

Annual Municipal Report

2013



Cover Photo Courtesy of Chilliwack Tourism Inc.

City of Chilliwack
Annual Municipal Report
For the year ended December 31, 2013



Prepared by City of Chilliwack
Finance Department

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City Map

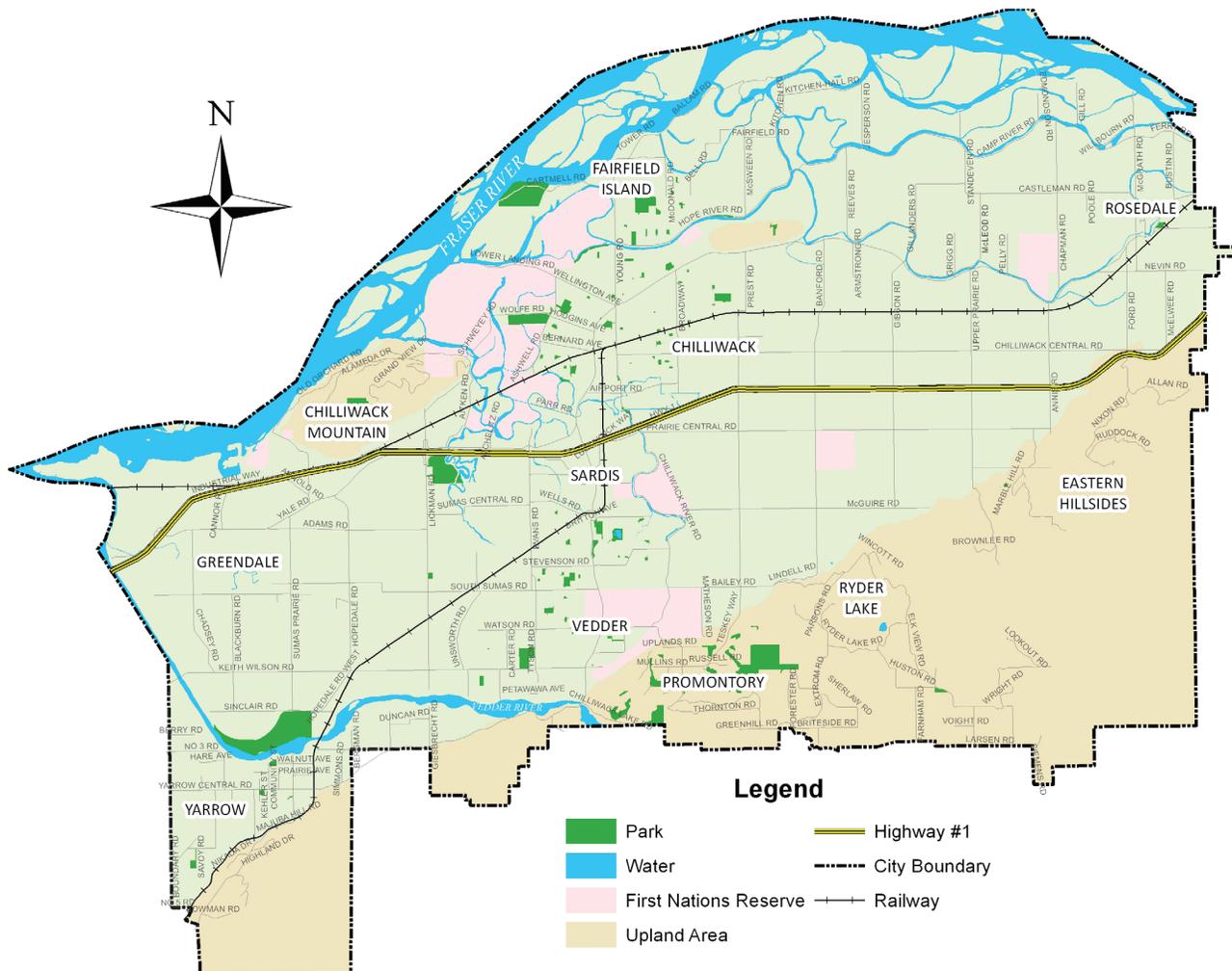


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Mayor Sharon Gaetz

Mayor Sharon Gaetz has been serving the Chilliwack community since December 2, 1996 - first as a Councillor (12 years), then as Mayor since December 1, 2008. Besides being the Chief Executive Officer of the City of Chilliwack, Mayor Gaetz also serves her community as a member of the:

- ❖ Chilliwack Economic Partners Corporation (CEPCO) as Ex Officio
- ❖ Fraser Valley Regional District Board Chair
 - Regional Corporate Services Committee
 - Former Chair of the Fraser Valley Regional Hospital District Board
- ❖ Emergency Executive Committee
- ❖ Union of BC Municipalities Executive (UBCM) as Director at Large
 - Resolutions Committee Chair of UBCM
 - Environment Committee Member of UBCM
- ❖ Director of the Municipal Finance Authority (MFA)
- ❖ Chilliwack Hospice Society Honourary Board Member
- ❖ Honourary Member of the Rotary Club of Chilliwack
- ❖ Honourary Member of the Rotary Club of Chilliwack/Fraser
 - Received Paul Harris Fellow Award - 2013
- ❖ Honourary Membership in the Royal Canadian Legion Branch #4
- ❖ Honourary President of the Chilliwack and District Agricultural Society



Councillor Sue Attrill

Councillor Sue Attrill has been serving the Chilliwack community as a Councillor since December 1, 2008. Councillor Attrill represents her community as a member of the:

- ❖ Agricultural Advisory Committee (Vice Chair)
- ❖ Chilliwack Agricultural Commission
- ❖ Design Review Panel (Vice Chair)
- ❖ Fraser Valley Regional District Board (Second Alternate)
- ❖ Fraser Valley Regional Hospital Board (Second Alternate)
- ❖ Parcel Tax Roll Review Panel
- ❖ Public Safety Advisory Committee (Vice Chair)
- ❖ Rural Issues Advisory Committee (Chair)

Councillor Ken Huttema

Councillor Ken Huttema has been serving the Chilliwack community as a Councillor since December 1, 2008. Councillor Huttema represents his community as a member of the:

- ❖ Agricultural Advisory Committee (Chair)
- ❖ Chilliwack Agricultural Commission
- ❖ Chilliwack Economic Partners Corporation
- ❖ Downtown Plan Implementation Committee (Vice Chair)
- ❖ Fraser Valley Regional District Board (First Alternate)
- ❖ Fraser Valley Regional Hospital Board (First Alternate)
- ❖ Transportation Advisory Committee (Vice Chair)





Councillor Jason Lum

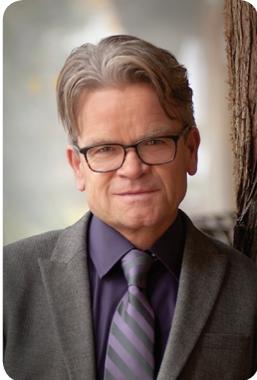
Councillor Jason Lum has been serving the Chilliwack community as a Councillor since December of 2011. Councillor Lum represents his community as a member of the:

- ❖ Chilliwack Film Commission
- ❖ Committee to Approve Public Events (Vice Chair)
- ❖ Design Review Panel (Chair)
- ❖ Emergency Executive Committee
- ❖ Fraser Valley Regional District Board
- ❖ Fraser Valley Regional Hospital Board
- ❖ Public Safety Advisory Committee (Chair)
- ❖ Rural Issues Advisory Committee (Vice Chair)

Councillor Stewart McLean

Councillor Stewart McLean has been serving the Chilliwack community as a Councillor since December 1, 2008. Councillor McLean represents his community as a member of the:

- ❖ Chilliwack Arts & Cultural Centre Society Board (Liaison)
- ❖ Committee to Approve Public Events (Chair)
- ❖ Development Process Advisory Committee (Vice Chair)
- ❖ Fraser Valley Aboriginal Relations Committee
- ❖ Fraser Valley Regional District Board (Third Alternate)
- ❖ Fraser Valley Regional Hospital Board (Third Alternate)
- ❖ Fraser Valley Regional Library (Alternate)
- ❖ Parcel Tax Roll Review Panel



Councillor Ken Popove

Councillor Ken Popove has been serving the Chilliwack community as a Councillor since December of 2011. Councillor Popove represents his community as a member of the:

- ❖ Chilliwack Healthier Community Stewardship Council (Co Chair)
- ❖ Development Process Advisory Committee (Chair)
- ❖ Downtown Chilliwack Business Improvement Association Board (Liaison)
- ❖ Downtown Plan Implementation Committee (Chair)
- ❖ Fraser Valley Regional District Board
- ❖ Fraser Valley Regional Hospital Board
- ❖ Mayor's Committee on Housing (Vice Chair)
- ❖ Parcel Tax Roll Review Panel

Councillor Chuck Stam

Councillor Chuck Stam has been serving the Chilliwack community as a Councillor since December of 1999. Councillor Stam represents his community as a member of the:

- ❖ Chilliwack Aviation and Aerospace Planning Committee
- ❖ Emergency Executive Committee
- ❖ Fraser Valley Aboriginal Relations Committee (Alternate)
- ❖ Fraser Valley Regional District Board
- ❖ Fraser Valley Regional Hospital Board (Chair)
- ❖ Fraser Valley Regional Library
- ❖ Mayor's Committee on Housing (Chair)
- ❖ Tourism Chilliwack (Ex Officio)
- ❖ Transportation Advisory Committee (Chair)



Mayor's Message



On behalf of Chilliwack City Council, I am pleased to present the 2013 Annual Report for the City of Chilliwack. This report contains important information related to City operations, including a financial overview, highlights and accomplishments, and progress being made on Council's strategic goals in 2013.

With a population of around 85,000, Chilliwack continued to see steady population and economic growth in 2013, attracting recognition from a variety of sources. In 2013 Chilliwack was pleased to be named by the First Conference Board of Canada's Mid-Sized Cities Outlook 2013 as one of the fastest growing mid-sized economies in Canada! We were also recognized as one of the Top 10 BC Towns for Investment in 2013 by the Real Estate Investment Network.

In 2013 the City of Chilliwack was recognized for its commitment to the small business community and received a \$10,000 Open for Business award from the provincial government through the B.C. Small Business Roundtable. Considerable recognition was given to the City's work with the Welcoming Communities Program, which fosters welcoming and inclusive communities.

As you will see in this report, we accomplished a lot in 2013. From growing our transit system by more than 30%, to opening a new library in Sardis, to adding synthetic turf at Exhibition Field and more, we've been making positive changes all over Chilliwack. This truly is a place where you can live, work and play.

The City's successes would not have been possible without the dedication and commitment of many people: my Council colleagues, members of our advisory committees, volunteers, residents and our City staff. Please accept my sincerest gratitude for all you do to ensure Chilliwack is a great city to call home.

For everyone who has contributed to our community, the Annual Report represents the goals we have achieved, promises fulfilled and our objectives for the future.

Happy reading!



Mayor Sharon Gaetz

2013 At a Glance

CHILLIWACK MUNICIPALITY
8550 YOUNG

❖ Population - 84,621

❖ Housing Starts - 413

❖ New Lots Created - 192

❖ New Business Licences - 495

❖ Paved Bike Lanes - 1.5 kms of new bike lanes added

❖ Exhibition Park Synthetic Turf Field - opened in October

❖ Sardis Library - 10,600 square foot facility opened in May

❖ Road Rehabilitation - Overlay of 11,000 tonnes of placed asphalt

❖ Transit Improvements - 2 new buses and 7500 additional service hours added

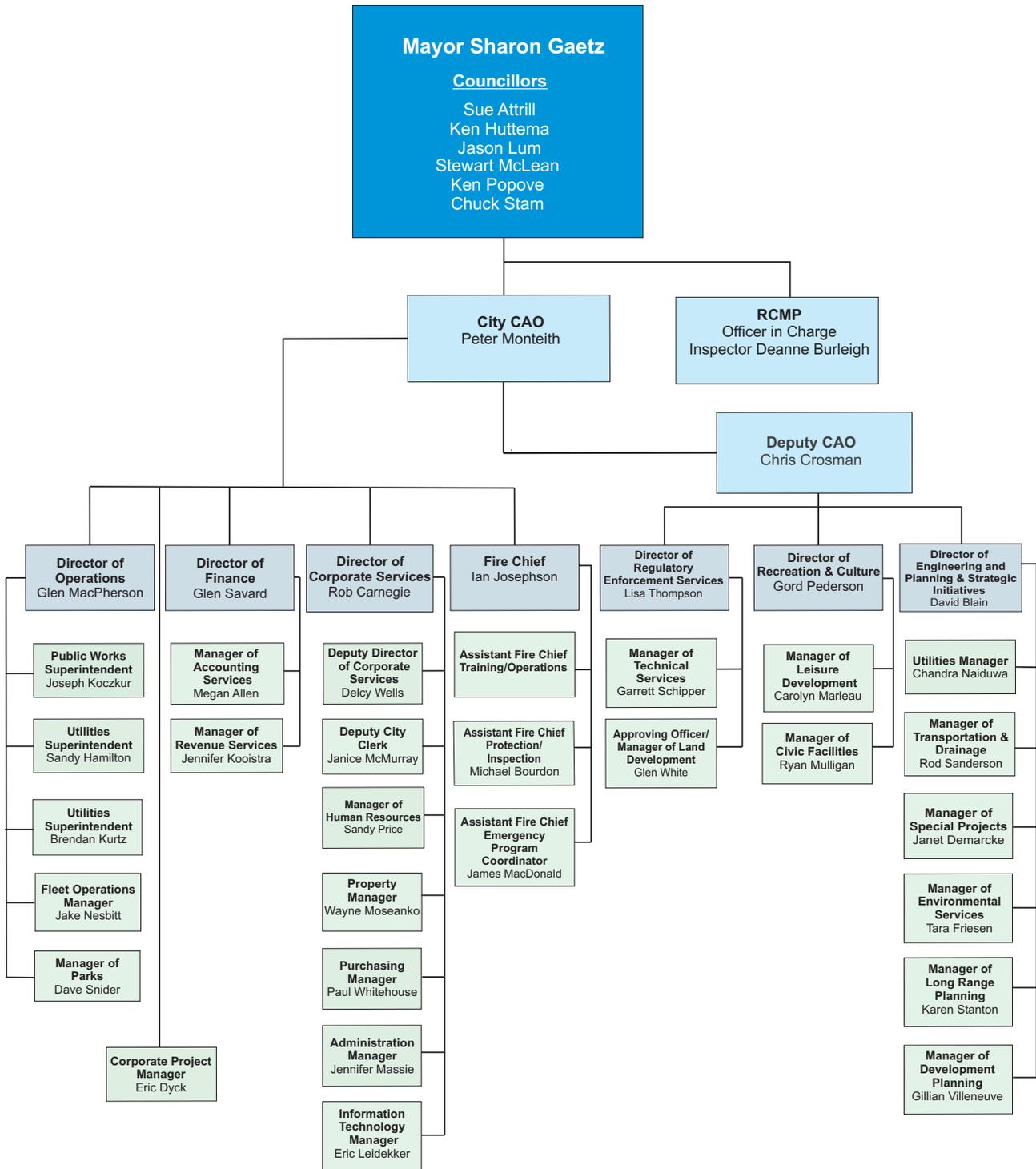
❖ Thom Creek Trail Realignment - Trail widened and upgraded, hazards removed

❖ Bailey Landfill Upgrade - New landfill cell, gas extraction system and pump station

❖ Chilliwack Health & Housing Contact Centre - Officially opened it's doors in October

❖ Ross Road Land Dedication - 20 acres of land donated to the City and incorporated into Mount Thom Park

Organizational Chart



General Government

Corporate Services

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

- ❖ Access to Information
- ❖ Damage Claims
- ❖ Geographic Mapping
- ❖ Human Resources
- ❖ Information Systems
- ❖ Labour Relations
- ❖ Liquor Licensing
- ❖ Occupational Health and Safety
- ❖ Property Management
- ❖ Purchasing
- ❖ Records Management
- ❖ Risk Management

The Corporate Services Department also provides the statutory function of the City Clerk, 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 offenses

2013 HIGHLIGHTS

- ❖ Downtown Redevelopment Plan - Progress continued as many of the properties necessary to begin the revitalization have now been assembled.
- ❖ School District Trustee By-Election - This very large project was completed on November 30th with Dan Coulter being elected the new Trustee.
- ❖ Respectful Workplace Policy - Implementation of this policy keeps the City up to date with current workplaces by incorporating bullying and harassment prevention programs into the City's policies and procedures.
- ❖ Ross Road Park Land Donation - The City received a donation of 20 acres of land which was incorporated into Mount Thom Park making it a beautiful addition to the City's parks and trail system.
- ❖ New Corporate Web Site - The new web site is significantly modernized and much more user friendly for the public.
- ❖ New Online Mapping System - Developed for public use, to view maps of Chilliwack that is user friendly and intuitive.
- ❖ Continued significant reduction in lost time due to workplace injuries. There were 45 days of lost time in 2013 down from 197 in 2012. This represents a substantial savings to the City in our future premiums for WorkSafeBC coverage.

Administration

The Chief Administrative Officer acts as a liaison for Mayor and Council, providing direction to all departments.

Administration provides support to Council, Committees of Council and department operations. This division of local government is responsible for ensuring:

- ❖ The most cost-effective delivery of services to the public
- ❖ Corporate fiscal responsibility and accountability
- ❖ That municipal services are provided in a timely and friendly manner
- ❖ That departments and Municipal Operations are responsive to community needs.

Finance

The Finance Department is responsible for the financial management of the City's assets.

Staff work closely with all departments, the RCMP, and the Fraser Valley Regional Library to coordinate financial activities. Finance also coordinates the annual review of the City's Development Cost Charge Bylaw and is responsible for development of the Financial Plan and the annual financial statements for the City.

This department's functions include:

- ❖ Investment
- ❖ Payroll
- ❖ Accounts payable
- ❖ Accounts receivable
- ❖ Collection of property taxes, water, sewer and curbside fees
- ❖ Safekeeping of all financial instruments
- ❖ Municipal government grant research
- ❖ Production of the Annual Municipal Report



Recreation & Culture

The Recreation & Culture department takes a “community development” approach to providing leisure services to Chilliwack. The Department works with various cultural groups, sports organizations, community associations, businesses, not-for-profit societies and service clubs in order to offer residents a wide variety of leisure opportunities.



