



2020

ANNUAL MUNICIPAL REPORT

For the fiscal year ended December 31, 2020



CITY OF
CHILLIWACK



City of Chilliwack

British Columbia, Canada

2020 Annual Municipal Report

For the fiscal year ended December 31, 2020

PREPARED BY THE CITY OF CHILLIWACK
FINANCE DEPARTMENT

8550 YOUNG RD. • CHILLIWACK • BC • V2P 8A4



BRIDLE
TRAIL (PR...

VEDDER ROTARY
TRAIL SOUTH

CROSSING PARK

VEDDER PARK

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Introduction

City Snapshot

Message from the Mayor

Organizational Chart

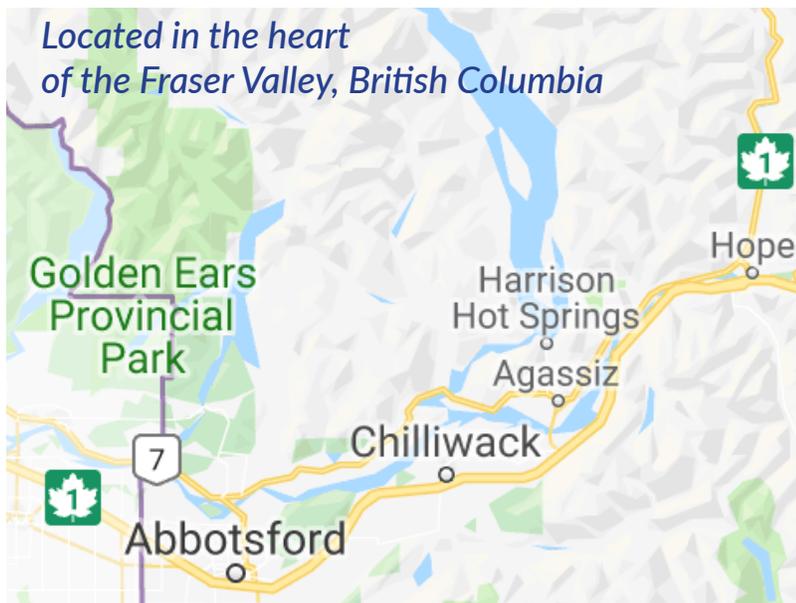
City Council

Boards & Committees

2020 Highlights

Council's Strategic Goals

City Snapshot



* \$699,000
Average House Price



* Source: Canadian Real Estate Assoc.

5

Off Leash Dog Areas



521

New Business Licences Issued



70%

Curbside Waste Diversion Rate



96,444

Population



400 Ha

Green Space



\$275 M

Building Permit Construction Values





24
COUNCIL MEETINGS

11
PUBLIC HEARINGS

Message from the Mayor

On behalf of Council, it is my pleasure to present the 2020 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 our collective achievements, as well as a road map for where we plan to go next.

2020 was an extremely difficult year for everyone. As the COVID-19 pandemic began to heavily impact BC, we had to temporarily close leisure centres, rinks, playgrounds, sports courts, and more. To help residents stay connected with the City, we shifted our public hearing process online, established ticket windows at City Hall, launched a new reporting app, e-newsletter and an engagement website, engagechilliwack.com. We also developed the Together Apart Grant, joined the Chilliwack Economic Recovery Network, offered utility bill relief and delayed late property tax payment penalties to support residents and local businesses during this time.

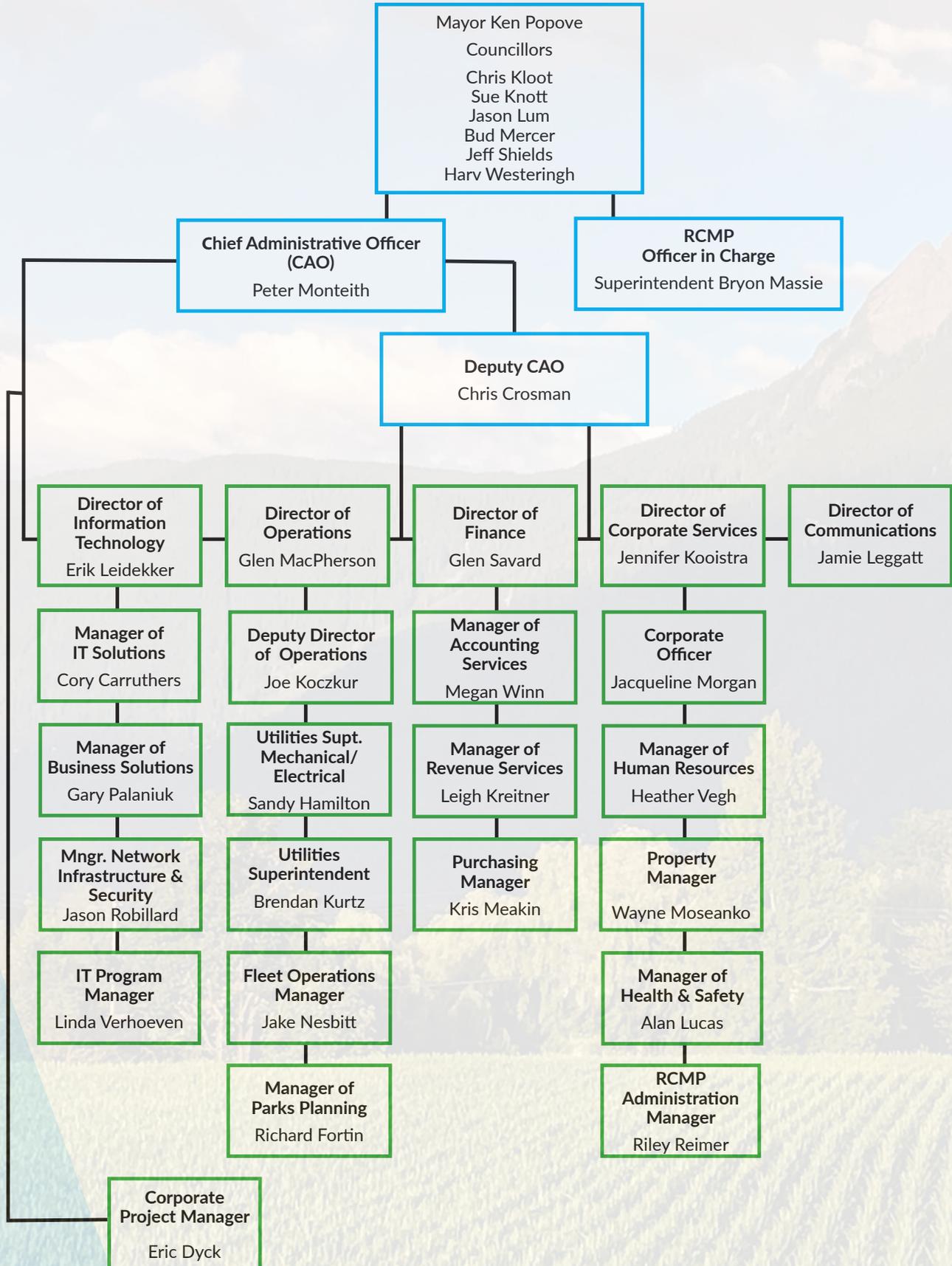
Fortunately, equipped with new safety measures, many City projects continued. We installed Coast Salish artwork in the Vedder roundabout, added a Halq'eméylem welcome to our highway entrance signs, established an accessible playground at Promontory West Park, and started construction on a new pump track facility at the Landing. We extended the Valley Rail Trail from Airport to Hocking, approved 23 locations for rectangular rapid flashing beacon crosswalks, upgraded the Five Corners intersection, and continued work to widen Vedder and Promontory Roads.

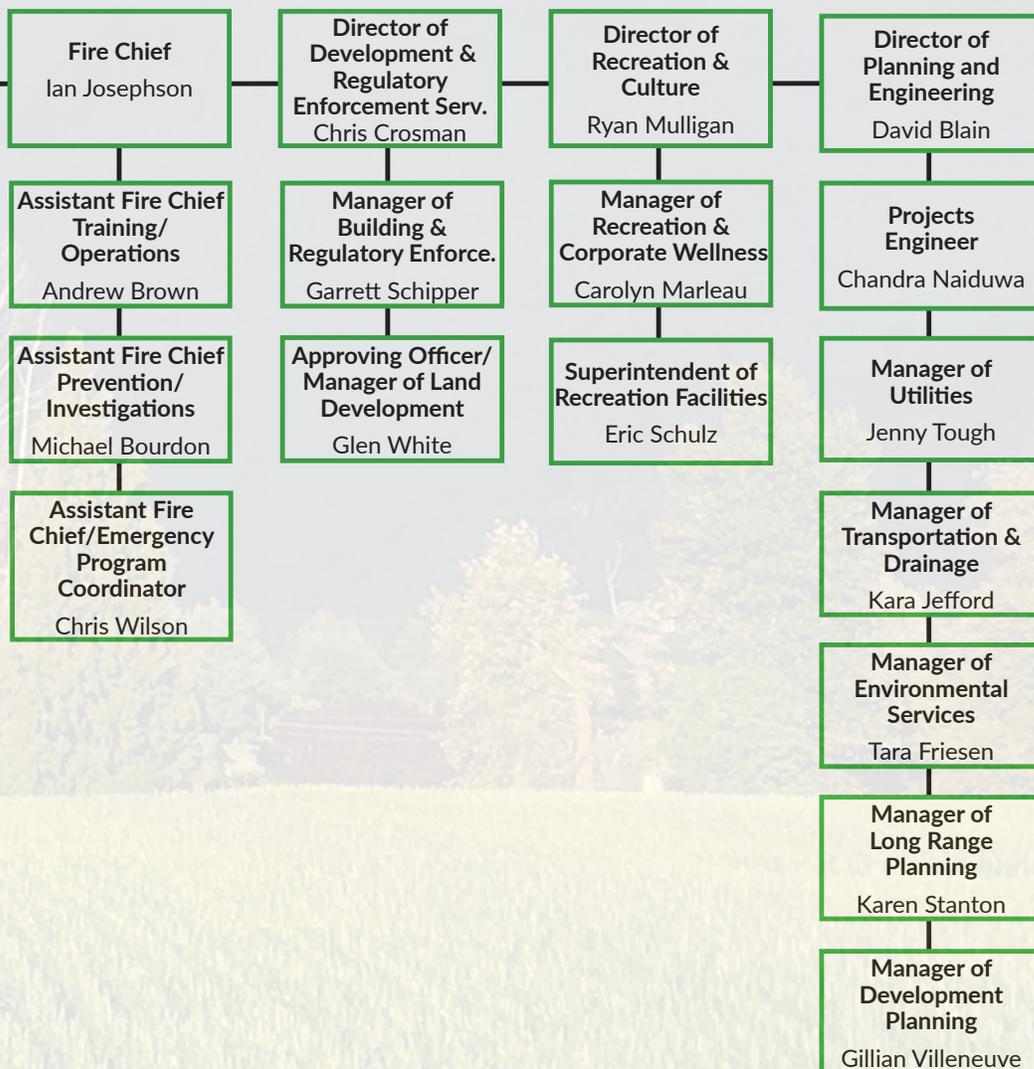
The successes we achieved in 2020 would not have been possible without the hard work and dedication of Council, advisory committee members, volunteers, City staff, and you, the citizens of Chilliwack. To anyone who called, emailed, took a survey, left a comment, or attended a virtual meeting this year – thank you. Even during a pandemic, your participation helps us make Chilliwack an even better place to work, live and play, and we look forward to another year of progress with you.

Enjoy the read!

Mayor Ken Popove

Organizational Chart





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 and Development Advisory Committee

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

Agricultural and Rural Advisory Committee

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

Chilliwack Business Improvement Association (BIA)

Councillor Sue Knott (Liaison)

Chilliwack Arts and 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 Parks and Trails Advisory Committee

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

Chilliwack Public Art Advisory Committee

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

Community Advisory Board

Mayor Ken Popove
Councillor Harv Westeringh

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

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

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

Councillor Sue Knott

Heritage Advisory Committee

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

Integrated Community Safety Task Force

Councillor Bud Mercer (Chair)
Clint Hames, Former Mayor (Co-Chair)
Mayor Ken Popove

Mayor's Task Force on Inclusiveness, Diversity and Accessibility

Mayor Ken Popove (Co-Chair)
Councillor Jason Lum (Co-Chair)
Councillor Bud Mercer (Co-Chair)

Parcel Tax Roll Review Panel

Councillor Jeff Shields
Councillor Harv Westeringh
Councillor Bud Mercer

Public Safety Advisory Committee

Councillor Jason Lum (Co-Chair)
Councillor Bud Mercer (Co-Chair)

Tourism Chilliwack

Councillor Harv Westeringh (Liaison)

Transportation Advisory Committee

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

2020 HIGHLIGHTS

GOOD STEWARDSHIP OF MUNICIPAL INFRASTRUCTURE

Invested \$3.4M into the road rehabilitation program.

Inlet works upgrade at the Wastewater Treatment Plant continued with the underground utility installation complete and construction of the concrete foundation underway.



ENVIRONMENTAL STEWARDSHIP

Extended the Valley Rail Trail north from Airport Road to Hocking Avenue to extend the all ages and abilities cycling facility.



STRONG NEIGHBOURHOODS

Construction began on the Chilliwack Pump Track facility, a paved, looping circuit for bikes, scooters, skateboards and more at the Landing Leisure Centre.



VIBRANT ECONOMY

Downtown Redevelopment - Multi-phase downtown redevelopment at Five Corners underway with new businesses opened in 2020.

CUSTOMER SERVICE

Established kiosk style windows at the front of City Hall to safely allow in-person customer services during the COVID-19 pandemic.

COMMUNITY SAFETY

Mobile security patrols: overnight and day patrols to improve the safety of parks and public spaces.



CONNECTED COMMUNITY

Established an e-newsletter service and sent out monthly newsletters about general City news and transportation projects.

COUNCIL'S STRATEGIC GOALS

Council's strategic goals provide a framework for the decisions made by Council and guide the City's approach for delivering services to the community.

Financial Stability



Plan for anticipated community needs while maintaining reasonable property tax levels for taxpayers.

Good Stewardship of Municipal Infrastructure



Ensure proactive and preventative maintenance of roads, utility, water systems, civic facilities and municipal fleet.

Environmental Stewardship



Encourage waste diversion and a "zero waste" philosophy, while working to protect waterways, water course riparian areas and the airshed.

Strong Neighbourhoods



Support accessibility, inclusion, diversity, and truth and reconciliation. Foster community spirit through attraction of community events, supporting of cultural groups plus the provision of high-quality parks and recreational opportunities.

Vibrant Economy



Contract with CEPCO for economic development and encouragement of development in the downtown. Work to create an environment that is positive to business creation.

Connected Community



Provide opportunities to hear from the community, meet with other levels of government and share information throughout the community.

Organizational Excellence



Employ recruitment strategies that focus on attracting the best workforce, while providing opportunity for internal advancement. Provide focus on workplace safety and on-site training while encouraging ongoing professional development.

Customer Service



Ensure employees receive customer service training in order to provide excellent and efficient service to the public

Community Safety



Safety encompasses a wide range of services including fire safety, comprehensive emergency management plans and training. It also includes support of RCMP initiatives and improvements in traffic safety.



STRATEGIC GOAL #1:
FINANCIAL STABILITY

Plan for anticipated community needs and maintain a reasonable tax burden for taxpayers.

HOW WE WILL GET THERE	WHAT WE ACHIEVED IN 2020
<p>ADDRESS COMMUNITY NEEDS Prepare for anticipated and unanticipated community needs</p>	<ul style="list-style-type: none"> ✓ Completed the annual update of our long-term Comprehensive Municipal Plan (CMP). ✓ Maintained Unrestricted General Reserve Fund. ✓ Planning and funding strategies built into the Comprehensive Municipal Plan for projects that may be eligible for future infrastructure grants to ensure municipal funding portions in place.
<p>BALANCED BUDGET Fund planned capital expenditures without long-term borrowing debt and identify grant opportunities</p>	<ul style="list-style-type: none"> ✓ All capital expenditures funded without long-term debt in the 2020 Comprehensive Municipal Plan. ✓ Completed successful applications for available government grant funding programs.
<p>REASONABLE PROPERTY TAXATION Maintain reasonable property tax levels and ensure new growth pays for itself</p>	<ul style="list-style-type: none"> ✓ Chilliwack has the lowest general municipal taxation levy on a representative home when compared to 19 Lower Mainland communities surveyed. With the inclusion of water, sewer and garbage collection fees, Chilliwack’s total fees are lower by an even greater margin, while providing vast services and amenities. ✓ Chilliwack continues to have a low business class multiplier. ✓ Reviewed DCC Bylaw and amended rates accordingly.



