

VILLAGE OF CHASE

2019 & 2020 ANNUAL REPORT

FISCAL YEARS

Ending December 31, 2019 and 2020

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PO Box 440

Chase, BC V0E 1M0

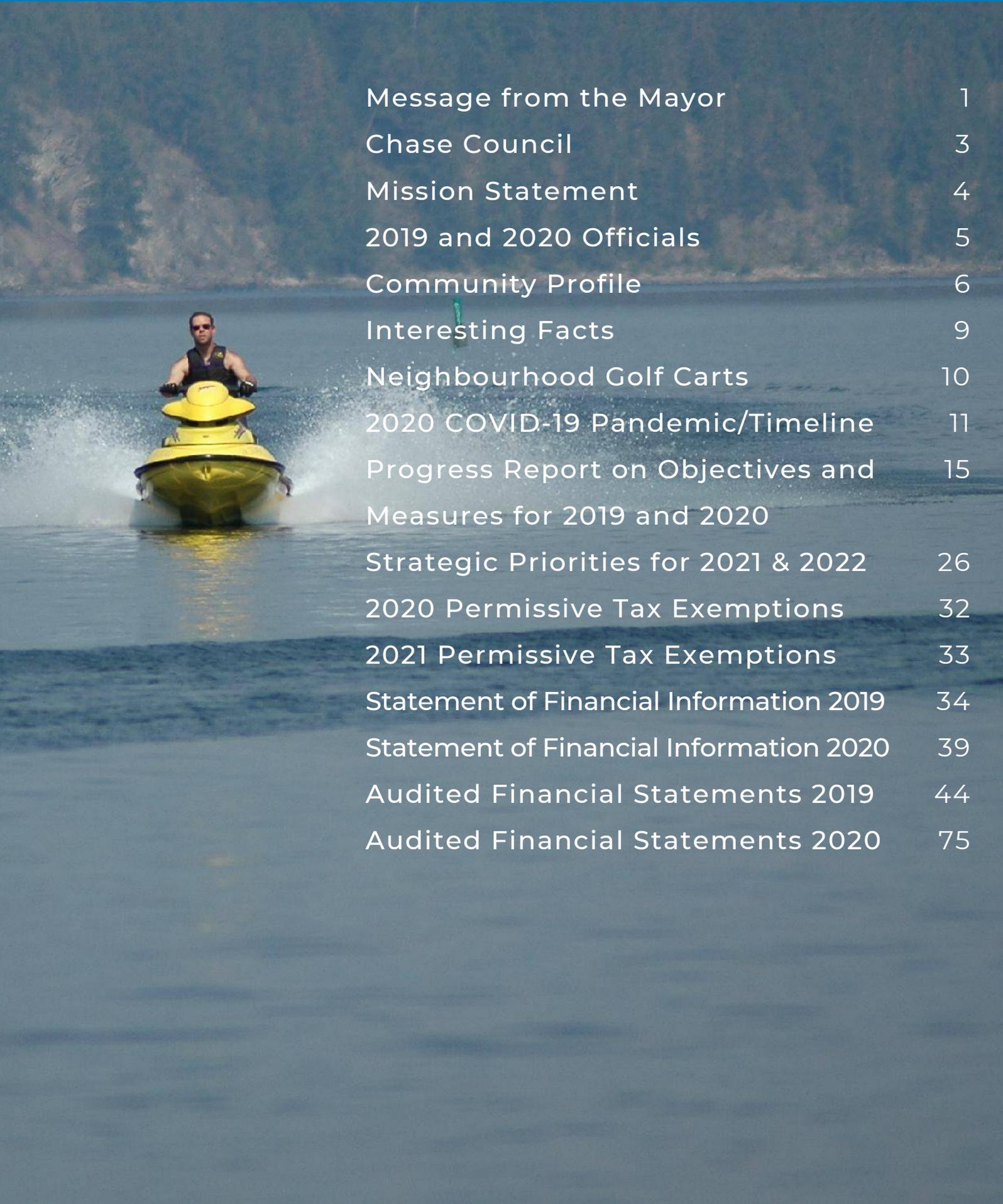
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TABLE OF CONTENTS



Message from the Mayor	1
Chase Council	3
Mission Statement	4
2019 and 2020 Officials	5
Community Profile	6
Interesting Facts	9
Neighbourhood Golf Carts	10
2020 COVID-19 Pandemic/Timeline	11
Progress Report on Objectives and Measures for 2019 and 2020	15
Strategic Priorities for 2021 & 2022	26
2020 Permissive Tax Exemptions	32
2021 Permissive Tax Exemptions	33
Statement of Financial Information 2019	34
Statement of Financial Information 2020	39
Audited Financial Statements 2019	44
Audited Financial Statements 2020	75

MESSAGE FROM THE MAYOR



On behalf of Council and staff of the Village of Chase, I am pleased to present the consolidated 2019 and 2020 annual reports.

This has been an extremely challenging time with the COVID-19 pandemic, however, our resilient community is strong and we are hopeful that tourists will be able to enjoy our beautiful village again very soon.

We are very fortunate to be located where we are – a gem on the shores of Little Shuswap Lake in the Shuswap Region of British Columbia. Our community sits in a valley cradled by beautiful mountains, adjacent to many small lakes, each with unique characteristics. Chase and area is becoming known to new residents, visitors, and outdoor enthusiasts. We offer a charming and safe community for people of all ages.

Chase lies along the Trans Canada Highway approximately 45 km east of Kamloops and 45 km west of Salmon Arm and with the continued highway improvements the commute travelling east or west is getting smaller all the time. Our business sector caters to local residents, travelers needing to 'stock up' for their adventure in the Shuswap, and those looking to relocate to a smaller community with many amenities, activities and services.

Located downtown is a Interior Health Primary Health Care Clinic with several doctors, lab services, emergency services, mental health services, x-ray capabilities and a 2 bay ambulance station. Chase houses the detachment for the RCMP that serves the community and a large surrounding area and the municipality funds an active and well-trained fire department. An elementary school and a high school allow children to be educated close to home and playground equipment as well as a tennis court and basketball court provide additional amenities for kids of all ages to enjoy physical activity.

Chase is plentiful with parks, playground equipment, a splash pad, a skatepark, two boat launches, a wharf, beaches, and a beautiful stage for live performances. Our public works staff work hard during the year to ensure the parks are well kept, providing for clean washroom facilities, flowers, regularly cut grass, picnic benches, and a variety of walking paths.



MESSAGE FROM THE MAYOR

The Village of Chase also provides various indoor facilities for recreation including a large Community Hall equipped with a large kitchen and bar to cater to all sorts of events, a Curling Rink run by the local Curling Club, an Ice Arena (home to the Chase Heat Junior 'B' hockey team) operated by the Chase and District Recreation Centre Society, a nine-hole Golf Course with views of the lake and mountains, a well-curated Museum and Archives and a Tourism Information Centre operated by the Chase and District Chamber of Commerce. From hiking to biking to fishing to boating to skiing (cross country and nearby downhill) and snowshoeing, there is something for almost everyone in Chase and the surrounding area.

Residents are very community minded, with several service clubs as well as Churches and other groups, supporting various activities and needs of community members. We are proud of our residents' generosity to others in times of need, and we appreciate everyone looking out for one another.

The Village Council continues to foster positive relationships with the three Indigenous communities close to Chase. Adams Lake Indian Band is situated to the north along the South Thompson River, Neskonlith Indian Band is situated to the west of Chase, and the Little Shuswap Lake Indian Band is situated on the eastern shore of Little Shuswap Lake.

Chase continues to be affordable and several new residential developments are being planned or constructed. A modular home park is now filling lots along the banks of Chase Creek, a 17 unit strata townhome development is being constructed near the Art Holding Memorial Arena, and several smaller subdivisions continue to move forward with new homes being built annually.

A state-of-the-art water treatment plant delivers excellent quality water, as well as a well-functioning wastewater treatment plant, timely and effective snow clearing services, local cable and satellite television services, and internet capabilities. There is a small serviced RV park by the river, a sani-dump, and we allow Neighbourhood Golf Carts (modified for street travel) to drive on all our streets.

We hope you will contact our office at (250) 679-3238, check out our website www.chasebc.ca or contact the Chase and District Chamber of Commerce at www.chasechamber.com for more information about the benefits of visiting and settling in Chase.

Sincerely,
Mayor Rod Crowe





From left to right: Councillor Fred Torbohm, Councillor Ali Maki, Mayor Rod Crowe, Councillor Alison Lauzon, Councillor Steve Scott

CHASE COUNCIL

The Village of Chase is governed by an elected Council comprised of a Mayor and four Councillors, each serving a four-year term. The most recent election was held October 2018; the next is scheduled for October 2022.

Council meets regularly, typically the second and fourth Tuesday of each month at 4:00 pm. Unless otherwise advertised, meetings are held in Council Chambers at the Village Office at 826 Okanagan Avenue (in respecting COVID-19 precautions, council meetings are being held virtually). Meeting agendas and schedules are available on the Village's website at www.chasebc.ca

Council is governed by the Community Charter and the Local Government Act. Every Council member is responsible to consider the well-being and interests of their community, contribute to the development and evaluation of the policies and programs for the Village of Chase's services and activities, and participate in council meetings and committee meetings. Council's role is to set policy and provide executive direction to Administration. Council is the decision maker, Administration is the decision implementer.

COUNCIL'S MISSION STATEMENT



'To continue to promote Chase as a friendly, vibrant and safe place to live, ensuring all members of the community are treated with dignity and respect, while providing amenities required for the well-being of the community in a fiscally responsible manner.'



VILLAGE OF CHASE 2019 AND 2020 OFFICIALS

MAYOR
Rod Crowe

COUNCILLORS

Alison Lauzon
Steve Scott

Ali Maki
Fred Torbohm

MANAGEMENT

Chief Administrative
Officer

Joni Heinrich

Corporate Officer

Sean O'Flaherty

Chief Financial Officer

Joanne Molnar

AUDITORS
KPMG LLP

PRIMARY BANKERS
RBC

WELCOME TO THE GATEWAY OF THE SHUSWAP

Nestled between the shores of Little Shuswap Lake and the South Thompson River Valley, the Village of Chase is located along the Trans Canada Highway between Kamloops and Salmon Arm.



Photo: Mary Putnam

Over the years, the residents of Chase have created a strong sense of community as dedicated volunteers, event planners and parade participants.



Photo: Mary Putnam

Chase Creek drops over three small waterfalls before flowing through town and entering the South Thompson River just below the lake's outlet.

These are just a few of the lifestyle and business opportunities that compliment one of BC's most popular tourism destinations:

- Boating
- Swimming
- Fishing
- Golfing
- Hiking
- Mountain Biking

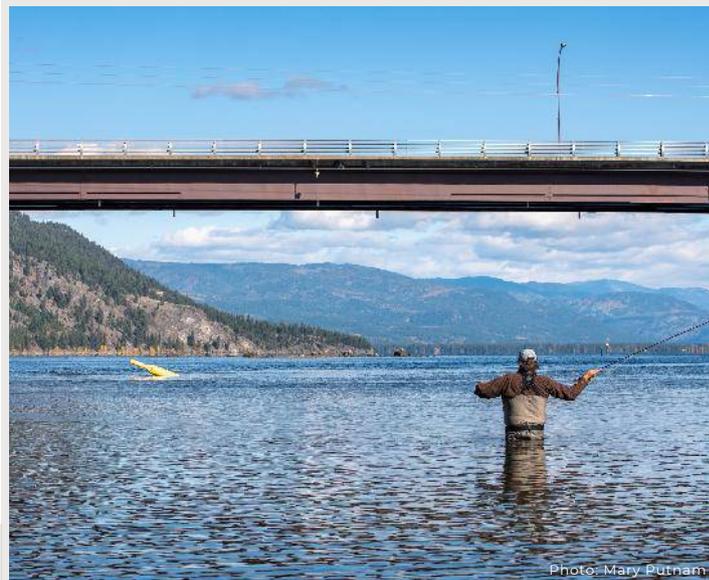


Photo: Mary Putnam



Photo: Mary Putnam

WINTER IN CHASE

Local cross-country ski, snowshoe and snowmobile trails exist only minutes from Chase.

Looking to stay right in town? Be sure to catch a Chase Heat Junior 'B' hockey game or check out the local curling club.

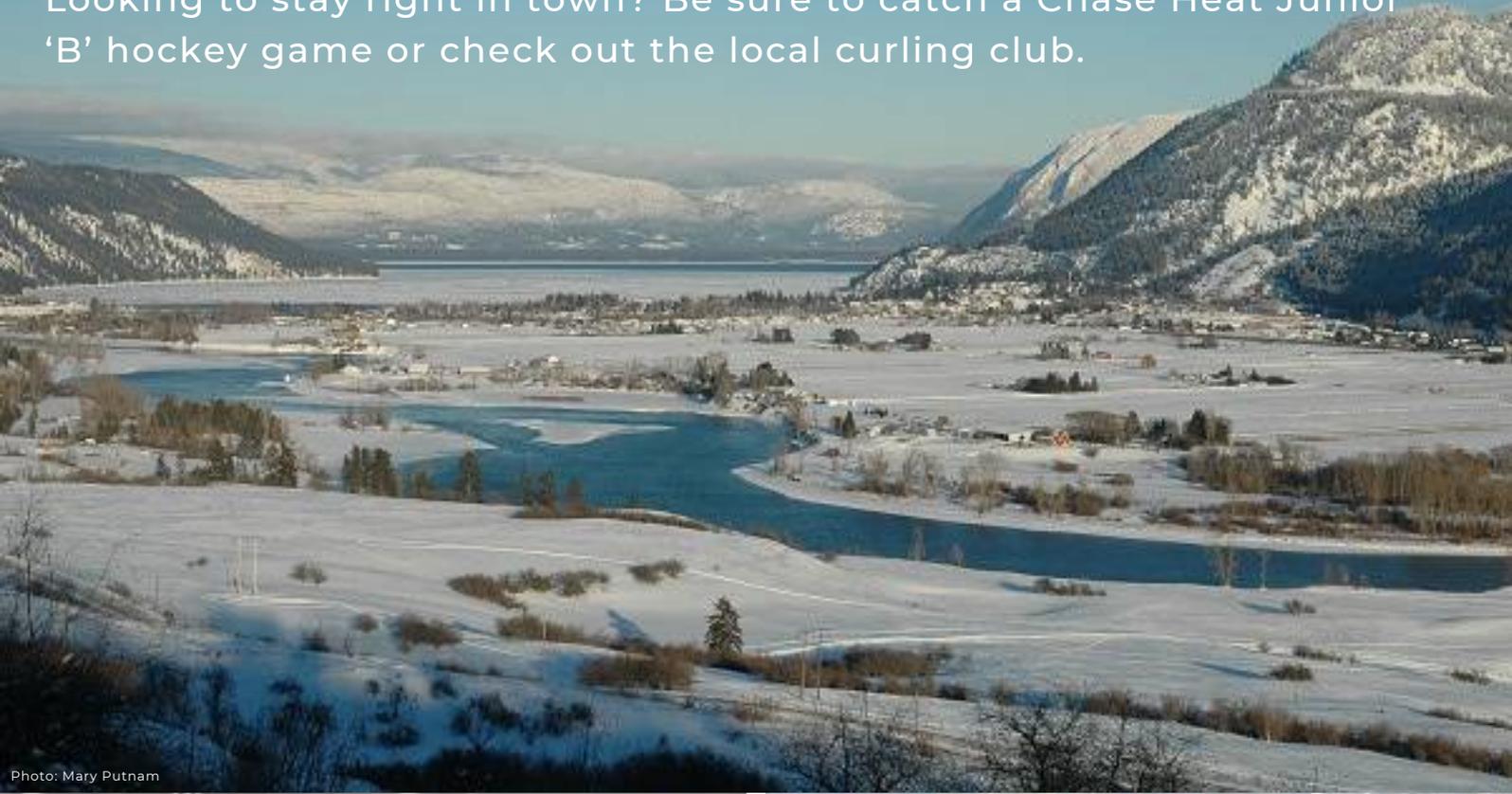


Photo: Mary Putnam



Chase is only a 90 minute drive to both Sun Peaks Ski Resort - Canada's second largest ski area outside of Kamloops, and Silver Star Resort near Vernon.



