

2016 ANNUAL REPORT & 2015 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 2015 and projected operations for 2016 and beyond.



Message from the Mayor



It gives me a great deal of pleasure to provide a snapshot of some of the services, operations, and circumstances that have preoccupied Mayor and Council since my last report.

Each year Mayor and Council, in consultation with Administration, set priorities for use of District resources to maintain and enhance, wherever possible, the services and infrastructure of the District of Chetwynd. The past year has seen many successes which make us happy to be involved. However, there remain many challenges to occupy our time in the coming months.

Last year saw the completion of the Medical Clinic and Wellness Centre and its occupation by Northern Health, and a few weeks before Christmas office staff regrouped in the newly named Chetwynd District Centre. To complement the construction of the clinic, Mayor and Council worked assiduously to recruit and retain medical personnel to serve our needs. Chetwynd, in collaboration with Northern Health, seems to have achieved a measure of success in this endeavour.

There are other successes still to be achieved. Our major industries face the challenge of recruitment and retention. Owner-operator truckers frequently are faced with parking problems. Chetwynd needs to be a trucker-friendly community. Council will be addressing this issue over the next months.

Of a more down-in-earth nature, Chetwynd applied for and received a major Build Canada Grant for construction of a new sewage facility. We expect to bring that project to completion within this construction season.

Then there is the ordinary: the street repair, the paving, the progress on the boulevard walking path, exchanging over-mature trees for new trees, and other projects. In all the things that contribute to a liveable community, Council is active behind the scenes providing policy guidance to Administration.

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 and sideways. The decisions made in Saudi Arabia on the price of oil, for example, have affected the viability of retail outlets in our home town. We continue to watch the world scene as it affects us here in Chetwynd. For the time being, lumber prices are supporting a healthy forest industry and we are encouraged by the number of jobs forestry provides in Chetwynd.

We expect that the months ahead will present challenges yet not on the radar. Mayor and Council are committed to providing an environment in which these challenges will be met with clarity of thought and appropriate action.

The office of the Mayor has an open door. You are welcome to drop in to discuss your vision for our community.

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.



Left to Right: Councillor Laura Weisgerber, Councillor Ernest Pfanner, Councillor Clay Bassendowski, Mayor Merlin Nichols, Councillor Mel Deck, Councillor Alec Brownlee, Councillor Rochelle Galbraith

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 2015.

Council Biographies & Portfolios – 2016

Mayor Merlin Nichols



Portfolio:

- Committee of the Whole Chair
- Economic Development Commission
- Civic Properties Commission
- Peace River Regional District
- South Peace Economic Development Commission
- Finance Strategy Committee Chair
- Health Services Committee
- Proposed Natural Gas Transmission System (Spectra) Working Group Chair
- Site C Regional Community Liaison Committee
- Treaty Land Entitlement Joint Planning Committee 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), which was, 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, 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.

Merlin was elected to the office of Mayor in 2012 and is currently serving his second term.



Councillor Clay Bassendowski**Portfolio:**

- Committee of the Whole
- Community Improvements Committee
- Finance Strategy Committee
- Health Services Committee
- Public Works Committee
- Water & Sewer Task Group
- Northern Development Initiative Trust Alternate
- Municipal Insurance Authority Alternate
- Physician Welcoming and Retention Committee Chair
- Chetwynd Communication Society Liaison
- Heritage/Museum Society Liaison

Clay was born in Saskatoon, Saskatchewan where he attended elementary and high school. Clay graduated from the Forest Technology of NAIT with honors in 1996 and is a Registered Forest Technician with the Association of B.C. Forests Professionals. He worked for 15 years for West Fraser in the bush as an Area Supervisor and currently works in the planer for West Fraser as a Quality Control Supervisor.

Clay met his wife Dianne, a life-long resident, shortly after moving to Chetwynd in 1996 where today they enjoy raising their 9 year old daughter Ireland.

Between work, family and Council Clay's schedule is busy but when there is spare time he enjoys riding his motorcycle, camping, skiing, exercising and playing guitar.

Clay was elected to council in 2014 and he looks forward to continuing to serve the community of Chetwynd.



Councillor Alec Brownlee



Portfolio:

- Committee of the Whole
- Finance Strategy Committee
- Health Services Committee
- Public Works Committee Chair
- Water and Sewer Task Group Chair
- Civic Properties Commission
- Peace River Regional District Alternate
- Fire Department Liaison
- Proposed Natural Gas Transmission System (Spectra) Working Group Liaison
- Treaty Land Entitlement Joint Planning Committee Liaison

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 Maintenance Superintendent.

Alec is currently settled into his second term as Councillor for the District of Chetwynd.



Councillor Mel Deck



Portfolio:

- Committee of the Whole
- Community Improvements Committee
- Finance Strategy Committee
- Health Services Committee
- Public Works Committee Chair
- Economic Development Commission
- Peace River Regional District Alternate

Mel was born in Denzil, Saskatchewan. His family moved to Saskatoon when he was 8 years old where he attended St. Thomas and St. Matthew's grade schools and Holy Cross High School. He relocated to Chetwynd in late 1981 and was employed at West Fraser Mills for 30 years as a Supervisor and an Environmental Auditor. He retired from West Fraser Mills in June of 2012. He has also run a small painting company since moving to Chetwynd.

Mel and his wife Donna have been married for 33 years; they have two daughters as well as two grandchildren. They enjoyed raising their family in Chetwynd and being involved with the sports that they participated in. They now have the pleasure of watching their grandchildren grow up here and once again supporting the events and activities they are involved in. Mel enjoys hunting, fishing, camping and generally what Chetwynd has to offer.

Mel was happy to be elected onto Council in late 2014 and looks forward to continuing to serve the community of Chetwynd which has been so good to him and his family.



Councillor Rochelle Galbraith

Portfolio:



- Committee of the Whole
- Community Improvements Committee Chair
- Finance Strategy Committee
- Health Services Committee
- Chetwynd Public Library Liaison
- Proposed Natural Gas Transmission System (Spectra) Working Group

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 spending eight years working with the District of Chetwynd as the Deputy Coordinator for their Municipal Emergency Plan.

Rochelle was first elected to the District of Chetwynd Council in 2012 and was reelected to her second term in 2014. Rochelle sits on a variety of committees as a representative for Chetwynd. She and her husband, Gordie, have been married for over 33 years and have two adult children. In her spare time, she enjoys golfing, camping and travelling.



Councillor Ernest Pfanner

Portfolio:



- Committee of the Whole
- Finance Strategy Committee
- Health Services Committee Chair
- Economic Development Commission
- Civic Properties Commission
- RCMP Liaison

Ernest is currently settled into his second term as Councillor for the District of Chetwynd and appreciates the opportunity to represent Chetwynd for his second term. 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. 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 27 years and enjoys hunting, fishing and camping as well as spending time horseback riding and hiking in our local mountains.



Councillor Laura Weisgerber

Portfolio:



- Committee of the Whole
- Finance Strategy Committee
- Health Services Committee
- Water & Sewer Task Group
- Economic Development Commission
- Northern Development Initiative Trust
- Municipal Insurance Authority
- Chamber of Commerce Council Liaison
- BC Hydro Peace Region Non-Profit Community Fund Committee

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 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.

Laura was reelected to her second term as Councillor in 2014.



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 and promotion.
Tourism Development	❖ Operation of Visitor Centre, 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.
Airport	❖ Provision of airport services for small aircraft and helicopters. The airport facilitated 22 medivacs in 2015.



Departmental Services

Administration and Finance Departments:

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



Engineering , Public Works & Parks:

- Principally supported by:
 - Director of Engineering & Public Works
 - Building Inspector
 - Bylaw Enforcement Officer
 - Engineering Staff
 - Public Works Staff
 - Seasonal Public Works Staff
 - Seasonal Parks 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, bylaw enforcement and parks & grounds maintenance.



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.



Visitor Centre:

- Principally supported by:
 - Visitor Centre Manager
 - Seasonal Staff
- More specifically involving activities related to providing information on local features, attractions and recreational opportunities to tourists and residents.