STRATEGIC GOAL #2:

GOOD STEWARDSHIP OF MUNICIPAL INFRASTRUCTURE

Maintaining roads, water and sewer systems, civic facilities and municipal fleet.

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2020

**ROAD AND UTILITY
SYSTEM MAINTENANCE**

Minimize service delivery interruptions and meet pavement quality index goals

- ✓ Invested \$3.4M into the road rehabilitation program.
- ✓ Flushed 120% of water system and 130 km of sewer lines.
- ✓ Serviced 1,000+ fire hydrants.
- ✓ Replaced 1,500+ metres of aging cast iron pipes.
- ✓ Replaced 280 metres of existing AC sewer pipes.

**MUNICIPAL FACILITY AND
FLEET MAINTENANCE**

Extend the life of buildings and fund repair and replacements. Maintain fleet for optimal performance and life span.

- ✓ Regular major maintenance and roof inspection completed.
- ✓ Installed composite lockers at Cheam Leisure Centre and the Chilliwack Landing Leisure Centre.
- ✓ Installed new condenser at Sardis Sports Complex.
- ✓ Smart waterslide pump and pipework replacement at the Chilliwack Landing Leisure Centre.
- ✓ 106 heavy duty vehicles/equipment serviced and inspected.
- ✓ Completed over 1,600 repairs and preventative maintenance work orders.

FLOOD PROTECTION

Maintain dykes to provincial standards, ensure adequate drainage and maximize funding opportunities

- ✓ 83,000 linear channel metres of drainage watercourses cleaned with DFO approval.
- ✓ All dykes, pump stations and flood boxes inspected and maintained prior to freshet and high winter stream flows.
- ✓ No gravel removed from Vedder River due to limited sediment accumulation between 2016 and 2020.
- ✓ Received funding to raise the West Dyke (right bank) between Sumas Prairie Road and the Vedder Canal - the design-build is underway. Federal Disaster Mitigation and Adaptation Fund application approved.

WATER QUALITY

Ensure an adequate water supply and maintain potable water standards

- ✓ Stage 2 summer watering restrictions implemented.
- ✓ 1,750 water samples tested through drinking water quality testing program.
- ✓ Semi-annual water main flushing, reservoir cleaning and production well repairs completed.



STRATEGIC GOAL #3:
ENVIRONMENTAL STEWARDSHIP

Encourage waste diversion and a “zero waste” philosophy, while working to protect waterways, water course riparian areas and the airshed.

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2020

PROTECT WATERWAYS AND RIPARIAN AREAS

Enhance fish habitat and maintain Riparian Area Regulation standards

- ✓ Effluent exceeded provincial standards.
- ✓ Inlet Works upgrade at the Wastewater Treatment Plant continued with the underground utility installation complete. Construction of the concrete foundation underway.
- ✓ Completed High Strength Wastewater Pre-Treatment facility at the Waste Water Treatment Plant.
- ✓ Collaborated with Fraser Valley Conservancy and the Province to remove invasive species and replant native vegetation in several creeks.
- ✓ Mitigative measures undertaken to preserve and enhance fish habitats during open channel drainage maintenance.
- ✓ Enforcement of Development Permit Area #3 rules.
- ✓ Enforcement of riparian covenants.

AIR QUALITY

Protect the airshed, measure greenhouse gas emissions and implement energy efficiency opportunities where feasible

- ✓ Followed provincial Agricultural Environmental Management Code of Practice.
- ✓ Air emissions and greenhouse gases attributed to agriculture reviewed as part of the Climate Action Plan update in 2020/21.
- ✓ Utilized methane from Wastewater Treatment Plant to run biogas boiler heat digesters.
- ✓ Organic Food Waste Receiving and Pre-Processing station procurement process underway.
- ✓ Expanded gas extraction system at the Bailey Landfill with the installation of five horizontal gas collectors and an additional four to be installed later in 2020.



STRATEGIC GOAL #3 CONTINUED: ENVIRONMENTAL STEWARDSHIP

Encourage waste diversion and a “zero waste” philosophy, while working to protect waterways, water course riparian areas and the airshed.

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2020

WASTE DIVERSION

Achieve a 75% curbside program waste diversion rate by 2025, promote a “zero waste” philosophy and maximize recycling initiatives

SUSTAINABILITY

Explore renewable energy opportunities, facilitate sustainable transportation and prepare long-term plan for landfill

- ✓ Curbside diversion rate of 70% in 2020.
- ✓ Zero waste initiatives including curbside recycling and compostable programs.
- ✓ Supported Fraser Valley Regional District with the region-wide separation requirements to separate recycling and compostables in all sectors.

- ✓ Provided free transit for National Seniors Day.
- ✓ Extended Valley Rail Trail north from Airport Road to Hocking Avenue to extend the pedestrian and cycling network.
- ✓ Extended bike lane network along Airport Road and Broadway.
- ✓ Continued the conversion of existing street lights and interior lighting in City Hall, the Chilliwack Landing Leisure Centre and Cheam Leisure Centre to LED technology.
- ✓ Received Level 3 recognition from the joint Provincial-UBCM Green Communities Committee for successful efforts to measure and reduce corporate greenhouse gas emissions.
- ✓ Procured an electric ice resurfacing machine for the Sardis Sports Complex.
- ✓ Consistent reviews and implementation of landfill financial planning strategies to ensure continued economic sustainability.



STRATEGIC GOAL #4: STRONG NEIGHBOURHOODS

Support accessibility, inclusion, diversity, and truth and reconciliation, while fostering community spirit, attracting community events and supporting cultural groups, as well as providing high quality parks and recreational opportunities.

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2020

PARKS AND TRAILS

Provide and enhance quality parks and recreational opportunities

- ✓ Over 100 parks and 100 kilometres of trails in City.
- ✓ Installed urban trails in McCutcheon, Watson and Hymar Parks.
- ✓ New park on Sylvan Drive in Promontory to be completed in early 2021.
- ✓ Playground upgrades completed at Maple, Hazel, Laurelwood, Watson, Sunset View, Fern and Hill parks.
- ✓ New playground equipment added to McCutcheon and Jinkerson parks.
- ✓ Park improvements completed at the Landing Leisure Centre, Parker, Watson, Jinkerson, Watson Glen and Yarrow Pioneer parks.
- ✓ Renovated the tennis facility at Kinsmen Park and installed a new sports court at Kensington Park.
- ✓ The Chilliwack Pump Track facility, a paved, looping circuit for bikes, scooters, skateboards and more to be completed at the Landing site in early 2021.
- ✓ 10-year master plan for Vedder Greenway commissioned.
- ✓ Worked with FVRD to enhance “Experience the Fraser” trail connections in Chilliwack.
- ✓ Completed the extension of the multi-use Valley Rail Trail from Airport Road to Hocking Avenue with a paved pathway and pedestrian lighting.

TRUTH AND RECONCILIATION

Build relationships of mutual respect and understanding with local First Nations

- ✓ Relationship building through the Fraser Valley Aboriginal Relations Committee.
- ✓ Supported Orange Shirt Day.
- ✓ Created an Indigenous author library for staff to further their education and understanding.
- ✓ Partnered with Skowkale First Nation and Scouts to plant trees along the salmon bearing Chilliwack Creek.
- ✓ Continued work with Shxwhá:y Village and Skwah First Nation on a combined dyke project that will provide flood protection to both First Nations and City lands and infrastructure.



STRATEGIC GOAL #4 CONTINUED: STRONG NEIGHBOURHOODS

Support accessibility, inclusion, diversity, and truth and reconciliation, while fostering community spirit, attracting community events and supporting cultural groups, as well as providing high quality parks and recreational opportunities.

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2020

COMMUNITY CULTURE

Foster community spirit by attracting community events and supporting cultural groups, community organizations and public art initiatives

- ✓ Chilliwack Public Art Advisory Committee - continued support for public art initiatives.
- ✓ Heritage Park, Chilliwack Coliseum and the Chilliwack Cultural Centre held shows, events, and showcased local artists and performers prior to COVID-19 restrictions.
- ✓ Recognized sport achievement and legacy through Chilliwack Sports Hall of Fame.
- ✓ Recognition of the dedicated volunteers who clean up illegal dumping on a regular basis.
- ✓ Assisted in the coordination of the virtual Canada Day and Terry Fox Run events.
- ✓ Community Development Initiatives policy funded a number of community non-profit service organizations and initiatives.

INCLUSIVENESS

Identify and support projects and programs that nurture accessibility, inclusion and diversity

- ✓ Created the Mayor's Task Force on Inclusiveness, Diversity and Accessibility (MTFIDA).
- ✓ Through MTFIDA, created an Accessibility Advisory Panel.
- ✓ Supported Pink Shirt Day.
- ✓ Supported Chilliwack Healthier Community (CHC).



**STRATEGIC GOAL #5:
VIBRANT ECONOMY**

Contract with CEPCO for economic development. Encourage development in the downtown and foster an environment that is positive to business creation.

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2020

OPEN FOR BUSINESS

Attract and maintain business growth

- ✓ Worked with CEPCO to set mutual priorities for economic development.
- ✓ Continued to provide low business taxes and fees compared to other Lower Mainland communities to attract and retain business within the City.
- ✓ Offer Industrial Revitalization Tax Exemption Bylaw to promote business expansion and reinvestment within the community.

DOWNTOWN REVITALIZATION

Encourage redevelopment in the downtown area

- ✓ Revitalization tax exemptions available to promote business reinvestment.
- ✓ Multi-phase downtown redevelopment at Five Corners is underway with new businesses opened in 2020.
- ✓ Completed the Five Corners Intersection Project to improve connectivity and support revitalization and growth.

PLANNING

Ensure plans are in place to facilitate regional growth predictions

- ✓ Chilliwack’s Official Community Plan and comprehensive Municipal Plan continue to accommodate regional growth.
- ✓ Public engagement on a draft of the Sardis Neighbourhood Plan was initiated. The final plan was presented to Council in November 2020.
- ✓ Aging Adults Housing Study, a Childcare Space Creation Action Plan and Chilliwack Housing Needs report were completed.

TOURISM

Maintain, enhance and promote Chilliwack’s natural beauty and walkability

- ✓ Tourism Chilliwack continued to execute their 2017-2021 Strategic Plan.
- ✓ Art features installed at the Vedder Road and Prest Road roundabouts.
- ✓ Consistently applied the Hillside Development Standards Policy to integrate hillside development within its unique natural context.
- ✓ New sidewalks installed on Webster Avenue, Walden Street and Chilliwack Central Road to improve pedestrian connectivity.



STRATEGIC GOAL #6:

CONNECTED COMMUNITY

Provide opportunities to hear from the community, meet with other levels of government and share information throughout the community.

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2020

COMMUNITY FORUMS

Provide platforms for community feedback on major issues

- ✓ In early 2020, in-person engagement with businesses for the Single-Use Item Reduction Strategy and residents for the Housing Needs Report and Zoning Bylaw took place.
- ✓ Adapting for the COVID-19 pandemic, community feedback was collected online, via email, mail and phone.
- ✓ Online surveys conducted for various initiatives including general community engagement, responsible drinking in parks, community safety, financial planning, the Vedder Greenway, and the Sardis Neighbourhood Plans. Hard copy surveys were also made available.
- ✓ Parks Operations community park development meetings held to receive input and feedback from residents on future park designs.
- ✓ Implemented new online engagement platform “Engage Chilliwack”.

SHARE INFORMATION

Make timely and accurate information available to the community

- ✓ Regular weekly print ads and various radio campaigns run to communicate information.
- ✓ 46 press releases issued.
- ✓ Established an e-newsletter service and sent out monthly newsletters about general City news and transportation projects.
- ✓ City website updated regularly.
- ✓ Information shared through the City’s Facebook, Twitter and Instagram accounts five days a week.
- ✓ The City has 10,836 Facebook followers, 6,615 Twitter followers and 3,942 Instagram followers.

RELATIONSHIPS

Build and maintain relationships with other governments, organizations, and the community

- ✓ Staff continued to build relationships with the development community.
- ✓ Meetings between City elected officials and other municipal, provincial, federal and First Nations officials.



STRATEGIC GOAL #7:

ORGANIZATIONAL EXCELLENCE

Recruitment strategies focus on attracting the best workforce, while providing opportunity for internal advancement. We have a focus on workplace safety and on-site training and professional development.

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2020

RECRUITMENT

Strategize to attract and retain the brightest and the best

PROFESSIONAL DEVELOPMENT

Encourage employee development and create opportunities for internal advancement

WORKPLACE SAFETY

Build and maintain a safe and respectful workplace that minimizes workdays lost due to injury

- ✓ Focus on opportunities for internal advancement for staff.
- ✓ Educational opportunities offered to promote advanced knowledge and qualifications.

- ✓ In person training was limited due to the COVID-19 pandemic. Alternative remote access training options were put in place.
- ✓ Staff from all departments took the Progressive Institute of Education for Chilliwack Employees' Success (PIECES) program through the Justice Institute of BC (JIBC).

- ✓ 2011-2019 year-on-year trendline for claims statistics indicates:
 - 68% reduction in frequency rate
 - 52% reduction in the injury rate
 - 13% reduction in the severity rate



STRATEGIC GOAL #8:
CUSTOMER SERVICE

We ensure employees receive customer service training in order to provide efficient service. We regularly seek taxpayer/customer feedback.

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2020

TRAINING

Train employees to provide quality customer service

- ✓ Individually trained new staff members into customer service positions as required.

EFFICIENCY

Provide fast and efficient service

- ✓ Concerns and issues followed up on promptly.
- ✓ Maintained efficient turnaround times on approvals for all types of development.
- ✓ Building inspection reports recorded electronically and field reports sent directly by email to property owners, applicants and builders.
- ✓ Established “box office” style customer service wickets at the front of City Hall to safely allow in-person customer service during the COVID-19 pandemic.



STRATEGIC GOAL #9:
COMMUNITY SAFETY

Safety encompasses a wide range of services, including fire safety, comprehensive emergency management plans and training. It also includes supporting RCMP initiatives and improving traffic safety.

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2020

FIRE AND LIFE SAFETY

Provide effective fire and life safety education to the community and increase safety in multi-family residential and gated communities

- ✓ Delivered 92 fire safety and emergency preparedness education sessions to 4,395+ people.
- ✓ Community Risk Reduction programs continued to be developed, including the Community Risk Assessment which is currently 65% complete.
- ✓ 114 multi-family residential buildings currently on the fire and life safety upgrade program with 72% of the upgrades completed.

EMERGENCY PREPAREDNESS

Prepare for response and recovery of the City in times of disaster and work with First Nations to integrate emergency plans

- ✓ Exercised the Emergency Response and Recovery Plan through response to the COVID-19 pandemic and the Fraser River freshet.
- ✓ Participated in emergency management training sessions with two First Nations and completed an emergency exercise with another.
- ✓ Developing a working plan for departmental continuity plans.
- ✓ Worked with three First Nations on integrated emergency planning, response and recovery activities. Met extensively with two First Nations on COVID-19 and Fraser River freshet.

FIREFIGHTERS

Continued firefighter staffing requirement planning and increase quality and quantity of firefighter training and education

- ✓ Resilient Minds mental wellness program completed by 40 firefighters.
- ✓ Training and equipment provided to Firehall 3 (Yarrow) to deliver vehicle rescue and extraction services.
- ✓ On-site work continued on the fire training centre.
- ✓ Two firefighters hired in 2020.
- ✓ In-service time for Engine 4 (Sardis) was 100%.



STRATEGIC GOAL #9 CONTINUED:
COMMUNITY SAFETY

Safety encompasses a wide range of services, including fire safety, comprehensive emergency management plans and training. It also includes supporting RCMP initiatives and improving traffic safety.