Island 22
Bike Skills
Park

The Recreation & Culture department is responsible for the coordination and delivery of leisure services in Chilliwack. This department operates and allocates a number of facilities including:

- ❖ Evergreen Hall
- ❖ The Landing Sports Centre
- ❖ Twin Rinks Arena
- ❖ 2 Synthetic Turf Fields
- ❖ 58 Grass Sports Fields
- ❖ 69 Ball Diamonds



Recreation & Culture also coordinates the contracted operations of:

- ❖ Cheam Leisure Centre
- ❖ Chilliwack Landing Leisure Centre
- ❖ Chilliwack Cultural Centre
- ❖ Chilliwack Heritage Park
- ❖ Chilliwack/Yarrow/Sardis Library
- ❖ Great Blue Heron Nature Reserve
- ❖ Rotary Outdoor Pool



Funding for the operation of many of Chilliwack’s cultural programs is supplied through the Recreation & Culture department, such as:

- ❖ Chilliwack Museum and Archives
- ❖ Community Schools
- ❖ Senior Resources
- ❖ Youth Services
- ❖ Gwynne Vaughan Park



Highlights

- ❖ The Parks, Recreation and Culture Strategic Master Plan was completed with Professional Environmental Recreation Services (PERC) producing the final document. It was noted that Chilliwack's unique delivery of leisure services was still effective in providing the community with a diverse level of programs, events and services.
- ❖ The new Exhibition Synthetic Turf field opened in the fall of 2013 with the first sports game being played on September 27. The conversion to synthetic turf will increase community usage from 160 hours per year to well over 2,000 hours.
- ❖ The Fraser Valley Regional Library Sardis Branch opened in Spring 2013. Although only open to the public for 8 months, approximately 230,000 items were checked out and 112 programs held in the new facility.
- ❖ The Island 22 Bike Skills Park opened in April. This Park houses a variety of jumps, ramps and rails for riders of all ages.
- ❖ The Great Blue Heron Nature Reserve had their best year to date with over 20,000 visitors through the Interpretive Centre.
- ❖ The Chilliwack Active for Life committee worked with other community partners to offer healthy living activities such as **Chilliwack Walks, Move For Health** and the **Community Sports Hero program**.
- ❖ The annual Move For Health Day was a great success with over 2,700 participants. The program expanded to City employees who participated in learning opportunities, group activities and individual challenges.
- ❖ The annual Terry Fox Run raised over \$13,500 with 275 participants and over 70 volunteers.
- ❖ The Downtown Revitalization Implementation Committee and Parks, Recreation and Culture signed an agreement with Ruth and Naomi Missions to operate a community garden on a vacant lot in the downtown core. The intent is to provide residents in the area with fresh produce (grown themselves) and instill commerce skills acquired through the sale of surplus bounty.
- ❖ The City partnered with the Chilliwack Chiefs to host the second BCJHL Showcase. The event hosted over 200 scouts who evaluated players from Canadian and American Universities, Junior Hockey leagues and the North American professional hockey leagues.
- ❖ The Healthy Communities Tradeshaw was held in Langley. The partnership between the Planning and Strategic Open House Review and the Recreation Department's Strategic Master Plan process was highlighted.



Engineering

Transportation, Drainage & Utilities

The Transportation, Drainage & Utilities divisions work cohesively with the Planning and Strategic Initiatives Department to plan works required as a result of growth in the community. These works include:

- ❖ Potable water systems
- ❖ Sanitary sewer systems
- ❖ Storm sewer drainage systems
- ❖ Transportation network

Infrastructure includes:

- ❖ Roads & bicycle paths
- ❖ Street lights and traffic signals
- ❖ Water mains and reservoirs
- ❖ Sanitary sewers and pump stations

Responsibilities also encompass:

- ❖ Urban Public Transit (bus service system)
- ❖ Safer City program

Flood Protection

The City of Chilliwack is responsible for 50 kilometers of dyking and related infrastructure that protects our community from floods on the Fraser and Vedder Rivers.

This division is responsible for:

- ❖ Monitoring snow pack and stream flow forecasts for the Fraser and Vedder Rivers
- ❖ Undertaking flood protection studies
- ❖ Managing infrastructure upgrades to improve the overall protection of our community
- ❖ Managing gravel removals from the Vedder River

Environmental Services

The City of Chilliwack is committed to developing and implementing sustainable programs and initiatives that improve the quality of life for Chilliwack residents and create environmental benefits in the areas of:

- ❖ Solid waste management
- ❖ Groundwater and surface water protection
- ❖ Air quality
- ❖ Climate change
- ❖ Energy initiatives

HIGHLIGHTS

Chilliwack Transit System

Reconfiguration and expansion included the addition of 7,500 annual service hours, and two new buses. The hours were used to extend the service day to 10 pm across 6 days per week, provide light service on statutory holidays and the addition of two neighbourhood routes, one downtown route and one Sardis route.

Sardis Rail Trail Extension Preliminary Design

Proposed pathway to link existing path running north from Webb Avenue to Luckakuck Way to traverse the Trans-Canada Highway and connect into downtown Chilliwack.

Asphalt Rehabilitation and Shoulder Paving

The Program included 11,000 tonnes of placed asphalt on 12 projects. Shoulder paving on Yale Road completed the bike lanes on the west side of town out to Chadsey Road.

Elk View Road Reconstruction/Strengthening

Bailey Road to Ryder Lake Road – micropile base support system completed, mechanically stabilized earth wall constructed and culvert replaced 350m uphill from Bailey Road.

3-Way Flasher – Installation

A 3-way flasher was installed at Yarrow Central and No. 3 Road to supplement the 3-way stop signs. The road markings were also updated to include crosswalks.

Street Furniture

Key-Bench Advertising Ltd. was selected as the City contractor for Street Furniture Provision 2013-2018. The agreement includes the provision, placement, and advertising of 110 benches and 34 recycling/waste containers along the City of Chilliwack transit routes.

Intersection Improvements - Evans Rd. to Stevenson Rd.

Southbound left-turn lane constructed.

Elk View Road Safety Improvements

Bailey Road to Ryder Lake Road – Shared funding with ICBC for installation of snowplough resistant centerline markers, flexible steel delineators and 3M Diamond Grade hazard and chevron signs.

Street Light Installation

Luckakuck Way – Amber Drive to McDonald's Restaurant.

Traffic Signal Program

Improvements were completed at 9 locations including video detection, pedestrian count down timers and audible pedestrian signals. This minor capital program brings much needed upgrades to the 50 traffic signals in Chilliwack.

Bridge Reconstruction

Repairs were done to several bridges including Chilliwack Central Rd. over Banford Ditch, Vedder Bridge, Eckert St. over Stewart Creek, South Sumas Rd. over McGillivray Creek, Young Rd. over Hope Slough, Menzies St. over Hope Slough, Banford Rd. over Semiault Creek and Prest Rd. over Semiault Creek.



Roadway Markings

Centerlines, lane lines, stop bars and crosswalks were installed along 450km of road way within the City limits.

Annual Traffic Counts

Transtech Data Services completed the 2013 Annual Traffic Count Program. This program involved counting 24hr two way volume counts at 87 locations and 71 manual intersection counts. Information is available in the Engineering Department or the City's website at www.chilliwack.com/trafficcounts. This data assists with signal timing, infrastructure planning, and traffic control device evaluation. It also assists with business planning, advertising and real estate evaluations.

Prest Road Engineering Preliminary Design

A proposed upgrade to Prest Road between Bailey Road and Chilliwack Central Road will increase capacity and safety for vehicles, pedestrians and cyclists. A preliminary engineering design has recently been completed showing upgrades in a phased approach up to the year 2051. This includes

intersection improvements and road widening to provide wider travel lanes and bicycle lanes in phase 1 and 2 with ultimately a 4-lane road in Phase 3 and 4 (2030 and beyond).

Auto Crime Prevention and Distracted Driving

- ❖ Auto Crime Prevention awareness had information on the top 10 stolen vehicles in BC along with safety tips and reminders.
- ❖ Distracted Driving and its effects were showcased with driver tips and descriptors of violations.

Commercial Vehicle Inspections

Safer City partnered with representatives from the Ministry of Transportation Commercial Vehicle Safety and Enforcement Branch and Chilliwack RCMP Traffic Services to check vehicles to confirm their compliance with applicable safety legislation at locations within the City.

Eastern Hillside Balancing Reservoir

The reservoir will provide sufficient volume and elevation to maintain pressure throughout the peak water demand periods and ensure system reliability.

McGrath Road Water Main at CN Rail

A sink hole appeared in and around CN Rail tracks on McGrath Road. After field investigations, it was revealed that the condition of existing 150mm diameter steel water main underneath CN Rail had deteriorated and was replaced to protect the CN Rail line and to provide reliable water supply.

Patten Avenue Sewer Main Replacement

Installation of 45m of 200mm diameter PVC sanitary sewer main along with service connections to replace the existing 150mm diameter vitrified clay sewer pipes.

Wing Dyke Realignment

Realignment of a section of the Wing Dyke on Island 22 to set it back from the eroding bank line.

Fraser River Freshet

The Fraser River peaked much earlier than normal in 2013 due to an extended hot spell in early May. Water levels reached a peak of 5.6 metres at the Mission Gauge during the week of May

13 – 19, which is almost 3 metres higher than the historical average water level for that time of year.

Road Safety Day

Crowds enjoyed displays and conversations with the Safer City team who provided information on safety programs.



Bailey Landfill Annual Report

The Bailey Landfill Annual Report was submitted as a condition of our Operational Certificate with the Ministry of Environment. The report includes review, analysis and comparison of the water quality results from the monitoring program with applicable water quality standards.

Bailey Landfill Design-Build Project

Construction has progressed at the Bailey Landfill to construct a new landfill cell, a landfill gas extraction system, and new pump station. Works completed to date include the placement of gravel, clay, and geomembrane for the new Northwest Expansion Cell. The drilling of gas extraction wells is in progress.

Environmental Services Annual Programs

- ❖ Shred-a-Thon
- ❖ Bike to Work Challenge
- ❖ Community Clean-ups
- ❖ Adopt-a-Road / Adopt-a-River
- ❖ Pitch In
- ❖ Scrap Metal Recycling
- ❖ Semi-Annual City-Wide Garage Sale
- ❖ River and Vedder Mountain Cleanups

Nestle Waters Canada Street Furniture Donation

Nestle Waters Canada donated over \$20,000 to place 12 new garbage/recycling containers in the downtown area, as well as two street-side benches.



Operations

The Operations Department is responsible for the operations and maintenance of the City's water, sanitary sewer, storm drainage, road and dyke infrastructure, as well as the operation and maintenance of the Wastewater Treatment Plant (WWTP), over 100 parks and sports fields and the City's recreational trail network.

Parks

The Parks section maintains over 100 parks and natural areas which together make up over 400 hectares of green space. Parks vary in equipment and services. Most Community parks provide a variety of facilities suitable for a day visit, while smaller parks provide playgrounds, sports courts and picnic tables. The Parks section also maintains a network of over 75km of developed trails in both urban and natural areas throughout the City.

Public Works

Public Works liaises with local developers and contractors to ensure there is minimal delay in connecting newly constructed infrastructure to the existing infrastructure, to allow new development to be serviced as timely as possible.

The Public Works section maintains existing infrastructure:

- ❖ 565 km of paved roadways
- ❖ 38 km of unpaved roads
- ❖ 305 km of storm drainage system
- ❖ 50 km of dykes
- ❖ Approx. 1000 km of open drainage ditches
- ❖ 4 storm water drainage pump systems

Utilities

The Utilities Electrical/Mechanical and Underground section operate and maintain:

- ❖ 47 sanitary pump stations
- ❖ 8 drinking water production wells
- ❖ 13 water booster pump stations and 14 reservoirs
- ❖ 750 + kilometers of water and sewer pipe systems

The City operates the water system in accordance with the City's Drinking Water Quality Assurance Program initiatives and the Provincial Drinking Water Protection Act Regulations.

Fleet Maintenance

The Fleet Maintenance section is responsible for maintaining the City's vehicle and equipment fleet, which currently numbers 207 units, ranging from grass mowers to dump trucks to excavators and graders. This division also maintains the Chilliwack Fire Department's fleet of vehicles and firefighting apparatuses.

Wastewater Treatment Plant

The WWTP processes and treats over 6.5 million litres of wastewater per year. The plant is continually upgraded to cope with increased volumes as the City's population increases.

HIGHLIGHTS

ROSS ROAD PROPERTY DONATION/ KARVER'S TRAIL

In late Fall the City received title to 8ha wooded land donated in memory of Karver Morford who was killed on the property in 2010. This property, together with a 2ha triangle recently received as parkland dedication will facilitate the construction of Karver's Trail, connecting Mount Thom Park to Ross Road.

EDWARDS PARK REDEVELOPMENT

As a part of the Parks Department Community Play Structure Program, Edwards Park was redeveloped. With increased densification occurring in the downtown core, this centrally located ¾ acre park was a priority for re-development to accommodate increased user visits. New equipment in the park included a tree fort themed play structure with faux logs and two separate platforms connected by a flexible bridge.

METHANE/NATURAL GAS FIRED BOILER

A new boiler was installed at the WWTP that can burn both natural gas and methane gas produced during waste stream processing. With the new boiler technology, methane gas is able to be captured to fire the boiler, reducing natural gas consumption. This cycle of methane production and consumption reduces carbon waste and the amount of natural gas consumed, giving rise to operational cost savings.

MT. SHANNON ZONE 2 BOOSTER STATION UPGRADES

The project involved several challenges such as existing utilities and adverse grades. A 150mm water line, complete with hot taps and valves, was installed between the Zone 1 Reservoir and the Zone 2 Booster Station. This connection to the reservoir now promotes turn over in Zone 1 and improved water quality in both zones.

DOWNTOWN GREENING PROJECT - VICTORIA AVENUE

The area on Victoria Avenue between Young Road and College Street received upgrades to curb, gutter and sidewalks as well as new landscaped bulges at intersections. The work was funded through a Downtown Greening budget and Public Works sidewalk replacement budget. The project was completed in July.

CROSS CONNECTION CONTROL PROGRAM

Progress continued with the Cross Connection Control Program. A significant portion of the Program is the continued surveying of existing facilities and the selection and installation of a backflow prevention device. An additional 248 testable backflow prevention devices were installed within the water distribution system. In addition, City utility crews installed 155 backflow prevention devices on residential water services as a part of the City's water system upgrades.

THOM CREEK TRAIL RECONSTRUCTION

Reconstruction of the trail was completed in late fall of 2013. The lower section of the trail was upgraded from a narrow dirt path with steep up and down sections and hazardous stairs to a 1m wide trail with gentler up and down sections with a few stairs. The upper section was upgraded from a narrow muddy path, to a 2m wide gravel trail.

CITY OF CHILLIWACK TRAINING FACILITY

A practical training facility has been established at the Wastewater Treatment Plant that will service the training needs of all City employees. The indoor facility is designed for a maximum of 14 persons and the grounds provide the opportunity to train on heavy machinery and to perform simulations.

CORPORATE IDENTITY AND BADGING FOR OUTSIDE WORKERS

In order to give identity to City workers when they are working outside in the public eye, all hard hats and high visibility vests are now printed with the City logo. City workers are now easily identifiable as they go about their day to day duties around town.

OPEN CHANNEL DRAINAGE MAINTENANCE

The 2013 Open Watercourse Drainage Maintenance Program has been successfully completed. Watercourses that underwent Drainage Maintenance include 5,000 linear metres of Interception Ditch, and over 6,000 linear metres of Chilliwack Central Ditch. All told, 30 watercourses were maintained covering a linear distance of 57,640 metres.

MAJOR OVERLAY PROGRAM

During August and September four roadway overlay sections were completed; Kitchen Road, Old Yale Road, Cultus Lake Road and Salmonberry Road. All overlays were paved full roadway width at an average thickness of 50mm to reinstate the roadway crown. A total of 1350 tons of asphalt was placed and finished by KeyWest Asphalt.

UTILITIES USE QUICK RESPONSE CODES FOR REPORTING

New technology has been introduced to use quick response codes, or 'QR' codes, for day to day maintenance activities. On arrival at a facility an operator scans a bar code using a smart phone and the phone screen then displays a mobile web page relating to the facility. Codes at water quality sample points are used to record Chlorine Residual levels in real time mode. This system has drastically reduced the amount of paper forms and has cut operator "form filling" time by 75%. Because the data is directly stored in a database it is now possible to produce real time reports on demand via a web page whether in the office or on a mobile smart phone.

CHRISTMAS DECORATION IMPROVEMENTS

Funds were available for the purchase of 14 additional decorations and to complete a retrofit of all the incandescent bulbs to LED. The new decorations were

installed at Yarrow Park, Central Park, Salish Park, Ashwell Road and Hodgins Avenue and Wellington Avenue. The switch from incandescent bulbs to LED dramatically reduced energy costs and staffing requirements.

MITSUBISHI FUSO - GREEN VEHICLE

The new Mitsubishi Fuso FE160 is now in use in the Operations Department. With extensive thought given to the design of the utility body and the highly efficient diesel engine, this vehicle is proving itself to be strong yet fuel efficient. This has resulted in a 60% increase in fuel efficiency and significant reductions in carbon emissions.

ELECTRICAL MECHANICAL PUMP REPLACEMENT

The City's largest drainage station is the Wolfe Road pump station positioned on the bank of Chilliwack Creek. It provides drainage relief for much of the urban core during the annual Fraser River freshet. In the fall of 2013 a scheduled pump inspection revealed that one of the pumps was nearing the end of its service life. In December a new pump was ordered, design completed and manufacturing commenced with a delivery date of February 2014. After install, the station will be ready to deal with the City's pumping requirements during the 2014 freshet.

REPLACEMENT UTILITY CRANE TRUCKS

Two crane trucks were replaced in 2013. These trucks are required to be in daily use and are crucial pieces of equipment in the fleet. A new design has increased the level of services which can be provided by these trucks and has increased efficiency and effectiveness.

HAIG DRIVE BRIDGE RECONSTRUCTION

Identified in the 2012 Bridge Inspection and Maintenance Report in need of repair, City crews stripped and replaced all deck planking and added a railing as per recommendations.

THE LANDING PATH PAVING

With a total distance of approximately 575 metres, the path was upgraded from gravel to asphalt to increase the accessibility in wet weather and for those requiring a firm surface for confident movement.



Kelly Corbett Photography

Fire Department

Chilliwack's 6 fire halls protect an area over 250 square kilometres and are all staffed as needed by paid-on-call firefighters providing services such as fire suppression, rescue and emergency medical aid. Fire engines staffed with career firefighters operate out of downtown Fire Hall 1 and Sardis Fire Hall 4 on a 24 hour basis.

The Fire Department employs 26 career and 120 paid on call firefighters who are managed and supported by:

- ❖ 4 Chief Officers
- ❖ 1 Fire Prevention Officer
- ❖ 1 Training Officer
- ❖ 1 Public Safety Educator/Fire Inspector
- ❖ 2 Administrative Assistants

The Chilliwack Fire Department provides the following services:

- ❖ Fire Prevention
- ❖ Fire Protection
- ❖ Rescue
- ❖ Public Hazard Mitigation
- ❖ Emergency Management Programs
- ❖ Emergency Medical Aid



The Fire Department organizes emergency response to disasters, emergency preparedness and recovery planning. The Fire Department works closely with local volunteer groups, community organizations and other levels of government such as:

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

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

- ❖ Fire Prevention Week
- ❖ Burn Awareness Week
- ❖ Emergency Preparedness Week
- ❖ Juvenile fire setter program
- ❖ Home smoke alarm program
- ❖ Fire safety for seniors ('Remember When' Program)
- ❖ Health and safety inspections
- ❖ Fire alarm upgrade program



POC
Recruit Camp
Live Fire



Highlights

- ❖ Fire Chief Richard Ryall retired after 18 years of service with the Chilliwack Fire Department and a total of 38 years in the fire service.
- ❖ Responded to 2,227 calls for service, including 356 fires, performed 21 rescues and provided emergency medical aid 124 times.
- ❖ Paid-on call firefighters contributed over 18,320 hours of service to training and emergency responses.
- ❖ Delivered fire and life safety education to over 5,500 citizens through 194 scheduled events.
- ❖ Inspected high risk buildings as part of our on-going health and safety team inspection program.
- ❖ Delivered training to 146 firefighters in all aspects of fire and rescue services.
- ❖ Delivered training to and graduated 17 new paid-on-call firefighters in a 5 month recruit training program.
- ❖ Conducted an Emergency Operations Centre exercise with representatives from all City departments and provided training and support for local Emergency Social Services volunteers.
- ❖ Personal emergency preparedness presentations were delivered to a variety of participants such as neighbourhood organizations, community service organizations, service clubs, City employees and members of the general public.
- ❖ Emergency Social Services volunteers provided emergency support and assistance to evacuees as a result of residential fires.
- ❖ Participated in several community events, including the Salvation Army's Christmas Food Drive, collecting over 15,000 food donations and \$1,000 for the food bank.
- ❖ Raised over \$15,000 dollars for the BC Burn Fund and local charities through several fundraisers, such as a Fire Department calendar.
- ❖ The Chilliwack Firefighters Education Fund awarded 8 bursaries to local students to assist with their post-secondary education.
- ❖ Chilliwack Firefighters Charitable Society awarded one scholarship to a local grade 12 graduate.



