

**COUNCIL AGENDA REPORT**

DATE:	May 1, 2014	COUNCIL MEETING DATE:	June 2, 2014
DEPARTMENT:	Administration		
SUBJECT:	Presentation and Adoption of 2014 Annual Report and 2013 Financial Report		

PURPOSE:

To present the 2014 Annual Report and 2013 Financial Report for adoption by Council.

SUMMARY/BACKGROUND:

Section 98 of the Community Charter requires that, before June 30th each year, Council must adopt an Annual Report which includes a "statement of municipal objectives and the measures that will be used to determine progress respecting those objectives and measures established for that year." The Annual Report also includes the audited Financial Statements for the preceding year.



Section 99 of the Community Charter requires that Council consider the Annual Report prepared under Section 98 at a Council Meeting and provide an opportunity for submissions and questions from the public prior to adopting the report.

PAST PRACTICE/PREVIOUS ACTION TAKEN:

In accordance with the Community Charter, the attached report has been available for public inspection for at least 14 days prior to adoption at this meeting.

RECOMMENDATION(S):

THAT Council adopt the 2014 Annual Report and 2013 Financial Report for the District of Chetwynd as presented.

SUBMITTED BY:  _____ Department Head	REVIEWED AND APPROVED FOR SUBMISSION TO COUNCIL BY:  _____ Chief Administrative Officer
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2014 ANNUAL REPORT & 2013 FINANCIAL REPORT



DISTRICT OF CHETWYND

"Community Carved by Success"

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Introduction

The Community Charter requires municipalities in British Columbia to prepare an "Annual Report" for its stakeholders. The Annual Report shall outline the following:



- ❖ A report respecting municipal services and operations for the previous year;
- ❖ A progress report respecting the previous year in relation to the objectives and measures established for that year;
- ❖ A statement of municipal objectives, and the measures that will be used to determine progress respecting those objectives, for the current and next year(s);
- ❖ Any declarations of disqualification made under the Community Charter in the previous year, including identification of a Council member or former Council member involved and the nature of the disqualification;
- ❖ For each permissive tax exemption provided by Council under the Community Charter, the amount of property taxes that would have been imposed on the property in the previous year if it were not exempt from taxes; and
- ❖ Any other information the Council considers advisable.

In addition, the Annual Report shall contain a copy of the Audited Annual Financial Statements for the municipality for the previous year.

A public consultation process has been incorporated into the preparation of this report. We hope that the report will provide a meaningful overview of the District's operations for 2013 and projected operations for 2014 and beyond.



Message from the Mayor

Dear People of Chetwynd

It is Annual Report time again and it gives me a great deal of pleasure to provide a snapshot of the services and operations that have preoccupied Mayor and Council and the District staff for the last twelve months.



Each year Mayor and Council, in consultation with District staff through the CAO, set priorities for use of District resources to maintain and enhance, wherever possible, the services and infrastructure of the District. The past year had its share of successes and things that need more work.

The boundary expansion efforts at Willow Creek brought Council and Administration significant frustration during 2013. We are taking a breather on that project for the time being but plan to pick it up again when circumstances change materially in the mining industry.

Major capital accomplishments during 2013 include the right-in-right-out which has added enormously to ease of access to the Rec Centre and street resuscitation in the Rodeo Sub. Street rebuilding and paving will continue in 2014 and subsequent years. The second highlight that stands out for me is the successful recruiting of two young physicians. Recruitment is an ongoing effort of Council.

The issues we are facing in 2014 are similar and yet different from issues we faced in past years. We sense that our town may be recovering from the slump experienced when Tembec closed. The return of the pulp mill to full production will bring important economic benefits to town.

While we are cognizant of the prosperity that industry brings to our community, we are also very much aware of its close connection to the world economy with its ups and downs. We continue to watch the world scene as it affects decisions in Chetwynd. Especially, we are watching the trends in British Columbia's flirtation with Liquefied Natural Gas (LNG) and the export of that commodity, recognizing that ultimate success with LNG will affect Chetwynd significantly for generations.

Mayor and Council have endeavored to maintain the tax rates such that, on average, your net tax burden, will keep pace with inflation.

We want you to know that the District Office and the Mayor's office have open doors. You are more than welcome to contact us with your concerns and ideas.

Sincerely,

Merlin Nichols, Mayor

Mayor and Council Roles

General Role of Council

It is the role of Council to act as the governing body of the municipal corporation; to make decisions necessary for the successful and continuing operation of the municipality; and to represent the best interests of the citizens of the municipality as a whole.



Council is a continuing body, notwithstanding changes in its membership by election or appointment, and exercises its powers through resolutions and bylaws passed in open meetings. Council acts as a collective body. It is important to note that the members of Council cannot make valid and binding decisions independently, unless express authority has been granted or legislated.

Council acts to foster economic and social opportunities for the community, and strives to advance the goals and objectives of the municipality.



**Front Row (Left to Right): Councillor Bob Nicholson, Mayor Merlin Nichols, Councillor Larry Vezina
Back Row (Left to Right): Councillor Ernest Pfanner, Councillor Laura Weisgerber, Councillor Rochelle Galbraith,
Councillor Alec Brownlee**

Mayor's Role:

The Mayor is the Head and Chief Executive Officer of the Municipality. In addition to the Mayor's responsibilities as a member of Council, the Mayor is responsible to provide leadership to Council, including recommending bylaws, resolutions and other measures that, in the Mayor's opinion, may assist the peace, order and good government of the municipality. The Mayor's role is also to communicate information to Council, general direction to municipal officers respecting implementation of municipal policies, programs and other directions of the Council and to represent the best interests of the citizens of the Municipality.



Councillor's Role:

Every Council member is responsible to contribute to the development and evaluation of the policies and programs of the Municipality respecting its services and other activities; to participate in Council meetings, Committee meetings and meetings of other bodies to which a member is appointed; to carry out the duties assigned by Council; to consider the well-being and interests of the corporation; and to represent the best interests of the citizens of the Municipality.



Declarations of Disqualifications

There were no declarations of disqualifications made under Section III of the Community Charter in 2013.

Council Biographies & Portfolios – 2014

Mayor Merlin Nichols



Portfolio:

- Economic Development Commission
- Civic Properties Commission
- Peace River Regional District
- South Peace EDC
- Finance Strategy Committee
- BC Hydro Site C Project Liaison

Born in a snowstorm in Saskatchewan (1940), the coldest place in this great nation. Moved to Little Prairie in 1949 with parents and settled at Big Lake (under a tarp temporarily); during the first years a two-day horse and wagon trip from Campbell's store (now the museum).

Finished elementary school by correspondence and attended high school in California and Alberta.

Graduated from the University of British Columbia having attended universities in California, Washington and Michigan. During his academic education, Merlin found time to marry and have a family, haul logs (still has his Class 1), become a building contractor working mostly in Vancouver, and clean the Vancouver post office for about ten months – all for the sake of paying education expenses.

Moved back home to Chetwynd in 1970 to teach school. Employed by the BC Vocational School in 1974, Merlin transitioned to Northern Lights College at its beginning and stayed with the College, working to develop the Chetwynd Campus and several of the ongoing programs on other campuses, until retirement in 2001.

Elected first to Chetwynd Council in 2001

Elected to the office of Mayor in 2012.



Councillor Alec Brownlee



Portfolio:

- Peace River Regional District Alternate
- Civic Properties Commission
- South Peace EDC Alternate
- Public Works Committee Chair
- Finance Strategy Committee
- Health Services Committee
- BC Hydro Site C Project Liaison Alternate
- Fire Department Liaison
- Success By 6 and Children First
- Treaty Land Entitlement Joint Planning Committee

Born in Red Deer, Alberta, and as a teenager, moved to British Columbia, Alec graduated from GP Vanier Senior Secondary School in Courtenay, BC. He has worked throughout the Province from Vancouver Island to the Yukon Border as a Heavy Duty Mechanic.

His first move to the Peace River area was to Dawson Creek in 1990 with Finning. After numerous moves, finally settled in Chetwynd in 1997 and was employed by West Fraser. He was a Board Director and an active volunteer for the Pine Valley Exhibition Park for a number of years. He is currently employed by Caribou Road Services as Shop Foreman.



Councillor Rochelle Galbraith**Portfolio:**

- Economic Development Commission
- Peace River Regional District Alternate
- Northern Development Initiative Trust Alternate
- Community Improvements Committee
- Finance Strategy Committee
- Health Services Committee
- Water & Sewer Task Group
- Enbridge Northern Gateway Pipeline Liaison
- Chetwynd Public Library Liaison
- Chetwynd Seniors' Housing Society Liaison

Born in Dayton, Ohio, Rochelle and her family of eight immigrated to Canada in 1967 and took up residence in Chetwynd.

Having attended school in Chetwynd, Rochelle continued her education after graduation receiving many certificates from Northern Lights College, the Justice Institute of BC and Royal Roads University.