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2020

TRAFFIC EDUCATION

Support the Safer City initiative working with RCMP and ICBC

- ✓ Safer City initiatives provided motorists, pedestrians and cyclists with road safety knowledge to attempt to reduce local crash statistics.
- ✓ Federal grant received for rail safety education. Focus has been on educating safety at all road/rail crossings.
- ✓ Video campaign in partnership with RCMP and ICBC to focus on road safety around school buses.

RCMP SUPPORT

Support RCMP activities and initiatives and maintain an adequate number of police officers

- ✓ Health and Safety Inspection Team (Fire, Bylaw and RCMP) shut down four controlled substance/marijuana grow operations and conducted 32 health and safety inspections.
- ✓ Health and Safety Inspection Team (Fire, Bylaw and RCMP) assisted with remediation in buildings that may have housed unlicensed marijuana grow operations.
- ✓ City staff worked cooperatively with RCMP on trouble buildings and hotspots.
- ✓ Funded six additional members for 2020 and have funded 31 over the past six years.
- ✓ Maintained a population to member ratio of under 800.

BYLAW ENFORCEMENT

Provide enhanced and proactive bylaw enforcement

- ✓ Two full-time Bylaw Enforcement Officer positions were added to provide year-round support, including evenings and weekends.
- ✓ On average, bylaw officers have over 1,000 interactions with members of the public each month.



STRATEGIC GOAL #9 CONTINUED: COMMUNITY SAFETY

Safety encompasses a wide range of services, including fire safety, comprehensive emergency management plans and training. It also includes supporting RCMP initiatives and improving traffic safety.

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2020

SAFE PUBLIC SPACES

Improve the safety of parks and public places

- ✓ Crime Prevention Through Environmental Design (CPTED) principles applied in park and public space upgrades.
- ✓ Mobile security patrols continued: four patrol vehicles worked overnight and one additional patrol during the day.
- ✓ Night patrols ensured any temporary shelters in parks were removed at the prescribed time.
High visibility patrols with RCMP, Bylaw and security conducted throughout the downtown core and various commercial areas.

ADDRESS SOCIAL ISSUES

Support improved inter-agency coordination and address homelessness

- ✓ Provided funding, meeting space and in-kind staff support for Chilliwack Healthier Community.
- ✓ Co-chaired the Interagency Response Team Situation Table. The team is a partnership of 15+ provincial and local non-profit organizations that connects individuals with appropriate services.
- ✓ Contributed \$450,000 towards BC Housing purchase of a 16-unit site for supportive youth housing to be operated by Cyrus Centre.
- ✓ As per the City's Homelessness Action Plan, supported:
 - Chilliwack Youth Health Centre
 - Housing Hub
 - Annis House Homeless Supports
 - Salvation Army Establishing Home
 - Chilliwack Community Services Community Food Hub
 - Chilliwack & District Seniors Homeless Prevention
 - Cyrus Centre
 - Public bathroom, Central Park





Department Overviews

Administration

Corporate Services

Information Technology

Finance

Engineering

Operations

Fire Protection

Policing

Planning & Development

Recreation & Culture

Tourism Chilliwack

Chilliwack Economic Partners Corporation (CEPCO)

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.



10,836
FACEBOOK FOLLOWERS

6,615
TWITTER FOLLOWERS

3,942
INSTAGRAM FOLLOWERS

46
PRESS RELEASES

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



83
BYLAWS ADOPTED

79
JOB POSTINGS IN 2020

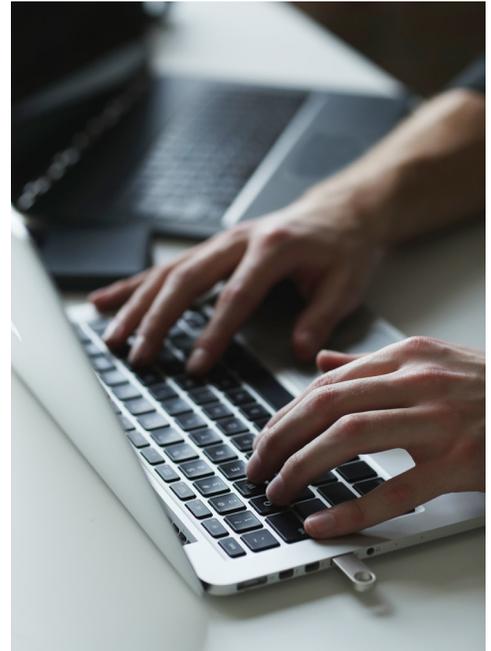
92
FREEDOM OF INFORMATION
REQUESTS

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.



22,146
PARCELS OF LAND
MAINTAINED IN THE
GIS SYSTEM

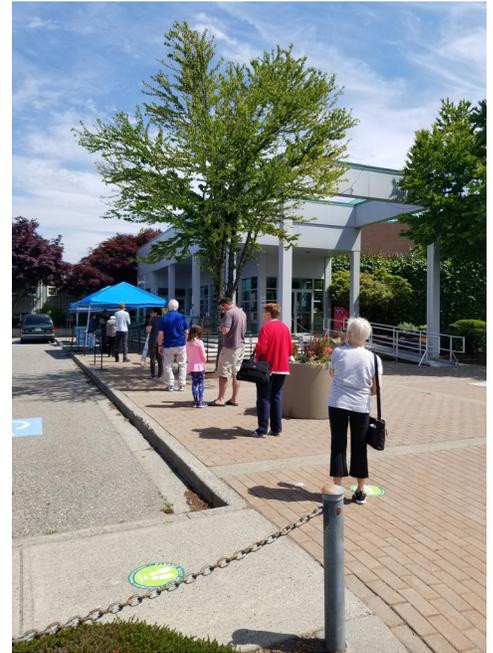
Finance

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



14,533

HOME OWNER GRANTS
PROCESSED ONLINE

4,720

TAX PREPAYMENT PLAN
PARTICIPANTS

16,982

MYCHILLIWACK ACCOUNTS

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, biodiversity and other environmental initiatives are the responsibility of the Engineering Department.

2020 HIGHLIGHTS

Environmental Services Projects

✓ Single-use Item Reduction Strategy

- Strategy adopted by Council in December.
- Plastic retail bags, straws, utensils, foam cups and containers to be prohibited.
- Minimum fees to be applied to paper bags and paper or plastic cups.
- Fibre-based utensils, paper straws, as well as bendable straws for accessibility needs to be made available on request.

✓ Downtown Street Can Replacement

- All street cans in the downtown core were replaced and several cans added at new locations with the completion of the Five Corners project.

✓ Household Hazardous Waste Day

- 13 tonnes and 17,000 litres of waste collected.
- \$3,140 in cash donations.
- 850 lbs. of food collected by the Salvation Army.

✓ Habitat Protection and Enhancement

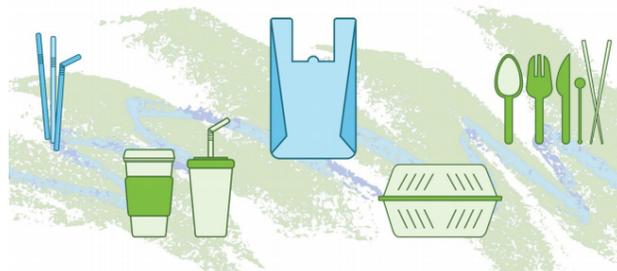
- Over 1,200m of natural trees and shrubs planted along stream banks to restore and enhance wildlife habitat.

✓ Illegal Dumping and Litter Collection

- 3.3 tonnes of waste removed from river banks.
- 109 groups cleaned litter from over 180km of roadways through the Adopt A Road program.
- Free dumping passes to the Bailey Landfill provided to volunteers for clean up of illegally dumped material.

SINGLE-USE ITEM REDUCTION STRATEGY

December 2020



4,075

TONNES OF GLASS &
MIXED RECYCLABLES
COLLECTED

10,281

TONNES OF
COMPOSTABLES
COLLECTED

70%

DIVERSION RATE
THROUGH RECYCLING
& COMPOSTING

Transportation & Drainage Projects

- ✓ Five Corners Intersection Upgrade
- ✓ Chilliwack Central & Prest Road Roundabout
- ✓ Valley Rail Trail North Extension
- ✓ Vedder/Promontory/Prest Design-Build Project
- ✓ Teskey/Spadina/Alder-Webb Design-Build Project



9.5 km
ROADS REPAVED

13 km
PAVED BIKE LANE
IMPROVEMENTS

1,200 m
NEW SIDEWALKS

Utilities

- ✓ Wastewater Treatment Plant Inlet Works Upgrade Project
 - New inlet works building to house new treatment system.
- ✓ Safer City Initiatives
 - Back to School enforcement and education at 23 school sites.
 - 18 Look. Listen. Live. rail safety decals received to raise awareness on rail tracks and train safety.
 - Drive-Thru Chilliwack Safety Fair took place in October.
- ✓ Vedder Road Roundabout Public Art Partnership
 - The Vedder Road Roundabout Art Project was a public art partnership between the City of Chilliwack and the Ts'elxwéyeqw Tribe with support from Stó:lō Nation to celebrate the history of the Ts'elxwéyeqw Tribe and Stó:lō Nation in the spirit of reconciliation and remembrance.



380 m
SEWER MAIN
REPLACEMENT

1,195 m
CAST IRON WATER
PIPES REPLACED

17
WATER CONSERVATION
KITS SOLD

132
REBATES ISSUED
UNDER TOILET
REBATE PROGRAM

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 100 km 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:

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

2020 HIGHLIGHTS

1,750
WATER SAMPLES TESTED

1,600
REPAIRS & PREVENTATIVE
MAINTENANCE WORK
ORDERS COMPLETED

1,000
FIRE HYDRANTS
DISMANTLED,
SERVICED & REBUILT

✓ New Equipment

- Two Peterbuilt tandem axle dump trucks replaced two aging units.
- New asphalt patching truck with over three times the carrying capacity as the previous unit.



✓ Open Watercourse Cleaning Program

- 83,000 lineal meters of ditches/ watercourses cleaned.

✓ Townsend Parking Lot Extension

- 30+ stall parking lot expansion connecting Townsend West parking lot to the new Rotary services building.



✓ Sewer Lift Station Wet Well Cleaning

- 52 remote sanitary sewer pump stations cleaned.

✓ Wastewater Treatment Plant

- 750-kilowatt standby power generator and new switchgear installed to allow for operations during power outages.



Park Projects

- ✓ Mellard Park - new playground for all ages located on Mellard Ave. at Reece Ave.
- ✓ Hazel, Maple and McCutcheon Parks all received new play equipment as part of the City's playground upgrade program.
- ✓ Promontory West Park - City staff managed the design and construction of the new all-inclusive playground with financial contributions from the school PAC, Rotary Club of Fraser Cheam and grants from various organizations, which supplemented the City's cost.
- ✓ New equipment installed at Hill, Laurelwood, Sunset View and Fern Parks. This completes the 20 year CSA replacement program.
- ✓ Jinkerson Park Playground and Exercise Equipment - park expansion included a second large play structure and outdoor fitness circuit with green gym equipment.
- ✓ Parking lot upgrades at Yarrow Pioneer Park.
- ✓ Kinsmen Park Tennis Court refurbishment.



✓ Yarrow No.3 Road Dog Off Leash Park

- Located on the west side of the Vedder Canal dyke system. Construction included a 4 ft. fence on all sides, two vehicle gates, one pedestrian gate and one corral type gate allowing for safe access for dog owners.



✓ Vedder River Campground Revitalization

- In partnership with the Fraser Valley Regional District the campground was revitalized and modernized by improving the entrance area, expanding the parking lot and connecting it to the Vedder Rotary Trail.



✓ Watson Glen Rotary Wood Structure Refurbishment

- Removal and complete replacement of the existing structure to provide years of new life to this park feature which is very well used by school and local community groups.



Fire Protection

The Chilliwack Fire Department has six fire halls which are staffed by 38 career firefighters and 135 paid on-call firefighters. Fire engines staffed with career firefighters operate out of downtown Fire Hall 1 and Sardis Fire Hall 4 on a 24 hour basis. In addition to the primary responsibilities of providing fire response for an area over 250 square kilometres, the Fire Department is also responsible for providing fire prevention, rescue, public hazard mitigation and emergency management.



2020 HIGHLIGHTS

- ✓ The Chilliwack Emergency Program was activated twice in 2020 to support the response to the Fraser River freshet and the COVID-19 pandemic. Some highlights of efforts undertaken by City staff for the COVID-19 pandemic were to:
 - Ensure the continuation of services where practical.
 - Modify workspaces, processes and practices to deliver services in accordance with Provincial Health Authority orders and recommendations.
 - Share information from the Health Authority to staff and the community.
 - Partner with numerous stakeholders on the development of a temporary isolation facility for the City's vulnerable population.
- ✓ Prior to the pandemic, the Fire Department delivered training to and graduated 16 new paid on-call firefighters.
- ✓ The Chilliwack Firefighters Education Fund awarded four post-secondary financial awards to Chilliwack high school graduates.
- ✓ The Chilliwack Firefighters Charitable Society awarded six scholarships to Chilliwack high school graduates.

3,470
Total Calls for
Service in 2020

310
FIRE RESPONSES

840
ALARM ACTIVATION RESPONSES

468
MOTOR VEHICLE INCIDENTS

156
MEDICAL CALLS

339
BURNING COMPLAINTS

1,074
PUBLIC SERVICE CALLS

215
PUBLIC HAZARD CALLS

3
RESCUES

60
HAZARDOUS MATERIALS CALLS

5
MUTUAL AID 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 support.

Services provided by the Chilliwack Detachment include:

- Public Safety
- Crime Reduction Strategies
- Prolific Offender Management Program
- Social Chronic Offender Management Program
- Road Safety/Traffic Enforcement
- Public & Internal Education Training
- Police Visibility, Non-Vehicle Patrols and Seasonal Policing
- First Nations Policing

Another key area of support comes from the staff and over 81 volunteers of the Chilliwack Crime Prevention Society, which operates out of the downtown Wellington Community Policing and Operational Support Office 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.

2020 HIGHLIGHTS

✓ Cops for Cancer Tour De Valley

- Two local RCMP officers took part in the 2020 ride to raise funds for pediatric cancer research and support programs.



81
CRIME PREVENTION
SOCIETY VOLUNTEERS

Planning & Development

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

Development & Regulatory Enforcement Services

Land Development

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

Building Services

- Permits
- Inspections

Bylaw Enforcement



2020 HIGHLIGHTS

✓ Bylaw Enforcement Department

- Two new Bylaw Enforcement Officers added allowing for 7-day a week evening and weekend coverage.
- Over 2,400 complaints received from members of the public for violations of City bylaws relating to areas such as unsightly premises, excessive noise and on-street parking.
- Assisted with complaints, inquiries and educational efforts relating to the COVID-19 pandemic provincial Public Health Orders.
- Engaged in enforcement on bicycle and foot in the downtown core, parks and trails and other hotspot areas.
- Responded to over 6,000 bylaw infractions relating to camping in prohibited areas or during prohibited times, smoking in parks, parking infractions and other nuisance issues.



270

NEW SINGLE FAMILY DWELLINGS CONSTRUCTED

494

OTHER DWELLINGS (INC. MULTI-FAMILY)

11,455

BUILDING INSPECTIONS

33

HEALTH & SAFETY INSPECTIONS

14

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 Intermunicipal Business Licencing

2020 HIGHLIGHTS

✓ Zoning Bylaw 2020

- New Zoning Bylaw adopted by Council in August 2020.
- Comprehensively rewritten to ensure that the Bylaw aligns with the City's 2040 Official Community Plan, reflects best practices in urban planning and development, is consistent with provincial legislation and is legally enforceable.
- The document has been improved, updated and simplified with a user friendly and organized layout.

✓ Reaching Home Program

- Chilliwack became a "Designated Community" under the Federal Government's Reaching Home Program.
- This ensures ongoing funding to reduce and prevent homelessness in the community.
- Through this program, the City was able to grant \$1.2 million to local projects to address food support, rent supports, shelter improvements and client supports, helping transition people into stable housing.

