

THE CORPORATION OF THE VILLAGE OF MONTROSE

2019 ANNUAL REPORT



June 2020

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INTRODUCTION

This Annual Report has been prepared by Council and Administration of the Village of Montrose in accordance with the reporting requirements contained within Section 98 of the *Community Charter*.

The Corporation of the Village of Montrose's 2019 Annual Report includes the audited financial statements of the Village for the 2018 fiscal year, pursuant to Section 167 of the *Community Charter*. These statements include the consolidated statement of the financial position of the Village and its financial activities of changes to the general, water and sewer operating funds, as well as financial activities in reserve and capital funds. The statements have been prepared by the Village's independent external auditors, Grant Thornton LLP, and are based on generally accepted accounting principles.

Mike Walsh
Mayor

Larry Plotnikoff
Chief Administrative Officer



DISQUALIFICATION DECLARATION

During the year of 2019, the municipality has not made, nor is the municipality aware of electors of the Village of Montrose having made, an application to court for a declaration of disqualification of a person elected or appointed to office on the Council of the Village of Montrose



COUNCIL

Mayor
Mike Walsh

Councilor
Don Berriault

Councilor
Paul Caron

Councilor
Cindy Cook

Councilor
Rory Steep

Mayor and Council's term commenced November 2018

Our Vision

"We will work together to maintain a high quality of life and excellent service to our community."

Our Mission

"We will, through strong leadership, provide high quality of life and service for current and future generations through collaboration with our neighbours in a fiscally responsible manner."

Our Values

- **Respect:** We embrace diversity and treat everyone with courtesy, dignity, and fairness.
- **Integrity:** We deal with others honestly, openly, directly - earning trust by doing what we say.
- **Accountability:** We accept responsibility for our decisions, actions, and overall performance.
- **Collaboration:** We work together and communicate, internally and externally, to achieve common goals.
- **Service:** We take pride in adoption of best practices and improving quality service with the resources available.

Our Operating Philosophy

We intend to be known and earn respect for:

- collaborative Council/Management leadership – visionary, strategic, progressive, transparent and focused on the public good
- support for youth and senior services
- service excellence - innovative, accommodating, continually improving
- appreciation for volunteers and community leaders
- strong partnerships and strategic alliances



2019 PERMISSIVE TAX EXEMPTIONS

In 2019, the Corporation of the Village of Montrose, as per Bylaw #723, provided the exemption of property taxes on the following property:

1. Beaver Valley Baptist Church: Parcel B, Block 2, Plan 2541, Kootenay Land District, PID# 015-251-519.

CLASS 08 Assessed Value in 2019 @ \$286,000 x 7.84403 = **\$2,243.39**

Total revenue that could have been generated from the above noted tax exempt property within the Village of Montrose in 2019 was **\$2,243.39**.



MUNICIPAL SERVICES & OPERATIONS REVIEW FOR 2019

Revenues

As per the Audited Consolidated Statement of Operations, the Village of Montrose collected a total of **\$1,646,284** in revenues in 2019. The revenue source breakdown is as follows:

<i>ACTIVITY</i>	<i>TOTAL \$</i>	<i>% of TOTAL</i>
Tax Collection for Village Purposes	504,364	30.60%
Water and Sewer User Fees	313,080	19.02%
Sales of Goods and Services	111,212	6.76%
Investment Income	32,118	1.95%
Transfer from Other Governments	679,259	41.29%
Gain on Disposal of Tangible Capital Assets	-	-
Other Sources	6,251	0.38%
TOTAL	1,646,284	100%

Expenditures

As per the Audited Consolidated Statement of Operations, the Village’s expenditures totaled **\$1,382,636** in 2019. The expenditure source breakdown is as follows:

<i>ACTIVITY</i>	<i>TOTAL \$</i>	<i>% of TOTAL</i>
<u>General Government</u>	459,566	33.23%
Activities include the cost of the administration, including Council operations, the office, legal and auditing services, liability insurance, and other general overhead expenditures.		
<u>Amortization</u>	315,056	22.79%
Amortization costs of existing Village tangible capital assets.		
<u>Loss (TCA)</u>	0	0.00%
Loss from write down of tangible capital assets		
<u>Water and Sewer Operations</u>	235,084	17.00%
Water operations include items related to the supply and distribution of water.		
Sewer operations include items related to the collection and treatment of sewerage.		



