



2021

ANNUAL MUNICIPAL REPORT

For the fiscal year ended December 31, 2021





City of Chilliwack

British Columbia, Canada

2021 Annual Municipal Report
For the fiscal year ended December 31, 2021

PREPARED BY THE CITY OF CHILLIWACK
FINANCE DEPARTMENT

8550 YOUNG ROAD ~ CHILLIWACK, BC ~ V2P 8A4

A scenic view of a mountain range with a large blue circular overlay containing text. The background shows a vast landscape with green forests, a valley, and distant mountains under a clear sky. The foreground features rocky terrain and evergreen trees.

TERRITORY ACKNOWLEDGEMENT

**The City of Chilliwack acknowledges
that we are honoured to live, work,
and play on the traditional, ancestral
and unceded territory of the Stó:lō
Coast Salish peoples.**



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Introduction

City Snapshot

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Organizational Chart

City Council

Boards & Committees

2021 Highlights

Council's Strategic Goals

City Snapshot



* \$802,800

Average House Price

Image designed using resources by Freepik.com



* Source: Chilliwack and District Real Estate Board (CADREB)

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Off Leash Dog Areas



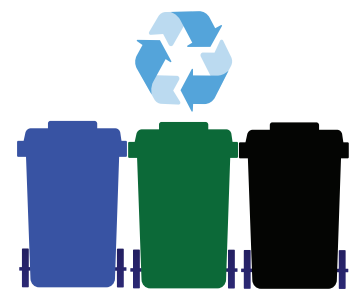
618

New Business Licences Issued



68%

Curbside Waste Diversion Rate



100,580

Population



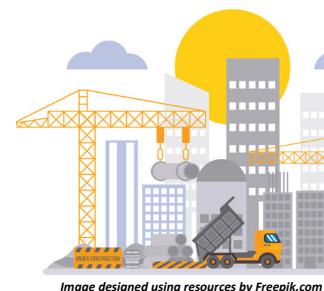
42,800 acres

Farmland



\$347 M

Building Permit Construction Values





Message from the Mayor

I am pleased to present the 2021 Annual Report for the City of Chilliwack on behalf of Council. In this report you will find important information about City operations, including a financial overview, accomplishments and progress made on Council's strategic goals. I hope you will think of this report as a summary of all our collective achievements, as well as a road map for where we plan to go next.

2021 was filled with challenges. Chilliwack faced heat waves, an influx of evacuees fleeing wildfires, and historic flooding, all in the context of a pandemic. Yarrow and Majuba Hill were evacuated, along with residents elsewhere impacted by landslides, and many residents faced sewer backups, localized flooding, and highway closures. Our community worked together to fill sandbags and find items or lodging for people in need, showing just how resilient Chilliwack can be.

And yet, there were still many bright moments. We planted thousands of climate-resilient trees on Mt. Thom, continued retrofitting streetlights with LEDs, and Council approved the Single-Use Item Reduction Bylaw. Council approved the Mayor's Task Force on Inclusiveness, Diversity and Accessibility Action Plan, and we made accessibility improvements to our website and the Cheam Leisure Centre. We celebrated Chilliwack-born Jordyn Huitema's Olympic gold medal victory with the Canadian women's soccer team, opened the pump track at the Landing, widened a portion of Prest Road, and opened the new Ross Road.

This year, for the first time, Chilliwack honoured the National Day for Truth and Reconciliation. While this is an important day to reflect on the legacy and ongoing trauma caused by residential schools, there is work to do every day. In 2021, we renewed our commitment to building relationships with Indigenous neighbours, and will continue to support truth and reconciliation.

The things we achieved in 2021 would not have been possible without the hard work and dedication of Council, advisory committee members, volunteers, City staff, and you, the citizens of Chilliwack. To anyone who called, emailed, took a survey, left a comment, participated in a public hearing, or attended a virtual meeting this year – thank you. You helped us shape twenty-one projects with feedback on our new engagement platform, engagechilliwack.com. Your involvement makes Chilliwack an even better place to work, live and play, and we look forward to another year of growth with you.

Enjoy the read!

A handwritten signature in black ink, appearing to read 'Ken Popove', with a stylized flourish at the end.

Mayor Ken Popove

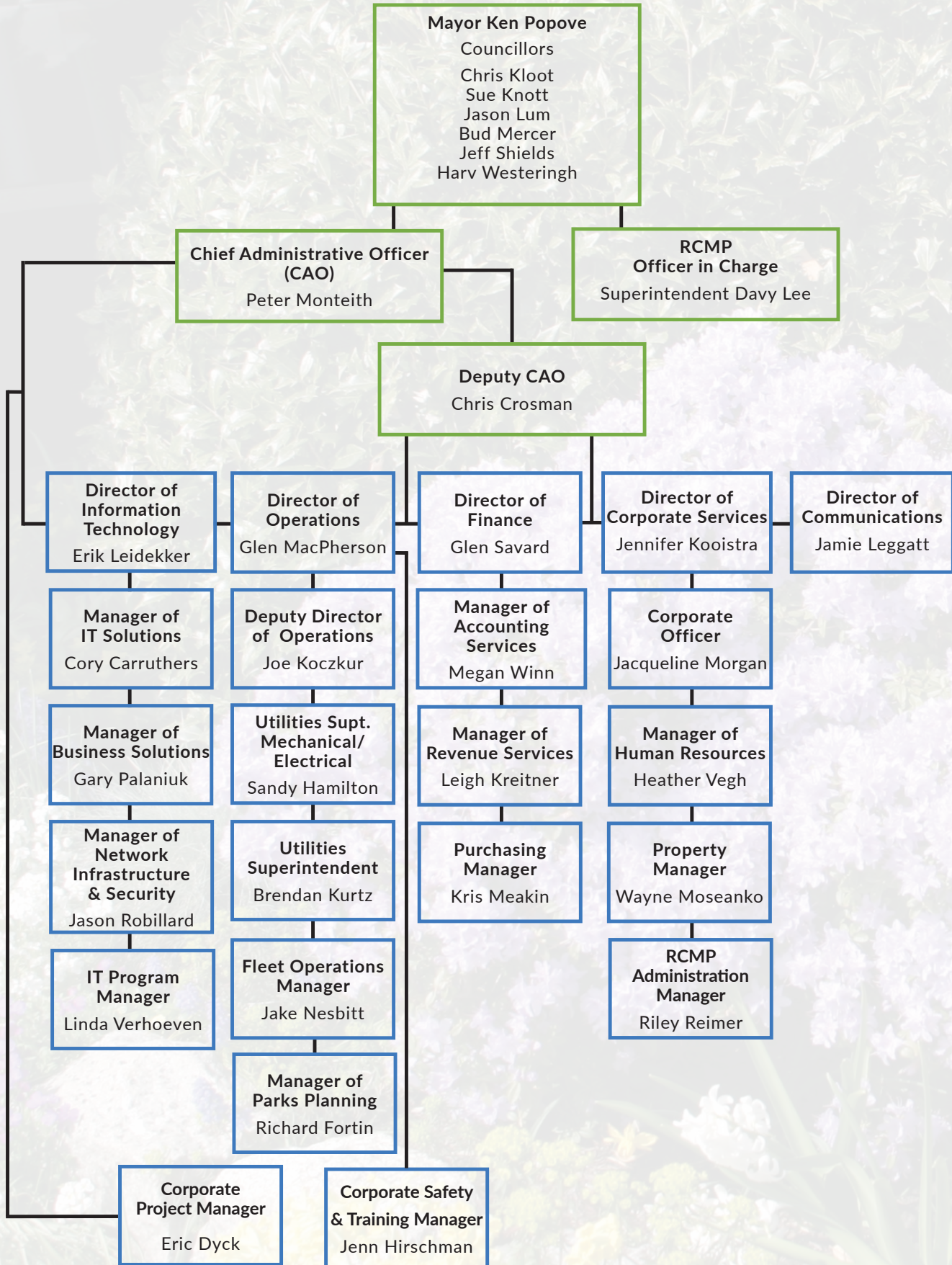
23

COUNCIL MEETINGS

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PUBLIC HEARING
MEETINGS

Organizational Chart





City Council



Mayor Ken Popove



*Councillor
Chris Kloot*



*Councillor
Sue Knott*



*Councillor
Jason Lum*



*Councillor
Bud Mercer*



*Councillor
Jeff Shields*



*Councillor
Harv Westeringh*

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

Boards & Committees

Affordable Housing and Development Advisory Committee

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

Agricultural and Rural Advisory Committee

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

Chilliwack Business Improvement Association (BIA)

Councillor Jeff Shields (Liaison)

Chilliwack Arts and Cultural Centre Society Board

Councillor Jeff Shields (Liaison)

Chilliwack Creative Commission

Councillor Jason Lum (Liaison)

Chilliwack Economic Partners Corporation

Mayor Ken Popove (Ex-Officio)
Councillor Sue Knott (Liaison)

Chilliwack Healthier Community

Mayor Ken Popove (Chair)
Councillor Jeff Shields (Alternate)

Chilliwack Parks and Trails Advisory Committee

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

Community Advisory Board

Mayor Ken Popove
Councillor Harv Westeringh

Design Review Advisory Committee

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

Emergency Executive Committee

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

Fraser Valley Aboriginal Relations Committee

Mayor Ken Popove
Councillor Jeff Shields (Alternate)

Fraser Valley Regional District Board

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

Fraser Valley Regional Hospital Board

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

Fraser Valley Regional Library

Councillor Sue Knott

Heritage Advisory Committee

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

Integrated Community Safety Task Force

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

Mayor's Task Force on Inclusiveness, Diversity and Accessibility

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

Parcel Tax Roll Review Panel

Councillor Jeff Shields
Councillor Harv Westeringh
Councillor Bud Mercer

Public Art Advisory Committee

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

Public Safety Advisory Committee

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

Tourism Chilliwack

Councillor Harv Westeringh (Liaison)

Transportation Advisory Committee

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

2021 HIGHLIGHTS

GOOD STEWARDSHIP OF MUNICIPAL INFRASTRUCTURE

Invested \$5.5M into the road rehabilitation program.
Inlet works upgrade at the Wastewater Treatment Plant.
Design and permitting of Wastewater Treatment Plant outfall rehabilitation underway.



ENVIRONMENTAL STEWARDSHIP

Collaborated with local businesses and community volunteers to remove invasive species and replant 1,500 native trees and shrubs along creeks at 15 locations.



STRONG NEIGHBOURHOODS

Completion of Chilliwack Pump Track facility with a paved, looping circuit for bikes, scooters, skateboards and more. Features approximately 500 m of track and tunnel crossover, with two separate circuits for a variety of abilities.



VIBRANT ECONOMY

Multi-phase downtown redevelopment at Five Corners continues with new businesses opened in 2021.
Installed 82 new LED energy efficient streetlights in the downtown area.

CUSTOMER SERVICE

Continued use of “box office” style customer service wickets at the front of City Hall.
City Hall re-opened to the public in September.

COMMUNITY SAFETY

Received grant funding from UBCM’s Strengthening Communities Program to support programs to address homelessness.



CONNECTED COMMUNITY

Utilized online engagement platform, engagechilliwack.com, to gather resident input on various initiatives.

COUNCIL'S STRATEGIC GOALS

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

Financial Stability



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

Good Stewardship of Municipal Infrastructure



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

Environmental Stewardship



Encourage waste diversion and a "zero waste" philosophy, while working to reduce energy consumption and greenhouse gases, and protect waterways, riparian areas and the airshed.

Strong Neighbourhoods



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

Vibrant Economy



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

Connected Community



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

Organizational Excellence



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

Customer Service



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

Community Safety



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



STRATEGIC GOAL #1: FINANCIAL STABILITY

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

ADDRESS COMMUNITY NEEDS

Prepare for anticipated and unanticipated community needs

- ✓ Completed the annual update of our long-term Comprehensive Municipal Plan (CMP), outlining short-term priorities and anticipated long-term needs.
- ✓ Planning and funding strategies built into the Comprehensive Municipal Plan for projects that may be eligible for future infrastructure grants to ensure municipal funding portions in place.

BALANCED BUDGET

Fund planned capital expenditures without long-term borrowing debt and identify grant opportunities

- ✓ All capital expenditures funded without long-term debt in the 2021 Comprehensive Municipal Plan.
- ✓ Completed successful applications for available government grant funding programs.
- ✓ Ongoing grant research for eligible project opportunities.

REASONABLE PROPERTY TAXATION

Maintain reasonable property tax levels and ensure new growth pays for itself

- ✓ Chilliwack maintains the lowest general municipal taxation levy on a representative home when compared to 19 Lower Mainland communities surveyed. With the inclusion of water, sewer and garbage collection fees, Chilliwack's total fees are lower by an even greater margin, while providing vast services and amenities.
- ✓ Chilliwack continues to have a low business class property tax multiplier.
- ✓ Reviewed Development Cost Charge (DCC) Bylaw and amended rates accordingly to ensure growth-driven capital needs are completed and funded by DCC's where eligible.



STRATEGIC GOAL #2:

GOOD STEWARDSHIP OF MUNICIPAL INFRASTRUCTURE

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

ROAD AND UTILITY SYSTEM MAINTENANCE

Maintain utility systems, minimize service delivery interruptions and meet pavement quality index goals for roadways.

MUNICIPAL FACILITY AND FLEET MAINTENANCE

Extend the life of buildings by funding repairs and maintenance in a timely manner. Maintain fleet for optimal performance and life span.

- ✓ Invested \$5.5M into the road rehabilitation program.
 - ✓ Flushed 120% of water system and 135 km of sewer lines.
 - ✓ Serviced 1,000+ fire hydrants.
 - ✓ Replaced 3,800 metres of aging cast iron pipes.
 - ✓ Replaced 770 metres of existing AC sewer pipes.
 - ✓ Completed inspections of 36 large diameter road culverts and 23 bridges to ensure safe condition and ongoing maintenance of structural assets.
 - ✓ Inlet works upgrade at the Wastewater Treatment Plant completed.
 - ✓ Rehabilitation of the primary clarifiers at the Wastewater Treatment Plant completed.
 - ✓ Design and permitting of Wastewater Treatment Plan outfall rehabilitation underway.
-
- ✓ Regular major maintenance and roof inspection completed.
 - ✓ Replaced all six HVAC roof top units at Chilliwack Landing Leisure Centre with higher efficiency units and upgraded the direct digital control (DDC) system.
 - ✓ Upgraded the access and security system at the Chilliwack Landing Leisure Centre.
 - ✓ Major pipework replacement completed at Chilliwack Landing Leisure Centre.
 - ✓ Four HVAC roof top units replaced on oldest part of City Hall building with higher efficiency units.
 - ✓ City Hall boiler replaced with a new higher efficiency unit.
 - ✓ Pool basin at Rotary Pool repaired and painted. Interior and exterior pool building painted.
 - ✓ HVAC system replaced in the dressing room at Sardis Sport Complex.
 - ✓ Sound system at the Cultural Centre upgraded.
 - ✓ 134 heavy duty vehicles/equipment serviced and inspected.
 - ✓ Completed over 1,600 repairs and preventative maintenance work orders for equipment and fleet.



STRATEGIC GOAL #2 CONTINUED:

GOOD STEWARDSHIP OF MUNICIPAL INFRASTRUCTURE

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

FLOOD PROTECTION

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

- ✓ 78,000 linear channel metres of drainage watercourses cleaned with DFO and FLNRORD approval.
- ✓ All dikes, pump stations and flood boxes inspected and maintained prior to freshet and high winter stream flows.
- ✓ No gravel removed from Vedder River in 2021 (removals occur in even-numbered years to protect pink salmon).
- ✓ Received funding through the Federal Disaster Mitigation and Adaptation Fund to raise the West Dike (right bank) between Sumas Prairie Road and the Vedder Canal. The design-build process is underway.
- ✓ Received funding through the Community Emergency Preparedness Fund administered by UBCM for Fraser River Bank Protection, downstream of CHIP intake; project to be completed by spring 2022 and for a Vedder River Flood Risk Assessment, study to be completed by summer 2022.

WATER QUALITY

Ensure an adequate water supply and maintain potable water standards

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



STRATEGIC GOAL #3: ENVIRONMENTAL STEWARDSHIP

Encourage waste diversion and a “zero waste” philosophy, while working to reduce energy consumption and greenhouse gases and protect waterways, riparian areas and the airshed.

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

PROTECT WATERWAYS AND RIPARIAN AREAS

Enhance fish habitat and maintain Riparian Areas Protection Regulation standards

- ✓ Effluent above and beyond minimum provincial standard requirements.
- ✓ Inlet Works upgrade at the Wastewater Treatment completed.
- ✓ Completed backup power and electrical upgrades at the Wastewater Treatment Plant.
- ✓ Collaborated with local businesses and community volunteers to remove invasive species and replant 1,500 native trees and shrubs along creeks at 15 locations.
- ✓ Mitigative measures undertaken to preserve and enhance fish habitats during open channel drainage maintenance.
- ✓ Enforcement of Development Permit Area #3 rules.
- ✓ Enforcement of riparian covenants.
- ✓ Commenced a project to improve the accuracy of headwater stream mapping in hillside areas.