66

DEVELOPMENT VARIANCE PERMITS

109

FORM & CHARACTER
DEVELOPMENT PERMITS

20

AGRICULTURAL LAND
RESERVE APPLICATIONS

521

NEW BUSINESS LICENCES

78

REZONING APPLICATIONS

22

TEMPORARY USE PERMITS

Planning Projects

- ✓ Chilliwack Child Care Needs Assessment & Strategy
- ✓ Housing for Aging Adults Study
- ✓ The Chilliwack Housing Needs Report
- ✓ The Sardis Neighbourhood Plan

Intermunicipal Business Licences

2020 - 520

2019 - 498

2018 - 459

2017 - 374

2016 - 315



Recreation & Culture

The Recreation & Culture Department is responsible for the coordination and the provision of leisure services within Chilliwack. This department is responsible for facility maintenance, community events and sports field bookings.

Recreation & Culture operate 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

This department 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

39,474

VISITORS TO THE
CHEAM CENTRE

1,117

MUSEUM VISITS

40,085

VISITORS TO THE
LANDING LEISURE CENTRE

2020 HIGHLIGHTS

- ✓ A new grant stream called the “Together Apart Grant” was created for pandemic safe projects to show community support for neighbours.
- ✓ New condenser installed at the Sardis Sports Complex.
- ✓ The Leisure Centres received upgrades including new saunas, lighting, spin room, waterslide upgrades and new swim competition starting blocks.
- ✓ New public art pieces were introduced including a neon plane in Salish Plaza and numerous murals in the downtown core along Mill Street, Victoria Avenue, Wellington Avenue, Mill Street parking lot and Young Road.



Tourism Chilliwack Inc.

Tourism Chilliwack was established in 1998 as part of the Chilliwack Economic Partners Corporation (CEPCO). The organization was created to forge a partnership between the City of Chilliwack and the tourism industry, to promote growth and diversification and to increase the economic impact of tourism. In 2006, Tourism Chilliwack became incorporated, with the City of Chilliwack as its sole shareholder. They are a non-traditional Destination Marketing Organization (DMO), which has a business function but also conforms to governance policies and undertakes strategic planning.

2020 HIGHLIGHTS

- ✓ Website advancements easily let visitors make travel decisions and find businesses.
- ✓ Implemented niche cooperative marketing initiatives: Cultus Lake, Biking Guide, Circle Farm Tour, Hiking Guide and the Sunflower Festival.
- ✓ Pre-COVID-19 Chilliwack Tourism Online Sentiment Index Score was 65 which is in the high range of the competitive set (outdoor oriented communities).
- ✓ Improved seasonal dispersion of events and activities - increased social contact and deployed social media strategies to disperse high impact visitation areas.



- ✓ **New Mobile Visitor Services aka "Winston" the RV**
 - Connected to residents - built community pride and encouraged residents to be tourists in their own backyard.
 - Expanded Chilliwack merchandise line and sold onsite.
 - Serviced existing visitors to ensure a more enriched Chilliwack experience.
- ✓ **Meet the Maker Video Series**
 - Showcased local people using their passion and talent to make our community a better place to work, play and live.

105k+

USES OF #SHARECHILLIWACK

46,462

VISITORS TO HERITAGE PARK

16.3k

INSTAGRAM FOLLOWERS

9,136

FACEBOOK FOLLOWERS

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.

2020 HIGHLIGHTS

✓ Chilliwack Economic Recovery Network (CERN)

- A collaborative effort created to support Chilliwack businesses throughout all phases of the COVID-19 pandemic.
- Partners included CEPCO, the City of Chilliwack, the Chilliwack Chamber of Commerce, Downtown Chilliwack BIA, Tourism Chilliwack, Community Futures South Fraser and Stó:lō Community Futures.
- Projects included Support Local BC, Walk and Shop, PPE grants, Give-a-Thon, Shoppportunity, Project Local Business Restart, workforce strategy, a community health video series and more.



✓ 19th Annual Chilliwack Agricultural Tour

- Went virtual with a highlight reel and five new farm videos posted online each week for five weeks.
- View the highlight reel featuring Brightside Eggs, Heritage Farms, R & T Poultry, Bredenhof Hop Farm, Sparkes Corn and Golden Oak acres at: businessinchilliwack.com/chilliwackagricultural-commission.



✓ Downtown Revitalization

- Work continued on District 1881, the redevelopment of the downtown Five Corners properties.

✓ Chilliwack Creative Commission

- Liaised with the film industry on several film productions in Chilliwack including Hallmark movies, TV series, commercials and more.







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

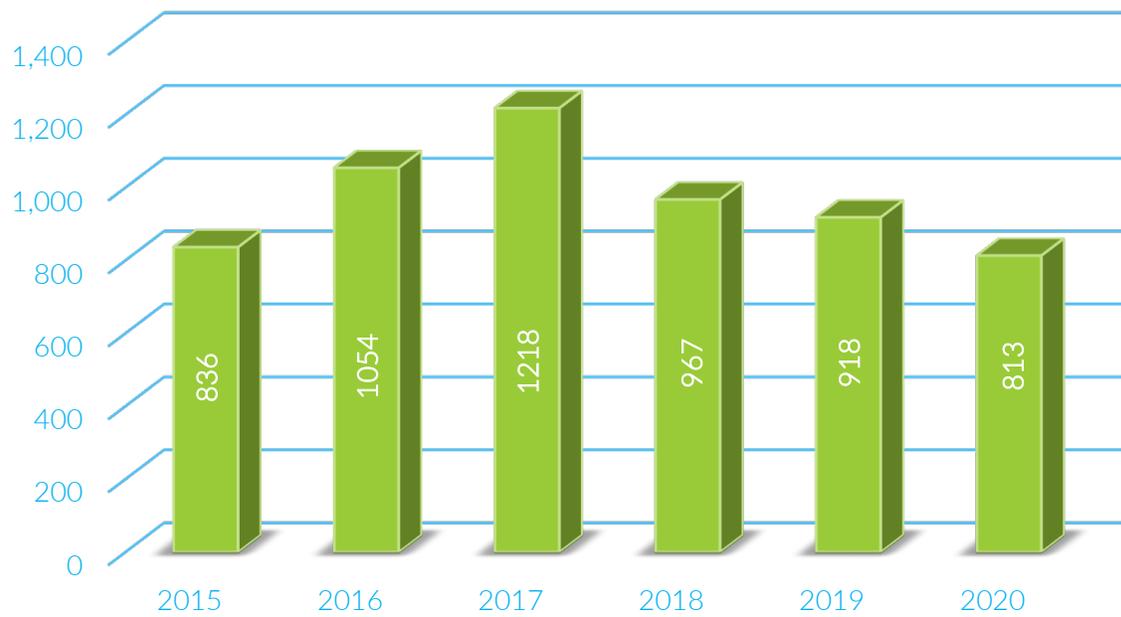
Lower Mainland Business Class Taxation Multiplier