Community 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, front counter clerks and other administrative assistance.

Another key area of support comes from over 162 volunteers who work out of the downtown Wellington Chilliwack Crime Prevention Services Office which houses:

- ❖ Victim Services
- ❖ Crime Stoppers
- ❖ Block / Grow Watch
- ❖ Restorative Justice
- ❖ Citizens on Patrol
- ❖ Speed Watch
- ❖ Crime Free Multi-Housing Program

The Chilliwack Crime Prevention Services Office is operated by the Chilliwack Community Policing Society, which receives significant funding from the City of Chilliwack. The Society could not function adequately without the dedication of its numerous 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 put into helping to keep the community safe.



Road Safety/Traffic Enforcement

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

Traffic Fine Revenue Sharing Program

The City of Chilliwack receives traffic fine revenue sharing funds through the BC Government's Strategic Community Investment Fund (SCIF). The City utilizes these funds to offset the costs for policing services to reduce the amount of funding required through general taxation.

Marijuana Growing Operations

In 2013, the Upper Fraser Valley Regional Detachment RCMP Crime Reduction Unit once again had a targeted enforcement approach to identifying and disrupting marijuana growing operations.

"Stuff the Cruiser" Event

The fifth annual Chilliwack RCMP "Stuff the Cruiser" Event was again a huge success with the generous help from the community. Several police officers volunteered their time and were onsite at three Overwaitea Foods locations throughout Chilliwack.

Crime Reduction Strategies

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

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

All calls for service are important to the police, but as crime reduction strategies move forward, police will focus on developing more targeted approaches to reducing criminal activity.

Prolific Offender Management Program

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

The Prolific Offender Program continues to see success throughout the region. A few prolific offenders have gained employment and some have left the criminal lifestyle. While some prolific offenders have felt the extra police attention and left town for another where they will not be known by police, others have recognized that they needed to leave town to start fresh and get away from their “friends” and the only lifestyle they have known.

Social Chronic Offender Management Program

Hand in hand with the Prolific Offender Program is the Social Chronic Offenders Program. The coordinator is a Constable working under the supervision of the Corporal who manages the Prolific Offender Program. The Constable works closely with the Community Mental

Health counsellor in assessing and providing services for those clients with mental health issues. This partnership has successfully resolved issues with repeat clients and reduced calls for service.

Public and Internal Education and Training

Public education is a key component of our overall crime reduction strategy. As we identify trends that are occurring in the community, we can provide real time information and education on ways community members can protect themselves and help prevent crime from occurring.

In 2013, police also focused on the education of members to provide them with additional training and development, so they have the skills and tools needed to fulfill crime reduction goals.

Police Visibility, Non-Vehicle Patrols and Seasonal Policing

Our key police visibility and community relations initiatives were:

- ❖ Non-vehicle patrols (foot/bike/boat/ATV)
- ❖ Seasonal policing enforcement and education
- ❖ Road safety and traffic enforcement
- ❖ Auxiliary Constable recruitment and training

Seasonal Policing

A high visibility and “zero tolerance” approach was once again taken to police our heavily visited seasonal recreation areas throughout Chilliwack and surrounding area. Key areas of focus were the Chilliwack River Valley, Cultus Lake, the Fraser River, and other popular seasonal recreational areas. Combined vehicle, bike, ATV, and foot patrols were conducted allowing for greater interaction with the public while promoting public safety.

Organized Crime and Drugs

Several charges were recommended in connection with marijuana grow operations. The significant number of charges laid, as a result of the hard work of the Upper Fraser Valley Regional Detachment RCMP Crime Reduction Unit, has had an impact on the street level drug trade in the Chilliwack area and an overall impact on organized crime in the community.

There were several “crack shacks” dismantled through various means including door to door knocks from the police as well with the assistance from Bylaw Officers.

Crime Prevention & Operational Support

This unit is located at the Wellington Chilliwack Crime Prevention Services Office and includes Youth Liaison Officers who deal with the schools, the Youth Academy, various youth programs, the Safe School program and are a partner with the Chilliwack Youth Committee.

First Nations Policing

Community partnerships have continued to be maintained and strengthened to help address crime issues in First Nations Communities.

The UFVRD RCMP First Nations Police Unit was selected to conduct a pilot project for the Aboriginal Shield program. This program is similar to the DARE program, but with First Nations content and involvement.

HIGHLIGHTS

- ❖ Chilliwack Community Policing Society saw over 9364 hours of volunteer time.
- ❖ Auxiliary policing program has 25 volunteers who volunteered over 4800 hours.
- ❖ UFVRD RCMP “Stuff the Cruiser” Event collected \$1998 in cash donations and over 16,000 pounds of food items. This was double the amount of 2012’s Stuff the Cruiser event.
- ❖ RCMP Corn Maze design in celebration of the 140th Anniversary of the RCMP and 50th Anniversary of the Auxiliary Constable Program in BC.





CEPCO

Chilliwack Economic Partners Corporation (CEPCO) is a wholly owned subsidiary of the City of Chilliwack with its own Board of Directors, consisting of representatives from local businesses and community stakeholders. The financial activities of this organization are consolidated into the Environmental Development section of the City’s financial statements.

CEPCO’s mission statement is “Attracting and facilitating economic growth”. To accomplish this, CEPCO:

- ❖ Supports local businesses in achieving their growth plans through Chilliwack Business Link, CEPCO’s business retention and expansion program.
- ❖ Encourages and works with businesses outside Chilliwack to establish their businesses in the community.
- ❖ Engages businesses in key industries, such as agriculture, manufacturing, health care, technology, education, film, and aviation / aerospace.

CEPCO facilitates strategies through partnerships with many community and government stakeholders as well as CEPCO’s subsidiaries:

- ❖ Chilliwack Agricultural Commission
- ❖ Chilliwack Film Commission

CEPCO continues to be the lead agency involved in the development of Canada Education Park. The redevelopment of the former CFB Chilliwack presents economic development opportunities and the Park includes the following agencies:

- ❖ University of the Fraser Valley (UFV)
- ❖ Justice Institute of British Columbia

- ❖ RCMP Pacific Region Training Centre
- ❖ Canada Border Services Agency





HIGHLIGHTS

❖ Canada Education Park

- UFV began construction of the Agriculture Centre of Excellence.
- RCMP purchased two additional properties to expand their training programs.

❖ Downtown Chilliwack

- Redevelopment of former Bank of Montreal (BMO) building for UFV to establish their Five Corners Campus. The building renovations will be completed April 2014 and classes will begin in September 2014. The facility will have a business development component.
- Continued work with the City of Chilliwack in the redevelopment of the downtown.

❖ Hampton Inn & Suites by Hilton

- New hotel opened in August 2013 with 1650 sq.ft. of conference space and 75 guest rooms.

❖ Soprema

- Had the grand opening of its second plant and production line in April 2013.

❖ Dura-Ramp

- New 17,000 sq.ft. manufacturing facility built at Highway 1 Business Park. Dura-Ramp manufactures portable ramps.

❖ Chilliwack Agricultural Area Plan

- The Chilliwack Agricultural Commission has begun to implement recommendations from the Chilliwack Agricultural Area Plan.
- ❖ Development and support of Chilliwack's various industrial and commercial parks: Chilliwack Business Estates, Eagle Landing, Highway 1 Business Park, Progress Way Industrial Park, Legacy Pacific Industrial Park, Cattermole Industrial Estates and Kerr Avenue Food Processing Park.
- ❖ Developed a Marketing Subcommittee to provide an innovative approach to market Chilliwack to become a leading entrepreneurial community, as well as an Incubator Subcommittee to develop a creative environment that fosters entrepreneurial ideas to grow into sustainable businesses.
- ❖ Recruitment of physicians and health care professionals.
- ❖ Developed a food processing sector strategy to attract food processors to the community.
- ❖ City of Chilliwack recipient of "Open for Business" award by Small Business Roundtable, Province of British Columbia.
- ❖ Chilliwack's economy, affordable real estate and skill focused education put Chilliwack on the top 10 list of BC cities for investment in the British Columbia Investment Towns Report by the Real Estate Investment Network in 2013.



Hampton Inn & Suites Grand Opening

Planning & Development

The City's Municipal Development functions operate as two departments within the organization; **Planning and Strategic Initiatives** and **Development and Regulatory Services**.

The purpose of each of these departments functions are as follows:

Planning & Strategic Initiatives

- ❖ Development Planning
- ❖ Long Range Planning
- ❖ Rezoning Applications
- ❖ Development Variance Permits
- ❖ Development Permits (Form & Character)
- ❖ Agricultural Land Reserve Applications
- ❖ Official Community Plan
- ❖ 'One Stop' Business Registration and Licensing

Development and Regulatory Services

- ❖ Land Development
- ❖ Subdivision
- ❖ Development Permits
 - Geotechnical/Environmental
 - Riparian
- ❖ Property Records Maintenance
- ❖ Building Permits and Inspections
- ❖ Bylaw Enforcement



HIGHLIGHTS

Planning & Strategic Initiatives

- ❖ 495 New business licences
- ❖ 39 Rezoning applications
- ❖ 9 Temporary Use Permits
- ❖ 40 Development Variance Permits
- ❖ 34 Form & Character Development Permits
- ❖ 7 Agricultural Land Reserve applications

Development and Regulatory Services

- ❖ 192 New lots created
- ❖ 184 New single family dwellings constructed
- ❖ 229 Other dwelling units (including multi-family)
- ❖ 121 Health and Safety inspections carried out
- ❖ 12 Marijuana Grow Operations shut down
- ❖ 17 Development Permits (Geotechnical, Environmental and Riparian)



PLANNING & DEVELOPMENT HIGHLIGHTS

- ❖ Each year the City participates in the Vancouver Chapter of the National Association of Industrial and Office Properties (NAIOP) *Municipal Survey of Commercial and Industrial Development Costs*. Annually, NAIOP acknowledges municipalities that excel in creating environments that are positive to business creation. The NAIOP Development Cost Survey is distributed to 20 municipalities within Metro Vancouver and the Fraser Valley. Each community is required to identify the costs and processing times associated with the parameters of a specific scenario. In 2013, the NAIOP survey indicated that the City continues to offer the best tax ratio for industrial properties.
- ❖ The Official Community Plan update began in the fall of 2012. In 2013 Long Range Planning staff continued with the update process and prepared 9 background studies and public summary reports for online distribution. Concurrently, the City conducted online surveys, internet forums (PlaceSpeak), two Community Café meetings (in Chilliwack proper and Sardis), and a workshop in Yarrow. The City reached out to the youth through presentations at two elementary schools, a middle school and a secondary school. A workshop with the real estate and development community was held along with discussions with the School District, CEPCO and business and community groups. By the end of the year, the first draft of OCP 2040 was completed and is currently under internal review. It is anticipated that the draft plan will be ready for public vetting in early 2014.
- ❖ The Planning Department prepared a new Heritage Designation policy which was subsequently adopted by Council. The new policy sets out a clear procedure and requirements of heritage designation and it has helped register two Municipal Heritage Sites at their owners request.
- ❖ In Fall 2013, the Chilliwack Health and Housing Contact Centre officially opened its doors, after a 5 year+ concerted effort by community stakeholders to provide

Chilliwack with one-stop access to health and social services. This project, identified as a key priority within the Healthier Community Strategic Plan, provides 22 supportive housing apartments for people who are homeless or at risk of homelessness. It further provides a broad range of community health support services open to the entire community and are delivered by Pacific Community Resources Society and Fraser Health. The B.C. government provided close to \$3.4 million for the renovations and approximately \$230,000 in annual operational funding for the residential component. The City contributed \$500,000 and waived development cost charges and building permit fees to support this project.

- ❖ The City continued to lend support through 2013 for the newly established Healthier Community Stewardship Council, a multi-sectoral committee, co-chaired by the City of Chilliwack and School District #33. This Council provides leadership in the development of networks and partnerships with stakeholders and the community at large. The goal is to improve the health of the entire community, primarily through implementation of the Healthier Community Strategic Action Plan (addressing homelessness, crime, and mental health and substance abuse); and secondarily, by identifying additional opportunities to proactively address community health needs.
- ❖ A new Hillside Development Standards Policy was adopted by Council to successfully integrate hillside development within our community's unique natural context. The new policy encourages flexibility and innovation in terms of how the challenges of hillside development are addressed and also incorporates guiding principles that should be achieved with all hillside developments.
- ❖ In September the City won the 2013 Open for Business Award provided by BC's Small Business roundtable. Award evaluations were based on how municipalities enhance small business competitiveness, recognize the contributions of business to the community and promote the principles of the BC Small Business Accord.



Tourism

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

Tourism Chilliwack is based at the Chilliwack Visitor Centre and is a leading Community Destination Marketing Organization in British Columbia, with a mandate to strengthen the tourism industry in the City of Chilliwack. The mission of Tourism Chilliwack, *“Working together with the tourism industry, to attract and retain visitors to our community,”* captures the partnership approach necessary to increase the economic benefits derived from the tourism industry for our community.

A main strategic objective for Tourism Chilliwack is to increase overnight visitors to Chilliwack. A range of programs and services are offered to engage the tourism industry and the community in working together toward this objective. The overall strategies are well-balanced and include visitor services, marketing, sector and partnership development and a business minded approach that allows the organization to explore non-traditional opportunities for revenue generation and the provision of services.

Since January 2012, Tourism Chilliwack has been the facility manager of Chilliwack Heritage Park. The facility is home to a wide range of events and activities throughout the year. As a manager of the facility, Tourism Chilliwack’s objectives are to increase the economic impact of the facility on the community, implement a strategic plan that guides improvements and capital investment, and ensure operations remain financially sustainable.

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

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

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



Photo courtesy of Chilliwack Tourism Inc.



Photo courtesy of Chilliwack Tourism Inc.

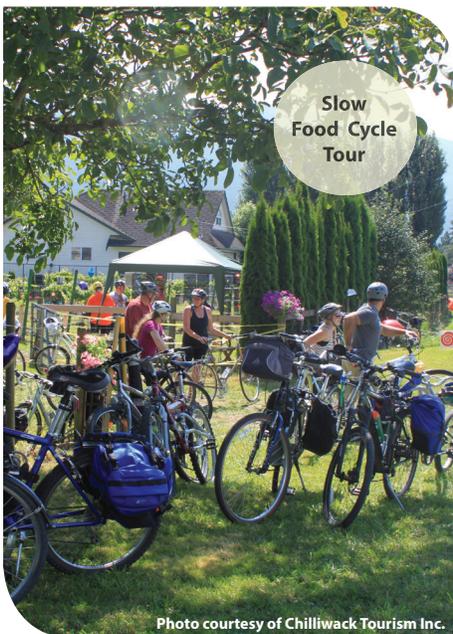


Photo courtesy of Chilliwack Tourism Inc.

HIGHLIGHTS

- ❖ Award winning Regional (with Abbotsford and Langley) Tourism Marketing Campaign.
- ❖ Chilliwack Heritage Park welcomed 54 large scale events, 34 smaller events, and a wide range of local and evening rentals that attracted approximately 165,000 people.
- ❖ Over 16,000 people served at the Chilliwack Visitor Centre.
- ❖ Began renovations of the mezzanine at Chilliwack Heritage Park which is set to be completed in Spring 2014.
- ❖ Implemented niche cooperative marketing campaigns: Cultus Lake, Fish Chilliwack, Regional Circle Farm Tour Group.
- ❖ Extensive use of social media and other online marketing initiatives.
- ❖ 8th year of award winning regional Circle Farm Tour Program.
- ❖ Coordinated 5th Slow Food Cycle Tour - an agri-tourism event with over 600 participants.
- ❖ Showcased Chilliwack with high definition video footage and photography.
- ❖ Hosted Community Sport Tourism Workshop.
- ❖ Enhanced sporting events in Chilliwack by providing welcome packages and other related resources.
- ❖ Attended the Canadian Sport Tourism Alliance Conference and the Canadian Association of Exposition Management Conference.
- ❖ Held 10th Annual Business on the Green Golf Tournament in partnership with the Chilliwack Chamber of Commerce.

Because of the success of the above, Tourism Chilliwack plays and will continue to play an important role in our local, regional and provincial economies.

Supplemental Information



Objectives, Measures & Progress

OBJECTIVE	STRATEGY	MEASURE	PROGRESS
Financial Stability	Plan for anticipated community needs.	Long term Comprehensive Municipal Plan (CMP) updated annually.	To Council in February 2013.
	Fund planned capital expenditures.	Balance CMP without long-term borrowing.	No long-term debt required in 2013 CMP.
	Build reserves for unanticipated community needs.	Have Unrestricted General Reserve Fund balance of \$10 million by 2015.	2013 closing balance of \$9.5 million. CMP includes an annual allocation to the Unrestricted Reserve.
	Maintain a reasonable tax burden for taxpayers.	Tax rate increase similar to rate increase of other local governments.	Chilliwack's 2013 tax increase was 3.44%, Abbotsford was 2.06%, Maple Ridge 3.25%, and Langley 2.79%.
		Chilliwack remains at the low end of municipal taxation on a representative home when compared to similar communities in the lower mainland.	Only Surrey has lower taxation than Chilliwack, of the 19 communities surveyed. With Utilities and Other Gov't levies included, Chilliwack is lowest.
		Chilliwack remains at the low end of business taxation when compared to similar communities in the lower mainland.	Chilliwack has the lowest class multiplier of 19 communities surveyed.
		Other revenue opportunities explored.	Available Government Grants applied for. Received \$3,564,733 for the Bailey Landfill Gas Extraction System project under the RSP Gas Tax Program. Applying for the next round of flood infrastructure grants.
		Identify priority projects that will be eligible for infrastructure grants and save for municipal portion.	Incorporated a savings plan into the 10 Year Financial Plan for 1/3 funding for the Collinson, McGillivray and Hope River drainage pump stations.
New growth pays for itself.	DCC Bylaw reviewed and rates amended. Full cost recovery analysis prepared.		
Good Stewardship of Municipal Infrastructure	Maintain the road system.	Average pavement quality index goals set at: Arterial 6.5, Collector 6.0, Local 5.5.	Investment into road rehabilitation program has been increased to \$2.875 million in 2014 to allow additional paving, and rising to \$3.525 million in 2021.
	Maintain the utility systems.	Service delivery interruptions minimized.	Flushed 150% of water system in 2013. Replaced 300 meters of aging cast iron water pipes. Over 450 life expired water meters replaced in 2013. Over 1,600 backflow prevention devices tested in 2013. Replaced 45 meters of sanitary sewer and flushed 120 km of sewer lines.
	Maintain civic facilities	Extend the life of buildings and reduce unplanned costly repairs.	Maintain regular major maintenance program and roof inspection program for all civic facilities.
	Maintain municipal fleet.	Repair and replacement program planned and funded.	Vehicle Maintenance Management System in use. Equipment Replacement Reserve Fund in balance. Replaced aged items. Used 90 retreaded tires. 70 heavy duty vehicles / equipment serviced and inspected quarterly in 2013 and 90 light vehicles serviced. Completed over 2000 repairs to fleet vehicles in 2013.
	Manage Airport Lease.	Manage Airport Lease.	Compliance with Airport Head Lease and Operating Agreement being maintained through timely communications with Airport Operator. Issues are being resolved as they arise resulting in no contractual breaches. Completed concrete apron replacement in 2013. Global Navigation Satellite System (GNSS) approach and departure procedures proposal has been reviewed by Transport Canada and has been forwarded to Nav Canada for final review and approval expected in 2014.