Recreation:

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



Progress Report – 2015 Goals and Objectives

TO DEVELOP AND IMPLEMENT PLANNED AND SUSTAINABLE PRACTICES

OLD MUNICIPAL HALL

Objective:

To renovate the current Municipal Hall at 5400 North Access Way to accommodate the Chetwynd Visitor Centre and an expanded Fire Hall (offices), once the new Municipal Hall at 5400 Hospital Road 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 into the Visitor Centre building.

Strategy:

Northern Development Initiative Trust (NDIT) approved 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 to complete construction within the established budget.

Benefit:

The benefits of this project will be a bigger, refreshed space for the Chetwynd Visitor Centre. The Chetwynd Visitor Centre will have a higher profile in the renovated Municipal Hall, and much more space for displays and activities.

Result:

- ❖ *Renovations on the old Municipal Hall started in December 2015 and are expected to be completed by the end of March 2016.*



VISITOR CENTRE

Objective:

To operate the Visitor Centre, implementing new strategies for assisting tourists and promoting Chetwynd and area to visitors and residents.

Strategy:

The Visitor Centre, previously operated by contract via the Chamber of Commerce, will now be run by the District of Chetwynd out of the municipal building at 5400 North Access Road.

Measurement:

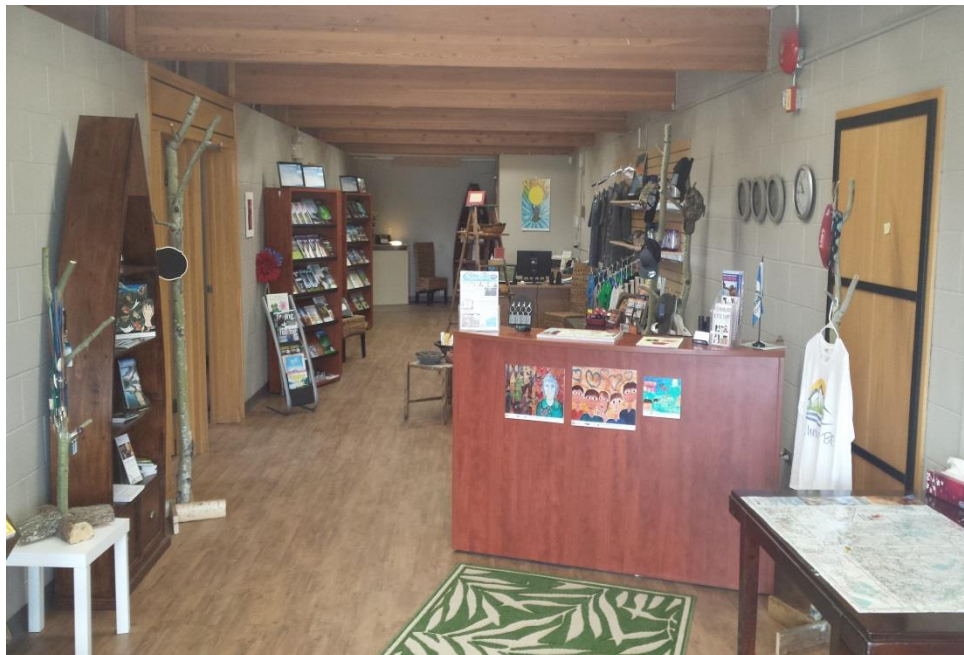
The measurement will be more efficient delivery of service to visitors and tourists, and implementation of fresh programs and events.

Benefit:

The benefits of this service will be economic efficiency for the District of Chetwynd as a result of the new model of delivery, enhanced tourist services for reduced number of taxpayer dollars, and economic benefits to the business community through promotion of the area and potentially increased numbers of tourists in coming years.

Result:

- ❖ ***2015 Visitor Centre Operations were offered all year round with increased hours of operation. The Centre added additional resources for programs. Ongoing.***



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.

Result:

- ❖ *The new Municipal Hall construction was completed in December 2015 on budget. Staff and Council moved into the newly named Chetwynd District Centre in December 2015.*



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, safe community that draws visitors, tourists and potential new businesses, as well as appealing to residents.

Result:

- ❖ *The boulevard walkway and beautification plan continued with realignment on Nicholson Road to adjust the crosswalk for safety. Further research including estimated costs was done for the entrance to the Rodeo Subdivision and are still under review. Complete review of the plan will move into 2016 for lighting and continued improvements to the walkway.*



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 Initiative Trust (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.

Result:

- ❖ *There were two successful applications and commercial façade renovations in 2015. The District is moving into Phase Three of the program in 2016.*



GREENSPACE SIGNAGE

Objective:

The objective of this program is to have signage in place along the trail system.

Strategy:

To do inventory of needed signage in the greenspace trail system, and work with Little Prairie Community Forest to develop a plan.

Measurement:

The measurement of this project will be the inventory and planning of areas that need signage.

Benefit:

The benefit of this program will be the new signage throughout the trail system for identification and way-finding without confusion and to enhance enjoyment of outdoor spaces.

Result:

❖ *Signage inventory was completed in 2015.*



INDUSTRIAL SIGNAGE

Objective:

The objective of this program is to create signage for the Industrial Park entrance.

Strategy:

To have the signage carved and installed at the entrance.

Measurement:

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

Benefit:

The benefit of this program will be the enhancement, beautification and promotion of businesses in the Industrial Park.

Result:

❖ *Signage was completed in 2015.*



CN – COMMUNITIES IN BLOOM BERM

Objective:

The objective of this program is to develop the Medical Clinic and Wellness Centre Green Belt.

Strategy:

To work with Communities in Bloom/CN EcoConnexion sponsored funding to deliver scope of project to build the Green Belt.

Measurement:

The measurement of this project will be the successful completion of the project for 2015.

Benefit:

The benefit of this program is a berm constructed with assistance from businesses and volunteers to enhance the area around the new Medical Clinic at 50th Street SW with a treed walkway reducing the noise from the railway and beautifying the area.

Result:

❖ *The berm was successfully constructed with the assistance from businesses and volunteers in 2015.*



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 (GHG's) 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.

Result:

- ❖ *Through ongoing leak detection and metering a large local industrial firm, the District reduced unaccounted water usage from 42% to 17% in 2015..*

East Pine



TO MAINTAIN & UPGRADE MUNICIPAL INFRASTRUCTURE, EQUIPMENT & FACILITIES

SEWAGE SYSTEM LAGOON UPGRADES

Objective:

The objective of this program is to complete sewage lagoon capacity & treatment efficiencies in order to achieve Ministry of Environment requirements and provide capacity for future growth.

Strategy:

To apply for Building Canada Fund Grant of \$2.99 million, prepare a loan authorization bylaw and initiate an alternative approval process in order to borrow remaining \$1.5 million required to complete needed improvements.

Measurement:

The measurement of this project will be the successful upgrades to the lagoon.

Benefit:

The benefit of this program will be to stay within the District's permitted discharge limits, reduce environmental impact and achieve capacity for future growth of the community.

Result:

- ❖ *The District was awarded the \$2.99 million grant on July 6, 2015. Engineering consultants will proceed with detailed design. The tender was awarded and construction will begin on the project in early 2016.*

SANITARY SEWER EAST TRUNK MAIN

Objective:

The objective of this project is to replace a portion of the East Trunk Main which is under capacity and in disrepair.

Strategy:

To apply for grant funding of \$1.5 million from the Gas Tax Initiative.

Measurement:

The measurement of this project will be the successful upgrade to this sewer main.

Benefit:

The benefit of this program will be reduced maintenance and possible environmental damage without utilizing a tax increase.

Result:

- ❖ *Grant was declined. Staff will investigate the feasibility of budgeting District funds to complete this project.*

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 3 of the 5-Year Road Rehabilitation Program.

Measurement:

The measurement of this project will be the successful resurfacing of 44 Street and 45 Street in the Legion Subdivision.

Benefit:

The benefit of this program will be improved roadways and reduced maintenance of failing roads.