AIR QUALITY

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

- ✓ Followed provincial Agricultural Environmental Management Code of Practice.
- ✓ Updates to the Corporate and Community Climate Action Plans underway; studies to be completed by early 2022.
- ✓ Utilized methane from Wastewater Treatment Plant to run biogas boiler heat digesters.
- ✓ Organic Food Waste Pre-Processing and Anaerobic Digester #4 procurement process underway.
- ✓ Planned expansion of the gas extraction system at the Bailey Landfill with the installation of three horizontal gas collectors.
- ✓ Worked with the Ministry of Environment to respond to air quality complaints.
- ✓ Updated the Open Burning Bylaw with new restrictions to reduce smoke.
- ✓ Planted 22,000 climate resilient tree species in Mt. Thom Park with funding through a federal grant.



STRATEGIC GOAL #3 CONTINUED: ENVIRONMENTAL STEWARDSHIP

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

WASTE DIVERSION

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

- ✓ Curbside diversion rate of 68% in 2021.
- ✓ Zero waste initiatives including curbside recycling and compostable programs.
- ✓ Supported Fraser Valley Regional District with the region-wide separation requirements to separate recycling and compostables in all sectors through an update to the City’s Solid Waste Management Bylaw.
- ✓ Adopted Single-Use Item Reduction Bylaw, which will come into effect in April 2022.

SUSTAINABILITY

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

- ✓ Provided free transit for National Seniors Day and supported implementation for provincially mandated free transit for children under 12.
- ✓ Converted 1,021 streetlights to LED, which is over one-third of the City’s ornamental streetlights.
- ✓ Continued the conversion of lighting to LED in City Hall, the Chilliwack Landing Leisure Centre, Cheam Leisure Centre and the parking lot at Heritage Park.
- ✓ Received early grant approval for future work to capture waste heat from the Chilliwack Coliseum and transfer it to the Chilliwack Landing Leisure Centre. This is estimated to reduce the City’s greenhouse gas emissions by 553 tonnes (11.6%) per year.
- ✓ Procured a second electric ice resurfacing machine for the Sardis Sports Complex.
- ✓ Awarded federal ZEVIP Grant for 22 level 2 EV chargers, and provincial Clean BC Grant for two level 2 and two level 3 EV charging ports to be installed at City facilities and parking lots.
- ✓ Consistent reviews and implementation of landfill financial planning strategies to ensure continued economic sustainability.



STRATEGIC GOAL #4: STRONG NEIGHBOURHOODS

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

PARKS AND TRAILS

Provide and enhance quality parks and recreational opportunities

- ✓ Over 100 parks and 100 kilometres of trails in City.
- ✓ Allan Creek and South Sumas Parks added to the parks inventory.
- ✓ Included playground accessibility improvements in the 10-year CMP.
- ✓ New green gym facilities installed at Webster Park.
- ✓ Playground upgrades completed at James Street Park.
- ✓ Upgraded the pickleball facility at Kinsmen Park, on Portage Avenue.
- ✓ New skate park facility added to Rosedale Park.
- ✓ Upgraded existing trails in Mt. Thom Park.
- ✓ Completed the Thornton Creek Trail from Uplands Road to Promontory Road.
- ✓ 10-year master plan for Vedder Greenway commenced.
- ✓ Continued work with FVRD to enhance regional connections in Chilliwack.
- ✓ Downtown improvements on Yale Road, included the installation of 10 new banners, poles, and basket options with irrigation.

TRUTH AND RECONCILIATION

Build relationships of mutual respect and understanding with local First Nations

- ✓ Relationship building through Indigenous Connect Meetings.
- ✓ Staff utilized the Indigenous author library to further their education and understanding.
- ✓ Honoured the National Day for Truth and Reconciliation.
- ✓ Implemented land acknowledgement at the start of Council meetings and in staff email signatures.
- ✓ Illuminated the Vedder Road roundabout artwork orange.
- ✓ Staff and Council have continued their education, including Indigenous Cultural Safety workshops through the Chilliwack Economic Resource Network.
- ✓ Funding received from the Province of British Columbia's Active Transportation Infrastructure Grants Program, through partnership with Tzeachten First Nation, for new pedestrian connection on Chilliwack River Road from Promontory Road to Bailey Road.



STRATEGIC GOAL #4 CONTINUED: STRONG NEIGHBOURHOODS

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

COMMUNITY CULTURE

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

- ✓ Heritage Park, Chilliwack Coliseum and the Chilliwack Cultural Centre held shows and events that showcased local artists and performers virtually. Also hosted smaller shows in accordance with COVID-19 Public Health Orders.
- ✓ The Chilliwack Public Art Advisory Committee continued to support public art initiatives.
- ✓ Recognized sport achievement and legacy through Chilliwack Sports Hall of Fame.
- ✓ Assisted in the coordination of the virtual Canada Day event.
- ✓ Community Development Initiatives policy funded a number of community non-profit service organizations and initiatives.

INCLUSIVENESS

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

- ✓ Approved the Mayor's Task Force on Inclusiveness, Diversity and Accessibility (MTFIDA) Action Plan.
- ✓ The Accessibility Advisory Panel met with department heads to provide feedback, including input on the development of the new Active Transportation Plan and the Parks, Recreation and Culture Master Plan.
- ✓ Supported Pink Shirt Day.
- ✓ Supported Chilliwack Healthier Community (CHC).
- ✓ Reviewed and updated the City's website and social media to make content more available and accessible.
- ✓ Provided funding for the Chilliwack Pride event.
- ✓ Updated Neighbourhood Grant documents to increase accessibility and inclusiveness.
- ✓ Cheam Leisure Centre underwent major upgrades to improve accessibility, achieving Gold with the Rick Hansen Foundation Accessibility Certification.



STRATEGIC GOAL #5: VIBRANT ECONOMY

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

OPEN FOR BUSINESS

Attract and maintain business growth

- ✓ Worked with CEPCO to set mutual priorities for economic development.
- ✓ Continued to provide low business taxes and fees compared to other Lower Mainland communities to attract and retain business within the city.
- ✓ Offered Industrial Revitalization Tax Exemption Bylaw to promote business expansion and reinvestment within the community.
- ✓ Worked with the Chilliwack Economic Recovery/Resource Network (CERN) to develop and facilitate strategies to assist and support local businesses in economic recovery from COVID-19.
- ✓ Work began on a City Hall expansion to better serve the public.
- ✓ Participating member of the Fraser Valley Intermunicipal Business Licence program. Licence sales have nearly quadrupled since the program began in 2013.

DOWNTOWN REVITALIZATION

Encourage redevelopment in the downtown area

- ✓ Revitalization tax exemptions available to promote business reinvestment in the downtown core.
- ✓ Multi-phase downtown redevelopment at Five Corners is underway with new businesses opened in 2021.
- ✓ Installed 82 new LED streetlights in the downtown area.
- ✓ Completed storm sewer upgrades on Princess Avenue and Young Road to support downtown redevelopment.
- ✓ Approved public art to continue to enhance the downtown area.

PLANNING

Ensure plans are in place to facilitate regional growth predictions

- ✓ Chilliwack's Official Community Plan and Comprehensive Municipal Plan continue to accommodate regional growth.
- ✓ Public engagement for the Yarrow and South Vedder Neighbourhood Plans was initiated.
- ✓ Development of a new land use and growth projections model was initiated.



STRATEGIC GOAL #5 CONTINUED: VIBRANT ECONOMY

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

TOURISM

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

- ✓ Tourism Chilliwack continued to execute their 2017-2021 Strategic Plan.
- ✓ Planted pollinator gardens in Prest Road and Chilliwack Central Road roundabouts.
- ✓ Consistently applied the Hillside Development Standards Policy to integrate hillside development within its unique natural context.
- ✓ New sidewalks installed on Tyson Road, Strathcona Road and Crystal Drive, Promontory Road and Vedder Road to improve pedestrian connectivity.
- ✓ Enhanced crosswalks with pedestrian activated flashing beacons at 25 locations.



STRATEGIC GOAL #6:
CONNECTED COMMUNITY

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

COMMUNITY FORUMS

Provide platforms for community feedback on major issues

- ✓ In Summer 2021, in-person engagement for the Active Transportation Plan took place at various community events.
- ✓ Adapting for the COVID-19 pandemic, community feedback was collected primarily online, via email, mail and phone.
- ✓ Surveys conducted for various initiatives.
- ✓ Parks Operations used Engage Chilliwack to receive input and feedback from residents on future park designs.
- ✓ Utilized online Engage Chilliwack platform for resident input on the Single-Use Item Reduction Bylaw; Parks, Recreation and Culture Master Plan; short-term rentals; active transportation; South Vedder Neighbourhood Plan; boat speeds on the Vedder River; and the Yarrow Neighbourhood Plan.
- ✓ Contracted Lees and Associates to develop the next 10-year Parks, Recreation and Culture Strategic Plan.

SHARE INFORMATION

Make timely and accurate information available to the community

- ✓ Over 50 print ads placed and 12 radio campaigns run to communicate information.
- ✓ 33 press releases issued.
- ✓ Responded to 105 media enquiries.
- ✓ Shared monthly e-newsletters about general City news and transportation projects.
- ✓ City website updated regularly.
- ✓ Information shared through the City’s Facebook, Twitter and Instagram accounts five days a week.
- ✓ The City has 11,520 Facebook followers, 6,771 Twitter followers and 4,549 Instagram followers.

RELATIONSHIPS

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

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



STRATEGIC GOAL #7: ORGANIZATIONAL EXCELLENCE

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

RECRUITMENT

Strategize to attract and retain outstanding staff.

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

PROFESSIONAL DEVELOPMENT

Encourage employee development and create opportunities for internal advancement

- ✓ A combination of virtual and in-person training sessions were completed for a variety of educational courses. Staff received refresher courses on important policy information as well as new tools in relation to mental health.
- ✓ Staff from all departments completed the Progressive Institute of Education for Chilliwack Employees' Success (PIECES) program through the Justice Institute of BC (JIBC).

WORKPLACE SAFETY

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

- ✓ Prevention of Workplace Violence training was provided for many frontline staff.
- ✓ Training was provided to staff in several areas including Occupational First Aid, Traffic Control Certification and other training specific to safety-sensitive work.



STRATEGIC GOAL #8: CUSTOMER SERVICE

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

TRAINING

Train employees to provide quality customer service

- ✓ Customer Service training provided for new staff members.

EFFICIENCY

Provide fast and efficient service

- ✓ Concerns and issues followed up on promptly.
- ✓ Maintained efficient turnaround times on approvals for all types of development.
- ✓ Building inspection reports recorded electronically and field reports sent directly by email to property owners, applicants and builders.
- ✓ Continued the use of “box office” style customer service wickets at the front of City Hall to safely allow in-person customer service during the COVID-19 pandemic.
- ✓ City Hall reopened to the public in September, incorporating several safety measures in light of the pandemic.
- ✓ Awarded funding under the Union of BC Municipalities Local Government Development Approvals Program to modernize workflow within Municipal Development to build new processes and implement electronic infrastructure to decrease application approval turn-around times. Project anticipated to be complete in 2023.



STRATEGIC GOAL #9: COMMUNITY SAFETY

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

FIRE AND LIFE SAFETY

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

- ✓ Conducted fire safety and emergency preparedness sessions, both virtually and in-person, to 900+ people.
- ✓ Community Risk Reduction programs continued to be developed, including the Community Risk Assessment which is currently 68% complete.
- ✓ 115 multi-family residential buildings currently on the fire and life safety upgrade program with 75% of the upgrades completed.

EMERGENCY PREPAREDNESS

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

- ✓ Responded to the COVID-19 pandemic, extreme heat, and atmospheric river events through the Emergency Response and Recovery Plan.
- ✓ Assisted Emergency Management British Columbia with the provision of Emergency Support Services to 1,350 wildfire evacuees and 1,250 atmospheric river evacuees.
- ✓ Worked with First Nations communities on flood preparedness and planning.

FIREFIGHTERS

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

- ✓ Developed and implemented a training passport system to support firefighter and fire officer training and professional development.
- ✓ Delivered and placed in-service a new Ladder Truck, training and equipment to Firehall 4 (Sardis) to improve aerial capabilities.
- ✓ Continued on-site improvements at the fire training centre.
- ✓ Hired additional firefighters.
- ✓ Maintained 100% in-service time for Engine 4 (Sardis).



STRATEGIC GOAL #9 CONTINUED: COMMUNITY SAFETY

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

TRAFFIC EDUCATION

Support the Safer City initiative working with RCMP and ICBC

- ✓ Safer City initiatives provided motorists, pedestrians and cyclists with road safety knowledge to attempt to reduce local crash statistics.
- ✓ Hosted a drive-thru Chilliwack Safety Fair event with local safety-oriented organizations.

RCMP SUPPORT

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

- ✓ Health and Safety Inspection Team shut down four controlled substance/marijuana grow operations and conducted 32 health and safety inspections.
- ✓ Health and Safety Inspection Team assisted with remediation in buildings that may have housed unlicensed marijuana grow operations.
- ✓ City staff worked cooperatively with RCMP on trouble buildings and hotspots.
- ✓ Funded five additional members for 2021 and have funded 35 over the past seven years.
- ✓ Maintained a population to member ratio of under 800.
- ✓ Former Operations building is being converted into additional space for the RCMP Detachment to better serve the needs of public and staff.

BYLAW ENFORCEMENT

Provide enhanced and proactive bylaw enforcement

- ✓ Eight full-time Bylaw Officers provide year-round support, including expanded evenings and weekend coverage.
- ✓ Two Bylaw Enforcement Officers completed their bicycle training in order to assist with proactive bicycle patrols in the downtown, parks and trails and other hotspot areas.
- ✓ On average, bylaw officers have over 1,000 interactions with members of the public each month.



STRATEGIC GOAL #9 CONTINUED: COMMUNITY SAFETY

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

ADDRESS SOCIAL ISSUES

Support improved inter-agency coordination and address homelessness

- ✓ Provided funding, meeting space and in-kind staff support for Chilliwack Healthier Community.
- ✓ Completed the Chilliwack Community Safety Plan, under the guidance of the Integrated Community Safety Task Force.
- ✓ Implemented the Community Safety Governance Committee to implement the Chilliwack Community Safety Plan.
- ✓ Implemented COVID-19 related physical and operational upgrades to all City facilities to keep patrons and staff safe in accordance with WorkSafeBC and Provincial Health Officer Orders.
- ✓ In response to COVID-19, Fraser Health commissioned Evergreen Hall to be an isolation center for homeless people.
- ✓ Received grant funding from UBCM’s Strengthening Communities Program to support programs to address homelessness in Chilliwack including security, sanitation, bylaw enforcement, policing and integrated outreach response.
- ✓ As per the City’s Reaching Home Program, supported projects operated by the following organizations to prevent and reduce homelessness:
 - Ann Davis House Transition Society
 - Chilliwack Youth Health Centre Preventing Homelessness in Youth Adults
 - Salvation Army Supporting Those Finding Homes
 - Chilliwack Community Services Community Food Hub
 - Chilliwack & District Seniors Homeless Prevention
 - Cyrus Centre Peer Outreach
 - Pacific Community Resources Society Housing Hub, Annis House Homeless Supports and Outreach Vehicle
 - Ruth & Naomi’s Outreach Vehicle
 - PEARL Life Renewal Society
 - Wilma’s Transition Society Emergency Housing Outreach Worker
 - Stó:lō Service Agency Homelessness Prevention for Families
 - Cheam First Nation Emergency Shelter Operation
 - Growing Up Society – Home for Families at Risk
 - Skwah First Nation Homelessness Prevention for Families at Risk; bathroom and shower facilities for people experiencing homelessness



STRATEGIC GOAL #9 CONTINUED: COMMUNITY SAFETY

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

HOW WE WILL GET THERE

WHAT WE ACHIEVED IN 2021

SAFE PUBLIC SPACES

Improve the safety of parks and public places

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



Department Overviews

Administration

Corporate Services

Information Technology

Finance

Engineering

Operations

Fire Protection

Policing

Planning & Development

Recreation & Culture

Tourism Chilliwack

Chilliwack Economic Partners Corporation (CEPCO)

Administration

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

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

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

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



14,500

FACEBOOK FOLLOWERS

8,269

TWITTER FOLLOWERS

7,500

VISITS ON ENGAGECHILLIWACK.COM

38

PRESS RELEASES

21

ONLINE SURVEYS

Corporate Services

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

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

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

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



128

BYLAWS ADOPTED

122

JOB POSTINGS

92

POSITION CHANGES

79

FREEDOM OF INFORMATION
REQUESTS

58

NEW HIRES

Information Technology

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

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

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

22,146

PARCELS OF LAND
MAINTAINED
IN THE GIS SYSTEM



Image designed using resources by Freepik.com

Finance

The Finance Department is responsible for the financial management of the City including:

- Accounts receivable
- Accounts payable
- Payroll
- Collection of property taxes, water/sewer utility fees, and curbside recycling and solid waste fees
- Safekeeping of all financial instruments
- Investment management
- Risk management

The Finance Department is responsible for the development of the City's annual Financial Plan (budget), the annual financial statements, the annual review of the Development Cost Charge (DCC) Bylaw and the preparation of the Annual Report. Finance is also responsible for the external annual reporting of financial activities to the Province.