Rochelle has worked, volunteered and been involved in a variety of clubs and organizations in Chetwynd, including eight years working with the District of Chetwynd as the Deputy Coordinator for their Municipal Emergency Plan.

Rochelle was elected to the District of Chetwynd Council in 2012 and sits on a variety of committees as a representative for Chetwynd. She and her husband, Gordie, have been married for 30 years and have two adult children. In her spare time, she enjoys golfing, camping and travelling.



Councillor Bob Nicholson**Portfolio:**

- Municipal Insurance Authority Alternate
- Finance Strategy Committee Chair
- Water & Sewer Task Group
- Alaska Highway Community Alternate
- Chetwynd Communications Society Liaison
- Heritage/Museum Liaison

Bob is 80 years old and is a retired farmer / rancher. He has lived all but one year of his life in Chetwynd. Bob has been married for 44 years and has two grown children (a son and a daughter).

Bob has been a Councillor for 26 years and has served on most, if not all, Council Committees. He was the District's representative for the Peace River Regional District for 7 years and the alternative representative for several years after that. At the present time, he serves as the liaison to the Little Prairie Heritage Museum.

Before being elected to Council, Bob volunteered as president and other positions in Chetwynd Minor Hockey for several years. Bob is active in the Chetwynd Fellowship Baptist Church.



Councillor Ernest Pfanner

Portfolio:



- Economic Development Commission
- Civic Properties Commission
- Community Improvements Committee
- Finance Strategy Committee
- Health Services Committee Chair
- Measuring Up the North Project Liaison
- Sukunka Group Liaison
- RCMP Liaison

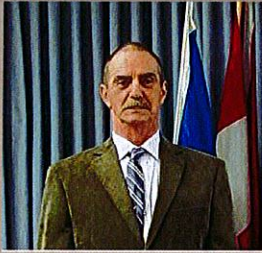
Ernest is currently settled into his first term as Councillor for the District of Chetwynd. He enjoys working with Council, representing the community and having a voice on local Council. He has participated in the Union of British Columbia Municipalities Local Government Leadership Academy and most recently ran for a Director-at-Large position for the North Central Local Government Association. Ernest enjoys participating on his Council-appointed positions within the community.

Ernest has been employed in the forest industry where he worked as a millwright, and, more recently, in the oil & gas industry. He is currently employed by Spectra Energy as an Electrician.

Ernest was born in Dawson Creek and has called Chetwynd home ever since. Ernest and his wife, Laurie, have raised three children in Chetwynd and appreciate all that Chetwynd and area has to offer. He has been an active member of the Chetwynd Volunteer Fire Department for 25 years and enjoys hunting, fishing and camping as well as spending time horseback riding and hiking in our local mountains.



Councillor Larry Vezina



Portfolio:

- Community Improvements Committee Chair
- Finance Strategy Committee
- Public Works Committee
- Cardero Coal - Carbon Creek Liaison
- FCM - Climate Change Liaison
- Spectra NGTS Working Group
- PVEP Liaison

Born in 1946 in New Westminster, BC, Larry moved to Merritt, BC at the age of 3. When he was 15, he went to work as a logger / sawmill hand. Larry has always been a workaholic and, through most of his life, has held two or more jobs at a time.

At the age of 30, Larry went back to school and was the oldest male to graduate from Norkam High School.

In January, 2000, Larry moved to Chetwynd and started a business while managing apartment blocks and working for the District of Chetwynd. Larry is now semi-retired and working for the people of Chetwynd.



Councillor Laura Weisgerber



Portfolio:

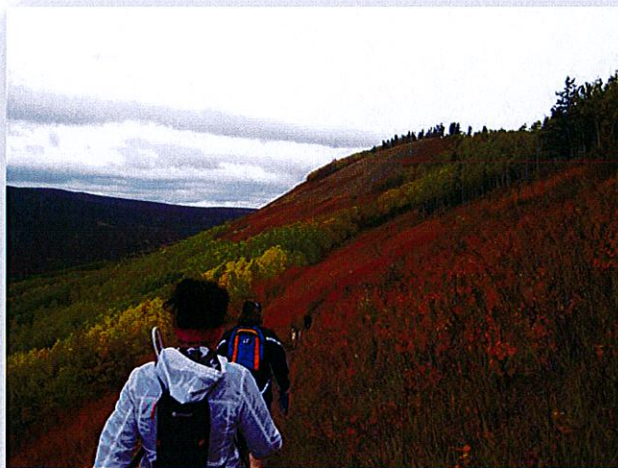
- Economic Development Commission
- Northern Development Initiative Trust
- Municipal Insurance Authority
- Finance Strategy Committee
- Health Services Committee
- Public Works Committee
- Water & Sewer Task Group Chair
- Alaska Highway Community Liaison
- Chamber of Commerce/Tourism Liaison
- Enbridge Pipeline Alternate Liaison
- Pine Valley Seniors Liaison

Born in Dawson Creek, Laura moved to Chetwynd a few years later with her parents and family. Starting Grade 1 at Windrem Elementary, she graduated from Chetwynd Secondary in 1979.

In 1980 she started at the TD Bank and worked there for over 23 years with a couple short breaks to have her two sons. In 2006, she retired from banking, but after a summer off, found herself a little bored and went to work at Aim Trucking where she is today.

Laura has volunteered for many years with the Moberly Lake and Natural Springs Golf Courses and has sat on the executive of the Curling Club for well over 15 years.

Being raised and later raising her own sons with her husband, Brent, in Chetwynd, she knows that Chetwynd has a lot to offer and believes that the best is yet to come.



Municipal Services

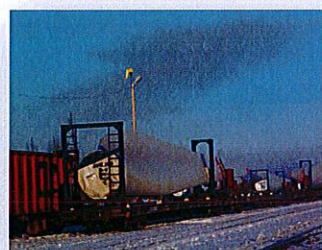
Taxpayers and residents often overlook the sheer volume and value of services provided by their local governments. While a great number of services are provided by local governments, often less than half of the property tax bill goes to the local government.



Some of the services provided by the District of Chetwynd include:

Road Maintenance	❖ Including paving, pot hole patching and crack repairs; maintenance of sidewalks and shoulders; maintenance and installation of signage; line painting; maintenance of public parking areas; snow removal; street sweeping; ditch and storm drainage maintenance.
Water Systems	❖ Provision of drinking water; provision of water and hydrants for fire protection purposes; water conservation initiatives.
Sewer Systems	❖ Collection, treatment and disposal of domestic sanitary sewage.
Solid Waste Collection	❖ Residential and commercial solid waste (garbage) collection and disposal through contract service.
Parks Facilities	❖ Maintenance of community owned parks and facilities; parks equipment maintenance and upgrading.
Cemetery Services	❖ Maintenance and operation of community cemetery.
Animal Control	❖ Provision of animal control services (primarily dog control and licensing).
Building Inspection	❖ Provision of building inspection services to provide compliance with Provincial building, plumbing and fire code regulations.

Subdivision Approvals	❖ Subdivision approvals to ensure compliance with local land development regulations to ensure a level of consistency in land servicing.
Zoning and Land Use	❖ Provision of regulations to ensure a level of consistency and advance indication of land uses.
Bylaw Enforcement	❖ Enforcement of local land use, noise, nuisance and related regulations. <i>Enforcement initiated upon complaint.</i>
Economic Development	❖ Attraction of economic development interests and new business opportunities as well as business retention promotion.
Tourism Development	❖ Operation of Tourist Information Centre and promotion of tourism development and tourism attraction opportunities.
Recreation Centre and Programs	❖ Provision of recreational facilities and programs, in partnership with the Peace River Regional District.
Protective Services (Fire Department)	❖ Provision of fire protection services in Chetwynd and the rural fire protection area.
Municipal Emergency Plan	❖ Provision of guidelines to meet the local government's responsibilities to prepare for, respond to and recover from disasters or emergencies.



Departmental Services

Administration and Finance Departments:

- Principally supported by:
 - Chief Administrative Officer
 - Director and Deputy Director of Corporate Administration
 - Director and Deputy Director of Financial Administration
 - Clerical, Reception and Accounting Staff
- More specifically involving activities related to municipal administrative operations including business licensing, bylaw preparations and implementation, records management, elections, grants administration, financial record keeping and reporting, budgeting, planning (both fiscal and land use), land development and personnel management.



Engineering & Public Works:

- Principally supported by:
 - Director of Engineering & Public Works
 - Building Inspector
 - Bylaw Enforcement Officer
 - Engineering Staff
 - Public Works Staff
 - Seasonal Public Works Staff
- More specifically involving activities related to municipal works and services, engineering structures, planning and design, animal control, roads, water and sewer systems maintenance and improvements, building inspection services, airport maintenance, solid waste collection, cemetery services and bylaw enforcement.