Result:

- ❖ *Roads throughout the entire Legion Subdivision roads were rehabilitated. With surplus funds Rodeo Way, a small block of 43rd Street NE and North Access Road from Hospital Road to Highway 97 were also resurfaced in 2015.*

WATER DISTRIBUTION SYSTEM

Objective:

The objective of this program is to improve the reliability of the water distribution system.

Strategy:

To acquire land from the Ministry of Transportation and Infrastructure to build a new pressure reducing valve station scheduled for 2016.

Measurement:

The measurement of this project will be to acquire the land in 2015 for 2016 construction.

Benefit:

The benefit of this program will be to continue to improve the water distribution.

Result:

- ❖ *Ministry of Transportation and Infrastructure denied the District's land request; however an alternate suitable location was found in 2015.*

2016 Goals and Objectives

TO DEVELOP AND IMPLEMENT PLANNED AND SUSTAINABLE PRACTICES

WORLDHOST TRAINING

Objective:

To implement WorldHost training community-wide.

Strategy:

Chetwynd has obtained a WorldHost designation as per license agreement.

Measurement:

The Visitor Centre Manager will be trained as a WorldHost instructor and then provide World Host training to the community. The measurement will be the successful completion of WorldHost instructor training by the Visitor Centre Manager, and the delivery of WorldHost training to members of the community.

Benefit:

The benefits of this service will be improved customer service throughout the community for the business, service and tourism sectors.

MARKETING OF DISTRICT OWNED LANDS

Objective:

The objective is to market specific District owned land.

Strategy:

Remarket and redesign promotional materials respecting District-owned lands for residential and commercial development opportunities.

Measurement:

Land sales, implementation of marketing.

Benefit:

The benefits of this project will be developed land that is currently vacant and increased property tax revenue.

DOWNTOWN CORE

Objective:

Attraction of new businesses to the downtown core.

Strategy:

To target businesses that are identified in the District's strategy for attraction.

Measurement:

The measurement of this project will be the development of vacant space, marketing and targeting the specific sectors or needs.

Benefit:

The benefit of this project will be more businesses downtown and in the area.

Peace River Sunset



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

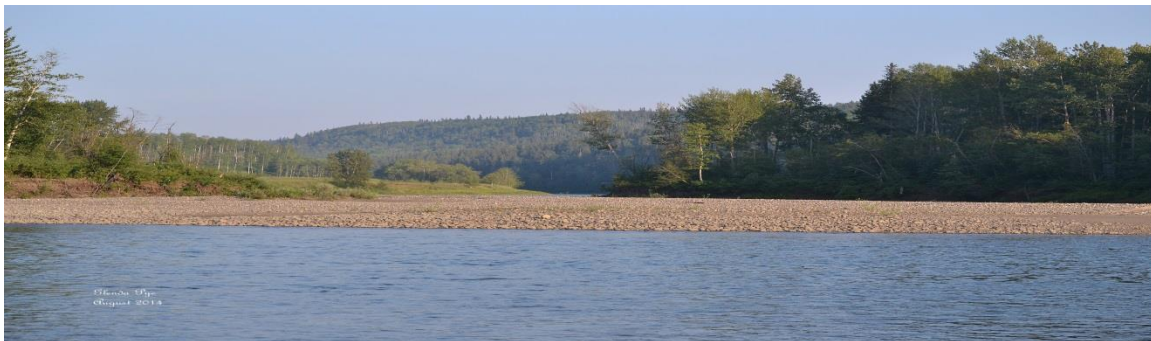
Measurement:

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.

Confluence of Murray River and Pine River at East Pine



GREENSPACE SIGNAGE

Objective:

The objective of this program is to have signage in place along the trail system.

Strategy:

To implement signage into the trail system from the completed plan and inventory.

Measurement:

The measurement of this project will be placement of the new signage in the trail system and added interpretive from the Little Prairie Community Forest.

Benefit:

The benefit of this program will be the new signage throughout the trail system for identification and way-finding without confusion and to enhance enjoyment of outdoor spaces.

BOULEVARD TREE REPLACEMENT

Objective:

To objective of this project is to begin a 3 year program of removing existing dying poplar trees along the highway and replace with new hearty fast growing trees.

Strategy:

Start in 2016 to replace 80 trees in the worst affected area, that being Highway 29 to Nicholson Road and carry on for 2 more years.

Measurement:

The measurement of this project will be to complete the plantings of the new trees with a 100% survival rate.

Benefit:

The benefit of this project is to leave a legacy of beautiful, treed boulevards for future residents and visitors, and increase safety by removing trees that could be a hazard to pedestrians.

Sukunka Falls



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

SEWAGE SYSTEM LAGOON UPGRADES

Objective:

The objective of this program is to complete sewage lagoon capacity & treatment efficiencies in order to achieve Ministry of Environment requirements and provide capacity for future growth.

Strategy:

Received Building Canada Fund Grant in 2015 for \$2.99 million for the \$4.5 million project; Received additional funding from the Peace River Regional District of \$500,000.00, and have the ability to borrow up to \$1.5 million to complete construction. The project has been tendered and construction will begin in Spring of 2016.

Measurement:

The measurement of this project will be the successful completion of the upgrades to the lagoon.

Benefit:

The benefit of this program will be to stay within the District's permitted discharge limits, reduce environmental impact and achieve capacity for future growth of the community.

WATER AND SEWER DISTRIBUTION AND COLLECTION SYSTEM

Objective:

The objective of this project is to obtain a GPS inventory of outside critical infrastructure.

Strategy:

Collect a GPS inventory of all infrastructure such as hydrants, valves, manholes, curb stops, etc.

Measurement:

The measurement for this project will be to collect the best GPS computerized inventory possible.

Benefit:

Benefits will be to instantly locate critical infrastructure such as valves, manholes, etc., especially in cases of emergency. Also allows us to locate valves and manholes that get buried over time.

ROAD REHABILITATION PROGRAM

Objective:

The objective of this program is to continue implementation of the 5 year Road Rehabilitation Program.

Strategy:

To rehabilitate roads in the priority established in Year 4 of the 5-Year Road Rehabilitation Program.

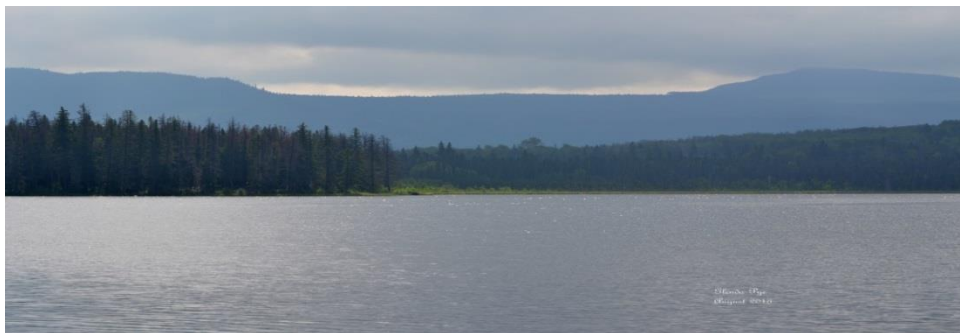
Measurement:

The measurement of this project will be the successful rehabilitation of 51A NE, 44 Place NE and 44A Street NE.

Benefit:

The benefit of this program will be improved roadways and reduced maintenance of failing roads.

Pete Lake



WATER DISTRIBUTION SYSTEM

Objective:

The objective of this program is to improve the safety and reliability of the water distribution system.

Strategy:

Replace existing underground malfunctioning pressure reducing valve with an enclosed above ground valve system.

Measurement:

The measurement of this project will be the successful abandonment of the malfunctioning dangerous pressure reducing valve and chamber to a safer and more reliable technology.

Benefit:

The benefit of this program will be improved efficiencies throughout the water distribution system. Fire zones can be controlled, water will circulate to and from water reservoir #2 while maintaining proper chlorination and reducing potentially unhealthy water aging.



PEACE REGION AGREEMENT

The Peace Region has access to rural industrial assessment through the Peace Region Agreement.