OBJECTIVE	STRATEGY	MEASURE	PROGRESS
	Protect the community from flood risk.	230,000 cubic meters of gravel removed from the Fraser River annually . 110,000 cubic meters of gravel removed from the Vedder River every second year.	No gravel removed from the Fraser River in 2013. Provincial Government developing a 10-year gravel management plan. No gravel removed from the Vedder River in 2013 (only on even-numbered years).
		Existing funding opportunities for flood studies and dyke upgrades maximized. Senior levels of government lobbied for additional monies.	Secured \$1.56 million for the Young Road Dyke Upgrades Project. Applied for \$1.6 million for Collinson Pump Station upgrades. Supporting the development of a regional approach to flood management to maximize lobbying effort for senior government funding.
		Open drainage watercourses and ditches in the floodplain cleaned on a 3 - 7 year cycle to maintain drainage integrity.	Cleaned over 67,000 meters of open drainage channels with DFO approval in 2013.
		Drainage pumping stations to be operable at all times.	McGillvray, Collinson and Wolfe Rd drainage stations inspected. Main hydro transformer replaced at McGillvray drainage station. Major rebuild of Wolfe Rd station pumps commenced in 2013.
		Dykes maintained to Provincial standards.	All dykes inspected and maintained in 2013 prior to freshet. West dykes and Vedder Dykes inspected in fall 2013 prior to high winter stream flows.
Maximize utilization of existing infrastructure.	Development directed to serviced areas.	Infill continued in 2013.	
Ensure adequate water supply.	Amount of water produced meeting daily demand.	Demand met. Lawn watering restrictions during summer. Approved 167 applications for the toilet rebate program. A comprehensive water conservation plan is being designed and implemented.	
Ensure quality drinking water.	Meets drinking water standards.	Comprehensive and extensive drinking water quality testing program undertaken in 2013, with 1,850 water samples tested. Full time chlorination commenced in March 2013 and water system has been operated with a min 0.2ppm chorine residual throughout. Since chlorination, water quality has been maintained to meet drinking water quality guidelines. Consultant study to identify most suitable full time disinfection system undertaken in 2013.	
Good Stewardship of the Environment	Protect the waterways.	Effluent meets or exceeds Provincial standards.	Continues to meet Provincial standards. New digester construction at the WWTP to meet demand.
		Enhancement of fish habitat.	Fish habitat enhancement projects completed in 2013 included 2.3 km of streamside plantings completed along Big Ditch, Nevin Creek and Stewart Creek.
	Protect water course riparian areas.	Consider scientifically determined stream setbacks in all new development applications.	Continued to protect riparian areas by maintaining RAR standards and enforcing Development Permit Area #11 rules.
	Encourage recycling.	Diversion rate for recycling items increased to 40% by 2012, 41% by 2013 and 42% by 2014.	Recycling rate 32% in 2013. Increasing education on requirements of recycling programs. An organics (food scrap) diversion program will be investigated.
	Protect the air shed.	Work with the Province to assess agricultural air quality impacts.	Best practices for nutrient management are addressed in the 2012 Agricultural Area Plan.
		Explore economically viable methane extraction opportunities. Install a gas extraction system at the Bailey Landfill.	Continue to utilize methane produce at WWTP to run biogas boiler heat digesters. A gas extraction system will be installed at the Bailey Landfill in 2013.

OBJECTIVE	STRATEGY	MEASURE	PROGRESS
		Reduced reliance on automobiles.	Budget increase in 2013 will provide for local fleet expansion from 7 to 9 buses to extend the length of our service day and routes. A transit connection to Abbotsford is being planned by the FVRD, intended launch date is mid-2015.
		Protect the Air Shed by fostering a community to become more energy efficient.	Continued to facilitate sustainable transportation and encourage higher density, more efficient developments.
		Minimize burning.	Conducted review of open burning trends and assessed options to reduce open burning in Chilliwack.
	Minimize energy consumption in municipal facilities.	Reduction in energy consumption.	Continued energy efficiency upgrades at municipal facilities in 2013. Upgrades included lighting improvements and working with Fortis BC to identify energy conservation measures for the pools at the Cheam Leisure Centre and Chilliwack Landing Leisure Centre.
	Promote a "zero waste" philosophy to minimize the generation of solid waste in the City, while maximizing reuse and recycling initiatives.	Reduce the annual amount of residential garbage being generated per household and increase the diversion rate. Implement 2010 Waste Audit recommendations.	In 2013 the estimated annual waste generated was 460 kilograms per household, down from 2012 weight of 470 kg/residence.
	Ensure a Financial Plan is in place for long term sustainability of the Landfill.	Financial Plan projects a positive reserve fund balance, along with a plan to fund closure and post-closure costs.	Landfill Financial Plan reviewed in 2013.
Facilitate a High Quality of Life	Provide quality parks and recreational opportunities.	Comparison to other communities. Taxpayer feedback.	Chilliwack provides excellent parks, trails and recreational opportunities. New facilities and parks completed in 2013 included Exhibition Turf Field, Peach Creek Trail and the opening of the Sardis Library. Supported by CDI funding, the Rosedale and Greendale community schools successfully completed their second year of community programming. The Parks, Recreation & Culture strategic plan, identifying facility and service delivery needs for 2014 to 2023, was adopted.
	Facilitate the attraction of community events.	Events held in local recreational facilities.	Heritage Park, Prospera Centre, and the Chilliwack Cultural Centre booked year-round, including large scale events. Partnership with the Active Communities Committee and Tourism Chilliwack for hosting health and wellness events and sport tourism opportunities.
	Support cultural groups.	Facility and funding assistance.	The Chilliwack Cultural Centre hosts many large scale shows and events attracting patrons from throughout the region as well as providing an important venue for developing and showcasing local artists and performers.
	Foster community spirit.	Recognize volunteers.	Recognized volunteers through the Annual Community Sport Hero Recognition program.
		Support community organizations.	Funded \$1,296,000 through Community Development Initiatives policy in 2013.
	Maintain, enhance and promote the natural beauty of Chilliwack.	Promote tourism.	Contract with Tourism Chilliwack.
		Portray a visually appealing image.	Reviewed opportunities for improved signage. Introduced new parks sign program.
			Street tree program continues and funded \$70,000.00 in 2013 for downtown greening initiatives.

OBJECTIVE	STRATEGY	MEASURE	PROGRESS
		Provide a pedestrian friendly community.	Partner with community organizations and fund an annual trail enhancement program. Pursue funding opportunities for pedestrian and cycling network improvements
		Through innovation and flexibility, establish standards to successfully integrate hillside development within its unique natural context.	In 2013, Hillside Development Standards Policy was adopted by Council. In addition, DP Area 13 for Form & Character was incorporated into the OCP.
Attract & Maintain Business Growth	Contract with CEPCO for economic development.	New business locating in Chilliwack.	Non-market business/industry assessment increased \$9.6 million in 2013.
		Work cooperatively with CEPCO in setting mutual priorities.	CEPCO contract renewed in 2008 for 5 years. Work continues on development of the Canada Education Park. Worked together on Chilliwack Aviation and Aerospace Planning Committee.
	Encourage redevelopment in the downtown area.	Revitalization exemptions applied for.	There was 1 application for RTE within the Downtown area for each of 2012 and 2013.
		Facilitating an environment for downtown revitalization.	After receiving a report from staff, direction to research and develop draft bylaws and/or policies with respect to minimum maintenance standards for vacant buildings was given by Council. Staff (Clerks Department & Bylaw) are working on preparing the Bylaw for Council's consideration.
	Create an environment that is positive to business creation.	Comparison of taxes and fees, and timing of service delivery.	Chilliwack remains at the low end of taxes & fees.
			Established a new Industrial Revitalization Tax Exemption Bylaw in 2011.
			NAIOP 2013: City continues to be one of the best local governments for "Cost of Doing Business" survey. Quickest turn around times for development applications and permits; permitting and development fees cost (6th out of 18); lowest light industrial to residential tax ratio.
			1 Industrial RTE application received for 2012 and 2 for 2013.
	Ensure plans are in place to facilitate regional growth predictions.	Regional growth accommodated in OCP and CMP.	Assisting the FVRD with a new Regional Growth Strategy. Working with the ALC.
Engage the Community	Provide community forum venues on major issues under consideration.	Public Meetings.	Held Open House on DCC's in conjunction with the Development Process Advisory Committee. Held public meetings in Ryder Lake, Yarrow, Rosedale and Greendale for the Rural Issues Advisory Committee. Held Public Open House and Community Cafe style meetings for the Official Community Plan Update. Held community focus groups meetings and completed public survey to provide input for Parks, Recreation & Culture Strategic Plan.
			Staff attended Canadian Homebuilders Association functions regularly; liaised and continued to build relationships with members of our development community.
			Staff provided the Commercial & Industrial division of the CADREB with an educational session on the processes involving land development. Topics covered included rezoning, TUP's, subdivisions, building permits and upcoming changes to Medical Marijuana Purposes Regulations.

OBJECTIVE	STRATEGY	MEASURE	PROGRESS
	Provide relevant information through the City website, Greenheart News and the Leisure Guide.	Leisure Guide, Greenheart News, Annual Report, Tax Insert made available. Updated website regularly.	All done to satisfaction. Met statutory deadline for presentation of Annual Report.
	Work closely with Committees of Council.	Committees meet regularly, have Council representation and provide feedback to Council.	All Committees active during year.
	Work cooperatively with senior government elected officials.	Meet regularly with MLA's and MP to review mutual issues.	Individual meetings have occurred as needed to discuss specific issues. These meetings will continue and joint group meetings will be scheduled.
	Ensure timely and accurate information to the community.	Information provided.	A social media presence was established on Facebook and Twitter in 2011 and timely updates are provided on a regular basis. Staff regularly answer questions and concerns posted on social media and have drafted a social media policy.
	Meet regularly with Ratepayer groups.	Meetings undertaken.	Met with Promontory Ratepayers, Yarrow Ratepayers and BIA groups.
Develop and Maintain a First Rate Work Force	Have recruiting strategies that attract the brightest and the best.	Qualified applicants.	71 posted positions to date for 2013 filled with qualified employees, including 27 new employees to the organization.
	Undertake on-site training for employee development, as well as encourage employee professional development.	Employees taking relevant professional training, approved by manager prior to training event.	400 transactions of employer-sponsored education sessions that provided employees training and professional development opportunities. A wide variety of courses were approved in 2013. From industry-driven and certification-based courses that are required or recommended to enhance leadership and soft skill training that enhances productivity and a variety of other skills and abilities. To date as of October 21, 2013, 76% of the training budget has been utilized.
	Provide opportunity for internal advancement.	Employee movement and turnover.	44 employee changes have occurred to date in 2013. In each move the employee obtained a new position within the organization to advance their careers. *Note: Some internal employees have made 1 or more career or job changes.
	Offer a competitive compensation package and employee programs.	Comparison to other communities.	Municipal group of 10 surveys conducted throughout 2013 to verify competitive rates on individual positions.
	Workplace safety.	Number of workdays lost per year due to injury.	7 workdays lost due to injury up to September 30th. As a comparison, 197 days were lost in 2012 and the 267 days in 2011.
Provide Excellent Customer Service	Provide customer service training to employees.	Training provided.	Provided group training for about 45 employees, including a focus on our front-line staff.
	Seek taxpayer/customer feedback.	Customer feedback system in place and followed up on.	Almost all feedback was positive. Complaints followed up on promptly.
	Provide fast and efficient service.	Timeliness of customer service.	Turn-around times met regularly. Reviewed over 112 building permits (225 hours) under the premium plan review process for building permits.
Provide a Safe Community	Provide the community with effective fire and life safety education in an effort to reduce the loss of life and property.	Provide fire safety and emergency preparedness education to businesses, community groups and the public.	Held approx. 250 education events involving over 5,900 persons, including education for school children, seniors, community and children's groups and local employers.
	Increase the fire and life safety in multi-family residential and senior's buildings.	Participate in "Health and Safety" inspections program. Work towards achieving fire and life safety upgrades in older apartment buildings.	Conducted approx. 480 fire inspections of multi-family and senior's residential buildings, as well as 28 health and life safety inspections with Bylaw Enforcement. Since 2009, 117 multi-family buildings have been added to our fire safety upgrade program and 62% of those have had the upgrades completed to date.

OBJECTIVE	STRATEGY	MEASURE	PROGRESS
	Plan for the response and recovery of the City and community in times of disaster. Work with First Nations to integrate emergency plans.	Exercise the City's Emergency Preparedness (EP) Plan. Complete individual City department emergency plans and attach to City's response plan.	Will conduct an EP exercise in November 2013. Participated in Tzeachten First Nations emergency exercise in October. Provided Public Information Officer training to 3 staff.
	Increase the number of on-duty firefighters in order to provide for safe and efficient firefighting operations and reduce response and entry times at fires.	Increase staffing levels to 4 firefighters on both Engines 1 and 4.	Two "flex" firefighters hired in November 2012 increased the "in-service" time of Engine 4 to 82%. This provided a more reliable and faster response to calls south of the freeway.
	Increase the training capacity for firefighters.	Staff a fire trainer position and increase the use of contracted training. Start working on the fire training site.	On site work has commenced on the fire training site west of Townsend Park. The CMP calls for a firefighter trainer in 2014.
	Support RCMP initiatives regarding drugs and drug-related crime.	Health & Safety Team (Fire, Bylaw and RCMP) work together to close and clean up residential properties. Bylaw tickets issued.	In 2012 RCMP, Bylaw and Fire Departments involved in shutting down 8 controlled substance and marijuana grow operations and the Health & Safety team conducted 120 health and safety inspections. For 2013 (to-date), involved in shutting down 9 controlled substance and marijuana grow operations and conducted 105 health and safety inspections.
	Increase the health, life and fire safety in buildings that have been used for the purpose of marijuana grow operations.	Health & Safety Team (Fire, Bylaw and RCMP) provide enforcement of Regulatory Bylaws, including remediation, in buildings that may have or have had either licenced or unlicenced marijuana grow operations.	Implement enforcement strategies including the issuance of fines, building permits and notices on title.
	Support RCMP youth program initiatives.	Youth liaison positions funded.	Funding continues. Prioritized youth high usage areas, performed youth probation checks, ran the annual RCMP youth academy, and worked with schools on youth education programs.
	Support RCMP activities in the downtown area.	Fund bike patrols, downtown RCMP station. Feedback from taxpayers.	More police presence in the Downtown Core. Crime-free multi-family housing initiatives have helped reduce crime.
	Maintain an adequate number of police officers, consistent with provincial averages.	Police to population.	Funded 1 new member and increased funding to part-time civilian staff support positions, as well as funded a new Information Officer, increased contributions to the RCMP Teams, and maintained a population to member ratio of under 800. Funding another new member and a full-time civilian support position In 2013.
	Support RCMP initiatives regarding prolific offenders.	Crime trends.	Chilliwack has seen an overall reduction in crime trends.
	Improve traffic education.	Fund and Support the Safer City initiative working in cooperation with RCMP and ICBC.	Public Safety Specialist worked with RCMP and ICBC on programs and projects to educate motorists, pedestrians and cyclists to reduce accidents.
	Improve the safety of parks and public places.	Crime Prevention through Environmental Design (CPTED) principles are applied in park and public space upgrades.	Chilliwack Crime Prevention Services office has been conducting uniform police foot patrols. Crime Free Multi-Housing Program has been providing excellent intelligence dealing with drug trafficking and prostitution within the Crime Free Multi-Housing complexes.
	Support improved coordination between social agencies in the community.	Support establishment of Healthier Community Strategic Plan Stewardship Council.	Implementation of the Healthier Community Plan (addressing homelessness, mental health, addictions and crime) begins with the establishment of a Stewardship Council and the identification of a coordinator to support it. A terms of reference for the Stewardship Council has been developed, and the inaugural meeting of the Council has occurred.

Organization Name	Community Charter Section	2013 Municipal Taxes	
Alano Club	Section 224(2)(a)	\$	1,573
Ann Davis	Section 224(2)(a)	\$	9,420
Ann Davis	Section 224(2)(a)	\$	1,447
Ann Davis	Section 224(2)(a)	\$	2,119
Atchelitz Farmers Institute	Section 224(2)(a)	\$	2,428
Bethesda Christian Association	Section 224(2)(a)	\$	1,693
Bethesda Christian Association	Section 224(2)(a)	\$	1,670
BCSPCA	Section 224(2)(a)	\$	1,872
BC Teen Challenge	Section 224(2)(a)	\$	2,821
Camp River Community Hall Society	Section 224(2)(i)	\$	2,089
Canadian Hard of Hearing Association	Section 224(2)(a)	\$	709
Canadian Red Cross Society	Section 224(2)(a)	\$	1,389
Chilliwack Alliance Church	Section 224(2)(f)	\$	10,795
Chilliwack Animal Safe Haven Society	Section 224(2)(a)	\$	4,099
Chilliwack Community Policing Society	Section 224(2)(a)	\$	3,599
Chilliwack Community Services	Section 224(2)(a)	\$	8,735
Chilliwack Community Services	Section 224(2)(a)	\$	6,937
Chilliwack Community Services	Section 224(2)(a)	\$	1,210
Chilliwack Community Services	Section 224(2)(a)	\$	8,000
YMCA	Section 224(2)(i)	\$	6,085
YMCA	Section 224(2)(i)	\$	15,745
YMCA	Section 224(2)(i)	\$	3,144
Chilliwack Hospice Society	Section 224(2)(a)	\$	1,369
Chilliwack Housing for Homeless Foundation	Section 224(2)(a)	\$	324
Chilliwack Lawn Bowling Society	Section 224(2)(i)	\$	1,565
Chilliwack Opportunity Workshop Society	Section 224(2)(a)	\$	2,664
Chilliwack Senior Recreation Centre	Section 224(2)(i)	\$	1,901
Chilliwack Seniors Social Society	Section 224(2)(i)	\$	859
Chilliwack Senior Veterans Society	Section 224(2)(i)	\$	1,720
Chilliwack Society for Community Living	Section 224(2)(a)	\$	4,173
Chilliwack Society for Community Living	Section 224(2)(a)	\$	3,722
Chilliwack Society for Community Living	Section 224(2)(a)	\$	6,710
Chilliwack Society for Community Living	Section 224(2)(a)	\$	730
Chilliwack Society for Community Living	Section 224(2)(a)	\$	2,309
Chilliwack Society for Community Living	Section 224(2)(a)	\$	1,723
Chilliwack Society for Community Living	Section 224(2)(a)	\$	1,883
Chilliwack Society for Community Living	Section 224(2)(a)	\$	14,324
Chilliwack Society for Community Living	Section 224(2)(a)	\$	3,127
Chilliwack Society for Community Living	Section 224(2)(a)	\$	1,363
Chilliwack Society for Community Living	Section 224(2)(a)	\$	1,764
Chilliwack Supportive Housing Society	Section 224(2)(a)	\$	319
Chilliwack Supportive Housing Society	Section 224(2)(a)	\$	320
Chilliwack Supportive Housing Society	Section 224(2)(a)	\$	321
Chilliwack Supportive Housing Society	Section 224(2)(a)	\$	404
Chilliwack Supportive Housing Society	Section 224(2)(a)	\$	427
Chilliwack Supportive Housing Society	Section 224(2)(a)	\$	437
Chilliwack Supportive Housing Society	Section 224(2)(a)	\$	366

Organization Name	Community Charter Section	2013 Municipal Taxes
Chilliwack Supportive Housing Society	Section 224(2)(a)	\$ 366
Chilliwack Supportive Housing Society	Section 224(2)(a)	\$ 299
Chilliwack Victory Church	Section 224(2)(f)	\$ 473
Chilliwack Victory Church	Section 224(2)(g)	\$ 3,621
Chilliwack Victory Church	Section 224(2)(f)	\$ 2,655
Coqualeetza Cultural Education Centre	Section 224(2)(a)	\$ 2,812
Creative Centre Society	Section 224(2)(a)	\$ 1,480
Elizabeth Fry Society of Greater Vancouver	Section 224(2)(a)	\$ 3,819
Evangelical Missionary Church Canada West District	Section 224(2)(g)	\$ 3,766
Evangelical Missionary Church Canada West District	Section 224(2)(g)	\$ 7,545
First Baptist Church of Chilliwack	Section 224(2)(f)	\$ 1,773
Kay Cee Society	Section 224(2)(a)	\$ 1,880
Mountain View Free Church	Section 224(2)(g)	\$ 1,783
Pacific Community Resources	Section 224(2)(a)	\$ 1,210
Pentecostal Senior Citizens Society	Section 224(2)(a)	\$ 2,172
Promontory Community Church	Section 224(2)(g)	\$ 2,553
Promontory Community Church	Section 224(2)(g)	\$ 1,809
Promontory Community Church	Section 224(2)(f)	\$ 1,570
Ruth & Naomi's Street Mission	Section 224(2)(a)	\$ 5,764
Ryder Lake Farmers Institute	Section 224(2)(a)	\$ 1,530
Southside Church	Section 224(2)(g)	\$ 2,812
Southside Church	Section 224(2)(g)	\$ 1,216
Nature Trust of BC	Section 224(2)(i)	\$ 1,993
Nature Trust of BC	Section 224(2)(i)	\$ 3,815
Nature Trust of BC	Section 224(2)(i)	\$ 25
Nature Trust of BC	Section 224(2)(i)	\$ 2,158
Nature Trust of BC	Section 224(2)(i)	\$ 849
Nature Trust of BC	Section 224(2)(i)	\$ 214
Nature Trust of BC	Section 224(2)(i)	\$ 505
Nature Trust of BC	Section 224(2)(i)	\$ 756
Nature Trust of BC	Section 224(2)(i)	\$ 16,548
Salvation Army	Section 224(2)(a)	\$ 12,889
Terry Fox Foundation	Section 224(2)(a)	\$ 1,790
Vineyard Community Church	Section 224(2)(g)	\$ 235
Xolhemet Society	Section 224(2)(a)	\$ 1,699
		\$ 248,788



Photo courtesy of Chilliwack Tourism Inc.