Finance staff liaise with all City departments and various external organizations, including the RCMP and the Fraser Valley Regional Library, to coordinate the City's financial activities.



23,747

HOME OWNER GRANTS RECEIVED

19,265

MYCHILLIWACK ACCOUNTS

4,656

TAX PREPAYMENT PLAN PARTICIPANTS

Engineering

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

The City's waste reduction, biodiversity and other environmental initiatives are the responsibility of the Engineering Department.

2021 HIGHLIGHTS

Environmental Services

◆ Single-use Item Reduction

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

◆ Illegal Dumping and Litter Collection

- 6 tonnes of waste removed from river banks
- 120 groups cleaned litter from over 196 km of roadways through the Adopt-A-Road program
- Free dumping passes to the Bailey Landfill provided to volunteers for clean up of illegally dumped material

◆ Open Burning Bylaw Update

- Bylaw updated in cooperation with the Fire and Bylaw Departments
- Includes new restrictions that align with provincial legislation to reduce smoke and protect the region's air quality

◆ Flood Debris Disposal at Bailey Landfill

- Offered free disposal of debris from atmospheric river events
- Assisted the Ministry of Agriculture, Food & Fisheries with livestock mortalities
- Managed additional waste from within the region due to transportation interruptions

◆ Habitat Enhancement

- 24 habitat enhancement events took place with volunteers from 25 community groups
- Over 6 hectares of habitat were enhanced by planting trees and other native shrubs



9,325

TONNES OF COMPOSTABLES COLLECTED

3,890

TONNES OF GLASS & MIXED RECYCLABLES COLLECTED

68%

DIVERSION RATE THROUGH RECYCLING & COMPOSTING



Utilities

- ◆ Wastewater Treatment Plant Inlet Works Upgrade Project
 - New inlet works building to house new treatment system
- ◆ Major renovation of primary clarifiers

1,500 m

CAST IRON WATER PIPES
REPLACED

280 m

SEWER MAIN REPLACED

67

REBATES ISSUED UNDER THE
TOILET REBATE PROGRAM

31

WATER CONSERVATION
KITS SOLD

Transportation



- ◆ Ross Road - Teskey/Jinkerson Connector
 - Opened in late August 2021
 - One single-lane roundabout
 - Approximately 250 m of new road construction
 - Storm main relocation
 - Drainage works
 - Street lighting and trail connections

3,800 m

NEW SIDEWALKS

13 km

ROADS PAVED

22

RAPID RECTANGULAR
FLASHING BEACON
CROSSWALKS INSTALLED



- ◆ Prest Road (Highway 1 to McGuire Road)
 - Re-opened to traffic on Labour Day weekend
 - Improvements included road widening for sufficient lane width and bike lanes
 - Replacement of Semiault Creek bridge



- ◆ Promontory Road (Vedder Elementary to Chester Drive)
 - Road widened to include new travel lanes, new sidewalk, streetlighting, paving, and line markings
 - Traffic signal upgrades
 - Pedestrian activated signal at Promontory Elementary

Operations

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

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

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

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

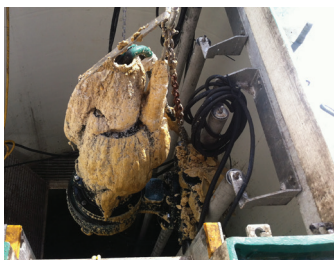
- 52 sanitary pump stations
- Wastewater Treatment Plant
- 10 potable water production wells
- 14 water booster pump stations
- 19 water reservoirs
- 5 drainage pumping stations
- Over 750 km of water and sewer pipe systems

2021 HIGHLIGHTS



◆ Open Channel Drainage Program

Over 70,000 m of open channel maintained to help reduce threat of flooding and improve production on agricultural land. Work yielded several thousand salmonids, various fish species and amphibians.



◆ Wet Well Cleaning

Completed cleaning and inspection of all 52 lift station sites to ensure continued and proper operation.



◆ November Rainfall

Staff were in action during the atmospheric rivers where more than 160 mm of rain fell in 24 hours. Staff worked more than 10,000 hours in November & December for the flood/slide response and recovery.



◆ December Snow & Ice

Operations worked around the clock to clear snow and ice around the city.

1,750

WATER SAMPLES TESTED

1,600

REPAIRS & PREVENTATIVE MAINTENANCE WORK ORDERS COMPLETED

1,000

FIRE HYDRANTS DISMANTLED, SERVICED & REBUILT



◆ WWTP New Generator

Installed a 500 kilowatt standby power generator in early spring at the Waste Water Treatment Plant.

PARK PROJECTS

Rosedale Skatepark - opened in Spring 2021. The concept, selected by local youth, is one of openness and the ability to have circular flow along with multiple riders using in parallel.



Philippson Family Park - located on Promontory along Sylvan Drive and opened in Summer 2021. The land was donated by longtime resident, Rodney Philippson. Highlights include embankment slides, benches and a drinking fountain.

Kinsmen Park - located on Portage Avenue. Pickleball courts upgraded to include acrylic resurfacing to have a gritty, non-stick surface. The addition of two colours, green and blue, improve visibility when playing.



James Street Park - a new play structure was installed in Summer 2021 to provide the surrounding community with much needed play amenities.

Webster Park Green Gym - Six pieces of outdoor equipment were added to provide adults with a place to get outdoors for exercise and fresh air. The structure of the exercise circuit allows parents to supervise their children while they exercise.



Webster Park - Upgrades to parking area and adjacent pathway include paving, as well as improved drainage, in the parking area.

Fire Protection

The Chilliwack Fire Department (CFD) employs 40 full-time and 135 Paid on-Call (POC) firefighters and officers responding out of 6 strategically located firehalls. Our dedicated, well-trained, and well-equipped firefighters proudly serve our community and are expertly supported by 4 chief fire officers, 2 administrative support staff, 2 fire inspectors and 2 training officers.

Our focus on fire vs. medical incidents, unique geography and responsive composite staffing model have resulted in the CFD being one of the most safe, effective, and efficient fire departments in Canada. We serve our residents and visitors across a wide area covering over 260 square kilometres. We deliver fire protection for various residential, commercial, and industrial occupancies in our rural, suburban, and urban areas.

Our firefighters and officers provide emergency response to various incidents such as fires, public service, public hazards, medical aid, motor vehicle incidents, alarm activations, burning complaints, rescues and hazardous materials incidents.



2021 HIGHLIGHTS

◆ Fire Prevention

- Completed 612 fire inspections.
- Educated 1,182 residents.

◆ Training

Delivered training to, and graduated, 19 new paid on-call firefighters and 10 career firefighters.



◆ Emergency Management

Emergency Program activated in support of the response to extreme heat, wildfires, and flooding that occurred in our City, neighbouring communities, and in the BC Interior.

◆ Community Events

- Participated in various events and activities such as Fire Prevention Week, Burn Fund, and Salvation Army Food Drive.
- Firefighters Education Fund awarded 8 post-secondary financial awards to Chilliwack high school graduates.
- Firefighters Charitable Society awarded 4 scholarships to Chilliwack high school graduates.



4,136

TOTAL CALLS FOR SERVICE IN 2021

1,290

PUBLIC SERVICE INCIDENTS

936

ALARMS ACTIVATED

546

MOTOR VEHICLE INCIDENTS

414

FIRES

371

BURNING COMPLAINTS

341

EMERGENCY MEDICAL AID

147

PUBLIC HAZARD CALLS

77

HAZARDOUS MATERIALS CALLS

11

MUTUAL AID CALLS

3

RESCUES

Policing

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

Services provided by the Chilliwack Detachment include:

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



Another key area of support comes from the staff and over 75 volunteers of the Chilliwack Crime Prevention Society, which operates out of the downtown Wellington Community Policing and Operational Support Office which offers the following programs:

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

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



3,200+

CRIME PREVENTION SOCIETY
VOLUNTEER HOURS

Planning & Development

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

Development & Regulatory Enforcement Services

Land Development

- Subdivisions
- Development Permits (Geotechnical/Environmental/Riparian)
- Riparian Areas
- Property Records Maintenance

Building Services

- Permits
- Inspections

Bylaw Enforcement



2021 HIGHLIGHTS

◆ Bylaw Enforcement Department

- Two Bylaw Officers completed bicycle training to assist with proactive bicycle patrols in downtown, parks and trails and other hotspot areas
- Over 2,500 complaints received for violations of City bylaws relating to unsightly premises, excessive noise and on-street parking
- Assisted over 300 complaints, inquiries and educational efforts relating to COVID-19 provincial Public Health orders
- Responded to over 6,000 bylaw infractions relating to parking, camping in prohibited areas or during prohibited times, smoking in parks and other nuisance issues
- On average, over 1,000 interactions with members of the public, each month
- Engagement in proactive bicycle and foot patrols in the downtown core, parks, trailers, and other hotspot areas



12,724

BUILDING INSPECTIONS

495

NEW SINGLE FAMILY DWELLINGS
CONSTRUCTED

435

OTHER DWELLINGS
(INC. MULTI-FAMILY)

11

HEALTH & SAFETY INSPECTIONS

5

DEVELOPMENT PERMIT
APPLICATIONS
(GEOTECHNICAL, RIPARIAN)

Planning and Strategic Initiatives

Development Planning

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

Long-Range Planning

- Official Community Plan
- Neighbourhood Plans
- Growth Projections
- Policy Development
- Healthier Community / Community Safety Plan / Homelessness Action Plan

One Stop Business Registration and Licencing

- General and Intermunicipal Business Licencing

2021 HIGHLIGHTS

◆ Reaching Home Program

- Second year as a 'Designated Community' under Federal Government Program, to reduce and prevent homelessness
- City granted \$1.1 million to local projects to address food security, rent and client supports to transition people into stable housing

◆ Community Safety Plan

- Community Safety Governance Committee established Fall 2021, to monitor implementation of actions to support the Community Safety Plan
- Extensive stakeholder engagement across multiple sectors, including: Mental Health, Substance Use, Housing, Outreach, Provincial Agencies, and First Nations' Representatives
- Five key goals identified:
 - › Improve community and personal safety
 - › Reduce stigma associated with homelessness
 - › Establish services to meet local needs
 - › Improve capacity of justice system
 - › Increase focus on early interventions & trauma informed practice

◆ Short-Term Rental Accommodations Regulations

- Amendments to various City bylaws approved by Council in October to permit short-term rental accommodations, as an ancillary use, on same lot as someone's principal residence
- Help to balance the need to protect housing supply with the needs of the tourism industry

618

NEW BUSINESS LICENCES

164

FORM & CHARACTER
DEVELOPMENT PERMITS

148

REZONING APPLICATIONS

89

DEVELOPMENT VARIANCE PERMITS

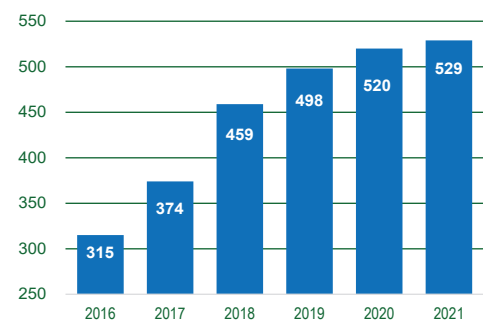
28

TEMPORARY USE PERMITS

23

AGRICULTURAL LAND RESERVE
APPLICATIONS

Intermunicipal Business Licences



Planning Projects

- ✓ Townhouse Infill Policy
- ✓ South Vedder Land Use Plan
- ✓ Yarrow Neighbourhood Plan
- ✓ Chilliwack Land Use Inventory & Growth Projections Model
- ✓ UFV - Chilliwack City Studio Partnership

Recreation & Culture

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

Recreation & Culture operates:

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

The department coordinates the contracted operations of:

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

60,140

VISITORS TO CHEAM CENTRE

41,843

VISITORS TO THE LANDING LEISURE CENTRE

7,074

VISITORS TO CHILLIWACK CULTURAL CENTRE

2,466

MUSEUM VISITS

2021 HIGHLIGHTS



- ◆ Supported 22 community events, including the Christmas Village, which impacted 13,000 people

- ◆ Grant funding received for replacement of HIG/Metal Halide lighting, to LED, for Fire Hall #1 parking lot



- ◆ Cheam Leisure Centre received gold-level rating for accessibility from Rick Hansen Foundation



- ◆ Community Markets
 - Three new outdoor markets:
 - › Vedder Farm Market - Watson Glen Park
 - › Downtown Chilliwack Community Market
 - › Chilliwack 24-hour Bidding Market
 - Return of two well established markets: Eco Market at Sardis Park and Yarrow Farm Market

Tourism Chilliwack Inc.

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

Destination Management Organizations reflect the health and well-being of the local travel industry, and directly reflect the impact of the accommodations sector in their communities. It is a success-based model and one that has a proven track record of success, because it motivates the organization to achieve more, perform better and be creative and innovative.

2021 HIGHLIGHTS

◆ Adopted the Sí:yá:ya Yóyes - Friends Working (Together) Plan

- Plan tailored to guide Tourism Chilliwack in providing tangible contributions to the reconciliation process with Indigenous peoples
- To ensure inclusivity in the work and contributions to the National Truth and Reconciliation plan and to the United Nations Declaration on the Rights of Indigenous Peoples
- Purpose is to enable Tourism Chilliwack to integrate the existing strategies, frameworks, and policies to expand the collaboration, skills and expertise as they strive to build strong relationships with Indigenous peoples in a culturally safe organization



◆ Mobile Visitor Services aka “Winston” the Cube Van

- Connected to residents - built community pride and encouraged them to be tourists in their own backyard
- Serviced existing visitors to ensure a more enriched Chilliwack experience
- Located in high traffic areas



◆ Meet the Maker Video Series

Showcases local people using their passion and talent to make our community a better place to work, play and live



◆ Chilliwack Art Trail

Together with the City of Chilliwack, launched the Digital Public Art Campaign: The Chilliwack Art Trail

124,000+

USES OF #SHARECHILLIWACK

17,600

INSTAGRAM FOLLOWERS

9,774

FACEBOOK FOLLOWERS

Chilliwack Economic Partners Corporation (CEPCO)

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

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

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

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

2021 HIGHLIGHTS



◆ Trow Nutrition Canada

Began construction of a brand new production facility at its current location

◆ Downtown Revitalization

- Work continued in District 1881 with addition of the Empress Apartments and parkade
- Chilliwack Community Services received approval for a new building at the former Paramount Theatre site



◆ 20th Annual Chilliwack Agriculture Tour

Tour took place virtually again with five new farm videos: QuantoTech Solutions, Oakridge Poultry, Puratos Canada, West River Farm and Fraser Valley Hazelnuts



◆ Chilliwack Economic Resource Network (CERN)

- Received Economic Recovery & Resiliency Award by the BC Economic Development Association
- Various projects included:
 - › New CERN website
 - › Shop Local Shoppportunity
 - › Workforce Connection
 - › Online Workshop Series

Check out the highlight reel:

businessinchilliwack.com/chilliwack-agricultural-commission



◆ Denciti Development

Acquired 12.5 acres of industrial property on Lickman Road for redevelopment to accommodate increased economic activity, job creation and investment