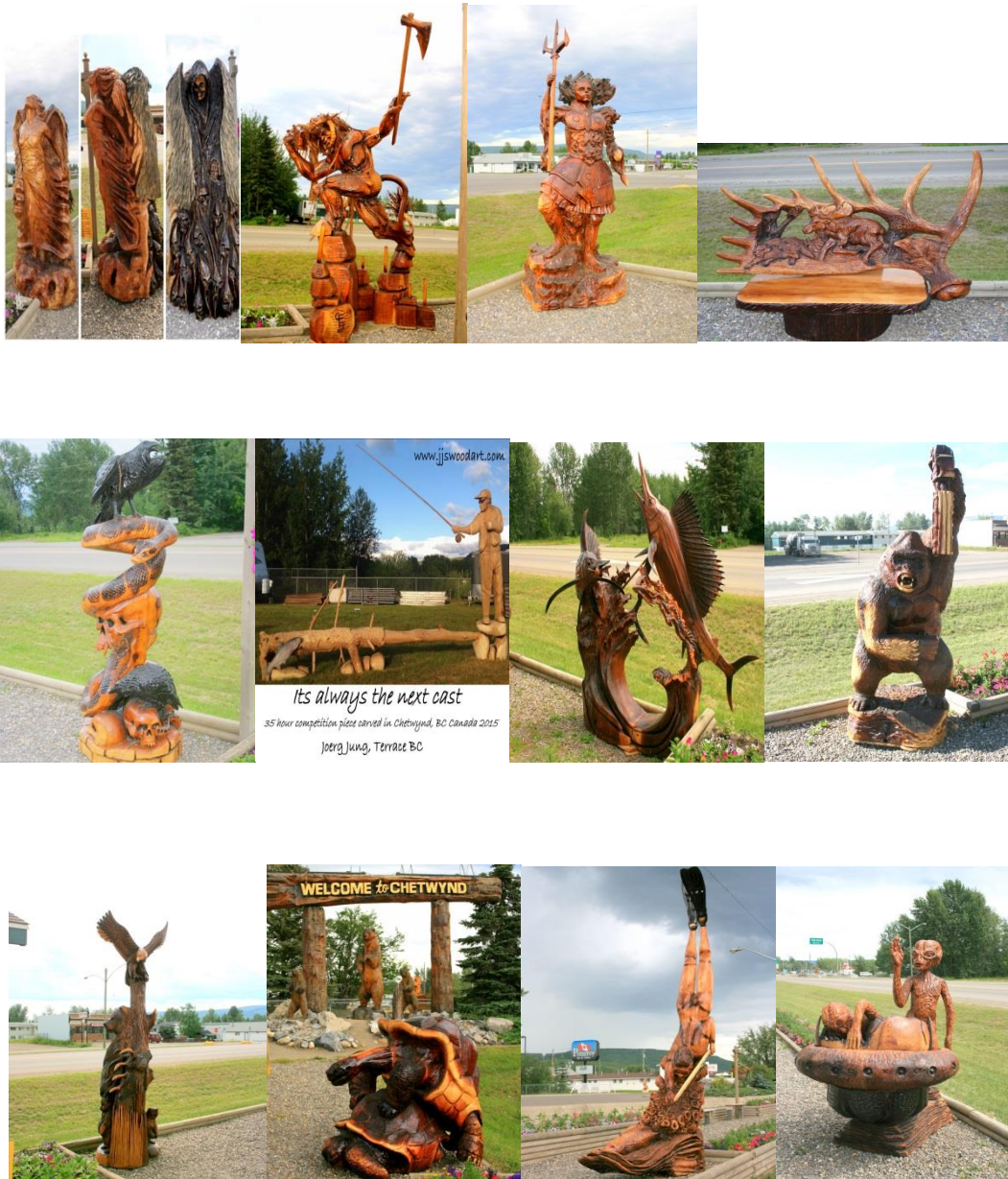
Unlike most municipalities in BC where industry is primarily located within municipal boundaries, the story in the Peace is the exact opposite, where most industry is typically located beyond municipal boundaries.

Rural industry impacts community through industrial vehicle movement, passage of goods and supplies, transport of product and transient worker activity.

The Peace Region Agreement is meant to capture industrial assessments outside of municipal boundaries in an effort to offset social and economic impacts to communities. Chetwynd has used its Peace Region Agreement funding for the majority of capital projects outlined in this Annual Report. A small portion goes towards operations, as rural industry and its workforce place extra ordinary pressures on community. These pressures are only met through financial resource support of programs such as the Peace Region Agreement.



2015 Chainsaw Carvings



Permissive Tax Exemptions

In 2015, the District of Chetwynd adopted Tax Exemption Bylaw No. 1029, 2015 for the purpose of granting permissive tax exemptions for 2016 for the following organizations:

Organization	Estimated Value of Exemption for 2016
Chetwynd Communication Society	\$ 7,560.16
Chetwynd Fellowship Baptist Church	\$ 6,553.83
Chetwynd Shared Ministry Society	\$ 700.42
Chetwynd Temple Society	\$ 635.88
Church of the Nazarene	\$ 1,044.51
Little Prairie Christian Fellowship	\$ 2,309.00
Pentecostal Assemblies of Canada	\$ 847.38
President of the Lethbridge Stake	\$ 1,782.62
Roman Catholic Episcopal Corporation of Prince Rupert	\$ 4,189.79
Royal Canadian Legion, Chetwynd Pacific Branch No. 258	\$ 1,206.86
Tansi Friendship Centre Society	\$ 1,864.45
Tansi Friendship Centre Society	\$ 3,381.34
Trustees of the Chetwynd Congregation of Jehovah's Witnesses	\$ 4,515.76
Chetwynd Senior Citizen's Housing Society, Surerus Place	\$ 6,428.81

Revitalization Tax Exemption

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.

Organization	Estimated Value of Exemption for 2016
West Fraser Mills Ltd.	\$ 45,207.00
Canadian Forest Products Ltd.	\$ 67,516.80

Development Statistics

Building Permits

Class	Building Permits Issued		\$ Value of Permit	
	2014	2015	2014	2015
Residential	8	14	\$284,800	\$1,202,000
Commercial/Industrial	4	4	\$656,230	\$359,000
Institutional	2	0	\$5,530,091	0

Development Permits

Class	Development Permits Issued		Development Variance Permits Issued	
	2014	2015	2014	2015
Residential	0	0	0	0
Commercial/Industrial	8	4	0	1
Other	0	0	0	0