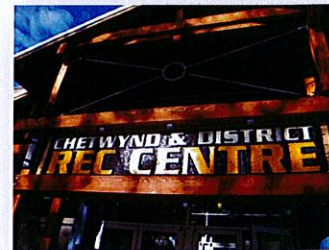
Economic Development:

- Principally supported by:
 - Economic Development Officer
 - Clerical Staff
- More specifically involving activities related to economic development and promotion, tourism promotion, business retention, community improvement projects and community investment.



Parks & Recreation:

- Principally supported by:
 - Director of Parks & Recreation
 - Manager of Leisure & Facility Services
 - Recreation Manager
 - Maintenance Staff
 - Clerical and Recreation Staff
 - Seasonal Parks Staff (Students)
- More specifically involving activities related to management of the recreation complex, provision of recreation programs, maintenance of recreation facilities and parks & grounds maintenance.



Progress Report – 2013 Goals and Objectives

TO DEVELOP AND IMPLEMENT PLANNED AND SUSTAINABLE PRACTICES

NEW MUNICIPAL HALL

Objective:

Construct a new Municipal Hall

Strategy:

Council authorized that funds begin to be reserved for a new Municipal Hall in 2009. In September, 2013 a public open house was held to discuss a financing strategy and plans; based on the positive results of the open house, Council authorized Administration to proceed with the new Municipal Hall project.

Measurement:

Success of this project will be measured by completion of the construction project.

Benefit:

The community will be better served by an energy-efficient, attractive municipal hall where Council Meetings and other public meetings can comfortably accommodate members of the public.

Result:

❖ *Construction started in April 2014, with occupancy expected by January 2015.*



PLANNING INITIATIVES

Objective:

To obtain accurate information on the following items in order to make informed decisions and plan new capital infrastructure improvements as required:

- Water System Master Plan
- Sewage Treatment System Review

Strategy:

In consultation with the Ministry of Environment, a plan of action was created to address effluence quality issues with the Chetwynd Sewer Lagoon system. The firm of Golder Associates was engaged to create a phased implementation plan for a Sewage Treatment System upgrade.

Measurement:

Success of these projects will be measured by completion of Water System Master Plan and Sewage Treatment System Review Plan.

Benefit:

The benefits to community residents will include efficient use of taxpayer funds as plans enable more informed decisions prior to capital expenditures.

Result:

- ❖ *Water System Master Plan completed August 2013.*
- ❖ *Sewage Treatment System upgrade report completed April 2014.*

TO MAINTAIN A LIVABLE, SAFE AND HEALTHY COMMUNITY

BOULEVARD BEAUTIFICATION

Objective:

To create a plan for beautification of boulevards.

Strategy:

Establish a phased-in plan incorporating lighting, shrubs, and general beautification upgrades to the pathways along the boulevards from the Expo mound at the east end of town to the west side, creating a loop system.

Measurement:

Success of this project will be measured by completion and implementation of a boulevard beautification plan.

Benefit:

The community will benefit from beautification of the public areas, which could lead to attracting more businesses, tourists, and permanent residents.

Result:

- ❖ *Administration contacted Simmons Enterprises to conduct an assessment for a phased-in plan, concept and cost. An estimate was included for the overall boulevard beautification and lighting from one end of the community to the other. In 2013 Council approved implementation of the plan within the 5 Year Financial Plan; this was also supported by all members of the Community Improvements Committee.*

TRAILS – FLOOD RECOVERY WORK**Objective:**

To rehabilitate damage to trails caused by the flood in 2011.

Strategy:

The impact of the damage caused by the 2011 flood on trail infrastructure (including trails, bridges and culverts) was quantified and work to repair the damage commenced in 2013.

Measurement:

Success of this project will be measured by completion of the trail rehabilitation project.

Benefit:

The community will benefit from enhanced recreation opportunities and increased safety on trails.

Result:

- ❖ *The application for funding to the Provincial Government for recovery of flood damage to the trails and bridges was coordinated in August, 2013. The Ministry of Justice authorized reimbursement of the full amount that was expended due to the flood damage in 2011, and the Trails for Tomorrow recovery was very successful. All trail systems are rehabilitated and open for use by the public once again.*

AFFORDABLE HOUSING**Objective:**

To create an affordable housing project on Crown Land utilizing investors and BC Housing partnerships.

Strategy:

Continue to work with BC Housing on a joint project on Crown Land to create an affordable housing facility.

Measurement:

Success of this project will be measured by achieving a partnership that results in additional affordable housing opportunities for the community.

Benefit:

The community will benefit by having affordable housing for those who need it, thereby retaining citizens primarily in the service sector, who may otherwise move to another community that has affordable housing.

Result:

- ❖ *The BC Housing initiative for affordable housing is an ongoing effort to try to link investor and BC Housing initiatives to create a joint project. Relationships to further this initiative continue to be a priority. Representatives from BC Housing promoted the program at the Northeast BC Coal Conference in October, 2013, and the Seniors Housing Committee made connections during that event also.*

TO EFFECTIVELY MANAGE ENVIRONMENTAL ISSUES**ONGOING EFFORTS TO MITIGATE ENVIRONMENTAL CONCERNS****Objective:**

To increase vigilance regarding the community's effect on the environment and mitigate impact to the environment where necessary.

Strategy:

Various actions and strategies have been developed to mitigate environmental concerns including a water conservation program, ongoing efforts to 'green' the municipal fleet to assist in reducing greenhouse gases (GHGs), as well as monitoring and improvements to the sewage treatment lagoons to improve effluent quality.

Measurement:

Success of this project will be measured by an increased awareness and corporate and individual accountability regarding conserving water, recycling, and creating a more efficient municipal water service.

Benefit:

By monitoring District of Chetwynd activities closely to avoid negative impact to the environment and mitigating effects where necessary, citizens can enjoy a clean, safe community. These efforts may improve the airshed quality and waterways beyond the boundaries of Chetwynd as well.

Result:

- ❖ *Retained the services of Northern Environmental Action Team (NEAT) to introduce a public education program regarding water quality from tap to sewage lagoons.*
- ❖ *Assisted the Chetwynd Lion's Club Recycling Depot to investigate the feasibility of an agreement with Multi-Materials BC*

RIGHT-IN/RIGHT-OUT ACCESS AT CHETWYND & DISTRICT RECREATION CENTRE

Objective:

Construct a new entrance from Highway 97 in and out of the Chetwynd & District Recreation Centre.

Strategy:

The \$735,000 project was identified in Chetwynd & District Recreation Centre development plans for a number of years. A partnership was formed between the Peace River Regional District (PRRD), Ministry of Transportation and Infrastructure, and the District of Chetwynd to build the new Right-In/Right-Out access to the Recreation Centre.

Measurement:

This project will be measured by successful completion, including opening the new access to traffic.

Benefit:

The community will benefit from fewer vehicle/pedestrian conflicts, enhanced traffic flow (resulting in less driver and pedestrian frustration), increased safety and potentially increased use of the Chetwynd & District Recreation Centre.

Result:

- ❖ *In addition to increased traffic safety, the right-in/right-out project created an opportunity for the Ministry of Transportation and Infrastructure to initiate further action to address the frost heave issue on Highway 97 in that area.*
- ❖ *Right-in/Right-out completed in October, 2013.*

NEW WATERMAIN ON 53rd AVENUE AND 45A Street

Objective:

Install 570 metres of new 200 mm watermain and three hydrants.

Strategy:

In October, 2013 the residents of 45A Street petitioned District of Chetwynd Council to be included in the municipal water system as a Local Area Initiative. Council approved the project under a fifty-fifty cost share funding strategy, and a bylaw authorizing the work was adopted April, 2011. Tenders were issued and construction began in early summer of 2013.

Benefit:

The residents of 53rd Avenue and 45A Street will have good quality water on a consistent basis.

Measurement:

This project will be measured by its completion.

Result:

❖ *Completed in June, 2013.*

RECONSTRUCTION OF 40th & 41st STREETS IN RODEO SUBDIVISION**Objective:**

Full excavation and reconstruction of road, asphalt, ditches & culverts.

Strategy:

To design and implement reconstruction of roads.

Measurement:

The measurement of this project will be completion of the road reconstruction.

Benefit:

This project will benefit residents who live on these streets improve vehicle ride comfort and enhance emergency vehicle access.

Result:

❖ *The design was completed in November, 2012, and project was initiated soon after.*

❖ *Completed August, 2013.*

SANITARY SEWER REPLACEMENT – NICHOLSON ROAD NORTH**Objective:**

To design and replace the sanitary sewer line on Nicholson Road North.

Strategy:

To design and implement replacement of the sanitary sewer line.

Measurement:

The measurement of this project will be completion.

Benefit:

The existing sewer was under capacity and breakdowns caused frequent blockages and back-ups into several residences; therefore replacement was practical economically and also environmentally.