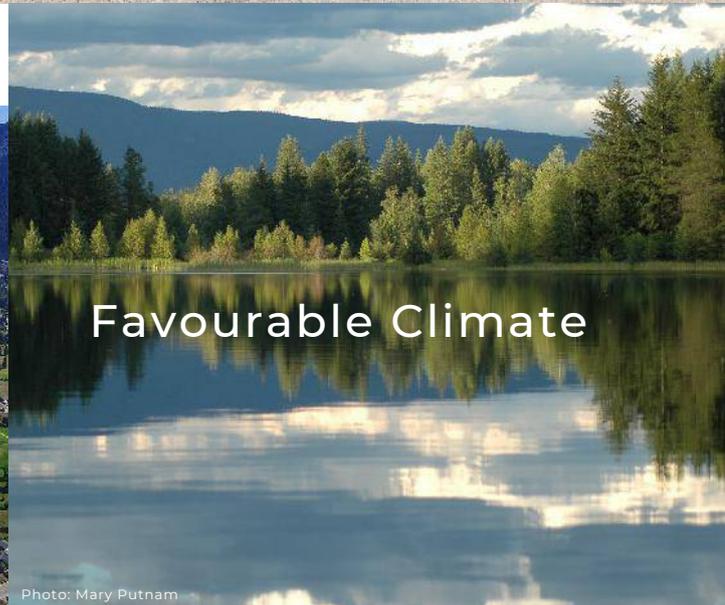
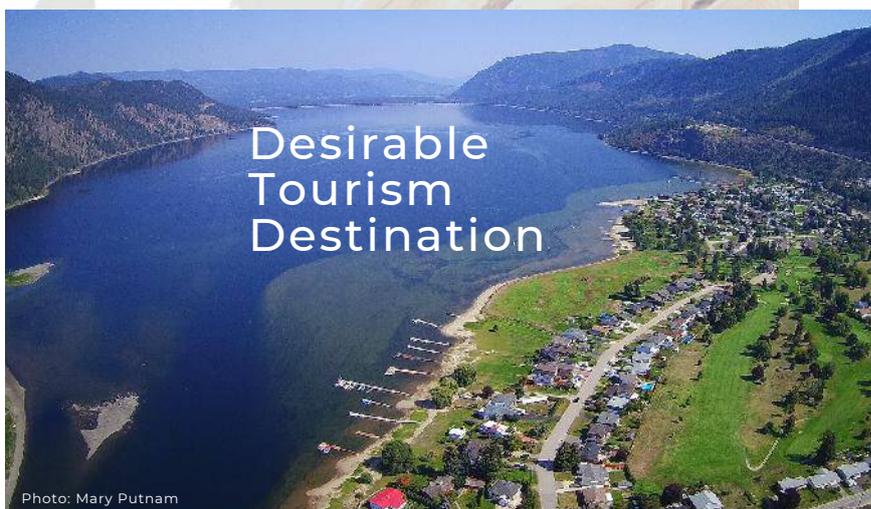
A SHUSWAP EXPERIENCE



The Village of Chase Council and staff are committed to fostering economic growth and would be pleased to assist anyone interested in investing or relocating to our community. Contact us by phone 250.679.3238 or email chase@chasebc.ca

4 REASONS TO RELOCATE TO CHASE

In addition to the abundance of natural beauty and outdoor recreation opportunities, here are 4 more reasons that make Chase a fantastic destination to work and live:



CHASE BY NUMBERS



2,500 POPULATION
as per the 2016 census
25% of the populations is 65+

12,000
POPULATION

in trading area servicing:

- Adams Lake
- Sorrento
- Scotch Creek
- Celista
- Anglemont
- Pritchard

\$7.8 MILLION in Building Permits in 2020



294 BUSINESS LICENSES
ISSUED IN 2020

20%

increase in
Business
Licenses
issued in
2020.



increase in
Building
Permits
issued in
2020.

208%



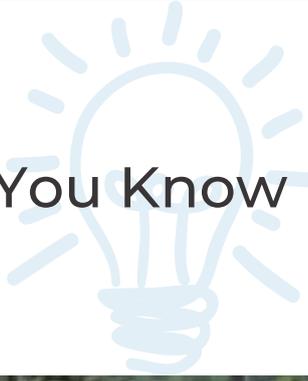
5 KM OF SIDEWALK



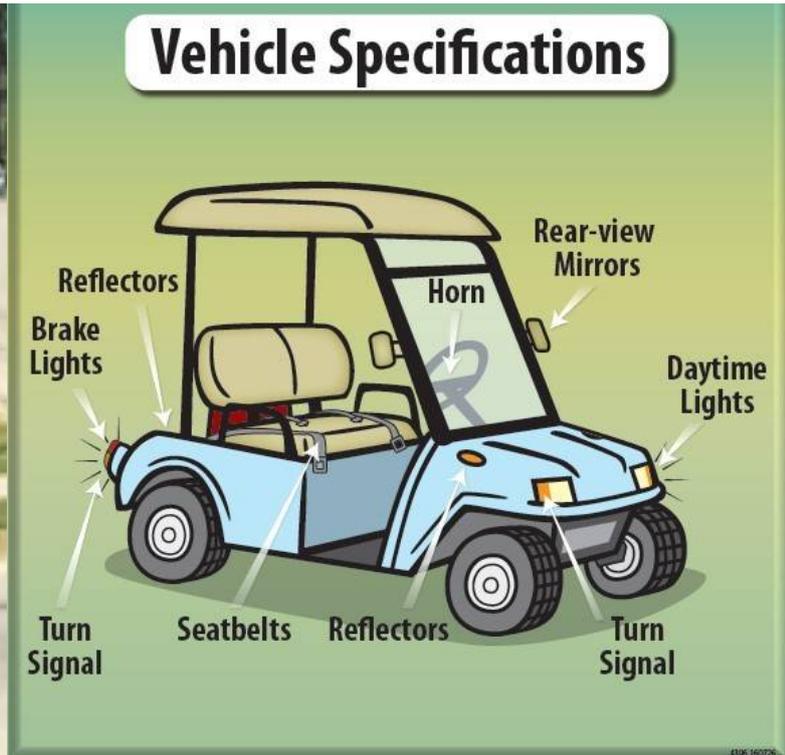
23 KM OF ROAD

NEIGHBOURHOOD GOLF CARTS- FAQ'S

Did You Know



The Village of Chase is one of two municipalities in BC that is allowed by the B.C. Motor Vehicle Act to have golf carts driven on their streets in town. How fun is that?!



Will golf carts be limited to 30km/hr?

The Motor Vehicle Act restricts the speed of golf carts to 30 km/hr. All other motor vehicles will be required to reduce their speed to 30 km/hr ONLY WHEN ENCOUNTERING A GOLF CART.

What do I need to do to my golf cart?

The golf carts will have to be equipped with seat belts, a horn, lights, signals, and a rear-view mirror. Drivers will need ICBC insurance validated by the municipality, hold a valid driver's licence and only drive the cart during the day. You will also require a Village Permit to operate, at only \$25/year.

Will one cart take up a whole parking spot or will there be designated parking?

One cart per parking spot.

Where do I go to register my golf cart?

ICBC. Just as you would your motor vehicle. And the Village office for your municipal permit.

Are golf carts permitted on sidewalks?

No. Golf carts are not permitted on the sidewalks.

For more information, contact the Village Office at 250.679.3238
or email chase@chasebc.ca

2020 COVID-19 PANDEMIC

The world turned upside down in 2020 with the COVID-19 Pandemic. This once in a life-time phenomena had everyone scrambling trying to determine how to “flatten the curve” to keep hospital Intensive Care Units prepared to have enough beds for the seriously ill that required ventilators to assist with their breathing.

BC’s Provincial Health Officer, Dr. Bonnie Henry, led the way with her compassion and dedication. Dr. Henry’s catch phrase “Be Kind, Be Calm, Be Safe” at the end of her media events (that started as daily, eventually moved to twice a week near the end of 2020) was used by many BC residents. Working from home became “the norm” and zoom meetings replaced board room meetings, and “you’re on mute” was used at least once during every meeting.

To recognize the dedicated frontline health care workers, homes hung hearts in their windows, banged pots and pans outside at 7 pm, and many fire departments did nightly parades. The “norm” to wear masks, socialize only outdoors, stay two meters apart, handwashing and using hand sanitizer still felt unfamiliar, a series of emotions evolved trying to stay socially connected.

2020 was a year of grief and loss (especially the elderly), tenacity, resilience, and inspiration. Looking back, it has been a remarkable journey, and continues to be in 2021.

2020 COVID-19 TIMELINE

January 29

The first presumptive positive case of COVID-19 is announced in BC

March 5

The first case of community transition of COVID-19 not linked to travel is announced in the province.

March 8

Canada's first death related to COVID-19 is recorded in BC

March 12

BC's health officials discourage all non-essential travel outside of BC and announce a two-week self-isolation period for anyone arriving internationally.

March 16

Health officials ban all events with more than 50 people in an effort to curb the spread of COVID-19.

March 17

All public schools are temporarily closed in the province following March break.

[The Village of Chase closes public access to the municipal hall to help “flatten the curve” of COVID-19 pandemic – services maintained remotely.](#)

March 18

BC declares a provincial state of emergency due to the COVID-19 pandemic.

March 20

Dr. Bonnie Henry orders the closure of all dine-in establishments, with takeout and delivery options still allowed. Playgrounds are also ordered to close.

March 21

All “personal service” establishments are ordered to close in BC including salons and spas. Canada/US border closes for non-essential travel.

April 14

[Council supports Fire Department parades throughout town in recognition of frontline workers.](#)

April 20

[Village installs gateway signs informing all visitors that COVID-19 protocols are mandatory within the Village.](#)

[The increase to the water rate bylaw is delayed from April to June.](#)

May 19

BC announces it's moving to Phase 2 of its restart plan, allowing all stores, salons, restaurants, libraries, museums, child-care facilities and parks to re-open. Medical services like physiotherapy, dentistry and massage therapy are allowed to resume.

[Community Hall opens free of charge to user groups of 10 or less, parks reopen with COVID-19 restrictions.](#)

June 1

Schools re-open for in-class instruction, with students allowed to return voluntarily for the final weeks of class under new COVID-19 protocols.

2020 COVID-19 TIMELINE

June 9

Chase arena re-opens with COVID-19 protocols.

June 23

Creekside Seniors re-opens.

June 24

BC enters Phase 3 of its restart plan, allowing non-essential travel throughout the province.

June 29

The Village of Chase office re-opens and following COVID-19 protocols, staff levels return to normal.

August 21

Stronger enforcement begins. Fines of up to \$2,000 can be issued by police and other law enforcement.

September 10

Schools re-open.

October 19

Dr. Bonnie Henry says the province is in its second wave of the pandemic as cases rise dramatically.

October 26

A new provincial health order is put in place, limiting gatherings in private homes to no more than your immediate household, plus six others.

November 7

Social gatherings with people outside households are prohibited, many physical activities are limited and some travel is restricted.

November 10

Village of Chase receives \$879,000 through provincial Safe Restart Grant Program aimed at COVID-19 relief.

November 19

BC's health officials announce another extension of public health orders, banning gatherings through the holiday season.

November 27

Masks become mandatory in all public spaces.

December 7

Provincial restrictions are extended to January 8, 2021.

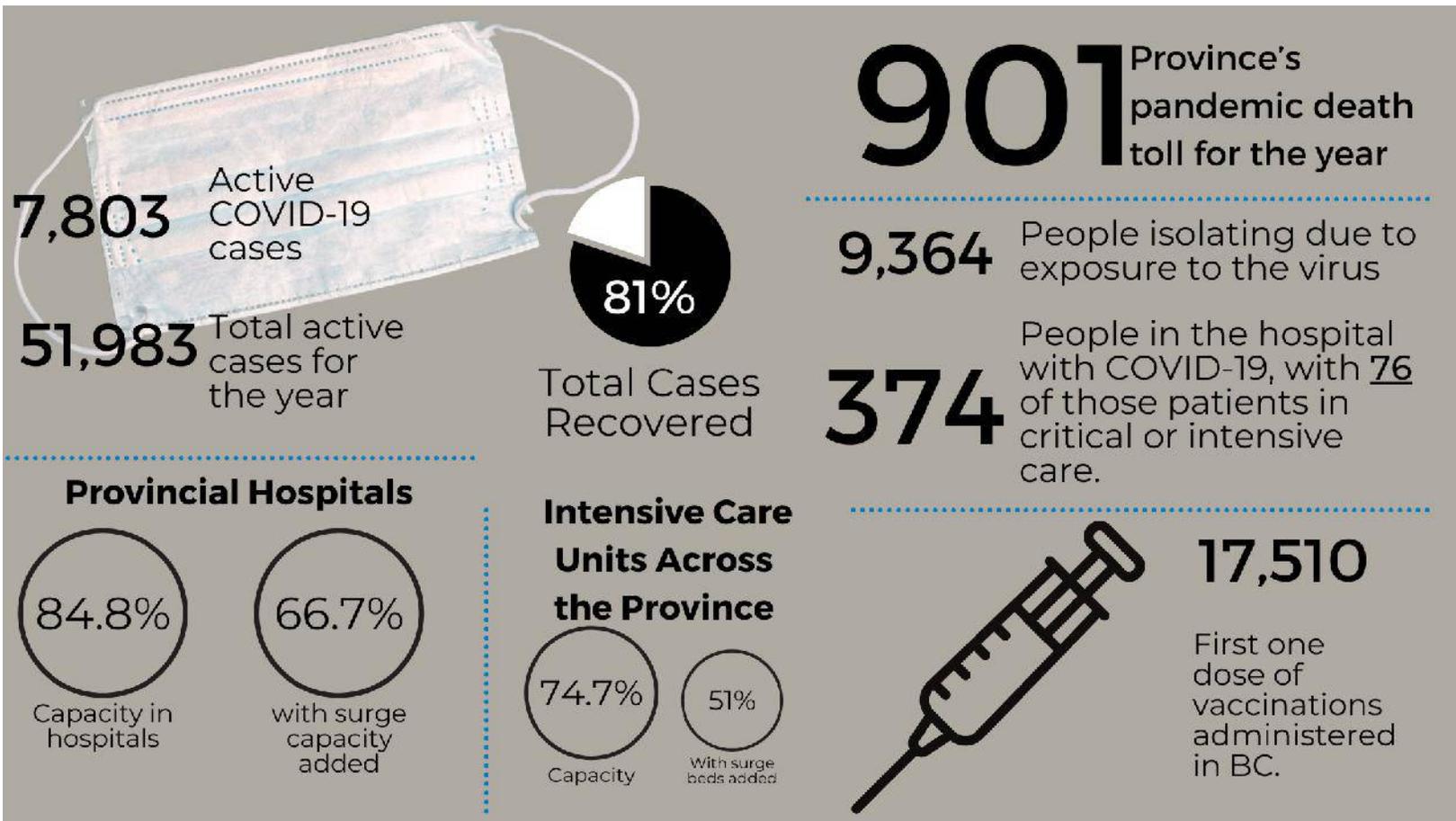
December 9

The first COVID-19 vaccine, from Pfizer-BioNTech, is approved for use in Canada.

December 15

A 64-year-old health-care worker is the first person in B.C. to receive a COVID-19 vaccine.