Statistical Information

Building Permits

Building Permit Construction Value

Population

Residential Properties

Municipal Property Tax Distribution

Assessment by Property Class

Total Property Tax Distribution

Taxation by Property Class

Lower Mainland Municipal Taxes

Lower Mainland Municipal Taxes & Utility Charges

Lower Mainland Total Taxes & Charges

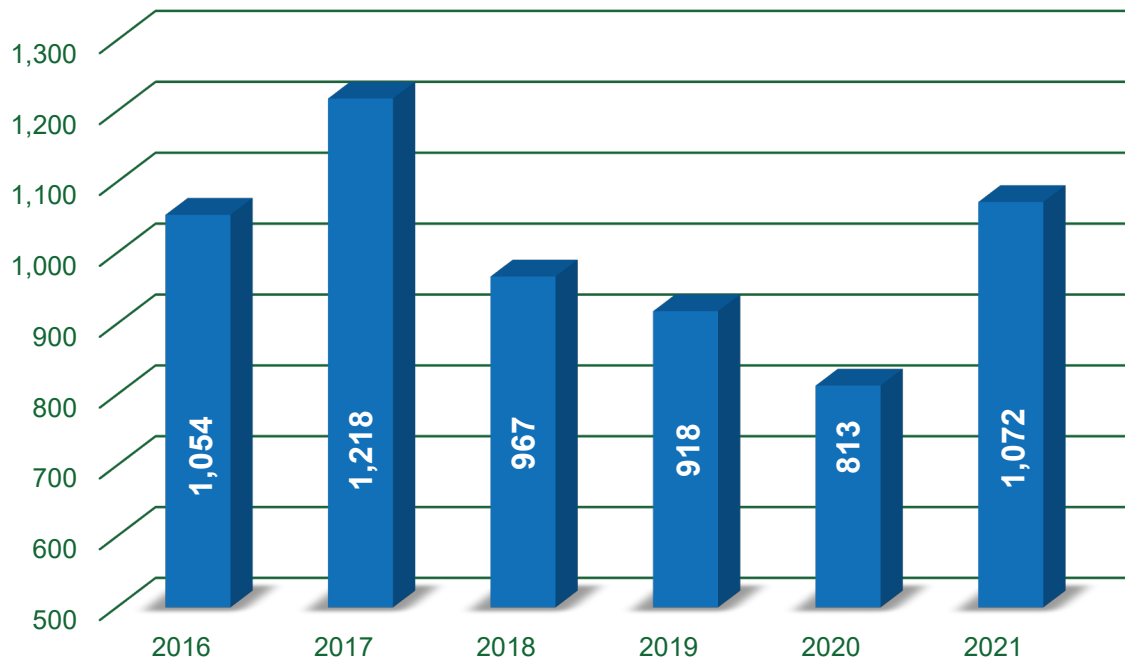
Lower Mainland Business Class Taxation Multiplier

