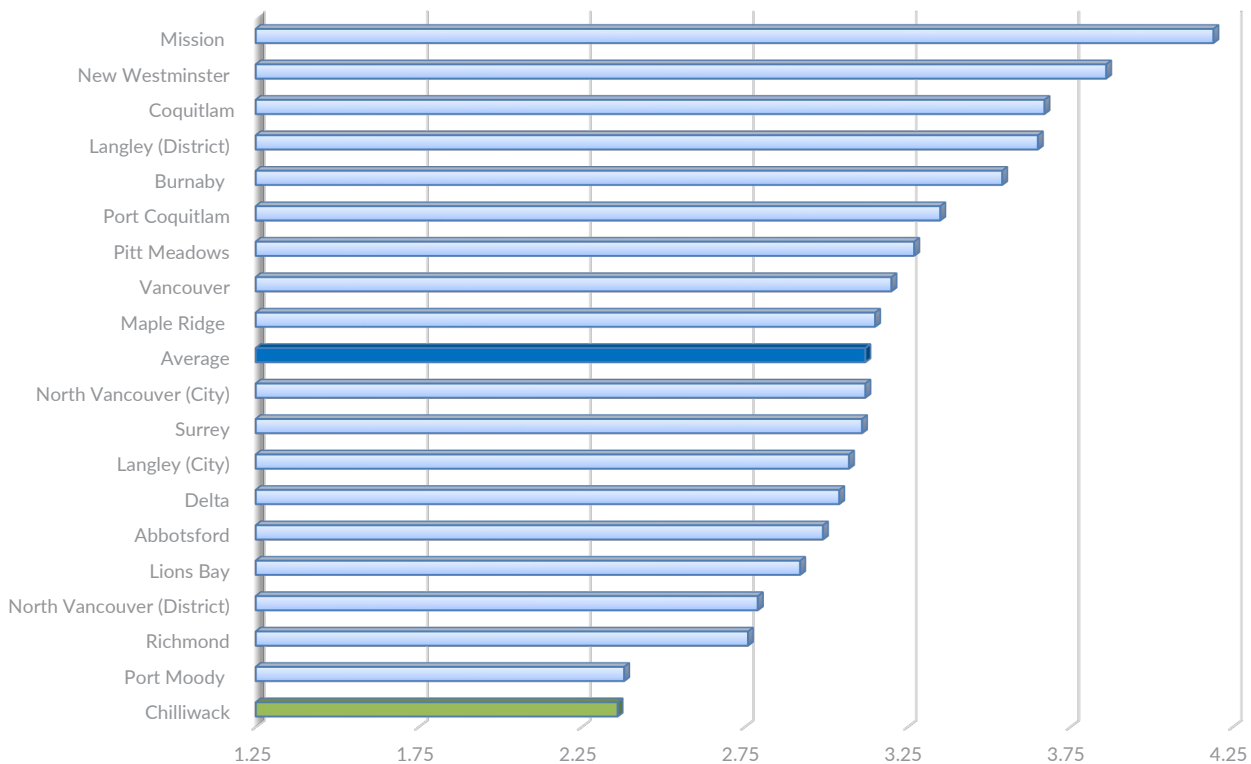
## Lower Mainland Municipal Taxes & Utility Charges (per Representative house)



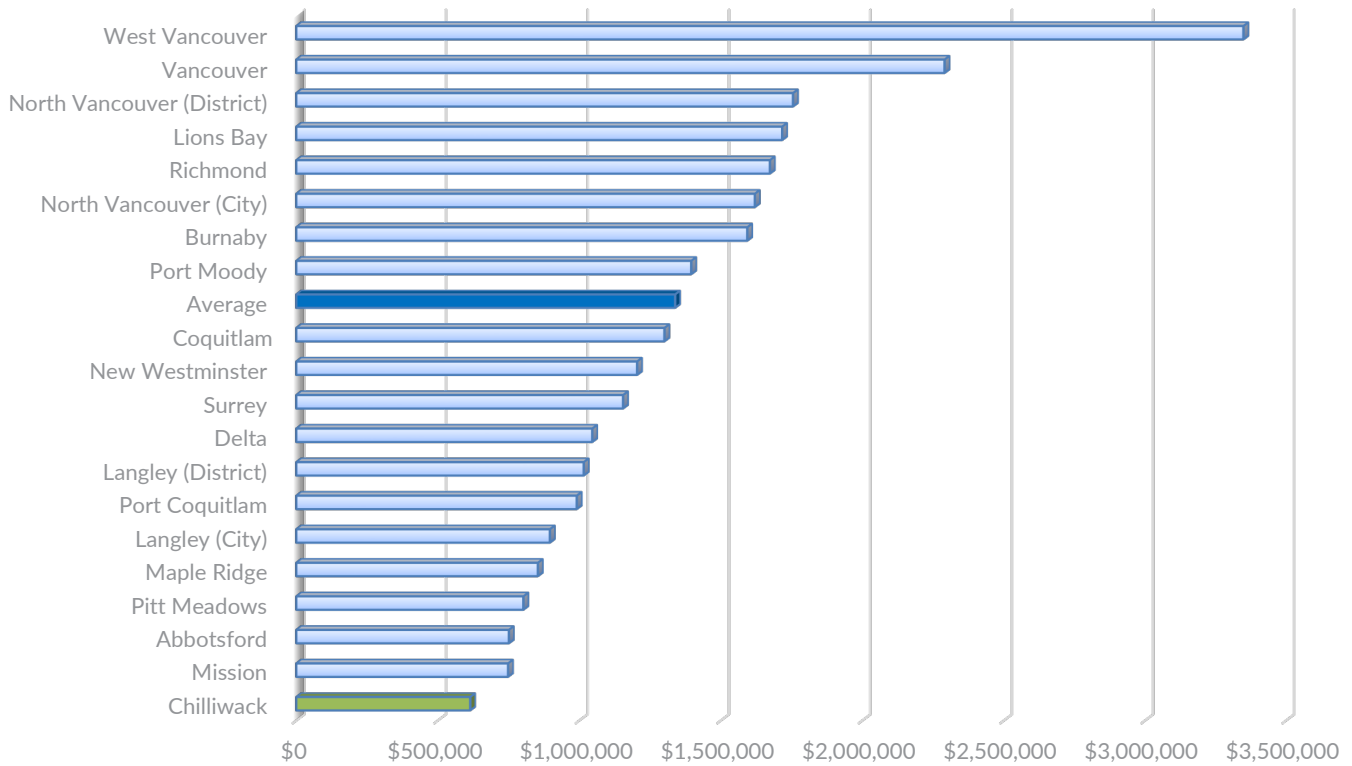
## Lower Mainland Total Taxes & Charges (per Representative House)



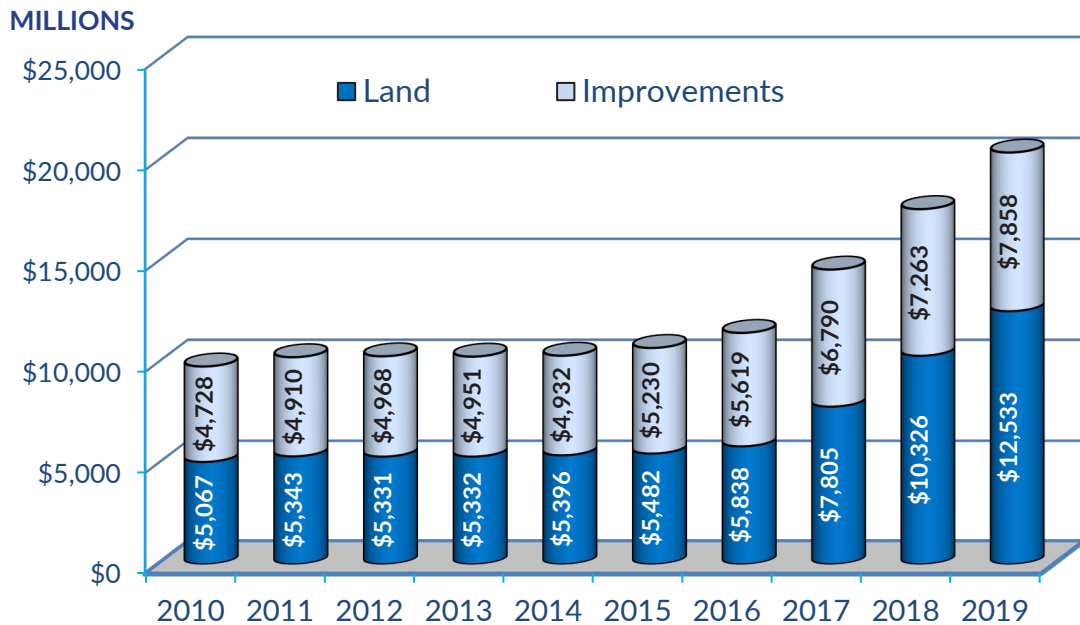
## Lower Mainland - Business Class Taxation Multiplier



# Lower Mainland Representative House Value Comparatives



# Total Property Assessments



# Financial Statements

City of Chilliwack

Chilliwack Economic Partners Corporation

Tourism Chilliwack Inc.