Result:

❖ *Completed replacement September, 2013.*

NEW EQUIPMENT – PUBLIC WORKS DEPARTMENT

Objective:

To purchase a tracked excavator and trailer to carry it, and a hot asphalt recycler for the Public Works Department.

Strategy:

To research options for obtaining new equipment at the best possible price.

Measurement:

The measurement of this project will be the completed purchase of good-quality equipment for an acceptable price.

Benefit:

The benefit to the community is a cost-effective means of performing excavation and repaving streets in a timely and efficient manner.

Result:

❖ *Purchases completed, equipment has been delivered and is being used as needed.*



2014 Goals and Objectives

TO DEVELOP AND IMPLEMENT PLANNED AND SUSTAINABLE PRACTICES

CURRENT MUNICIPAL HALL

Objective:

To renovate the current Municipal Hall to accommodate the Chetwynd Visitor Centre and an expanded Fire Hall (offices), once the new Municipal Hall has been completed and District Staff have moved into it. Plans include all signage and additional landscaping, and incorporate the new Municipal Hall design objectives.

Strategy:

To apply to the Northern Development Trust Initiative (NDIT) for a \$250,000 grant (for a total budget of \$358,000) to offset the costs of renovation.

Measurement:

The measurement of this project will be successful award of a grant and completion of renovation of the building.

Benefit:

The benefits of this project will be a bigger, refreshed space for the Chetwynd Visitor Centre; it is currently located in a very small, older building on the boulevard of North Access Road. The Chetwynd Visitor Centre will have a higher profile in the renovated Municipal Hall, and much more space for displays and activities.

NEW MUNICIPAL HALL

Objective:

To construct a new Municipal Hall within the budget established for it without borrowing.

Strategy:

Although funds have been reserved at Council's direction for this project since 2009, tenders received in July, 2013 were significantly over budget. The plans were streamlined to remove options without sacrificing the original features that were important to Council, and in this way construction costs were considerably decreased.

Measurement:

The measurement of this project will be to complete construction within the established budget.

Benefit:

The benefit of this project will be that citizens will have an attractive, energy-efficient Municipal Hall to conduct their district business in, and in which to attend Council meetings.

TO MAINTAIN A LIVABLE, SAFE AND HEALTHY COMMUNITY

BOULEVARD WALKWAY

Objective:

Boulevard walkway and beautification plan.

Strategy:

To plan and implement an attractive and sustainable highway boulevard walkway design, including pathways, lighting, gardens and welcome sign on and around the modified Expo mound.

Measurement:

The measurement of this project will be the successful completion of the project.

Benefit:

The benefit of this program will be an attractive community that draws visitors, tourists and potential new businesses, as well as appealing to residents.

BUSINESS FAÇADE IMPROVEMENT PROGRAM

Objective:

The objective of this program is to support economic development through leveraging private investment in local business façade improvements.

Strategy:

To apply for a Northern Development Trust Initiative (NDIT) program of matching funds for façade improvement, through partnering agreements with local businesses, to enhance economic viability and vibrancy through visual improvements.

Measurement:

The measurement of this project will be the successful completion of the project.

Benefit:

The benefit of this program will be revitalization of the downtown core, resulting in an attractive community that draws visitors, tourists and potential new businesses, as well as appealing to residents and fostering community pride.

FOUR SEASON VISITOR CENTRE AND COMMUNITY BOOKLET

Objective:

The objective of this program is to engage in a Redesign and Marketing Promotion.

Strategy:

To develop a new booklet promoting the community in all seasons and promoting the local quality of life.

Measurement:

The measurement of this project will be the successful completion of the booklet.

Benefit:

The benefit of this program will be promotion of the community of Chetwynd and area, resulting in a potential increase in the number of visitors, tourists and potential new businesses.

TO EFFECTIVELY MANAGE ENVIRONMENTAL ISSUES

ONGOING EFFORTS TO MITIGATE ENVIRONMENTAL CONCERNS

Objective:

The objective of this program is to continue to diligently monitor the community for environmental concerns and prevent or mitigate any negative impacts.

Strategy:

To evaluate new actions and review current actions for environmental impact, as well as decreasing production of greenhouse gases (GHGs) in the municipal fleet wherever possible, encouraging recycling and water conservation in the community, and monitoring sewage effluent quality.

Measurement:

Success is determined by a measurable reduction in GHG's, water consumption and improved effluent quality over the long term.

Benefit:

Benefits of these initiatives include improvements to the environment in the immediate and surrounding areas of Chetwynd.

TO MAINTAIN & UPGRADE MUNICIPAL INFRASTRUCTURE, EQUIPMENT & FACILITIES

ROAD REHABILITATION PROGRAM

Objective:

The objective of this program is to continue implementation of the Road Rehabilitation Program.

Strategy:

To rehabilitate roads in the priority established in Year 2 of the 5-Year Road Rehabilitation Program.

Measurement:

The measurement of this project will be the successful resurfacing of 45 Avenue NW.

Benefit:

The benefit of this program will be improved roadways and enhanced traffic flow.

WATER TREATMENT PLANT

Objective:

The objective of this program is to replace the ultraviolet light water treatment component at the Water Treatment Plant to ensure consistent water quality.

Strategy:

To research new ultraviolet light systems, engage a contractor to produce a design, and purchase and install an effective light system.

Measurement:

The measurement of this project will be the successful installation of a new ultraviolet light system at the Water Treatment Plant.

Benefit:

The benefit of this program will be effective water purification for consistent water quality.

WATER DISTRIBUTION SYSTEM

Objective:

The objective of this program is to analyze the water distribution system and identify where repairs and improvements are required.

Strategy:

Consultation with an engineering firm is ongoing to analyze the water distribution system, in accordance with a three-phase work plan, including:

- Water model calibration;
- Pressure reducing valves (PRV) improvements; and
- Reservoir hydraulics

Measurement:

The measurement of this project will be the successful identification of problem areas and to have repairs made as necessary.

Benefit:

The benefit of this program will be consistent water pressure for residents throughout the water distribution system.

SANITARY SEWER TRUNK

Objective:

The objective of this project is to complete a design for use in grant fund applications.

Strategy:

To complete the design for improvements to the east trunk main, which has been over capacity for decades.

Measurement:

The measurement of this project will be the successful completion of a design of the sanitary sewer east trunk main.

Benefit:

The benefit of this program will be to enable the District to apply for grant funding and after improvements have been completed, to resolve the stress on the east trunk main.

SEWAGE SYSTEM LAGOON UPGRADES

Objective:

The objective of this program is to apply for grants for construction of a new Sewage Treatment Plant.

Strategy:

To have a detailed plan compiled, ready to include with a grant application when a new Building Canada Fund grant intake is announced.

Measurement:

The measurement of this project will be the successful completion of a grant application.

Benefit:

The benefit of this program will be funding to enable construction of a new Sewage Treatment Plant.

2013 Chainsaw Carvings



Permissive Tax Exemptions

In 2013, the District of Chetwynd adopted Tax Exemption Bylaw No. 987, 2013 for the purpose of granting permissive tax exemptions for 2014 for the following organizations:

Organization	Estimated Value of Exemption for 2014
Chetwynd Communication Society	\$ 6,920.88
Chetwynd Fellowship Baptist Church	\$ 2,168.90
Chetwynd Shared Ministry Society	\$ 601.48
Chetwynd Temple Society	\$ 541.82
Church of the Nazarene	\$ 890.56
Pentecostal Assemblies of Canada	\$ 757.13
President of the Lethbridge Stake	\$ 1,524.57
Roman Catholic Episcopal Corporation of Prince Rupert	\$ 3,596.93
Royal Canadian Legion, Chetwynd Pacific Branch No. 258	\$ 615.04
Tansi Friendship Centre Society	\$ 815.71
Tansi Friendship Centre Society	\$ 1,586.37
Trustees of the Chetwynd Congregation of Jehovah's Witnesses	\$ 3,971.70
Chetwynd Senior Citizen's Housing Society, Surerus Place	\$ 3,288.33

Revitalization Tax Exemptions

The District of Chetwynd has a revitalization tax exemption program for the purpose of encouraging revitalization of an area(s) of the municipality. Following is a record of the properties for which revitalization tax exemptions have been granted and the amount of

Organization	Estimated Value of Exemption for 2014
YoMo Management Ltd. (All-West Glass)	\$ 904.02

Development Statistics

Building Permits

Class	Building Permits Issued		\$ Value of Permit	
	2012	2013	2012	2013
Residential	23	12	\$2,982,780	\$1,330,550
Commercial/Industrial	7	3	\$1,281,280	\$680,000
Institutional	1	2	\$1,230,000	\$115,000

Development Permits

Class	Development Permits Issued		Development Variance Permits Issued	
	2012	2013	2012	2013
Residential	0	0	0	0
Commercial/Industrial	3	3	1	0
Other	0	0	0	0