PROVINCIAL COVID-19 STATISTICS AS OF DECEMBER 31, 2020



Canadian COVID-19 Statistics

as of December 31, 2020

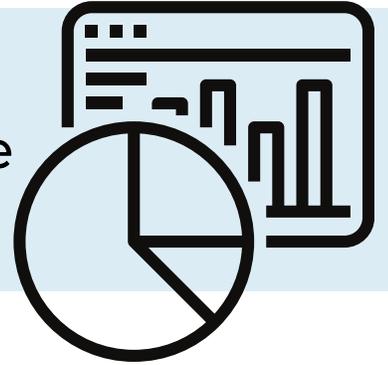
579,000 Total cases of COVID during the year

489,000 Recovered

15,605 Total pandemic deaths at year end

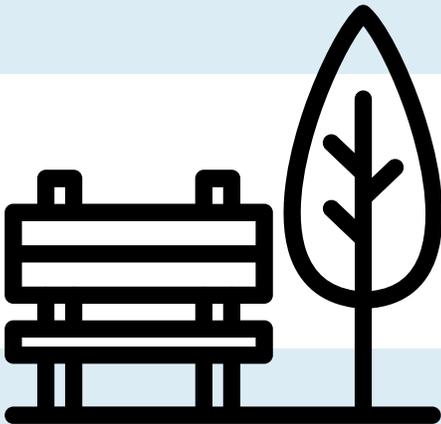
VILLAGE OF CHASE 6 CORE SERVICE AREAS

Administration & Finance



Community Planning & Development

Public Works & Infrastructure



Parks & Recreation

Economic Development

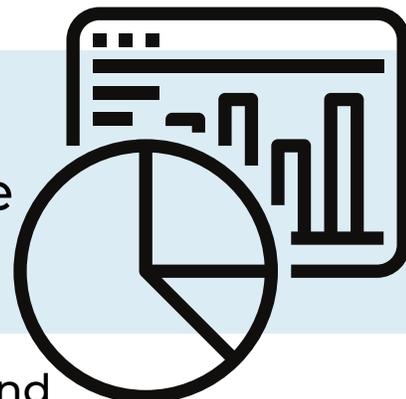


Fire & Rescue

PROGRESS REPORT ON OBJECTIVES AND MEASURES FOR 2019 AND 2020

The following was accomplished in 2019 & 2020:

Administration & Finance



Ongoing COVID-19 Community Safety, Prevention, and Enforcement Coordination

- Access to the Village Office was closed March 17 to June 29, services were maintained remotely during the closure, reopened with COVID-19 protocols in place
- Gateway signs installed advising that COVID-19 protocols are mandatory within the Village
- Community Hall, Creekside Seniors Centre, the arena, and parks were closed when required by the Public Health Officer
- COVID-19 Ambassador Program replaced the Summer Program

COVID 19 Financial Responses

- Tax rate reduction for Business Class 6 of approximately 9%.
- Tax penalties delayed until September 30 for Residential Class 1
- Water rate increase delayed from April to June
- Provincial Government \$879,000 Safe Restart Grant Program received for COVID-19 relief

Asset Management Long Term Investment Strategy

- Policies and strategies developed by consultant to guide replacement for aging assets

Family Day Activities with Grant Funds Received

- Funds were distributed to local youth organizations that empower youth in the community

PROGRESS REPORT ON OBJECTIVES AND MEASURES FOR 2019 AND 2020

Reviewed and Updated Water, Sewer and Solid Waste Rates

- Responsible financial management to ensure the systems are equitable to our end users, and amortized amongst successive generations to cover replacement costs

Upgrades to Village Office Computers

- Efficient computers and the servers they connect to improve overall operational efficiencies

Continue to Promote Relationships that Contribute to the Well-being of the Community

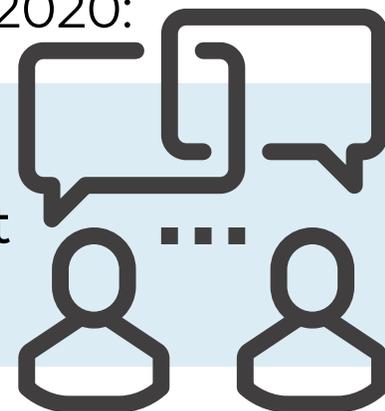
- Meetings with local area community leaders and members, the medical community, and seniors groups
- Support the actions of youth focused groups and local service clubs.
- Shuswap Trail Alliance Annual Meeting - Round Table and Collaborative Partner participant
- Council met with Neskonlith Indian Band to discuss issues of mutual interest and the Adams Lake Indian Band to discuss possible joint projects



PROGRESS REPORT ON OBJECTIVES AND MEASURES FOR 2019 AND 2020

The following was accomplished in 2019 & 2020:

Community Planning & Development



Active Transportation Plan

- The vision of the Chase Active Transportation Plan is to “create safe and enjoyable networks for active transportation.” While Chase has considered active transportation in the past, this plan represents the first time walking and cycling are being considered holistically and planned for intentionally. The project is funded from BC Healthy Communities and the BC Ministry of Community, Sport and Cultural Development. The intended outcome of this plan is to build facilities and run programs that improve community access to walking and cycling, benefiting the health and well-being of residents. This plan provides a framework that the community can use to build a more active Chase. The plan includes over 50 infrastructure projects throughout the Village and the projects range from closing gaps in the sidewalk network to building trails along Chase Creek with new bridges. Proposed projects will make walking and cycling around Chase a more convenient and attractive experience and will provide a legacy that will continue to make Chase a great place to live and visit.

Housing Needs Report

- Developed to provide guidelines for the Village to develop community housing goals and address key needs

Childcare Strategic Plan

- Developed the Chase & Area Child Care Space Strategic Action Plan; an initiative to ascertain the childcare needs of the Village of Chase and area

PROGRESS REPORT ON OBJECTIVES AND MEASURES FOR 2019 AND 2020

Completed Official Community Plan (OCP) Current State Analysis

- The OCP Current State Analysis was a report providing technical analysis of the existing OCP's content and approach, organized by section. The current OCP met the basic requirements of its day but is an outdated, generic and vague document which could apply to any number of small local municipalities. There is little to suggest that the original OCP was tailored to the Village's needs and aspirations, with a minimum amount of background research to support the policy statements. As a result, the OCP is a document that falls far short of its potential to unite the community around a common vision and protect or enhance elements that are important to its residents.
- The report established an OCP process to include:
 - a reliable and thorough background research phase;
 - an inclusive public engagement process; and
 - the development of specific, measurable and implementable objectives and policies
- Goals and objectives should be realistically integrated with financial planning for the Village
- The development of a new Official Community Plan should be a community building process, an opportunity for the community to come together in the early part of Council's term to help Council examine current realities, refine the vision for the community, and participate in establishing policies that will help the community achieve its goals

Highway 1 Upgrades

- Continued to work with Ministry of Transportation and Infrastructure to ensure the Village's needs for access and egress are met during the four-laning highway project

PROGRESS REPORT ON OBJECTIVES AND MEASURES FOR 2019 AND 2020

Early Childhood Educators (ECE) Program

- The Village of Chase applied for and received funding from Service Canada under the Community Workforce Response Grant, in the amount of \$124,916, to deliver an Early Childhood Education Assistant (ECEA) Program through Okanagan College. This program was identified as an objective in the Chase and Area Childcare Strategic Plan that was completed in 2020. Lack of qualified ECE professionals was identified as a huge barrier for working and single parents needing competent and reliable childcare support and services. The program started student recruitment in September and training began in October 2020 with ten students registered. The ECEA program has three courses that must be completed in order to be certified and also ladders into the ECE certificate and diploma program. Courses were offered on Friday evenings and weekends to support students, those working and those with small children at home that needed daycare support.
 - 10 students registered and 10 completed the training
 - 9 will receive their ECEA designation
 - 6 childcare businesses supported students with work practicums
 - 4 of the 6 practicum students found employment with their work practicums
 - 7 of the 10 students are employed. 2 will be moving into the teachers assistant training
 - 7 of the 10 students want to continue further training to acquire full ECE certification
 - Having these qualified ECEA workers has opened up an extra 15 daycare seats in Chase and area

Subdivision Servicing Bylaw

- Developed to ensure that development is built to the highest standards, and that developers pay for new infrastructure and also contribute to future costs through development cost charges

PROGRESS REPORT ON OBJECTIVES AND MEASURES FOR 2019 AND 2020

The following was accomplished in 2019 & 2020:

Public Works & Infrastructure



Conditional Roads Assessment – First Phase

- Involved conducting a field assessment visually evaluating the condition of outlined paved roads maintained by the municipality using methodology contained in the BC Ministry of Transportation and Infrastructure’s “Pavement Surface Condition Rating Manual”
 - Compile roadworks assessment data and categorize roads based on upgrading needs
 - Identify the appropriate approaches to achieve the upgrading objectives, i.e. crack sealing, mill and overlay, or reconstruction
 - Prepare cost estimates for the upgrading or maintenance of roads to maintain or upgrade to a “good” condition rating
 - Prioritize roads to be upgraded based on current condition and function
 - Produce a report describing the road condition assessment and presenting upgrading recommendations with capital cost estimates

Embankment Rehabilitation at Annex School

- Repair and upgrades to a laneway that was sloughing down onto School District #73 property

Sanitary Sewer Video Scoping

- Sanitary sewer video scoping funding obtained through Infrastructure and Planning Program to complete conditional assessment on sanitary sewer line for the Asset Management Program

PROGRESS REPORT ON OBJECTIVES AND MEASURES FOR 2019 AND 2020

Sanitary Sewer Connections

- New sewer bylaw requires any property in close proximity to municipal sewer system to connect, and decommission the septic system

Village Streetlights Conversion to LED Partially Completed

- 60% of the streetlights have been replaced to new energy efficient LEDs

Accessibility Upgrades (automatic doors) at the Village Office

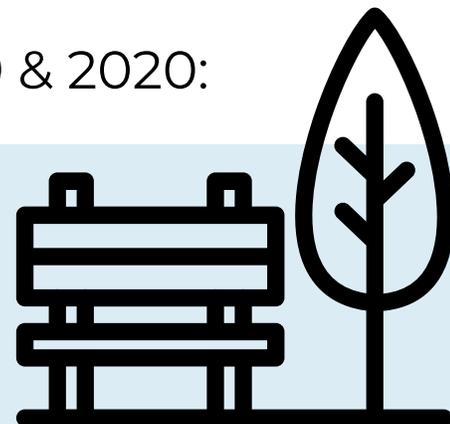
- Provides an accessible public office with push-button automatic doors



PROGRESS REPORT ON OBJECTIVES AND MEASURES FOR 2019 AND 2020

The following was accomplished in 2019 & 2020:

Parks & Recreation



Automatic Washroom Doors at Memorial Centennial Parks Installed

- Provides consistent reliable scheduled opening and closing of doors

Willson Park Footbridge Across the Creek

- An Active Transportation priority grant application to the Investing in Canada Infrastructure Program under the Community, Culture and Recreation sub-stream to build a footbridge across the creek in Willson Park was approved. The bridge is to be built in 2021

Upgraded Fire and Security Systems at Community Hall

- New fire panel and security system were installed

Community Hall Sounds and Lighting Upgrades

- Improves usage of the Hall for more functions

PROGRESS REPORT ON OBJECTIVES AND MEASURES FOR 2019 AND 2020

The following was accomplished in 2019 & 2020:

Economic Development



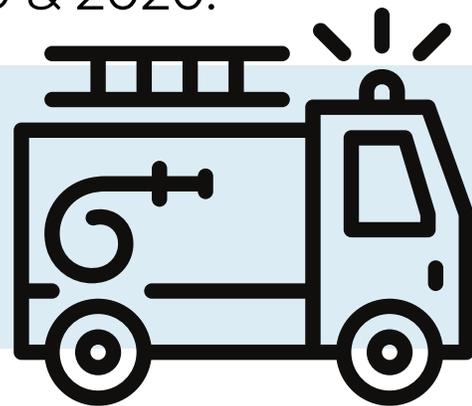
Economic Development and Tourism Strategy

- The strategy was a result of grant funding received from Rural Dividends in 2017. The focus was to identify mid to long-term tourism and economic development direction and actions that reflect Chase's vision for future growth and diversification in its tourism sector and broader economy. The Village does not have a formal economic development department but instead staff and Council support economic development through planning, infrastructure development and maintenance, and community service agreements.
- On-going working relationships with Shuswap Trail Alliance (STA), and the Secwepemc Lake indigenous communities of Little Shuswap, Adams Lake, and Neskonlith. This Strategy builds on services by targeting initiatives aimed at tourism business development, tourism infrastructure, and events and marketing activities.

PROGRESS REPORT ON OBJECTIVES AND MEASURES FOR 2019 AND 2020

The following was accomplished in 2019 & 2020:

Fire & Rescue



Emergency Operations Centre (EOC)

- Received funding from Emergency Management BC to purchase materials and equipment, including a new generator. In the event of an emergency, the EOC has full technical support and is fully equipped to handle a power outage.

Fire Smart and Community Wildfire Protection Plan

- A regional grant funded project with Little Shuswap Indian Band, which introduced FireSmart to both communities with the Village of Chase Community Wildfire Protection Plan (CCWPP) completed and approved by Council. As part of the CCWPP, fuel management activities were undertaken around the Adams Lake mill to reduce the threat of wildfire

Emergency Operations Training

- Council and staff attended Emergency Operation table top exercises hosted by the TNRD

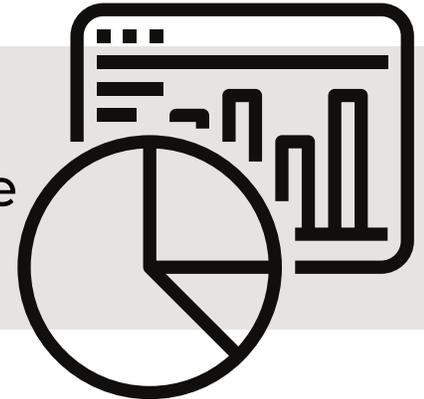
Road Rescue

- Received funding from the Fire Chiefs' Association of BC grant program for the purchase of equipment and training

STRATEGIC PRIORITIES FOR 2021 AND 2022

Council adopted their 2021-2022 Strategic Plan on February 23, 2021. The Plan contains the goals Council wishes to accomplish on behalf of the community while fostering the economic, social, and environmental well-being of the Village.

Administration & Finance



2021 Initiatives

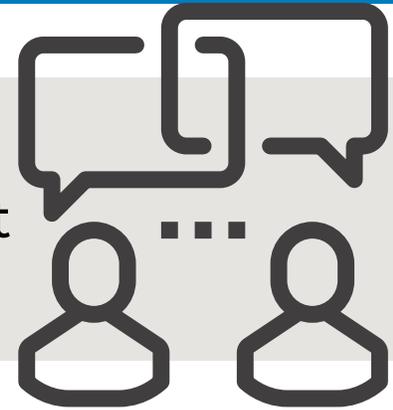
- Herbicide/pesticide bylaw research & development
- Early Childhood Education Assistant Training
- Cemetery Software research & acquisition
- CP Rail whistle cessation & crossing regulation adherence review
- Continue with ongoing communications to the public including monthly newsletters, utility billing inserts, newspaper articles, ads, information on social media sites
- Increase contributions to reserves for roads
- Clock Tower repair

2022 Initiatives

- Planning a Community to Community Forum with local First Nations community leaders
- Re-initiate Youth Action Committee
- Considering how to best provide for future economic development of our community
- Preparing for Local Government election (will be held October 2022)

STRATEGIC PRIORITIES FOR 2021 AND 2022

Community Planning & Development



2021 Initiatives

- Finalizing Official Community Plan renewal
- Oncore senior development proposal negotiations, configuration, land
- Various subdivisions of parcels within the municipality
- Design work for Active Transportation projects
- Soil removal & deposit bylaw research & development
- Development Cost Charges Bylaw review and renewal

2022 Initiatives

- Meetings with local Indigenous Community Leaders to continue sharing ideas and working together
- Urban hens procedures and requirements
- Development Approvals Procedure Bylaw
- Ministry of Transportation and Infrastructure, Highway 1 and Brooke Drive interchange project – community advocacy, project management, technical liaison & communication, and coordination

STRATEGIC PRIORITIES FOR 2021 AND 2022

Public Works & Infrastructure



2021 Initiatives

- Transition recycling collection service to Recycle BC
- Fleet replacement plan
- Acquisition of shoring equipment
- Conditional road assessments – next phases
- Adams Lake sewer servicing project
- Utilities computer for data capture
- Cross connection program
- Refurbish Community Hall message kiosk
- Complete perimeter chain link security fencing for public works yard
- Install line to emergency rapid infiltration basin
- Flood mitigation assessment and mapping – Chase Creek
- Paving – road remediation

2022 Initiatives

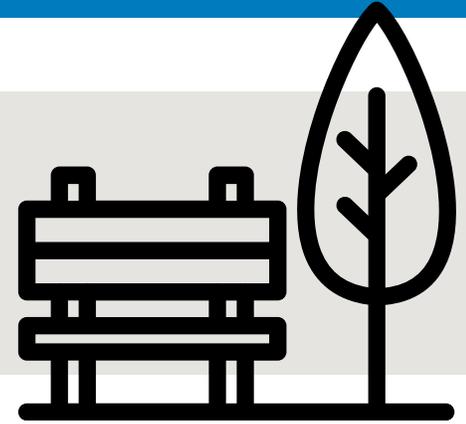
- Sidewalk improvement plan
- Streetlights Brooke Drive
- Stormwater feasibility assessment
- Repair/rebuild rapid infiltration basins #4 & #5
- Paving – road remediation

Grant Dependent

- Watermain upgrade at South Thompson river intake & Hysop/Pine
- Flood mitigation South Thompson Little Shuswap
- Bay Drive & Montgomery Place assessments

STRATEGIC PRIORITIES FOR 2021 AND 2022

Parks & Recreation



2021 Initiatives

- Secwepemc landmark & trailhead signposts
- Willson Park footbridge construction
- Community Hall roof replacement
- Bandshell refurbishment
- Boat launch improvements – Memorial Park
- Wading pool improvements
- 2nd Avenue bike lanes concept plan
- Arena operations assessment mechanical review

2022 Initiatives

- Senior Centre covered entrance
- Shuswap Trails and Scatchard Trail enhancements
- Wharf painting

Grant Dependent

- Thompson Avenue to Willson Park access improvements

STRATEGIC PRIORITIES FOR 2021 AND 2022

Economic Development



2021 Initiatives

- Connectivity Infrastructure Strategy (broad band-needs assessment)
- Discussions with the Chamber of Commerce regarding Shuswap Economic Development Society participation
- Signage improvements – replace message board at community hall
- Work with private communications company regarding potential upgrades to Chase and area internet services

2021 & 2022 Initiatives

- Implement Economic & Tourism Strategy action items
- Implement Active Transportation Plan action items

2022 Initiatives

- Wayfinding signage – Ministry of Transportation and Infrastructure/Village of Chase partnership

STRATEGIC PRIORITIES FOR 2021 AND 2022

Fire & Rescue



2021 Initiatives

- Firetruck replacement
- Fire Smart education for property owners
- Flooding education for property owners
- Evacuation Route planning
- Fire Hall elevator conversion to hose drying rack

2022 Initiatives

- Fire Department Inventory and Equipment Plan
- Emergency Plan update – work with TNRD
- Table top exercises for Emergency Preparedness/EOC Training

Permissive Tax Exemptions Granted by Council for 2020

On October 22, 2019, "Village of Chase 2020 Permissive Tax Exemption Bylaw No. 877-2019" was adopted. In that bylaw, tax exemptions were granted for the year 2020, pursuant to the Community Charter.