Lower Mainland Representative House Value Comparatives

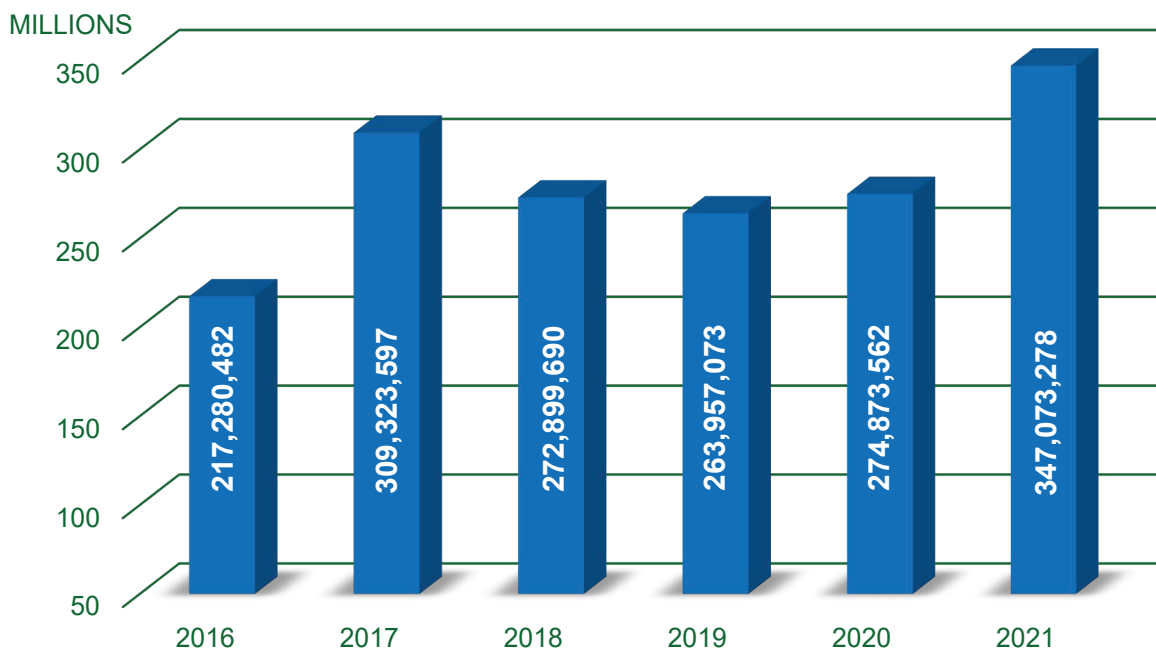
Total Property Assessments

Permissive Tax Exemptions

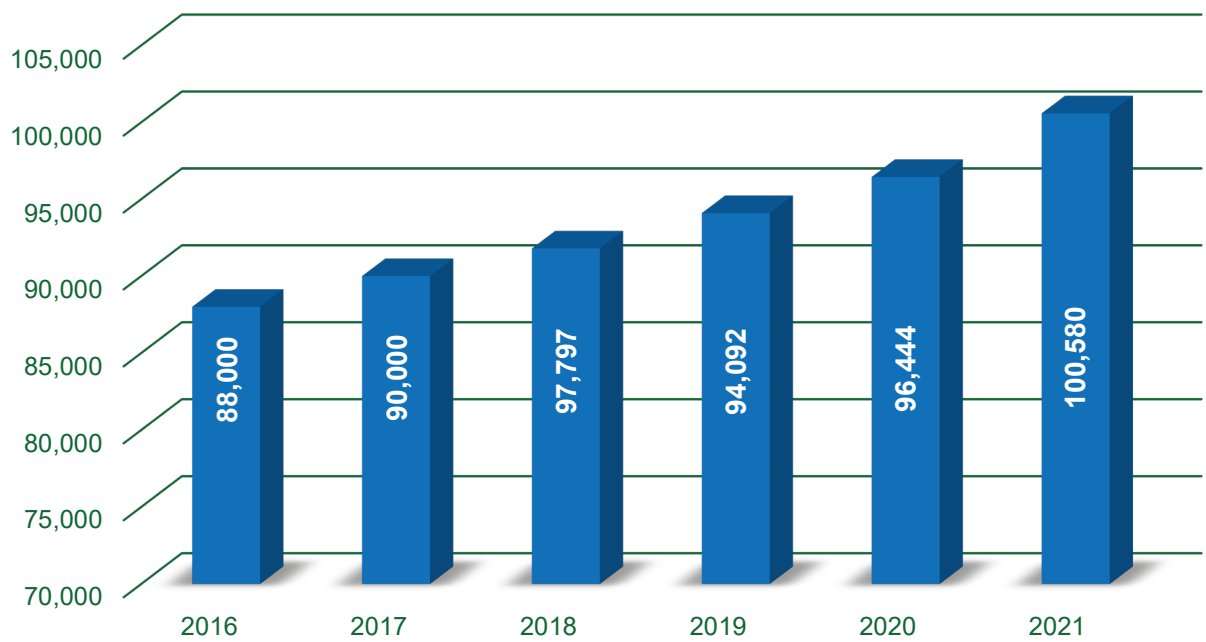
Building Permits



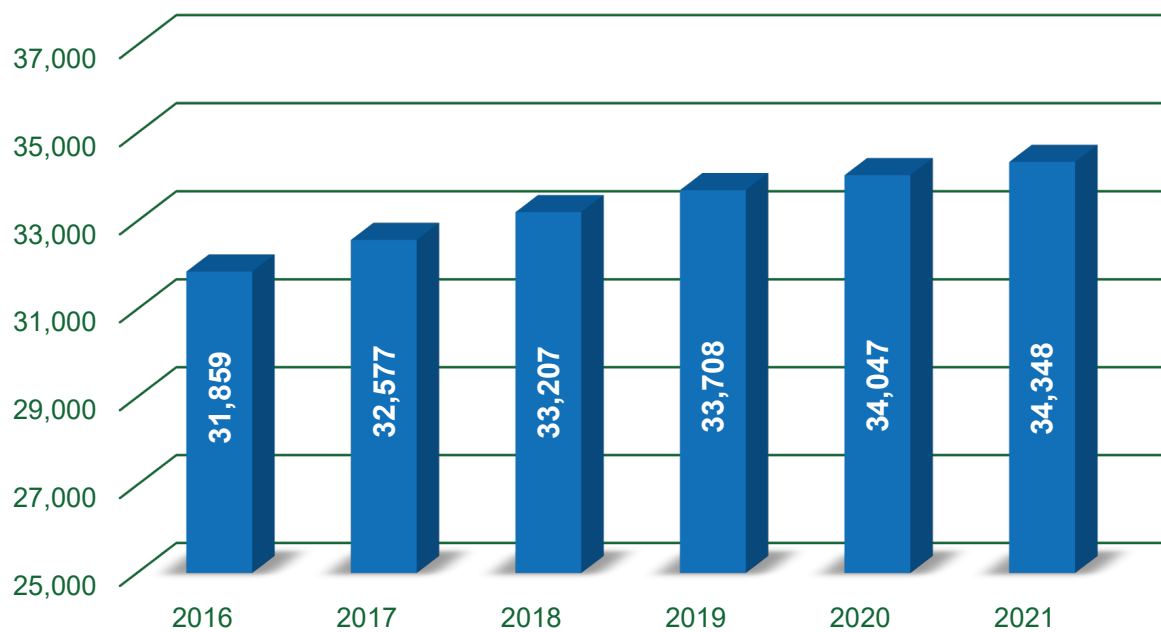
Building Permit Construction Value



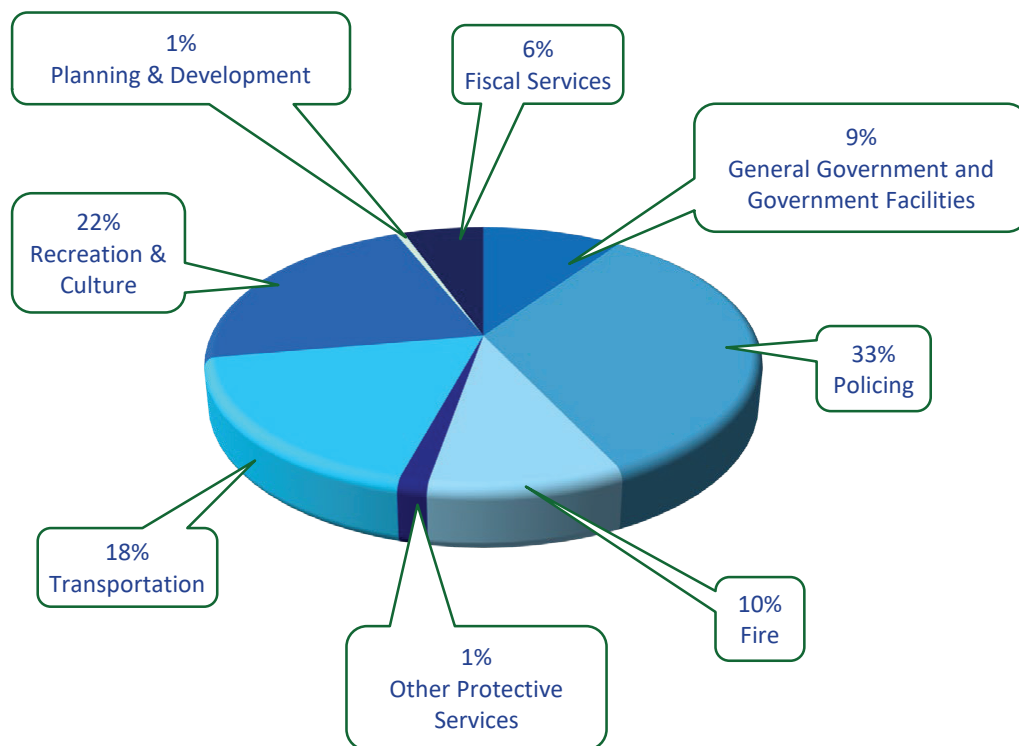
Population



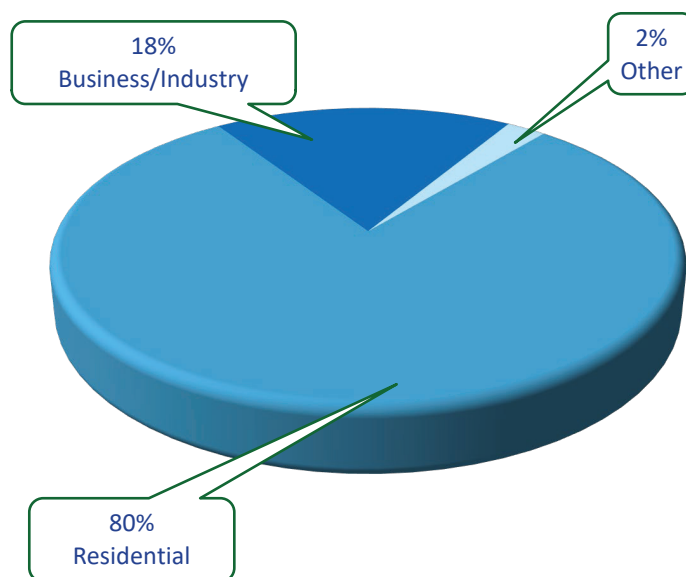
Residential Properties



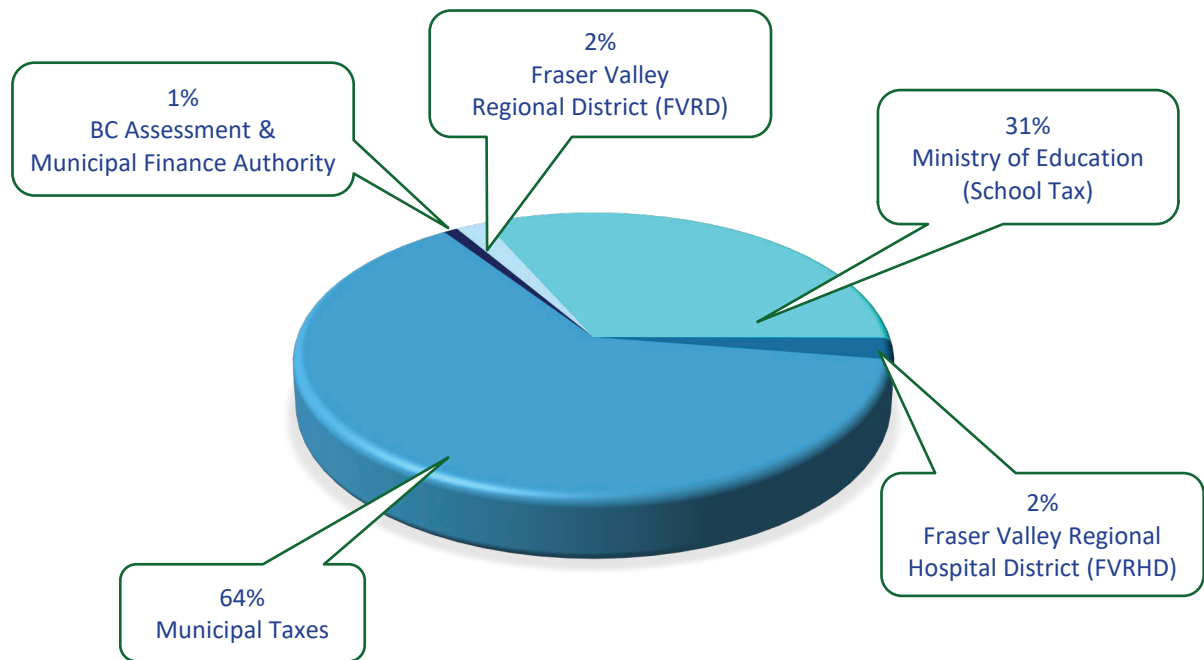
Municipal Property Tax Distribution



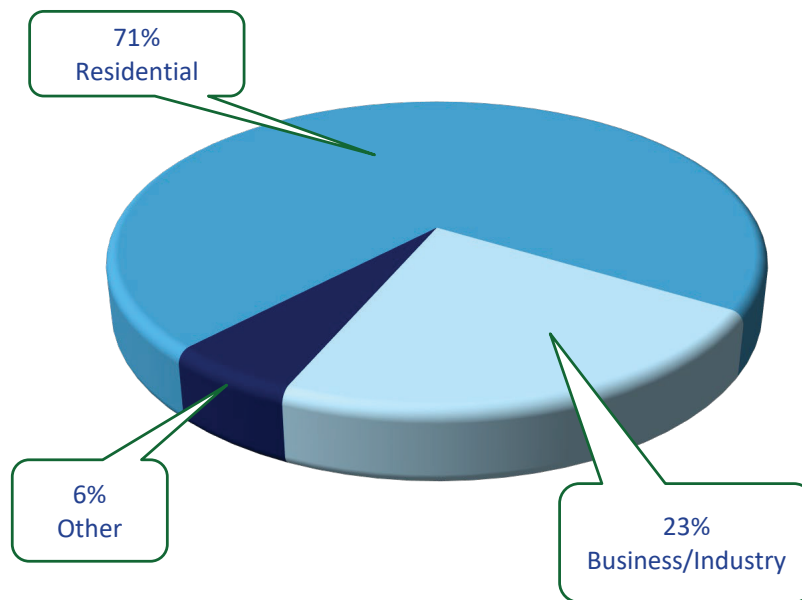
Assessment by Property Class



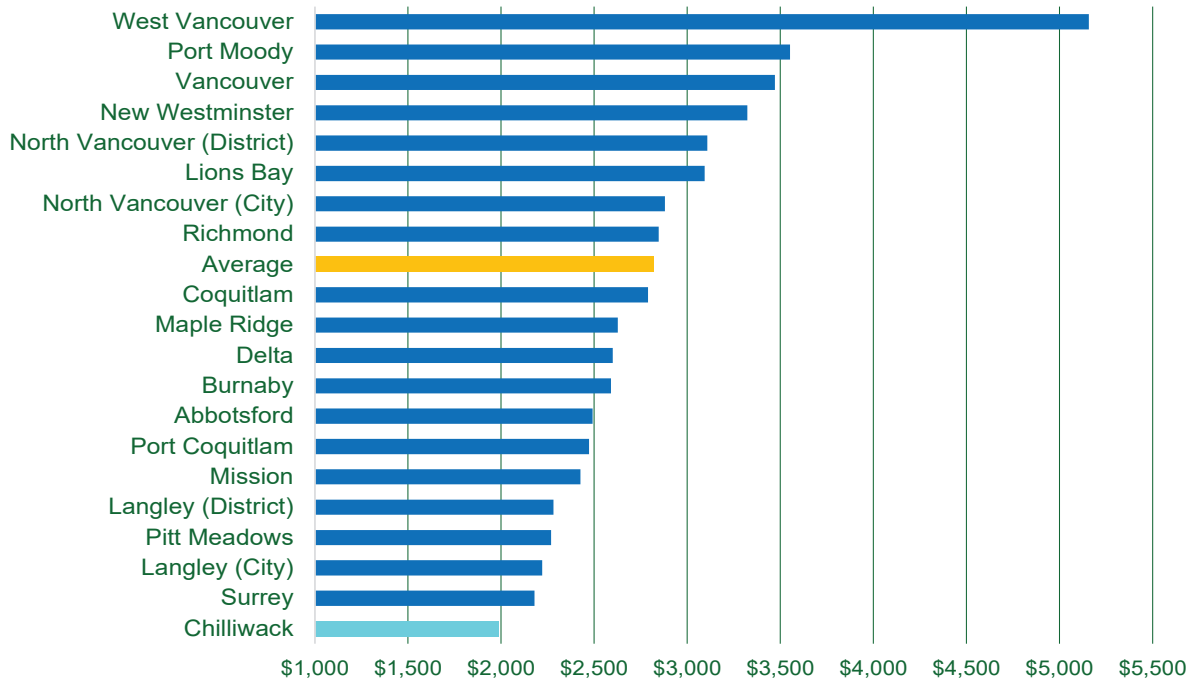
Total Property Tax Distribution



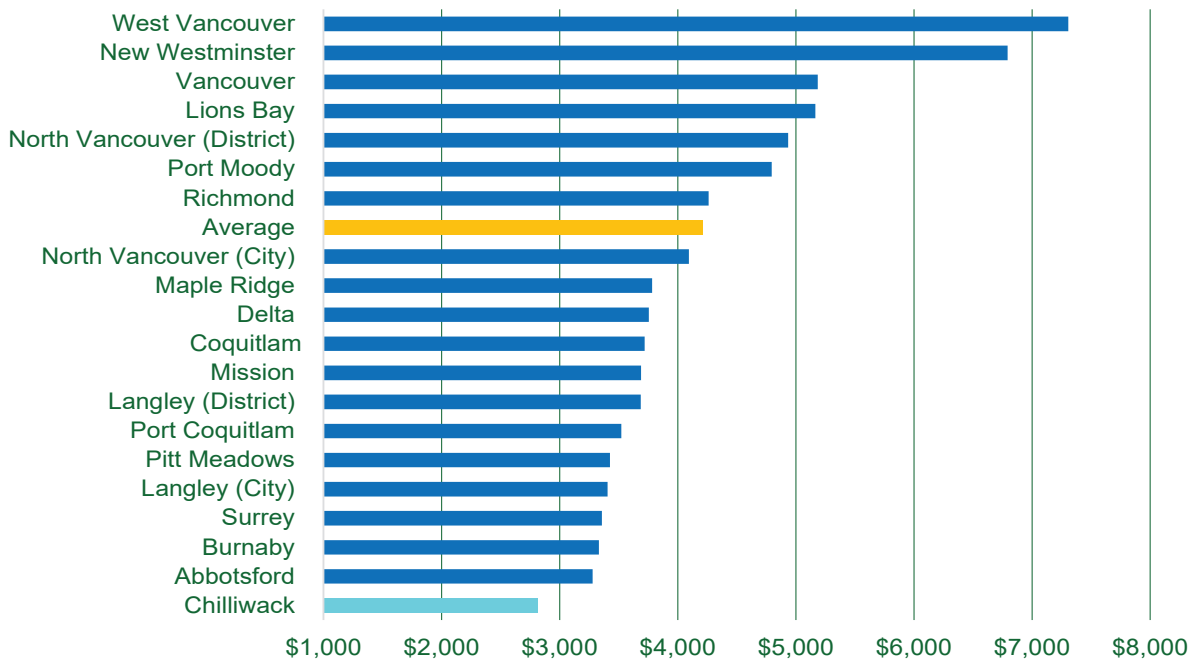
Taxation by Property Class



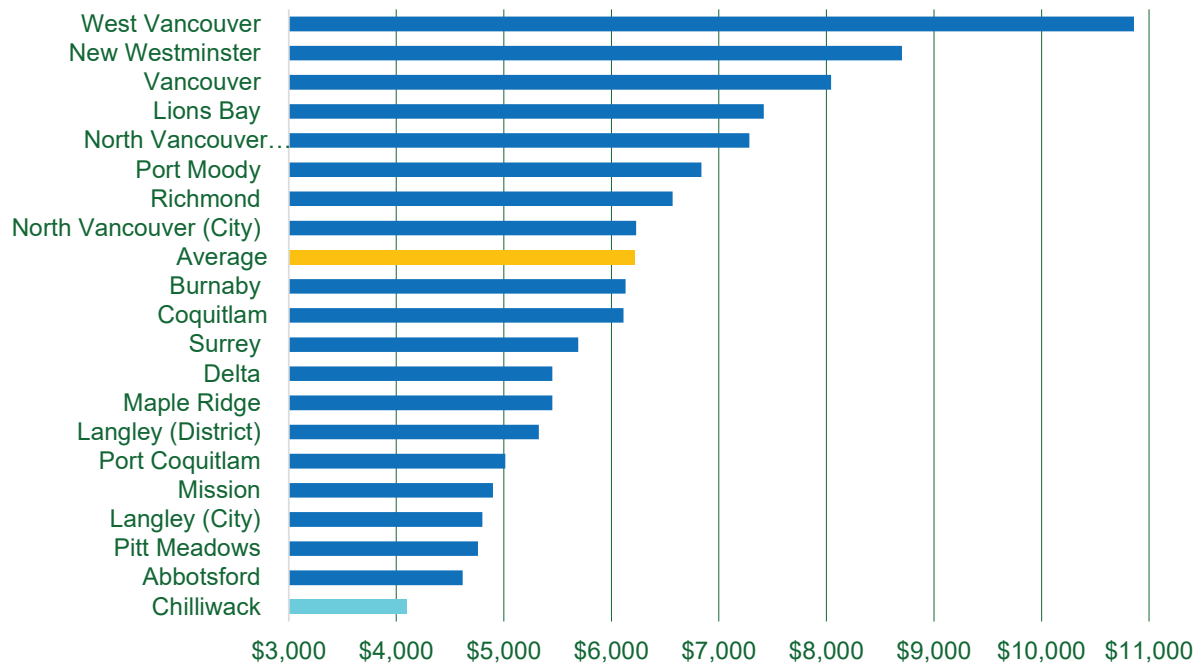
Lower Mainland Municipal Taxes (per Representative House)



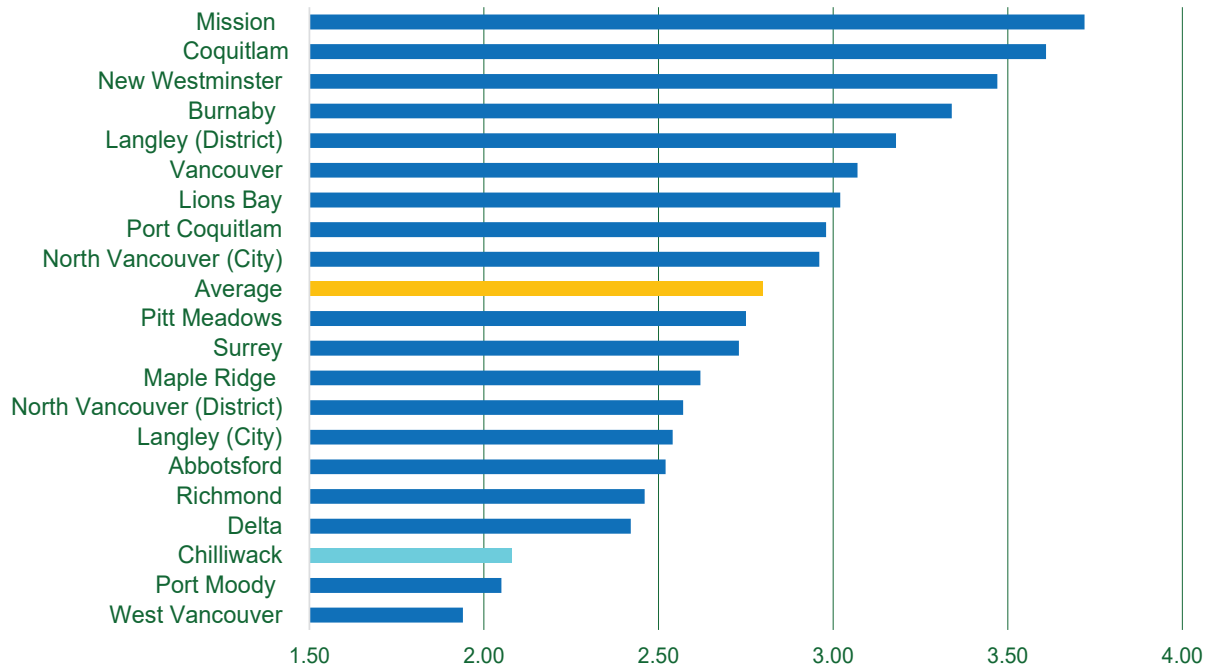
Lower Mainland Municipal Taxes & Utility Charges (per Representative House)



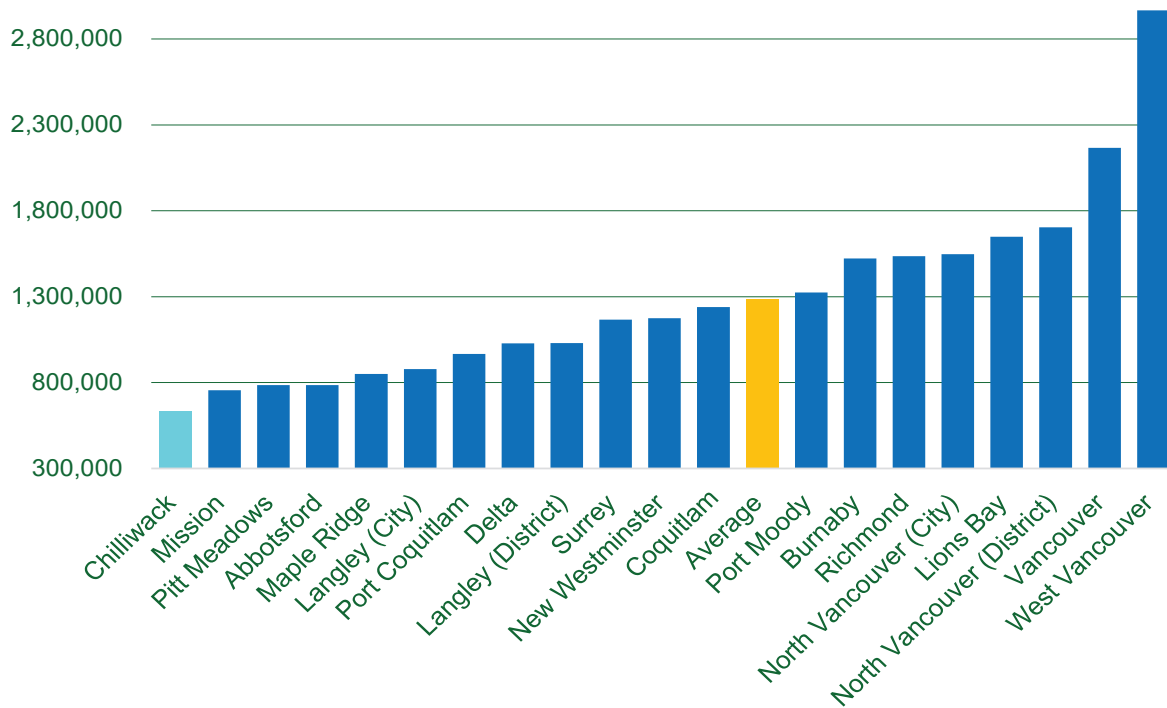
Lower Mainland Total Taxes & Charges (per Representative House)



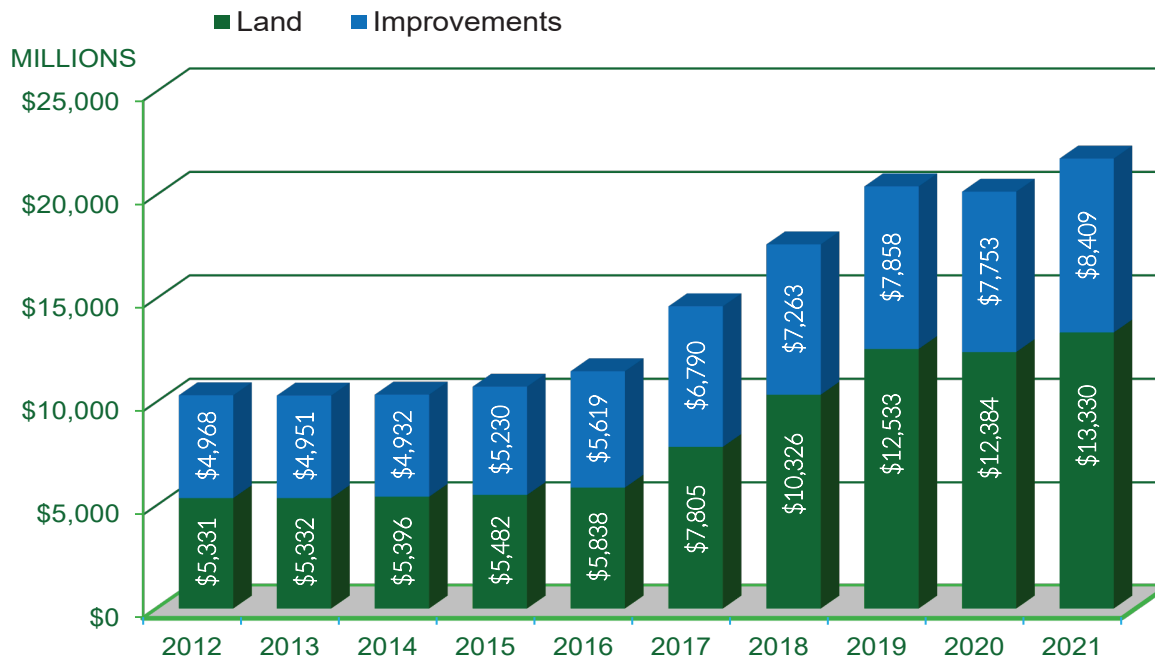
Lower Mainland - Business Class Taxation Multiplier



Lower Mainland Representative House Value Comparatives



Total Property Assessments



Permissive Tax Exemptions

Organization Name	Community Charter Section	2021 Municipal Taxes
Adult & Teen Challenge	Section 224(2)(a)	4,210
Ann Davis Transition Society	Section 224(2)(a)	12,272
Atchelitz Farmer's Institute	Section 224(2)(a)	6,127
Bethesda Christian Association	Section 224(2)(a)	10,513
BCSPCA	Section 224(2)(a)	2,798
Camp River Community Hall Society	Section 224(2)(i)	4,919
Canadian Red Cross Society	Section 224(2)(a)	2,979
Chilliwack Activity Centre (50 Plus)	Section 224(2)(i)	4,409
Chilliwack Alano Society	Section 224(2)(a)	2,815
Chilliwack Alliance Church	Section 224(2)(f)	14,240
Chilliwack Animal Safe Haven	Section 224(2)(a)	6,343
Chilliwack Crime Prevention Society	Section 224(2)(a)	4,596
Chilliwack Community Services	Section 224(2)(a)	19,538
Chilliwack Family YMCA	Section 224(2)(i)	38,289
Chilliwack Hospice Society	Section 224(2)(a)	10,500
Chilliwack Housing for Homeless Foundation	Section 224(2)(a)	1,850
Chilliwack Lawn Bowling Society	Section 224(2)(i)	5,850
Chilliwack Lions Club	Section 224(2)(i)	4,589
Chilliwack Opportunity Society	Section 224(2)(a)	3,767
Chilliwack and District Seniors' Resources Society	Section 224(2)(i)	2,083
Chilliwack Society for Community Living	Section 224(2)(a)	84,890
Chilliwack Supportive Housing Society	Section 224(2)(a)	5,826
Communitas Supportive Care Society	Section 224(2)(a)	3,734
Coqualeetza Cultural Education Centre	Section 224(2)(a)	354
Creative Centre Society	Section 224(2)(a)	2,086
Crossroads Community Church	Section 224(2)(a)	2,616
Elizabeth Fry Society of Greater Vancouver	Section 224(2)(a)	3,996
Evangelical Christian Church of Chilliwack	Section 224(2)(g)	2,536
Evangelical Missionary Church	Section 224(2)(g)	13,618
Fraser Valley Child Development	Section 224(2)(a)	18,013
Mamele'awt Qweesome Housing Society	Section 224(2)(a)	20,564
Mountain View Church	Section 224(2)(g)	2,225
Pacific Community Resources Society	Section 224(2)(a)	2,311
Pentecostal Senior Citizens Society	Section 224(2)(a)	4,957
Po Lam Buddhist Assoc	Section 224(2)(g)	1,324
Royal Canadian Legion Branch #4	Section 224(2)(a)	394
Royal Canadian Legion Branch #280	Section 224(2)(a)	2,494
Ruth and Naomi's Mission	Section 224(2)(a)	30,970
Ryder Lake Farmers'and Womens Institute	Section 224(2)(a)	3,011
Seventh-Day Adventist Church	Section 224(2)(g)	1,600
The Nature Trust of BC	Section 224(2)(i)	56,371
The Salvation Army	Section 224(2)(a)	30,733
Trinitarian Bible Society	Section 224(2)(g)	3,470
Valley Heights Community Church	Section 224(2)(g)	8,351
Vineyard Christian Fellowship	Section 224(2)(g)	13,667
Xolhemet Society	Section 224(2)(a)	3,955
Yarrow Alliance Church	Section 224(2)(g)	1,475
		\$ 488,229



Financial Statements

City of Chilliwack

Chilliwack Economic Partners Corporation (CEPCO)

Tourism Chilliwack Inc.