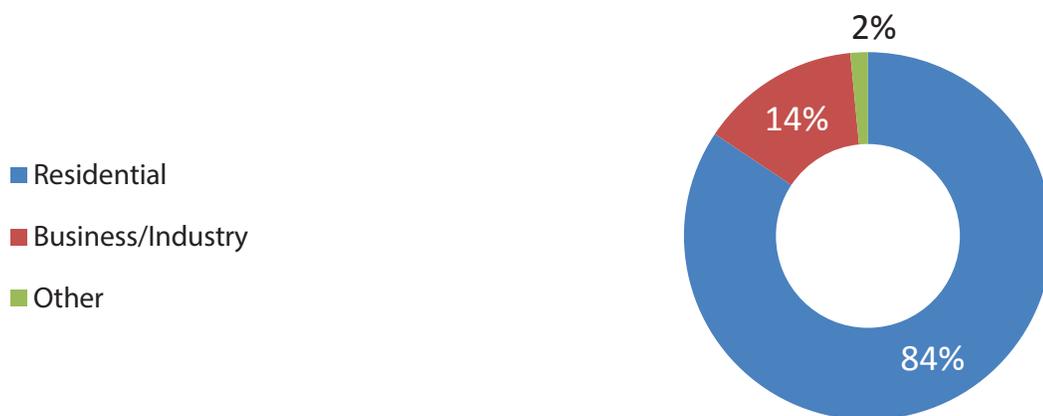
Statistical Information



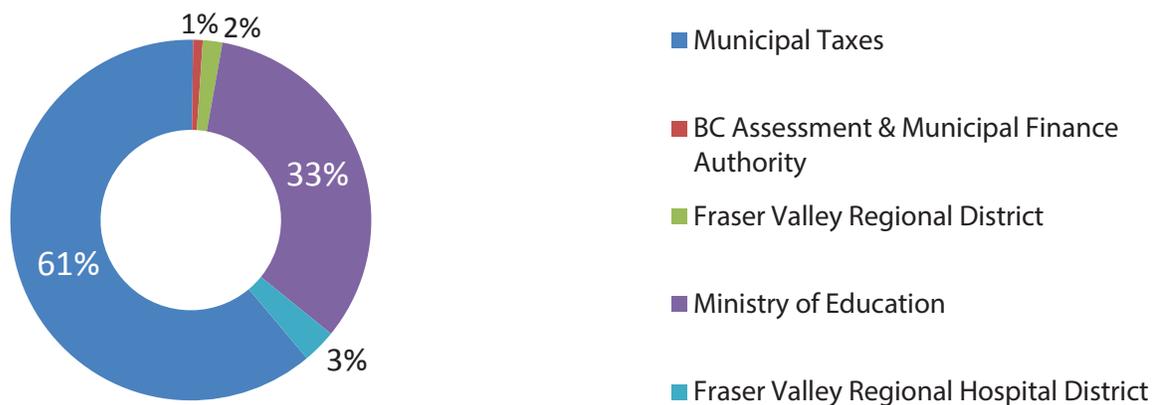
Tax by Property Class



Assessment by Property Class



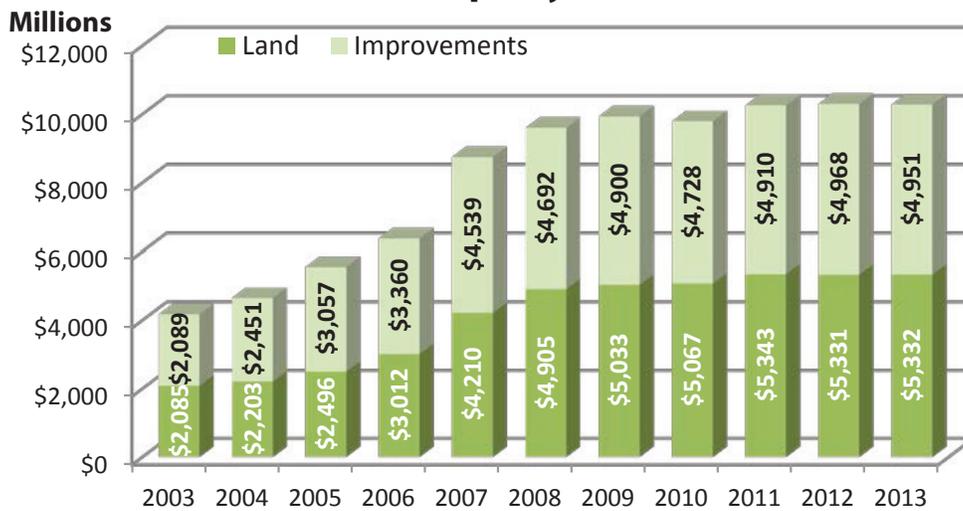
Total Property Tax Distribution



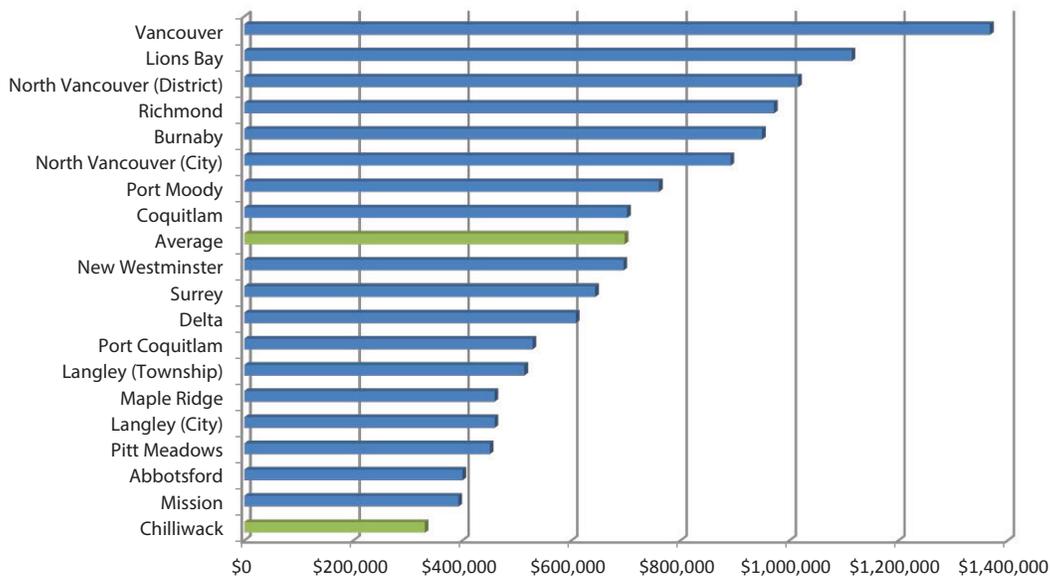
Municipal Tax Distribution



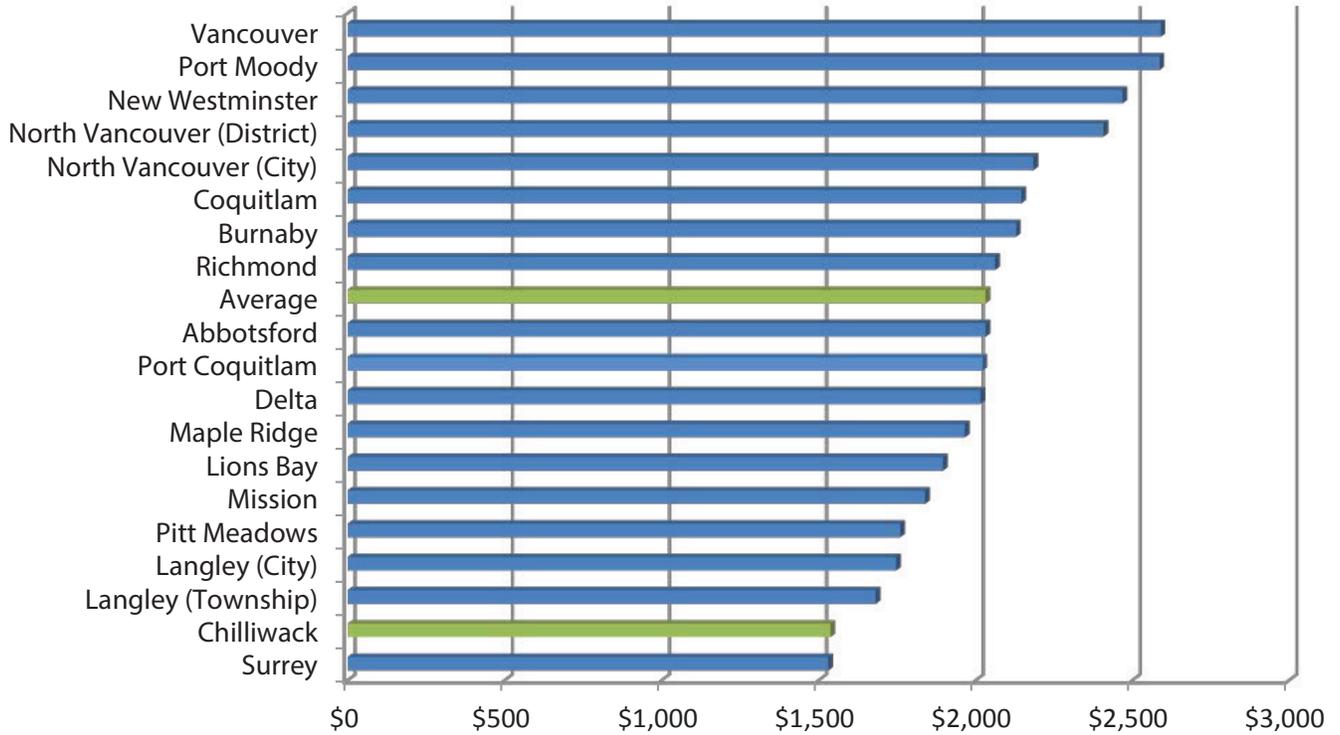
Chilliwack Property Assessments



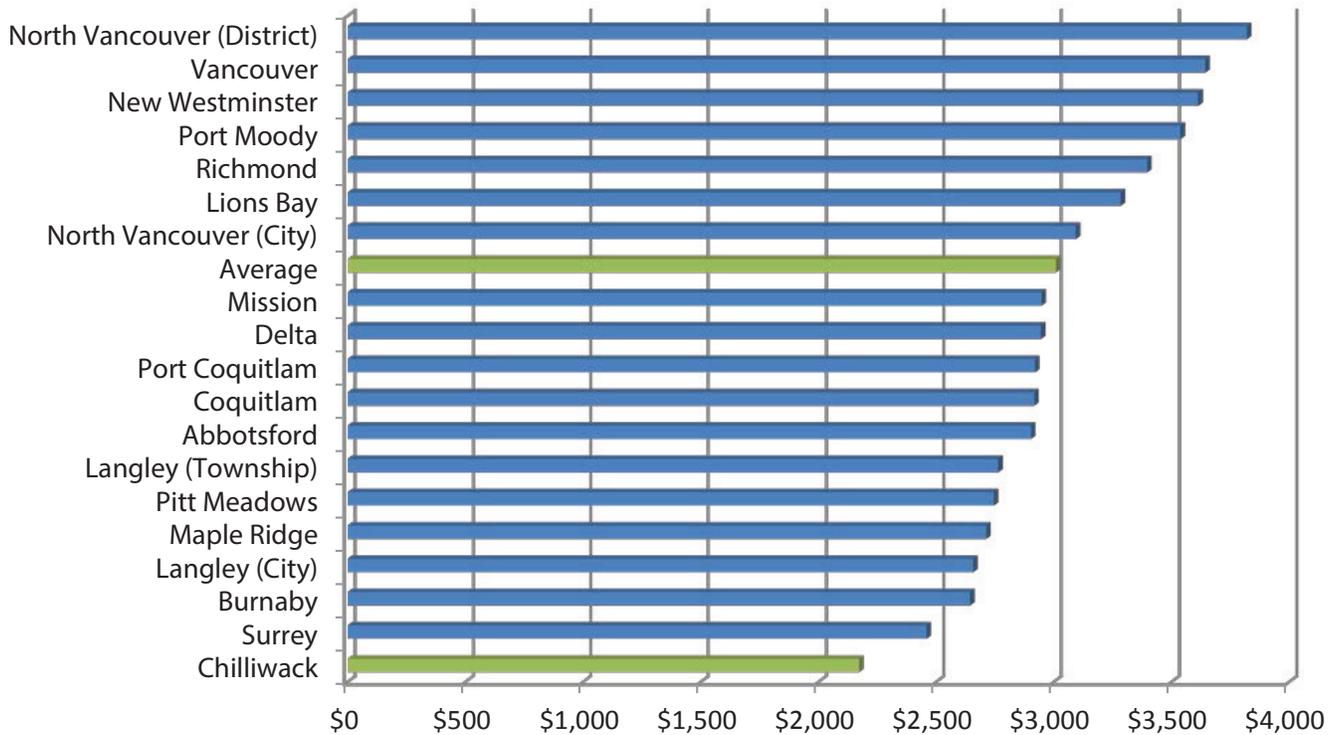
Lower Mainland - Representative House Value



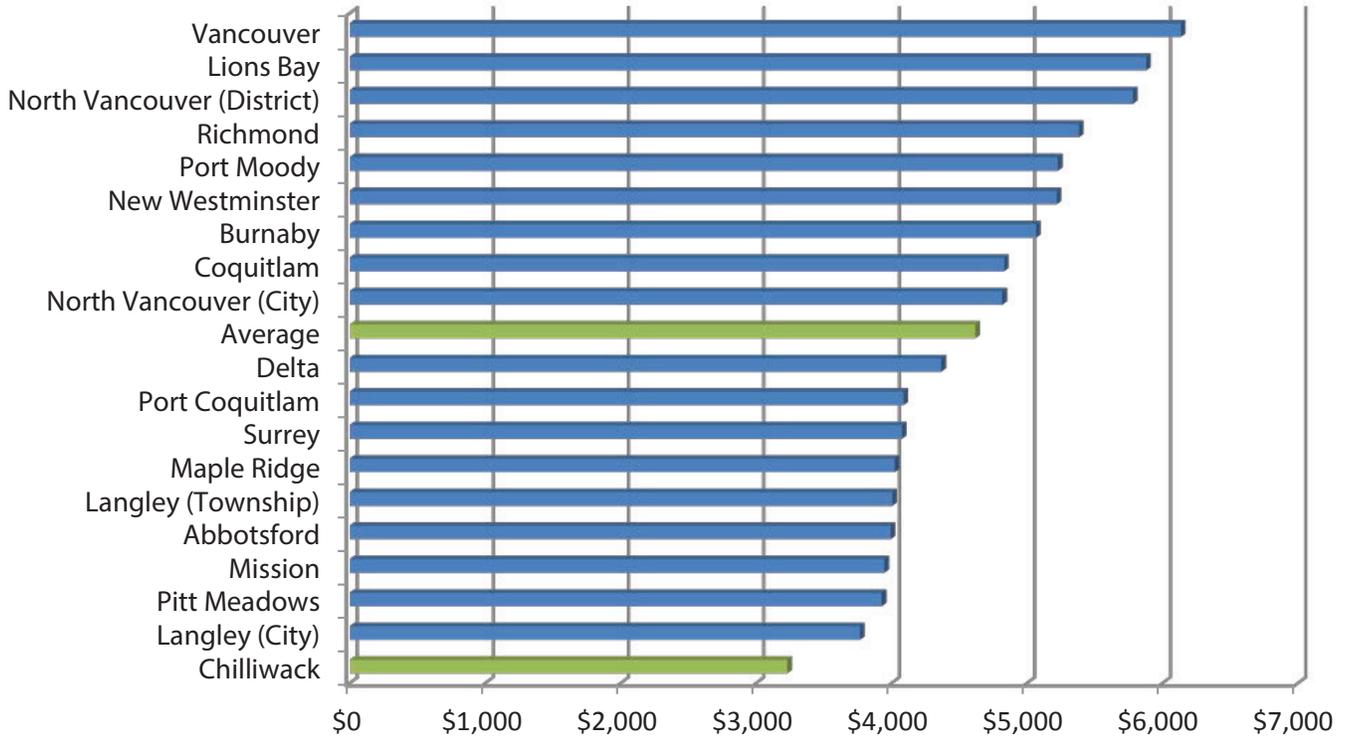
Municipal Taxes on a Representative House