The following lands and improvements were provided with a permissive tax exemption from the Village of Chase for the year 2020:

Property Name	Legal Description	Estimated Value of Tax Exemption
Chase and District Curling Club	Parcel Z, District Lot 517, Plan 19733, K.D.Y.D. except Plan KAP57419, of Lots A & B SEE (KC5244); PID 012-870-285	\$8,334
Chase Creekside Seniors	Lease/Permit/License #343509, Parcel Y (DD M14002) Block A, District Lot 517, Plan 514, K.D.Y.D, PID 012-290-246	\$3,268
Chase and District Museum and Archives Society	Part of Lot 6, Plan B757 District Lot 517, K.D.Y.D. of Plan 1467, PID 004-971-531	\$4,376
Chase and District Chamber of Commerce	Located on Village of Chase Right-of-Way between Shuswap Avenue and Canadian Pacific Rail Line, West of Aylmer Road	\$1,919
Chase & District Recreation Centre Society-Golf Course	Lot A, Plan KAP 82245; PID 026-854-449, and Lot 1, Plan KAP 81631 District Lot 517, K.D.Y.D.; PID 026-771-748	\$9,746
Chase & District Recreation Centre Society-Arena	Lot 1, District Lot 517, K.D.Y.D., Plan 20201, Except Plan KAP49449, all leased to the Chase & District Recreation Society; except that portion leased to Chase Canyon Eco-Adventures for the operation of a Zip-Line business	\$29,349
Royal Canadian Legion Branch 107	Royal Canadian Legion Branch 107: Lot A, District Lot 517, Plan 37207, K.D.Y.D. PID 004-896-955	\$3,764
Chase & District Lions Community Club	Portion of Lot 1, DL 517, Plan 43085 and Portion of Plan B264 except Plan A 18415 and Plan A 1315 as identified in Schedule A of April 14, 2015 lease	\$3,328

All churches receive a statutory (Provincial Legislation) exemption from taxation for the place of worship. Council adopted "Village of Chase 2020 Permissive Tax Exemption Bylaw No. 876-2019" on October 22, 2019, which provide places of worship tax exemptions for 2020, 2021, 2022 and 2023.

Property Name	Legal Description	Estimated Value of Tax Exemption
Chase Evangelical Free Church	Evangelical Free Church of America: Lot A, District Lot 517, Plan 41858, K.D.Y.D.; PID 014-902-486	\$1,209
Jehovah's Witness Congregation	Lots 17-20, Block P, District Lot 517, Plan 514, K.D.Y.D. PID 012-295-965, PID 012-295-981, 012-295-990, and 012-296-015.	\$850
Roman Catholic Bishop of Kamloops	Roman Catholic Bishop of Kamloops, Lot B, Plan 36502, District Lot 517, K.D.Y.D, of Plan 1467, PID 003-648-168	\$2,675

Permissive Tax Exemptions Granted by Council for 2021

On October 27, 2020, "Village of Chase 2021 Permissive Tax Exemption Bylaw No. 893-2020" was adopted. In that bylaw, tax exemptions were granted for the year 2021, pursuant to the Community Charter.

The following lands and improvements were provided with a permissive tax exemption from the Village of Chase for the year 2021:

Property Name	Legal Description	Estimated Value of Tax Exemption
Chase and District Curling Club	Parcel Z, District Lot 517, Plan 19733, K.D.Y.D. except Plan KAP57419, of Lots A & B SEE (KC5244); PID 012-870-285	\$9,863
Chase Creekside Seniors	Lease/Permit/License #343509, Parcel Y (DD M14002) Block A, District Lot 517, Plan 514, K.D.Y.D, PID 012-290-246	\$3,723
Chase and District Museum and Archives Society	Part of Lot 6, Plan B757 District Lot 517, K.D.Y.D. of Plan 1467, PID 004-971-531	\$4,967
Chase and District Chamber of Commerce	Located on Village of Chase Right-of-Way between Shuswap Avenue and Canadian Pacific Rail Line, West of Aylmer Road	\$2,220
Chase & District Recreation Centre Society-Golf Course	Lot A, Plan KAP 82245; PID 026-854-449, and Lot 1, Plan KAP 81631 District Lot 517, K.D.Y.D.; PID 026-771-748	\$10,994
Chase & District Recreation Centre Society-Arena	Lot 1, District Lot 517, K.D.Y.D., Plan 20201, Except Plan KAP49449, all leased to the Chase & District Recreation Society; except that portion leased to Chase Canyon Eco-Adventures for the operation of a Zip-Line business	\$31,795
Royal Canadian Legion Branch 107	Royal Canadian Legion Branch 107: Lot A, District Lot 517, Plan 37207, K.D.Y.D. PID 004-896-955	\$4,250
Chase & District Lions Community Club	Portion of Lot 1, DL 517, Plan 43085 and Portion of Plan B264 except Plan A 18415 and Plan A 1315 as identified in Schedule A of April 14, 2015 lease	\$3,747

All churches receive a statutory (Provincial Legislation) exemption from taxation for the place of worship. Council adopted "Village of Chase 2020 Permissive Tax Exemption Bylaw No. 876-2019" on October 22, 2019, which provide places of worship tax exemptions for 2020, 2021, 2022 and 2023.

Property Name	Legal Description	Estimated Value of Tax Exemption
Chase Evangelical Free Church	Evangelical Free Church of America: Lot A, District Lot 517, Plan 41858, K.D.Y.D.; PID 014-902-486	\$1,357
Jehovah's Witness Congregation	Lots 17-20, Block P, District Lot 517, Plan 514, K.D.Y.D. PID 012-295-965, PID 012-295-981, 012-295-990, and 012-296-015.	\$944
Roman Catholic Bishop of Kamloops	Roman Catholic Bishop of Kamloops, Lot B, Plan 36502, District Lot 517, K.D.Y.D, of Plan 1467, PID 003-648-168	\$2,810

**VILLAGE OF CHASE
2019 FINANCIAL INFORMATION**

Schedule of Remuneration and Expenses Paid To Or On Behalf of Each Elected Official:

	Remuneration	Expenses	Total	
Crowe, Rod	Mayor	15,444	6,385	21,829
Lauzon, Alison	Councillor	10,703	6,159	16,862
Maki, Alison	Councillor	9,928	1,994	11,922
Scott, Steven	Councillor	9,928	1,935	11,863
Torbohm, Manfred	Councillor	11,228	6,994	18,222
		\$ 57,231	\$23,467	\$80,698
	Remuneration	Expenses	Total	
Other Employees with Remuneration Exceeding \$75,000.00				
Fandry, John, Utility Operator		75,411	1,209	76,620
Heinrich, Joni, Chief Administrative Officer		110,334	4,616	114,950
Molnar, Joanne, Chief Financial Officer		91,248	3,615	94,863
O'Flaherty, Sean, Corporate Officer		88,357	3,159	91,516
Wright, Clinton, Manager of Public Works		92,206	1,841	94,047
Consolidated Total for all employees with remuneration of \$ 75,000 or less		562,411	6,130	568,541
		\$ 944,556	19,361	963,917
Reconciliation	Remuneration	Expenses	Total	
Total remuneration - elected officials	\$ 57,231	23,467	80,698	
Total remuneration - other employees	944,556	20,570	965,126	
	\$ 1,001,787	44,037	1,045,824	
Total per Statement of Operations			1,245,302	
Less Contractor Payments			-27,801	
MPP benefit as per Note 12			-79,626	
WCB			-16,740	
Net Statement of Operations			1,121,135	
VARIANCE			\$ 75,311	

Prepared under the Financial Information Regulation, Schedule 1, section 6(2),(3),(4),(5) and (6)

**VILLAGE OF CHASE
2019 FINANCIAL INFORMATION
Schedule of Suppliers of Goods or Services: Section 7**

Schedule of Payments Made for the Provision of Goods and Services

1. List of Suppliers receiving aggregate payments exceeding \$ 25,000	
B.C. ASSESSMENT AUTHORITY FINANCIAL SERVICES	27,693
BC HYDRO	155,357
CAPRI INSURANCE	87,710
CORIX UTILITIES	37,687
DOUGLAS LAKE EQUIPMENT	34,336
GROUP HEALTH BENEFIT SOLUTIONS	99,445
MINISTRY OF PROVINCIAL REVENUE	197,817
ROYAL BANK-VISA	51,550
SCHOOL DISTRICT NO 73	56,577
STEWART MACDANNOLD STUART	43,925
TNRD (THOMPSON-NICOLA REGIONAL DISTRICT	703,267
THOMPSON REGIONAL HOSPITAL DISTRICT	219,054
TRUE CONSULTING	79,437
TURNER, BRENDA	36,345
MUNICIPAL PENSION PLAN	150,369
RECEIVER GENERAL OF CANADA	282,760
VADIM COMPUTER MGMT GROUP	31,349
Total aggregate amount paid to suppliers	\$ 2,294,678 (A)
2 Consolidated total paid to suppliers receiving aggregate payments of \$25,000 or less:	
	\$ 899,399 (B)
	<u>\$ 3,194,077</u>
3 Total of payments to suppliers for grants and contributions exceeding \$25,000	
CHASE & DISTRICT RECREATION CENTRE SOCIETY	128,750
	<u>\$ 128,750 (C)</u>

VILLAGE OF CHASE
2019 FINANCIAL INFORMATION
Schedule of Suppliers of Goods or Services: Section 7

Schedule of Payments Made for the Provision of Goods and Services

4 Reconciliation	
Total aggregate payments exceeding \$25,000 paid to suppliers	2,294,678 (A)
Consolidated total of payments of \$25,000 or less paid to suppliers	899,399 (B)
Consolidated total of all grants and contributions exceeding \$25,000	128,750 (C)
Reconciling items	
Property Tax payments to other governments net of Revenue	-1,664,405
Home Owner Grants deducted from other Government payments	762,759
School tax admin fee	3,006
Property tax refunds not an expense	-17,501
Rebatable GST Included in Schedule of supplier payments	-86,689
Wages and Salaries included in expenses in Statement of Operations	1,245,302
Pension payments not an expense	-68,684
Employee EI/ CPP/Tax not an expense	-229,156
Employee Benefits not an expenses union <D	-58,164
Subcontractor WCB & Supplies	-1,455
Amortization of TCAS	1,170,413
Principal payments on capital lease obligations	0
Principal payments on term debt	-59,550
Principal payments on demand Promissory Note Issued	-87,500
Acquisition of TCAs	-52,690
Proceeds from Sale of TCA	30,511
Gain or Loss on disposal of assets	-14,134
Changes in Accruals	-123,900
Change in Prepaid expenses	-59,334
Total of Reconciled Payments to Suppliers	\$ <u>4,011,656</u>
Total per Statement of Operations	\$ <u>4,011,619</u>
Variance	\$ <u>-37</u>

Prepared under the Financial Information Regulation, Schedule 1, section 7 and the Financial Information Act, section 2

**VILLAGE OF CHASE
2019 FINANCIAL INFORMATION
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS**

Information on all guarantees and indemnities for the Village of Chase is included in Note 12 (b) to the audited annual financial statements for the year ended 31 December 2019.

**VILLAGE OF CHASE
2019 FINANCIAL INFORMATION
STATEMENT OF SEVERANCE AGREEMENTS**

NIL - Statement

There were no severance agreements made between The Village of Chase and its non-unionized employees during the fiscal year 2019

**VILLAGE OF CHASE
2019 FINANCIAL INFORMATION
SCHEDULE OF DEBTS**

The Schedule of debts is presented in Note 4 - Demand Promissory Note, and note 5 - Term Debt, and note 6 - MFA Debt Reserve of the annual audited financial statements for the year ended 31 December 2019.

VILLAGE OF CHASE
2019 FINANCIAL INFORMATION
STATEMENT OF FINANCIAL INFORMATION APPROVAL

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.



Joanne Molnar
Director Financial Services



Rod Crowe, Mayor
Council Member on behalf of Council

Date: July 30, 2020 Date: July 30, 2020

**VILLAGE OF CHASE
2020 FINANCIAL INFORMATION**

Schedule of Remuneration and Expenses Paid To Or On Behalf of Each Elected Official:

		Remuneration	Expenses	Total
Crowe, Rod	Mayor	14,848	350	15,198
Lauzon, Alison	Councillor	9,909	0	9,909
Maki, Alison	Councillor	9,909	0	9,909
Scott, Steven	Councillor	9,909	0	9,909
Torbohm, Manfred	Councillor	10,659	479	11,138
		<u>\$ 55,234</u>	<u>\$829</u>	<u>\$56,063</u>
		Remuneration	Expenses	Total
Other Employees with Remuneration Exceeding \$75,000.00				
Fandrey, John, Utility Operator		84,884	3,472	88,356
Heinrich, Joni, Chief Administrative Officer		113,114	309	113,423
Magnusson, Tyler, Equip Operator I		78,668	50	78,718
Molnar, Joanne, Chief Financial Officer		93,748	541	94,289
O'Flaherty, Sean, Corporate Officer		94,910	1,591	96,501
Richens, Fred, Equip Operator II		83,112	106	83,218
Spencer, Guy, Equip Operator II		87,974	109	88,083
Consolidated Total for all employees with remuneration of \$ 75,000 or less		385,659	955	386,614
		<u>\$ 1,022,069</u>	<u>7,133</u>	<u>940,846</u>
Reconciliation		Remuneration	Expenses	Total
Total remuneration - elected officials		\$ 55,234	829	56,063
Total remuneration - other employees		1,022,068	6,801	1,028,869
		<u>\$ 1,077,302</u>	<u>7,630</u>	<u>1,084,932</u>
Total per Statement of Operations				1,252,815
Less Contractor Payments				-74,191
MPP benefit as per Note 14(c)				-75,935
WCB				-17,531
Net Statement of Operations				1,085,158
VARIANCE				<u>\$ 226</u>

Prepared under the Financial Information Regulation, Schedule 1, section 6(2),(3),(4),(5) and (6)

**VILLAGE OF CHASE
2020 FINANCIAL INFORMATION
Schedule of Suppliers of Goods or Services: Section 7**

Schedule of Payments Made for the Provision of Goods and Services

1. List of Suppliers receiving aggregate payments exceeding \$ 25,000

B.C. ASSESSMENT AUTHORITY FINANCIAL SERVICES	29,945
BC HYDRO	156,154
CANADIAN PACIFIC RAILWAY	25,453
COMPUTER PROFESSIONALS	26,502
CORIX UTILITIES	28,875
GROUP HEALTH BENEFIT SOLUTIONS	82,816
KARCON ROADWORKS CORP.	26,323
LEE'S MUSIC	29,984
MINISTRY OF PROVINCIAL REVENUE	92,399
MUNICIPAL PENSION PLAN	149,012
OKANAGAN COLLEGE	61,960
RECEIVER GENERAL OF CANADA	267,142
SCHOOL DISTRICT NO 73	37,403
SPOONER ELECTRIC LTD.	32,873
STEWART MACDANNOLD STUART	51,678
TNRD (THOMPSON-NICOLA REGIONAL DISTRICT	677,640
THOMPSON REGIONAL HOSPITAL DISTRICT	216,292
TRUE CONSULTING	34,162
TURNER, BRENDA	40,282
URBAN SYSTEMS	72,580
Total aggregate amount paid to suppliers	\$ 2,139,475 (A)

2 Consolidated total paid to suppliers receiving aggregate payments of \$25,000 or less:
\$ 930,067 (B)

3 Total of payments to suppliers for grants and contributions exceeding \$25,000
 CHASE & DISTRICT RECREATION CENTRE SOCIETY 128,978 (C)

\$ 3,198,520

VILLAGE OF CHASE
2020 FINANCIAL INFORMATION
Schedule of Suppliers of Goods or Services: Section 7

Schedule of Payments Made for the Provision of Goods and Services

4 Reconciliation		
Total aggregate payments exceeding \$25,000 paid to suppliers		2,139,475 (A)
Consolidated total of payments of \$25,000 or less paid to suppliers		930,067 (B)
Consolidated total of all grants and contributions exceeding \$25,000		128,978 (C)
Reconciling items		
Property Tax payments to other governments net of Revenue	-1,592,356	
Home Owner Grants deducted from other Government payments	804,575	
School tax admin fee	2,908	
Property tax refunds not an expense	0	
Rebatable GST Included in Schedule of supplier payments	-54,431	
Wages and Salaries included in expenses in Statement of Operations	1,252,815	
Pension payments not an expense	-67,721	
Employee EI/ CPP/Tax not an expense	-226,202	
Employee Benefits not an expenses union & LTD	34,449	
Subcontractor WCB & Supplies	6,640	
Amortization of TCAS	1,149,988	
Principal payments on capital lease obligations	0	
Principal payments on term debt	-59,550	
Principal payments on demand Promissory Note Issued	0	
Acquisition of TCAs	-101,629	
Proceeds from Sale of TCA	0	
Gain or Loss on disposal of assets	0	
Changes in Accruals	-261,365	
Change in Prepaid expenses	52,023	
Total of Reconciled Payments to Suppliers	\$ 4,138,664	
Total per Statement of Operations	\$ 4,138,990	
Variance	\$ 326	

Prepared under the Financial Information Regulation, Schedule 1, section 7 and the Financial Information Act, section 2

**VILLAGE OF CHASE
2020 FINANCIAL INFORMATION
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS**

Information on all guarantees and indemnities for the Village of Chase is included in Note 14 (b) to the audited annual financial statements for the year ended 31 December 2020.