<u>Transportation Services</u>	193,926	14.03%
Transportation services include the cost of the public works shop, all the Village’s equipment, road maintenance (summer and winter) and streetlights.		
<u>Parks, Recreation and Culture</u>	72,303	5.23%
Parks, recreation and culture includes the operation and maintenance of the community hall, the playing field, and the parks. It also includes the cost of recreation programs and the recreation commission.		
<u>Debt Interest, Fiscal Services and Other</u>	0	0.00%
Debt interest and fiscal services includes lease payments, interest on the Community Bonds and other long-term debt, and bank service charges.		
<u>Environment and Health</u>	23,463	1.70%
Environmental health includes the cost of garbage collection and yard waste collection.		
<u>Protective Services</u>	33,953	2.46%
Protective services include bylaw enforcement, hydrant maintenance, and emergency measures.		
<u>Community Planning</u>	49,285	3.56%
Community planning is the cost of planning.		
TOTAL	1,382,636	100.00%

Annual Financial Statements

The Village’s complete 2019 Financial Audited Statements, which were prepared by Grant Thornton LLP and received by Council on April 20, 2020, can be found in the Appendices of this report.

PROGRESS REPORT ON OBJECTIVES FOR 2019

In 2019, the Village had several objectives it wished to achieve. The following chart summarizes the Village’s position in reaching the objectives that were identified in the 2019 Annual Report.

<u>SERVICE</u>	<u>OBJECTIVE</u>	<u>STRATEGY</u>	<u>PROGRESS</u>
Administration	Staff Training	To continue to provide staff with adequate training opportunities	Staff educated to relevant standards
	Regional Governance and Co-operation	Maintain strong relationships with neighbouring local governments to ensure service efficiencies.	Strong, sustainable local shared services continued.
	General Administration	To continue to review and update Village Bylaws and Policies	Continued to improve Village bylaws and policies
	Asset Management	Determine upgrades to asset management policies	2020/21 priority item.
	Availability of Broadband	Work with service providers, CBB and Govt. to develop strategy to bring broadband to the Village.	Broadband development plan and potential funding sources identified. Based on priorities of CBB and Regional Broadband Committee.
	GHG Emissions	Investigate funding opportunities and policies to enhance GHG reductions.	On-going.
	Steep Slope Assessment	Secure funding and conduct a steep slope assessment for the entire Village/	Assessment to be completed in 2021.
	Official Community Plan	Secure consultant and commence project.	Consultant selected. Project commenced.
	Village Webpage	Revamp Village website.	Project complete.
Public Works	Housing Needs Assessment.	A housing needs assessment is completed.	Village partnered with RDKB – who is leading the project. To be completed in late 2020/early 2021..
	Equipment replacement	To maintain operating efficiency of the Public Works equipment	Continued to increase reserves for future equipment replacement



	Fire Hall/PW Bldg. Improvements	Paint outside of building/replace/repair FH stairs.	Project completed.
Water	Water Conservation	To continue to practice water conservation through participation in CBT Water Smart Program with focus on public education and data collection	Initiatives on-going. Water consumption levels stable.
	Continue a multi-year valve replacement program	Continue to utilize the PW Department for the replacement of end of life water valves	End of life valves replaced as identified.
	Continue a multi-year fire hydrant replacement program	Continue to utilize the PW Department for the replacement of end of life fire hydrants	End of life fire hydrants replaced as identified.
Sewer	Reduce inflows to LWTP that are caused by infiltration	Identify and prioritize projects to reduce infiltration to wastewater collection system	Funding secured for Phase 1 of sewer line video assessment. Phase 1 to be completed 2020.
	Continue to repair and upgrade collection infrastructure	Repair collection infrastructure including lift station communications.	Lift station communication controls upgraded.
	Review replacing priority infrastructure at WWTP	Detailed assessment of priority infrastructure replacement requirements at WWTP complete. Funding sources previously identified.	Funding sources secured via infrastructure grant. Project forecast to be completed by end of 2021.
Roads	Continue to monitor road conditions for cost effective localized improvements	Continue to monitor road conditions and repair using cost effective methods including crack-sealing and patch repairs.	Road work/crack-sealing completed in 2019 for 40% of Village roads.
	9 th Ave Road/underground works replacement project	Secure project funding and commence project.	Funding secured and tender package developed. 2020 completion.
Parks and Recreation	Community Hall, Montrose Park Lighting Improvements and Spray Park Improvements	Electrical and outside lighting improvements for Hall and walking path are created. Spray Park repairs and upgrades completed.	Plans/drawings finalized and grant funding secured for various facets of the project. To be completed in 2020.



OBJECTIVES AND PERFORMANCE MEASURES FOR 2020

<u>SERVICE</u>	<u>OBJECTIVE</u>	<u>STRATEGY</u>	<u>MEASURE</u>
Administration	Staff Training	To continue to provide staff with adequate training opportunities	Staff educated to relevant standards
	Regional Governance	Maintain strong relationships with neighbouring local governments to look at efficiencies for services.	Strong, sustainable local shared services
	General Administration	To continue to review and update Village bylaws and policies	Continue to improve Village bylaws and policies
	Consistent progress towards GHG emissions targets	Investigate funding opportunities to complete projects identified.	Continued to search for funding for projects
	Asset Management	To acquire funding for the creation of a comprehensive asset management system.	Funding to be secured. Project to be completed 2020/21.
	Broadband		
	Steep Slope Assessment	Continue to lobby senior govt. and CBT and strategize for broadband installation for Montrose.	A broadband installation plan is developed, and funding sources identified through LCIC.
			Secure funding and conduct a steep slope assessment for the entire Village
	Official Community Plan	OCP process completed.	Council adopts a new OCP by October 2020.
Public Works	Equipment Replacement	To maintain operating efficiency of the Public Works equipment	Continued to increase reserves for future equipment replacement
Water	Water Conservation	To continue to practice water conservation through the CBT Water Smart Program with focus on public education and data collection	Water conservation policies continued
	Continue a multi-year	Continue to utilize the PW	Continued to identify and