Lower Mainland Representative House Value Comparatives

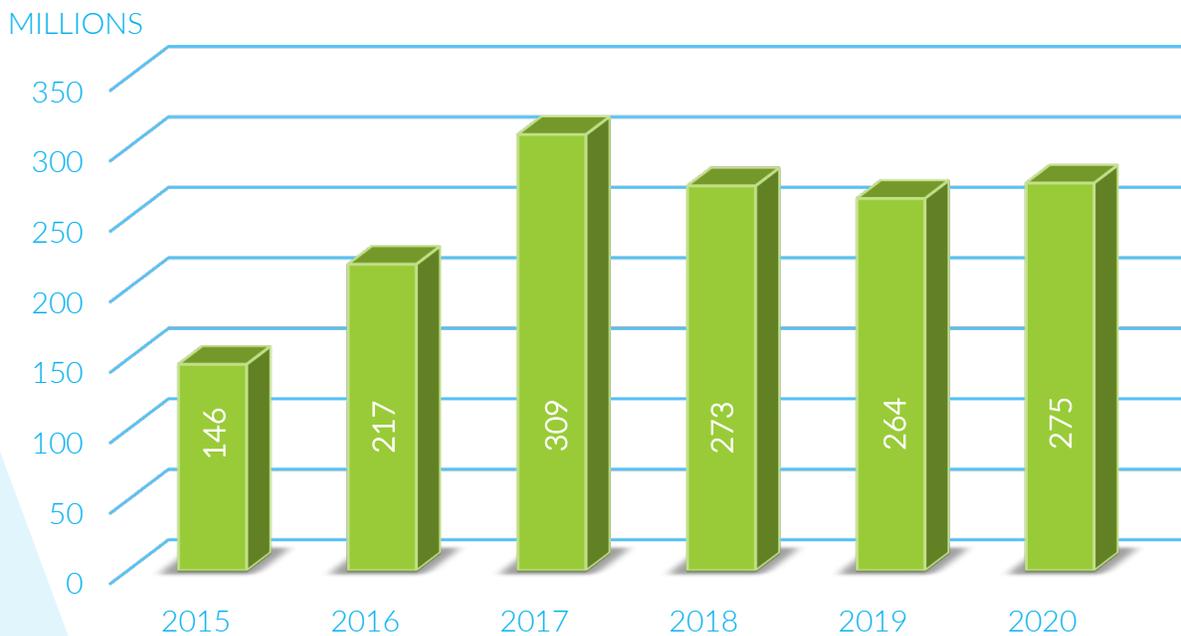
Total Property Assessments

Permissive Tax Exemptions

Building Permits



Building Permit Construction Value



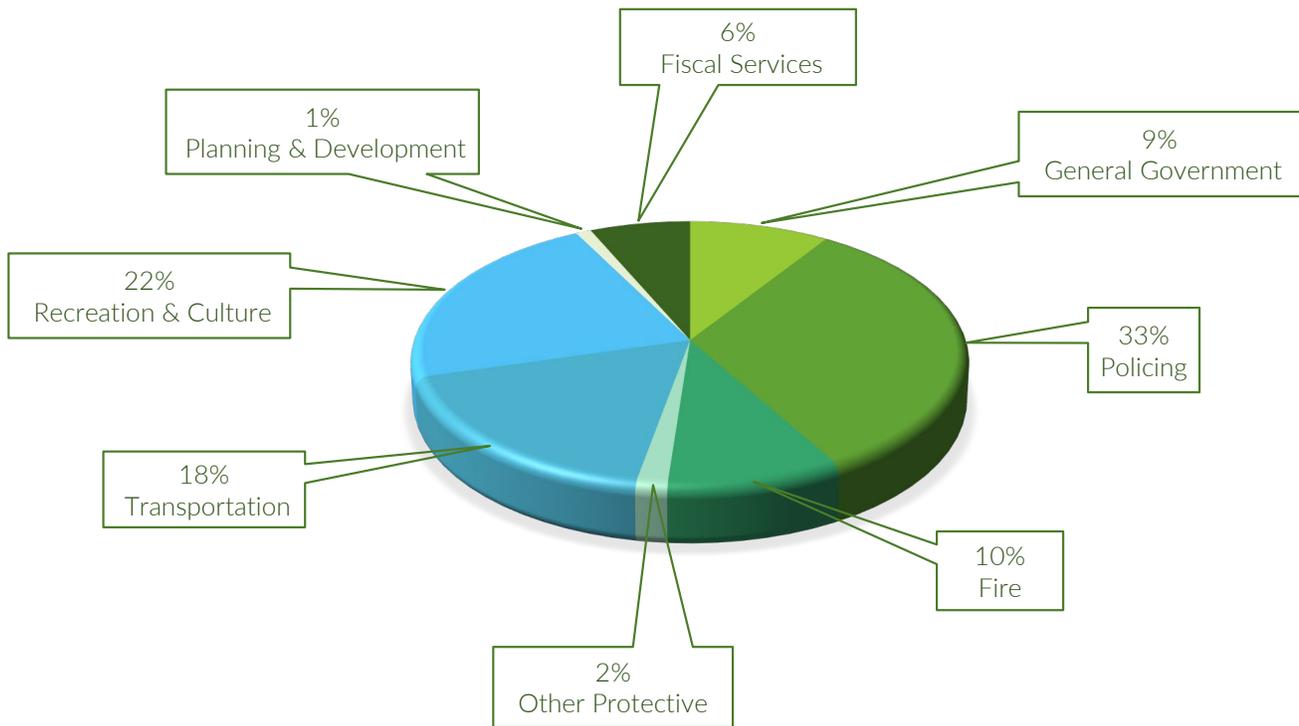
Population



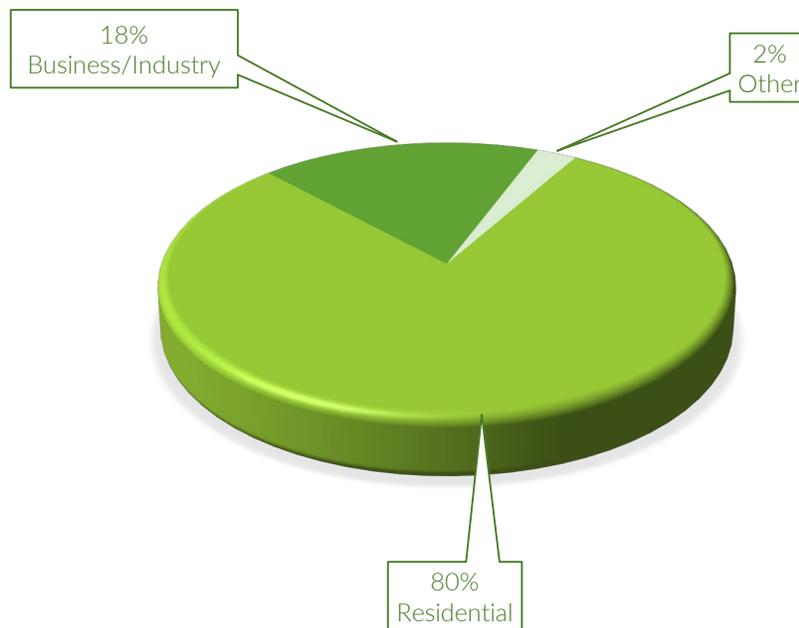
Residential Properties



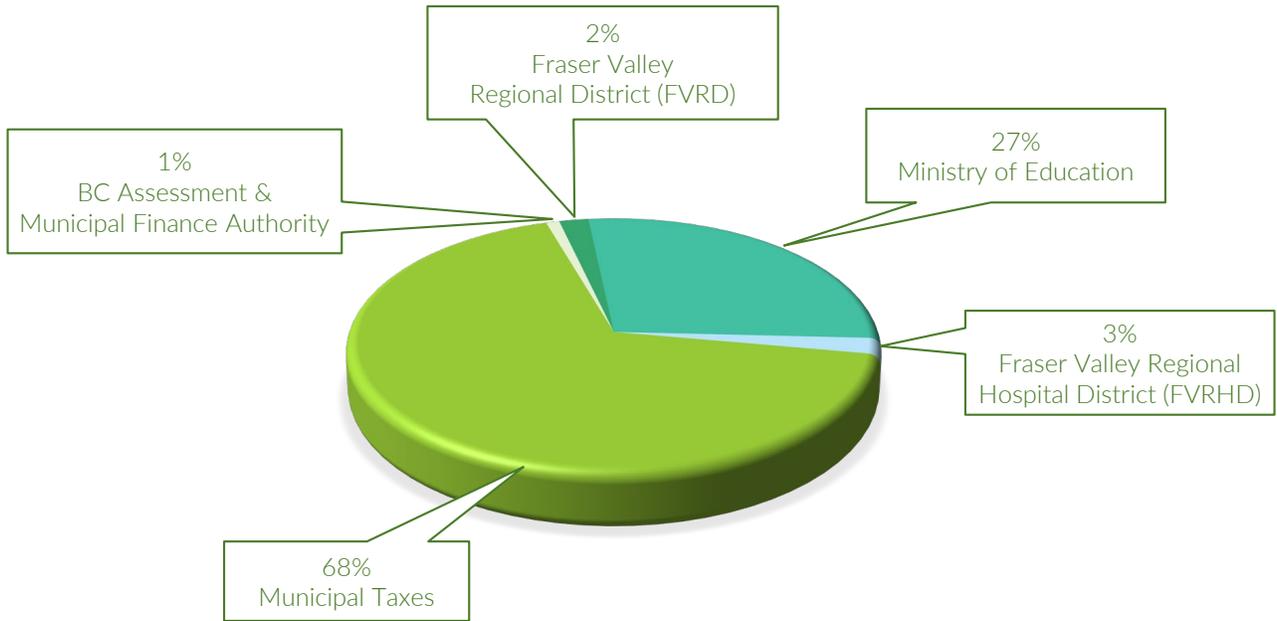
Municipal Property Tax Distribution



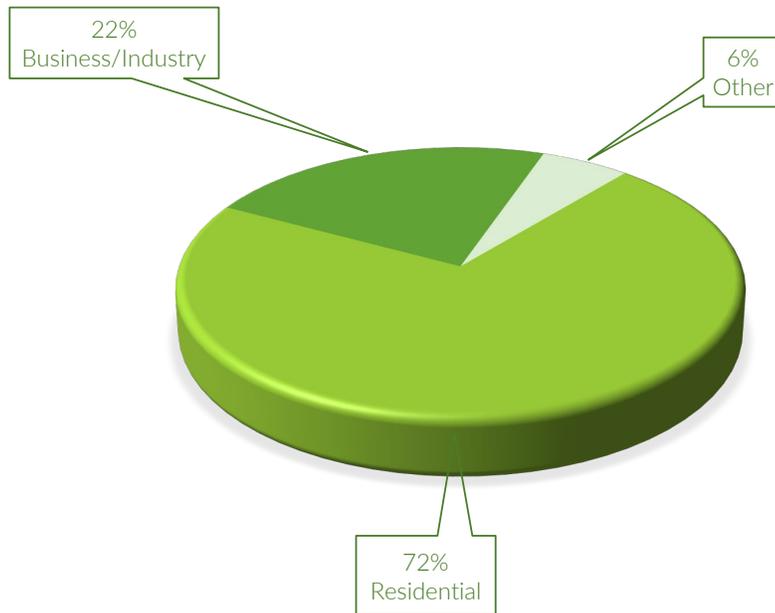
Assessment by Property Class



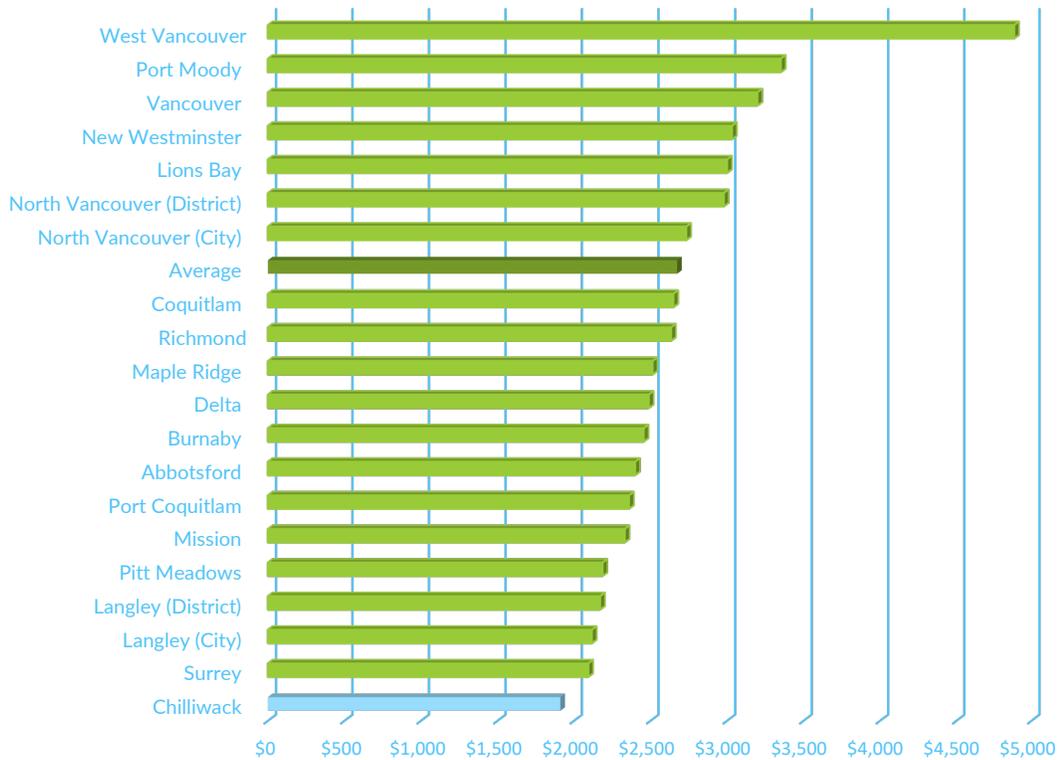
Total Property Tax Distribution



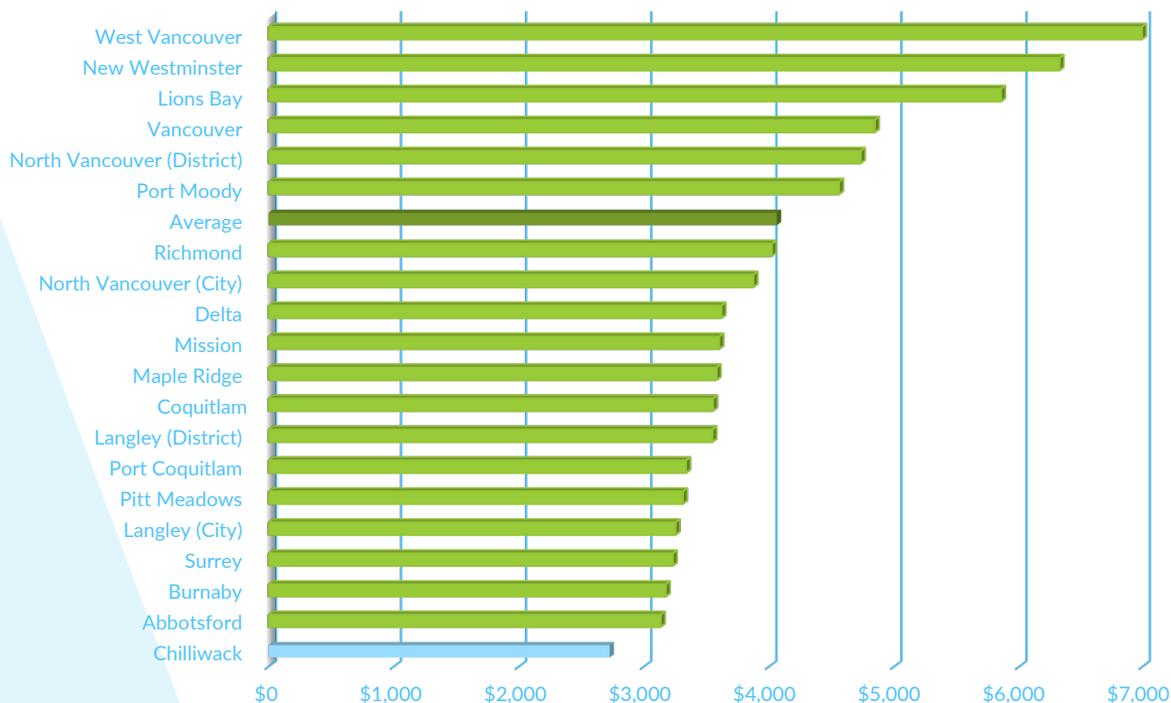
Taxation by Property Class



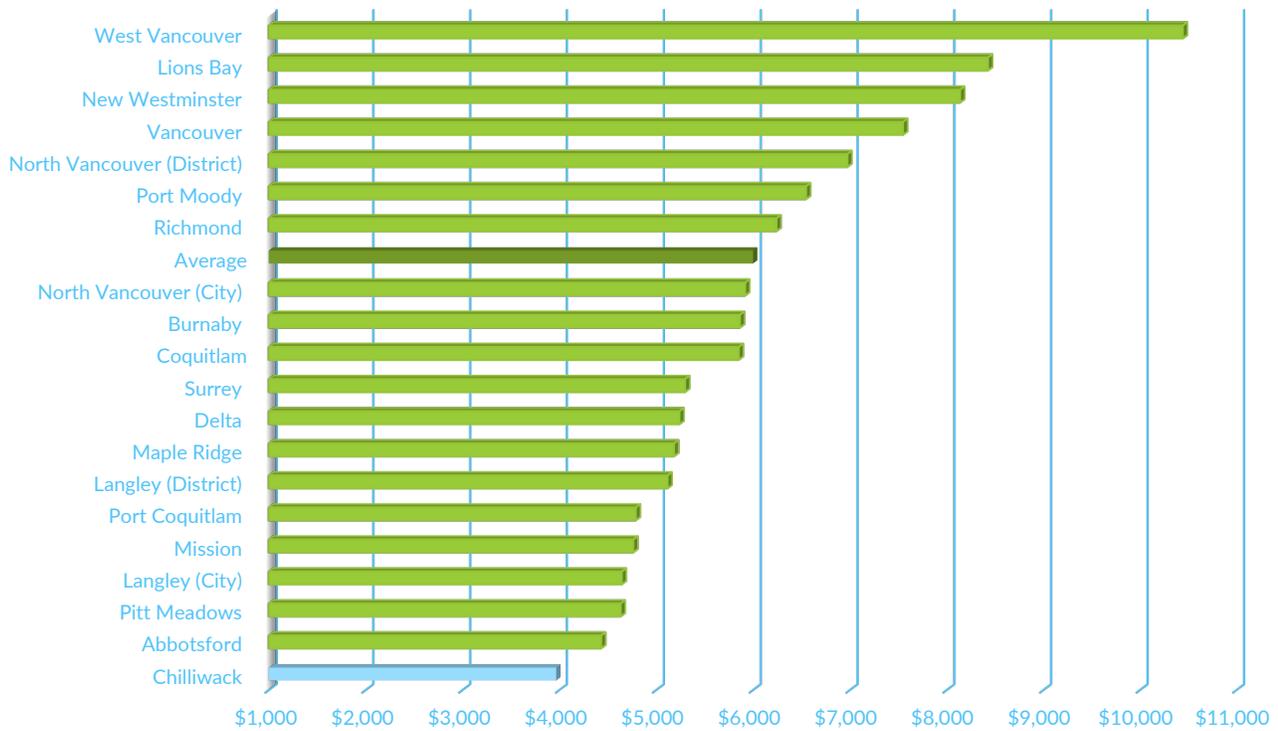
Lower Mainland Municipal Taxes (per Representative House)



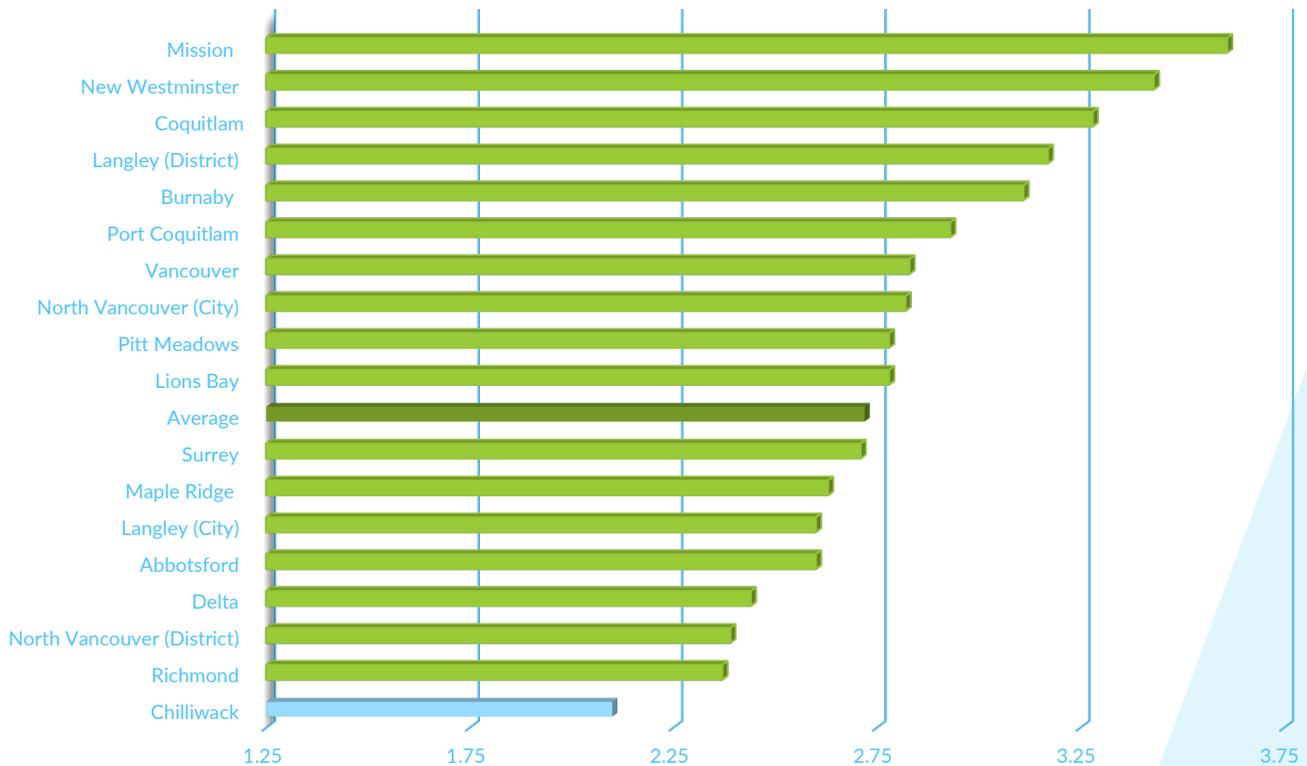
Lower Mainland Municipal Taxes & Utility Charges (per Representative House)



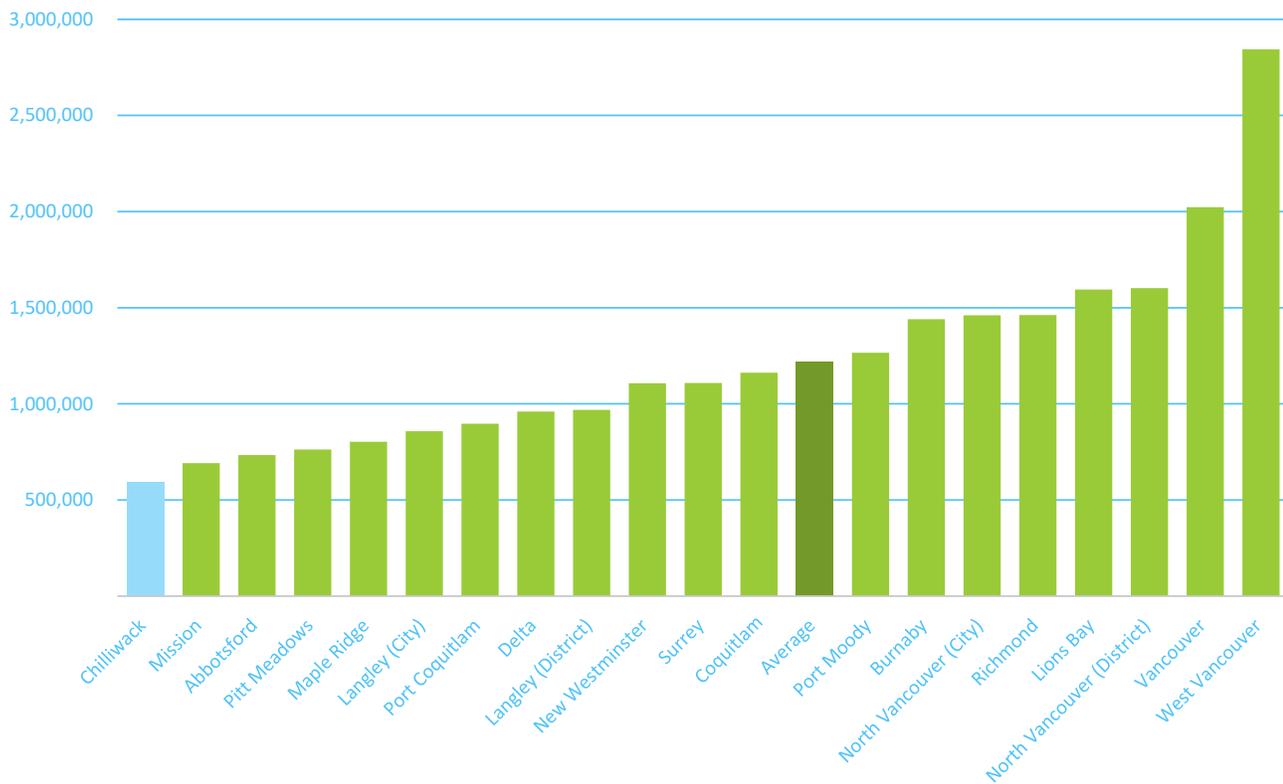
Lower Mainland Total Taxes & Charges (per Representative House)