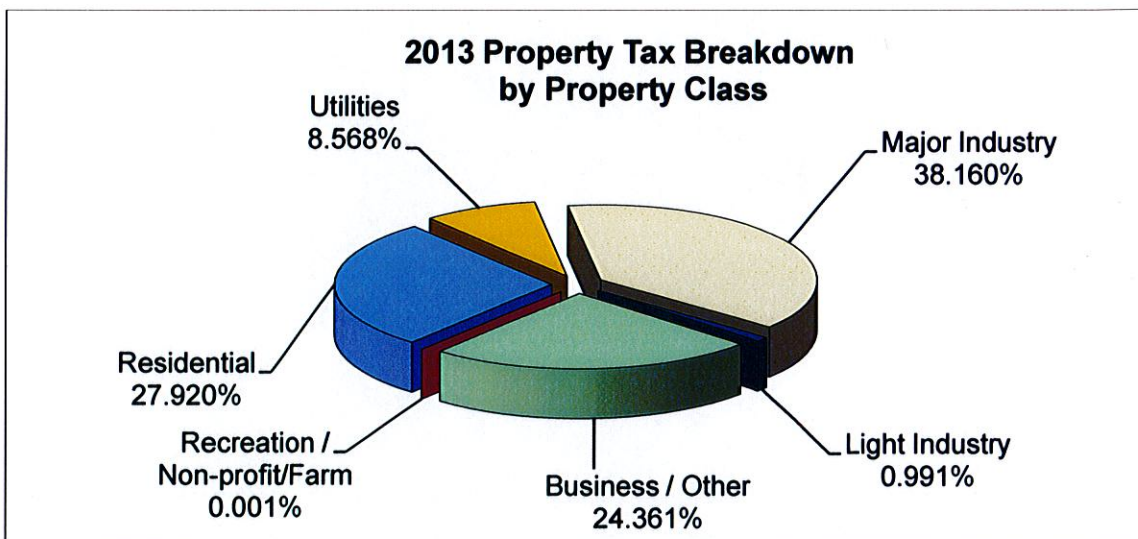
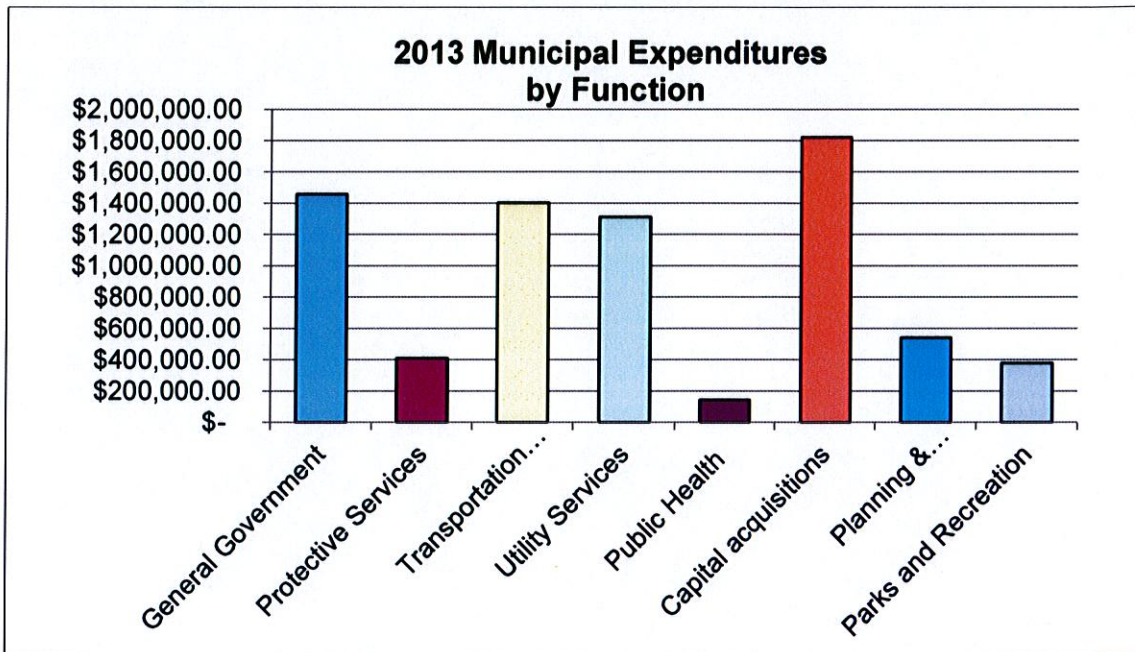
Temporary Commercial Permits and Board of Variance Applications

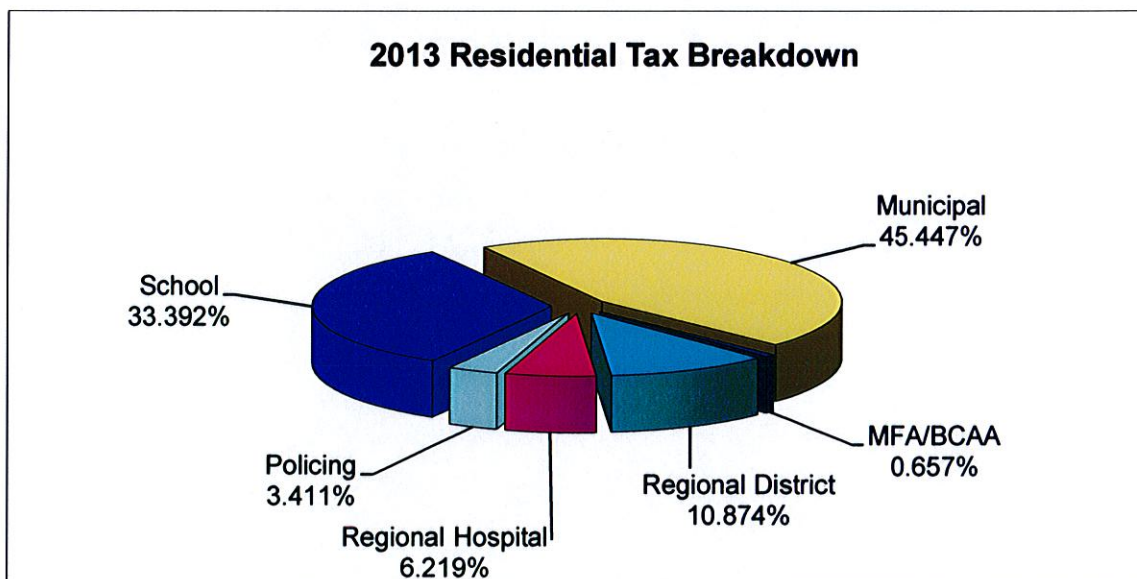
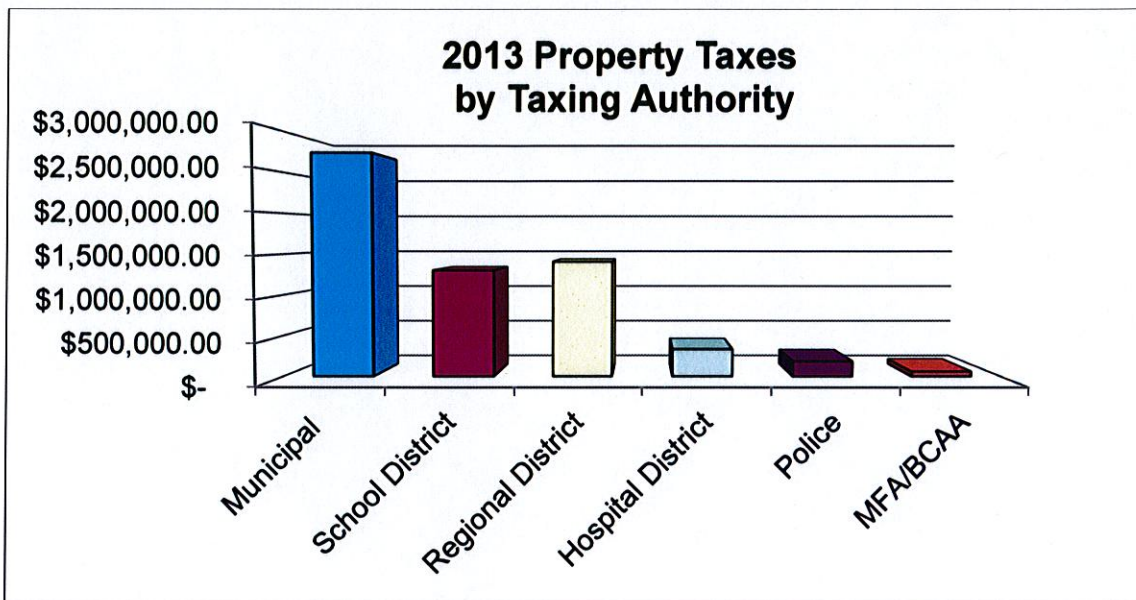
Class	Temporary Commercial Permits Issued		Board of Variance Applications	
	2012	2013	2012	2013
Residential	0	0	0	0
Commercial/Industrial	0	0	0	0
Other	0	0	0	0