	valve replacement program	Department for the replacement of end of life water valves	replace end of life valves.
	Continue a multi-year fire hydrant replacement program	Continue to utilize the PW Department for the replacement of end of life fire hydrants	End of life fire hydrants to be replaced through 9 th Ave. Project.
	Replace watermain at 800/900 blocks of 9 th Ave.	Watermain replacement part of larger road project.	Water main to be replaced in 2020.
Sewer	Reduce inflows to LWTP that are caused by infiltration	Identify and prioritize actions to reduce infiltration to wastewater collection system	Phase 1 plan to be completed in 2020 to investigate infiltration.
	Complete control upgrades to lift stations #1 & #2.	Finalize project details/timeline.	Lift station controls to be fully upgraded in 2020.
	Replace sewer main at 800/900 block 9 th Ave.	Sewer main replacement part of larger road project.	Sewer main to be replaced in 2020.
	WWTP Upgrade Project.	Commence detailed engineered drawings.	Detailed design complete. Project tender ready Dec. 2020.
Roads	Continue to monitor road conditions for cost effective improvements	Continue to monitor road conditions and repair using cost effective methods	Continued to monitor and identified areas for improvement.
	Repave 800/900 block of 9 th Ave.	Repaving of roadway part of larger project.	Roadway to be repaved with proper drainage in 2020.
Parks and Recreation	CCERC Building/Montrose Park Improvements.	Confirm project design and secure funding.	Funding secured with project targeted completion July 2020.



OBJECTIVES AND PERFORMANCE MEASURES FOR 2021

<u>SERVICE</u>	<u>OBJECTIVE</u>	<u>STRATEGY</u>	<u>MEASURE</u>
Administration	Staff Training	To continue to provide staff with adequate training opportunities	Staff educated to relevant standards
	Regional Governance and Co-operation	Maintain strong relationships with neighbouring local governments to ensure service efficiencies.	Strong, sustainable local shared services
	General Administration	To continue to review and update Village Bylaws and Policies	Continual improvements to Village Bylaws and policies
	Asset Management	To have a comprehensive asset management system.	Complete asset management condition assessment replacement priority and cost identification in 2021.
	Availability of Broadband	Work with service providers, CBB and Govt. to develop strategy to bring broadband to the Village.	Broadband development plan and funding is secured.
	Strategic Plan	Council updates its 2019-2022 Strategic Priorities Plan.	Council develops and adopts an updated/interim 2021-2022 Strategic Plan.
	Zoning Bylaw	The Village develops a revised Zoning Bylaw.	Council commences the Zoning Bylaw update process with a view for a 2022 adoption.
	Seniors Housing	A seniors focused housing project is put forward for development.	Plans and funding are established for a seniors focused housing project
Public Works	Equipment Replacement	To maintain operating efficiency of the Public Works equipment	Continue to increase reserves for future equipment replacement
Water	Water Conservation	To continue to practice water conservation.	Water conservation policies continued.
	Continue a multi-year valve replacement program	Continue to utilize the PW Department for the replacement of end of life water valves	End of life valves replaced. More efficient operations when isolating water system



	Continue a multi-year fire hydrant replacement program	Continue to utilize the PW Department for the replacement of end of life fire hydrants	End of life fire hydrants replaced
	Watermain Replacement	Identify and upgrade watermains annually.	Projects completed.
Sewer	Reduce inflows to LWTP that are caused by infiltration	Identify and prioritize projects to reduce infiltration to wastewater collection system	Complete Phase II of Sewer Infiltration Assessment Project.
	WWTP Upgrade Project	Construction tender awarded. Construction commenced.	Project on target for December 2021 completion.
Roads	Continue to monitor road conditions for cost effective localized improvements	Continue to identify and prioritize road replacement as funding permits.	Identification of priorities and completion of projects
Parks and Recreation	Park Improvements Viewmont, Frontier and Montrose Parks.	Projects Identified to improve park facilities including rubberized play surfaces, equipment replacement.	Specific projects identified and funding secured.



APPENDICES

1. Audited Financial Statements Year Ended December 31, 2019
2. Tax Exemptions (2016 - 2025) – Bylaw #723



Financial Statements

The Corporation of the Village of Montrose

December 31, 2019

Management Responsibility Statement

The management of The Corporation of the Village of Montrose (the "Village") is responsible for preparing the financial statements, the notes to the financial statements and other financial information contained in this annual report.