Financial Statements of

CITY OF CHILLIWACK

And Independent Auditors' Report thereon

Year ended December 31, 2021



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

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of City of Chilliwack

Opinion

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

- the consolidated statement of financial position as at December 31, 2021
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2021, and its results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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



Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

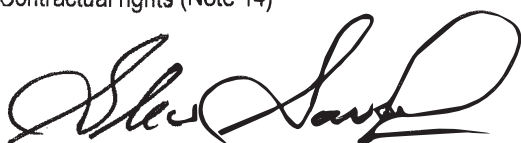
Chartered Professional Accountants

Chilliwack, Canada
May 3, 2022

CITY OF CHILLIWACK
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Year Ended December 31, 2021

	2021	2020
Financial Assets		
Cash (Note 2)	\$ 37,961,090	\$ 84,484,095
Portfolio investments (Note 2)	173,906,156	121,198,418
Accounts receivable (Note 3)	23,298,816	18,868,337
	<u>235,166,062</u>	<u>224,550,850</u>
Liabilities		
Accounts payable and accrued liabilities (Note 4)	43,842,472	28,891,306
Development cost charges (Note 5)	41,975,760	46,780,984
Unearned revenue	18,428,621	13,692,070
Refundable deposits	23,542,641	22,226,449
	<u>127,789,494</u>	<u>111,590,809</u>
Net Financial Assets	<u>107,376,568</u>	<u>112,960,041</u>
Non-Financial Assets		
Property under development (Note 6)	8,345,508	3,681,960
Tangible capital assets (Note 7)	857,595,351	823,057,168
Inventories	1,538,571	1,714,238
Prepaid expenses	3,852,271	4,687,993
	<u>871,331,701</u>	<u>833,141,359</u>
Accumulated Surplus (Note 9)	<u>\$ 978,708,269</u>	<u>\$ 946,101,400</u>

Contingent liabilities (Note 11)
Commitments (Note 13)
Contractual rights (Note 14)



Glen Savard, CPA, CGA
Director of Finance

See accompanying notes to consolidated financial statements

CITY OF CHILLIWACK
CONSOLIDATED STATEMENT OF OPERATIONS & ACCUMULATED SURPLUS
Year Ended December 31, 2021

	2021 Actual	2021 Budget (Note 15)	2020 Actual
Revenues			
Municipal taxation and grants-in-lieu of taxes	\$ 92,999,344	\$ 92,482,700	\$ 88,836,848
Government grants and transfers (Note 8)	13,486,342	30,752,644	13,859,661
Sale of services	46,223,122	44,102,876	43,555,490
Licences, permits, penalties and fines	5,123,746	3,771,000	4,156,607
Return on investments	2,306,452	1,205,000	2,768,944
Development cost charges	20,321,963	41,821,000	26,199,731
Contributed tangible capital assets (Note 7)	7,547,273	4,450,000	7,807,282
Other revenue	2,494,031	1,536,000	1,900,338
	190,502,273	220,121,220	189,084,901
Expenses			
General government services	11,492,201	11,725,650	10,889,750
Protective services	48,836,191	44,044,050	41,849,926
Engineering, transportation and public works services	26,621,984	31,626,800	25,695,142
Solid waste and environmental services	12,881,220	12,781,900	12,659,802
Water and sewer services	24,200,524	23,879,300	24,362,043
Parks, recreation and cultural services	24,122,689	28,082,700	23,054,065
Planning and development	8,137,074	7,966,227	8,560,409
Interest and other	348,408	251,500	352,951
	156,640,291	160,358,127	147,424,088
Annual Surplus Before Other Revenue (Loss)	33,861,982	59,763,093	41,660,813
Other revenue (loss)			
Gain or (loss) on disposal of tangible capital assets	(1,255,113)	-	213,139
Annual Surplus	32,606,869	59,763,093	41,873,952
Accumulated Surplus, beginning of year	946,101,400	946,101,400	904,227,448
Accumulated Surplus, End of Year	\$ 978,708,269	\$ 1,005,864,493	\$ 946,101,400

See accompanying notes to consolidated financial statements

CITY OF CHILLIWACK

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

Year Ended December 31, 2021

	2021 Actual	2021 Budget (Note 15)	2020 Actual
Annual surplus	\$ 32,606,869	\$ 59,763,093	\$ 41,873,952
Acquisition of tangible capital assets	(52,466,282)	(142,094,500)	(47,201,237)
Acquisition of property under development	(4,663,548)	-	-
Contributed tangible capital assets	(7,547,273)	(4,450,000)	(7,807,282)
Amortization of tangible capital assets	23,881,341	17,612,485	23,447,370
(Gain) loss on disposal of tangible capital assets	1,255,113	-	(213,139)
Proceeds on disposal of tangible capital assets	338,918	-	588,780
	(6,594,862)	(69,168,922)	10,688,444
Change in inventories	175,667	-	(402,277)
Change in prepaid expenses	835,722	-	(1,295,082)
Change in net financial assets	(5,583,473)	(69,168,922)	8,991,085
Net financial assets, beginning of year	112,960,041	112,960,041	103,968,956
Net financial assets, end of year	\$ 107,376,568	\$ 43,791,119	\$ 112,960,041

See accompanying notes to consolidated financial statements

CITY OF CHILLIWACK
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2021

	2021	2020
Cash provided by (used for):		
Operating Activities:		
Annual surplus	\$ 32,606,869	\$ 41,873,952
Non-cash items:		
Amortization of tangible capital assets	23,881,341	23,447,370
Developer contributions	(7,547,273)	(7,807,282)
(Gain) loss on sale of tangible capital assets	1,255,113	(213,139)
Change in non-cash assets and liabilities:		
Accounts receivable	(4,430,479)	4,973,736
Inventories	175,667	(402,277)
Prepaid expenses	835,722	(1,295,082)
Accounts payable and accrued liabilities	14,951,166	2,212,471
Development cost charges	(4,805,224)	(11,821,854)
Unearned revenue	4,736,551	36,221
Refundable deposits	1,316,192	(1,607,913)
	<u>62,975,645</u>	<u>49,396,203</u>
Capital Activities:		
Proceeds on disposal of tangible capital assets	338,918	588,780
Acquisition of tangible capital assets	(52,466,282)	(47,201,237)
Acquisition of property under development	(4,663,548)	-
	<u>(56,790,912)</u>	<u>(46,612,457)</u>
Investing Activities:		
Change in portfolio investments	(52,707,738)	20,612,332
	<u>(52,707,738)</u>	<u>20,612,332</u>
Financing Activities:		
Repayment of capital partnership obligation	-	(996,412)
	<u>-</u>	<u>(996,412)</u>
Increase (decrease) in cash	<u>(46,523,005)</u>	<u>22,399,666</u>
Cash, beginning of year	84,484,095	62,084,429
Cash, end of year	<u>\$ 37,961,090</u>	<u>\$ 84,484,095</u>

See accompanying notes to consolidated financial statements

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

General:

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

1 Significant accounting policies:

(a) Basis of presentation:

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

(b) Portfolio investments:

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

(c) Property under development:

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

(d) Tangible capital assets:

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

Asset	Useful Life - Years
Land	n/a
Land improvements	0-40
Buildings	40-50
Equipment	4-20
Vehicles	7-25
Engineering structures	10-100

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

(e) Inventories:

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

(f) Revenue recognition:

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

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

(g) Use of estimates:

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

Actual results could differ from these estimates.

(h) Contaminated sites:

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

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

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

2 Restricted assets:

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

	2021	2020
Cash	\$ 37,961,090	\$ 84,484,095
Portfolio Investments	173,906,156	121,198,418
	211,867,246	205,682,513
Less restricted for:		
Statutory Reserve Funds	24,884,663	29,735,139
Restricted Revenue	40,231,368	45,162,039
	65,116,031	74,897,178
Funds available for operational use	\$ 146,751,215	\$ 130,785,335

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:

	2021	2020
Taxes	\$ 3,918,939	\$ 4,428,049
Province of British Columbia	2,755,770	413,136
Government of Canada	1,191,246	1,034,871
Regional and local governments	119,520	110,809
Trade receivables	4,653,722	3,637,556
Accrued interest	895,529	1,038,702
Water trade receivables	3,628,026	2,793,423
Sewer trade receivables	4,391,672	3,792,846
Development cost charges	1,744,392	1,618,945
	\$ 23,298,816	\$ 18,868,337

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

4 Accounts payable and accrued liabilities:

	2021	2020
Trade payables	\$ 21,677,489	\$ 12,774,977
Province of British Columbia	3,812,193	1,303,091
Government of Canada	12,430,969	8,145,957
Regional and local governments	1,120,621	2,187,281
Landfill closure and post-closure costs	4,801,200	4,480,000
	<u>\$ 43,842,472</u>	<u>\$ 28,891,306</u>

Landfill closure and post-closure costs:

The City has the responsibility for closure and post-closure care of the Bailey Landfill site. Potential costs related to closure activities at this site include drainage control, leachate monitoring, gas monitoring and recovery, and final ground cover. The landfill site is expected to require post-closure care for thirty years after its estimated closure in 2040. The liability amount of \$4,801,200 has been recorded by multiplying the estimated net present value of total remaining costs related to closure and post-closure care (\$9,191,800) by the cumulative capacity used (52.2%). This liability reduces as landfill restoration costs are incurred.

In addition, the City has appropriated a portion of accumulated surplus as a landfill reserve. The balance of \$10,419,805 (2020 - \$8,351,246) is appropriated for other landfill related costs and unforeseen closure and post-closure costs.

5 Development cost charges:

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

Developers are entitled to pay development cost charges (DCCs) in equal installments over two years if the total amount payable is equal to or greater than \$50,000. Installments due for the next two years are included in accounts receivable and are guaranteed by the developer by providing an irrevocable letter of credit payable to the City of Chilliwack for the remaining amount of DCCs owing. As at December 31, 2021, the amount of the DCCs due over the next two years is \$1,744,392 (2020 - \$1,618,945).

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

6 Property under development:

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

	2021	2020
Canada Education Park	\$ 3,258,792	\$ 3,258,792
Downtown Redevelopment	5,086,716	423,168
	<u>\$ 8,345,508</u>	<u>\$ 3,681,960</u>

CITY OF CHILLIWACK
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year Ended December 31, 2021

7 Tangible capital assets:

	2021				
	Opening Cost	Additions	Disposals	Change - Under Construction	Closing Cost
General					
Land	\$ 141,697,810	\$ 9,806,825	\$ (862,371)	\$ -	\$ 150,642,264
Buildings	144,904,809	2,794,929	-	-	147,699,738
Equipment and vehicles	45,413,034	4,820,005	(1,604,015)	-	48,629,024
Engineering structures	393,994,134	30,113,463	(1,329,823)	-	422,777,774
Under construction	28,435,635	-	-	(3,199,540)	25,236,095
	754,445,422	47,535,222	(3,796,209)	(3,199,540)	794,984,895
Water					
Land	2,026,328	-	-	-	2,026,328
Buildings	283,867	62,809	(319,503)	-	27,173
Equipment and vehicles	3,409,348	647,921	-	-	4,057,269
Engineering structures	198,908,189	3,809,220	(94,309)	-	202,623,100
Under construction	1,170,478	-	-	835,906	2,006,384
	205,798,210	4,519,950	(413,812)	835,906	210,740,254
Sewer					
Land	1,643,155	-	-	-	1,643,155
Equipment and vehicles	2,986,730	213,536	-	-	3,200,266
Engineering structures	270,166,743	14,901,970	-	-	285,068,713
Under construction	5,713,157	-	-	(4,800,629)	912,528
	280,509,785	15,115,506	-	(4,800,629)	290,824,662
CEPCO					
Land	196,196	-	-	-	196,196
Buildings	5,384,759	-	(7,235)	-	5,377,524
Equipment	286,852	6,480	-	-	293,332
	5,867,807	6,480	(7,235)	-	5,867,052
Tourism Chilliwack					
Goodwill	6,120	-	-	-	6,120
Buildings	127,913	-	-	-	127,913
Equipment	219,795	660	-	-	220,455
	353,828	660	-	-	354,488
	\$ 1,246,975,052	\$ 67,177,818	\$ (4,217,256)	\$ (7,164,263)	\$ 1,302,771,351

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

7 Tangible capital assets (continued):

	Opening Accum. Amort.	2021 Amortization	Disposals	Ending Accum. Amort	NBV 2021	NBV 2020
General						
Land	\$ -	\$ -	\$ -	\$ -	\$ 150,642,264	\$ 141,697,810
Buildings	56,456,292	3,704,856	-	60,161,148	87,538,590	88,448,517
Equipment and vehicles	25,820,593	2,929,238	(1,314,578)	27,435,253	21,193,771	19,592,441
Engineering structures	170,206,106	8,150,266	(1,173,883)	177,182,489	245,595,285	223,788,028
Under construction	-	-	-	-	25,236,095	28,435,635
	252,482,991	14,784,360	(2,488,461)	264,778,890	530,206,005	501,962,431
Water						
Land	-	-	-	-	2,026,328	2,026,328
Buildings	137,690	1,949	(134,764)	4,875	22,298	146,177
Equipment and vehicles	1,013,842	383,183	-	1,397,025	2,660,244	2,395,506
Engineering structures	70,087,808	3,256,330	-	73,344,138	129,278,962	128,820,381
Under construction	-	-	-	-	2,006,384	1,170,478
	71,239,340	3,641,462	(134,764)	74,746,038	135,994,216	134,558,870
Sewer						
Land	-	-	-	-	1,643,155	1,643,155
Equipment and vehicles	1,274,886	203,926	-	1,478,812	1,721,454	1,711,844
Engineering structures	96,908,784	5,080,676	-	101,989,460	183,079,253	173,257,959
Under construction	-	-	-	-	912,528	5,713,157
	98,183,670	5,284,602	-	103,468,272	187,356,390	182,326,115
CEPCO						
Land	-	-	-	-	196,196	196,196
Buildings	1,455,043	153,348	-	1,608,391	3,769,133	3,929,716
Equipment	236,936	6,131	-	243,067	50,265	49,916
	1,691,979	159,479	-	1,851,458	4,015,594	4,175,828
Tourism Chilliwack						
Goodwill	-	-	-	-	6,120	6,120
Buildings	118,493	1,635	-	120,128	7,785	9,420
Equipment	201,411	9,803	-	211,214	9,241	18,384
	319,904	11,438	-	331,342	23,146	33,924
	\$ 423,917,884	\$ 23,881,341	\$ (2,623,225)	\$ 445,176,000	\$ 857,595,351	\$ 823,057,168

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

	2021	2020
Engineering structures	\$ 2,788,648	\$ 6,060,679
Water	524,097	1,033,188
Sewer	490,742	713,415
Land	3,578,786	-
Building	165,000	-
	\$ 7,547,273	\$ 7,807,282

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

8 Government grants and transfers

Included in government grants and transfers are Federal Gas Tax Agreement Funds of \$7,329,158 (2020 - \$3,583,604).