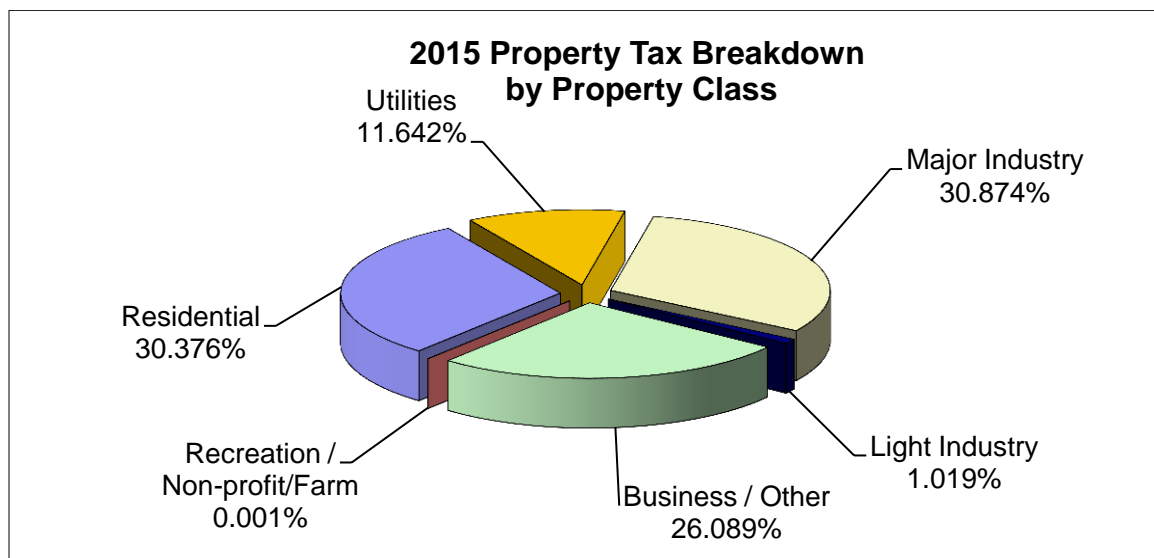
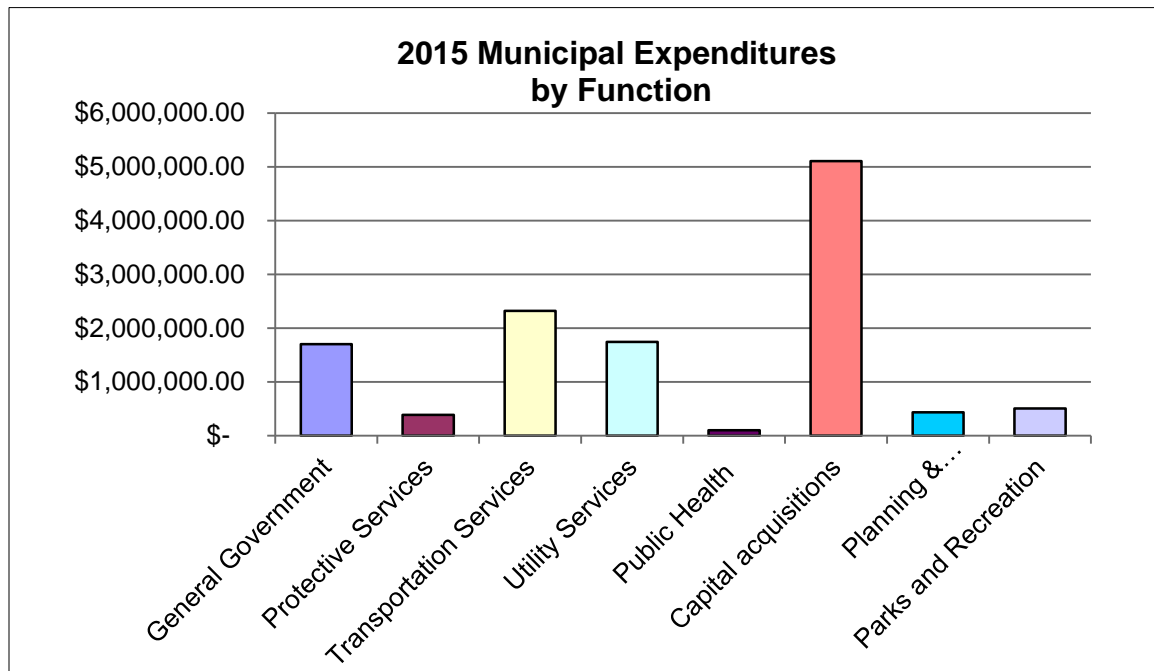
Temporary Commercial Permits and Board of Variance Applications

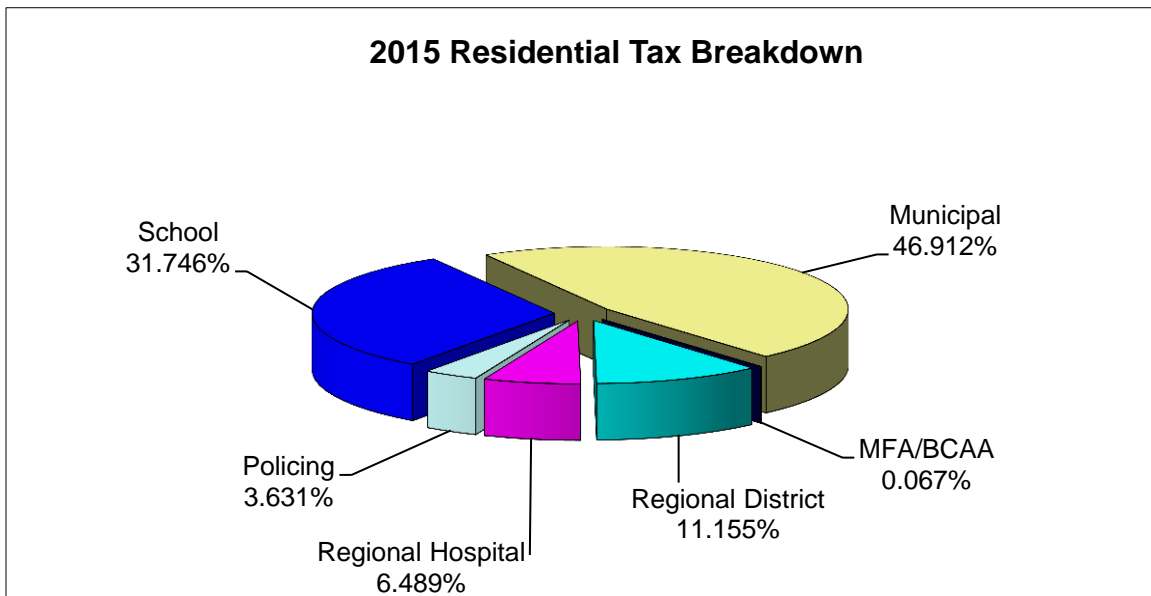
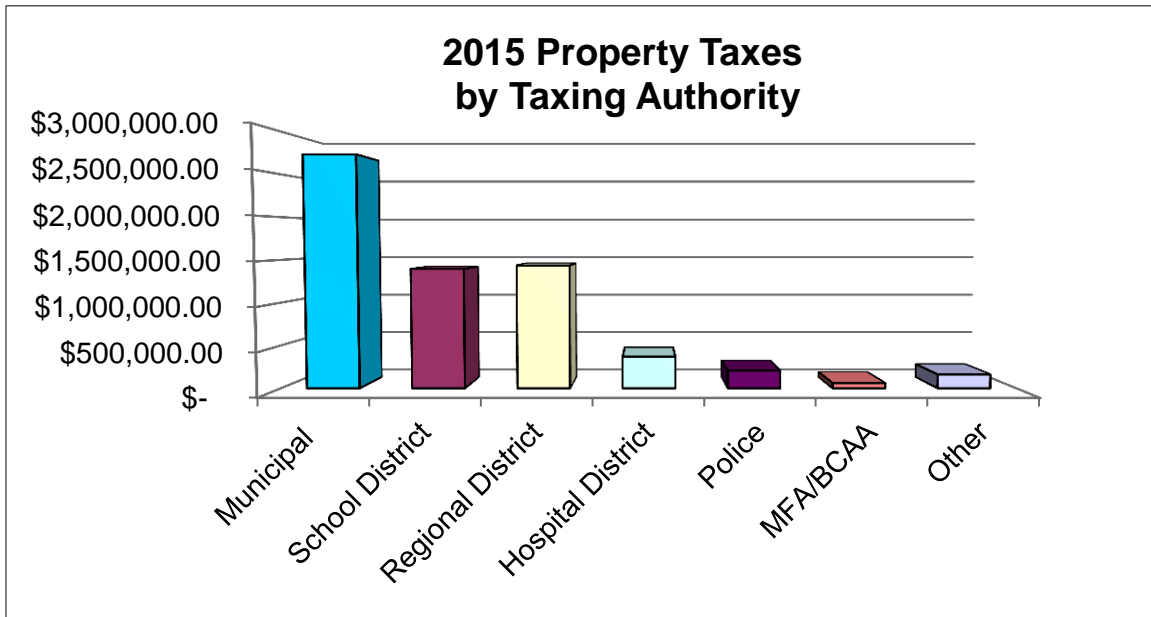
Class	Temporary Commercial Permits Issued		Board of Variance Applications	
	2014	2015	2014	2015
Residential	0	0	0	0
Commercial/Industrial	0	1	0	0
Other	0	0	0	0

Zoning and Official Community Plan Amendments

Class	Zoning Amendments		OCP Amendments	
	2014	2015	2014	2015
Residential	1	0	0	0
Residential/Commercial	2	0	0	0
Residential/Industrial	0	0	0	0
Commercial/Industrial	0	1	1	0
Institutional	1	0	0	0