**VILLAGE OF CHASE
2020 FINANCIAL INFORMATION
STATEMENT OF SEVERANCE AGREEMENTS**

NIL - Statement

There were no severance agreements made between The Village of Chase and its non-unionized employees during the fiscal year 2020

**VILLAGE OF CHASE
2020 FINANCIAL INFORMATION
SCHEDULE OF DEBTS**

The Schedule of debts is presented in Note 6 - Demand Promissory Note, and note 7 - Term Debt, and note 8 - MFA Debt Reserve of the annual audited financial statements for the year ended 31 December 2020.

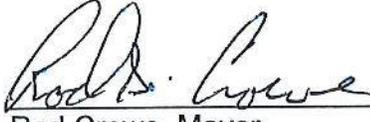
VILLAGE OF CHASE
2020 FINANCIAL INFORMATION
STATEMENT OF FINANCIAL INFORMATION APPROVAL

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.



Joanne Molnar
Director Financial Services

Date: May 26, 2021



Rod Crowe, Mayor
Council Member on behalf of Council

Date: May 26, 2021

Prepared pursuant to the Financial Information Regulation, Schedule 1, section 9

Financial Statements of

THE VILLAGE OF CHASE

Year ended December 31, 2019

THE VILLAGE OF CHASE

Financial Statements

Year ended December 31, 2019

Financial Statements

Management's Responsibility for the Financial Statements	
Independent Auditors' Report	
Statement of Financial Position	1
Statement of Operations	2
Statement of Changes in Net Financial Assets	3
Statement of Cash Flows	4
Notes to Financial Statements	5

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying financial statements of The Village of Chase (the "Village") are the responsibility of management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants. The significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Village's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to the approval of the financial statements by Council.

The financial statements have been audited by KPMG LLP, independent external auditors appointed by the Village. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Village's financial statements.


Chief Administrative Officer


Chief Financial Officer



KPMG LLP
560 Victoria Street
Kamloops BC V2C 2B2
Canada
Tel 250-372-5581
Fax 250-828-2928

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Village of Chase

Opinion

We have audited the financial statements of The Village of Chase (the "Village"), which comprise:

- the statement of financial position as at December 31, 2019
 - the statement of operations for the year then ended
 - the statement of changes in net financial assets for the year then ended
 - the statement of cash flows for the year then ended
 - and notes to the financial statements, including a summary of significant accounting policies and other explanatory information
- (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2019, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.



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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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



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

KPMG LLP

Chartered Professional Accountants

Kamloops, Canada
April 14, 2020

THE VILLAGE OF CHASE

Statement of Financial Position

December 31, 2019, with comparative information for 2018

	2019	2018
Financial assets:		
Cash and short-term investments (note 2)	\$ 3,660,078	\$ 2,576,425
Accounts receivable:		
Taxes receivable	188,362	362,935
Other	127,807	94,677
	<u>3,976,247</u>	<u>3,034,037</u>
Financial liabilities:		
Accounts payable and accrued liabilities	146,109	310,152
Accrued payroll expenses	105,625	80,918
Deferred revenue (note 3)	282,941	260,809
Demand promissory note (note 4)	-	87,500
Term debt (note 5)	1,967,362	2,045,513
	<u>2,502,037</u>	<u>2,784,892</u>
Net financial assets	1,474,210	249,145
Non-financial assets:		
Tangible capital assets (note 7)	32,196,244	33,330,344
Prepaid expenses	74,125	14,112
	<u>32,270,369</u>	<u>33,344,456</u>
Commitments and contingencies (note 12)		
Subsequent event (note 15)		
Accumulated surplus (note 8)	\$ 33,744,579	\$ 33,593,601

The accompanying notes are an integral part of these financial statements



Director of Financial Services

THE VILLAGE OF CHASE

Statement of Operations

Year ended December 31, 2019, with comparative information for 2018

	Budget (note 14)	2019	2018
Revenues:			
Taxation (note 9)	\$ 2,046,884	\$ 2,076,300	\$ 1,949,511
User charges	1,266,000	1,089,757	1,121,290
Government transfers			
Provincial (note 10)	2,513,124	475,487	435,136
Federal (note 10)	-	316,843	211,111
Regional District (note 10)	-	19,000	48,000
Investment income	-	86,656	51,426
Gain on sale of tangible capital assets	-	14,134	24,894
Other income	2,000	-	-
Contributed tangible capital asset (note 7(b))	-	-	355,430
Total revenues	5,828,008	4,078,177	4,196,798
Expenses:			
General government	851,930	851,104	875,286
Protective services	280,250	282,623	297,155
Transportation	809,100	729,616	735,463
Parks and recreation	614,933	605,846	631,548
Solid waste	213,400	255,261	232,228
Water utility	640,209	687,833	697,081
Sewer utility	361,608	362,980	357,715
Other	21,290	40,359	44,785
Development services	165,025	111,577	140,358
Total expenses	3,957,745	3,927,199	4,011,619
Annual surplus	1,870,263	150,978	185,179
Accumulated surplus, beginning of year	33,593,601	33,593,601	33,408,422
Accumulated surplus, end of year	\$ 35,463,864	\$ 33,744,579	\$ 33,593,601

The accompanying notes are an integral part of these financial statements

THE VILLAGE OF CHASE

Statement of Changes in Net Financial Assets

Year ended December 31, 2019, with comparative information for 2018

	Budget (note 14)	2019	2018
Annual surplus	\$ 1,870,263	\$ 150,978	\$ 185,179
Acquisition of tangible capital assets	(1,909,255)	(52,690)	(451,000)
Amortization of tangible capital assets	951,600	1,170,413	1,169,815
Gain on sale of tangible capital assets	-	(14,134)	(24,894)
Proceeds on sale of tangible capital assets	7,500	30,511	26,991
	920,108	1,285,078	906,091
Acquisition of prepaid expenses	-	(74,125)	(14,112)
Use of prepaid expenses	-	14,112	13,433
	-	(60,013)	(679)
Change in net financial assets	920,108	1,225,065	905,412
Net financial assets (debt), beginning of year	249,145	249,145	(656,267)
Net financial assets, end of year	\$ 1,169,253	\$ 1,474,210	\$ 249,145

The accompanying notes are an integral part of these financial statements

THE VILLAGE OF CHASE

Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 150,978	\$ 185,179
Items not involving cash:		
Amortization of tangible capital assets	1,170,413	1,169,815
Gain on sale of tangible capital assets	(14,134)	(24,894)
Contribution of tangible capital asset	-	(355,430)
Actuarial gain	(18,601)	(22,666)
Change in non-cash operating assets and liabilities:		
Accounts receivable	141,443	1,003,309
Accounts payable and accrued liabilities	(164,043)	15,550
Accrued payroll expenses	24,707	(30,986)
Deferred revenue	22,132	(26,340)
Prepaid expenses	(60,013)	(679)
Net change in cash from operating activities	1,252,882	1,912,858
Capital activities:		
Acquisition of tangible capital assets	(52,690)	(95,570)
Proceeds on sale of tangible capital assets	30,511	26,991
Net change in cash from capital activities	(22,179)	(68,579)
Financing activities:		
Principle payment on term debt	(59,550)	(59,551)
Repayment of demand promissory note	(87,500)	(87,500)
Net change in cash from financing activities	(147,050)	(147,051)
Net change in cash and short-term investments	1,083,653	1,697,228
Cash and short-term investments, beginning of year	2,576,425	879,197
Cash and short-term investments, end of year	\$ 3,660,078	\$ 2,576,425
Supplemental cash flow information:		
Cash received from interest	\$ 69,619	\$ 37,335
Cash paid for interest	86,465	89,302

The accompanying notes are an integral part of these financial statements

THE VILLAGE OF CHASE

Notes to Financial Statements

Year ended December 31, 2019

The Village of Chase (the "Village") was incorporated on April 21, 1969 under statute of the Province of British Columbia and operates under the provisions of the Local Government Act and the Community Charter of British Columbia.

The Village provides municipal services to residents of the incorporated area. These include fire protection, transportation and roads maintenance, solid waste collection and disposal, parks and recreation and maintenance of green spaces, water utility, sewer utility and other general government services.

1. Significant accounting policies:

The financial statements of the Village have been prepared in accordance with Canadian generally accepted accounting principles for governments as prescribed by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada ("CPA"). Significant accounting policies adopted by the Village are as follows:

(a) Reporting entity:

(i) Funds of the Village

The financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all funds of the Village, segregated into general, water utility and sewer utility funds.

The Village has not identified any external entities that are owned or whose boards are controlled by the Village and that are accountable to the Village for the administration of their financial affairs and resources; however it is the policy of the Village that any such entities would also form part of the reporting entity.

Inter-departmental and interfund transactions and balances between these funds have been eliminated in the financial statements.

(ii) Accounting for other government organizations and School Board transactions

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of other government entities and the School Boards with which the Village interacts are not reflected in these financial statements. Funds collected by the Village on behalf of these other entities and transmitted to them are summarized in note 9. Funds received by the Village as transfers or grants from other government entities are summarized in note 10.

(iii) Trust funds

Trust funds and their related operations administered by the Village are not included in these financial statements.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

1. Significant accounting policies (continued):

(b) Basis of accounting:

The Village follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned, can be measured and there is reasonable assurance that they will be collected. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Revenue recognition:

Property taxes, parcel taxes, frontage taxes, special assessments and grants in lieu of taxes are recognized as revenue in the year in which they are assessable. Water and sewer user rates, connection fees, sale of services, interest and penalties are recognized as revenue in the year the related service is provided, and when the amount to be received can be reasonably estimated and collection is reasonably assured.

Government transfers received or receivable are recognized in the financial statements as revenue in the year that the event giving rise to the transfer occurs, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

Investment income is reported as revenue in the year earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

(d) Deferred revenue:

Deferred revenue represents grants, development cost charges ("DCCs"), licenses and other fees which have been collected, but for which the related expenditures or services have yet to be performed or incurred. These amounts will be recognized as revenues in the year the services are performed or expenses incurred.

(e) Government transfers:

Government transfers (other than unconditional grants) are recognized in the financial statements as revenues in the years in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made unless the transfer contains stipulations that create a liability, in which case the transfers are recognized as revenue in the years that the liability is extinguished. Grants in lieu of taxes are recognized at the earlier of when received or when money is determined to be more likely than not collected.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

1. Significant accounting policies (continued):

(f) Cash and short-term investments:

Cash and short-term investments include cash and highly liquid investments with a term to maturity of 90 days or less at acquisition and that are readily convertible to cash.

(g) Reserves:

Reserves for operating and capital purposes represent amounts within accumulated surplus reserved either internally or by statute for specific future purposes.

(h) Term debt:

Term debt acquired through the Municipal Finance Authority ("MFA") is recorded net of the related sinking fund balances. Earnings on sinking fund investments are allocated to the Village as an actuarial adjustment, which is recorded as a revenue and reduction in the related debt.

(i) Employee future benefits:

(i) The Village provides certain employee benefits which will require funding in future periods. These benefits include sick leave and banked overtime provided to all its unionized employees. The costs of sick leave and banked overtime arising from past service and expected to be paid out in a future period have been accrued as a liability and have been determined using management's best estimate of salary and utilization rates. Non-vesting sick leave benefit entitlements in excess of these amounts are not accrued, as they are unlikely to be utilized prior to retirement.

(ii) The costs of multi-employer defined contribution pension plan benefits, such as the Provincial Municipal Pension Plan (the "Plan"), are the employer's contributions due to the Plan in the period.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

1. Significant accounting policies (continued):

(j) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful life - years
Land improvements	15-50
Buildings and building improvements	15-75
Vehicles, machinery and equipment	3-50
Roads, bridges and drainage	10-80
Water and waste water infrastructure	10-80

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Natural resources

Natural resources that have not been purchased are not recognized as assets in the financial statements.

(iv) Works of art and cultural and historic assets

The Village manages and controls various works of art and non-operational historical cultural assets including paintings and sculptures located at Village sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

1. Significant accounting policies (continued):

(j) Non-financial assets (continued):

(v) Interest capitalization

The Village does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(vi) Leased tangible capital assets

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(k) Use of estimates:

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions based on current conditions and laws that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. Significant estimates include assumptions used in estimating provisions for the estimated useful lives of tangible capital assets and in performing actuarial valuations of employee future benefits.

Management reviews these estimates on a periodic basis and, where necessary, makes adjustments prospectively.

(l) Contaminated sites:

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- i) An environmental standard exists
- ii) Contamination exceeds the environmental standard
- iii) The organization is directly responsible or accepts responsibility for liability
- iv) Future economic benefits will be given up, and
- v) A reasonable estimate of the liability can be made

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

2. Cash and short-term investments:

Cash and short-term investments reported on the statement of financial position have costs that approximate market value. Short-term investments of \$60,810 (2018 - \$59,699) consist of investments primarily in MFS pooled money market funds with an annual rate of return of approximately 1.86% (2018 - 1.65%) and GICs with maturity dates and interest rates ranging from February 2020 to August 2020 and 1.72% - 2.20%, respectively.

Restrictions around use of cash and cash equivalents are as follows:

	2019	2018
Restricted:		
Reserves	\$ 1,348,464	\$ 872,002
Development cost charges	204,927	194,503
MFA debt reserve fund	31,042	30,516
	1,584,433	1,097,021
Unrestricted	2,075,645	1,479,404
Total	\$ 3,660,078	\$ 2,576,425

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

3. Deferred revenue:

Deferred revenue, reported on the statement of financial position, is made up of the following:

	2019	2018
DCC's	\$ 204,927	\$ 194,503
Cash in lieu of parkland	15,421	15,421
Other	62,593	50,885
Total deferred revenue	\$ 282,941	\$ 260,809

Continuity of deferred revenue is as follows:

	2019	2018
Balance, beginning of year:		
DCC's	\$ 194,503	\$ 192,934
Cash in lieu of parkland	15,421	15,421
Other	50,885	78,794
	260,809	287,149
Contributions:		
DCC's	10,424	1,569
Gas tax funding	326,587	165,369
Other	20,426	-
	618,246	454,087
Revenues recognized	(335,305)	(193,278)
Balance, end of year	\$ 282,941	\$ 260,809

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

Development cost charges ("DCCs") are amounts received from developers to be used by the Village for specific infrastructure upgrades, improvements and projects. The above amounts have been deferred and are to be recognized as revenue in the year the related project expenditures are incurred.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

4. Demand promissory note:

During 2014, the Village obtained a demand promissory note from the MFA. The note was repaid during the year.

5. Term debt:

The Village issues debt instruments through the MFA of British Columbia, pursuant to term capital borrowing, loan authorization and security issuing bylaws under authority of Sections 178, 179 and 181 of the Community Charter, to finance certain capital expenditures.

The balance of term debt reported on the statement of financial position is made up of the following:

	2019	2018
MFA debt instrument with a maturity date of April, 2038, bearing interest at a rate of 3.15% per annum	\$ 836,082	\$ 866,137
MFA debt instrument with a maturity date of October 2036, bearing interest at a rate of 3.25% per annum	776,814	808,684
MFA debt instrument with a maturity date of April 2035, bearing interest at a rate of 4.50% per annum	354,466	370,692
Term debt, end of year	\$ 1,967,362	\$ 2,045,513

Total interest on term debt reported in the statement of operations amounted to \$85,600 (2018 - \$85,600).

The term debt issued in the name of the Village has been approved by bylaw. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

5. Term debt (continued):

The total principal payments for the next five years and thereafter are as follows:

2020	\$	79,650
2021		82,835
2022		86,149
2023		85,595
2024		93,179
Thereafter		1,535,954

Scheduled debt repayments may be suspended due to excess sinking fund earnings with MFA.