Management prepares the financial statements in accordance with Canadian public sector accounting standards. The financial statements are considered by management to present fairly the management's financial position and results of operations.

The Village, in fulfilling its responsibilities, has developed and maintains a system of internal accounting controls designed to provide reasonable assurance that management assets are safeguarded from loss or unauthorized use, and that the records are reliable for preparing the financial statements.

The financial statements have been reported on by Grant Thornton LLP, Chartered Professional Accountants, the Mayor and Councilor's auditors. Their report outlines the scope of their examination and their opinion on the financial statements.



Chief Administrative Officer
April 20, 2020

Independent Auditor's Report

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To the Mayor and Council of
The Corporation of the Village of Montrose

Opinion

We have audited the financial statements of The Corporation of the Village of Montrose (the "Village"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, changes in net financial assets, cash flows, and schedules 1 through 3 for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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, changes in net financial assets and its cash flows 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our 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.

Other matter

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The exhibits included in the supplemental information section are presented for purposes of additional analysis and are not a required part of the financial statements. Such supplemental information has not been subject to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on them.

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.

Independent Auditor's Report (continued)

Auditor's 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 auditor's 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 these 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 auditor's 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 auditor's 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.

We 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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Trail, Canada
April 20, 2020

Chartered Professional Accountants

The Corporation of the Village of Montrose
December 31, 2019
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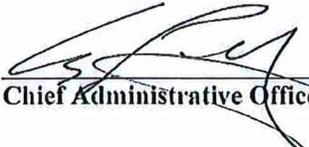
Schedule 1 - Schedule of Tangible Capital Assets
Schedule 2 - Reserve Funds
Schedule 3 - Segmented Information

Supplemental Information - Unaudited

Exhibit 1 - Statement of Financial Position by Fund
Exhibit 2 - Statement of Operations - General Operating Fund
Exhibit 3 - Statement of Operations - Water Operating Fund
Exhibit 4 - Statement of Operations - Sewer Operating Fund

The Corporation of the Village of Montrose
Statement of Financial Position
as at December 31, 2019

	2019	2018
Financial assets		
Cash (Note 2)	\$3,395,954	\$2,842,378
Accounts receivable (Note 3)	102,473	111,029
	\$3,498,427	\$2,953,407
Liabilities		
Accounts payable and accrued liabilities (Note 4)	\$ 121,592	\$ 110,288
Deferred revenue (Note 5)	256,921	92,642
Equipment financing (Note 6)	103,306	125,000
	481,819	327,930
Net financial assets	3,016,608	2,625,477
Non-financial assets		
Tangible capital assets (Schedule 1)	\$8,023,584	\$8,150,892
Inventory	3,795	5,581
Prepays	10,248	8,637
	\$11,054,235	\$10,790,587



Chief Administrative Officer



Mayor

SEE ACCOMPANYING NOTES

The Corporation of the Village of Montrose
Statement of Operations
Year ended December 31, 2019

	Budget	2019	2018
Revenue			
Taxation, grants in lieu, assessments (Note 8)	\$1,249,621	\$ 1,281,485	\$ 1,208,163
Collections for other authorities (Note 8)	754,866	777,121	721,828
Taxation for village purposes (Note 8)	494,755	504,364	486,335
Sales of goods and services	101,260	111,212	113,116
Water and sewer user rates	309,871	313,080	297,068
Investment income	5,800	32,118	24,124
Transfer from other governments (Note 9)	2,836,600	679,259	1,073,774
Other	6,225	6,251	6,015
	3,754,511	1,646,284	2,000,432
Expenditures			
General government	476,399	459,566	433,349
Environment and health	25,353	23,463	24,261
Community planning	102,865	49,285	60,579
Parks, recreation and culture	84,214	72,303	66,151
Protective services	34,493	33,953	24,286
Transportation services	180,484	193,926	173,044
Sewer utility	168,830	138,357	109,380
Water utility	137,469	96,727	83,442
Debt interest, fiscal services and other	5,412	-	-
Amortization	-	315,056	304,015
	1,215,519	1,382,636	1,278,507
Annual surplus (Note 12)	2,538,992	263,648	721,925
Accumulated surplus, beginning of year	10,790,587	10,790,587	10,068,662
Accumulated surplus, end of year	\$13,329,579	\$11,054,235	\$10,790,587

SEE ACCOMPANYING NOTES

The Corporation of the Village of Montrose
Statement of Changes in Net Financial Assets
Year ended December 31, 2019

	Budget	2019	2018
Annual surplus	\$ 2,538,992	\$ 263,648	\$ 721,925
Acquisition of tangible capital assets	(3,975,052)	(187,748)	(1,092,962)
Amortization of tangible capital assets	-	315,056	304,015
	(1,436,060)	390,956	(67,022)
Use (acquisition) of inventory	-	1,786	(4,907)
Increase in prepaids	-	(1,611)	(1,410)
Increase (decrease) in net financial assets	(1,436,060)	391,131	(73,339)
Net financial assets, beginning of year	2,625,477	2,625,477	2,698,816
Net financial assets, end of year	\$ 1,189,417	\$ 3,016,608	\$ 2,625,477