Financial Statistics



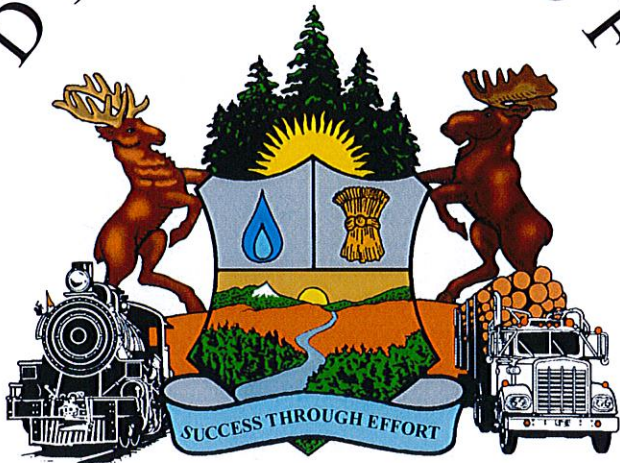


2015 Financial Statements & Auditor's Report

Attached are the Audited Financial Statements and Independent Auditor's Report for the District of Chetwynd for the year ended December 31, 2015.



DISTRICT OF



CHETWYND

Consolidated Financial Statements
Year Ended December 31, 2015



December 31, 2015

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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.



Kevin Franson
Director of Financial Administration
Dated



Doug Fleming
Chief Administrative Officer
Dated

Partners

- * Ben Sander, B. Comm., FCPA, FCA
- * Dale J. Rose, CPA, CA
- * Alan Bone, B. Comm., CPA, CA
- * Jason Grindle, B. Comm., CPA, CA

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203 - 9815 - 97th STREET, GRANDE PRAIRIE, AB T8V 8B9
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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of the District of Chetwynd

Report on the Financial Statements

We have audited the accompanying consolidated statements of the District of Chetwynd, which comprise consolidated statement of financial position as at December 31, 2015 and the consolidated statements of operations and cash flows and changes in net financial assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis for Qualified Opinion

The District has not adopted the new Section PS 3260, Liability for Contaminated Sites, of the Public Sector Accounting Board handbook which establishes how to account for and report a liability associated with the remediation of contaminated sites. The effects on the consolidated financial statements as a result of not adopting the new section are that liabilities and expenditures could be understated and accumulated surplus could be overstated, the amounts, if any, are not known at this time.

Qualified Opinion

In our opinion, except for the failure to adopt Section PS 3260, Liability for Contaminated Sites, of the Public Sector Accounting Board handbook, these consolidated financial statements present fairly, in all material respects, the financial position of the District of Chetwynd as at December 31, 2015 and the results of its operation, its cash flow and change in net financial assets for the year end then ended in accordance with Canadian Public Sector Accounting Standards.

**Fort St. John, BC
June 22, 2016**


Chartered Professional Accountants

DISTRICT OF CHETWYND

Consolidated Statement of Financial Position

December 31, 2015

	2015	2014
Financial Assets		
Cash (Note 2)	\$ 3,009,742	\$ 3,308,081
Accounts receivable (Note 3)	1,862,287	1,447,617
MFA Debt Reserve (Note 4.)	45,887	-
Land held for resale	590,050	596,050
	5,507,966	5,351,748
Liabilities		
Accounts payable and accrued liabilities (Note 5)	1,523,449	1,420,797
Long term debt (Note 11.)	1,600,000	-
Debt Reserve Fund (Note 4)	45,887	-
	3,169,336	1,420,797
Net Financial Assets	2,338,630	3,930,951
Non-Financial Assets		
Inventory	43,324	31,813
Prepaid Expenses	52,695	102,024
Tangible capital assets (Note 8)	37,627,161	33,802,651
	37,723,180	33,936,488
Accumulated Surplus (Note 14)	\$ 40,061,810	\$ 37,867,439

Approved by:



Kevin Franson

Director of Financial Administration

See accompanying notes to the consolidated financial statements

DISTRICT OF CHETWYND

Consolidated Statement of Operations

Year Ended December 31, 2015

	2015 Actual	2015 Budget	2014
Revenue			
Taxes (Note 9)	\$ 2,873,536	\$ 2,868,974	\$ 2,885,081
Grants in lieu of taxes	42,141	53,071	40,626
Services provided to other governments	150,360	149,719	163,078
Sale of Services	1,233,794	1,174,860	1,209,892
Other revenue from own sources	733,310	347,845	591,531
Government transfers	4,165,715	7,186,852	3,291,791
Gain (Loss) on disposal of assets	(23,715)	-	(141,677)
	9,175,141	11,781,321	8,040,322
Expenses			
General Government Services	1,694,029	1,599,116	1,515,979
Protective Services	399,891	409,301	430,507
Transportation Services	2,085,244	1,428,060	2,086,698
Utility Services	1,662,886	1,454,754	1,654,018
Public Health Services	158,682	124,759	95,541
Planning and Development	552,605	526,313	621,404
Parks and Recreation	427,433	422,656	413,123
	6,980,770	5,964,959	6,817,270
Current year surplus	2,194,371	5,816,362	1,223,052
Accumulated Surplus, beginning of year	37,867,439	37,867,439	36,644,387
Accumulated Surplus, end of year	\$40,061,810	\$43,683,801	\$37,867,439

See accompanying notes to the consolidated financial statements

DISTRICT OF CHETWYND

Consolidated Statement of Cash Flows

Year Ended December 31, 2015

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Current Year Surplus	\$ 2,194,371	\$ 1,223,052
Amortization of tangible capital assets	1,278,032	1,207,493
	3,472,403	2,430,545
Changes in non-cash working capital components		
Receivables - decrease (increase)	(414,670)	205,288
Tax sale properties - decrease (increase)	-	596,050
Land for Resale - decrease (increase)	6,000	(596,050)
Accounts payable - decrease	102,652	611,419
Inventory - decrease (increase)	(11,511)	(2,316)
Prepaid expenses - decrease (increase)	49,329	(3,724)
Loss (Gain) on disposal of tangible capital assets	23,715	141,677
	(244,485)	952,344
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	3,227,918	3,382,889
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of tangible capital assets	(5,129,996)	(4,526,809)
Proceeds on disposal of tangible capital assets	3,739	82,774
Long Term Debt	1,600,000	-
NET CASH USED BY INVESTING ACTIVITIES	(3,526,257)	(4,444,035)
	(298,339)	(1,061,146)
Cash and cash equivalents at beginning of period	3,308,081	4,369,227
Cash and cash equivalents at end of period	\$ 3,009,742	\$ 3,308,081

See accompanying notes to the consolidated financial statements

DISTRICT OF CHETWYND

Consolidated Statement of Net Financial Assets

Year Ended December 31, 2015

	2015	2014
Current Year Surplus	\$ 2,194,371	\$ 1,223,052
Amortization	1,278,032	1,207,493
Decrease (increase) in inventory	(11,511)	(2,316)
Proceeds on disposal of tangible capital assets	3,739	82,774
Gain on disposal of tangible capital assets	23,715	141,677
Decrease (increase) in prepaid expenses	49,329	(3,724)
Acquisition of capital assets	(5,129,996)	(4,526,809)
	(1,592,321)	(1,877,853)
Net Financial Assets, beginning of year	3,930,951	5,808,804
Net Financial Assets, end of year	\$ 2,338,630	\$ 3,930,951

See accompanying notes to the consolidated financial statements

DISTRICT OF CHETWYND

Significant Accounting Policies

December 31, 2015

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.

Deferred revenue

Receipts that are restricted by legislation or direction of senior governments or by agreement with external parties are deferred when received. When qualifying expenditures are incurred the related revenue is realized.

Revenue received in advance of services to be provided in a later period is recorded as deferred revenue until those services are provided.

DISTRICT OF CHETWYND

Significant Accounting Policies

December 31, 2015

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.

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.

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 2015 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 \$842,727 to \$347,845 and to reduce Operation expenses from \$6,459,841 to \$5,964,959.