Consolidated Financial Statements of  
**CITY OF CHILLIWACK**  
And Independent Auditors' Report thereon  
Year ended December 31, 2019





KPMG LLP  
200-9123 Mary Street  
Chilliwack BC V2P 4H7  
Canada  
Tel (604) 793-4700  
Fax (604) 793-4747

## INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of City of Chilliwack

### **Opinion**

We have audited the consolidated financial statements of City of Chilliwack (the "City"), which comprise:

- the consolidated statement of financial position as at December 31, 2019
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2019, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the City 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.

KPMG LLP, is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.



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

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

In preparing the financial statements, management is responsible for assessing the City'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 City or to cease operations, or has no realistic alternative but to do so.

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the City 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style and is underlined with a single horizontal stroke.

Chartered Professional Accountants

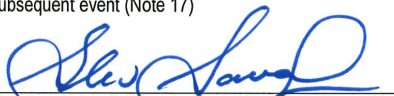
Chilliwack, Canada

April 21, 2020

**City of Chilliwack**  
**Consolidated Statement of Financial Position**  
Year Ended December 31, 2019 with comparative information for 2018

	2019	2018
<b>Financial Assets</b>		
Cash (Note 2)	\$ 62,084,429	\$ 40,124,957
Portfolio investments (Note 2)	141,810,750	154,338,010
Accounts receivable (Note 3)	23,842,073	31,812,693
	<u>227,737,252</u>	<u>226,275,660</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 4)	26,678,835	27,913,754
Development cost charges (Note 5)	58,602,838	55,851,498
Unearned revenue	13,655,849	13,211,681
Refundable deposits	23,834,362	25,137,919
Capital partnership obligation (Note 6)	996,412	2,153,345
	<u>123,768,296</u>	<u>124,268,197</u>
<b>Net Financial Assets</b>	<u>103,968,956</u>	<u>102,007,463</u>
<b>Non-Financial Assets</b>		
Property under development (Note 7)	3,681,960	3,681,960
Tangible capital assets (Note 8)	791,871,660	775,426,041
Inventories	1,311,961	1,468,122
Prepaid expenses	3,392,911	3,175,739
	<u>800,258,492</u>	<u>783,751,862</u>
<b>Accumulated Surplus (Note 10)</b>	<u>\$ 904,227,448</u>	<u>\$ 885,759,325</u>

Contingent liabilities (Note 12)  
Commitment (Note 14)  
Contractual rights (Note 15)  
Subsequent event (Note 17)



Glen Savard, CPA, CGA  
Director of Finance

See accompanying notes to consolidated financial statements



**City of Chilliwack**  
**Consolidated Statement of Operations and Accumulated Surplus**  
Year Ended December 31, 2019 with comparative information for 2018

	2019 Actual	2019 Budget (Note 16)	2018 Actual
<b>Revenues</b>			
Municipal taxation and grants-in-lieu of taxes	\$ 85,059,942	\$ 84,228,100	\$ 80,459,466
Government grants and transfers (Note 9)	11,946,060	12,836,411	12,985,148
Sale of services	42,801,866	40,639,311	41,161,170
Licences, permits, penalties and fines	4,132,840	3,929,000	3,999,845
Return on investments	3,515,404	1,161,540	2,848,372
Development cost charges	9,239,188	37,833,000	13,478,114
Developer contributions (Note 8)	2,898,310	4,525,000	4,618,530
Other revenue	3,343,748	1,332,000	11,595,673
	162,937,358	186,484,362	171,146,318
<b>Expenses</b>			
General government services	10,864,345	11,490,350	10,094,871
Protective services	39,397,774	39,684,950	34,785,834
Transportation services	26,563,364	26,212,600	23,686,974
Environmental health services	11,055,269	11,774,300	12,154,866
Water and sewer services	23,352,275	21,058,400	20,482,729
Recreation and cultural services	23,699,794	25,156,800	22,493,666
Planning and development	8,174,930	8,514,273	6,717,627
Interest and other	826,035	252,500	2,700,274
	143,933,786	144,144,173	133,116,841
<b>Annual Surplus Before Other Revenue (Loss)</b>	19,003,572	42,340,189	38,029,477
<b>Other revenue (loss)</b>			
Loss on sale of tangible capital assets	(535,449)	-	(5,674,845)
<b>Annual Surplus</b>	18,468,123	42,340,189	32,354,632
Accumulated Surplus, beginning of year	885,759,325	885,759,325	853,404,693
<b>Accumulated Surplus, End of Year</b>	\$ 904,227,448	\$ 928,099,514	\$ 885,759,325

See accompanying notes to consolidated financial statements

**City of Chilliwack**

**Consolidated Statement of Change in Net Financial Assets**

Year Ended December 31, 2019 with comparative information for 2018

	2019 Actual	2019 Budget (Note 16)	2018 Actual
Annual surplus	\$ 18,468,123	\$ 42,340,189	\$ 32,354,632
Acquisition of tangible capital assets	(36,899,905)	(104,752,000)	(66,859,192)
Decrease in property under development	-	-	2,376,229
Developer contributions	(2,898,310)	(4,525,000)	(4,618,530)
Amortization of tangible capital assets	22,725,629	17,532,196	21,418,723
Loss on sale of tangible capital assets	535,449	-	5,674,845
Proceeds on sale of tangible capital assets	91,518	-	1,516,252
	2,022,504	(49,404,615)	(8,137,041)
Change in inventories	156,161	-	(226,948)
Change in prepaid expenses	(217,172)	-	(1,204,849)
<b>Change in net financial assets</b>	<b>1,961,493</b>	<b>(49,404,615)</b>	<b>(9,568,838)</b>
Net financial assets, beginning of year	102,007,463	102,007,463	111,576,301
<b>Net financial assets, end of year</b>	<b>\$ 103,968,956</b>	<b>\$ 52,602,848</b>	<b>\$ 102,007,463</b>

See accompanying notes to consolidated financial statements



**City of Chilliwack**  
**Consolidated Statement of Cash Flows**  
Year Ended December 31, 2019 with comparative information for 2018

	2019	2018
<b>Cash provided by (used for):</b>		
<b>Operating Activities:</b>		
Annual surplus	\$ 18,468,123	\$ 32,354,632
Non-cash items:		
Amortization of tangible capital assets	22,725,629	21,418,723
Developer contributions	(2,898,310)	(4,618,530)
Loss on sale of tangible capital assets	535,449	5,674,845
Change in non-cash assets and liabilities:		
Accounts receivable	7,970,620	(2,951,863)
Inventories	156,161	(226,948)
Prepaid expenses	(217,172)	(1,204,849)
Accounts payable and accrued liabilities	(1,234,919)	5,400,423
Development cost charges	2,751,340	3,848,762
Unearned revenue	444,168	(2,090,807)
Refundable deposits	(1,303,557)	7,025,389
	<u>47,397,532</u>	<u>64,629,777</u>
<b>Capital Activities:</b>		
Proceeds on sale of tangible capital assets	91,518	1,516,252
Acquisition of tangible capital assets	(36,899,905)	(66,859,192)
	<u>(36,808,387)</u>	<u>(62,966,711)</u>
<b>Investing Activities:</b>		
Change in portfolio investments	12,527,260	(39,947,843)
	<u>12,527,260</u>	<u>(39,947,843)</u>
<b>Financing Activities:</b>		
Repayment of capital partnership obligation	(1,156,933)	(1,134,248)
	<u>(1,156,933)</u>	<u>(1,134,248)</u>
<b>Increase (decrease) in cash</b>	<u>21,959,472</u>	<u>(39,419,025)</u>
Cash, beginning of year	40,124,957	79,543,982
<b>Cash, end of year</b>	<u>\$ 62,084,429</u>	<u>\$ 40,124,957</u>

See accompanying notes to consolidated financial statements

**General:**

The Municipality was reincorporated as a City in 1999 by way of Letters Patent under the Municipal Act, now the Local Government Act, a statute of the Province of British Columbia. Its principal activities include the provision of local government services to the residents of the incorporated area. These services include administrative, protective, transportation, recreational, water, sewer and fiscal services.

**1 Significant accounting policies:**

(a) Basis of presentation:

It is the City of Chilliwack's (the "City") policy to follow accounting principles generally accepted for British Columbia local governments and to apply such principles consistently. These consolidated financial statements include the operations of the General, Water, Sewer and Reserve Funds and the City's wholly owned subsidiaries, Chilliwack Economic Partners Corporation ("CEPCO") and Tourism Chilliwack Inc. ("Tourism"). These consolidated statements have been prepared using standards issued by the CPA Canada Public Sector Accounting Handbook. All material interfund and intercompany accounts and transactions have been eliminated.