Lower Mainland - Business Class Taxation Multiplier



Lower Mainland Representative House Value Comparatives



Total Property Assessments



Permissive Tax Exemptions

Organization Name	Community Charter Section	2020 Municipal Taxes
Adult & Teen Challenge	Section 224(2)(a)	3,951
Ann Davis Transition Society	Section 224(2)(a)	12,048
Atchelitz Farmer's Institute	Section 224(2)(a)	4,310
Bethesda Christian Association	Section 224(2)(a)	10,744
BCSPCA	Section 224(2)(a)	2,459
Camp River Community Hall Society	Section 224(2)(i)	3,610
Canadian Red Cross Society	Section 224(2)(a)	2,259
Chilliwack Activity Centre (50 Plus)	Section 224(2)(i)	2,961
Chilliwack Alano Society	Section 224(2)(a)	1,897
Chilliwack Alliance Church	Section 224(2)(f)	13,652
Chilliwack Animal Safe Haven	Section 224(2)(a)	5,832
Chilliwack Community Policing Society	Section 224(2)(a)	4,127
Chilliwack Community Services	Section 224(2)(a)	19,983
Chilliwack Family YMCA	Section 224(2)(i)	35,962
Chilliwack Hospice Society	Section 224(2)(a)	10,439
Chilliwack Housing for Homeless Foundation	Section 224(2)(a)	1,672
Chilliwack Keystone Church	Section 224(2)(g)	3,832
Chilliwack Lawn Bowling Society	Section 224(2)(i)	4,471
Chilliwack Lions Club	Section 224(2)(i)	3,869
Chilliwack Opportunity Society	Section 224(2)(a)	3,753
Chilliwack and District Seniors' Resources Society	Section 224(2)(i)	1,673
Chilliwack Society for Community Living	Section 224(2)(a)	80,842
Chilliwack Supportive Housing Society	Section 224(2)(a)	5,817
Communitas Supportive Care Society	Section 224(2)(a)	3,764
Coqualeetza Cultural Education Centre	Section 224(2)(a)	360
Creative Centre Society	Section 224(2)(a)	2,033
Crossroads Community Church	Section 224(2)(a)	2,063
Elizabeth Fry Society of Greater Vancouver	Section 224(2)(a)	3,629
Evangelical Christian Church of Chilliwack	Section 224(2)(g)	2,104
Evangelical Missionary Church Canada West District	Section 224(2)(g)	11,978
KayCee Society	Section 224(2)(a)	2,833
Main Street Church	Section 224(2)(g)	3,103
Mamele'awt Qweesome Housing Society	Section 224(2)(a)	20,957
Mountain View Church	Section 224(2)(g)	2,093
Pacific Community Resources Society	Section 224(2)(a)	2,178
Pentecostal Senior Citizens Society	Section 224(2)(a)	4,689
Royal Canadian Legion Branch #4	Section 224(2)(a)	544
Royal Canadian Legion Branch #280	Section 224(2)(a)	1,717
Ruth and Naomi's Mission	Section 224(2)(a)	25,713
Ryder Lake Farmers' and Womens Institute	Section 224(2)(a)	2,172
Seventh-Day Adventist Church	Section 224(2)(g)	1,593
The Nature Trust of BC	Section 224(2)(i)	46,175
The Salvation Army	Section 224(2)(a)	30,224
Trinitarian Bible Society	Section 224(2)(a)	3,444
Vineyard Christian Fellowship	Section 224(2)(g)	12,489
Xolhemet Society	Section 224(2)(a)	3,937
Yarrow Alliance Church	Section 224(2)(g)	3,455
	TOTAL	\$ 433,409



Financial Statements

City of Chilliwack

Chilliwack Economic Partners Corporation

Tourism Chilliwack Inc.

Financial Statements of

CITY OF CHILLIWACK

And Independent Auditors' Report thereon

Year ended December 31, 2020



KPMG LLP
Suite 200 - 9123 Mary Street
Chilliwack BC V2P 4J7
Canada
Telephone 604-793-4700
Fax 604-793-4747

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of City of Chilliwack

Opinion

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

- the consolidated statement of financial position as at December 31, 2020
- the consolidated statement of operations and accumulated surplus 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 financial position of the City as at December 31, 2020, and its 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.

Responsibilities of Management 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.

KPMG LLP

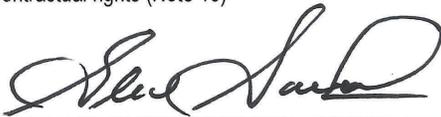
Chartered Professional Accountants

Chilliwack, Canada
April 20, 2021

CITY OF CHILLIWACK
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Year Ended December 31, 2020

	2020	2019
Financial Assets		
Cash (Note 2)	\$ 84,484,095	\$ 62,084,429
Portfolio investments (Note 2)	121,198,418	141,810,750
Accounts receivable (Note 3)	18,868,337	23,842,073
	<u>224,550,850</u>	<u>227,737,252</u>
Liabilities		
Accounts payable and accrued liabilities (Note 4)	28,891,306	26,678,835
Development cost charges (Note 5)	46,780,984	58,602,838
Unearned revenue	13,692,070	13,655,849
Refundable deposits	22,226,449	23,834,362
Capital partnership obligation (Note 6)	-	996,412
	<u>111,590,809</u>	<u>123,768,296</u>
Net Financial Assets	<u>112,960,041</u>	<u>103,968,956</u>
Non-Financial Assets		
Property under development (Note 7)	3,681,960	3,681,960
Tangible capital assets (Note 8)	823,057,168	791,871,660
Inventories	1,714,238	1,311,961
Prepaid expenses	4,687,993	3,392,911
	<u>833,141,359</u>	<u>800,258,492</u>
Accumulated Surplus (Note 10)	<u>\$ 946,101,400</u>	<u>\$ 904,227,448</u>

Contingent liabilities (Note 12)
Commitment (Note 14)
Contractual rights (Note 15)



Glen Savard, CPA, CGA
Director of Finance

See accompanying notes to consolidated financial statements

CITY OF CHILLIWACK

CONSOLIDATED STATEMENT OF OPERATIONS & ACCUMULATED SURPLUS

Year Ended December 31, 2020

	2020 Actual	2020 Budget (Note 16)	2019 Actual
Revenues			
Municipal taxation and grants-in-lieu of taxes	\$ 88,836,848	\$ 88,539,400	\$ 85,059,942
Government grants and transfers (Note 9)	13,859,661	13,455,711	11,946,060
Sale of services	43,555,490	42,978,863	42,801,866
Licences, permits, penalties and fines	4,156,607	3,761,000	4,132,840
Return on investments	2,768,944	1,280,783	3,515,404
Development cost charges	26,199,731	53,944,000	9,239,188
Developer contributions (Note 8)	7,807,282	4,450,000	2,898,310
Other revenue	1,900,338	1,357,000	3,343,748
	189,084,901	209,766,757	162,937,358
Expenses			
General government services	10,889,750	10,770,550	10,864,345
Protective services	41,849,926	42,108,450	39,397,774
Transportation services	25,695,142	29,656,600	26,563,364
Environmental health services	12,659,802	11,808,400	11,055,269
Water and sewer services	24,362,043	21,819,500	23,352,275
Parks, recreation and cultural services	23,054,065	25,996,400	23,699,794
Planning and development	8,560,409	9,313,329	8,174,930
Interest and other	352,951	251,500	826,035
	147,424,088	151,724,729	143,933,786
Annual Surplus Before Other Revenue (Loss)	41,660,813	58,042,028	19,003,572
Other revenue (loss)			
Gain or (loss) on disposal of tangible capital assets	213,139	-	(535,449)
Annual Surplus	41,873,952	58,042,028	18,468,123
Accumulated Surplus, beginning of year	904,227,448	904,227,448	885,759,325
Accumulated Surplus, End of Year	\$ 946,101,400	\$ 962,269,476	\$ 904,227,448

See accompanying notes to consolidated financial statements

CITY OF CHILLIWACK

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

Year Ended December 31, 2020

	2020 Actual	2020 Budget (Note 16)	2019 Actual
Annual surplus	\$ 41,873,952	\$ 58,042,028	\$ 18,468,123
Acquisition of tangible capital assets	(47,201,237)	(131,720,000)	(36,899,905)
Developer contributions	(7,807,282)	(4,450,000)	(2,898,310)
Amortization of tangible capital assets	23,447,370	17,530,071	22,725,629
(Gain) loss on disposal of tangible capital assets	(213,139)	-	535,449
Proceeds on disposal of tangible capital assets	588,780	-	91,518
	10,688,444	(60,597,901)	2,022,504
Change in inventories	(402,277)	-	156,161
Change in prepaid expenses	(1,295,082)	-	(217,172)
Change in net financial assets	8,991,085	(60,597,901)	1,961,493
Net financial assets, beginning of year	103,968,956	103,968,956	102,007,463
Net financial assets, end of year	\$ 112,960,041	\$ 43,371,055	\$ 103,968,956

See accompanying notes to consolidated financial statements

CITY OF CHILLIWACK
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2020

	2020	2019
Cash provided by (used for):		
Operating Activities:		
Annual surplus	\$ 41,873,952	\$ 18,468,123
Non-cash items:		
Amortization of tangible capital assets	23,447,370	22,725,629
Developer contributions	(7,807,282)	(2,898,310)
(Gain) loss on sale of tangible capital assets	(213,139)	535,449
Change in non-cash assets and liabilities:		
Accounts receivable	4,973,736	7,970,620
Inventories	(402,277)	156,161
Prepaid expenses	(1,295,082)	(217,172)
Accounts payable and accrued liabilities	2,212,471	(1,234,919)
Development cost charges	(11,821,854)	2,751,340
Unearned revenue	36,221	444,168
Refundable deposits	(1,607,913)	(1,303,557)
	<u>49,396,203</u>	<u>47,397,532</u>
Capital Activities:		
Proceeds on disposal of tangible capital assets	588,780	91,518
Acquisition of tangible capital assets	(47,201,237)	(36,899,905)
	<u>(46,612,457)</u>	<u>(36,808,387)</u>
Investing Activities:		
Change in portfolio investments	20,612,332	12,527,260
	<u>20,612,332</u>	<u>12,527,260</u>
Financing Activities:		
Repayment of capital partnership obligation	(996,412)	(1,156,933)
	<u>(996,412)</u>	<u>(1,156,933)</u>
Increase in cash	<u>22,399,666</u>	<u>21,959,472</u>
Cash, beginning of year	62,084,429	40,124,957
Cash, end of year	<u>\$ 84,484,095</u>	<u>\$ 62,084,429</u>

See accompanying notes to consolidated financial statements

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2020

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:

Asset	Useful Life - Years
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.

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2020

(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. Areas that contain estimates include assumptions used in estimating provisions for accrued liabilities, landfill post-closure 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:

	2020	2019
Cash	\$ 84,484,095	\$ 62,084,429
Portfolio Investments	121,198,418	141,810,750
	205,682,513	203,895,179
Less restricted for:		
Statutory Reserve Funds	29,735,139	24,860,949
Restricted Revenue	45,162,039	55,271,127
	74,897,178	80,132,076
Funds available for operational use	\$ 130,785,335	\$ 123,763,103

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:

	2020	2019
Taxes	\$ 4,428,049	\$ 4,414,903
Province of British Columbia	413,136	3,763,167
Government of Canada	1,034,871	463,306
Regional and local governments	110,809	125,386
Trade receivables	3,637,556	3,891,353
Accrued interest	1,038,702	1,206,012
Water trade receivables	2,793,423	2,850,110
Sewer trade receivables	3,792,846	3,796,125
Development cost charges	1,618,945	3,331,711
	\$ 18,868,337	\$ 23,842,073

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2020

4 Accounts payable and accrued liabilities:

	2020	2019
Trade payables	\$ 12,774,977	\$ 11,787,690
Province of British Columbia	1,303,091	2,823,347
Government of Canada	8,145,957	7,578,329
Regional and local governments	2,187,281	610,469
Landfill closure and post-closure costs	4,480,000	3,879,000
	<u>\$ 28,891,306</u>	<u>\$ 26,678,835</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 2036. The liability amount of \$4,480,000 has been recorded by multiplying the estimated net present value of total remaining costs related to closure and post-closure care (\$10,251,100) by the cumulative capacity used (43.7%). 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 \$8,351,246 (2019 - \$7,069,711) 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, 2020, the amount of the DCCs due over the next two years is \$1,618,945 (2019 - \$3,331,711).

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 Chilliwack Coliseum. 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. In January 2020, the final capital loan payment was made, fully repaying the term loan. At the end of the term of the agreement, the City will obtain legal ownership of the facility.

CITY OF CHILLIWACK
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 Year Ended December 31, 2020

7 **Property under development:**

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

	2020	2019
Canada Education Park	\$ 3,258,792	\$ 3,258,792
Downtown Redevelopment	423,168	423,168
	\$ 3,681,960	\$ 3,681,960

8 **Tangible capital assets:**

		2020				
		Opening Cost	Additions	Disposals	Change - Under Construction	Closing Cost
General						
	Land	\$ 139,534,396	\$ 2,345,984	\$ (182,570)	\$ -	\$ 141,697,810
	Buildings	142,187,170	2,717,639	-	-	144,904,809
	Equipment and vehicles	43,946,791	3,059,735	(1,593,492)	-	45,413,034
	Engineering structures	378,547,308	15,509,239	(62,413)	-	393,994,134
	Under construction	8,571,376	-	-	19,864,259	28,435,635
		712,787,041	23,632,597	(1,838,475)	19,864,259	754,445,422
Water						
	Land	2,026,328	-	-	-	2,026,328
	Buildings	283,867	-	-	-	283,867
	Equipment and vehicles	2,776,468	738,322	(105,442)	-	3,409,348
	Engineering structures	195,267,024	3,641,165	-	-	198,908,189
	Under construction	687,203	-	-	483,275	1,170,478
		201,040,890	4,379,487	(105,442)	483,275	205,798,210
Sewer						
	Land	1,643,155	-	-	-	1,643,155
	Equipment and vehicles	3,019,266	33,859	(66,395)	-	2,986,730
	Engineering structures	267,548,734	2,618,009	-	-	270,166,743
	Under construction	1,753,735	-	-	3,959,422	5,713,157
		273,964,890	2,651,868	(66,395)	3,959,422	280,509,785
CEPCO						
	Land	196,196	-	-	-	196,196
	Buildings	6,114,880	21,211	(751,332)	-	5,384,759
	Equipment	282,847	4,005	-	-	286,852
		6,593,923	25,216	(751,332)	-	5,867,807
Tourism Chilliwack						
	Goodwill	6,120	-	-	-	6,120
	Buildings	127,913	-	-	-	127,913
	Equipment	207,400	12,395	-	-	219,795
		341,433	12,395	-	-	353,828
		\$ 1,194,728,177	\$ 30,701,563	\$ (2,761,644)	\$ 24,306,956	\$ 1,246,975,052

CITY OF CHILLIWACK
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 Year Ended December 31, 2020

8 Tangible capital assets (continued):

	Opening Accum. Amort.	2020 Amortization	Disposals	Ending Accum. Amort	NBV 2020	NBV 2019
General						
Land	\$ -	\$ -	\$ -	\$ -	\$ 141,697,810	\$ 139,534,396
Buildings	52,780,850	3,675,442	-	56,456,292	88,448,517	89,406,319
Equipment and vehicles	24,220,793	3,035,207	(1,435,407)	25,820,593	19,592,441	19,725,999
Engineering structures	162,320,312	7,926,221	(40,427)	170,206,106	223,788,028	216,226,995
Under construction	-	-	-	-	28,435,635	8,571,376
	239,321,955	14,636,870	(1,475,834)	252,482,991	501,962,431	473,465,086
Water						
Land	-	-	-	-	2,026,328	2,026,328
Buildings	122,906	14,784	-	137,690	146,177	160,961
Equipment and vehicles	804,393	309,891	(100,442)	1,013,842	2,395,506	1,972,075
Engineering structures	66,938,144	3,149,664	-	70,087,808	128,820,381	128,328,880
Under construction	-	-	-	-	1,170,478	687,203
	67,865,443	3,474,339	(100,442)	71,239,340	134,558,870	133,175,447
Sewer						
Land	-	-	-	-	1,643,155	1,643,155
Equipment and vehicles	1,140,952	192,329	(58,395)	1,274,886	1,711,844	1,878,314
Engineering structures	92,021,107	4,887,677	-	96,908,784	173,257,959	175,527,627
Under construction	-	-	-	-	5,713,157	1,753,735
	93,162,059	5,080,006	(58,395)	98,183,670	182,326,115	180,802,831
CEPCO						
Land	-	-	-	-	196,196	196,196
Buildings	1,986,296	220,079	(751,332)	1,455,043	3,929,716	4,128,584
Equipment	214,860	22,076	-	236,936	49,916	67,987
	2,201,156	242,155	(751,332)	1,691,979	4,175,828	4,392,767
Tourism Chilliwack						
Goodwill	-	-	-	-	6,120	6,120
Buildings	116,520	1,973	-	118,493	9,420	11,393
Equipment	189,384	12,027	-	201,411	18,384	18,016
	305,904	14,000	-	319,904	33,924	35,529
	\$ 402,856,517	\$ 23,447,370	\$ (2,386,003)	\$ 423,917,884	\$ 823,057,168	\$ 791,871,660

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

	2020	2019
Engineering structures	\$ 6,060,679	\$ 1,548,581
Water	1,033,188	283,288
Sewer	713,415	305,141
Land	-	761,300
	\$ 7,807,282	\$ 2,898,310

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2020

9 Government grants and transfers

Included in government grants and transfers are Federal Gas Tax Agreement Funds of \$3,583,604 (2019 - \$7,080,813) and Covid-19 Safe Restart Grants for Local Governments of \$6,488,000 (2019 - \$0).