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.

Land held for resale

DISTRICT OF CHETWYND

Significant Accounting Policies

December 31, 2015

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.

Land held for resale continued

Properties available for sale include real estate properties which are ready and available to be sold and for which there is a market. They are valued at the lower of cost or expected net realizable value.

Prepaid expenses

Prepaid expenses consist mainly of unexpired insurance premiums, support contracts and deposits which are amortized over the term of the respective policies or as they are used.

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

Inventories

Inventory of supplies include gravel piles and other materials held for consumption are recorded at the lower of cost and replacement cost and are measured using Average Weighted Cost.

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, 2015

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.

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 15.

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

Notes to the Consolidated Financial Statements

December 31, 2015

2. Cash and investments

	2015	2014
Cash on hand	\$ 1,830	\$ 1,630
Cash and bank	184,432	104,646
Short term and MFA money market deposits	2,823,480	3,201,805
	\$ 3,009,742	\$ 3,308,081

3. Receivables

	2015	2014
Property tax receivable	\$ 307,998	\$ 323,020
Due from Other Governments	752,268	827,174
Trade receivables	802,021	297,423
	\$ 1,862,287	\$ 1,447,617

4. Municipal Finance Authority Debt Reserve Fund and Demand Note

The District issues its debt instruments through the Municipal Finance Authority (MFA). As a condition of these borrowings, a portion of the debenture proceeds are withheld by the MFA as a debt reserve fund. The District also executes demand notes in conjunction with each debenture whereby the District may be required to loan certain amounts to the MFA.

The details of the cash deposits and demand note are as follows:

			2015	2014
	Cash Deposit	Demand Note		
General Operations	\$ 16,000	\$ 29,887	\$ 45,887	\$ -

DISTRICT OF CHETWYND

Notes to the Consolidated Financial Statements

December 31, 2015

5. Accounts payable and accrued liabilities

	2015	2014
Other government agencies	\$ 99,787	\$ 90,188
Trade payables	822,135	893,866
Wages and employee benefits payable	262,570	154,253
Holdbacks and trust	338,957	282,490
Total	\$ 1,523,449	\$ 1,420,797

6. Line of Credit

The district holds a line of credit which includes a demand operating facility of up to \$300,000 at Scotia Banks Prime Lending Rate and a Revolving equipment financing loan of up to \$500,000 at Scotia Leasing's Base Rate plus 1.25%. The balance of the credit facilities were \$ NIL (2014: \$ NIL) at December 31st.

7. Pension liability

The District and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2014, the plan has about 185,000 active members and approximately 80,000 retired members. Active members include approximately 37,000 contributors from local government.

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 is then adjusted to the extent there is amortization of any funding deficit.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits on a going concern basis.

The District of Chetwynd paid \$306,547 for employer contributions to the plan in fiscal 2015, which represents 0.018% of the total contributions. The District of Chetwynd expects to pay \$311,500 for employer contributions in the next fiscal year.

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

DISTRICT OF CHETWYND

Notes to the Consolidated Financial Statements

December 31, 2015

7. Pension liability continued

continued

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 \$306,547 (2014 - \$275,551) for employer contributions while employees contributed \$266,421 (\$250,234) to the plan in fiscal 2015.

DISTRICT OF CHETWYND

Notes to the Consolidated Financial Statements

December 31, 2015

8. Tangible Capital Assets									
	Land	Buildings	Machinery, Equipment	General Infrastructure	Utility Infrastructure	Work in Progress	2015	2014	
Cost									
Balance, beginning of year	\$ 786,131	\$ 4,714,931	\$ 7,894,979	\$ 18,146,416	\$ 18,246,618	\$ 3,724,740	\$ 53,513,815	\$ 49,688,938	
Additions	3,750	6,902,022	228,542	677,058	15,224	497,409	8,324,005	4,526,809	
Disposals	-	(50,000)	(101,215)	(93,927)	-	(3,194,008)	(3,439,150)	(701,932)	
Balance, end of year	789,881	11,566,953	8,022,306	18,729,547	18,261,842	1,028,141	58,398,670	53,513,815	
Accumulated Amortization									
Balance, beginning of year	-	2,018,086	5,427,614	6,510,276	5,755,188	-	19,711,164	18,981,152	
Amortization	-	152,304	332,292	453,315	340,121	-	1,278,032	1,207,493	
Disposals	-	(35,264)	(88,496)	(93,927)	-	-	(217,687)	(477,481)	
Balance, end of year	-	2,135,126	5,671,410	6,869,664	6,095,309	-	20,771,509	19,711,164	
Net book value, end of year	\$ 789,881	\$ 9,431,827	\$ 2,350,896	\$ 11,859,883	\$ 12,166,533	\$ 1,028,141	\$ 37,627,161	\$ 33,802,651	

DISTRICT OF CHETWYND

Notes to the Consolidated Financial Statements

December 31, 2015

9. Net Municipal Property Taxes

	2015	2015 Budget	2014
Net Municipal Property Taxes	\$ 2,880,047	\$ 2,868,974	\$ 2,878,890
Add: Requisitions collected on behalf of other taxing authorities			
Provincial School/Policing	1,604,544	1,415,456	1,480,225
Regional District	1,436,921	1,407,212	1,321,148
Regional Hospital District	371,596	334,085	341,355
B.C. Assessment Authority	59,726	57,559	57,559
MFA	126	117	118
City of Dawson Creek	161,726	170,352	170,352
	6,514,686	6,253,755	6,249,647
Deduct: Requisitions remitted to other taxing authorities			
Remitted to other taxing authorities	3,641,150	3,384,781	3,364,566
	\$ 2,873,536	\$ 2,868,974	\$ 2,885,081

10. 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 Saulteau 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 Saulteau 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.

11. Long Term Debt

The District obtains debt instruments through the Municipal Finance Authority of British Columbia (MFA) pursuant to security issuing bylaws under authority of the Community Charter to finance certain expenditures. The District is required to make their repayment on outstanding debt to a sinking fund as outlined below. The sinking fund balance is NIL (2104 - NIL).

DISTRICT OF CHETWYND

Notes to the Consolidated Financial Statements

December 31, 2015

11. Long Term Debt continued

continued The District obtains debt instruments through the Municipal Finance Authority of British Columbia (MFA) pursuant to security issuing bylaws under authority of the Community Charter to finance certain expenditures. The District is required to make their repayment on outstanding debt to a sinking fund as outlined below. The sinking fund balance is NIL (2104 - NIL).

	2015	2014
	2015	2014
Long term debt	\$ 1,600,000	\$ -
Repayments on outstanding debt over the next five years and thereafter is as follows:		
2016	56,578	-
2017	56,578	-
2018	56,578	-
2019	56,578	-
2020	56,578	-
2021 and thereafter	848,666	-
	\$ 1,131,556	\$ -

Current borrowing includes:

	Issue Date	Term	Maturity	Interest Rate
MFA Issue 131	Apr. 8, 2015	20	Apr. 8, 2035	2.19%

12. 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 material to these financial statements.

13. Subsequent events

During the period of June 15, 2016 to June 20, 2016 the District declared a local state of emergency due to a major rainfall event. The result is that certain infrastructure assets have been impaired. Management believes that funding from the Provincial Emergency Management Program and internal reserves will be sufficient to repair or replace all damaged assets.