(b) Portfolio investments:

Portfolio investments are carried at amortized cost. If it is determined that there is a permanent impairment in the value of an investment, it is written down to net realizable value.

(c) Property under development:

Property under development is recorded at the lower of cost or net realizable value and includes direct costs attributable to the project plus any capitalized interest if incurred. The properties are tangible capital assets under development.

(d) Tangible capital assets:

Tangible capital assets are recorded on the basis of cost less accumulated amortization. Cost includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost is amortized on a straight line basis over their estimated useful lives as follows:

<b>Asset</b>	<b>Useful Life - Years</b>
Land	n/a
Land Improvements	0-40
Buildings	40-50
Equipment	4-20
Vehicles	7-25
Engineering Structures	10-100

Annual amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use. Infrastructure related tangible capital assets that are contributed from developers as part of a development project, are recorded at fair market value at the date of contribution and recorded in revenue as developer contributions. Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(e) Inventories:

Inventories of supplies are valued at the lower of cost and net realizable value, on a weighted average basis.

(f) Revenue recognition:

Revenues from municipal taxation, grants in lieu of taxes and utility charges are recognized when the levies are billed or billable to the property owner. Revenue from sales of services is recognized when the services are provided. Government grants are recognized when they are approved by senior governments and the conditions required to earn the grants have been completed. Development cost charges are recognized as revenue in the period the funds are expended on an eligible development project. Development cost charges collected, but not yet expended, are reported as an unearned revenue.



(g) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported amounts of revenues and expenses as at the date of the financial statements. Significant estimates include assumptions used in estimating provisions for accrued liabilities, landfill post-closure liability, contingent liabilities, estimated useful lives of tangible capital assets and the value of assets contributed to the City.

Actual results could differ from these estimates.

(h) Contaminated sites:

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The City is directly responsible or accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

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

**2 Restricted Assets:**

The City has restrictions on the portfolio investments and cash available for operational use as follows:

	2019	2018
Cash	\$ 62,084,429	\$ 40,124,957
Portfolio Investments	141,810,750	154,338,010
	203,895,179	194,462,967
Less restricted for:		
Statutory Reserve Funds	24,860,949	26,099,512
Restricted Revenue	55,271,127	51,406,819
	80,132,076	77,506,331
<b>Funds available for operational use</b>	<b>\$ 123,763,103</b>	<b>\$ 116,956,636</b>

The investment portfolio includes bonds of chartered banks, the Government of Canada and provincial governments; deposits and notes of chartered banks, credit unions, the Government of Canada and provincial governments; and deposits in the Municipal Finance Authority short term investment pools.

**3 Accounts receivable:**

	2019	2018
Taxes	\$ 4,414,903	\$ 4,329,339
Province of British Columbia	3,763,167	2,222,041
Government of Canada	463,306	1,122,431
Regional and local governments	125,386	1,472,206
Trade receivables	3,891,353	10,778,606
Accrued interest	1,206,012	1,146,383
Water trade receivables	2,850,110	2,552,684
Sewer trade receivables	3,796,125	3,744,324
Development cost charges	3,331,711	4,444,679
	\$ 23,842,073	\$ 31,812,693



**4 Accounts payable and accrued liabilities:**

	2019	2018
Trade payables	\$ 11,787,690	\$ 14,586,805
Province of British Columbia	2,823,347	2,302,891
Government of Canada	7,578,329	6,436,491
Regional and local governments	610,469	679,567
Landfill closure and post-closure costs	3,879,000	3,908,000
	<u>\$ 26,678,835</u>	<u>\$ 27,913,754</u>

Landfill closure and post-closure costs:

The City has the responsibility for closure and post-closure care of the Bailey Landfill site. Potential costs related to closure activities at this site include drainage control, leachate monitoring, gas monitoring and recovery, and final ground cover. The landfill site is expected to require post-closure care for thirty years after its estimated closure in 2038. The liability amount of \$3,879,000 has been recorded by multiplying the estimated net present value of total remaining costs related to closure and post-closure care (\$9,528,700) by the cumulative capacity used (40.7%). This liability reduces as landfill restoration costs are incurred.

In addition, the City has appropriated a portion of accumulated surplus as a landfill reserve. The balance of \$7,069,711 (2018 - \$6,286,180) is appropriated for other landfill related costs and unforeseen closure and post-closure costs.

**5 Development cost charges:**

The development cost charge liability, reported as unearned revenue, represents funds received from developers for capital infrastructure expenditures required as a result of their development projects. As these funds are expended on eligible projects, the liability is reduced and the amount expended reported as revenue.

Developers are entitled to pay development cost charges (DCCs) in equal installments over two years if the total amount payable is equal to or greater than \$50,000. Installments due for the next two years are included in accounts receivable and are guaranteed by the developer by providing an irrevocable letter of credit payable to the City of Chilliwack for the remaining amount of DCCs owing. As at December 31, 2019, the amount of the DCCs due over the next two years is \$3,331,711 (2018 - \$4,444,679).

Assets are not physically segregated to meet the requirements of the restricted revenues. As related expenditures are incurred, revenue is recognized.

**6 Capital partnership obligation:**

In 2004, the City of Chilliwack entered into a 25 year agreement with the Chilliwack Chiefs Development Group Ltd. (CDG) for the provision of community priority time in the Prospera Centre. As part of the agreement, the City pays \$400,000 annually to CDG for the operation of the facility and \$175,000 as a reimbursement for revenues collected directly by the City. In addition, the City is required to make annual capital payments of \$1.2 million which is applied towards CDG's term loan associated with the facility, until the loan is fully repaid. CDG's term debt is a fixed rate operating loan at the Financial Institution's Cost of Funds (COF) plus 0.45%. At the end of the term of the agreement, the City obtains legal ownership of the facility.

The City's capital partnership obligations under this agreement are as follows:

2020	1,016,340
Less amounts representing interest at 2.0%	(19,928)
	<u>\$ 996,412</u>



**City of Chilliwack**  
**Notes to Consolidated Financial Statements**  
Year Ended December 31, 2019

**7 Property under development:**

The property under development relates to projects of Chilliwack Economic Partners Corporation as follows:

	2019	2018
Canada Education Park	\$ 3,258,792	\$ 3,258,792
Downtown Redevelopment	423,168	423,168
	<b>\$ 3,681,960</b>	<b>\$ 3,681,960</b>

**8 Tangible capital assets:**

		2019				
		Opening Cost	Additions	Disposals	Change - Under Construction	Closing Cost
General						
	Land	\$ 136,609,602	\$2,924,794	\$ -	\$ -	\$ 139,534,396
	Buildings	133,473,944	8,713,226	-	-	142,187,170
	Equipment	38,159,764	6,239,906	(452,879)	-	43,946,791
	Engineering Structures	367,528,129	11,386,131	(366,952)	-	378,547,308
	Under Construction	13,003,019	-	-	(4,431,643)	8,571,376
		688,774,457	29,264,057	(819,831)	(4,431,643)	712,787,041
Water						
	Land	2,026,328	-	-	-	2,026,328
	Buildings	256,694	27,173	-	-	283,867
	Equipment	2,027,912	846,312	(97,756)	-	2,776,468
	Engineering Structures	191,902,321	3,369,188	(4,485)	-	195,267,024
	Under Construction	1,530,693	-	-	(843,490)	687,203
		197,743,948	4,242,673	(102,241)	(843,490)	201,040,890
Sewer						
	Land	1,643,155	-	-	-	1,643,155
	Equipment	2,584,579	623,815	(189,128)	-	3,019,266
	Engineering Structures	241,511,096	28,110,128	(2,072,490)	-	267,548,734
	Under Construction	18,950,213	-	-	(17,196,478)	1,753,735
		264,689,043	28,733,943	(2,261,618)	(17,196,478)	273,964,890
CEPCO						
	Land	196,196	-	-	-	196,196
	Buildings	6,112,330	2,550	-	-	6,114,880
	Equipment	453,523	4,430	(175,106)	-	282,847
		6,762,049	6,980	(175,106)	-	6,593,923
Tourism Chilliwack						
	Goodwill	6,120	-	-	-	6,120
	Buildings	127,913	-	-	-	127,913
	Equipment	206,340	1,060	-	-	207,400
		340,373	1,060	-	-	341,433
		<b>\$ 1,158,309,870</b>	<b>\$ 62,248,713</b>	<b>\$ (3,358,796)</b>	<b>\$ (22,471,611)</b>	<b>\$ 1,194,728,177</b>