6. MFA debt reserve:

As a condition of the MFA borrowings made by the Village, and as required by legislation, a debt reserve fund is maintained in the amount of one-half the average annual instalment of principal and interest as set out in the agreements entered into. The reserve is funded in part by cash, being the withholding of 1% of the total issue proceeds, and the remainder being funded by a demand note whereby the Village may be required to loan certain amounts to the MFA. Details of the cash deposits and demand notes on hand at year end are as follows:

	2019	2018
Cash deposits	\$ 31,042	\$ 30,516
Demand notes	47,775	47,775
Debt reserve fund balance	\$ 78,817	\$ 78,291

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

7. Tangible capital assets:

2019	Land	Land improvements	Buildings and building improvements	Vehicles, machinery and equipment	Roads, bridges and drainage	Water infrastructure	Waste water infrastructure	Assets under construction	Total
Cost:									
Balance, beginning of year	\$ 7,027,161	\$ 1,951,893	\$ 15,620,208	\$ 5,971,213	\$ 8,189,163	\$ 4,673,365	\$ 3,949,135	\$ -	\$ 47,282,138
Additions	1,917	-	13,823	36,950	-	-	-	-	52,680
Disposals	(16,377)	-	-	(21,417)	-	-	-	-	(37,794)
Balance, end of year	7,012,701	1,951,893	15,634,031	5,986,746	8,189,163	4,673,365	3,949,135	-	47,297,034
Accumulated amortization:									
Balance, beginning of year	-	780,934	3,066,467	2,501,912	3,877,786	1,458,386	2,266,289	-	13,951,784
Disposals	-	-	-	(21,417)	-	-	-	-	(21,417)
Amortization expense	-	84,989	466,293	330,520	147,849	63,824	76,938	-	1,170,413
Balance, end of year	-	865,923	3,532,760	2,811,015	4,025,645	1,522,220	2,343,227	-	15,100,790
Net book value, end of year	\$ 7,012,701	\$ 1,085,970	\$ 12,101,271	\$ 3,175,731	\$ 4,163,518	\$ 3,051,145	\$ 1,605,908	\$ -	\$ 32,196,244

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

7. Tangible capital assets (continued):

2018	Land	Land Improvements	Buildings and building improvements	Vehicles, machinery and equipment	Roads, bridges and drainage	Water infrastructure	Waste water infrastructure	Assets under construction	Total
Cost:									
Balance, beginning of year	\$ 6,979,027	\$ 1,596,463	\$ 15,608,508	\$ 6,005,292	\$ 8,189,163	\$ 4,573,365	\$ 3,949,135	\$ -	\$ 46,900,953
Additions	48,134	355,430	11,700	35,736	-	-	-	-	451,000
Disposals	-	-	-	(69,815)	-	-	-	-	(69,815)
Balance, end of year	7,027,161	1,951,893	15,620,208	5,971,213	8,189,163	4,573,365	3,949,135	-	47,282,138
Accumulated amortization:									
Balance, beginning of year	-	703,566	2,601,321	2,233,572	3,725,530	1,397,585	2,188,123	-	12,849,697
Disposals	-	-	-	(67,718)	-	-	-	-	(67,718)
Amortization expense	-	77,368	465,146	336,058	152,266	60,811	78,166	-	1,169,815
Balance, end of year	-	780,934	3,066,467	2,501,912	3,877,796	1,458,396	2,266,289	-	13,951,794
Net book value, end of year	\$ 7,027,161	\$ 1,170,959	\$ 12,553,741	\$ 3,469,301	\$ 4,311,367	\$ 3,114,969	\$ 1,682,846	\$ -	\$ 33,330,344

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

7. Tangible capital assets (continued):

Included in tangible capital assets are the following assets:

	Water Treatment	Waste Water
Tangible capital assets:		
Cost:		
Balance, beginning of year	\$ 7,858,354	\$ 8,376,057
Balance, end of year	7,858,354	8,376,057
Accumulated amortization:		
Balance, beginning of year	1,526,500	3,163,058
Amortization expense	247,251	210,814
Balance, end of year	1,773,751	3,373,872
Net book value, end of year	\$ 6,084,603	\$ 5,002,185

a) Assets under construction

Assets under construction have not been amortized. Amortization of these assets will commence when the asset is put into service. Where projects have been completed during the year, accumulated costs are reclassified to the appropriate category of asset and included in related additions in the current year.

b) Contributed tangible capital assets

The Village did not receive any contributed assets during the year (2018 - water park with a fair value of \$355,430 was contributed).

c) Write-down of tangible capital assets

No write-down in value of tangible capital assets was considered necessary during the year (2018 - no write down).

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

8. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2019	2018
Surplus:		
Invested in tangible capital assets	\$ 30,228,883	\$ 31,197,331
Unrestricted	2,167,231	1,524,268
Total surplus	32,396,114	32,721,599
Reserves set aside by council for operating purposes:		
Road and improvement	264,621	114,621
Fire department	21,250	21,250
Planning and development	14,000	14,000
Parks and recreation	46,000	46,000
PW fleet and equipment	392,357	392,357
IT reserve	7,500	7,500
Recreation	75	75
Gas tax	602,662	276,199
	1,348,465	872,002
Total accumulated surplus	\$ 33,744,579	\$ 33,593,601

9. Taxation:

Taxation revenue, reported on the statement of operations, is made up of the following:

	2019	2018
Municipal and school property taxes levied	\$ 3,617,369	\$ 3,559,241
Payments-in-lieu of property and business taxes	50,688	47,851
Parcel taxes levied	39,777	37,609
Penalties and interest on property taxes	32,871	26,974
	3,740,705	3,671,675
Less transfers to other governments:		
Thompson-Nicola Regional District ("TNRD")	453,402	508,085
Thompson Regional Hospital District	219,054	218,011
Province of B.C. - school taxes	829,868	833,320
Province of B.C. - police taxes	134,291	134,176
B.C. Assessment Authority	27,693	28,480
Other items	97	92
	1,664,405	1,722,164
Net taxation revenue available for municipal purposes	\$ 2,076,300	\$ 1,949,511

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

10. Government transfers:

The Village recognizes the transfer of government funding as revenues or expenses in the period that the events giving rise to the transfer occurred. Government funding sources are primarily Federal, Provincial or a combination of both. The government transfers reported on the statement of operations and accumulated surplus are:

	2019	2018
Provincial grants:		
B.C. Small Communities grant	\$ 419,359	\$ 410,126
Climate Action Review Incentive Plan	4,990	4,777
Asset Management	12,138	15,000
Childcare Assessment	18,500	-
Infrastructure and Planning - Active Transportation	7,500	-
Infrastructure and Planning - Sewer Scoping	10,000	5,233
BC Hydro grant	3,000	-
	<u>475,487</u>	<u>435,136</u>
Federal grants:		
Gas tax revenue recognized	316,843	165,369
Federal Gas Tax Strategic Priorities Fund - Clean Water Conservation & Protection Plan	-	38,501
Youth employment grant	-	7,241
	<u>316,843</u>	<u>211,111</u>
TNRD:		
Fire response area	15,000	15,000
Cemetery grant	4,000	3,000
Economic development	-	30,000
	<u>19,000</u>	<u>48,000</u>
Total government transfer revenues	\$ 811,330	\$ 694,247

11. Trust funds:

The Village operates the Chase Municipal Cemetery and maintains a cemetery perpetual care fund in accordance with the Cemetery and Funeral Services Act. Trust fund assets and related reserve balance have been excluded from the financial statements, as the assets are only held beneficially in trust for unrelated third parties. At December 31, 2019, the Village held \$52,335 (2018 - \$51,585) in trust.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

12. Commitments and contingencies:

- (a) The Village, as a member of the Thompson-Nicola Regional District, is liable for its proportion of any operating deficits or term debt related to functions in which it participates.
- (b) The Village has guaranteed the loan principal and interest payments on a mortgage for the Chase and District Recreation Society (the "Society") to a maximum \$550,000 for the Chase golf course. As at December 31, 2019, the mortgage balance was \$434,863 (2018 - \$346,991). The Village provides annual grants up to \$52,500 and a contract fee for operations in the amount of \$75,000 to assist the Society with general operating costs. In the event the Society was to default on the mortgage payments, the golf course would become the property of the Village.
- (c) This Village and its employees contribute to the Municipal Pension Plan (the "plan"), a jointly trusteed pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2018, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from local governments.

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

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

The Village paid \$79,626 (2018 - \$78,148) for employer contributions, while employees contributed \$70,743 (2018 - \$66,822) to the Plan in fiscal 2019.

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

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

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

12. Commitments and contingencies (continued):

- (d) The Village provides benefits for sick leave to all its employees. All employees accumulate sick leave entitlement on a monthly basis and can only use this entitlement for paid time off under certain circumstances. Per the current collective agreement, employees earn sick leave benefits at the rate of 1.5 days for every month of service, which accumulate and roll forward year to year, up to a maximum of 150 days per employee.

The Village has not recorded a liability for this sick leave benefit entitlement as the current entitlement is unlikely to be utilized before retirement. However, at December 31, 2019 the sick leave benefits entitlement accumulated to date totals approximately 2,913 hours (2018 - 2,347) or approximately \$96,174 (2018 - \$73,390).

The Village also provides benefits on retirement. After five years of employment, 20% of the sick pay benefits will be paid out plus an additional 2% for each additional year employed to a maximum of 150 days. The Village has recorded a liability of \$35,819 (2018 - \$33,244) for these benefits due to vested retirement benefits.

- (e) From time to time the Village is brought forth as defendant in various lawsuits. The Village reviews its exposure to any potential litigation for which it would not be covered by insurance and assesses whether a successful claim against would materially affect the financial statements. The Village is currently not aware of any claims brought against it that if not defended successfully would result in a material change to the financial statements of the Village.
- (f) The Village is a participant in the Municipal Insurance Association of British Columbia. Should the Association pay out claims in excess of premiums received, it is possible the Village, along with the other participants, would be required to contribute towards the deficit.

13. Segmented information:

Segmented information has been identified based upon lines of service provided by the Village. Village services are provided by departments and their activities are reported by functional area in the body of the financial statements. Certain lines of service that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

- (i) Taxes

Taxes include all taxation revenues and tax related revenues except parcel taxes which are allocated to the specific functions for which they are collected.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

13. Segmented information (continued):

(ii) General government

General government operations provide the functions of corporate administration, finance, human resources, legislative services, building services and maintenance, and other functions not categorized to a specific department. It includes general revenues and transfers not allocated to specific functions.

(iii) Protective services

Protective services is comprised of the fire and rescue service, bylaw enforcement and animal control, and building inspection services. The mandate of the fire department is to provide fire suppression services; fire prevention programs; training and education related to prevention; and detection or extinguishment of fires. The bylaw and animal control department provides licensing and bylaw enforcement services. The building inspection service provides enforcement of municipal bylaws and the Provincial Building Code and regulations.

(iv) Development services

Development services provides planning assistance to guide developers in complying with the Village zoning bylaws, Official Community Plan, and development procedures for subdividing lands and providing the necessary infrastructure to support those developments.

(v) Transportation

The Village public works department is responsible for the delivery of municipal services related to the planning, development and maintenance of roadway systems, street lighting, and drainage systems.

(vi) Parks, recreation and culture

The Village public works and parks department provides public services related to the maintenance of parks, open spaces, the Community Hall, the Museum and provision of various seasonal recreation programs. Administration provides funding and liaison with Chase and District Recreation Centre Society which administers the arena and golf course.

(vii) Solid waste management

The Village is responsible for environmental programs including solid waste collection and disposal and recycling.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

13. Segmented information (continued):

(viii) Water utility

The Village is responsible for environmental programs including the engineering and operation of the potable water system to obtain, treat and deliver water.

(ix) Waster water utility

The Village is responsible for environmental programs including the engineering and operation of the waste water collection, treatment and disposal.

(x) Other services

The Village provides public services related to the Chase Cemetery, the public wharf and dykes within the community.

Certain allocation methodologies are employed in the preparation of segmented financial information. User charges and other revenue have been allocated to the segments based upon the segment that generated the revenue. Government transfers have been allocated to the segment based upon the purpose for which the transfer was made. Development cost charges revenues were allocated to the segment for which the charge was utilized.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

13. Segmented information (continued):

2019	Taxes and general revenues	General government	Planning and development services	Protective services	Transportation	Parks and recreation	Solid waste	Water utility	Sewer utility	Other services	Total
Revenues:											
Taxation	\$ 2,043,430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,043,430
User fees	-	37,365	31,410	7,023	-	30,362	242,333	331,417	390,397	19,450	1,089,757
Government transfers	-	792,330	-	15,000	-	-	-	-	-	4,000	811,330
Investment income	-	69,619	-	-	-	-	-	12,788	4,248	-	86,655
Penalties and interest	32,871	-	-	-	-	-	-	-	-	-	32,871
Gain on sale of tangible capital assets	-	14,134	-	-	-	-	-	-	-	-	14,134
Total revenues	2,076,301	913,448	31,410	22,023	-	30,362	242,333	344,205	394,645	23,450	4,078,177
Expenses:											
Salaries, wages and employee benefits	-	588,316	-	96,376	267,773	107,795	64,444	76,542	30,156	13,459	1,244,861
Operating	-	246,445	45,793	143,550	278,774	207,340	131,179	189,453	100,410	8,734	1,351,678
Grants in aid	-	2,782	21,000	-	-	50,000	-	-	-	-	73,782
Debt interest charges	-	-	-	-	-	865	-	64,000	21,600	-	86,465
Amortization	-	13,561	44,784	42,697	183,059	239,846	59,638	357,838	210,814	18,166	1,170,413
Total expenses	-	851,104	111,577	282,623	729,616	605,846	255,261	687,833	362,980	40,359	3,927,199
Annual surplus (deficit)	\$ 2,076,301	\$ 62,344	\$ (80,167)	\$ (260,600)	\$ (729,616)	\$ (575,484)	\$ (12,928)	\$ (343,628)	\$ 31,655	\$ (16,909)	\$ 150,978

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

13. Segmented information (continued):

2018	Taxes and general revenues	General government	Planning and development services	Protective services	Transportation	Parks and recreation	Solid waste	Water utility	Sewer utility	Other services	Total
Revenues:											
Taxation	\$ 1,922,536	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,922,536
User fees	-	23,067	31,068	32,629	-	32,286	238,794	359,180	391,828	12,438	1,121,290
Government transfers	-	663,006	-	21,025	-	7,216	-	-	-	3,000	694,247
Investment income	-	37,335	-	-	-	-	-	10,450	3,641	-	51,426
Penalties and interest	26,975	-	-	-	-	-	-	-	-	-	26,975
Gain on sale of tangible capital assets	-	14,081	-	-	10,613	-	-	-	-	-	24,694
Contributed tangible capital assets	-	-	-	-	-	355,430	-	-	-	-	355,430
Total revenues	1,949,511	737,489	31,068	53,654	10,613	394,932	238,794	369,630	395,469	15,438	4,196,798
Expenses:											
Salaries, wages and employee benefits	-	586,097	-	104,134	264,909	109,165	66,652	57,111	39,536	15,698	1,245,302
Operating	-	251,615	80,536	145,508	284,350	237,113	103,938	218,283	84,538	10,921	1,416,802
Grants in aid	-	25,630	15,038	-	-	50,000	-	-	-	-	90,668
Debt interest charges	-	-	-	-	-	3,432	-	64,000	21,600	-	89,032
Amortization	-	11,944	44,784	47,513	186,204	231,838	59,638	357,687	212,041	18,166	1,169,815
Total expenses	-	875,286	140,358	297,155	735,463	631,548	232,228	697,081	357,716	44,785	4,011,619
Annual surplus (deficit)	\$ 1,949,511	\$ (137,797)	\$ (109,290)	\$ (243,501)	\$ (724,650)	\$ (236,616)	\$ 6,566	\$ (327,451)	\$ 37,754	\$ (29,347)	\$ 185,179

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2019

14. Budget data:

The budget data presented in these financial statements is based upon the 2019 operating and capital budgets approved as the 2019 Financial Plan by Council on May 14, 2019. The legislative requirements of the Financial Plan are that the cash inflows for the period must equal planned cash outflows.

Cash inflows and outflows include such items as transfers to and from reserves and surplus and capital expenditures. These items are not recognized as revenues and expenses in the statement of operations and accumulated surplus as they do not meet the public sector accounting standards requirements ("PSAB"). PSAB requires that budget figures be presented on the same basis of accounting as actual and comparative figures.

The following reconciles the budget figures reported in these financial statements to the approved Financial Plan.