DISTRICT OF CHETWYND

Notes to the Consolidated Financial Statements

December 31, 2015

14. Accumulated Surplus

	2015	2014
General Fund Accumulated Surplus		
General Fund Surplus	\$ 1,021,224	\$ 887,771
Water Fund Surplus	459,325	288,268
Sewer Fund Surplus	-	(41,441)
Statutory Reserve Funds	1,145,295	1,737,203
Non-Stat Reserve Funds	1,408,805	1,192,987
Equity in Capital Assets	36,027,161	33,802,651
	\$ 40,061,810	\$ 37,867,439

DISTRICT OF CHETWYND

Notes to the Consolidated Financial Statements

December 31, 2015

15. Segmented Information

	General Gov't	Protective Services	Transport.	Utility Services	Public Health	Planning, Develop	Parks & Rec.	2015	2014 Budget	2014
Taxes	\$ 2,839,614	\$ -	\$ -	\$ 33,922	\$ -	\$ -	\$ -	\$ 2,873,536	\$ 2,868,974	\$ 2,885,081
Grants in lieu of taxes	42,141	-	-	-	-	-	-	42,141	53,071	40,626
Services provided to other governments	3,787	56,573	-	-	-	-	90,000	150,360	149,719	163,078
Sale of Services	4,360	3,659	1,240	1,205,914	7,189	11,432	-	1,233,794	1,174,860	1,209,892
Other revenue	287,644	74,960	140,937	-	219,769	-	10,000	733,310	347,845	591,531
Government transfers	3,444,432	3,000	7,500	113,008	155,000	415,575	27,200	4,165,715	7,186,852	3,291,791
Gain (Loss) on the disposal of assets	(27,454)	-	3,739	-	-	-	-	(23,715)	-	(141,677)
	6,594,524	138,192	153,416	1,352,844	381,958	427,007	127,200	9,175,141	11,781,321	8,040,322
Wages and benefits	945,907	158,267	807,832	443,374	76,348	275,535	238,791	2,946,054	2,972,712	2,781,664
Travel & Training	86,775	22,841	8,352	6,827	933	15,706	28	141,462	169,940	127,614
Contracted services	200,636	50,894	179,131	544,070	14,720	93,589	51,230	1,134,270	1,301,570	1,239,230
Materials and supplies	81,348	59,157	292,493	109,776	6,888	85,669	69,734	705,065	748,090	716,990
Insurance and licenses	76,910	8,346	56,795	3,968	1,253	3,032	195	150,499	171,080	156,271
Utilities and telephone	70,428	14,298	128,307	135,262	5,956	5,330	11,865	371,446	409,519	370,032
Other expenditures	122,909	433	3,644	691	51,301	73,744	1,220	253,942	192,048	217,976
Amortization	109,116	85,655	608,690	418,918	1,283	-	54,370	1,278,032	-	1,207,493
	1,694,029	399,891	2,085,244	1,662,886	158,682	552,605	427,433	6,980,770	5,964,959	6,817,270
Annual Surplus (Deficit)	\$ 4,900,495	\$ (261,699)	\$ (1,931,828)	\$ (310,042)	\$ 223,276	\$ (125,598)	\$ (300,233)	\$ 2,194,371	\$ 5,816,362	\$ 1,223,052

CHARTERED PROFESSIONAL ACCOUNTANTS

Partners

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- * Dale J. Rose, CPA, CA
- * Alan Bone, B. Comm., CPA, CA
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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Mayor and Council of the District of Chetwynd

We have audited and reported separately herein on the consolidated financial statements of the District of Chetwynd for the year ended December 31, 2015.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements of the District taken as a whole. The current year's supplementary information included in Schedules 1 through 3 is presented for the purposes of additional analysis. Such supplementary information has not been subjected to the auditing procedures applied in the examination of the consolidated financial statements and accordingly, we express no opinion on it.

Fort St. John, BC
June 22, 2016



Chartered Professional Accountants

DISTRICT OF CHETWYND

Year Ended December 31, 2015

Schedule of Operations

Schedule 1

	General	Water	Sewer	2015	2015 Budget	2014
Revenues						
Taxes	\$ 2,839,614	\$ 20,485	\$ 13,437	\$ 2,873,536	\$ 2,868,974	\$ 2,885,081
Grants in lieu of taxes	42,141	-	-	42,141	53,071	40,626
Services provided to other governments	150,360	-	-	150,360	149,719	163,078
Sale of Services	308,528	673,242	252,024	1,233,794	1,210,757	1,232,757
Other Revenue	536,475	-	-	536,475	327,845	386,140
Government Transfers	3,653,699	-	-	3,653,699	3,806,852	3,166,791
	7,530,817	693,727	265,461	8,490,005	8,417,218	7,874,473
Expenses						
General Government	1,584,913	-	-	1,584,913	1,599,116	1,463,215
Protective Services	314,236	-	-	314,236	409,301	366,282
Transportation Services	1,476,554	-	-	1,476,554	1,428,060	1,491,289
Utility Services	407,199	534,000	302,769	1,243,968	1,454,754	1,238,533
Public Health Services	157,399	-	-	157,399	124,759	94,258
Planning and Development	552,605	-	-	552,605	526,313	621,404
Parks and Recreation	373,063	-	-	373,063	422,656	333,796
	4,865,969	534,000	302,769	5,702,738	5,964,959	5,608,777
Current year Surplus (deficit)	2,664,848	159,727	(37,308)	2,787,267	2,452,259	2,265,696
Transfer from (to) Operating Funds	(90,079)	11,330	78,749	-	-	-
Transfer to capital fund	(134,611)	-	-	(134,611)	-	(207,721)
Transfer to Reserve Funds	(2,306,705)	-	-	(2,306,705)	-	(2,481,783)
Accumulated Surplus, beginning of year	133,453	171,057	41,441	345,951	2,452,259	(423,808)
	887,771	288,268	(41,441)	1,134,598	1,134,598	1,558,406
Accumulated Surplus, end of year	\$ 1,021,224	\$ 459,325	\$ -	\$ 1,480,549	\$ 3,586,857	\$ 1,134,598

DISTRICT OF CHETWYND

Year Ended December 31, 2015

Schedule of Capital Fund Operations

Schedule 2

	2015	2015 Budget	2014
Revenue			
Donations	\$ 170,469	\$ -	\$ 133,794
Grants	512,016	3,380,000	125,000
Gain (loss) on disposal of assets	(23,715)	-	(141,677)
	658,770	3,380,000	117,117
Expenses			
Sales commission	-	-	1,000
Amortization			
- General Government	109,116	-	51,764
- Protective Services	85,655	-	64,225
- Transportation Services	608,690	-	595,409
- Public Health Services	1,283	-	1,283
- Parks and Recreation Services	54,370	-	79,327
- Utility Services	418,918	-	415,485
	1,278,032	-	1,208,493
Current year Surplus (deficit)	(619,262)	3,380,000	(1,091,376)
Interfund Transfers			
Transfer from operations	134,611	-	207,721
Transfer from Reserve Funds	3,019,381	4,131,000	4,042,020
Transfer to Reserve Funds	(310,220)	-	(63,500)
	2,843,772	4,131,000	4,186,241
Change in Surplus	2,224,510	7,511,000	3,094,865
Accumulated Surplus, beginning of year	33,802,651	33,802,651	30,707,786
	\$ 36,027,161	\$ 41,313,651	\$ 33,802,651

DISTRICT OF CHETWYND

Year Ended December 31, 2015

Schedule of Reserve Fund Operations

Schedule 3

	2015	2014
Revenue		
Interest	\$ 26,366	\$ 48,732
Interfund Transfers		
Transfer from operations	2,306,705	2,481,783
Transfer from capital	310,220	63,500
Transfer to capital fund	(3,019,381)	(4,042,020)
	(402,456)	(1,496,737)
Change in Reserve Funds	(376,090)	(1,448,005)
Reserve Funds, beginning of year	2,930,190	4,378,195
Reserve Funds, end of year	2,554,100	2,930,190
Balance represented by:		
Reserves set aside by Council:		
Snow Removal Reserve	11,856	11,758
Water Reserve Fund	16,839	16,700
Administration Equipment	4,134	3,106
Finance Equipment	20,527	15,385
Gas Tax Reserve	136,306	63,412
Sustainability Reserve	578,842	1,017,404
Fair Share Reserve	640,301	65,222
	1,408,805	1,192,987
Restricted Reserves		
Capital Equipment Reserve	68,484	16,965
Airport Equipment	-	11,184
Fire Equipment	288,271	331,675
Medical Clinic Reserve	306,481	-
Land Sale	419,160	415,704
Tax Sale Land	62,899	62,380
Municipal Office Building	-	899,295
	1,145,295	1,737,203
	\$ 2,554,100	\$ 2,930,190



DISTRICT OF CHETWYND



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