8 Tangible capital assets (continued):

	Opening Accum. Amort.	2019 Amortization	Disposals	Ending Accum. Amort	NBV 2019	NBV 2018
<b>General</b>						
Land	\$ -	\$ -	\$ -	\$ -	\$ 139,534,396	\$ 136,609,602
Buildings	48,808,827	3,972,023	-	52,780,850	89,406,319	84,665,116
Equipment	21,999,671	2,641,791	(420,669)	24,220,793	19,725,999	16,160,094
Engineering Structures	154,767,965	7,810,838	(258,491)	162,320,312	216,226,995	212,760,163
Under Construction	-	-	-	-	8,571,376	13,003,019
	225,576,463	14,424,652	(679,160)	239,321,955	473,465,086	463,197,994
<b>Water</b>						
Land	-	-	-	-	2,026,328	2,026,328
Buildings	109,097	13,809	-	122,906	160,961	147,597
Equipment	679,520	202,629	(77,756)	804,393	1,972,075	1,348,392
Engineering Structures	63,866,927	3,075,702	(4,485)	66,938,144	128,328,880	128,035,394
Under Construction	-	-	-	-	687,203	1,530,693
	64,655,544	3,292,140	(82,241)	67,865,443	133,175,447	133,088,404
<b>Sewer</b>						
Land	-	-	-	-	1,643,155	1,643,155
Equipment	1,139,923	154,929	(153,900)	1,140,952	1,878,314	1,444,656
Engineering Structures	89,124,918	4,562,046	(1,665,857)	92,021,107	175,527,627	152,386,178
Under Construction	-	-	-	-	1,753,735	18,950,213
	90,264,841	4,716,975	(1,819,757)	93,162,059	180,802,831	174,424,202
<b>CEPCO</b>						
Land	-	-	-	-	196,196	196,196
Buildings	1,741,370	244,926	-	1,986,296	4,128,584	4,370,960
Equipment	352,507	34,136	(171,783)	214,860	67,987	101,016
	2,093,877	279,062	(171,783)	2,201,156	4,392,767	4,668,172
<b>Tourism Chilliwack</b>						
Goodwill	-	-	-	-	6,120	6,120
Buildings	116,520	-	-	116,520	11,393	11,393
Equipment	176,584	12,800	-	189,384	18,016	29,756
	293,104	12,800	-	305,904	35,529	47,269
	\$ 382,883,829	\$ 22,725,629	\$ (2,752,941)	\$ 402,856,517	\$ 791,871,660	\$ 775,426,041

The fair value of tangible capital assets contributed to the City during the year is as follows:

	2019	2018
Roads	\$ 836,056	\$ 2,128,140
Water	283,288	578,533
Sewer	305,141	390,278
Drainage	500,925	1,297,409
Land	761,300	-
Other	211,600	224,170
	\$ 2,898,310	\$ 4,618,530

**9 Government Grants and Transfers**

Included in government grants and transfers are Federal Gas Tax Agreement Funds of \$7,080,813 (2018 - \$3,498,795).

Gas Tax funding is provided by the Government of Canada. The use of the funding is established through a funding agreement between the Municipality and the Union of British Columbia Municipalities. Gas Tax funding may be used towards designated public transit, local roads and bridges, community energy, water, wastewater, solid waste, disaster mitigation, amateur sport and recreation, culture, tourism and capacity building projects as specified in the funding agreement.

**10 Accumulated Surplus:**

Accumulated surplus consists of individual fund surplus, statutory reserves and surplus invested in tangible capital assets as follows:

	2019	2018
Operating Funds		
Unrestricted:		
General	\$ 16,603,281	\$ 16,305,009
CEPCO	5,907,840	5,285,433
Tourism	883,688	1,274,596
Water Fund	3,050,000	2,950,000
Sewer Fund	3,260,000	3,110,000
Building - Protective Services	4,441,343	4,376,662
Landfill	7,069,711	6,286,180
Sewer future works	9,566,453	11,557,371
Water future works	11,694,439	11,174,874
Work-in-progress	5,011,000	5,776,000
Soil Removal	716,696	791,150
Future property acquisition	2,575,000	2,575,000
Federal Gas Tax Agreement Funds	6,949,154	3,798,536
Other	6,483,802	7,444,348
	84,212,407	82,705,159
Statutory Reserve Funds		
General Capital	19,073,308	19,792,845
Equipment Replacement	4,767,291	5,351,498
Subdivision Control	1,020,350	955,169
	24,860,949	26,099,512
Investment in Tangible Capital Assets & Property Under Development		
General	473,757,268	461,136,319
Water	133,175,447	133,088,403
Sewer	180,202,831	174,424,202
CEPCO	7,983,016	8,258,461
Tourism	35,530	47,269
	795,154,092	776,954,654
	\$ 904,227,448	\$ 885,759,325

**11 Collections for other governments:**

The City collects and remits taxes on behalf of other government jurisdictions as follows:

	2019	2018
B.C. Assessment Authority	\$ 1,010,952	\$ 926,244
Fraser Valley Regional Hospital District	3,227,162	3,080,843
Municipal Finance Authority	4,961	4,235
Ministry of Education	38,985,955	36,355,868
Fraser Valley Regional District	2,238,747	1,983,467
	\$ 45,467,777	\$ 42,350,657

These taxes are not included in the Consolidated Statement of Operations of the City.

**12 Contingent liabilities:**

- (a) The City, as a member of the Fraser Valley Regional District, is responsible for its proportion of any operating deficits or long term debt related to functions in which it participates. Any liability which may arise as a result will be accounted for in the period in which the required payment is made.
- (b) The City is currently engaged in certain legal actions. Of the claims the City is defending, certain claims are covered by the City's insurers and/or other parties. The City accrues for claims for which the amounts are known or can be reasonably estimated. The outcome of other claims is undeterminable at this time and, accordingly, no provision has been made for these actions.
- (c) The City 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, 2018, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 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 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 an unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as of December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The City paid \$2,680,587 (2018 - \$2,502,160) for employer contributions to the Plan in fiscal 2019.

The next valuation will be as at December 31, 2021, with results available in 2022.

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.

**13 Fair value of financial assets and financial liabilities:**

The fair value of the City's cash, accounts receivable, accounts payable, accrued liabilities and refundable deposits approximate their carrying amounts due to the immediate or short term maturity of these financial instruments.

The fair value of portfolio investments at December 31, 2019 was \$144,007,093 (2018 - \$154,940,908). Included in the fair market estimate is accrued interest of \$1,206,012 (2018 - \$1,146,383), which is reported within accounts receivable.

The fair value of the capital partnership obligation approximates the book value as the interest rate represents borrowing rates for loans under similar terms and maturities.

**14 Commitment:**

The City is committed to the acquisition of 3 properties with an estimated acquisition cost of \$2,760,000.

**15 Contractual Rights:**

The City has entered into contracts for various property rentals and leases, and is scheduled to receive the following amounts under those contracts:

<b>Year</b>	<b>Amount</b>
2020	1,410,266
2021	916,628
2022	704,136
2023	664,133
2024	552,808
Thereafter	876,042
	<b>\$ 5,124,013</b>



**16 Budget figures:**

The operating and capital budget figures, presented on a basis consistent with that used for actual results, were approved by Council as the Financial Plan Bylaw 2019, No. 4642. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

	2019 Budget
<b>Revenues</b>	
Operating budget	\$ 160,030,100
Capital budget	
Development cost charges	37,412,000
Developer contributions	4,525,000
Statutory reserve funds	18,065,000
Operating reserves	32,237,500
Current operations	6,650,000
Government grants	5,862,500
Total revenue per approved budget	<u>264,782,100</u>
<b>Add:</b>	
CEPCO	2,020,335
Tourism	1,774,427
<b>Less:</b>	
Transfers from other funds	(80,942,500)
Inter-entity eliminations	(1,150,000)
Total budgeted revenue as reported	<u>186,484,362</u>
<b>Expenses</b>	
Operating budget	160,030,100
Capital budget	104,752,000
	<u>264,782,100</u>
<b>Add:</b>	
CEPCO	1,648,850
Tourism	1,672,323
<b>Less:</b>	
Transfers to other funds	(122,809,100)
Inter-entity eliminations	(1,150,000)
Total budgeted expenses as reported	<u>144,144,173</u>
Budgeted surplus as reported	<u><u>\$ 42,340,189</u></u>

**17 Subsequent Event:**

Subsequent to December 31, 2019 the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social dislocating impact. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the City's operations are not known at this time. At the time of approval of these financial statements, the entity has experienced the following indicators of financial implications and has undertaken the following activities in relation to the COVID-19 pandemic:

- Closing of recreation, leisure and library facilities
- Mandatory working from home requirements for those able to do so
- Potential delays in collection of revenue
- Potential reduction in revenue due to facilities closing, development slowing and services decreasing

At this time, these factors present uncertainty over future cash flows, may cause significant changes to the assets or liabilities and may have a significant impact on future operations. An estimate of the financial effect is not practicable at this time.