Zoning and Official Community Plan Amendments

Class	Zoning Amendments		OCP Amendments	
	2012	2013	2012	2013
Residential	2	2	0	0
Residential/Commercial	1	0	1	0
Residential/Industrial	0	1	0	0
Commercial/Industrial	2	0	0	0
Institutional	0	0	0	0

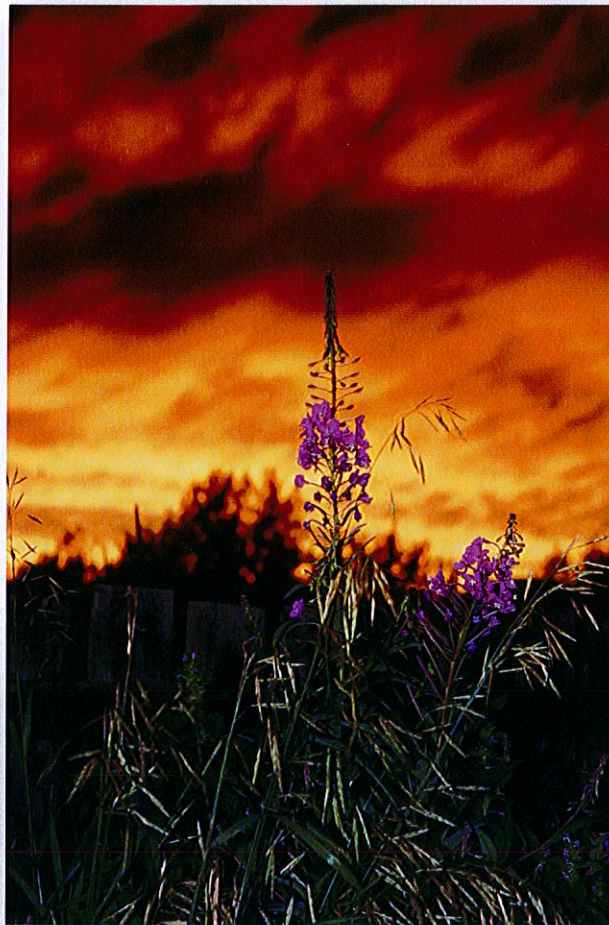
Financial Statistics





2013 Financial Statements & Auditor's Report

Attached are the Audited Financial Statements and Independent Auditor's Report for the District of Chetwynd for the year ended December 31, 2013.





Consolidated Financial Statements

Year Ended December 31, 2013

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December 31, 2013

MANAGEMENT REPORT

The accompanying consolidated financial statements and other information contained in this Financial Report are the responsibility of the management of the District of Chetwynd.

These consolidated financial statements have been prepared by management. Financial statements are not precise since they include certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects.

The District maintains systems of internal accounting and administrative controls that are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the District's assets are properly accounted for and are adequately safeguarded.

The elected Council of the District of Chetwynd are responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. Council carries out their responsibility principally at Committee of the Whole meetings and at Regular Council meetings.

Council considers for approval the engagement or re-appointment of external independent auditors and reviews the periodic financial reports.

The consolidated financial statements have been audited by Sander Rose Bone Grindle LLP, Chartered Accountants, the external independent auditors, in accordance with Canadian generally accepted auditing standards on behalf of Council, residents and ratepayers of the District of Chetwynd. Sander Rose Bone Grindle LLP have full and free access to Council.

W.J. (Bill) Caldwell
Director of Financial Administration
May 12, 2014

Doug Fleming
Chief Administrative Officer
May 12, 2014

Independent Auditor's Report

To the Mayor and Council of the District of Chetwynd
DISTRICT OF CHETWYND

We have audited the consolidated statement of financial position of DISTRICT OF CHETWYND as at December 31, 2013 and the consolidated Statements of operations, cash flow and net financial assets for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the district as at December 31, 2013 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

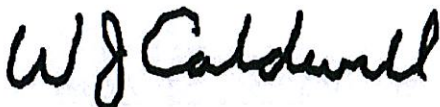
DISTRICT OF CHETWYND

Consolidated Statement of Financial Position

December 31, 2013

	2013	2012 Restated
Financial Assets		
Cash (Note 2)	\$ 4,369,227	\$ 4,613,607
Accounts receivable (Note 3)	1,652,905	2,459,452
Tax sale properties (Note 4)	596,050	8,069
	6,618,182	7,081,128
Liabilities		
Accounts payable and accrued liabilities (Note 5)	809,378	1,473,578
Net Financial Assets	5,808,804	5,607,550
Non-Financial Assets		
Inventory	29,497	48,263
Prepaid Expenses	98,300	92,139
Tangible capital assets (Note 7)	30,707,786	30,189,439
	30,835,583	30,329,841
Accumulated Surplus	\$ 36,644,387	\$ 35,937,391

Approved by:



W.J. (Bill) Caldwell
Director of Financial Administration

DISTRICT OF CHETWYND

Consolidated Statement of Operations

Year Ended December 31, 2013

	2013 Actual	2013 Budget	2012 Restated
Revenue			
Taxes (Note 8)	\$ 2,917,234	\$ 3,102,583	\$ 2,783,292
Grants in lieu of taxes	30,323	29,039	28,752
Services provided to other governments	156,728	156,641	168,084
Sale of Services	1,188,309	1,278,409	1,262,016
Other revenue from own sources	487,835	331,625	453,150
Government Transfers	2,837,842	2,731,980	3,485,281
Gain (Loss) on the disposal of assets	(78,727)	-	138,155
	7,539,544	7,630,277	8,318,730
Expenses			
General Government Services	1,508,374	1,591,912	1,379,756
Protective Services	471,393	471,269	559,080
Transportation Services	1,987,756	1,400,467	2,204,192
Utility Services	1,730,074	1,573,647	1,583,867
Public Health Services	143,363	154,874	133,447
Planning and Development	540,283	642,831	773,196
Parks and Recreation	451,305	416,124	453,913
	6,832,548	6,251,124	7,087,451
Current year surplus	706,996	1,379,153	1,231,279
Accumulated Surplus, beginning of year	35,937,391	35,937,391	34,706,112
Accumulated Surplus, end of year	\$36,644,387	\$37,316,544	\$35,937,391

See accompanying notes to the consolidated financial statements

DISTRICT OF CHETWYND

Consolidated Statement of Cash Flows

Year Ended December 31, 2013

	2013	2012 Restated
CASH FLOWS FROM OPERATING ACTIVITIES:		
Current Year Surplus	\$ 706,996	\$ 1,231,279
Amortization of tangible capital assets	1,211,247	1,256,858
	1,918,243	2,488,137
Changes in non-cash working capital components		
Receivables - decrease (increase)	806,547	436,472
Tax sale properties - decrease (increase)	(587,981)	(8,069)
Accounts payable - (decrease) increase	(664,200)	547,338
Inventory - decrease (increase)	18,766	(11,341)
Prepaid expenses - decrease (increase)	(6,161)	(3,947)
Loss (Gain) on disposal of tangible capital assets	78,727	(138,155)
	(354,302)	822,298
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	1,563,941	3,310,435
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of tangible capital assets	(1,821,321)	(1,221,186)
Proceeds on disposal of tangible capital assets	13,000	161,718
NET CASH USED BY INVESTING ACTIVITIES	(1,808,321)	(1,059,468)
	(244,380)	2,250,967
Cash and cash equivalents at beginning of period	4,613,607	2,362,640
Cash and cash equivalents at end of period	\$ 4,369,227	\$ 4,613,607

See accompanying notes to the consolidated financial statements

DISTRICT OF CHETWYND

Consolidated Statement of Net Financial Assets

Year Ended December 31, 2013

	2013	2012 Restated
Current Year Surplus	\$ 706,996	\$ 1,231,279
Amortization	1,211,247	1,256,858
Decrease (increase) in inventory	18,766	(11,341)
Proceeds on disposal of tangible capital assets	13,000	161,718
Gain on disposal of tangible capital assets	78,727	(138,155)
Decrease (increase) in prepaid expenses	(6,161)	(3,947)
Acquisition of capital assets	(1,821,321)	(1,221,186)
	201,254	1,275,226
Net Financial Assets, beginning of year	5,607,550	4,332,324
Net Financial Assets, end of year	\$ 5,808,804	\$ 5,607,550

See accompanying notes to the consolidated financial statements

DISTRICT OF CHETWYND

Significant Accounting Policies

December 31, 2013

The District of Chetwynd is incorporated under the *Local Government Act of British Columbia*. The District's principal activities include the provision of local government services to residents and businesses of the incorporated area. These services include general government, protective, transportation, public health and welfare, environmental development, recreation and culture and water and sewer utilities.