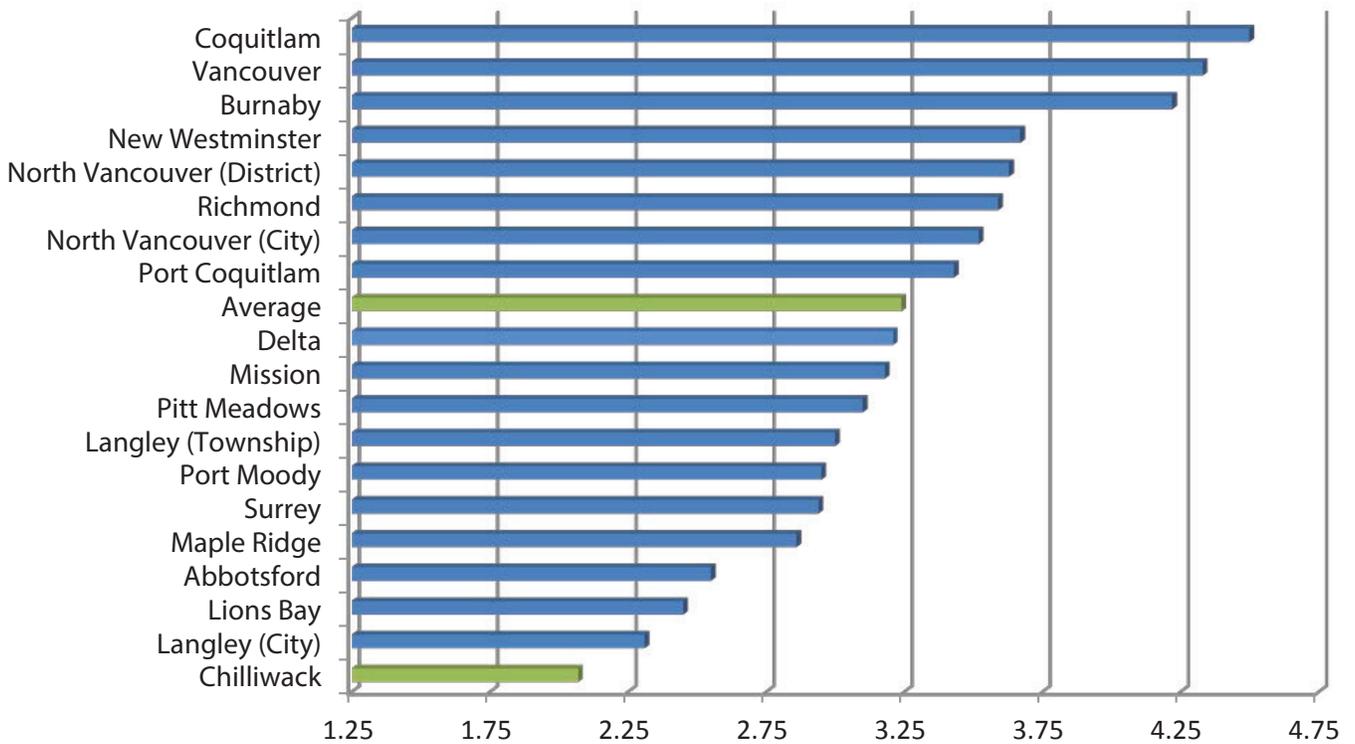
Lower Mainland - Municipal Taxes & Utilities



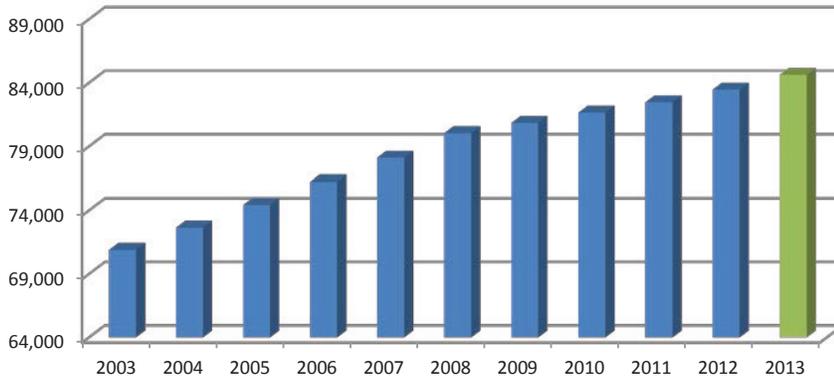
Lower Mainland - Total Taxes & Charges



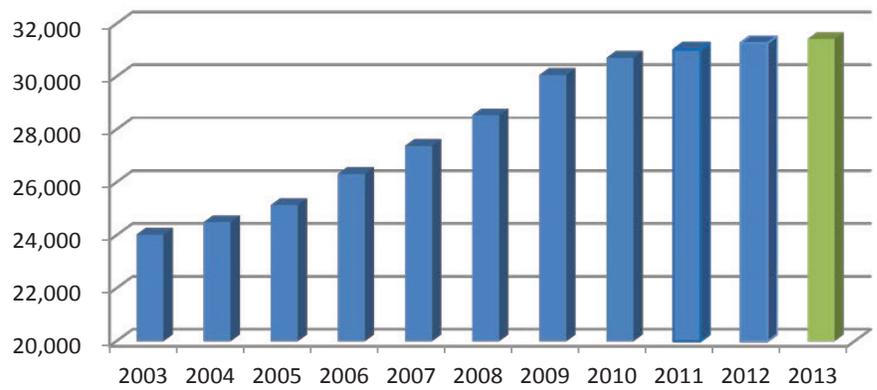
Lower Mainland - Business Class Tax Multiple



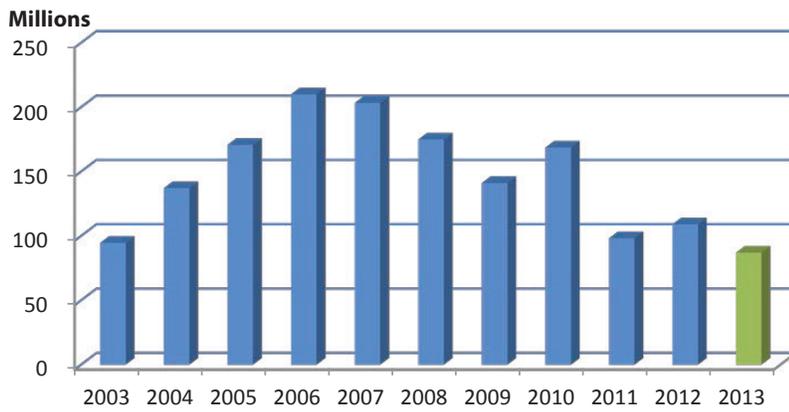
Population Growth



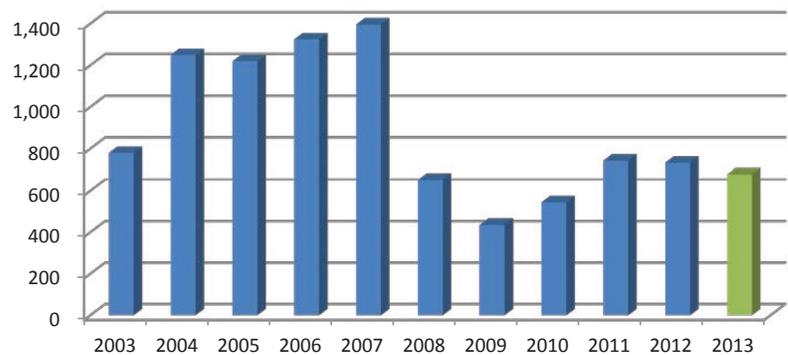
Residential Property Growth



Construction Value



Building Permits



Financial Statements of The City of Chilliwack

Year ended December 31, 2013

Photo courtesy of Chilliwack Tourism Inc.



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INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the City of Chilliwack

We have audited the accompanying consolidated financial statements of the City of Chilliwack which comprise the consolidated statement of financial position as at December 31, 2013, the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of City of Chilliwack as at December 31, 2013, 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.

Chartered Accountants

April 15, 2014

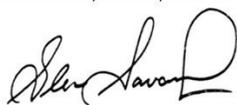
Chilliwack, British Columbia

City of Chilliwack
Consolidated Statement of Financial Position
 December 31, 2013 with comparative information for 2012

	2013	2012
Financial Assets		
Cash (Note 2)	\$ 25,334,855	\$ 22,063,899
Portfolio investments (Note 2)	80,762,097	70,416,021
Accounts receivable (Note 3)	24,557,976	20,271,247
Loan receivable	-	509,594
	<u>130,654,928</u>	<u>113,260,761</u>
Liabilities		
Accounts payable and accrued liabilities (Note 4)	16,288,775	17,238,036
Development cost charges (Note 5)	27,995,004	23,876,464
Unearned revenue (Note 6)	10,655,790	9,786,449
Refundable deposits	6,452,875	5,681,900
Capital partnership obligation (Note 7)	7,336,750	8,058,860
	<u>68,729,194</u>	<u>64,641,709</u>
Net Financial Assets	<u>61,925,734</u>	<u>48,619,052</u>
Non-Financial Assets		
Property under development (Note 8)	6,058,189	7,340,761
Tangible capital assets (Note 9)	674,405,445	674,155,111
Inventories	905,796	908,661
Prepaid expenses	1,528,760	941,487
	<u>682,898,190</u>	<u>683,346,020</u>
Accumulated Surplus (Note 10)	<u>\$ 744,823,924</u>	<u>\$ 731,965,072</u>

Contingent liabilities (Note 12)

Commitment (Note 14)



Glen Savard, CPA, CGA
 Director of Finance

See accompanying notes to consolidated financial statements

City of Chilliwack
 Consolidated Statement of Operations and Accumulated Surplus
 Year Ended December 31, 2013 with comparative information for 2012

	2013 Actual	2013 Budget (Note 15)	2012 Actual
Revenues			
Municipal taxation and grants-in-lieu of taxes	\$ 65,097,839	\$ 64,464,050	\$ 61,957,887
Government grants and transfers	6,884,810	10,095,700	5,283,418
Sale of services	29,193,222	28,156,587	27,666,901
Licences, permits, penalties and fines	2,863,436	2,983,000	2,912,947
Return on investments	1,389,434	906,400	1,189,351
Development cost charges	2,478,327	15,353,500	6,513,947
Developer contributions (Note 9)	2,014,010	5,183,000	4,263,315
Other revenue	2,263,162	1,031,000	1,485,682
	112,184,240	128,173,237	111,273,448
Expenses			
General government services	7,824,472	8,206,300	7,862,228
Protective services	27,269,540	28,511,750	26,002,867
Transportation services	17,669,020	17,790,000	17,826,855
Environmental health services	5,494,302	6,188,100	5,466,514
Water and sewer services	17,998,064	18,118,700	17,063,131
Recreation and cultural services	17,992,028	18,093,800	16,262,447
Planning and development	7,091,730	7,123,477	5,334,392
Interest and other	234,103	251,000	252,565
	101,573,259	104,283,127	96,070,999
Annual Surplus Before Other Revenues	10,610,981	23,890,110	15,202,449
Other revenues			
Gain on sale of tangible capital assets and property under development	2,247,871	-	2,520,342
Annual Surplus	12,858,852	23,890,110	17,722,791
Accumulated Surplus, beginning of year	731,965,072	731,965,072	714,242,281
Accumulated Surplus, End of Year	\$ 744,823,924	\$ 755,855,182	\$ 731,965,072

See accompanying notes to consolidated financial statements

City of Chilliwack
 Consolidated Statement of Change in Net Financial Assets
 Year Ended December 31, 2013 with comparative information for 2012

	2013 Actual	2013 Budget (Note 15)	2012 Actual
Annual surplus	\$ 12,858,852	\$ 23,890,110	\$ 17,722,791
Acquisition of tangible capital assets	(17,266,396)	(64,896,700)	(18,307,831)
Decrease (increase) in property under development	79,603	(20,000)	(201,060)
Provision for impairment of property	-	-	203,900
Developer contributions	(2,014,010)	(5,183,000)	(4,263,315)
Amortization of tangible capital assets	18,300,783	14,447,100	17,664,792
Gain on sale of tangible capital assets and property under development	(2,247,871)	-	(2,520,342)
Proceeds on sale of tangible capital assets and property under development	4,180,129	1,300,000	4,855,410
	13,891,090	(30,462,490)	15,154,345
Change in inventories	2,865	-	(136,561)
Change in prepaid expenses	(587,273)	-	325,529
Change in net financial assets	13,306,682	(30,462,490)	15,343,313
Net financial assets, beginning of year	48,619,052	48,619,052	33,275,739
Net financial assets, end of year	\$ 61,925,734	\$ 18,156,562	\$ 48,619,052

See accompanying notes to consolidated financial statements

City of Chilliwack
 Consolidated Statement of Cash Flows
 Year Ended December 31, 2013 with comparative information for 2012

	2013	2012
Cash provided by (used for):		
Operating Activities:		
Annual surplus	\$ 12,858,852	\$ 17,722,791
Non-cash items:		
Amortization of tangible capital assets	18,300,783	17,664,792
Provision for impairment of property	-	203,900
Developer contributions	(2,014,010)	(4,263,315)
Gain on sale of tangible capital assets and property under development	(2,247,871)	(2,520,342)
Change in non-cash assets and liabilities:		
Accounts receivable	(4,286,729)	1,534,509
Loan receivable	509,594	187,409
Inventories	2,865	(136,561)
Prepaid expenses	(587,273)	325,529
Accounts payable and accrued liabilities	(949,261)	1,025,276
Development cost charges	4,118,540	192,726
Unearned revenue	869,341	(362,399)
Refundable deposits	770,975	270,912
	<u>27,345,806</u>	<u>31,845,227</u>
Capital Activities:		
Proceeds on sale of tangible capital assets and property under development	4,180,129	4,855,410
Acquisition of property under development	79,603	(201,060)
Acquisition of tangible capital assets	(17,266,396)	(18,307,831)
	<u>(13,006,664)</u>	<u>(13,653,481)</u>
Investing Activities:		
Change in portfolio investments	(10,346,076)	(16,201,684)
	<u>(10,346,076)</u>	<u>(16,201,684)</u>
Financing Activities:		
Repayment of capital partnership obligation	(722,110)	(681,685)
Repayment of demand loans	-	(1,800,000)
	<u>(722,110)</u>	<u>(2,481,685)</u>
Increase (decrease) in cash	3,270,956	(491,623)
Cash, beginning of year	22,063,899	22,555,522
Cash, end of year	<u>\$ 25,334,855</u>	<u>\$ 22,063,899</u>

See accompanying notes to consolidated financial statements

City of Chilliwack
Notes to Consolidated Financial Statements
Year Ended December 31, 2013

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's 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 and Tourism Chilliwack Inc. 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 and net realizable value and includes direct costs attributable to the project and capitalized interest. 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. Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue. 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 a development project. Development cost charges not expended are recorded as unearned revenue.

City of Chilliwack
Notes to Consolidated Financial Statements
Year Ended December 31, 2013

(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, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for accrued liabilities, landfill liability, contingent liabilities, and the estimated useful lives of tangible capital assets.

Actual results could differ from these estimates.

2 Restricted Assets:

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

	2013	2012
Cash	\$ 25,334,855	\$ 22,063,899
Portfolio Investments	80,762,097	70,416,021
	<u>106,096,952</u>	<u>92,479,920</u>
Less restricted for:		
Statutory Reserve Funds	10,676,828	8,192,005
Restricted Revenue	24,984,956	22,032,730
	<u>35,661,784</u>	<u>30,224,735</u>
Funds available for operational use	<u>\$ 70,435,168</u>	<u>\$ 62,255,185</u>

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:

	2013	2012
Taxes	\$ 7,457,842	\$ 6,905,325
Province of British Columbia	3,029,770	243,104
Government of Canada	505,806	533,914
Regional and local governments	142,814	93,781
Trade receivables	2,325,114	2,518,361
Accrued interest	766,959	806,695
Tax sale properties subject to redemption	111,930	416,943
Water trade receivables	2,409,515	2,170,014
Sewer trade receivables	4,798,178	4,739,376
Development cost charges	3,010,048	1,843,734
	<u>\$ 24,557,976</u>	<u>\$ 20,271,247</u>

City of Chilliwack
Notes to Consolidated Financial Statements
Year Ended December 31, 2013

4 Accounts payable and accrued liabilities:

	2013	2012
Trade payables	\$ 8,469,888	\$ 8,221,030
Province of British Columbia	1,340,220	1,318,386
Government of Canada	4,368,485	4,171,913
Regional and local governments	414,182	744,707
Landfill closure and post-closure costs	1,696,000	2,782,000
	<u>\$ 16,288,775</u>	<u>\$ 17,238,036</u>

Landfill closure and post-closure costs:

The City has 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 twenty-five years after its estimated closure in 2071. The liability amount of \$1,696,000 (2012 - \$2,782,000) has been recorded by multiplying the estimated net present value of total remaining costs related to closure and post-closure care (\$5,514,000) by the cumulative capacity used (31%) and is reduced as landfill restoration costs are incurred. There are no assets designated for settling the closure and post-closure care liability.

The City has further appropriated a portion of financial equity as a landfill reserve. The balance of \$4,897,202 (2012 - \$5,922,712) is appropriated for other landfill related costs and unforeseen closure and post-closure costs.

5 Development cost charges:

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

Developers are entitled to pay development cost charges (DCCs) in equal installments over three years if the total amount payable is equal to or greater than \$50,000. Installments due for the next two years are recorded as 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, 2013, the amount of the DCCs due over the next two years is \$3,010,048 (2012 - \$1,843,734).

Assets are not physically segregated to meet the requirements of the restricted revenues. The liability is amortized to revenue as the related expenditures are incurred.

City of Chilliwack
Notes to Consolidated Financial Statements
Year Ended December 31, 2013

6 Unearned revenue:

Included in unearned revenue are unspent Federal Gas Tax Agreement Funds as follows:

	2013	2012
Opening balance	\$ 927,186	\$ 1,715,581
Received during the year	1,909,737	1,910,171
Interest Earned	29,643	35,537
Spent during the year	(1,571,700)	(2,734,103)
Closing balance	\$ 1,294,866	\$ 927,186

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

7 Capital partnership obligation:

In 2004, the City of Chilliwack entered into a 25 year agreement with the Chilliwack Chiefs Development Group Ltd. (CDG) for the provision of community priority time in the Prospera Centre. As part of the agreement, the City pays \$400,000 annually to CDG for the operation of the facility and \$175,000 as a reimbursement for revenues collected directly by the City. In addition, the City is required to make annual capital payments of \$1.2 million which is applied towards CDG's term loan associated with the facility, until CDG's loan is fully repaid. CDG's term debt has an all-in rate fixed at 5.93%. At the end of the term of the agreement, the City obtains legal ownership of the facility.

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

2014	\$ 1,200,000
2015	1,200,000
2016	1,200,000
2017	1,200,000
2018	1,200,000
Thereafter	3,568,998
	9,568,998
Less amounts representing interest at 5.93%	(2,232,248)
	\$ 7,336,750

8 Property under development:

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

	2013	2012
Canada Education Park	\$ 3,764,916	\$ 4,977,176
Downtown Redevelopment	2,293,273	2,363,585
	\$ 6,058,189	\$ 7,340,761

Included in property under development is \$324,421 (2012 - \$379,525) in capitalized interest.