	Budget amount
Surplus - Statement of Operations	\$ 1,870,263
Adjust for budgeted cash items not included in Statement of Operations:	
Offset for amortization budgeted	951,600
Transfers to and from reserves	(754,558)
Proceeds from sale of tangible capital assets	7,500
Acquisition of tangible capital assets	(1,909,255)
Principal payments on debt	(165,550)
Total Adjustments	(1,870,263)
Financial Plan Balance	\$ -

15. Subsequent event:

Subsequent to December 31, 2019, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on our municipality is not known at this time. These impacts could include an impact on our ability to obtain financing, impairment of investments, impairment of tangible capital assets or potential future decreases in revenue of our ongoing operations.

16. Comparative figures:

Certain 2018 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year. The changes do not affect prior year's surplus.

Financial Statements of

THE VILLAGE OF CHASE

Year ended December 31, 2020

THE VILLAGE OF CHASE

Financial Statements

Year ended December 31, 2020

Financial Statements

Management's Responsibility for the Financial Statements

Independent Auditors' Report

Statement of Financial Position 1

Statement of Operations 2

Statement of Changes in Net Financial Assets 3

Statement of Cash Flows 4

Notes to Financial Statements 5

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying financial statements of The Village of Chase (the "Village") are the responsibility of management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. The significant accounting policies are described in Note 2 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Village's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to the approval of the financial statements by Council.

The financial statements have been audited by KPMG LLP, independent external auditors appointed by the Village. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Village's financial statements.




Chief Administrative Officer



Director of Financial Services



KPMG LLP
560 Victoria Street
Kamloops BC V2C 2B2
Canada
Tel 250-372-5581
Fax 250-828-2928

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Village of Chase

Opinion

We have audited the financial statements of The Village of Chase (the "Village"), which comprise:

- the statement of financial position as at December 31, 2020
- the statement of operations for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2020, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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



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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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



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

KPMG LLP

Chartered Professional Accountants

Kamloops, Canada
April 13, 2021

THE VILLAGE OF CHASE

Statement of Financial Position

December 31, 2020

	2020	2019
Financial assets:		
Cash and short-term investments (note 3)	\$ 5,774,448	\$ 3,660,078
Accounts receivable:		
Taxes receivable	198,158	188,362
Other	157,601	127,807
	<u>6,130,207</u>	<u>3,976,247</u>
Financial liabilities:		
Accounts payable and accrued liabilities (note 4)	394,044	146,109
Accrued payroll expenses	119,055	105,625
Deferred revenue (note 5)	436,128	282,941
Term debt (note 6)	1,886,533	1,967,362
	<u>2,835,760</u>	<u>2,502,037</u>
Net financial assets	3,294,447	1,474,210
Non-financial assets:		
Tangible capital assets (note 9)	31,147,885	32,196,244
Prepaid expenses	82,115	74,125
	<u>31,230,000</u>	<u>32,270,369</u>
Continuity of operations (note 1)		
Commitments and contingencies (note 14)		
Accumulated surplus (note 10)	\$ 34,524,447	\$ 33,744,579

The accompanying notes are an integral part of these financial statements



Director of Financial Services

THE VILLAGE OF CHASE

Statement of Operations

Year ended December 31, 2020

	Budget (note 16)	2020	2019
Revenues:			
Taxation (note 11)	\$ 2,146,177	\$ 2,148,105	\$ 2,076,300
User charges	1,275,040	1,097,910	1,106,641
Government transfers			
Provincial (note 12)	1,094,837	1,429,765	475,487
Federal (note 12)	-	155,043	316,843
Regional District (note 12)	-	19,000	19,000
Investment income	-	69,035	86,656
Gain on sale of tangible capital assets	-	-	14,134
Other income	2,000	-	-
Total revenues	4,518,054	4,918,858	4,095,061
Expenses:			
General government	852,842	1,030,828	851,104
Protective services	328,950	295,746	295,682
Transportation	837,160	738,088	733,441
Parks and recreation	615,950	617,040	605,846
Solid waste	257,600	261,600	255,261
Water utility	643,400	682,042	687,833
Sewer utility	374,750	395,540	362,980
Other	24,800	27,702	40,359
Development services	160,150	90,404	111,577
Total expenses	4,095,602	4,138,990	3,944,083
Annual surplus	422,452	779,868	150,978
Accumulated surplus, beginning of year	33,744,579	33,744,579	33,593,601
Accumulated surplus, end of year	\$ 34,167,031	\$ 34,524,447	\$ 33,744,579

The accompanying notes are an integral part of these financial statements

THE VILLAGE OF CHASE

Statement of Changes in Net Financial Assets

Year ended December 31, 2020

	Budget (note 16)	2020	2019
Annual surplus	\$ 422,452	\$ 779,868	\$ 150,978
Acquisition of tangible capital assets	(1,197,387)	(101,629)	(52,690)
Amortization of tangible capital assets	990,400	1,149,988	1,170,413
Gain on sale of tangible capital assets	-	-	(14,134)
Proceeds on sale of tangible capital assets	-	-	30,511
	215,465	1,828,227	1,285,078
Acquisition of prepaid expenses	-	(82,115)	(74,125)
Use of prepaid expenses	-	74,125	14,112
	-	(7,990)	(60,013)
Change in net financial assets	215,465	1,820,237	1,225,065
Net financial assets, beginning of year	1,474,210	1,474,210	249,145
Net financial assets, end of year	\$ 1,689,675	\$ 3,294,447	\$ 1,474,210

The accompanying notes are an integral part of these financial statements

THE VILLAGE OF CHASE

Statement of Cash Flows

Year ended December 31, 2020

	2020	2019
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 779,868	\$ 150,978
Items not involving cash:		
Amortization of tangible capital assets	1,149,988	1,170,413
Gain on sale of tangible capital assets	-	(14,134)
Actuarial gain	(21,279)	(18,601)
Change in non-cash operating assets and liabilities:		
Accounts receivable	(39,590)	141,443
Accounts payable and accrued liabilities	247,935	(164,043)
Accrued payroll expenses	13,430	24,707
Deferred revenue	153,187	22,132
Prepaid expenses	(7,990)	(60,013)
Net change in cash from operating activities	2,275,549	1,252,882
Capital activities:		
Acquisition of tangible capital assets	(101,629)	(52,690)
Proceeds on sale of tangible capital assets	-	30,511
Net change in cash from capital activities	(101,629)	(22,179)
Financing activities:		
Principle payment on term debt	(59,550)	(59,550)
Repayment of demand promissory note	-	(87,500)
Net change in cash from financing activities	(59,550)	(147,050)
Net change in cash and short-term investments	2,114,370	1,083,653
Cash and short-term investments, beginning of year	3,660,078	2,576,425
Cash and short-term investments, end of year	\$ 5,774,448	\$ 3,660,078
Supplemental cash flow information:		
Cash received from interest	\$ 48,935	\$ 69,619
Cash paid for interest	77,872	86,465

The accompanying notes are an integral part of these financial statements

THE VILLAGE OF CHASE

Notes to Financial Statements

Year ended December 31, 2020

The Village of Chase (the "Village") was incorporated on April 21, 1969 under statute of the Province of British Columbia and operates under the provisions of the Local Government Act and the Community Charter of British Columbia.

The Village provides municipal services to residents of the incorporated area. These include fire protection, transportation and roads maintenance, solid waste collection and disposal, parks and recreation and maintenance of green spaces, water utility, sewer utility and other general government services.

1. Continuity of operations:

On March 11, 2020, the World Health Organization declared the Coronavirus COVID-19 ("COVID-19") outbreak a pandemic. This has resulted in governments worldwide, including the Canadian and B.C. governments, enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods, closures of non-essential businesses, and physical distancing, have caused material disruption to businesses in B.C. and globally, resulting in an economic slowdown. The Village continued operations as the Village is considered an essential service. The primary impact on the Village has been a closure of Village facilities to the public on March 19, 2020 with limited reopenings based on government guidelines. The Village received the COVID Safe Restart Grant to ensure the Village is able to continue delivering services to residents throughout the pandemic and the post-COVID recovery period.

The situation is dynamic, and the ultimate duration and magnitude of the impact is not known. The impact of the pandemic creates uncertainty over future cash flows, may cause changes to the assets or liabilities, and may have an impact on future operations. This uncertainty does not allow management to make a practical estimate of the impact of COVID-19 on the operations of the Village at this time due to external conditions beyond management control. Management will continue to monitor the on-going financial impact on its cash and budget forecasts and will be adjusting its operations as required to ensure it fulfills its obligations and continues its operations.

2. Significant accounting policies:

The financial statements of the Village have been prepared in accordance with Canadian generally accepted accounting principles for governments as prescribed by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada ("CPA"). Significant accounting policies adopted by the Village are as follows:

(a) Reporting entity:

(i) Funds of the Village

The financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all funds of the Village, segregated into general, water utility and sewer utility funds.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

2. Significant accounting policies (continued):

(a) Reporting entity (continued):

(i) Funds of the Village (continued):

The Village has not identified any external entities that are owned or whose boards are controlled by the Village and that are accountable to the Village for the administration of their financial affairs and resources; however it is the policy of the Village that any such entities would also form part of the reporting entity.

Inter-departmental and interfund transactions and balances between these funds have been eliminated in the financial statements.

(ii) Accounting for other government organizations and School Board transactions

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of other government entities and the School Boards with which the Village interacts are not reflected in these financial statements. Funds collected by the Village on behalf of these other entities and transmitted to them are summarized in note 11. Funds received by the Village as transfers or grants from other government entities are summarized in note 12.

(iii) Trust funds

Trust funds and their related operations administered by the Village are not included in these financial statements.

(b) Basis of accounting:

The Village follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned, can be measured and there is reasonable assurance that they will be collected. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Revenue recognition:

Property taxes, parcel taxes, frontage taxes, special assessments and grants in lieu of taxes are recognized as revenue in the year in which they are assessable. Water and sewer user rates, connection fees, sale of services, interest and penalties are recognized as revenue in the year the related service is provided, and when the amount to be received can be reasonably estimated and collection is reasonably assured.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

2. Significant accounting policies (continued):

(c) Revenue recognition (continued):

Government transfers received or receivable are recognized in the financial statements as revenue in the year that the event giving rise to the transfer occurs, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

Investment income is reported as revenue in the year earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

(d) Deferred revenue:

Deferred revenue represents grants, development cost charges ("DCCs"), licenses and other fees which have been collected, but for which the related expenditures or services have yet to be performed or incurred. These amounts will be recognized as revenues in the year the services are performed or expenses incurred.

(e) Government transfers:

Government transfers (other than unconditional grants) are recognized in the financial statements as revenues in the years in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made unless the transfer contains stipulations that create a liability, in which case the transfers are recognized as revenue in the years that the liability is extinguished. Grants in lieu of taxes are recognized at the earlier of when received or when money is determined to be more likely than not collected.

(f) Cash and short-term investments:

Cash and short-term investments include cash and highly liquid investments with a term to maturity of 90 days or less at acquisition and that are readily convertible to cash.

(g) Reserves:

Reserves for operating and capital purposes represent amounts within accumulated surplus reserved either internally or by statute for specific future purposes.

(h) Term debt:

Term debt acquired through the Municipal Finance Authority ("MFA") is recorded net of the related sinking fund balances. Earnings on sinking fund investments are allocated to the Village as an actuarial adjustment, which is recorded as a revenue and reduction in the related debt.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

2. Significant accounting policies (continued):

(i) Employee future benefits:

(i) The Village provides certain employee benefits which will require funding in future periods. These benefits include sick leave and banked overtime provided to all its unionized employees. The costs of sick leave and banked overtime arising from past service and expected to be paid out in a future period have been accrued as a liability and have been determined using management's best estimate of salary and utilization rates. Non-vesting sick leave benefit entitlements in excess of these amounts are not accrued, as they are unlikely to be utilized prior to retirement.

(ii) The costs of multi-employer defined contribution pension plan benefits, such as the Provincial Municipal Pension Plan (the "Plan"), are the employer's contributions due to the Plan in the period.

(j) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful life - years
Land improvements	15-50
Buildings and building improvements	15-75
Vehicles, machinery and equipment	3-50
Roads, bridges and drainage	10-80
Water and waste water infrastructure	10-80

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

2. Significant accounting policies (continued):

(j) Non-financial assets (continued):

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Natural resources

Natural resources that have not been purchased are not recognized as assets in the financial statements.

(iv) Works of art and cultural and historic assets

The Village manages and controls various works of art and non-operational historical cultural assets including paintings and sculptures located at Village sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

(v) Interest capitalization

The Village does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(vi) Leased tangible capital assets

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(k) Use of estimates:

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions based on current conditions and laws that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Management reviews these estimates on a periodic basis and, where necessary, makes adjustments prospectively.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

2. Significant accounting policies (continued):

(l) Contaminated sites:

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- i) An environmental standard exists
- ii) Contamination exceeds the environmental standard
- iii) The organization is directly responsible or accepts responsibility for liability
- iv) Future economic benefits will be given up, and
- v) A reasonable estimate of the liability can be made

3. Cash and short-term investments:

Cash and short-term investments reported on the statement of financial position have costs that approximate market value. Short-term investments of \$340,131 (2019 - \$60,810) consist of investments primarily in MFA pooled money market funds with an annual rate of return of approximately .85% (2019 - 1.86%) and GICs with maturity dates and interest rates ranging from August 2021 to February 2021 and .15% - 1.92%, respectively.

Restrictions around use of cash and cash equivalents are as follows:

	2020	2019
Restricted:		
Reserves	\$ 2,487,396	\$ 1,348,464
Development cost charges	258,641	204,927
MFA debt reserve fund	31,681	31,042
	2,777,718	1,584,433
Unrestricted	2,996,730	2,075,645
Total	\$ 5,774,448	\$ 3,660,078

4. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are refundable deposits of \$198,638 (2019 - \$nil).

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

5. Deferred revenue:

Deferred revenue, reported on the statement of financial position, is made up of the following:

	2020	2019
DCC's	\$ 258,641	\$ 204,927
Cash in lieu of parkland	20,300	15,421
Other	157,187	62,593
Total deferred revenue	\$ 436,128	\$ 282,941

Continuity of deferred revenue is as follows:

	2020	2019
Balance, beginning of year:		
DCC's	\$ 204,927	\$ 194,503
Cash in lieu of parkland	15,421	15,421
Other	62,593	50,885
	282,941	260,809
Contributions:		
DCC's	53,714	10,424
Gas tax funding	107,723	326,587
Other	106,495	20,426
	550,873	618,246
Revenues recognized	(114,745)	(335,305)
Balance, end of year	\$ 436,128	\$ 282,941

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

Development cost charges ("DCCs") are amounts received from developers to be used by the Village for specific infrastructure upgrades, improvements and projects. The above amounts have been deferred and are to be recognized as revenue in the year the related project expenditures are incurred.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

6. Term debt:

The Village issues debt instruments through the MFA of British Columbia, pursuant to term capital borrowing, loan authorization and security issuing bylaws under authority of Sections 178, 179 and 181 of the Community Charter, to finance certain capital expenditures.

The balance of term debt reported on the statement of financial position is made up of the following:

	2020	2019
MFA debt instrument with a maturity date of April, 2038, bearing interest at a rate of 3.15% per annum	\$ 804,797	\$ 836,082
MFA debt instrument with a maturity date of October 2036, bearing interest at a rate of 3.25% per annum	743,658	776,814
MFA debt instrument with a maturity date of April 2035, bearing interest at a rate of 1.81% per annum	338,078	354,466
Term debt, end of year	\$ 1,886,533	\$ 1,967,362

Total interest on term debt reported in the statement of operations amounted to \$77,872 (2019 - \$85,600).

The term debt issued in the name of the Village has been approved by bylaw. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs.

The total principal payments for the next five years and thereafter are as follows:

2021	\$ 83,479
2022	86,730
2023	90,107
2024	93,617
2025	97,263
Thereafter	1,435,337

Scheduled debt repayments may be suspended due to excess sinking fund earnings with MFA.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

7. Credit facility:

The Village has a line of credit with the Royal Bank of Canada ("RBC") which bears interest at the bank's prime commercial lending rate (December 31, 2020 - 2.45%). The line of credit is available to a maximum of \$2,000,000. As at December 31, 2020, the line of credit balance totaled \$nil (December 31, 2019 - \$nil).