SEE ACCOMPANYING NOTES

The Corporation of the Village of Montrose
Statement of Cash Flows
Year ended December 31, 2019

	2019	2018
Operating		
Annual surplus	\$ 263,648	\$ 721,925
Non-cash items:		
Amortization	315,056	304,015
Changes to non-cash working capital items:		
Accounts receivable	8,556	190,026
Accounts payable and accrued liabilities	11,304	(244)
Deferred revenue	164,279	27,201
Prepays	(1,611)	(1,410)
Inventory	1,786	(4,907)
	763,018	1,236,606
Financing		
Debt principal repaid	(21,694)	-
Proceeds from equipment financing	-	125,000
Capital		
Tangible capital asset additions	(187,748)	(1,262,893)
Increase in cash	553,576	98,713
Cash, beginning of year	2,842,378	2,743,665
Cash, end of year (Note 2)	\$ 3,395,954	\$ 2,842,378

SEE ACCOMPANYING NOTES

The Corporation of the Village of Montrose
Notes to the Financial Statements
December 31, 2019

1. Significant accounting policies

Basis of presentation

The financial statements are the responsibility of, and prepared by management, in accordance with Canadian public sector accounting standards. The Corporation of the Village of Montrose's (the "Village") resources and operations are segregated into General, Water, Sewer and Reserve funds for accounting and financial reporting purposes. The financial statements include all of the accounts of these funds with all inter-fund transactions and balances eliminated.

Funds of the Village

The operations of the Village are divided into a number of funds with specific purposes. Fund statements are presented as supplementary information to the financial statements. The basic funds are briefly described as follows:

Capital Funds - These funds are used to reflect tangible capital assets offset by related long-term debt and investment in capital assets.

General Operating Fund - This fund is the main fund of the municipality and is used to reflect the normal municipal operating activities including collection of taxation, administering operations, roads, servicing general debt, etc.

Reserve Funds - These funds have been created to hold assets, in the manner of a trust, and to provide funding for specific future requirements.

Water and Sewer Operating Funds - The water and sewer operating funds have been established as self-liquidating funds to cover the costs of operating these utilities. The capital funds hold the capital assets and long-term debt related to these functions.

Cash

Cash includes balances with banks and short-term investments with maturities of three months or less.

Inventory

Inventory is recorded at the lower of cost and net realizable value.

The Corporation of the Village of Montrose
Notes to the Financial Statements
December 31, 2019

1. Significant accounting policies - Continued

Tangible capital assets

Tangible capital assets, comprised of capital assets and capital work-in-progress, are recorded at cost less accumulated amortization and are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing in the year the asset is put in to service. Work-in-progress is not amortized. Donated tangible capital assets are recorded at the time of the donation at their estimated fair value, if available. Estimated useful lives are as follows:

Land improvements	20 to 40 years
Buildings	10 to 50 years
Machinery, equipment and vehicles	3 to 20 years
Water Infrastructure	15 to 100 years
Sewer Infrastructure	5 to 80 years
Drainage infrastructure	75 years
Roads	10 to 75 years

The Village capitalizes identifiable assets that have been acquired, constructed or developed for continuing use. Expenditures for repairs and upgrading which do not materially add to the value of the life of an asset are expensed as incurred.

Management uncertainty (use of estimates)

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where necessary. Amortization is based on the estimated useful lives of tangible capital assets.

Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based upon cost of goods and services consumed.

The Corporation of the Village of Montrose
Notes to the Financial Statements
December 31, 2019

1. Significant accounting policies - Continued

Revenue recognition

Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year.

Sale of services and user fees revenue are recognized when the service or product is rendered by the Village.

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. The Village recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Village recognizes revenue as the liability is settled.

Investment income is recorded on the accrual basis and recognized when earned.

Budget

Budget figures shown represent the Five Year Financial Plan and Annual Budget Bylaw #750 as adopted by Council on May 6, 2019.

Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the Village is directly responsible and accepts responsibility; and
- a reasonable estimate of the amount can be determined.

The liability would include all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. To date, the Village does not have reason to believe any such liability exists.

Segments

The Village conducts its business through a number of reportable segments. These operating segments are established by senior management to facilitate the achievement of the Village's long-term objectives to aid in resource allocation decisions and to assess operational performance.