**18 Segmented Information:**

The City is a diversified municipal government institution that provides a wide range of services to its citizens, including Protective Services; Transportation Services; Landfill Operations; Water and Sewer Services; Recreation and Cultural Services and Environmental Development Services. For management reporting purposes, the Government's operations and activities are organized and reported by Service Areas. Service Areas were created for the purpose of recording specific activities to attain certain objectives in accordance with regulations, restrictions or limitations.

**General Government Services**

General government services include all activities associated with adopting bylaws, mayor and council support, financial management, municipal facilities and the cost effective delivery of services. Items included are Mayor and Council, administration, clerks, purchasing, management information systems, graphical information systems, corporate services, finance, municipal facilities, museum, and community grants.

**Protective Services**

Protective services includes all activities associated with protection including the enforcement of laws and the prevention of crime. Items included are fire protection, bylaw enforcement, emergency services, building inspection, and all costs associated with policing.

**Transportation Services**

Transportation services include all activities associated with transportation including roads and drainage networks. Items included are services of the engineering department, traffic services, street lighting, transit, winter, maintenance and enhancements to roads, shoulders, open drainage, storm sewers, and dykes.

**Landfill Operations**

Landfill operations include all activities associated with solid waste and environmental health. Items included are landfill operations, special waste programs, clean up campaigns, operation of the Green Depot, and the curbside collection and recycling program.

**Water and Sewer Services**

Water and sewer services include all activities associated with water and sanitary sewer operations. Items included are maintenance and enhancements of the water supply system, water pumps stations, water distribution system, water meters, hydrants, sanitary sewer collection system, sewer lift stations, and sewer treatment and disposal.

**Recreation and Cultural Services**

Recreation and cultural services include all activities associated with parks, recreation and cultural activities and operations. Items included are costs associated with Evergreen Hall, Landing Sports Centre, Rotary Pool, Cheam Centre, Leisure Centre, Prospera Centre, Heritage Park, Great Blue Heron Nature Reserve, Grandstands, Cultural Centre, community grants, parks and trails, urban trees and plantings, sports fields, and libraries.

**Environmental Development Services**

Environmental development services include all activities associated with community planning and economic development. Items included are costs associated with community planning, development, economic development and tourism.

The following table outlines the City's revenues and expenses by operating segment:



City of Chilliwack  
 Notes to Consolidated Financial Statements  
 Year Ended December 31, 2019

Table of Segmented Information:

	General Government	Protective Services	Trans. Services	Landfill Operations	Water & Sewer	Parks Recreation & Culture	Planning & Development	Interest & Other	2019	2018
<b>Revenues</b>										
Municipal taxation and grants-in lieu of taxes	\$ 85,026,622	\$ -	\$ -	\$ -	\$ 33,320	\$ -	\$ -	\$ -	\$ 85,059,942	\$ 80,459,466
Government grants & transfers	7,080,813	1,254,213	646,323	-	-	312,326	2,652,385	-	11,946,060	19,682,148
Sales of services	1,428,516	29,447	1,446,308	12,380,336	21,962,721	3,357,880	2,196,658	-	42,801,866	41,161,170
Licences, permits, penalties and fines	866,820	103,792	-	-	-	-	3,162,228	-	4,132,840	3,999,845
Return on investments	2,264,873	-	-	-	615,619	-	135,088	499,824	3,515,404	2,848,372
Development cost charges	-	-	6,540,760	-	1,544,996	1,153,432	-	-	9,239,188	13,478,114
Developer and other contributions	-	-	2,309,881	-	588,429	-	-	-	2,898,310	4,618,530
Other revenue	189,823	335,119	2,421,792	-	-	339,456	57,558	-	3,343,748	4,898,673
	96,857,467	1,722,571	13,365,064	12,380,336	24,745,085	5,163,094	8,203,917	499,824	162,937,358	171,146,318
<b>Expenses</b>										
Salaries and benefits	6,537,545	12,934,185	4,898,436	541,863	2,437,595	5,555,021	2,289,171	-	35,193,816	34,774,454
Goods and services	5,508,519	25,606,270	14,056,258	10,139,709	10,875,564	14,220,241	4,463,084	-	84,869,645	74,223,390
Administration allocation	(2,030,000)	-	-	-	2,030,000	-	-	-	-	-
Interest and other	-	-	-	-	-	-	-	826,035	826,035	2,700,274
Amortization of tangible capital assets	848,281	857,319	7,608,670	373,697	8,009,116	3,924,532	1,104,014	-	22,725,629	21,418,723
Transfer of collections	-	-	-	-	-	-	318,661	-	318,661	-
	10,864,345	39,397,774	26,563,364	11,055,269	23,352,275	23,699,794	8,174,930	826,035	143,933,786	133,116,841
<b>Annual Surplus (Deficit) Before Other</b>	85,993,122	(37,675,203)	(13,198,300)	1,325,067	1,392,810	(18,536,700)	28,987	(326,211)	19,003,572	38,029,477
<b>Other revenues (loss)</b>										
Loss on sale of tangible capital assets	(70,265)	-	-	-	(461,861)	-	(3,323)	-	(535,449)	(5,674,845)
	(70,265)	-	-	-	(461,861)	-	(3,323)	-	(535,449)	(5,674,845)
<b>Annual Surplus (Deficit)</b>	\$ 85,922,857	\$ (37,675,203)	\$ (13,198,300)	\$ 1,325,067	\$ 930,949	\$ (18,536,700)	\$ 25,664	\$ (326,211)	\$ 18,468,123	\$ 32,354,632





Financial Statements of

**CHILLIWACK ECONOMIC  
PARTNERS CORPORATION**

And Independent Auditors' Report thereon

Year ended December 31, 2019



KPMG LLP  
200-9123 Mary Street  
Chilliwack BC V2P 4H7  
Canada  
Telephone (604) 793-4700  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Chilliwack Economic Partners Corporation

### ***Opinion***

We have audited the accompanying financial statements of Chilliwack Economic Partners Corporation (the "Corporation"), which comprise:

- the statement of financial position as at end of December 31, 2019
- the statement of operations and accumulated surplus for the year then ended
- the statement of change in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2019, and its results of operations, its changes in net financial assets 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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation'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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation 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.
- 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.



Chartered Professional Accountants

Chilliwack, Canada

March 18, 2020




# CHILLIWACK ECONOMIC PARTNERS CORPORATION


## Statement of Financial Position

December 31, 2019 with comparative information for 2018

	2019	2018
<b>Financial assets:</b>		
Cash (note 2)	\$ 229,297	\$ 277,732
Accounts receivable	86,852	69,991
Investments	4,918,109	3,508,115
Financing lease receivable (note 3)	419,616	962,264
	<u>5,653,874</u>	<u>4,818,102</u>
<b>Financial liabilities:</b>		
Accounts payable and accrued liabilities	124,512	94,644
Unearned revenue	538,690	402,506
	<u>663,202</u>	<u>497,150</u>
<b>Net financial assets</b>	4,990,672	4,320,952
<b>Non-financial assets:</b>		
Prepaid expenses	917,168	964,481
Property under development (note 4)	3,681,960	3,681,960
Tangible capital assets (note 5)	4,392,726	4,668,171
	<u>8,991,854</u>	<u>9,314,612</u>
Commitments (note 11)		
<b>Accumulated surplus (note 6)</b>	<u>\$ 13,982,526</u>	<u>\$ 13,635,564</u>

See accompanying notes to financial statements.

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

# CHILLIWACK ECONOMIC PARTNERS CORPORATION

## Statement of Operations and Accumulated Surplus

Year ended December 31, 2019, with comparative information for 2018

	2019 Budget	2019 Actual	2018 Actual
<b>Revenues:</b>			
Rent	\$ 685,460	\$ 655,790	\$ 678,385
Contracted services	628,845	649,470	502,889
Economic development (note 8)	600,000	600,000	550,000
Interest	75,030	127,429	102,320
Government programs	22,500	10,000	7,500
Other revenue	4,500	4,800	10,500
Property development and construction	4,000	3,798	6,532
Premises cost recovery	-	-	1,000,000
	2,020,335	2,051,287	2,858,126
<b>Expenses:</b>			
Contracted services	390,000	514,664	393,154
Wages and benefits	434,000	447,034	424,870
Amortization of tangible capital assets	220,000	279,062	261,141
Marketing	238,000	116,158	92,822
Downtown redevelopment	100,000	100,696	5,796
Rent	-	50,680	71,957
Common area costs	60,000	36,278	56,542
Insurance	35,000	35,814	33,492
Office and administration	45,700	32,367	42,577
Premise operating costs	55,150	28,177	23,994
Professional fees	42,000	18,738	19,835
Repairs and maintenance	18,500	24,449	20,558
Utilities	8,000	15,695	17,173
Interest and bank charges	2,500	1,190	2,248
	1,648,850	1,701,002	1,466,159
Annual surplus before other items	371,485	350,285	1,391,967
Loss on disposal of capital assets	-	3,323	-
Distribution to City of Chilliwack (note 8)	-	-	(1,870,105)
Annual surplus (deficit)	371,485	346,962	(478,138)
Accumulated surplus, beginning of year	13,635,564	13,635,564	14,113,702
Accumulated surplus, end of year	\$ 14,007,049	\$ 13,982,526	\$ 13,635,564

See accompanying notes to financial statements.