City of Chilliwack
Notes to Consolidated Financial Statements
Year Ended December 31, 2013

9 Tangible capital assets:

	2013				
	Opening Cost	Additions	Disposals	Change - Under Construction	Closing Cost
General					
Land	\$ 118,094,296	\$ 860,503	\$ -	\$ -	\$ 118,954,799
Buildings	105,209,245	3,782,631	-	-	108,991,876
Equipment	27,704,369	2,385,349	(1,256,308)	-	28,833,410
Engineering Structures	286,930,698	5,460,079	(82,135)	-	292,308,642
Under Construction	3,053,039	-	-	4,346,580	7,399,619
	540,991,647	12,488,562	(1,338,443)	4,346,580	556,488,346
Water					
Land	2,026,328	-	-	-	2,026,328
Buildings	256,694	-	-	-	256,694
Equipment	1,236,292	42,756	(181,092)	-	1,097,956
Engineering Structures	172,745,001	1,027,251	(233,474)	-	173,538,778
Under Construction	80,759	-	-	1,020,530	1,101,289
	176,345,074	1,070,007	(414,566)	1,020,530	178,021,045
Sewer					
Land	1,643,155	-	-	-	1,643,155
Equipment	1,880,898	47,204	(23,763)	-	1,904,339
Engineering Structures	224,845,975	200,929	(6)	-	225,046,898
Under Construction	14,117	-	-	192,470	206,587
	228,384,145	248,133	(23,769)	192,470	228,800,979
CEPCO					
Land	341,934	-	(145,738)	-	196,196
Buildings	3,334,781	430	(407,630)	-	2,927,581
Equipment	284,597	2,777	-	-	287,374
	3,961,312	3,207	(553,368)	-	3,411,151
Tourism Chilliwack					
Goodwill	6,120	-	-	-	6,120
Buildings	111,883	690	-	-	112,573
Equipment	115,285	10,992	-	-	126,277
	233,288	11,682	-	-	244,970
	\$ 949,915,466	\$ 13,821,591	\$ (2,330,146)	\$ 5,559,580	\$ 966,966,491

City of Chilliwack
Notes to Consolidated Financial Statements
Year Ended December 31, 2013

9 Tangible capital assets (continued):

	Opening Accum. Amort.	2013 Amortization	Disposals	Ending Accum. Amort	NBV 2013	NBV 2012
General						
Land	\$ -	\$ -	\$ -	\$ -	\$ 118,954,799	\$ 118,094,296
Buildings	27,174,101	3,493,058	-	30,667,159	78,324,717	78,035,144
Equipment	14,866,757	1,686,712	(1,090,594)	15,462,875	13,370,535	12,837,612
Engineering Structures	116,846,896	6,024,189	(7,705)	122,863,380	169,445,262	170,083,802
Under Construction	-	-	-	-	7,399,619	3,053,039
	158,887,754	11,203,959	(1,098,299)	168,993,414	387,494,932	382,103,893
Water						
Land	-	-	-	-	2,026,328	2,026,328
Buildings	32,087	12,835	-	44,922	211,772	224,607
Equipment	738,919	69,662	(154,092)	654,489	443,467	497,373
Engineering Structures	47,965,296	2,704,163	(150,712)	50,518,747	123,020,031	124,779,705
Under Construction	-	-	-	-	1,101,289	80,759
	48,736,302	2,786,660	(304,804)	51,218,158	126,802,887	127,608,772
Sewer						
Land	-	-	-	-	1,643,155	1,643,155
Equipment	756,150	109,465	(18,763)	846,852	1,057,487	1,124,748
Engineering Structures	66,091,679	4,050,188	(5)	70,141,862	154,905,036	158,754,296
Under Construction	-	-	-	-	206,587	14,117
	66,847,829	4,159,653	(18,768)	70,988,714	157,812,265	161,536,316
CEPCO						
Land	-	-	-	-	196,196	341,934
Buildings	855,712	122,280	(78,221)	899,771	2,027,810	2,479,069
Equipment	255,819	8,760	-	264,579	22,795	28,778
	1,111,531	131,040	(78,221)	1,164,350	2,246,801	2,849,781
Tourism Chilliwack						
Goodwill	-	-	-	-	6,120	6,120
Buildings	90,140	6,133	-	96,273	16,300	21,743
Equipment	86,799	13,338	-	100,137	26,140	28,486
	176,939	19,471	-	196,410	48,560	56,349
	\$ 275,760,355	\$ 18,300,783	\$ (1,500,092)	\$ 292,561,046	\$ 674,405,445	\$ 674,155,111

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

	2013	2012
Roads	\$ 665,380	\$ 937,439
Water	411,580	301,680
Sewer	167,311	254,955
Drainage	274,784	869,825
Land	389,362	1,490,600
Other	105,593	408,816
	\$ 2,014,010	\$ 4,263,315

The write-down of tangible capital assets during the year was \$ nil (2012 - \$ nil).

City of Chilliwack
Notes to Consolidated Financial Statements
Year Ended December 31, 2013

10 Accumulated Surplus:

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

	2013	2012
Operating Funds		
Unrestricted:		
General	\$ 15,272,514	\$ 11,641,742
CEPCO	5,540,617	2,258,786
Tourism	412,274	379,489
Water Fund	2,450,000	2,350,000
Sewer Fund	2,360,000	2,210,000
Building - Protective Services	910,922	910,922
Landfill	4,897,202	5,922,712
Sewer future works	14,705,583	10,972,631
Water future works	9,599,820	8,176,534
Work-in-progress	3,076,800	2,865,000
Soil Removal	191,475	217,508
Other	1,603,004	2,430,730
	61,020,211	50,336,054
Statutory Reserve Funds		
General Capital	7,268,474	4,742,917
Equipment Replacement	2,736,722	2,834,281
Subdivision Control	671,632	614,807
	10,676,828	8,192,005
Investment in Tangible Capital Assets & Property Under Development		
General	380,158,183	374,045,032
Water	126,802,887	127,608,773
Sewer	157,812,265	161,536,316
CEPCO	8,304,990	10,190,542
Tourism	48,560	56,350
	673,126,885	673,437,013
	\$ 744,823,924	\$ 731,965,072

11 Collections for other governments:

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

	2013	2012
B.C. Assessment Authority	\$ 844,124	\$ 836,009
Fraser Valley Regional Hospital District	3,009,972	3,010,417
Municipal Finance Authority	2,581	2,574
Ministry of Education	32,895,229	32,020,016
Fraser Valley Regional District	1,739,647	1,711,250
	\$ 38,491,553	\$ 37,580,266

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

12 Contingent liabilities:

- (a) The City, as a member of the Fraser Valley Regional District, is responsible for its proportion of any operating deficits or long term debt related to functions in which it participates. Any liability which may arise as a result will be accounted for in the period in which the required payment is made.
- (b) The City is currently engaged in certain legal actions. Of the claims the City is defending, certain claims are covered by the City's insurers and/or other parties. The City has accrued for claims for which the amounts are known or can be reasonably estimated. The outcome of other claims is undeterminable at this time, accordingly, no provision has been made in the accounts for these actions.
- (c) The City and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 179,000 active members and approximately 71,000 retired members. Active members include approximately 32,000 contributors from local government.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. 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 with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The City of Chilliwack paid \$1,842,260 (2012 - \$1,795,139) for employer contributions to the plan in fiscal 2013.

- (d) The City has received certain capital grants that are repayable in the event the capital project that the grant was used for is sold, leased, encumbered or otherwise disposed of. Total contingently repayable grants are \$7,077,329 (2012 - \$10,056,676), however the City does not anticipate selling, leasing, encumbering or otherwise disposing of the capital projects and accordingly does not anticipate repaying any of these grants.

13 Fair value of financial assets and financial liabilities:

The fair value of the City's cash, accounts receivable and accounts payable and accrued liabilities 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, 2013 was \$81,350,224 (2012 - \$71,430,222). Included in the fair market estimate is accrued interest of \$736,457 (2012 - \$780,600), which is recorded within accounts receivable.

The fair value of the loan receivable approximates the book value as the interest rate represents lending rates presently charged by the City for similar investments.

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

14 Commitment:

The City is committed to the acquisition of 5 properties with purchase prices totaling approximately \$2,354,000.

City of Chilliwack
Notes to Consolidated Financial Statements
Year Ended December 31, 2013

15 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 2013, No. 3912. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

	2013 Budget
Revenues	
Operating budget	\$ 115,591,318
Capital budget	
Development cost charges	15,050,500
Developer contributions	5,183,000
Statutory reserve funds	13,054,200
Operating reserves	21,657,000
Current operations	3,990,000
Government grants	5,962,000
Total revenue per approved budget	<u>180,488,018</u>
Add:	
CEPCO	2,492,500
Tourism	1,199,419
Less:	
Transfers from other funds	(55,001,700)
Inter-agency eliminations	(1,005,000)
Total budgeted revenue as reported	<u>128,173,237</u>
Expenses	
Operating budget	115,591,318
Capital budget	64,896,700
	<u>180,488,018</u>
Add:	
CEPCO	2,696,700
Tourism	1,163,677
Less:	
Transfers to other funds	(79,060,268)
Inter-agency eliminations	(1,005,000)
Total budgeted expenses as reported	<u>104,283,127</u>
Budgeted surplus as reported	<u>\$ 23,890,110</u>

City of Chilliwack

Notes to Consolidated Financial Statements

Year Ended December 31, 2013

16 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 expenditures by operating segment:

City of Chilliwack
Notes to Consolidated Financial Statements
Year Ended December 31, 2013

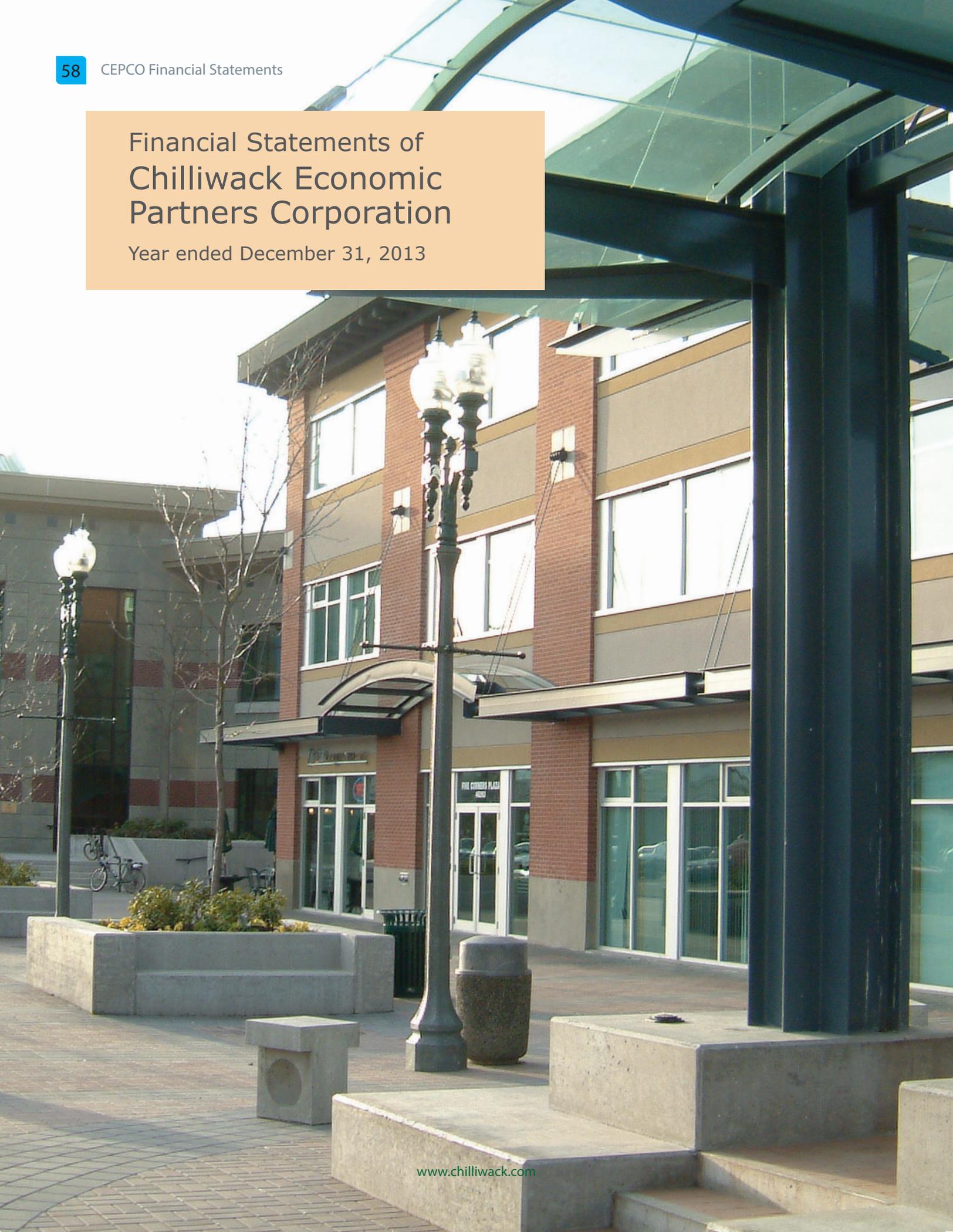
Table of Segmented Information:

	General Government	Protective Services	Trans. Services	Landfill Operations	Water & Sewer	Recreation & Culture	Planning & Devel.	Interest & Other	2013	2012
Revenues										
Municipal taxation and grants-in lieu of taxes	\$ 64,968,395	\$ -	\$ -	\$ -	\$ 129,444	\$ -	\$ -	\$ -	\$ 65,097,839	\$ 61,957,887
Government grants & transfers	1,272,963	1,001,381	1,238,401	2,457,987	19,100	316,900	578,078	-	6,884,810	5,283,418
Sales of services	1,054,184	16,517	765,195	5,493,435	16,898,780	3,349,506	1,615,605	-	29,193,222	27,666,901
Licences, permits, penalties and fines	1,065,904	32,800	-	-	-	-	1,764,732	-	2,863,436	2,912,947
Return on investments	853,475	-	-	-	345,099	-	100,678	90,182	1,389,434	1,189,351
Development cost charges	-	-	984,811	-	940,343	553,173	-	-	2,478,327	6,513,947
Developer contributions	-	-	1,435,119	-	578,891	-	-	-	2,014,010	4,263,315
Other revenue	157,684	112,773	707,513	1,086,000	-	53,426	22,568	123,198	2,263,162	1,485,682
	69,372,605	1,163,471	5,131,039	9,037,422	18,911,657	4,273,005	4,081,661	213,380	112,184,240	111,273,448
Expenses										
Salaries and benefits	5,385,385	8,717,946	3,104,047	414,338	3,835,168	3,109,954	2,588,281	-	27,155,119	26,075,085
Goods and services	3,689,375	17,887,447	8,394,572	4,898,344	5,416,584	12,116,213	3,189,669	-	55,592,204	51,792,259
Administration allocation	(1,800,000)	-	-	-	1,800,000	-	-	-	-	-
Interest and other	-	-	-	-	-	-	-	234,103	234,103	252,565
Amortization of tangible capital assets	549,712	664,147	6,170,401	181,620	6,946,312	2,765,861	1,022,730	-	18,300,783	17,664,790
Transfer of collections	-	-	-	-	-	-	291,050	-	291,050	286,300
	7,824,472	27,269,540	17,669,020	5,494,302	17,998,064	17,992,028	7,091,730	234,103	101,573,259	96,070,999
Annual Surplus Before Other	61,548,133	(26,106,069)	(12,537,981)	3,543,120	913,593	(13,719,023)	(3,010,069)	(20,723)	10,610,981	15,202,449
Other revenues (expenses)										
Gain (Loss) from sale of tangible capital assets	-	-	(77,770)	-	(114,763)	-	2,440,404	-	2,247,871	2,520,342
and property under development	-	-	(77,770)	-	(114,763)	-	2,440,404	-	2,247,871	2,520,342
Annual Surplus (Deficit)	\$ 61,548,133	\$ (26,106,069)	\$ (12,615,751)	\$ 3,543,120	\$ 798,830	\$ (13,719,023)	\$ (569,665)	\$ (20,723)	\$ 12,858,852	\$ 17,722,791



Financial Statements of Chilliwack Economic Partners Corporation

Year ended December 31, 2013





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Internet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Board of Chilliwack Economic Partners Corporation

We have audited the accompanying financial statements of Chilliwack Economic Partners Corporation which comprise the statement of financial position as at December 31, 2013, the statements of operations and accumulated surplus, change in net financial assets (debt) and cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Chilliwack Economic Partners Corporation as at December 31, 2013 and the results of its operations, its changes in net financial assets (debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants

March 12, 2014
Chilliwack, British Columbia

CHILLIWACK ECONOMIC PARTNERS CORPORATION

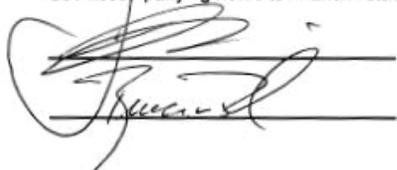
Statement of Financial Position

December 31, 2013 with comparative information for 2012

	2013	2012
Financial assets:		
Cash and cash equivalents	\$ 293,607	\$ 366,444
Accounts receivable	208,647	191,945
Investments	5,596,732	1,500,000
Loans receivable	-	509,594
	<u>6,098,986</u>	<u>2,567,983</u>
Financial liabilities:		
Accounts payable and accrued liabilities	569,653	283,377
Unearned revenue	4,300	43,724
	<u>573,953</u>	<u>327,101</u>
Net financial assets	<u>5,525,033</u>	<u>2,240,882</u>
Non-financial assets:		
Prepaid expenses	15,584	17,904
Property under development (note 4)	6,058,189	7,237,051
Tangible capital assets (note 5)	2,246,801	2,849,781
	<u>8,320,574</u>	<u>10,104,736</u>
Accumulated surplus (note 6)	<u>\$ 13,845,607</u>	<u>\$ 12,345,618</u>

Commitments (note 11)

See accompanying notes to financial statements.

 Director
 Director

CHILLIWACK ECONOMIC PARTNERS CORPORATION

Statement of Operations and Accumulated Surplus

Year ended December 31, 2013, with comparative information for 2012

	2013 Budget	2013 Actual	2012 Actual
Revenues:			
Property sales	\$ 1,300,000	\$ 4,017,754	\$ 4,725,363
Rent	609,100	665,196	851,530
Economic development (note 8)	550,000	550,000	575,000
Property development	-	322,520	106,521
Interest	20,900	94,526	36,063
Government programs	12,500	10,942	7,719
Agricultural programs	-	4,000	3,000
	<u>2,492,500</u>	<u>5,664,938</u>	<u>6,305,196</u>
Expenses:			
Cost of property sales	-	1,574,406	1,929,835
Downtown redevelopment (note 11)	939,200	825,050	78,615
Wages and benefits	518,700	454,660	520,106
Cost of property development	-	294,262	51,043
UFV Agriculture Centre of Excellence	250,000	250,000	-
Marketing	206,600	165,372	37,384
Amortization of tangible capital assets	130,100	131,040	161,960
Utilities	15,000	109,917	150,766
Special economic projects	318,500	79,464	29,953
Rent	81,200	63,542	76,034
Insurance	48,000	39,809	50,146
Consulting fees	30,000	37,007	26,812
Repairs and maintenance	50,000	32,769	73,185
Agricultural commission	8,000	32,114	7,318
Office and miscellaneous	41,500	21,825	24,583
Premise operating costs	17,900	18,185	18,421
Professional fees	18,500	17,263	13,798
Travel	17,500	16,005	16,241
Interest and bank charges	1,000	2,259	1,278
Provision for impairment of property	-	-	203,900
Bad debts	-	-	11,535
	<u>2,691,700</u>	<u>4,164,949</u>	<u>3,482,913</u>
Annual surplus (deficit) before distribution	(199,200)	1,499,989	2,822,283
Distribution to City of Chilliwack (note 8)	-	-	(600,000)
Annual surplus (deficit)	<u>(199,200)</u>	<u>1,499,989</u>	<u>2,222,283</u>
Accumulated surplus, beginning of year	12,345,618	12,345,618	10,123,335
Accumulated surplus, end of year	<u>\$ 12,146,418</u>	<u>\$ 13,845,607</u>	<u>\$ 12,345,618</u>

See accompanying notes to financial statements.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

Statement of Change in Net Financial Assets (Debt)

Year ended December 31, 2013, with comparative information for 2012

	2013 Budget	2013 Actual	2012 Actual
Annual surplus (deficit)	\$ (199,200)	\$ 1,499,989	\$ 2,222,283
Acquisition of tangible capital assets	(3,000)	(3,207)	(31,867)
Amortization of tangible capital assets	130,100	131,040	161,960
Gain on sale of properties	-	(2,443,348)	(2,795,528)
Proceeds on sale of properties	1,300,000	4,017,754	4,725,363
Decrease (increase) in property under development	(20,000)	79,603	(201,060)
Impairment of property	-	-	203,900
Change in prepaid expenses	-	2,320	13,542
	1,407,100	1,784,162	2,076,310
Change in net financial assets	1,207,900	3,284,151	4,298,593
Net financial assets (debt), beginning of year	2,240,882	2,240,882	(2,057,711)
Net financial assets, end of year	\$ 3,448,782	\$ 5,525,033	\$ 2,240,882

See accompanying notes to financial statements.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

Statement of Cash Flows

Year ended December 31, 2013, with comparative information for 2012

	2013	2012
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ 1,499,989	\$ 2,222,283
Items not involving cash:		
Amortization of tangible capital assets	131,040	161,960
Gain on sale of properties	(2,443,348)	(2,795,528)
Provision for impairment of property	-	203,900
	(812,319)	(207,385)
Change in non-cash operating working capital:		
Accounts receivable	(16,702)	(59,853)
Prepaid expenses	2,320	13,542
Accounts payable and accrued liabilities	286,276	178,376
Unearned revenue	(39,424)	(152,564)
	(579,849)	(227,884)
Capital activities:		
Acquisition of tangible capital assets	(3,207)	(31,867)
Decrease (increase) in property under development	79,603	(201,060)
Proceeds on sale of properties	4,017,754	4,725,363
	4,094,150	4,492,436
Investing activities:		
Repayments of loans receivable	509,594	187,409
Change in investments	(4,096,732)	(1,500,000)
	(3,587,138)	(1,312,591)
Financing activities:		
Change in bank indebtedness	-	(895,394)
Repayment of demand loans	-	(1,800,000)
	-	(2,695,394)
Increase (decrease) in cash and cash equivalents	(72,837)	256,567
Cash and cash equivalents, beginning of year	366,444	109,877
Cash and cash equivalents, end of year	\$ 293,607	\$ 366,444

See accompanying notes to financial statements.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements

Year ended December 31, 2013

General:

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) Cash and cash equivalents:

Cash and cash equivalents includes cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(b) Property under development or held for sale:

Property under development or held for sale is recorded at the lower of cost and net realizable value and includes direct costs and capitalized interest. Buildings in use but held for sale are amortized at 4% per annum.