The Corporation of the Village of Montrose
Notes to the Financial Statements
December 31, 2019

2. Cash

	2019	2018
Operating funds - unrestricted	\$ 511,571	\$ 528,760
Reserve funds - restricted	2,884,383	2,313,618
	\$3,395,954	\$2,842,378

3. Accounts receivable

	2019	2018
Taxes	\$ 76,976	\$ 76,103
Trade receivables	5,791	19,577
Due from federal government	19,706	15,349
	\$ 102,473	\$ 111,029

4. Accounts payable and accrued liabilities

	2019	2018
Trade payables	\$ 62,645	\$ 45,026
Employee accrued liabilities	21,047	35,262
Post-employment benefits	37,900	30,000
	\$ 121,592	\$ 110,288

Post-Employment Benefits

All employees are entitled to earned benefits related to vested sick leave and one employee is entitled to a retirement bonus. The liability and expense for these post-employment benefits and compensated absences is recognized in the financial statements in the period in which employees render services and on the basis that the benefits are expected to be provided when the employees are no longer providing active service.

The Corporation of the Village of Montrose

Notes to the Financial Statements

December 31, 2019

4. Accounts payable and accrued liabilities (continued)

The post-employment benefit liabilities are based on an actuarial valuation as at December 31, 2019 using the following valuation assumptions:

	2019	2018
Discount rate	2.70 %	3.30 %
Inflation rate	2.50 %	2.50 %
Rate of compensation increase (both years)	2.58 %	to 2.58 %

The continuity of the Village's post-employment benefits liability is as follows:

	2019	2018
Beginning of year	\$ 30,000	\$ 28,300
Current service cost	4,200	4,600
Interest cost	1,100	1,000
Benefits paid	-	-
Actuarial (gain) loss	2,600	(3,900)
End of year	\$ 37,900	\$ 30,000

The Village manages the payment of these future benefit obligations as they come due in the current operating budget.

5. Deferred revenue

	2019	2018
Prepaid property taxes	\$ 67,558	\$ 64,300
Prepaid utilities	9,983	4,862
Miscellaneous	165	265
Government transfers (see below)	179,215	23,215
	\$ 256,921	\$ 92,642

Government transfers

	Opening 2018	Received	Revenue recognized	Closing 2019
Federal Gas Tax Fund	-	197,686	(197,686)	-
Columbia Basin Trust	-	121,000	-	121,000
Beaver Valley recreation - capital	23,215	35,000	-	58,215
	23,215	156,000	(197,686)	179,215

The Corporation of the Village of Montrose
Notes to the Financial Statements
December 31, 2019

6. Equipment financing

	2019	2018
Municipal Finance Authority of BC equipment financing loan. Repayable in monthly installments of \$2,230, including interest of 2.66%, maturing January 2024.	\$ 103,306	\$ 125,000

Scheduled principal repayments over the next five years are;

	2020	\$ 24,456	
	2021	25,089	
	2022	25,719	
	2023	26,366	
	2024	1,676	
		\$ 103,306	

7. Accumulated surplus

The accumulated surplus is represented by:

	2019	2018
Unappropriated surplus (deficit)	\$ (59,098)	\$ 120,707
Appropriated surplus	122,000	122,000
Capital funds	186,672	208,370
Reserve funds (Schedule 2)	2,884,383	2,313,618
Equity in tangible capital assets (Exhibit 1)	7,920,278	8,025,892
Total accumulated surplus	\$11,054,235	\$10,790,587

The Corporation of the Village of Montrose
Notes to the Financial Statements
December 31, 2019

8. Taxation revenues

	2019	2018
Taxation, Grants in lieu, Assessments		
Property taxes	\$ 228,394	\$ 221,807
Grants in lieu of taxes	2,964	2,986
Road maintenance - parcel taxes	57,250	57,375
Community development - parcel taxes	2,290	2,295
Drainage parcel taxes	22,900	22,950
Water parcel taxes	116,332	116,332
Sewer parcel taxes	64,468	64,468
Collections for other authorities:		
Province of BC - school taxes	303,640	284,952
Province of BC - police taxes	42,847	40,824
Regional District of Kootenay Boundary	401,660	357,877
West Kootenay Boundary Regional Hospital District	33,336	31,302
BC Assessment Authority	5,378	4,972
Municipal Finance Authority	26	23
	1,281,485	1,208,163
Payments for other authorities	777,121	721,828
	\$ 504,364	\$ 486,335

The Village is not reliant upon the revenue from any specific large property taxpayer(s) or business(es).

9. Transfers from other governments

	2019	2018
Federal government	\$ 199,571	\$ 102,155
Provincial government	421,867	897,849
Regional District of Kootenay Boundary	56,447	72,595
Other	1,374	1,175
	\$ 679,259	\$ 1,073,774

10. Contingent liabilities

- (a) The Village, as a member of the Regional District of Kootenay Boundary, is jointly and severally liable for the borrowing of this authority.
- (b) On August 29, 1988, the Village became a member of the Municipal Insurance Association of B.C. (M.I.A.B.C.). M.I.A.B.C. is licensed to operate a reciprocal insurance exchange under Section 302 of the Insurance Act. M.I.A.B.C. is a municipal self insurance program, supplying general liability coverage to its members up to a maximum of 30 million dollars. Members are liable for their deductible and a pro-rated share of any claims exceeding their deductible.
- (c) The Village and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 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 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 at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Village paid \$33,957 (2018 - \$30,217) for employer contributions to the plan in fiscal 2019.