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:

	2020	2019
Operating Funds		
Unrestricted:		
General	\$ 16,848,074	\$ 16,603,281
CEPCO	6,520,428	5,907,840
Tourism	588,650	883,688
Water Fund	3,150,000	3,050,000
Sewer Fund	3,410,000	3,260,000
Building - Protective Services	3,803,462	4,441,343
Landfill	8,351,246	7,069,711
Sewer future works	9,613,887	9,566,453
Water future works	11,953,927	11,694,439
Work-in-progress	6,474,000	5,011,000
Soil removal	596,586	716,696
Future property acquisition	937,036	2,575,000
Federal Gas Tax Agreement funds	6,593,832	6,949,154
Other	10,786,005	6,483,802
	<u>89,627,133</u>	<u>84,212,407</u>
Statutory Reserve Funds		
General Capital	25,272,712	19,073,308
Equipment Replacement	3,419,319	4,767,291
Subdivision Control	1,043,108	1,020,350
	<u>29,735,139</u>	<u>24,860,949</u>
Investment in Tangible Capital Assets & Property Under Development		
General	501,962,431	473,757,268
Water	134,558,870	133,175,447
Sewer	182,326,115	180,202,831
CEPCO	7,857,788	7,983,016
Tourism	33,924	35,530
	<u>826,739,128</u>	<u>795,154,092</u>
	<u>\$ 946,101,400</u>	<u>\$ 904,227,448</u>

11 Collections for other governments:

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

	2020	2019
B.C. Assessment Authority	\$ 1,099,243	\$ 1,010,952
Fraser Valley Regional Hospital District	3,271,910	3,227,162
Municipal Finance Authority	5,067	4,961
Ministry of Education	33,762,482	38,985,955
Fraser Valley Regional District	2,420,700	2,238,747
	<u>\$ 40,559,402</u>	<u>\$ 45,467,777</u>

These taxes are not included in revenues within the Consolidated Statement of Operations and Accumulated Surplus of the City.

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2020

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, 2019, the plan has about 213,000 active members and approximately 106,000 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 expensed \$2,894,548 (2019 - \$2,765,708) for employer contributions to the Plan in fiscal 2020.

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, 2020 was \$124,007,842 (2019 - \$144,007,093). Included in the fair market estimate is accrued interest of \$1,038,702 (2019 - \$1,206,012), which is reported within accounts receivable.

14 Commitment:

The City is committed to the acquisition of 1 property with an estimated acquisition cost of \$820,000.

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:

Year	Amount
2021	949,290
2022	736,799
2023	664,133
2024	552,808
2025	447,500
Thereafter	428,542
	\$ 3,779,072

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2020

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 2020, No. 4754. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

	2020 Budget
Revenues	
Operating budget	\$ 168,249,000
Capital budget	
Development cost charges	53,393,500
Developer contributions	4,450,000
Statutory reserve funds	20,105,000
Operating reserves	39,212,000
Current operations	8,737,000
Government grants	5,822,500
Total revenue per approved budget	<u>299,969,000</u>
Add:	
CEPCO	2,036,143
Tourism	2,236,614
Less:	
Transfers from other funds	(93,325,000)
Inter-entity eliminations	<u>(1,150,000)</u>
Total budgeted revenue as reported	<u>209,766,757</u>
Expenses	
Operating budget	168,249,000
Capital budget	<u>131,720,000</u>
	299,969,000
Add:	
CEPCO	1,741,065
Tourism	2,079,564
Less:	
Transfers to other funds	(150,914,900)
Inter-entity eliminations	<u>(1,150,000)</u>
Total budgeted expenses as reported	<u>151,724,729</u>
Budgeted surplus as reported	<u>\$ 58,042,028</u>

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2020

17 Financial risks

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

Market risk is the risk where changes in market prices, such as interest rates, can affect the City's income. The City's cash and portfolio investments include amounts on deposits with financial institutions that earn interest at market rates. The City 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 City's income.

Credit risk is the risk that one party to the financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Management does not believe that the City is exposed to significant credit risk.

The carrying value of cash, accounts receivable, and accounts payable and accrued liabilities approximate their fair value due to the relatively short periods of maturity of these items.

There has been no change to the risk exposures outlined above from 2019 other than the pervasive impact of the ongoing COVID-19 pandemic, of which, may lead to adverse changes in cash flows and working capital levels, which may also have a direct impact on the City's operating results and financial position in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the operations is not known 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, 2020

Table of Segmented Information:

	Environmental					Parks			2020	2019
	General Government	Protective Services	Trans. Services	Health Services	Water & Sewer	Recreation & Culture	Planning & Development	Interest & Other		
Revenues										
Municipal taxation and grants-in lieu of taxes	\$ 88,811,548	\$ -	\$ -	\$ -	\$ 25,300	\$ -	\$ -	\$ -	\$ 88,836,848	\$ 85,059,942
Government grants & transfers	10,073,006	1,440,828	230,304	-	-	5,400	2,110,123	-	13,859,661	11,946,060
Sales of services	1,479,868	32,658	1,222,097	14,120,062	23,017,705	1,744,426	1,938,674	-	43,555,490	42,801,866
Licences, permits, penalties and fines	602,959	85,517	-	-	-	-	3,468,131	-	4,156,607	4,132,840
Return on investments	1,794,205	-	-	-	440,842	-	113,623	420,274	2,768,944	3,515,404
Development cost charges	-	-	20,374,821	-	3,442,757	2,382,153	-	-	26,199,731	9,239,188
Developer and other contributions	-	-	6,060,679	-	1,746,603	-	-	-	7,807,282	2,898,310
Other revenue	203,409	273,413	1,074,821	35,000	-	217,178	96,517	-	1,900,338	3,343,748
	102,964,995	1,832,416	28,962,722	14,155,062	28,673,207	4,349,157	7,727,068	420,274	189,084,901	162,937,358
Expenses										
Salaries and benefits	6,921,938	13,245,402	5,332,016	2,127,947	5,558,186	4,385,832	3,742,010	-	41,313,331	35,193,816
Goods and services	5,182,897	27,426,839	12,581,950	10,135,253	8,219,512	14,625,536	3,819,788	-	81,991,775	84,869,645
Administration allocation	(2,030,000)	-	-	-	2,030,000	-	-	-	-	-
Interest and other	-	-	-	-	-	-	-	352,951	352,951	826,035
Amortization of tangible capital assets	814,915	1,177,685	7,781,176	396,602	8,554,345	4,042,697	679,950	-	23,447,370	22,725,629
Transfer of collections	-	-	-	-	-	-	318,661	-	318,661	318,661
	10,889,750	41,849,926	25,695,142	12,659,802	24,362,043	23,054,065	8,560,409	352,951	147,424,088	143,933,786
Annual Surplus (Deficit) Before Other	92,075,245	(40,017,510)	3,267,580	1,495,260	4,311,164	(18,704,908)	(833,341)	67,323	41,660,813	19,003,572
Other revenues (loss)										
Gain (loss) on disposal of tangible capital assets	226,139	-	-	-	(13,000)	-	-	-	213,139	(535,449)
	226,139	-	-	-	(13,000)	-	-	-	213,139	(535,449)
Annual Surplus (Deficit)	\$ 92,301,384	\$ (40,017,510)	\$ 3,267,580	\$ 1,495,260	\$ 4,298,164	\$ (18,704,908)	\$ (833,341)	\$ 67,323	\$ 41,873,952	\$ 18,468,123



Financial Statements of

**CHILLIWACK ECONOMIC
PARTNERS CORPORATION**

And Independent Auditors' Report thereon

Year ended December 31, 2020



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

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 December 31, 2020
- 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, 2020, 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' 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.

KPMG LLP

Chartered Professional Accountants

Chilliwack, Canada

March 4, 2021

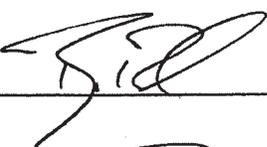
CHILLIWACK ECONOMIC PARTNERS CORPORATION

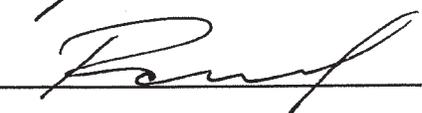
STATEMENT OF FINANCIAL POSITION

Year Ended December 31, 2020

	2020	2019
Financial assets:		
Cash (note 2)	\$ 1,703,941	\$ 229,297
Accounts receivable	132,513	86,852
Investments	4,326,150	4,918,109
Financing lease receivable	-	419,616
	<u>6,162,604</u>	<u>5,653,874</u>
Financial liabilities:		
Accounts payable and accrued liabilities	85,931	124,512
Unearned revenue	416,568	538,690
	<u>502,499</u>	<u>663,202</u>
Net financial assets	5,660,105	4,990,672
Non-financial assets:		
Prepaid expenses	860,323	917,168
Property under development (note 3)	3,681,960	3,681,960
Tangible capital assets (note 4)	4,175,787	4,392,726
	<u>8,718,070</u>	<u>8,991,854</u>
Impact of COVID-19 (note 12)		
Subsequent events (note 13)		
Accumulated surplus (note 5)	<u>\$ 14,378,175</u>	<u>\$ 13,982,526</u>

See accompanying notes to financial statements.


 _____ Director


 _____ Director

CHILLIWACK ECONOMIC PARTNERS CORPORATION

STATEMENT OF OPERATIONS & ACCUMULATED SURPLUS

Year Ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Revenues:			
Contracted services	\$ 670,500	\$ 734,103	\$ 649,470
Rent	661,000	668,380	655,790
Economic development (note 7)	600,000	600,000	600,000
Interest	91,143	105,133	127,429
Property development and construction	4,000	25,534	3,798
Other revenue	4,500	3,250	4,800
Government programs	5,000	-	10,000
	<u>2,036,143</u>	<u>2,136,400</u>	<u>2,051,287</u>
Expenses:			
Contracted services	510,000	549,932	514,664
Wages and benefits	457,915	460,212	447,034
Amortization of tangible capital assets	221,000	242,155	279,062
Marketing	213,000	122,990	116,158
Downtown redevelopment	100,000	100,307	100,696
Common area costs	50,000	58,583	36,278
Rent	-	50,000	50,680
Insurance	38,000	38,350	35,814
Repairs and maintenance	21,000	28,203	24,449
Premise operating costs	47,650	27,514	28,177
Office and administration	42,500	25,361	32,367
Professional fees	32,500	21,242	18,738
Utilities	6,000	14,646	15,695
Interest and bank charges	1,500	1,256	1,190
	<u>1,741,065</u>	<u>1,740,751</u>	<u>1,701,002</u>
Annual surplus before other items	295,078	395,649	350,285
<u>Loss on disposal of tangible capital assets</u>	<u>-</u>	<u>-</u>	<u>(3,323)</u>
Annual surplus	295,078	395,649	346,962
Accumulated surplus, beginning of year	13,982,526	13,982,526	13,635,564
<u>Accumulated surplus, end of year</u>	<u>\$ 14,277,604</u>	<u>\$ 14,378,175</u>	<u>\$ 13,982,526</u>

See accompanying notes to financial statements.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

Year Ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Annual surplus	\$ 295,078	\$ 395,649	\$ 346,962
Acquisition of tangible capital assets	-	(25,216)	(6,940)
Amortization of tangible capital assets	221,000	242,155	279,062
Change in prepaid expenses	-	56,845	47,313
Loss on disposal of tangible capital assets	-	-	3,323
	221,000	273,784	322,758
Change in net financial assets	516,078	669,433	669,720
Net financial assets, beginning of year	4,990,672	4,990,672	4,320,952
Net financial assets, end of year	\$ 5,506,750	\$ 5,660,105	\$ 4,990,672

See accompanying notes to financial statements.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

STATEMENT OF CASH FLOWS

Year Ended December 31, 2020

	2020	2019
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 395,649	\$ 346,962
Items not involving cash:		
Amortization of tangible capital assets	242,155	279,062
Loss on disposal of tangible capital assets	-	3,323
	<u>637,804</u>	<u>629,347</u>
Changes in non-cash operating working capital:		
Accounts receivable	(45,661)	(16,861)
Prepaid expenses	56,845	47,313
Accounts payable and accrued liabilities	(38,581)	29,868
Unearned revenue	(122,122)	136,184
	<u>488,285</u>	<u>825,851</u>
Capital activities:		
Acquisition of tangible capital assets	(25,216)	(6,940)
Investing activities:		
Decrease (increase) in investments	591,959	(1,409,994)
Repayment of financing lease receivable	419,616	542,648
	<u>1,011,575</u>	<u>(867,346)</u>
Change in cash	1,474,644	(48,435)
Cash, beginning of year	229,297	277,732
Cash, end of year	<u>\$ 1,703,941</u>	<u>\$ 229,297</u>

See accompanying notes to financial statements.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

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

Year Ended December 31, 2020

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 11, 2019.

(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 (2019 - \$1,000,000) that is due on demand, bears interest at prime plus 0.20% and is secured by a general security agreement. No funds were drawn on the line of credit as at December 31, 2020.