# CHILLIWACK ECONOMIC PARTNERS CORPORATION

## Statement of Change in Net Financial Assets

Year ended December 31, 2019, with comparative information for 2018

	2019		2019	2018
	Budget		Actual	Actual
Annual surplus (deficit)	\$ 371,485	\$	346,962	\$ (478,138)
Acquisition of tangible capital assets	-		(6,940)	(222,687)
Amortization of tangible capital assets	220,000		279,062	261,141
Decrease in property under development	-		-	1,870,105
Change in prepaid expenses	-		47,313	(951,847)
Loss on disposal of capital assets	-		3,323	-
	220,000		322,758	956,712
Change in net financial assets	591,485		669,720	478,574
Net financial assets, beginning of year	4,320,952		4,320,952	3,842,378
Net financial assets, end of year	\$ 4,912,437	\$	4,990,672	\$ 4,320,952

See accompanying notes to financial statements.



# CHILLIWACK ECONOMIC PARTNERS CORPORATION

## Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ 346,962	\$ (478,138)
Items not involving cash:		
Amortization of tangible capital assets	279,062	261,141
Loss on disposal of capital assets	3,323	-
Distribution to City of Chilliwack	-	1,870,105
Premises cost recovery	-	(1,000,000)
	629,347	653,108
Changes in non-cash operating working capital:		
Accounts receivable	(16,861)	(34,095)
Prepaid expenses	47,313	48,153
Accounts payable and accrued liabilities	29,868	(29,704)
Unearned revenue	136,184	31,061
	825,851	668,523
Capital activities:		
Acquisition of tangible capital assets	(6,940)	(222,687)
Investing activities:		
Increase in investments	(1,409,994)	(1,079,047)
Repayment of financing lease receivable	542,648	524,011
	(867,346)	(555,036)
Decrease in cash	(48,435)	(109,200)
Cash, beginning of year	277,732	386,932
Cash, end of year	\$ 229,297	\$ 277,732

See accompanying notes to financial statements.



# CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements

Year ended December 31, 2019

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## Basis of presentation:

Chilliwack Economic Partners Corporation (the "Corporation") is wholly owned by the City of Chilliwack (the "City") and is responsible for economic development activity within the City's boundaries.

### 1. Significant accounting policies:

These financial statements are prepared in accordance with the CPA Canada Public Sector Accounting Handbook. The Corporation's significant accounting policies are as follows:

(a) Investments:

Investments are recorded at amortized cost plus accrued interest. If it is determined that there is a permanent impairment in the value of an investment, it is written down to net realizable value.

(b) Property under development:

Property under development is recorded at the lower of cost and net realizable value and includes direct costs and capitalized interest.

(c) Tangible capital assets:

Tangible capital assets are recorded at cost. Website costs include hardware and software costs, graphics designs and major enhancements. Website maintenance and ancillary costs are expensed. Amortization commences in the year that the asset is put into use and is provided for using the following methods and annual rates:

Asset	Basis	Rate
Buildings	Declining balance	4%
Computer and office equipment	Declining balance	20% - 30%
Telecommunication equipment	Declining balance	20%

Leasehold improvements are amortized on the straight-line basis over the term of the lease plus one renewal period if it is anticipated that the lease will be renewed.

Website costs are amortized on the straight-line basis over three years.

# CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2019

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## 1. Significant accounting policies (continued):

### (d) Revenue recognition:

Revenues are recognized on the accrual basis according to the terms of the contractual agreements.

### (e) Budget figures:

Budget figures represent the budget approved by the Board of Directors on December 13, 2018.

### (f) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

## 2. Bank operating line:

The Corporation has an operating line of credit for a maximum of \$1,000,000 (2018 - \$1,000,000) that is due on demand, bears interest at prime plus 2.00% and is secured by a general security agreement. No funds were drawn on the line of credit as at December 31, 2019.



# CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2019

### 3. Financing lease receivable:

The Corporation has entered into a series of agreements with the RCMP including a Ground Lease, Lease and Firing Range Development Agreement all related to the development and construction of the RCMP Firing Range at Canada Education Park. As a result of these agreements, the Corporation was responsible for the development of the project including the construction of the Firing Range on behalf of the RCMP. The construction of the project was completed in 2015.

As part of the agreements, any costs of construction in excess of an agreed amount was to be carried by the Corporation and financed over five years commencing January 1, 2016. The resulting financing lease receivable is being repaid in monthly installments of \$47,306 including interest at 3.5% and is secured by a lease agreement over the RCMP Firing Range.

### 4. Property under development:

	2019	2018
Canada Education Park:		
Land	\$ 1,353,755	\$ 1,353,755
Roads, water, and sewer	1,709,289	1,709,289
Other improvements	195,748	195,748
	<u>3,258,792</u>	<u>3,258,792</u>
Downtown Redevelopment:		
Land	627,068	627,068
Less provision for impairment	(203,900)	(203,900)
	<u>423,168</u>	<u>423,168</u>
	<u>\$ 3,681,960</u>	<u>\$ 3,681,960</u>

Included in property under development is \$321,421 (2018 - \$321,421) in capitalized interest.

# CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2019

## 5. Tangible capital assets:

	2019 Opening cost	Additions	Disposals	2019 Closing cost
Buildings	\$ 5,204,643	\$ -	\$ -	\$ 5,204,643
Leasehold improvements	907,687	2,550	-	910,237
Computer and office equipment	310,746	1,990	151,815	160,921
Website	114,187	2,400	-	116,587
Telecommunication equipment	28,590	-	23,291	5,299
Land	196,196	-	-	196,196
	\$ 6,762,049	\$ 6,940	\$ 175,106	\$ 6,593,883

	2019 Opening accumulated amortization	Disposals	Amortization expense	2019 Closing accumulated amortization
Buildings	\$ 1,098,182	\$ -	\$ 186,369	\$ 1,284,551
Leasehold improvements	643,188	-	58,557	701,745
Computer and office equipment	228,153	149,070	19,638	98,721
Website	97,397	-	13,593	110,990
Telecommunication equipment	26,958	22,713	905	5,150
	\$ 2,093,878	\$ 171,783	\$ 279,062	\$ 2,201,157

	2019 Opening net book value	2019 Closing net book value
Buildings	\$ 4,106,461	\$ 3,920,092
Leasehold improvements	264,499	208,492
Computer and office equipment	82,593	62,200
Website	16,790	5,597
Telecommunication equipment	1,632	149
Land	196,196	196,196
	\$ 4,668,171	\$ 4,392,726



# CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2019

## 6. Accumulated surplus:

Accumulated surplus consists of the following:

	2019	2018
Share capital (note 7)	\$ 100	\$ 100
Equity in tangible capital assets and property under development	8,074,686	8,350,131
Unrestricted equity	5,907,740	5,285,333
	<u>\$ 13,982,526</u>	<u>\$ 13,635,564</u>

## 7. Share capital:

	2019	2018
Issued and authorized with no par value: 100 Common shares	\$ 100	\$ 100

## 8. Related party transactions and economic dependence:

During the year, the City of Chilliwack (the "City") provided \$600,000 (2018 - \$550,000) in revenue for economic development purposes.

No property taxes were paid on any land owned by the Corporation as it is exempt as a result of the indirect land ownership by the City.

During 2018, the Corporation transferred property with a net book value of \$1,870,105 to the City for no consideration. No transfers occurred in 2019.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

The Corporation is wholly-owned by the City.

# CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2019

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## 9. Financial instruments:

The Corporation is exposed to market risks from its use of financial instruments. Management does not believe that the Corporation's financial instruments are exposed to significant credit risk or liquidity risk.

Market risk is the risk that changes in market prices, such as interest rates, will affect the Corporation's income. The Corporation's cash and investments include amounts on deposit with financial institutions that earn interest at market rates. The Corporation manages its cash by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market rates of interest would not have a significant effect on the Corporation's cash and investments.

The fair value of the Corporation's cash, accounts receivable, accounts payable and accrued liabilities and unearned revenue approximate their carrying amounts due to the relatively short periods to maturity of these items. The fair value of the investments and financing lease receivable approximate their carrying amounts based on their market based interest rates.

## 10. Income taxes:

The Corporation is exempt from income taxes under Section 149 of the Income Tax Act, Canada.