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

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

The Corporation of the Village of Montrose

Notes to the Financial Statements

December 31, 2019

11. Federal Gas Tax

The Village receives Gas Tax provided by the Government of Canada. The use of 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, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements. Gas Tax funding that is not spent in the year it is received is transferred to the Community Works Fund Reserve and is held in reserve until the Village undertakes an eligible project. The following provides a summary of funds received that are included in Reserve Funds (Schedule 2).

	2019	2018
Opening balance of unspent funds	\$ 390,715	\$ 287,761
Add: Amount received during the year	197,686	100,636
Interest earned	3,609	2,318
Closing balance of unspent funds	\$ 592,010	\$ 390,715

12. Budget data

The reconciliation of the approved budget Bylaw #750 for the current year to the budget figures reported in these financial statements is as follows:

Budget surplus per Statement of Operations	\$ 2,538,992
Less: Capital expenditures	(3,975,052)
Less: Repayment of equipment financing	(25,000)
Less: Transfers to other funds	(195,375)
Add: Prior year appropriations	208,425
Add: Transfers from reserves	1,448,010
	\$ -

13. Subsequent event

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, business are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Village has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended December 31, 2019 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Village for future periods.

The Corporation of the Village of Montrose
Schedule 1 - Schedule of Tangible Capital Assets
Year ended December 31, 2019

	Land	Land improvements	Buildings	Machinery equipment & vehicles	Engineering Structures				Work in progress	2019	2018
					Water	Sewer	Drainage	Roads			
Cost											
Balance, beginning of year	\$ 697,248	\$ 136,251	\$ 807,179	\$ 778,096	\$ 3,586,182	\$ 2,370,145	\$ 576,713	\$ 4,558,728	\$ 17,038	\$13,527,580	\$12,434,618
Additions	-	-	2,262	138,793	7,326	-	-	-	39,367	187,748	1,355,890
Change in WIP	-	-	-	-	-	-	-	-	-	-	(262,928)
Balance, end of year	697,248	136,251	809,441	916,889	3,593,508	2,370,145	576,713	4,558,728	56,405	13,715,328	13,527,580
Accumulated amortization											
Balance, beginning of year	-	66,838	434,413	593,209	992,138	991,868	440,096	1,858,126	-	5,376,688	5,072,673
Amortization	-	5,713	18,835	52,613	83,516	42,186	13,136	99,057	-	315,056	304,015
Balance, end of year	-	72,551	453,248	645,822	1,075,654	1,034,054	453,232	1,957,184	-	5,691,744	5,376,688
Net book value of tangible capital assets											
2019	\$ 697,248	\$ 63,700	\$ 356,193	\$ 271,067	\$ 2,517,854	\$ 1,336,091	\$ 123,481	\$ 2,601,544	\$ 56,405	\$ 8,023,584	\$ 8,150,892
2018	\$ 697,248	\$ 69,412	\$ 372,766	\$ 184,887	\$ 2,594,044	\$ 1,378,277	\$ 136,617	\$ 2,700,602	\$ 17,038	\$ 8,150,892	

The Corporation of the Village of Montrose
Schedule 2 - Reserve Funds

Year ended December 31, 2019

	Capital vehicle reserve	Employee payout reserve	Reserve for buildings, mach & equipment	Water capital reserve	Recreation reserve	Insurance contingency reserve	Sewer capital reserve	Capital drainage reserve	Capital transportation reserve	Community works reserve	Climate action reserve	2019	2018
Balance, beginning of year	\$ 61,272	\$ 32,115	\$ 40,657	\$ 762,482	\$ 12,288	\$ 2,522	\$ 484,119	\$ 199,067	\$ 320,377	\$ 390,715	\$ 8,003	\$ 2,313,618	\$ 1,808,051
Interest	460	14	203	12,371	62	1	4,462	1,774	3,102	3,609	20	26,078	17,880
Transfers from operating fund	15,000	7,500	10,000	100,000	-	-	40,000	22,900	150,000	197,686	1,600	544,686	487,687
	\$ 76,732	\$ 39,629	\$ 50,860	\$ 874,853	\$ 12,350	\$ 2,523	\$ 528,581	\$ 223,741	\$ 473,479	\$ 592,010	\$ 9,623	\$ 2,884,383	\$ 2,313,618

The Corporation of the Village of Montrose
Schedule 3 - Segmented Information
Year ended December 31, 2019