(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 is provided using the following methods and annual rates:

Asset	Basis	Useful life - years
Buildings	Declining balance	4%
Computer and office equipment	Declining balance	20% - 30%
Telecommunication equipment	Declining balance	20%

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

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

CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2013

1. Significant accounting policies (continued):

(d) Revenue recognition:

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

(e) 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.

(f) Budget figures:

Budget figures represent the budget approved by the Board of Directors on March 13, 2013.

(g) Use of estimates:

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

2. Recasted 2012 figures:

During the year, the Corporation determined that certain property under development had been previously transferred to the City of Chilliwack. The change to reflect this disposal of property has been recorded retroactively and, accordingly, the comparative amounts of accumulated surplus and property under development have decreased by \$103,710.

There was no changes to revenues, expenses or annual surplus for 2012.

3. Bank indebtedness:

The Corporation has an operating line of credit for a maximum of \$3,000,000 (2012 - \$3,000,000) that is due on demand, bears interest at prime plus 0.35% and is secured by a general security agreement. No funds were drawn on the line of credit at December 31, 2013.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2013

4. Property under development or held for sale:

	2013	2012
Canada Education Park:		
Land	\$ 1,353,755	\$ 1,475,759
Roads, water, and sewer	1,709,289	2,548,769
Buildings	506,124	525,278
Other improvements	195,748	323,660
	<u>3,764,916</u>	<u>4,873,466</u>
Downtown Redevelopment:		
Land	2,497,173	2,567,485
Less provision for impairment	(203,900)	(203,900)
	<u>2,293,273</u>	<u>2,363,585</u>
	<u>\$ 6,058,189</u>	<u>\$ 7,237,051</u>

Included in property under development is \$324,421 (2012 - \$379,525) in capitalized interest.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2013

5. Tangible capital assets:

	2013		2013	
	Opening	Additions	Disposals	Closing
	Cost			Cost
Buildings	\$ 2,578,032	\$ 430	\$ 407,630	\$ 2,170,832
Leasehold improvements	756,749	-	-	756,749
Computer and office equipment	184,719	2,777	-	187,496
Website	76,587	-	-	76,587
Telecommunication equipment	23,291	-	-	23,291
Land	341,934	-	145,738	196,196
	\$ 3,961,312	\$ 3,207	\$ 553,368	\$ 3,411,151

	2013		2013	
	Opening	Disposals	Amortization	Closing
	Accumulated		Expense	Accumulated
	Amortization			Amortization
Buildings	\$ 530,590	\$ 78,221	\$ 75,480	\$ 527,849
Leasehold improvements	325,121	-	46,800	371,921
Computer and office equipment	158,012	-	8,076	166,088
Website	76,587	-	-	76,587
Telecommunication equipment	21,221	-	684	21,905
	\$ 1,111,531	\$ 78,221	\$ 131,040	\$ 1,164,350

	2013	
	Opening Net	Closing Net
	Book Value	Book Value
Buildings	\$ 2,047,442	\$ 1,642,983
Leasehold improvements	431,628	384,828
Computer and office equipment	26,707	21,408
Website	-	-
Telecommunication equipment	2,070	1,386
Land	341,934	196,196
	\$ 2,849,781	\$ 2,246,801

CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2013

6. Accumulated surplus:

	2013	2012
Share capital (note 7)	\$ 100	\$ 100
Equity in tangible capital assets	8,304,990	10,086,832
Unrestricted equity	5,540,517	2,258,686
	\$ 13,845,607	\$ 12,345,618

7. Share capital:

	2013	2012
Issued and authorized with no par value:		
100 Common shares	\$ 100	\$ 100

8. Related party transactions and economic dependence:

During the year, the City of Chilliwack (the "City") provided \$550,000 (2012 - \$550,000) in revenue for economic development purposes.

During the year, the City provided \$nil (2012 - \$25,000) in additional revenue to offset rent costs.

Included in accounts payable is \$19,377 (2012 - \$20,006) that is due to the City.

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.

A member of the Corporation's Board is a partner in a legal firm to which the Corporation paid \$16,404 (2012 - \$15,086) in legal fees during the year.

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.

During 2012, the Corporation distributed \$600,000 to the City.

The Corporation is wholly-owned by the City.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2013

9. Financial instruments:

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

Market risk is the risk that changes in market prices, such as interest rates, will affect the Corporation's income. The Corporation's cash and cash equivalents 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 cash equivalents and investments.

The fair value of the Corporation's cash and cash equivalents, 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 approximate their carrying amounts based on their market based interest rates.

10. Income taxes:

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

11. Commitments:

- i) The Corporation has committed to lease premises until April 2014 for minimum annual lease payments of \$57,045. The lease has been renewed from May 2014 until April 2018 for minimum annual lease payments of \$52,041.
- ii) The Corporation has committed to fund a total of \$850,000 to the University of the Fraser Valley for costs related to the renovation of the downtown building of which \$402,290 has been spent as at December 31, 2013 and is included in downtown redevelopment.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2013

12. Employee future benefits:

The Company and its employees contribute to the Municipal Pension Plan (Plan), a jointly trusted pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 179,000 active members and approximately 71,000 retired members. Active members included approximately 32,000 contributors from local government.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. 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 with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

13. Segmented information:

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

Property sales

Property sales includes the proceeds and costs related to the development and sales of commercial industrial or institutional buildings and lots in Chilliwack.

Rent

Rent includes all activities associated with the rental of buildings and land owned by the Corporation.

Economic development

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

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

CHILLIWACK ECONOMIC PARTNERS CORPORATION

Notes to financial statements (continued)

Year ended December 31, 2013

13. Segmented information (continued):

	Property Sales	Rent	Economic Development	2013	2012
Revenues:					
Property sales	\$ 4,017,754	\$ -	\$ -	\$ 4,017,754	\$ 4,725,363
Rent	-	665,196	-	665,196	851,530
Economic development	-	-	550,000	550,000	575,000
Property development	322,520	-	-	322,520	106,521
Interest	12,293	-	82,233	94,526	36,063
Other	-	-	14,942	14,942	10,719
	4,352,567	665,196	647,175	5,664,938	6,305,196
Expenses:					
Cost of property sales	1,574,406	-	-	1,574,406	1,929,835
Downtown redevelopment	-	-	825,050	825,050	78,615
Wages and benefits	40,919	90,932	322,809	454,660	520,106
Cost of property development	294,262	-	-	294,262	51,043
UFV Agriculture Centre of Excellence	-	-	250,000	250,000	-
Marketing	-	-	165,372	165,372	37,384
Insurance and utilities	-	149,726	-	149,726	200,912
Amortization	-	122,280	8,760	131,040	161,960
Special economic projects	-	-	79,464	79,464	29,953
Rent	5,719	12,708	45,115	63,542	76,034
Repairs and maintenance	-	32,769	-	32,769	73,185
Premise operating costs	1,637	3,637	12,911	18,185	18,421
Impairment of property	-	-	-	-	203,900
Other	26,118	26,118	74,237	126,473	101,565
	1,943,061	438,170	1,783,718	4,164,949	3,482,913
	\$ 2,409,506	\$ 227,026	\$ (1,136,543)	\$ 1,499,989	\$ 2,822,283



Financial Statements of
Chilliwack Tourism Inc.

Year Ended December 31, 2013



KPMG LLP
Chartered Accountants
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Canada

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INDEPENDENT AUDITORS' REPORT

To the Shareholder of Tourism Chilliwack Inc.

We have audited the accompanying financial statements of Tourism Chilliwack Inc. which comprise the statement of financial position as at December 31, 2013, the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Tourism Chilliwack Inc. as at December 31, 2013 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.

Chartered Accountants

February 25, 2014
Chilliwack, British Columbia

TOURISM CHILLIWACK INC.

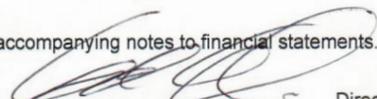
Statement of Financial Position

December 31, 2013, with comparative information for 2012

	2013	2012
Financial assets:		
Cash	\$ 348,911	\$ 302,428
Accounts receivable	72,785	40,195
Long-term investments (note 2)	203,856	191,234
	<u>625,552</u>	<u>533,857</u>
Financial liabilities:		
Accounts payable and accrued liabilities	71,098	50,589
Due to City of Chilliwack (note 11)	122,983	125,643
Deferred revenue	41,327	12,775
	<u>235,408</u>	<u>189,007</u>
Net financial assets	390,144	344,850
Non-financial assets:		
Inventories (note 3)	11,480	11,743
Prepaid expenses and deposits	10,651	22,897
Tangible capital assets (note 4)	42,441	50,230
Goodwill	6,120	6,120
	<u>70,692</u>	<u>90,990</u>
Accumulated surplus	\$ 460,836	\$ 435,840
Represented by:		
Share capital (note 5)	\$ 1	\$ 1
Unrestricted equity	418,394	385,609
Equity in tangible capital assets	42,441	50,230
	<u>\$ 460,836</u>	<u>\$ 435,840</u>

Contingency (note 10)

See accompanying notes to financial statements.


 _____ Director


 _____ Director

TOURISM CHILLIWACK INC.

Statement of Operations and Accumulated Surplus

Year ended December 31, 2013, with comparative information for 2012

	2013 Budget	2013 Actual	2012 Actual
Revenues:			
Operating agreements	\$ 459,200	\$ 459,611	\$ 467,111
Sales, rental and other income	429,825	484,146	513,943
Advertising revenues	151,394	121,853	140,003
Hotel tax	148,000	165,879	148,839
Fundraising revenues	5,500	12,568	5,591
Interest income	5,500	6,152	5,538
	<u>1,199,419</u>	<u>1,250,209</u>	<u>1,281,025</u>
Expenditures:			
Staffing costs	560,979	539,413	527,917
Advertising and business development	235,257	229,861	204,403
Operations	141,300	150,590	156,318
Administration	110,925	84,997	82,437
Utilities	86,500	77,898	83,789
Amortization of tangible capital assets	16,716	19,471	23,855
	<u>1,151,677</u>	<u>1,102,230</u>	<u>1,078,719</u>
Annual surplus before distribution	47,742	147,979	202,306
Distribution to City of Chilliwack (note 11)	(46,877)	(122,983)	(125,643)
Annual surplus	865	24,996	76,663
Accumulated surplus, beginning of year	435,840	435,840	359,177
Accumulated surplus, end of year	<u>\$ 436,705</u>	<u>\$ 460,836</u>	<u>\$ 435,840</u>

See accompanying notes to financial statements.

TOURISM CHILLIWACK INC.

Statement of Change in Net Financial Assets

Year ended December 31, 2013, with comparative information for 2012

	2013 Budget	2013 Actual	2012 Actual
Annual surplus	\$ 865	\$ 24,996	\$ 76,663
Acquisition of tangible capital assets	-	(11,682)	(30,181)
Amortization of tangible capital assets	16,716	19,471	23,855
	16,716	7,789	(6,326)
Change in inventories	-	263	335
Change in prepaid expenses and deposits	-	12,246	(9,452)
	-	12,509	(9,117)
Change in net financial assets	17,581	45,294	61,220
Net financial assets, beginning of year	344,850	344,850	283,630
Net financial assets, end of year	\$ 362,431	\$ 390,144	\$ 344,850

See accompanying notes to financial statements.

TOURISM CHILLIWACK INC.

Statement of Cash Flows

Year ended December 31, 2013, with comparative information for 2012

	2013	2012
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 24,996	\$ 76,663
Item not involving cash:		
Amortization of tangible capital assets	19,471	23,855
	44,467	100,518
Change in non-cash operating assets and liabilities:		
Accounts receivable	(32,590)	(18,981)
Inventories	263	335
Prepaid expenses and deposits	12,246	(9,452)
Accounts payable and accrued liabilities	20,509	24,069
Due to City of Chilliwack	(2,660)	125,643
Deferred revenue	28,552	(22,063)
	70,787	200,069
Capital activities:		
Acquisition of tangible capital assets	(11,682)	(30,181)
Investing activities:		
Change in long-term investments	(12,622)	(3,062)
Increase in cash	46,483	166,826
Cash, beginning of year	302,428	135,602
Cash, end of year	\$ 348,911	\$ 302,428

See accompanying notes to financial statements.

TOURISM CHILLIWACK INC.

Notes to Financial Statements

Year ended December 31, 2012

General:

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 using standards issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The Company's significant accounting policies are as follows:

(a) 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.

(b) Tangible capital assets:

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

Asset	Basis	Useful life - years
Furniture and fixtures	Declining balance	30%
Computer	Declining balance	30%
Leasehold improvements	Declining balance	30%
Website	Declining balance	45%

(c) 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.

TOURISM CHILLIWACK INC.

Notes to Financial Statements (continued)

Year ended December 31, 2013

1. Significant accounting policies (continued):

(d) Long-term investments:

Long-term 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.

(e) Goodwill:

Goodwill is the residual amount that results when the purchase price of an acquired business exceeds the sum of the amounts allocated to the assets acquired, less liabilities assumed, based on their fair values. Goodwill is allocated, at the date of the business combination, to the Company's reporting units that are expected to benefit from the synergies of the business combination.

Goodwill is not amortized and is tested for impairment annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired. The impairment test is carried out in two steps. In the first step, the carrying amount of the reporting unit is compared with its fair value. When the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not to be impaired and the second step of the impairment test is unnecessary. The second step is carried out when the carrying amount of a reporting unit exceeds its fair value, in which case the implied fair value of the reporting unit's goodwill is compared with its carrying amount to measure the amount of the impairment loss, if any. The implied fair value of goodwill is determined in the same manner as the value of goodwill is determined in a business combination described in the preceding paragraph, using the fair value of the reporting unit as if it was the purchase price. When the carrying amount of reporting unit goodwill exceeds the implied fair value of the goodwill, an impairment loss is recognized in an amount equal to the excess and is presented as a separate line item in the statement of earnings before extraordinary items and discontinued operations.

(f) Budget figures:

Budget figures represent the budget approved by board of directors on November 27, 2012.

TOURISM CHILLIWACK INC.

Notes to Financial Statements (continued)

Year ended December 31, 2013

1. Significant accounting policies (continued):

(g) Use of estimates:

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

2. Long-term investments:

	2013	2012
Term deposit with interest at 1.30% (2012 - 2.75%), maturing on December 29, 2014	\$ 112,640	\$ 106,185
Term deposit with interest at 1.30% (2012 - 2.75%), maturing on December 30, 2014	91,216	85,049
	\$ 203,856	\$ 191,234

3. Inventories:

	2013	2012
Flag shop inventory	\$ 8,510	\$ 8,956
Maps and books	2,970	2,787
	\$ 11,480	\$ 11,743

TOURISM CHILLIWACK INC.

Notes to Financial Statements (continued)

Year ended December 31, 2013

4. Tangible capital assets:

	2013		2013	
	Opening	Additions	Disposals	Closing
	Cost			Cost
Furniture and fixtures	\$ 37,211	\$ 1,035	\$ -	\$ 38,246
Website	49,544	-	-	49,544
Computer	28,530	9,957	-	38,487
Leasehold improvements	111,884	690	-	112,574
	\$ 227,169	\$ 11,682	\$ -	\$ 238,851

	2013 Opening		Amortization	2013 Closing
	Accumulated	Disposals	expense	Accumulated
	Amortization			Amortization
Furniture and fixtures	\$ 22,099	\$ -	\$ 4,844	\$ 26,943
Website	43,565	-	2,690	46,255
Computer	19,143	-	5,804	24,947
Leasehold improvements	92,132	-	6,133	98,265
	\$ 176,939	\$ -	\$ 19,471	\$ 196,410

	2013 Opening	2013 Closing
	Net book value	Net book value
Furniture and fixtures	\$ 15,112	\$ 11,303
Website	5,979	3,289
Computer	9,387	13,540
Leasehold improvements	19,752	14,309
	\$ 50,230	\$ 42,441

TOURISM CHILLIWACK INC.

Notes to Financial Statements (continued)

Year ended December 31, 2013

5. Share capital:

	2013	2012
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 totalling \$430,000 (2012 - \$430,000) to the Company. The City has agreed to provide future annual operating funds based on a pre-determined formula.

The Company is a wholly-owned subsidiary of the City.

7. Financial instruments:

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

8. Income taxes:

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

TOURISM CHILLIWACK INC.

Notes to Financial Statements (continued)

Year ended December 31, 2013

9. Employee future benefits:

The Company and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 179,000 active members and approximately 71,000 retired members. Active members included approximately 32,000 contributors from local government.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. 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 with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the 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 outlines the management and operation of Chilliwack Heritage Park.

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

11. Distribution to City of Chilliwack:

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

12. Segmented information:

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

TOURISM CHILLIWACK INC.

Notes to Financial Statements (continued)

Year ended December 31, 2013

12. Segmented information (continued):

	Facility Management	Tourism services	Retail services	Eliminations	2013	2012
Revenues:						
Sales, rental and other income	\$ 364,555	\$ 4,710	\$ 114,881	\$ -	\$ 484,146	\$ 513,943
Operating agreements	300,000	159,611	-	-	459,611	467,111
Hotel tax	-	165,879	-	-	165,879	148,839
Advertising revenues	-	196,853	-	(75,000)	121,853	140,003
Fundraising revenues	-	12,568	-	-	12,568	5,591
Interest income	1,464	4,688	-	-	6,152	5,538
	666,019	544,309	114,881	(75,000)	1,250,209	1,281,025
Expenditures:						
Staffing costs	279,880	232,938	26,595	-	539,413	527,917
Advertising and business development	75,000	225,534	4,327	(75,000)	229,861	204,403
Operations	84,597	7,630	58,363	-	150,590	156,318
Administration	27,174	51,445	6,378	-	84,997	82,437
Utilities	71,453	6,445	-	-	77,898	83,789
Amortization	4,932	14,539	-	-	19,471	23,855
	543,036	538,531	95,663	(75,000)	1,102,230	1,078,719
Annual surplus before distribution	\$ 122,983	\$ 5,778	\$ 19,218	\$ -	\$ 147,979	\$ 202,306





City of Chilliwack

Produced by the Finance Department in co-operation with all City of Chilliwack Divisions

**Photos for this report have been provided by Chilliwack Tourism Inc.,
Kelly Corbett Photography and City Divisions**



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