3. Property under development:

	2020	2019
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 (2019 - \$321,421) in capitalized interest.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

4. Tangible capital assets:

	2020		2020	
	Opening cost	Additions	Disposals	Closing cost
Buildings	\$ 5,204,643	\$ 21,211	\$ -	\$ 5,225,854
Leasehold improvements	910,237	-	751,332	158,905
Computer and office equipment	160,921	1,605	-	162,526
Website	116,587	2,400	-	118,987
Telecommunication equipment	5,299	-	-	5,299
Land	196,196	-	-	196,196
	\$ 6,593,883	\$ 25,216	\$ 751,332	\$ 5,867,767

	2020		2020	
	Opening accumulated amortization	Disposals	Amortization expense	Closing accumulated amortization
Buildings	\$ 1,284,551	\$ -	\$ 141,547	\$ 1,426,098
Leasehold improvements	701,745	751,332	78,532	28,945
Computer and office equipment	98,721	-	18,121	116,842
Website	110,990	-	3,806	114,796
Telecommunication equipment	5,150	-	149	5,299
	\$ 2,201,157	\$ 751,332	\$ 242,155	\$ 1,691,980

	2020	
	Opening net book value	Closing net book value
Buildings	\$ 3,920,092	\$ 3,799,756
Leasehold improvements	208,492	129,960
Computer and office equipment	62,200	45,684
Website	5,597	4,191
Telecommunication equipment	149	-
Land	196,196	196,196
	\$ 4,392,726	\$ 4,175,787

CHILLIWACK ECONOMIC PARTNERS CORPORATION

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

5. Accumulated surplus:

Accumulated surplus consists of the following:

	2020	2019
Share capital (note 76)	\$ 100	\$ 100
Equity in tangible capital assets and property under development	7,857,747	8,074,686
Unrestricted equity	6,520,328	5,907,740
	<u>\$ 14,378,175</u>	<u>\$ 13,982,526</u>

6. Share capital:

	2020	2019
Issued and authorized with no par value: 100 Common shares	\$ 100	\$ 100

7. Related party transactions and economic dependence:

During the year, the City provided \$600,000 (2019 - \$600,000) 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.

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

Year Ended December 31, 2020

8. 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.

There has been no change to the risk exposures outlined above from 2019, other than the pervasive impact of COVID-19 as described in Note 12.

9. Income taxes:

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

10. Contractual rights:

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

2021	\$ 1,132,667
2022	966,000
2023	966,000
2024	366,000
2025	366,000
Thereafter	61,000
	<hr/>
	\$ 3,857,667

CHILLIWACK ECONOMIC PARTNERS CORPORATION

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

11. 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 \$38,522 (2019 - \$37,034) 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.

12. Impact of COVID-19:

On March 11, 2020 the COVID-19 outbreak was declared a pandemic by the World Health Organization. The current challenging economic climate may lead to adverse changes in cash flows and working capital levels, which may also have a direct impact on the Company's operating results and financial position in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on operations is not known at this time.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

13. Subsequent events:

Subsequent to year-end, on January 9, 2021, the Corporation's offer to purchase three properties was accepted and is expected to close in June 2021. The total purchase price of the three properties is expected to be \$1,524,850. Additionally, on February 8, 2021, the Corporation's offer to purchase one property was accepted and is expected to close in March 2021. The total purchase price of the property is expected to be \$2,500,000.

14. 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

Year Ended December 31, 2020

14. 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	2020	2019
Revenues:					
Contracted services	\$ -	\$ 734,103	\$ -	\$ 734,103	\$ 649,470
Rent	-	668,380	-	668,380	655,790
Economic development	-	-	600,000	600,000	600,000
Interest	-	-	105,133	105,133	127,429
Property development and construction	25,534	-	-	25,534	3,798
Other revenue	-	-	3,250	3,250	4,800
Government programs	-	-	-	-	10,000
	25,534	1,402,483	708,383	2,136,400	2,051,287
Expenses:					
Contracted services	-	549,932	-	549,932	514,664
Wages and benefits	41,419	92,042	326,751	460,212	447,034
Amortization of tangible capital assets	-	242,155	-	242,155	279,062
Marketing	-	-	122,990	122,990	116,158
Downtown redevelopment	-	-	100,307	100,307	100,696
Common area costs	-	58,583	-	58,583	36,278
Rent	4,500	10,000	35,500	50,000	50,680
Insurance	-	38,350	-	38,350	35,814
Repairs and maintenance	-	28,203	-	28,203	24,449
Premise operating costs	2,476	5,503	19,535	27,514	28,177
Office and administration	8,454	8,454	8,453	25,361	32,367
Professional fees	7,081	7,081	7,080	21,242	18,738
Utilities	-	14,646	-	14,646	15,695
Interest and bank charges	419	419	418	1,256	1,190
	64,349	1,055,368	621,034	1,740,751	1,701,002
Loss on disposal of capital assets	-	-	-	-	3,323
Annual surplus (deficit) before other items	\$ (38,815)	\$ 347,115	\$ 87,349	\$ 395,649	\$ 346,962





Financial Statements of

TOURISM CHILLIWACK INC.

And Independent Auditors' Report thereon

Year ended December 31, 2020



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 December 31, 2020
- 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, 2020 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.



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

Emphasis of Matter - Comparatives

We draw attention to Note 2 to the financial statements ("Note 2"), which explains that certain comparative information presented for the year ended December 31, 2020 has been restated. Note 2 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect of this matter.

Other Matter - Comparative Information

As part of our audit of the financial statements for the year ended December 31, 2020, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended December 31, 2020. In our opinion, such adjustments are appropriate and have been properly applied.

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' 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

March 16, 2021

TOURISM CHILLIWACK INC.
 CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 Year Ended December 31, 2020

	2020	2019
		(Restated - note 2)
Financial assets:		
Cash	\$ 941,902	\$ 870,766
Accounts receivable	88,490	138,382
Investments	-	230,660
	<u>1,030,392</u>	<u>1,239,808</u>
Financial liabilities:		
Accounts payable and accrued liabilities	393,376	361,147
Due to City of Chilliwack (note 11)	1,200	166,565
Deferred revenue	105,305	291,147
	<u>499,881</u>	<u>818,859</u>
Net financial assets	530,511	420,949
Non-financial assets:		
Inventories (note 3)	31,715	19,872
Prepaid expenses and deposits	6,496	15,088
Tangible capital assets (note 4)	27,805	29,410
Goodwill	6,120	6,120
	<u>72,136</u>	<u>70,490</u>
Contingency (note 10)		
Accumulated surplus	<u>\$ 602,647</u>	<u>\$ 491,439</u>
Represented by:		
Share capital (note 5)	\$ 1	\$ 1
Unrestricted equity	574,841	462,028
Equity in tangible capital assets	27,805	29,410
	<u>\$ 602,647</u>	<u>\$ 491,439</u>

See accompanying notes to financial statements.


 _____ Director


 _____ Director

TOURISM CHILLIWACK INC.

CONSOLIDATED STATEMENT OF OPERATIONS & ACCUMULATED SURPLUS

Year Ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual (Restated - note 2)
Revenues:			
Operating agreements (note 6)	\$ 552,711	\$ 692,111	\$ 532,511
Sales, rental and other income	869,250	396,203	790,365
Hotel tax	463,000	263,465	468,803
Advertising revenues	342,013	187,613	195,683
Interest income	9,640	8,490	7,659
	<u>2,236,614</u>	<u>1,547,882</u>	<u>1,995,021</u>
Expenditures:			
Staffing costs	896,348	705,516	795,436
Advertising and business development	587,325	364,314	455,546
Operations	247,522	163,879	283,186
Administration	265,041	124,903	139,335
Utilities	74,257	62,862	79,760
Amortization of tangible capital assets	9,071	14,000	12,800
	<u>2,079,564</u>	<u>1,435,474</u>	<u>1,766,063</u>
Annual surplus before distribution	157,050	112,408	228,958
Distribution to City of Chilliwack (note 11)	(158,752)	(1,200)	(166,565)
Annual surplus (deficit)	(1,702)	111,208	62,393
Accumulated surplus, beginning of year, as previously reported	729,791	729,791	629,703
Restatement (note 2)	-	(238,352)	(200,657)
As restated	<u>729,791</u>	<u>491,439</u>	<u>429,046</u>
Accumulated surplus, end of year	\$ <u>728,089</u>	\$ <u>602,647</u>	\$ <u>491,439</u>

See accompanying notes to financial statements.

TOURISM CHILLIWACK INC.

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

Year Ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual (Restated - note 2)
Annual surplus (deficit)	\$ (1,702)	\$ 111,208	\$ 62,393
Acquisition of tangible capital assets	-	(12,395)	(1,060)
Amortization of tangible capital assets	9,071	14,000	12,800
	9,071	1,605	11,740
Change in inventories	-	(11,843)	(7,245)
Change in prepaid expenses and deposits	-	8,592	(2,662)
	-	(3,251)	(9,907)
Change in net financial assets	7,369	109,562	64,226
Net financial assets, beginning of year, as previously stated	659,301	659,301	557,380
Restatement (note 2)	-	(238,352)	(200,657)
As restated	659,301	420,949	356,723
Net financial assets, end of year	\$ 666,670	\$ 530,511	\$ 420,949

See accompanying notes to financial statements.

TOURISM CHILLIWACK INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2020

	2020	2019
		(Restated - note 2)
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 111,208	\$ 62,393
Item not involving cash:		
Amortization of tangible capital assets	14,000	12,800
	125,208	75,193
Changes in non-cash operating assets and liabilities:		
Accounts receivable	49,892	13,709
Inventories	(11,843)	(7,245)
Prepaid expenses and deposits	8,592	(2,662)
Accounts payable and accrued liabilities	32,229	66,944
Due to City of Chilliwack	(165,365)	(995)
Deferred revenue	(185,842)	233,372
	(147,129)	378,316
Capital activities:		
Acquisition of tangible capital assets	(12,395)	(1,060)
Investing activities:		
Decrease (increase) in investments	230,660	(4,197)
Increase in cash	71,136	373,059
Cash, beginning of year	870,766	497,707
Cash, end of year	\$ 941,902	\$ 870,766

See accompanying notes to financial statements.

TOURISM CHILLIWACK INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2020

Basis of presentation:

Tourism Chilliwack Inc. (the "Company") was incorporated on December 16, 2006 and began operations on January 1, 2007. The Company is wholly-owned by the City of Chilliwack. The mandate of the Company is to develop and promote the tourism industry as well as provide economic development programs and services aimed at growing the tourism industry in the City of Chilliwack.

1. Significant accounting policies:

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

(a) Basis of consolidation:

The consolidated financial statements include all of the funds of the Company. Inter-fund transactions, fund balances and activities have been eliminated on consolidation. The funds of the Company include Facility Management, Tourism Services and Retail Services.

(b) 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.

(c) Inventories:

Inventories are measured at the lower of cost and net realizable value by using first-in, first-out costing methodology. The Company uses the same cost formula for all the inventories having a similar nature and use to the entity. When circumstances which previously caused inventories to be written down no longer exist the previous impairment is reversed.

(d) Tangible capital assets:

Tangible capital assets are stated at cost, less accumulated amortization. Amortization is provided using the declining balance method at the following annual rates:

Asset	Rate
Furniture and fixtures	30%
Computers	30%
Leasehold improvements	30%
Website	45%

Works of art and cultural and historical assets are not recorded as assets in these financial statements. Purchased works of art are expensed in year acquired.

TOURISM CHILLIWACK INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year Ended December 31, 2020

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 26, 2019.

(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.

TOURISM CHILLIWACK INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2020

2. Restatement of financial statements:

During the year the Company determined that it had incorrectly interpreted the requirements for certain full-time employees, who had elected out of the Municipal Pension Plan (the "MPP plan"), and the requirement to enroll various part time employees in the MPP plan once certain conditions were met. These requirements date back to 2012. The Company has determined that prior year employer remittances due under the plan related to 2019 and prior years was \$238,352 which amount is included in accounts payable as at December 31, 2019 and 2020 (see note 9).

As a result of this error the following amounts as at and for the year ended December 31, 2019 have been restated in the current year:

	As originally stated	Adjustment	As restated
Accounts payable	\$ 122,795	\$ 238,352	\$ 361,347
Total liabilities	580,507	238,352	818,859
Net financial assets	659,301	(238,352)	420,949
Staffing costs	757,741	37,695	795,436
Annual surplus	100,088	(37,695)	62,393
Surplus, beginning of year	629,703	(200,657)	429,046
Surplus, end of year	729,791	(238,352)	491,439

3. Inventories:

	2020	2019
Flag shop inventory	\$ 14,549	\$ 11,104
Maps, apparels and books	17,166	8,768
	\$ 31,715	\$ 19,872

TOURISM CHILLIWACK INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2020

4. Tangible capital assets:

	2020 Opening Cost	Additions	Disposals	2020 Closing Cost
Furniture and fixtures	\$ 65,201	\$ 2,537	\$ -	\$ 67,738
Computers	60,977	3,858	-	64,835
Leasehold improvements	127,915	-	-	127,915
Website	81,222	6,000	-	87,222
	\$ 335,315	\$ 12,395	\$ -	\$ 347,710

	2020 Opening Accumulated Amortization	Disposals	Amortization expense	2020 Closing Accumulated Amortization
Furniture and fixtures	\$ 53,318	\$ -	\$ 3,855	\$ 57,173
Computers	53,272	-	4,015	57,287
Leasehold improvements	121,332	-	1,973	123,305
Website	77,983	-	4,157	82,140
	\$ 305,905	\$ -	\$ 14,000	\$ 319,905

	2020 Opening Net book value	2020 Closing Net book value
Furniture and fixtures	\$ 11,883	\$ 10,565
Computers	7,705	7,548
Leasehold improvements	6,583	4,610
Website	3,239	5,082
	\$ 29,410	\$ 27,805

Not included in tangible capital assets is \$68,143 (2019 - \$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

Year Ended December 31, 2020

5. Share capital:

	2020	2019
Authorized:		
Unlimited common shares		
Issued with no par value:		
100 Common shares	\$ 1	\$ 1

6. Related party transactions and economic dependence:

During the year, the City of Chilliwack (the "City") provided funds under operating agreements totaling \$612,300 (2019 - \$512,100) 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 \$64,956 (2019 - \$90,975) and purchased services from the City totaling \$15,553 (2019 - \$17,853).

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 \$47,119 (2019 - \$50,867) and made purchases of goods and services of \$25,314 (2019 - \$27,742) 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.

TOURISM CHILLIWACK INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2020

7. Financial risks:

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.

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.

There has been no change to the risk exposures outlined above from 2019 other than the pervasive impact of the ongoing COVID-19 pandemic, of which, may lead to adverse changes in cash flows and working capital levels, which may also have a direct impact on the Company's operating results and financial position in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on operations is not known at this time.

8. Income taxes:

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

TOURISM CHILLIWACK INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2020

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, 2019, the plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 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 expensed \$52,697 (2019 - \$48,087 (restated)) for employer contributions to the plan in fiscal 2020. A portion of the 2020, 2019 and prior years contributions are included in accounts payable (note 2).

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.

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.

TOURISM CHILLIWACK INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2020

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.

Subsequent to year-end, the City of Chilliwack has agreed to either reimburse the Company or to reduce future payments by the Company to the City of Chilliwack, for the Heritage Park portion of the MPP plan employer remittances until such time that the Heritage Park portion of the remittances have been fully recovered. The amount to be recovered from the City of Chilliwack is \$210,297, see note 2.

12. Comparative figures:

Certain prior year's figures have been reclassified to conform to current year's presentation.

13. Contractual rights:

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

2021	\$	630,060
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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

Year Ended December 31, 2020

14. Segmented information (continued):

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

	Facility Management	Tourism services	Retail services	Eliminations	2020	2019 (Restated - note 2)
Revenues:						
Sales, rental and other income	\$ 247,600	\$ 19,402	\$ 129,201	\$ -	\$ 396,203	\$ 790,365
Operating agreements	402,300	289,811	-	-	692,111	532,511
Hotel tax	-	263,465	-	-	263,465	468,803
Advertising revenues	-	214,696	-	(27,083)	187,613	195,683
Interest income	542	7,948	-	-	8,490	7,659
	650,442	795,322	129,201	(27,083)	1,547,882	1,995,021
Expenditures:						
Staffing costs	436,314	240,161	29,041	-	705,516	795,436
Advertising and business development	27,083	361,615	2,699	(27,083)	364,314	455,546
Operations	71,289	42,793	49,797	-	163,879	283,186
Administration	54,952	69,951	-	-	124,903	139,335
Utilities	57,993	4,869	-	-	62,862	79,760
Amortization of tangible capital assets	1,611	12,389	-	-	14,000	12,800
	649,242	731,778	81,537	(27,083)	1,435,474	1,766,063
Annual surplus (deficit) before distribution	\$ 1,200	\$ 63,544	\$ 47,664	\$ -	\$ 112,408	\$ 228,958

The City of Chilliwack would like to thank the photographers whose images brought life to the pages of our 2020 Annual Report; Tourism Chilliwack Inc., The Progress - Jenna Hauck, Councillor Chris Kloot, Ryan Dyck Photography and City of Chilliwack staff.





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