1. Significant Accounting Policies

The consolidated financial statements of the District of Chetwynd are the representation of management prepared in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The significant accounting policies are as follows:

Basis of consolidation

The consolidated financial statements reflect a combination of the district's General Fund, Capital Fund and Reserve Fund. Interfund transactions and balances have been eliminated.

General Fund- Operating funds are established for the general, water and sewer operations of the District. Operating funds are used to record the costs associated with providing District services.

Capital Fund - Capital funds are established for general, water and sewer capital. Capital funds are used to record the acquisition of capital assets.

Portfolio Investment - as the District does not effect any influence over the portfolio investment they are recorded at cost.

Reserve Fund - These funds hold assets necessary to finance future capital expenditures and are subject to the statutory restrictions of the Community Charter of British Columbia. Restrictions include the requirement that funds and interest earned thereon may only be expended for specific purposes and these expenditures be approved by a bylaw passed by the District Council.

Cemetery Care Trust Fund - This fund is intended to provide earnings that can be used for the upkeep of the cemetery, and has been established pursuant to the Cemetery Care Act. The Cemetery Care Trust Fund is excluded from the District's Consolidated Financial Statements, per PSAB guidelines.

Basis of accounting

The district follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues, and expenditures are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due. Prior year balances have been restated to reflect current year presentation.

Use of estimates

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

DISTRICT OF CHETWYND

Significant Accounting Policies

December 31, 2013

1. Significant Accounting Policies continued

Government transfers

Government transfers are recognized in the financial statements as revenue in the period that the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

Budget presentation

The budget approved in May 2013 is presented in the consolidated financial statements, any subsequent amendments have not been included and have not been audited. The budget has been adjusted to remove internal equipment charges. The effect of this adjustment is to reduce "Revenue from Own Sources" from \$851,949 to \$331,625 and to reduce Operation expenses from \$6,771,448 to \$6,251,124.

Financial instruments

The District's financial instruments consist of cash, receivables, short term deposits, Municipal Finance Authority (MFA) money market fund deposits, payables and accruals. Unless otherwise noted, it is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments. MFA unit cost investments are reported at market value as at December 31.

Non-financial assets

Tangible capital assets and other non-financial assets are accounted for as assets by the municipality because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the municipality unless they are sold.

Appropriated surplus

Certain amounts, as approved by the District Council, are set aside in reserves for future operating and capital expenditures. Transfers to and/or from these reserves are shown as interfund transfers in various fund operations schedules.

DISTRICT OF CHETWYND

Significant Accounting Policies

December 31, 2013

1. Significant Accounting Policies continued

Segment disclosure

The District's operations and activities are organized and reported by funds and departments. The General Fund reports on operations which include services provided by the District such as general government, protective services, transportation services, utility services, public health services, planning and development and parks and recreation services. Operating results are reported by the following segments are included in Note 13.

General Government

General Government operations are primarily funded by property taxation. The expenses within the department are for the legislative, general administration, community service grants and rental property operating costs within the municipality.

Protective Services

Protective services are comprised of fire protection services, building inspection services and bylaw enforcement as well as the Provincial Emergency Program.

Transportation Services

Transportation services are responsible for the delivery of municipal public works services related to engineering services, maintenance of streets and roads, bridges, drainage systems, street lighting, and airport maintenance as well as the maintenance of workshops, yards and other buildings.

Utility Services

Utility Services include the operating and maintenance of the District's water and wastewater systems as well as the collection and disposal of solid waste.

Public Health Services

Public Health Services include the operations and maintenance of the cemetery as well as community health initiatives.

Planning and Development Services

Planning and Development services include long range planning, economic development and tourist information services.

Parks and Recreation Services

Parks and Recreation services provide services related to recreation and leisure, including grounds, boulevard, trails and wood carving maintenance.

DISTRICT OF CHETWYND

Significant Accounting Policies

December 31, 2013

1. Significant Accounting Policies continued

Tangible capital assets

tangible capital assets are recorded at cost less accumulated amortization. Cost includes all charges directly attributable to placing the asset in its intended location and condition of use. Contributed tangible capital assets are recorded at fair market value at the time of donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Land	n/a
Buildings	60 years
Machinery and equipment	5 - 30 years
Infrastructure	15 - 75 years

DISTRICT OF CHETWYND

Notes to the Consolidated Financial Statements

December 31, 2013

2. Cash and investments

	2013	2012 Restated
Cash on hand	\$ 1,630	\$ 1,630
Cash and bank	165,136	66,699
Short term and MFA money market deposits	4,202,461	4,545,278
	<u>\$ 4,369,227</u>	<u>\$ 4,613,607</u>

3. Receivables

	2013	2012
Property tax receivable	\$ 390,872	\$ 781,197
Due from Other Governments	820,343	1,124,295
Trade receivables	441,690	553,960
	<u>\$ 1,652,905</u>	<u>\$ 2,459,452</u>

4. Tax sale properties

	2013	2012
Property acquired for taxes subject to redemption	\$ 596,050	\$ 8,069

DISTRICT OF CHETWYND

Notes to the Consolidated Financial Statements

December 31, 2013

5. Accounts payable and accrued liabilities

	2013	2012 Restated
Other government agencies	\$ 87,517	\$ 45,805
Trade payables	298,874	1,056,537
Wages and employee benefits payable	149,585	147,255
Holdbacks and trust	273,402	223,981
Total	\$ 809,378	\$ 1,473,578

6. Pension liability

The District and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trusted pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 179,000 active members and approximately 71,000 retired members. Active members include approximately 50 contributors from the District of Chetwynd.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The District of Chetwynd paid \$227,917 (2012 - \$216,867) for employer contributions to the plan in fiscal 2013.

DISTRICT OF CHETWYND

Notes to the Consolidated Financial Statements

December 31, 2013

7. Tangible Capital Assets

	Land	Buildings	Machinery, Equipment	General Infrastructure	Utility Infrastructure	Work in Progress	2013	2012
Cost								
Balance, beginning of year	\$ 784,554	\$ 4,714,931	\$ 7,783,610	\$ 16,931,942	\$ 17,797,027	\$ 152,939	\$ 48,165,003	\$ 47,083,998
Additions	9,077	-	232,143	935,878	568,957	196,919	1,942,974	1,251,086
Disposals	-	-	(85,960)	(201,554)	(9,872)	(121,653)	(419,039)	(170,081)
Balance, end of year	793,631	4,714,931	7,929,793	17,666,266	18,356,112	228,205	49,688,938	48,165,003
Accumulated Amortization								
Balance, beginning of year	-	1,830,308	5,039,561	5,961,302	5,144,392	-	17,975,563	16,835,324
Amortization	-	92,949	370,667	412,994	334,637	-	1,211,247	1,256,858
Disposals	-	-	(85,960)	(113,314)	(6,384)	-	(205,658)	(116,618)
Balance, end of year	-	1,923,257	5,324,268	6,260,982	5,472,645	-	18,981,152	17,975,564
Net book value, end of year	\$ 793,631	\$ 2,791,674	\$ 2,605,525	\$ 11,405,284	\$ 12,883,467	\$ 228,205	\$ 30,707,786	\$ 30,189,439

DISTRICT OF CHETWYND

Notes to the Consolidated Financial Statements

December 31, 2013

8. Net Municipal Property Taxes

	2013	2013 Budget	2012
Net Municipal Property Taxes	\$ 2,917,231	\$ 3,102,583	\$ 2,779,376
Add: Requisitions collected on behalf of other taxing authorities			
Provincial School/Policing	1,486,428	1,585,602	1,403,425
Regional District	1,408,654	1,316,164	1,330,808
Regional Hospital District	334,412	307,918	317,482
B.C. Assessment Authority	57,595	53,546	54,152
MFA	117	105	108
City of Dawson Creek	186,696	210,000	200,174
	6,391,133	6,575,918	6,085,525
Deduct: Requisitions remitted to other taxing authorities			
Remitted to other taxing authorities	3,473,899	3,473,335	3,302,233
	\$ 2,917,234	\$ 3,102,583	\$ 2,783,292

9. Contingent liabilities

The District of Chetwynd is potentially exposed to lawsuits arising from the ordinary course of operations. Although the outcome of such matters cannot be predicted with certainty, management does not consider the District of Chetwynd's exposure to lawsuits materials to these financial statements.

10. Prior Period Adjustment

During the previous year, the District recieved and recorded grant revenue in the amount of \$660,000 for a project that was subsequently capitalized by another party. The result is that the amount of grant revenue and accrued interest were restated as a liability and not included in the District's revenue. The 2012 balances have been restated to reflect the adjustment.