## 11. Commitments:

The Corporation has committed to lease office equipment until January 2023 for minimum annual lease payments of \$2,520.

## 12. Comparative information:

Certain comparative information has been reclassified to conform to the financial statement presentation adopted in the current year. These reclassifications do not impact 2018 operations.



# CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2019

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## 13. Employee future benefits:

The Corporation 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, 2018, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 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 valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Corporation paid \$37,034 (2018 - \$36,015) for employer contributions to the plan in fiscal 2018.

The next valuation will be as at December 31, 2021, with results available in 2022.

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.



# CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2019

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## 14. Contractual rights:

The Corporation is entitled to the following receipts under financial lease receivables, grants and rental agreements over the next five years:

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2020	\$ 1,582,018
2021	1,132,667
2022	966,000
2023	966,000
2024	366,000
Thereafter	427,000
	<hr/>
	\$ 5,439,685

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## 15. Segmented information:

The Corporation is a diversified other government organization that provides a wide range of services, including:

### Property sales and construction

Property sales and construction includes the proceeds and costs related to the development, sales of commercial industrial or institutional buildings and lots in Chilliwack and the construction or construction management of projects for other parties.

### Rent and contracted services

Rent includes all activities associated with the rental of buildings and land owned by the Corporation. Contracted services includes all activities related to property management services.

### Economic development

Economic development includes all activities associated with economic development activity in Chilliwack.



# CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2019

## 15. Segmented information (continued):

The following table outlines the Corporation's revenues and expenses by operating segments:

	Property sales and construction	Rent and contracted services	Economic development	2019	2018
<b>Revenues:</b>					
Rent	\$ -	\$ 655,790	\$ -	\$ 655,790	\$ 678,385
Contracted services	-	649,470	-	649,470	502,889
Economic development	-	-	600,000	600,000	550,000
Interest	-	-	127,429	127,429	102,320
Government programs	-	-	10,000	10,000	7,500
Other	-	-	4,800	4,800	10,500
Property development and construction	3,798	-	-	3,798	6,532
Cost recovery and other receipts	-	-	-	-	1,000,000
	3,798	1,305,260	742,229	2,051,287	2,858,126
<b>Expenses:</b>					
Contracted services	-	514,664	-	514,664	393,154
Wages and benefits	40,233	89,407	317,394	447,034	424,870
Amortization of tangible capital assets	-	270,302	8,760	279,062	261,141
Marketing	-	-	116,158	116,158	92,822
Downtown redevelopment	-	-	100,696	100,696	5,796
Rent	4,561	10,136	35,983	50,680	71,957
Common area costs	-	36,278	-	36,278	56,542
Insurance and utilities	-	51,509	-	51,509	50,665
Other	17,432	17,432	17,431	52,295	64,660
Premise operating costs	2,536	5,635	20,006	28,177	23,994
Repairs and maintenance	-	24,449	-	24,449	20,558
	64,762	1,019,812	616,428	1,701,002	1,466,159
Loss on disposal of capital assets	-	3,323	-	3,323	-
Annual surplus before other items	\$ (60,964)	\$ 282,125	\$ 125,801	\$ 346,962	\$ 1,391,967



Consolidated Financial Statements of

# **TOURISM CHILLIWACK INC.**

And Independent Auditors' Report thereon

Year ended December 31, 2019



KPMG LLP  
200-9123 Mary Street  
Chilliwack BC V2P 4H7  
Canada  
Telephone (604) 793-4700  
Fax (604) 793-4747

## INDEPENDENT AUDITORS' REPORT

To the Shareholder of Tourism Chilliwack Inc.

### *Opinion*

We have audited the accompanying consolidated financial statements of Tourism Chilliwack Inc. (the "Company") which comprise:

- the consolidated statement of financial position as at end of December 31, 2019
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of change in net assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Tourism Chilliwack Inc. as at December 31, 2019 and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis of Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Company 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.

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

*Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

*Auditors' Responsibilities for the Audit of the Financial Statements'*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company 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.
- 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.



Chartered Professional Accountants

Chilliwack, Canada

April 21, 2020



# TOURISM CHILLIWACK INC.

## Consolidated Statement of Financial Position

December 31, 2019, with comparative information for 2018

	2019	2018
<b>Financial assets:</b>		
Cash	\$ 870,766	\$ 497,707
Accounts receivable	138,382	152,091
Long-term investments (note 2)	230,660	226,463
	<u>1,239,808</u>	<u>876,261</u>
<b>Financial liabilities:</b>		
Accounts payable and accrued liabilities	122,795	93,546
Due to City of Chilliwack (note 11)	166,565	167,560
Deferred revenue	291,147	57,775
	<u>580,507</u>	<u>318,881</u>
<b>Net financial assets</b>	659,301	557,380
<b>Non-financial assets:</b>		
Inventories (note 3)	19,872	12,627
Prepaid expenses and deposits	15,088	12,426
Tangible capital assets (note 4)	29,410	41,150
Goodwill	6,120	6,120
	<u>70,490</u>	<u>72,323</u>
Contingency (note 10)		
Subsequent event (note 13)		
<b>Accumulated surplus</b>	<u>\$ 729,791</u>	<u>\$ 629,703</u>
<b>Represented by:</b>		
Share capital (note 5)	\$ 1	\$ 1
Unrestricted equity	700,380	588,552
Equity in tangible capital assets	29,410	41,150
	<u>\$ 729,791</u>	<u>\$ 629,703</u>

See accompanying notes to financial statements.

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director



# TOURISM CHILLIWACK INC.

## Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2019, with comparative information for 2018

	2019 Budget	2019 Actual	2018 Actual
<b>Revenues:</b>			
Sales, rental and other income	\$ 684,330	\$ 836,505	\$ 758,892
Operating agreements (note 6)	490,411	532,511	486,411
Hotel tax	375,000	468,803	366,616
Advertising revenues	218,176	149,543	154,690
Interest income	6,510	7,659	4,210
	<u>1,774,427</u>	<u>1,995,021</u>	<u>1,770,819</u>
<b>Expenditures:</b>			
Staffing costs	778,874	757,741	686,722
Advertising and business development	432,613	455,546	409,289
Operations	237,120	283,186	233,165
Administration	115,235	139,335	119,163
Utilities	96,285	79,760	81,610
Amortization of tangible capital assets	12,196	12,800	18,028
	<u>1,672,323</u>	<u>1,728,368</u>	<u>1,547,977</u>
Annual surplus before distribution	102,104	266,653	222,842
Distribution to City of Chilliwack (note 11)	(141,721)	(166,565)	(167,560)
Annual surplus (deficit)	(39,617)	100,088	55,282
Accumulated surplus, beginning of year	629,703	629,703	574,421
Accumulated surplus, end of year	<u>\$ 590,086</u>	<u>\$ 729,791</u>	<u>\$ 629,703</u>

See accompanying notes to financial statements.



# TOURISM CHILLIWACK INC.

## Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2019, with comparative information for 2018

	2019 Budget	2019 Actual	2018 Actual
Annual surplus (deficit)	\$ (39,617)	\$ 100,088	\$ 55,282
Acquisition of tangible capital assets	-	(1,060)	(18,185)
Amortization of tangible capital assets	12,196	12,800	18,028
	12,196	11,740	(157)
Change in inventories	-	(7,245)	2,187
Change in prepaid expenses and deposits	-	(2,662)	4,918
	-	(9,907)	7,105
Change in net financial assets	(27,421)	101,921	62,230
Net financial assets, beginning of year	557,380	557,380	495,150
Net financial assets, end of year	\$ 529,959	\$ 659,301	\$ 557,380

See accompanying notes to financial statements.

# TOURISM CHILLIWACK INC.

## Consolidated Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 100,088	\$ 55,282
Item not involving cash:		
Amortization of tangible capital assets	12,800	18,028
	112,888	73,310
Changes in non-cash operating assets and liabilities:		
Accounts receivable	13,709	(17,091)
Inventories	(7,245)	2,187
Prepaid expenses and deposits	(2,662)	4,918
Accounts payable and accrued liabilities	29,249	(1,534)
Due to City of Chilliwack	(995)	4,373
Deferred revenue	233,372	4,662
	378,316	70,825
Capital activities:		
Acquisition of tangible capital assets	(1,060)	(18,185)
Investing activities:		
Increase in long-term investments	(4,197)	(1,463)
Increase in cash	373,059	51,177
Cash, beginning of year	497,707	446,530
Cash, end of year	\$ 870,766	\$ 497,707

See accompanying notes to financial statements.



# TOURISM CHILLIWACK INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2019

## 1. Significant accounting policies (continued):

### (e) Revenue recognition:

Grant revenues are recognized when the grants have been approved and the conditions required to earn the grants have been completed.

Revenue from the sale of goods is recorded at time of sale.

Advertising commission revenue is recognized when the related advertisement or commercial appears before the public.