8. MFA debt reserve:

As a condition of the MFA borrowings made by the Village, and as required by legislation, a debt reserve fund is maintained in the amount of one-half the average annual instalment of principal and interest as set out in the agreements entered into. The reserve is funded in part by cash, being the withholding of 1% of the total issue proceeds, and the remainder being funded by a demand note whereby the Village may be required to loan certain amounts to the MFA. Details of the cash deposits and demand notes on hand at year end are as follows:

	2020	2019
Cash deposits	\$ 31,681	\$ 31,042
Demand notes	47,775	47,775
Debt reserve fund balance	\$ 79,456	\$ 78,817

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

9. Tangible capital assets:

2020	Land	Land improvements	Buildings and building improvements	Vehicles, machinery and equipment	Roads, bridges and drainage	Water infrastructure	Waste water infrastructure	Assets under construction	Total
Cost:									
Balance, beginning of year	\$ 7,012,701	\$ 1,951,893	\$ 15,634,031	\$ 5,986,746	\$ 8,189,163	\$ 4,573,365	\$ 3,949,135	\$ -	\$ 47,297,034
Additions	-	-	-	54,133	21,926	-	25,570	-	101,629
Balance, end of year	7,012,701	1,951,893	15,634,031	6,040,879	8,211,089	4,573,365	3,974,705	-	47,398,663
Accumulated amortization:									
Balance, beginning of year	-	865,923	3,532,760	2,811,015	4,025,645	1,522,220	2,343,227	-	15,100,790
Amortization expense	-	83,451	466,752	312,905	147,986	63,411	75,483	-	1,149,988
Balance, end of year	-	949,374	3,999,512	3,123,920	4,173,631	1,585,631	2,418,710	-	16,250,778
Net book value, end of year	\$ 7,012,701	\$ 1,002,519	\$ 11,634,519	\$ 2,916,959	\$ 4,037,458	\$ 2,987,734	\$ 1,555,995	\$ -	\$ 31,147,885

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

9. Tangible capital assets (continued):

2019	Land	Land improvements	Land	Buildings and building improvements	Vehicles, machinery and equipment	Roads, bridges and drainage	Water infrastructure	Waste water infrastructure	Assets under construction	Total
Cost:										
Balance, beginning of year	\$ 7,027,161	\$ 1,951,893	\$ 15,620,208	\$ 5,971,213	\$ 8,189,163	\$ 4,573,365	\$ 3,949,135	\$ -	\$ -	\$ 47,282,138
Additions	1,917	-	13,823	36,950	-	-	-	-	-	52,690
Disposals	(16,377)	-	-	(21,417)	-	-	-	-	-	(37,794)
Balance, end of year	7,012,701	1,951,893	15,634,031	5,986,746	8,189,163	4,573,365	3,949,135	-	-	47,297,034
Accumulated amortization:										
Balance, beginning of year	-	780,934	3,066,467	2,501,912	3,877,796	1,458,396	2,266,289	-	-	13,951,794
Disposals	-	-	-	(21,417)	-	-	-	-	-	(21,417)
Amortization expense	-	84,989	466,293	330,520	147,849	63,824	76,938	-	-	1,170,413
Balance, end of year	-	865,923	3,532,760	2,811,015	4,025,645	1,522,220	2,343,227	-	-	15,100,790
Net book value, end of year	\$ 7,012,701	\$ 1,085,970	\$ 12,101,271	\$ 3,175,731	\$ 4,163,518	\$ 3,051,145	\$ 1,605,908	\$ -	\$ -	\$ 32,196,244

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

9. Tangible capital assets (continued):

Included in tangible capital assets are the following assets:

	Water Treatment	Waste Water
Tangible capital assets:		
Cost:		
Balance, beginning of year	\$ 8,644,507	\$ 8,376,057
Additions	-	25,570
Balance, end of year	8,644,507	8,401,627
Accumulated amortization:		
Balance, beginning of year	2,251,960	3,373,872
Amortization expense	321,877	209,359
Balance, end of year	2,573,837	3,583,231
Net book value, end of year	\$ 6,070,670	\$ 4,818,396

a) Assets under construction

Assets under construction have not been amortized. Amortization of these assets will commence when the asset is put into service. Where projects have been completed during the year, accumulated costs are reclassified to the appropriate category of asset and included in related additions in the current year.

b) Contributed tangible capital assets

The Village did not receive any contributed assets during the year (2019 - none).

c) Write-down of tangible capital assets

No write-down in value of tangible capital assets was considered necessary during the year (2019 - no write down).

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

10. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2020	2019
Surplus:		
Invested in tangible capital assets	\$ 29,261,352	\$ 30,228,882
Unrestricted	2,775,698	2,167,232
Total surplus	32,037,050	32,396,114
Reserves set aside by council for operating purposes:		
Road and improvement	414,621	264,621
Fire department	21,250	21,250
Planning and development	14,000	14,000
Parks and recreation	46,000	46,000
PW fleet and equipment	392,357	392,357
IT reserve	7,500	7,500
Recreation	75	75
Gas tax	710,385	602,662
Youth action	2,209	-
COVID Safe Restart Grant (schedule)	879,000	-
	2,487,397	1,348,465
Total accumulated surplus	\$ 34,524,447	\$ 33,744,579

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

11. Taxation:

Taxation revenue, reported on the statement of operations, is made up of the following:

	2020	2019
Municipal and school property taxes levied	\$ 3,620,045	\$ 3,617,369
Payments-in-lieu of property and business taxes	51,356	50,688
Parcel taxes levied	43,188	39,777
Penalties and interest on property taxes	25,872	32,871
	<u>3,740,461</u>	<u>3,740,705</u>
Less transfers to other governments:		
Thompson-Nicola Regional District ("TNRD")	436,238	453,402
Thompson Regional Hospital District	216,292	219,054
Province of B.C. - school taxes	764,742	829,868
Province of B.C. - police taxes	145,040	134,291
B.C. Assessment Authority	29,945	27,693
Other items	99	97
	<u>1,592,356</u>	<u>1,664,405</u>
Net taxation revenue available for municipal purposes	<u>\$ 2,148,105</u>	<u>\$ 2,076,300</u>

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

12. Government transfers:

The Village recognizes the transfer of government funding as revenues or expenses in the period that the events giving rise to the transfer occurred. Government funding sources are primarily Federal, Provincial or a combination of both. The government transfers reported on the statement of operations and accumulated surplus are:

	2020	2019
Provincial grants:		
B.C. Small Communities grant	\$ 427,065	\$ 419,359
Climate Action Review Incentive Plan	4,990	4,990
Asset Management	-	12,138
Childcare Assessment	-	18,500
Infrastructure and Planning - Active Transportation	7,500	7,500
Infrastructure and Planning - Sewer Scoping	-	10,000
BC Hydro grant	-	3,000
COVID Safe Restart Grant	879,000	-
Community Workforce Response Grant	86,010	-
Emergency Operations Centres	24,200	-
B.C. Recreation and Parks	1,000	-
	<u>1,429,765</u>	<u>475,487</u>
Federal grants:		
Gas tax revenue recognized	151,393	316,843
Federal grant - other	3,650	-
	<u>155,043</u>	<u>316,843</u>
TNRD:		
Fire response area	15,000	15,000
Cemetery grant	4,000	4,000
	<u>19,000</u>	<u>19,000</u>
Total government transfer revenues	\$ 1,603,808	\$ 811,330

13. Trust funds:

The Village operates the Chase Municipal Cemetery and maintains a cemetery perpetual care fund in accordance with the Cemetery and Funeral Services Act. Trust fund assets and related reserve balance have been excluded from the financial statements, as the assets are only held beneficially in trust for unrelated third parties. At December 31, 2020, the Village held \$52,885 (2019 - \$52,335) in trust.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

14. Commitments and contingencies:

- (a) The Village, as a member of the Thompson-Nicola Regional District, is liable for its proportion of any operating deficits or term debt related to functions in which it participates.
- (b) The Village has guaranteed the loan principal and interest payments on a mortgage for the Chase and District Recreation Society (the "Society") to a maximum \$550,000 for the Chase golf course. As at December 31, 2020, the mortgage balance was \$415,399 (2019 - \$434,863). The Village provides annual grants up to \$52,500 and a contract fee for operations in the amount of \$75,000 to assist the Society with general operating costs. In the event the Society was to default on the mortgage payments, the golf course would become the property of the Village. During the year, the Village passed a resolution to enter into an agreement with the Society with a contract fee for operations in the amount of \$150,000 to assist the Society with general operating costs beginning in 2021 and ending December 31, 2022. As of yearend the agreement has not been finalized.
- (c) This Village 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 administering the plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2019, the plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 contributors from local governments.

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

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

The Village paid \$78,819 (2019 - \$79,626) for employer contributions, while employees contributed \$70,193 (2019 - \$70,743) to the Plan in fiscal 2020.

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

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

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

14. Commitments and contingencies (continued):

- (d) The Village provides benefits for sick leave to all its employees. All employees accumulate sick leave entitlement on a monthly basis and can only use this entitlement for paid time off under certain circumstances. Per the current collective agreement, employees earn sick leave benefits at the rate of 1.5 days for every month of service, which accumulate and roll forward year to year, up to a maximum of 150 days per employee.

The Village has not recorded a liability for this sick leave benefit entitlement as the current entitlement is unlikely to be utilized before retirement. However, at December 31, 2020 the sick leave benefits entitlement accumulated to date totals approximately 2,977 hours (2019 - 2,913) or approximately \$96,559 (2019 - 2,913 or approximately \$96,174).

The Village also provides benefits on retirement. After five years of employment, 20% of the sick pay benefits will be paid out plus an additional 2% for each additional year employed to a maximum of 150 days. The Village has recorded a liability of \$37,618 (2019 - \$35,819) for these benefits due to vested retirement benefits.

- (e) From time to time the Village is brought forth as defendant in various lawsuits. The Village reviews its exposure to any potential litigation for which it would not be covered by insurance and assesses whether a successful claim against would materially affect the financial statements. The Village is currently not aware of any claims brought against it that if not defended successfully would result in a material change to the financial statements of the Village.
- (f) The Village is a participant in the Municipal Insurance Association of British Columbia. Should the Association pay out claims in excess of premiums received, it is possible the Village, along with the other participants, would be required to contribute towards the deficit.

15. Segmented information:

Segmented information has been identified based upon lines of service provided by the Village. Village services are provided by departments and their activities are reported by functional area in the body of the financial statements. Certain lines of service that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

- (i) Taxes

Taxes include all taxation revenues and tax related revenues except parcel taxes which are allocated to the specific functions for which they are collected.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

15. Segmented information (continued):

(ii) General government

General government operations provide the functions of corporate administration, finance, human resources, legislative services, building services and maintenance, and other functions not categorized to a specific department. It includes general revenues and transfers not allocated to specific functions.

(iii) Protective services

Protective services is comprised of the fire and rescue service, bylaw enforcement and animal control, and building inspection services. The mandate of the fire department is to provide fire suppression services; fire prevention programs; training and education related to prevention; and detection or extinguishment of fires. The bylaw and animal control department provides licensing and bylaw enforcement services. The building inspection service provides enforcement of municipal bylaws and the Provincial Building Code and regulations.

(iv) Development services

Development services provides planning assistance to guide developers in complying with the Village zoning bylaws, Official Community Plan, and development procedures for subdividing lands and providing the necessary infrastructure to support those developments.

(v) Transportation

The Village public works department is responsible for the delivery of municipal services related to the planning, development and maintenance of roadway systems, street lighting, and drainage systems.

(vi) Parks, recreation and culture

The Village public works and parks department provides public services related to the maintenance of parks, open spaces, the Community Hall, the Museum and provision of various seasonal recreation programs. Administration provides funding and liaison with Chase and District Recreation Centre Society which administers the arena and golf course.

(vii) Solid waste management

The Village is responsible for environmental programs including solid waste collection and disposal and recycling.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

15. Segmented information (continued):

(viii) Water utility

The Village is responsible for environmental programs including the engineering and operation of the potable water system to obtain, treat and deliver water.

(ix) Waster water utility

The Village is responsible for environmental programs including the engineering and operation of the waste water collection, treatment and disposal.

(x) Other services

The Village provides public services related to the Chase Cemetery, the public wharf and dykes within the community.

Certain allocation methodologies are employed in the preparation of segmented financial information. User charges and other revenue have been allocated to the segments based upon the segment that generated the revenue. Government transfers have been allocated to the segment based upon the purpose for which the transfer was made. Development cost charges revenues were allocated to the segment for which the charge was utilized.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 2.

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

15. Segmented information (continued):

2020	Taxes and general revenues	General government	Planning and development services	Protective services	Transportation	Parks and recreation	Solid waste	Water utility	Sewer utility	Other services	Total
Revenues:											
Taxation	\$ 2,122,233	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,122,233
User fees	-	22,850	33,852	21,852	-	18,057	241,242	386,303	356,523	17,731	1,097,910
Government transfers	-	1,581,158	-	15,000	-	3,650	-	-	-	4,000	1,603,808
Investment income	-	48,935	-	-	-	-	-	15,221	4,879	-	69,035
Penalties and interest	25,872	-	-	-	-	-	-	-	-	-	25,872
Total revenues	2,148,105	1,652,443	33,852	36,852	-	21,707	241,242	401,524	361,402	21,731	4,918,858
Expenses:											
Salaries, wages and employee benefits	-	607,751	-	105,751	266,204	89,134	66,128	73,913	36,980	6,954	1,252,815
Operating	-	405,038	43,620	150,810	297,019	237,702	144,061	186,704	135,329	2,582	1,602,865
Grants in aid	-	3,450	2,000	-	-	50,000	-	-	-	-	55,450
Debt interest charges	-	-	-	-	-	-	-	64,000	13,872	-	77,872
Amortization	-	14,569	44,784	39,185	174,865	240,204	51,411	357,425	209,359	18,166	1,149,988
Total expenses	-	1,030,828	90,404	295,746	738,088	617,040	261,600	682,042	395,540	27,702	4,138,990
Annual surplus (deficit)	\$ 2,148,105	\$ 621,615	\$ (56,552)	\$ (258,894)	\$ (738,088)	\$ (595,333)	\$ (20,358)	\$ (280,518)	\$ (34,138)	\$ (5,971)	\$ 779,868

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

15. Segmented information (continued):

2019	Taxes and general revenues	General government	Planning and development services	Protective services	Transportation	Parks and recreation	Solid waste	Water utility	Sewer utility	Other services	Total
Revenues:											
Taxation	\$ 2,043,430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,043,430
User fees	-	37,365	31,410	23,907	-	30,362	242,333	331,417	390,397	19,450	1,106,641
Government transfers	-	792,330	-	15,000	-	-	-	-	-	4,000	811,330
Investment income	-	69,620	-	-	-	-	-	12,788	4,248	-	86,656
Penalties and interest	32,870	-	-	-	-	-	-	-	-	-	32,870
Gain on sale of tangible capital assets	-	14,134	-	-	-	-	-	-	-	-	14,134
Total revenues	2,076,300	913,449	31,410	38,907	-	30,362	242,333	344,205	394,645	23,450	4,095,061
Expenses:											
Salaries, wages and employee benefits	-	586,316	-	96,376	267,773	107,795	64,444	76,542	30,156	13,459	1,244,861
Operating	-	246,445	45,793	160,434	278,774	207,340	131,179	189,453	100,410	8,734	1,368,562
Grants in aid	-	2,782	21,000	-	-	50,000	-	-	-	-	73,782
Debt interest charges	-	-	-	-	-	865	-	64,000	21,600	-	86,465
Amortization	-	13,561	44,784	42,697	183,069	239,846	59,638	357,838	210,814	18,166	1,170,413
Total expenses	-	851,104	111,577	299,507	729,616	605,846	255,261	687,833	362,980	40,359	3,944,063
Annual surplus (deficit)	\$ 2,076,300	\$ 62,345	\$ (80,167)	\$ (260,600)	\$ (729,616)	\$ (575,484)	\$ (12,928)	\$ (343,628)	\$ 31,665	\$ (16,909)	\$ 150,978

THE VILLAGE OF CHASE

Notes to Financial Statements (continued)

Year ended December 31, 2020

16. Budget data:

The budget data presented in these financial statements is based upon the 2020 operating and capital budgets approved as the 2020 Financial Plan by Council on May 12, 2020. The legislative requirements of the Financial Plan are that the cash inflows for the period must equal planned cash outflows.

Cash inflows and outflows include such items as transfers to and from reserves and surplus and capital expenditures. These items are not recognized as revenues and expenses in the statement of operations and accumulated surplus as they do not meet the public sector accounting standards requirements ("PSAB"). PSAB requires that budget figures be presented on the same basis of accounting as actual and comparative figures.

The following reconciles the budget figures reported in these financial statements to the approved Financial Plan.

	Budget amount
Surplus - Statement of Operations	\$ 422,452
Adjust for budgeted cash items not included in Statement of Operations:	
Offset for amortization budgeted	990,400
Transfers to and from reserves	(327,415)
Proceeds from borrowing	200,000
Acquisition of tangible capital assets	(1,197,387)
Principal payments on debt	(88,050)
Total Adjustments	(422,452)
Financial Plan Balance	\$ -

17. Comparative figures:

Certain 2019 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year. The changes do not affect prior year's surplus.

THE VILLAGE OF CHASE

Schedule of Reserve - COVID Safe Restart Grant (Unaudited)

Year ended December 31, 2020

	2020
Balance, beginning of year	\$ -
Transfer in from unrestricted - COVID Safe Restart Grant	879,000
Balance, end of year	\$ 879,000