DISTRICT OF CHETWYND

Notes to the Consolidated Financial Statements

December 31, 2013

11. Related Party Transactions

The District owns one third of Little Prairie Community Forest Inc. a company incorporated in the Province of British Columbia. The Board of Directors of the company are comprised of two representatives from each the District, West Moberly First Nations, and Sauteau First Nations. The District does not have any control over the corporation and therefore reports the investment as a portfolio investment.

The District, West Moberly First Nations, and Sauteau First Nations are limited partners with Little Prairie Community Forest Inc., the unlimited partner. The partnership operates as Little Prairie Community Forest LLP and was created for the purpose of harvesting the timber in the areas around the three partner's communities, in an economic and environmentally responsible manner. All management functions are provided by Little Prairie Community Forest Inc and its board of directors. The district accounts for the partnership through proportionate consolidation.

DISTRICT OF CHETWYND

Notes to the Consolidated Financial Statements

December 31, 2013

12. Accumulated Surplus

	2013	2012 Restated
General Fund Accumulated Surplus		
General Fund Surplus	\$ 1,101,363	\$ 1,281,048
Water Fund Surplus	174,360	25,522
Sewer Fund Surplus	282,683	512,624
Equity in Capital Assets	30,707,786	30,189,439
Equity in Reserve Funds	4,378,195	3,928,758
	\$ 36,644,387	\$ 35,937,391

DISTRICT OF CHETWYND

Notes to the Consolidated Financial Statements

December 31, 2013

13. Segmented Information

	General Gov't	Protective Services	Transport.	Utility Services	Public Health	Planning, Develop	Parks & Rec.	2013	2013 Budget	2012 Restated
Taxes	\$ 2,883,320	\$ -	\$ -	\$ 33,914	\$ -	\$ -	\$ -	\$ 2,917,234	\$ 3,102,583	\$ 2,783,292
Grants in lieu of taxes	30,323	-	-	-	-	-	-	30,323	29,039	28,752
Services provided to other governments	3,691	63,037	-	-	-	-	90,000	156,728	156,641	168,084
Sale of Services	17,691	5,025	2,414	1,125,016	11,501	25,437	1,225	1,188,309	1,278,409	1,262,016
Other revenue from own sources	335,157	71,864	80,814	-	-	-	-	487,835	331,625	453,150
Government Transfers	2,623,571	56,295	-	-	30,000	125,776	2,200	2,837,842	2,731,980	3,485,281
Gain (Loss) on the disposal of assets	-	-	(75,239)	(3,488)	-	-	-	(78,727)	-	138,155
Salaries, wages and benefits	5,893,753	196,221	7,989	1,155,442	41,501	151,213	93,425	7,539,544	7,630,277	8,318,730
Travel & Training	78,559	27,949	5,279	2,209	693	8,017	-	122,707	195,139	137,643
Contracted services	160,005	84,702	247,419	625,833	20,883	185,478	68,707	1,393,027	1,602,870	1,542,601
Materials and supplies	73,346	85,595	282,014	123,143	16,525	87,361	59,476	727,460	798,899	748,480
Insurance, licenses and dues	78,348	15,091	44,107	11,073	142	5,707	-	154,468	162,747	156,774
Utilities and telephone	66,948	10,993	120,663	122,086	953	4,052	11,559	337,254	330,480	345,506
Other expenditures	112,021	1,681	3,138	778	-	84,255	771	202,643	206,400	202,511
Amortization	54,258	63,528	591,783	421,068	1,283	-	79,327	1,211,247	-	1,256,858
Annual Surplus (Deficit)	1,508,374	471,393	1,987,756	1,730,074	143,363	540,283	451,305	6,832,548	6,250,124	7,087,451
Annual Surplus (Deficit)	\$ 4,385,379	\$ (275,172)	\$ (1,979,767)	\$ (574,632)	\$ (101,862)	\$ (389,070)	\$ (357,880)	\$ 706,996	\$ 1,380,153	\$ 1,231,279

Independent Auditor's Report on Supplementary Information

To the mayor and Council of the District of Chetwynd
DISTRICT OF CHETWYND

Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The information on pages through is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements, and in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

DISTRICT OF CHETWYND

Year Ended December 31, 2013

Schedule of Operations

Schedule 1

	General	Water	Sewer	2013	2013 Budget	2012 Restated
Revenues						
Taxes	\$ 2,883,320	\$ 20,405	\$ 13,509	\$ 2,917,234	\$ 3,102,583	\$ 2,783,293
Grants in lieu of taxes	30,323	-	-	30,323	29,039	28,751
Services provided to other governments	156,728	-	-	156,728	156,641	168,084
Sale of Services	332,609	606,200	249,500	1,188,309	1,797,411	1,262,016
Other revenue from own sources	444,260	-	-	444,260	331,625	338,473
Government Transfers	2,837,842	-	-	2,837,842	2,731,980	3,485,281
	6,685,082	626,605	263,009	7,574,696	8,149,279	8,065,898
Expenses						
General Government	1,454,116	-	-	1,454,116	1,591,912	1,325,431
Protective Services	407,865	-	-	407,865	470,269	495,743
Transportation Services	1,395,973	-	-	1,395,973	1,400,467	1,577,857
Utility Services	406,789	457,663	444,554	1,309,006	1,573,647	1,151,617
Public Health Services	142,080	-	-	142,080	154,874	132,164
Planning and Development	540,283	-	-	540,283	642,831	773,196
Parks and Recreation	371,978	-	-	371,978	416,124	374,585
	4,719,084	457,663	444,554	5,621,301	6,250,124	5,830,593
Current year Surplus (deficit)	1,965,998	168,942	(181,545)	1,953,395	1,899,155	2,235,305
Transfer from (to) Operating Funds	68,500	(20,104)	(48,396)	-	-	-
Transfer to Capital Fund	(152,065)	-	-	(152,065)	-	120,432
Transfer to Reserve Funds	(2,062,118)	-	-	(2,062,118)	(2,176,117)	(1,728,068)
Accumulated Surplus, beginning of year	(179,685)	148,838	(229,941)	(260,788)	(276,962)	627,669
	1,281,048	25,522	512,624	1,819,194	1,819,194	1,191,525
Accumulated Surplus, end of year	\$ 1,101,363	\$ 174,360	\$ 282,683	\$ 1,558,406	\$ 1,542,232	\$ 1,819,194

DISTRICT OF CHETWYND

Year Ended December 31, 2013

Schedule of Capital Fund Operations

Schedule 2

	2013	2013 Budget	2012
Revenue			
Other Revenue	\$ -	\$ -	\$ 7,000
Contributed Assets	-	-	71,463
Gain (Loss) on the disposal of assets	(78,727)	-	138,155
	(78,727)	-	216,618
Expenses			
Amortization			
- General Government	54,258	-	54,326
- Protective Services	63,528	-	63,337
- Transportation Services	591,784	-	626,335
- Public Health Services	1,283	-	1,283
- Parks and Recreation Services	79,327	-	79,327
- Utility Services	421,067	-	432,250
	1,211,247	-	1,256,858
Current year Surplus (deficit)	(1,289,974)	-	(1,040,240)
Interfund Transfers			
Transfer from (to) operations	152,065	228,090	(120,432)
Transfer from Reserve Funds	1,656,256	4,293,915	1,101,437
	1,808,321	4,522,005	981,005
Change in Surplus	518,347	4,522,005	(59,235)
Accumulated Surplus, beginning of year	30,189,439	30,189,439	30,248,674
	\$ 30,707,786	\$ 34,711,444	\$ 30,189,439

DISTRICT OF CHETWYND

Year Ended December 31, 2013

Schedule of Reserve Fund Operations

Schedule 3

	2013	2012 Restated
Revenue		
Reserve Fund	\$ 43,575	\$ 36,213
Interfund Transfers		
General to/from Reserves	2,118,096	1,764,281
Transfer from operations	2,062,118	1,740,538
Transfer to capital fund	(1,656,256)	(1,101,437)
	405,862	639,101
Change in Reserve Funds	449,437	675,314
Reserve Funds, beginning of year	3,928,758	3,253,444
Reserve Funds, end of year	4,378,195	3,928,758
Balance represented by:		
Reserves set aside by Council:		
Sewer Capital	-	1,533
Administration Equipment	2,074	1,058
Finance Equipment	10,226	5,146
Gas Tax Reserve	18,825	276,133
Sustainability Reserve	742,544	478,153
Fair Share Reserve	367,931	247,648
	1,141,600	1,009,671
Restricted Reserves		
Capital Equipment Reserve	158,983	213,511
Airport Equipment	11,068	10,951
Fire Equipment	261,232	227,908
Land Sale	373,213	369,263
Tax Sale Land	61,733	61,080
Municipal Office Building	2,370,366	2,036,374
	3,236,595	2,919,087
	\$ 4,378,195	\$ 3,928,758