### (f) Budget figures:

Budget figures represent the budget approved by board of directors on November 13, 2018.

### (g) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

## 2. Long-term investments:

	2019	2018
Term deposit with interest at 3.05%, maturing on December 29, 2020	\$ 128,145	\$ 125,813
Term deposit with interest at 3.05%, maturing on December 30, 2020	102,515	100,650
	<u>\$ 230,660</u>	<u>\$ 226,463</u>

## 3. Inventories:

	2019	2018
Flag shop inventory	\$ 11,104	\$ 9,264
Maps, apparels and books	8,768	3,363
	<u>\$ 19,872</u>	<u>\$ 12,627</u>

# TOURISM CHILLIWACK INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2019

## 1. Significant accounting policies (continued):

### (e) Revenue recognition:

Grant revenues are recognized when the grants have been approved and the conditions required to earn the grants have been completed.

Revenue from the sale of goods is recorded at time of sale.

Advertising commission revenue is recognized when the related advertisement or commercial appears before the public.

### (f) Budget figures:

Budget figures represent the budget approved by board of directors on November 13, 2018.

### (g) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

## 2. Long-term investments:

	2019	2018
Term deposit with interest at 3.05%, maturing on December 29, 2020	\$ 128,145	\$ 125,813
Term deposit with interest at 3.05%, maturing on December 30, 2020	102,515	100,650
	<u>\$ 230,660</u>	<u>\$ 226,463</u>

## 3. Inventories:

	2019	2018
Flag shop inventory	\$ 11,104	\$ 9,264
Maps, apparels and books	8,768	3,363
	<u>\$ 19,872</u>	<u>\$ 12,627</u>



# TOURISM CHILLIWACK INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2019

## 4. Tangible capital assets:

	2019			2019
	Opening	Additions	Disposals	Closing
	Cost			Cost
Furniture and fixtures	\$ 65,201	\$ -	\$ -	\$ 65,201
Computers	59,917	1,060	-	60,977
Leasehold improvements	127,915	-	-	127,915
Website	81,222	-	-	81,222
	\$ 334,255	\$ 1,060	\$ -	\$ 335,315

	2019 Opening		Disposals	Amortization	2019 Closing
	Accumulated			expense	Accumulated
	Amortization				Amortization
Furniture and fixtures	\$ 49,292	\$ -	\$ 4,026	\$ 53,318	
Computers	49,971	-	3,301	53,272	
Leasehold improvements	118,512	-	2,820	121,332	
Website	75,330	-	2,653	77,983	
	\$ 293,105	\$ -	\$ 12,800	\$ 305,905	

	2019 Opening	2019 Closing
	Net book value	Net book value
Furniture and fixtures	\$ 15,909	\$ 11,883
Computers	9,946	7,705
Leasehold improvements	9,403	6,583
Website	5,892	3,239
	\$ 41,150	\$ 29,410

Not included in tangible capital assets is \$68,143 (2018 - \$68,143) of works of art and cultural assets. During fiscal 2017, when these were purchased they were expensed on the statement of operations.

# TOURISM CHILLIWACK INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2019

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## 5. Share capital:

	2019	2018
Authorized:		
Unlimited Common shares		
Issued with no par value:		
100 Common shares	\$ 1	\$ 1

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## 6. Related party transactions and economic dependence:

During the year, the City of Chilliwack (the "City") provided funds under operating agreements totalling \$512,100 (2018 - \$466,000) to the Company. The City has agreed to provide future annual operating funds based on a pre-determined formula.

In addition, the Company had other sales transactions with the City in the aggregate amount of \$90,975 (2018 - \$35,519) and purchased services from the City totaling \$17,853 (2018 - \$14,338).

The Company is a wholly-owned subsidiary of the City. See also note 11.

All transactions with the City are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

During the year the Company had sales of \$50,867 (2018 - \$29,076) and made purchases of goods and services of \$27,742 (2018 - \$27,045) with entities that have an individual on the Company's board of directors. These transactions were on the same terms and conditions as transactions with other parties.

## 7. Financial instruments:

The Company is exposed to financial risks from its use of financial instruments. Management does not believe that the Company's financial instruments are exposed to significant liquidity risk.

Market risk is the risk that changes in market prices, such as interest rates, will affect the Company's income. The Company's cash and term deposits include amounts on deposit with financial institutions that earn interest at market rates. The Company manages its cash by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market rates of interest would not have a significant effect on the Company's income.



# TOURISM CHILLIWACK INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2019

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## 7. Financial instruments (continued):

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk due to the potential non-collection of accounts receivable.

The carrying value of cash, accounts receivable, accounts payable and accrued liabilities and deferred revenue approximate their fair value due to the relatively short periods to maturity of these items. The carrying value of long-term investments approximate their fair value based on their market-based interest rates.

## 8. Income taxes:

The Company is exempt from income taxes under Section 149 of the Income Tax Act, Canada.

## 9. Employee future benefits:

The Company 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, 2018, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 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, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Company paid \$10,392 (2018 - \$11,125) for employer contributions to the plan in fiscal 2019.

The next valuation will be as at December 31, 2021, with results available in 2022.



# TOURISM CHILLIWACK INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2019

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## 9. Employee future benefits (continued):

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.

## 10. Contingency:

The Company entered into an agreement in 2011 with the City of Chilliwack which took into effect on January 1, 2012. The agreement has been renewed for an additional five years starting January 1, 2017. The agreement outlines the management and operation of Chilliwack Heritage Park.

As a condition of the agreement with the City, the Company issued a non-revocable Letter of Credit in the amount of \$50,000 as a guarantee for the due and faithful performance of the agreement.

## 11. Distribution to City of Chilliwack:

In accordance with an agreement between the Company and the City of Chilliwack, a distribution of funds derived from the operation of Chilliwack Heritage Park is returned to the City and put into a building reserve fund, specifically for future use at Chilliwack Heritage Park.

## 12. Contractual rights:

The Company has entered into contracts for various operating agreements. The Company is scheduled to receive the following amounts under those contracts:

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2020	\$	532,300
2021		546,700
	\$	1,079,000

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# TOURISM CHILLIWACK INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2019

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## 13. Subsequent event:

Subsequent to December 31, 2019 the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social dislocating impact.

At the time of approval of these financial statements, the entity has experienced the following indicators of financial implication and undertaken the following activities in relation to the COVID-19 pandemic:

- Potential reduction in revenue due to facilities closing, services decreasing and less hotel tax received;
- Closure of facilities in March 2020 to the date of the auditors' report based on public health recommendations; and
- Mandatory working from home requirements for those able to do so.

At this time these factors present uncertainty over future cash flows, may cause significant changes to the assets or liabilities and may have a significant impact on future operations. An estimate of the financial effect is not practicable at this time.

## 14. Segmented information:

The Company is a diversified other government organization that provides a range of services, including:

### Facility Management

Facility Management includes all activities associated with the operation of Chilliwack Heritage Park including renting the facility for various events.

### Tourism Services

Tourism Services includes all activities associated with the operation of the Chilliwack Visitor Centre including co-coordinating and delivering tourism marketing programs aimed at promoting Chilliwack as a tourist destination.

### Retail Services

Retail Services includes all activities associated with operation of the Flag Shop including selling various national and international flags and other souvenir items.

# TOURISM CHILLIWACK INC.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2019

## 14. Segmented information (continued):

The following table outlines the Company's revenues and expenditures by operating segments:

	Facility Management	Tourism services	Retail services	Eliminations	2019	2018
<b>Revenues:</b>						
Sales, rental and other income	\$ 630,132	\$ 54,776	\$ 151,597	\$ -	\$ 836,505	\$ 758,892
Operating agreements	382,100	150,411	-	-	532,511	486,411
Hotel tax	-	468,803	-	-	468,803	366,616
Advertising revenues	-	214,543	-	(65,000)	149,543	154,690
Interest income	1,432	6,227	-	-	7,659	4,210
	1,013,664	894,760	151,597	(65,000)	1,995,021	1,770,819
<b>Expenditures:</b>						
Staffing costs	464,943	265,069	27,729	-	757,741	686,722
Advertising and business development	65,000	452,883	2,663	(65,000)	455,546	409,289
Operations	185,692	19,904	77,590	-	283,186	233,165
Administration	55,118	78,387	5,830	-	139,335	119,163
Utilities	74,895	4,865	-	-	79,760	81,610
Amortization	1,451	11,349	-	-	12,800	18,028
	847,099	832,457	113,812	(65,000)	1,728,368	1,547,977
<b>Annual surplus before distribution</b>	<b>\$ 166,565</b>	<b>\$ 62,203</b>	<b>\$ 37,785</b>	<b>\$ -</b>	<b>\$ 266,653</b>	<b>\$ 222,842</b>



The City of Chilliwack would like to thank the photographers whose images brought life to the pages of our 2019 Annual Report.



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