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

9 Accumulated surplus:

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

	2021	2020
Operating Funds		
Unrestricted:		
General	\$ 13,202,755	\$ 16,848,074
CEPCO	1,902,234	6,520,428
Tourism	870,732	588,650
Water Fund	3,250,000	3,150,000
Sewer Fund	3,560,000	3,410,000
Building - Protective Services	1,607,957	3,803,462
Landfill	10,419,805	8,351,246
Sewer future works	7,911,660	9,613,887
Water future works	12,236,558	11,953,927
Work-in-progress	8,862,500	6,474,000
Soil removal	486,016	596,586
Future property acquisition	937,036	937,036
Federal Gas Tax Agreement funds	12,424,054	6,593,832
Other	10,211,440	10,786,005
	87,882,747	89,627,133
Statutory Reserve Funds		
General Capital	18,846,459	25,272,712
Equipment Replacement	5,040,018	3,419,319
Subdivision Control	998,186	1,043,108
	24,884,663	29,735,139
Investment in Tangible Capital Assets & Property Under Development		
General	530,206,005	501,962,431
Water	135,994,216	134,558,870
Sewer	187,356,390	182,326,115
CEPCO	12,361,102	7,857,788
Tourism	23,146	33,924
	865,940,859	826,739,128
	\$ 978,708,269	\$ 946,101,400

10 Collections for other governments:

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

	2021	2020
B.C. Assessment Authority	\$ 1,168,225	\$ 1,099,243
Fraser Valley Regional Hospital District	3,358,192	3,271,910
Municipal Finance Authority	5,477	5,067
Ministry of Education	43,588,270	33,762,482
Fraser Valley Regional District	2,579,458	2,420,700
	\$ 50,699,622	\$ 40,559,402

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

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

11 Contingent liabilities:

- (a) The City, as a member of the Fraser Valley Regional District, is responsible for its proportion of any operating deficits or long term debt related to functions in which it participates. Any liability which may arise as a result will be accounted for in the period in which the required payment is made.
- (b) The City is currently engaged in certain legal actions. Of the claims the City is defending, certain claims are covered by the City's insurers and/or other parties. The City accrues for claims for which the amounts are known or can be reasonably estimated. The outcome of other claims is undeterminable at this time and, accordingly, no provision has been made for these actions.
- (c) The City and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors from local governments.

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

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

The City expensed \$3,116,738 (2020 - \$2,894,548) for employer contributions to the Plan in fiscal 2021.

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

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

12 Fair value of financial assets and financial liabilities:

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

The fair value of portfolio investments at December 31, 2021 was \$176,999,939 (2020 - \$124,007,842). Included in the fair market estimate is accrued interest of \$895,529 (2020 - \$1,038,702), which is reported within accounts receivable.

13 Commitments:

- (a) The City is committed to the acquisition of 1 property with an estimated acquisition cost of \$899,500.
- (b) In 2004, the City of Chilliwack entered into a 25 year agreement with the Chilliwack Chiefs Development Group Ltd. (CDG) for the provision of community priority time in the Chilliwack Coliseum. As part of the agreement, the City pays \$400,000 annually to CDG for the operation of the facility and \$175,000 as a reimbursement for revenues collected directly by the City,

14 Contractual rights:

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

Year	Amount
2022	1,184,078
2023	1,118,586
2024	1,012,592
2025	884,706
2026	579,706
Thereafter	286,042
	\$ 5,065,710

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

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 2021 Financial Plan Bylaw 2020, No. 5022. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

	2021 Budget
Revenues	
Operating budget	\$ 176,352,400
Capital budget	
Development cost charges	41,263,000
Contributed tangible capital assets	4,450,000
Statutory reserve funds	26,675,000
Operating reserves	42,199,500
Current operations	6,737,000
Government grants and transfers	20,770,000
Total revenue per approved budget	<u>318,446,900</u>
Add:	
CEPCO	1,620,100
Tourism	1,234,720
Less:	
Transfers from other funds	(100,030,500)
Inter-entity eliminations	(1,150,000)
Total budgeted revenue as reported	<u>220,121,220</u>
Expenses	
Operating budget	159,052,400
Capital budget	142,094,500
	<u>301,146,900</u>
Add:	
CEPCO	1,213,982
Tourism	1,398,674
Amortization	17,612,485
Less:	
Transfers to other funds	(159,863,914)
Inter-entity eliminations	(1,150,000)
Total budgeted expenses as reported	<u>160,358,127</u>
Budgeted surplus as reported	<u>\$ 59,763,093</u>

CITY OF CHILLIWACK

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

16 Financial risks

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

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

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

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

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

17 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 and legislative services, corporate services, management information systems, graphical information systems, finance and procurement and maintenance of municipal facilities.

Protective Services

Protective services includes all activities associated with community safety including the enforcement of laws and the prevention of crime. Items include police protection, fire protection, bylaw enforcement, emergency services and building inspection.

Engineering, Transportation and Public Works Services

Engineering, transportation and public works 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 snow and ice control, maintenance and to roads, road shoulders, open drainage, storm sewers and dykes.

Solid Waste and Environmental Services

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

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.

Parks, Recreation and Cultural Services

Parks, recreation and cultural services include all activities associated with parks, recreation and cultural activities and operations. Items include 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 fee for services, parks and trails, urban trees and plantings, sports fields, and libraries.

Planning and Development Services

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

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

CITY OF CHILLIWACK
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 Year Ended December 31, 2021

Table of Segmented Information:

	General Government Services	Protective Services	Engineering				Parks			Interest & Other	2021	2020
			Transportation & Public Works Services	Solid Waste & Environmental Services	Water & Sewer Services	Recreation & Culture Services	Planning & Development Services					
Revenues												
Municipal taxation and grants-in lieu of taxes	\$ 92,976,704	\$ -	\$ -	\$ -	\$ 22,640	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92,999,344	\$ 88,836,848
Government grants & transfers	4,769,780	3,444,452	2,112,723	-	312,419	41,640	-	-	-	-	13,486,342	13,859,661
Sales of services	1,658,293	110,845	1,188,739	14,648,646	25,125,595	1,861,436	-	-	-	-	46,223,122	43,555,490
Licences, permits, penalties and fines	897,320	160,713	-	-	-	-	-	-	-	-	5,123,746	4,156,607
Return on investments	1,538,088	-	-	-	367,429	-	-	-	-	-	2,306,452	2,788,944
Development cost charges	-	-	16,018,914	-	3,026,210	1,276,839	-	-	-	-	20,321,963	26,199,731
Developer and other contributions	-	-	6,532,434	-	1,014,839	-	-	-	-	-	7,547,273	7,807,282
Other revenue	596,132	308,870	1,230,703	32,385	273,347	-	-	-	-	-	2,494,031	1,900,338
	102,436,317	4,024,860	27,083,513	14,681,031	30,142,479	3,179,915	8,568,885	385,253	-	-	190,502,273	189,084,901
Expenses												
Salaries and benefits	7,468,709	14,817,930	5,442,366	812,689	5,636,362	4,572,440	3,642,374	-	-	-	42,392,870	41,313,331
Goods and services	4,991,147	33,020,591	14,678,489	9,867,114	7,528,099	15,695,288	3,897,345	-	-	-	89,678,073	81,991,775
Administration allocation	(2,110,000)	-	-	-	2,110,000	-	-	-	-	-	-	-
Interest and other	-	-	-	-	-	-	-	-	348,408	-	348,408	352,951
Amortization of tangible capital assets	1,142,345	997,670	6,501,129	2,201,417	8,926,063	3,854,961	257,755	-	-	-	23,881,340	23,447,370
Transfer of collections	-	-	-	-	-	-	339,600	-	-	-	339,600	318,661
	11,492,201	48,836,191	26,621,984	12,881,220	24,200,524	24,122,689	8,137,074	348,408	-	-	156,640,291	147,424,088
Annual Surplus Before Other	90,944,116	(44,811,311)	461,529	1,799,811	5,941,955	(20,942,774)	431,811	36,845	-	-	33,861,982	41,660,813
Other revenues (expenses)												
Gain (loss) from disposal of tangible capital assets	(976,065)	-	-	-	(279,048)	-	-	-	-	-	(1,255,113)	213,139
Annual Surplus (Deficit)	\$ 89,968,051	\$ (44,811,311)	\$ 461,529	\$ 1,799,811	\$ 5,662,907	\$ (20,942,774)	\$ 431,811	\$ 36,845	\$ -	\$ -	\$ 32,606,869	\$ 41,873,952



Financial Statements of

**CHILLIWACK ECONOMIC
PARTNERS CORPORATION (CEPCO)**

And Independent Auditors' Report thereon

Year ended December 31, 2021



KPMG LLP
200-9123 Mary Street
Chilliwack BC V2P 4H7
Canada
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INDEPENDENT AUDITORS' REPORT

To the Board of Chilliwack Economic Partners Corporation

Opinion

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

- the statement of financial position as at December 31, 2021
- the statement of operations and accumulated surplus for the year then ended
- the statement of change in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2021, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants

Chilliwack, Canada

March 9, 2022

CHILLIWACK ECONOMIC PARTNERS CORPORATION

STATEMENT OF FINANCIAL POSITION

Year Ended December 31, 2021

	2021	2020
Financial assets:		
Cash (note 2)	\$ 224,196	\$ 1,703,941
Accounts receivable	75,663	132,513
Investments	934,613	4,326,150
	<u>1,234,472</u>	<u>6,162,604</u>
Financial liabilities:		
Accounts payable and accrued liabilities	82,476	85,931
Unearned revenue	71,663	416,568
	<u>154,139</u>	<u>502,499</u>
Net financial assets	1,080,333	5,660,105
Non-financial assets:		
Prepaid expenses	821,901	860,323
Property under development (note 3)	8,345,508	3,681,960
Tangible capital assets (note 4)	4,015,553	4,175,787
	<u>13,182,962</u>	<u>8,718,070</u>
Impact of COVID-19 (note 12)		
Accumulated surplus (note 5)	\$ 14,263,295	\$ 14,378,175

See accompanying notes to financial statements.


 Mark Omelaniec Director


 Robert Haseil Director, Chair

CHILLIWACK ECONOMIC PARTNERS CORPORATION

STATEMENT OF OPERATIONS & ACCUMULATED SURPLUS

Year Ended December 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Revenues:			
Rent	\$ 649,600	\$ 722,335	\$ 668,380
Economic development (note 7)	600,000	600,000	600,000
Contracted services	326,000	363,648	734,103
Property development and construction	5,000	14,506	25,534
Interest	25,000	11,174	105,133
Government programs	10,000	-	-
Other revenue	4,500	4,500	3,250
	<u>1,620,100</u>	<u>1,716,163</u>	<u>2,136,400</u>
Expenses:			
Wages and benefits	466,357	469,037	460,212
Contracted services	240,625	271,558	549,932
Amortization of tangible capital assets	304,000	159,479	242,155
Common area costs	50,000	103,778	58,583
Downtown redevelopment	100,000	101,689	100,307
Marketing	179,000	59,617	122,990
Rent	-	50,000	50,000
Professional fees	27,500	49,098	21,242
Insurance	40,500	42,555	38,350
Repairs and maintenance	23,000	29,657	28,203
Premise operating costs	45,000	28,634	27,514
Office and administration	34,500	25,587	25,361
Utilities	6,000	15,561	14,646
Interest and bank charges	1,500	1,625	1,256
	<u>1,517,982</u>	<u>1,407,875</u>	<u>1,740,751</u>
Annual surplus before other items	102,118	308,288	395,649
Distribution to City of Chilliwack (note 7)	-	(423,168)	-
Annual surplus (deficit)	102,118	(114,880)	395,649
Accumulated surplus, beginning of year	14,378,175	14,378,175	13,982,526
Accumulated surplus, end of year	<u>\$ 14,480,293</u>	<u>\$ 14,263,295</u>	<u>\$ 14,378,175</u>

See accompanying notes to financial statements.

CHILLIWACK ECONOMIC PARTNERS CORPORATION
 STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
 Year Ended December 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Annual surplus (deficit)	\$ 102,118	\$ (114,880)	\$ 395,649
Acquisition of tangible capital assets	-	(6,480)	(25,216)
Amortization of tangible capital assets	304,000	159,479	242,155
Acquisition of property under development	-	(5,079,481)	-
Change in prepaid expenses	-	38,422	56,845
Distribution to City of Chilliwack	-	423,168	-
	304,000	(4,464,892)	273,784
Change in net financial assets	406,118	(4,579,772)	669,433
Net financial assets, beginning of year	5,660,105	5,660,105	4,990,672
Net financial assets, end of year	\$ 6,066,223	\$ 1,080,333	\$ 5,660,105

See accompanying notes to financial statements.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

STATEMENT OF CASH FLOWS

Year Ended December 31, 2021

	2021	2020
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ (114,880)	\$ 395,649
Items not involving cash:		
Amortization of tangible capital assets	159,479	242,155
Distribution to City of Chilliwack	423,168	-
	467,767	637,804
Changes in non-cash operating working capital:		
Accounts receivable	56,850	(45,661)
Prepaid expenses	38,422	56,845
Accounts payable and accrued liabilities	(3,455)	(38,581)
Unearned revenue	(344,905)	(122,122)
	214,679	488,285
Capital activities:		
Acquisition of tangible capital assets	(6,480)	(25,216)
Acquisition of property under development	(5,079,481)	-
	(5,085,961)	(25,216)
Investing activities:		
Decrease in investments	3,391,537	591,959
Repayment of financing lease receivable	-	419,616
	3,391,537	1,011,575
Change in cash	(1,479,745)	1,474,644
Cash, beginning of year	1,703,941	229,297
Cash, end of year	\$ 224,196	\$ 1,703,941

See accompanying notes to financial statements.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

Basis of presentation:

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

1. Significant accounting policies:

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

(a) Investments:

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

(b) Property under development:

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

(c) Tangible capital assets:

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

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

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

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

(d) Revenue recognition:

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

(e) Budget figures:

Budget figures represent the budget approved by the Board of Directors on December 9, 2020.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

1. Significant accounting policies (continued):

(f) Use of estimates:

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

2. Bank operating lines:

The Corporation has an operating line of credit for a maximum of \$1,000,000 (2020 - \$1,000,000) that is due on demand, bears interest at prime plus 0.20% (2020 - prime plus 0.20%). No funds were drawn on the line of credit as at December 31, 2021.

The Corporation has a second operating line of credit for a maximum of \$4,000,000 (2020 - nil) that is due on demand, bears interest at prime plus 0.20%. No funds were drawn on the line of credit as at December 31, 2021.

The above lines of credit are secured by a mortgage over certain lands, a commercial security agreement, an assignment of rentals and indemnity agreement from the City for the portion of the mortgaged land owned by the City, and an assignment of insurance.

3. Property under development:

	2021	2020
Canada Education Park:		
Land	\$ 1,353,755	\$ 1,353,755
Roads, water, and sewer	1,709,289	1,709,289
Other improvements	195,748	195,748
	<u>3,258,792</u>	<u>3,258,792</u>
Downtown Redevelopment:		
Land	3,904,383	627,068
Buildings	1,182,333	-
Less provision for impairment	-	(203,900)
	<u>5,086,716</u>	<u>423,168</u>
	<u>\$ 8,345,508</u>	<u>\$ 3,681,960</u>

Included in property under development is nil (2020 - \$321,421) in capitalized interest.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

4. Tangible capital assets:

	2021 opening cost	Additions	Disposals	2021 closing cost
Buildings	\$ 5,225,854	\$ -	\$ (7,235)	\$ 5,218,619
Leasehold improvements	158,905	-	-	158,905
Computer and office equipment	162,526	4,680	-	167,206
Website	118,987	1,800	-	120,787
Telecommunication equipment	5,299	-	-	5,299
Land	196,196	-	-	196,196
	\$ 5,867,767	\$ 6,480	\$ (7,235)	\$ 5,867,012

	2021 Opening accumulated amortization	Disposals	Amortization expense	2021 Closing accumulated amortization
Buildings	\$ 1,426,098	\$ -	\$ 145,506	\$ 1,571,604
Leasehold improvements	28,945	-	7,842	36,787
Computer and office equipment	116,842	-	2,698	119,540
Website	114,796	-	3,433	118,229
Telecommunication equipment	5,299	-	-	5,299
	\$ 1,691,980	\$ -	\$ 159,479	\$ 1,851,459

	2021 Opening net book value	2021 Closing net book value
Buildings	\$ 3,799,756	\$ 3,647,015
Leasehold improvements	129,960	122,118
Computer and office equipment	45,684	47,666
Website	4,191	2,558
Telecommunication equipment	-	-
Land	196,196	196,196
	\$ 4,175,787	\$ 4,015,553

CHILLIWACK ECONOMIC PARTNERS CORPORATION

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

5. Accumulated surplus:

Accumulated surplus consists of the following:

	2021	2020
Share capital (note 6)	\$ 100	\$ 100
Equity in tangible capital assets and property under development	12,361,061	7,857,747
Unrestricted equity	1,902,134	6,520,328
	<u>\$ 14,263,295</u>	<u>\$ 14,378,175</u>

6. Share capital:

	2021	2020
Issued and authorized with no par value: 100 Common shares	\$ 100	\$ 100

7. Related party transactions and economic dependence:

During the year, the City provided \$600,000 (2020 - \$600,000) in revenue for economic development purposes.

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

During the year, the Corporation transferred property with a net book value of \$423,168 to the City for no consideration.

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

The Corporation is wholly-owned by the City.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

8. Financial instruments:

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

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

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

There has been no change to the risk exposures outlined above from 2020, other than the pervasive impact of COVID-19 as described in Note 12.

9. Income taxes:

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

10. Contractual rights:

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

2022	\$ 1,392,506
2023	1,392,506
2024	792,506
2025	792,506
2026	487,506
	<hr/>
	\$ 4,857,530

CHILLIWACK ECONOMIC PARTNERS CORPORATION

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

11. Employee Future Benefits:

The Corporation and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors from local governments.

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

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

The Corporation paid \$39,073 (2020 - \$38,522) for employer contributions to the plan in fiscal 2019.

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

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

12. Impact of COVID-19:

On March 11, 2020 the COVID-19 outbreak was declared a pandemic by the World Health Organization. The current challenging economic climate may lead to adverse changes in cash flows and working capital levels, which may also have a direct impact on the Company's operating results and financial position in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on operations is unknown.

CHILLIWACK ECONOMIC PARTNERS CORPORATION

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

13. Segmented information:

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

Property sales and construction

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

Rent and contracted services

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

Economic development

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

CHILLIWACK ECONOMIC PARTNERS CORPORATION

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

13. Segmented information (continued):

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

	Property sales and construction	Rent and contracted services	Economic development	2021	2020
Revenues:					
Rent	\$ -	\$ 722,335	\$ -	\$ 722,335	\$ 668,380
Economic development	-	-	600,000	600,000	600,000
Contracted services	-	363,648	-	363,648	734,103
Property development and construction	14,506	-	-	14,506	25,534
Interest	-	-	11,174	11,174	105,133
Other revenue	-	-	4,500	4,500	3,250
	14,506	1,085,983	615,674	1,716,163	2,136,400
Expenses:					
Wages and benefits	42,213	93,807	333,017	469,037	460,212
Contracted services	-	271,558	-	271,558	549,932
Amortization of tangible capital assets	-	159,479	-	159,479	242,155
Common area costs	-	103,778	-	103,778	58,583
Downtown redevelopment	-	-	101,689	101,689	100,307
Marketing	-	-	59,617	59,617	122,990
Rent	4,500	10,000	35,500	50,000	50,000
Professional fees	16,366	16,366	16,366	49,098	21,242
Insurance	-	42,555	-	42,555	38,350
Repairs and maintenance	-	29,657	-	29,657	28,203
Premise operating costs	2,577	5,727	20,330	28,634	27,514
Office and administration	8,529	8,529	8,529	25,587	25,361
Utilities	-	15,561	-	15,561	14,646
Interest and bank charges	542	542	541	1,625	1,256
	74,727	757,559	575,589	1,407,875	1,740,751
Annual surplus (deficit) before other items	\$ (60,221)	\$ 328,424	\$ 40,085	\$ 308,288	\$ 395,649





Financial Statements of

TOURISM CHILLIWACK INC.

And Independent Auditors' Report thereon

Year ended December 31, 2021



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

INDEPENDENT AUDITORS' REPORT

To the Shareholder of Tourism Chilliwack Inc.

Opinion

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

- the consolidated statement of financial position as at December 31, 2021
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of change in net assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Tourism Chilliwack Inc. as at December 31, 2021 and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis of Opinion

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

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

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

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements'

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

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

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

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

We also:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants

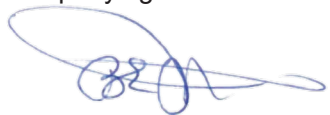
Chilliwack, Canada

March 15, 2022

TOURISM CHILLIWACK INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Year Ended December 31, 2021

	2021	2020
Financial assets:		
Cash and cash equivalents	\$ 2,114,375	\$ 941,902
Accounts receivable	341,717	88,490
	<u>2,456,092</u>	<u>1,030,392</u>
Financial liabilities:		
Accounts payable and accrued liabilities	356,625	393,376
Due to City of Chilliwack (note 10)	1,200	1,200
Deferred revenue	1,302,137	105,305
	<u>1,659,962</u>	<u>499,881</u>
Net financial assets	796,130	530,511
Non-financial assets:		
Inventories (note 2)	32,824	31,715
Prepaid expenses and deposits	21,850	6,496
Tangible capital assets (note 3)	17,026	27,805
Goodwill	6,120	6,120
	<u>77,820</u>	<u>72,136</u>
Contingency (note 9)		
Accumulated surplus	\$ 873,950	\$ 602,647
Represented by:		
Share capital (note 4)	\$ 1	\$ 1
Unrestricted equity	856,923	574,841
Equity in tangible capital assets	17,026	27,805
	<u>\$ 873,950</u>	<u>\$ 602,647</u>

See accompanying notes to financial statements.



Director



Director

TOURISM CHILLIWACK INC.

CONSOLIDATED STATEMENT OF OPERATIONS & ACCUMULATED SURPLUS

Year Ended December 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Revenues:			
Operating agreements (note 5)	\$ 552,711	\$ 567,111	\$ 692,111
Sales, rental and other income	132,690	450,837	396,203
Advertising revenues	327,386	383,391	187,613
Hotel tax	221,933	360,036	263,465
Interest income	-	4,508	8,490
	<u>1,234,720</u>	<u>1,765,883</u>	<u>1,547,882</u>
Expenditures:			
Staffing costs	576,590	653,083	705,516
Advertising and business development	470,260	505,591	364,314
Operations	145,517	141,000	163,879
Administration	142,015	134,465	124,903
Utilities	64,292	49,002	62,862
Amortization of tangible capital assets	8,485	11,439	14,000
	<u>1,407,159</u>	<u>1,494,580</u>	<u>1,435,474</u>
Annual surplus (deficit) before distribution	(172,439)	271,303	112,408
Distribution to City of Chilliwack (note 10)	-	-	(1,200)
Annual surplus	(172,439)	271,303	111,208
Accumulated surplus, beginning of year	602,647	602,647	491,439
Accumulated surplus, end of year	\$ 430,208	\$ 873,950	\$ 602,647

See accompanying notes to financial statements.

TOURISM CHILLIWACK INC.

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

Year Ended December 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Annual surplus	\$ (172,439)	\$ 271,303	\$ 111,208
Acquisition of tangible capital assets	-	(660)	(12,395)
Amortization of tangible capital assets	8,485	11,439	14,000
	8,485	10,779	1,605
Change in inventories	-	(1,109)	(11,843)
Change in prepaid expenses and deposits	-	(15,354)	8,592
	-	(16,463)	(3,251)
Change in net financial assets	(163,954)	265,619	109,562
Net financial assets, beginning of year	530,511	530,511	420,949
Net financial assets, end of year	\$ 366,557	\$ 796,130	\$ 530,511

See accompanying notes to financial statements.

TOURISM CHILLIWACK INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2021

	2021	2020
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 271,303	\$ 111,208
Item not involving cash:		
Amortization of tangible capital assets	11,439	14,000
	282,742	125,208
Changes in non-cash operating assets and liabilities:		
Accounts receivable	(253,227)	49,892
Inventories	(1,109)	(11,843)
Prepaid expenses and deposits	(15,354)	8,592
Accounts payable and accrued liabilities	(36,751)	32,229
Due to City of Chilliwack	-	(165,365)
Deferred revenue	1,196,832	(185,842)
	1,173,133	(147,129)
Capital activities:		
Acquisition of tangible capital assets	(660)	(12,395)
Investing activities:		
Decrease in investments	-	230,660
Change in cash and cash equivalents	1,172,473	71,136
Cash and cash equivalents, beginning of year	941,902	870,766
Cash and cash equivalents, end of year	\$ 2,114,375	\$ 941,902

See accompanying notes to financial statements.

TOURISM CHILLIWACK INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

Basis of presentation:

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

1. Significant accounting policies:

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

(a) **Basis of consolidation:**

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

(b) **Cash and cash equivalents:**

Cash and cash equivalents consist of cash, bank balances and short-term investments with maturities of less than 90 days at acquisition.

(c) **Inventories:**

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

(d) **Tangible capital assets:**

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

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

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

TOURISM CHILLIWACK INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

1. Significant accounting policies (continued):

(e) Revenue recognition:

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

Revenue from the sale of goods and other income is recorded at time of sale.

Rental revenues are recognized in the period the facilities are occupied.

Revenue received in advance of the fee being earned or the service being performed is deferred and recognized when the fee is earned or service performed.

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

(f) Budget figures:

Budget figures represent the budget approved by board of directors on November 30, 2021.

(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. Inventories:

	2021	2020
Flag shop inventory	\$ 15,640	\$ 14,549
Maps, apparels and books	17,184	17,166
	\$ 32,824	\$ 31,715

TOURISM CHILLIWACK INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

3. Tangible capital assets:

	2021 Opening Cost	Additions	Disposals	2021 Closing Cost
Furniture and fixtures	\$ 67,738	\$ -	\$ -	\$ 67,738
Computers	64,835	660	-	65,495
Leasehold Improvements	127,915	-	-	127,915
Website	87,222	-	-	87,222
	\$ 347,710	\$ 660	\$ -	\$ 348,370

	2021 Opening Accumulated Amortization	Disposals	Amortization expense	2021 Closing Accumulated Amortization
Furniture and fixtures	\$ 57,173	\$ -	\$ 3,730	\$ 60,903
Computers	57,287	-	3,448	60,735
Leasehold Improvements	123,305	-	1,636	124,941
Website	82,140	-	2,625	84,765
	\$ 319,905	\$ -	\$ 11,439	\$ 331,344

	2021 Opening Net book value	2021 Closing Net book value
Furniture and fixtures	\$ 10,565	\$ 6,835
Computers	7,548	4,760
Leasehold Improvements	4,610	2,974
Website	5,082	2,457
	\$ 27,805	\$ 17,026

Not included in tangible capital assets is \$68,143 (2020 - \$68,143) of works of art and cultural assets. During fiscal 2017, when these were purchased they were expensed on the statement of operations.

TOURISM CHILLIWACK INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year Ended December 31, 2021

4. Share capital:

	2021	2020
Authorized:		
Unlimited common shares		
Issued with no par value:		
100 Common shares	\$ 1	\$ 1

5. Related party transactions and economic dependence:

During the year, the City of Chilliwack (the "City") provided funds under operating agreements totaling \$546,700 (2020 - \$612,300) to the Company. The City has agreed to provide future annual operating funds based on a pre-determined formula.

In addition, the Company had other sales transactions with the City in the aggregate amount of \$88,318 (2020 - \$64,956) and purchased services from the City totaling \$226,661 (2020 - \$15,553).

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

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

During the year the Company had sales of \$39,801 (2020 - \$47,119) and made purchases of goods and services of \$22,816 (2020 - \$25,314) with entities that have an individual on the Company's board of directors. These transactions were on the same terms and conditions as transactions with other parties.

TOURISM CHILLIWACK INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

6. Financial risks:

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

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

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

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

There has been no change to the risk exposures outlined above from 2020 other than the pervasive impact of the ongoing COVID-19 pandemic, which may lead to adverse changes in cash flows and working capital levels may also have a direct impact on the Company's operating results and financial position in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on operations is unknown.

7. Income taxes:

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

TOURISM CHILLIWACK INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

8. Employee future benefits:

The Company and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors from local governments.

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

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

The Company expensed \$45,587 (2020 - \$52,697) for employer contributions to the plan in fiscal 2021. A portion of the 2021, 2020 and prior years contributions are included in accounts payable.

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

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

9. Contingency:

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

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

TOURISM CHILLIWACK INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2021

10. 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. In 2021, it was agreed upon that these funds will be used towards a CHP liability, resulting in no distribution to the City.

11. Contractual rights:

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

2022	\$	584,642
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12. Segmented information:

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

Facility Management

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

Tourism Services

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

Retail Services

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

TOURISM CHILLIWACK INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year Ended December 31, 2021

Segmented information (continued):

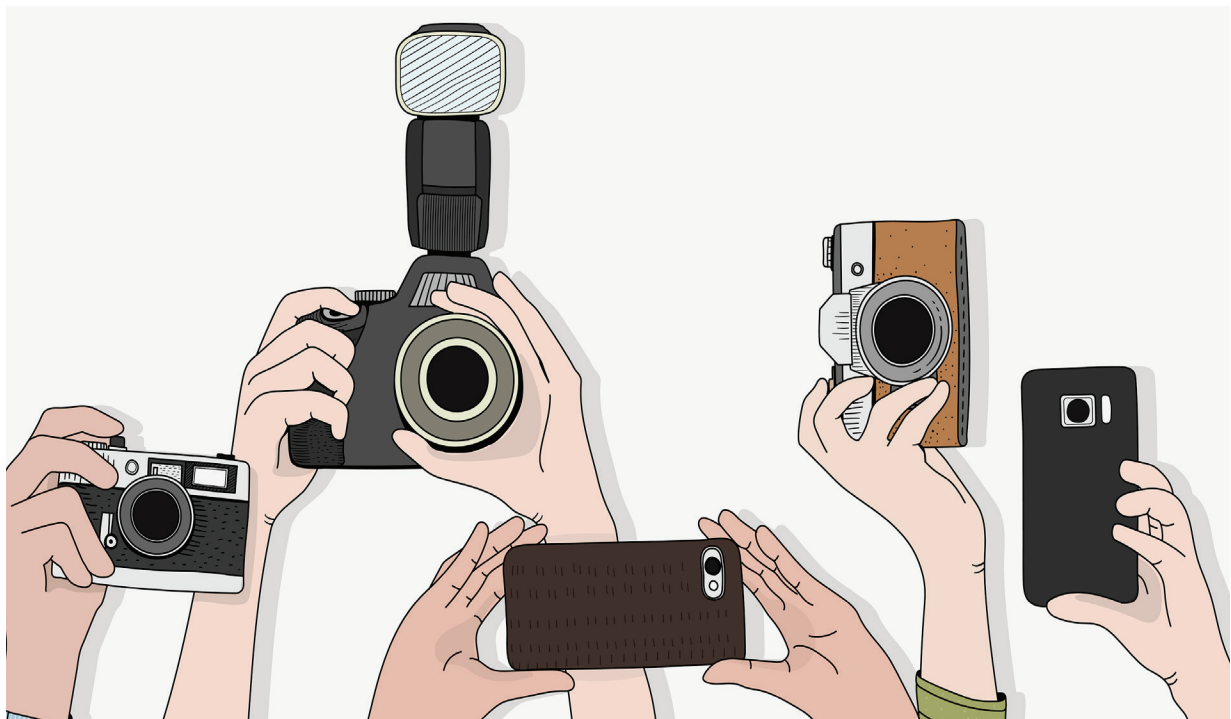
The following table outlines the Company's revenues and expenditures by operating segments:

	Facility Management	Tourism services	Retail services	Eliminations	2021	2020
Revenues:						
Operating agreements	\$ 416,700	\$ 150,411	-	-	\$ 567,111	\$ 692,111
Sales, rental and other income	316,501	7,101	127,235	-	450,837	396,203
Advertising revenues	-	448,391	-	(65,000)	383,391	187,613
Hotel tax	-	360,036	-	-	360,036	263,465
Interest income	59	4,449	-	-	4,508	8,490
	733,260	970,388	127,235	(65,000)	1,765,883	1,547,882
Expenditures:						
Staffing costs	379,590	232,357	41,136	-	653,083	705,516
Advertising and business development	65,000	503,340	2,251	(65,000)	505,591	364,314
Operations	61,462	34,838	44,700	-	141,000	163,879
Administration	45,190	89,275	-	-	134,465	124,903
Utilities	44,445	4,557	-	-	49,002	62,862
Amortization of tangible capital assets	1,228	10,211	-	-	11,439	14,000
	596,915	874,578	88,087	(65,000)	1,494,580	1,435,474
Annual surplus before distribution	\$ 136,343	\$ 95,810	\$ 39,148	\$ -	\$ 271,303	\$ 112,408



The City of Chilliwack would like to thank the photographers whose images brought life to the pages of our 2021 Annual Report:

Councillor Chris Kloot, Deputy CAO Chris Crosman, Claudia Wyler Photography, Tourism Chilliwack, CEPCO (Chilliwack Economic Partners Corporation) and City of Chilliwack staff.





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