	General government	Environment and health	Community planning	Parks and recreation	Protective services	Transportation services	Sewer utility	Water utility	2019 Total	2018 Total
Revenue										
Taxation	\$ 323,564	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,468	\$ 116,332	\$ 504,364	\$ 486,335
Goods and services	111,212	-	-	-	-	-	-	-	111,212	113,116
Users rates	-	-	-	-	-	-	174,462	138,618	313,080	297,068
Investment income	32,118	-	-	-	-	-	-	-	32,118	24,124
Government transfers	622,812	-	-	56,447	-	-	-	-	679,259	1,073,774
Other	-	-	-	-	-	-	2,297	3,954	6,251	6,015
	1,089,706	-	-	56,447	-	-	241,227	258,904	1,646,284	2,000,432
Expenditures										
Salaries and benefits	337,016	12,637	-	19,706	8,889	59,127	70,864	39,496	547,735	504,691
Contracts and services	28,586	-	49,285	17,194	11,111	21,525	10,586	11,591	149,878	156,098
Materials and equipment	91,025	10,826	-	35,403	13,953	113,274	56,907	45,640	367,028	313,702
Debt and interest	2,939	-	-	-	-	-	-	-	2,939	-
	459,566	23,463	49,285	72,303	33,953	193,926	138,357	96,727	1,067,580	974,491
Amortization	189,354	-	-	-	-	-	83,516	42,186	315,056	304,015
Internal transfers	(89,616)	9,281	-	7,092	15	19,624	26,011	27,593	-	-
	559,304	32,744	49,285	79,395	33,968	213,550	247,884	166,506	1,382,636	1,278,506
Excess (deficiency) of revenue over expenditures	\$ 530,402	\$ (32,744)	\$ (49,285)	\$ (22,948)	\$ (33,968)	\$ (213,550)	\$ (6,657)	\$ 92,398	\$ 263,648	\$ 721,926

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The Corporation of the Village of Montrose
Exhibit 1 - Statement of Financial Position by fund
(Unaudited)

as at December 31, 2019

	Operating funds			Capital funds			Reserve funds	2019	2018
	General	Water	Sewer	General	Water	Sewer			
Financial assets									
Cash	\$ 511,571	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,884,383	\$ 3,395,954	\$ 2,842,378
Accounts receivable	74,458	12,190	15,825	-	-	-	-	102,473	111,029
Due (to) from other funds	(797,564)	445,610	165,282	148,456	38,193	23	-	-	-
	(211,535)	457,800	181,107	148,456	38,193	23	2,884,383	3,498,427	2,953,407
Liabilities									
Accounts payable and accrued liabilities	121,592	-	-	-	-	-	-	121,592	110,288
Deferred revenue	256,921	-	-	-	-	-	-	256,921	92,642
Long term debt	-	-	-	103,306	-	-	-	103,306	125,000
	378,513	-	-	103,306	-	-	-	481,819	327,930
Net Financial Assets	(590,048)	457,800	181,107	45,150	38,193	23	2,884,383	3,016,608	2,625,477
Tangible capital assets									
Inventories	-	-	-	4,140,504	2,523,900	1,359,180	-	8,023,584	8,150,892
Inventory	3,795	-	-	-	-	-	-	3,795	5,581
Prepays	10,248	-	-	-	-	-	-	10,248	8,637
Accumulated surplus	\$ (576,005)	\$ 457,800	\$ 181,107	\$ 4,185,654	\$ 2,562,093	\$ 1,359,203	\$ 2,884,383	\$ 11,054,235	\$ 10,790,587
Equity, financial									
Unappropriated surplus	\$ (618,005)	\$ 377,800	\$ 181,107	\$ -	\$ -	\$ -	\$ -	\$ (59,098)	\$ 120,707
Appropriated surplus	42,000	80,000	-	-	-	-	-	122,000	122,000
Capital funds	-	-	-	148,456	38,193	23	-	186,672	208,370
Reserve funds	-	-	-	-	-	-	2,884,383	2,884,383	2,313,618
	(576,005)	457,800	181,107	148,456	38,193	23	2,884,383	3,133,957	2,764,695
Equity in TCA	-	-	-	4,037,198	2,523,900	1,359,180	-	7,920,278	8,025,892
Total equity	\$ (576,005)	\$ 457,800	\$ 181,107	\$ 4,185,654	\$ 2,562,093	\$ 1,359,203	\$ 2,884,383	\$ 11,054,235	\$ 10,790,587

The Corporation of the Village of Montrose

Exhibit 2 - Statement of Operations

General operating fund

(Unaudited)

Year ended December 31, 2019

	Budget	2019	2018
Revenue			
Taxation, grants in lieu, assessments	\$ 1,068,821	\$ 1,100,685	\$ 1,027,361
Payments to other authorities	754,866	777,121	721,828
<hr/>			
Taxation for village purposes	313,955	323,564	305,533
Sales of goods and services	101,260	111,212	113,116
Investment income	5,800	32,118	24,124
Transfers from other governments	998,410	679,259	585,739
<hr/>			
	1,419,425	1,146,153	1,028,512
<hr/>			
Expenditures			
Protective services	34,493	33,953	24,286
Parks, recreation and culture	84,214	72,303	66,151
General government	476,399	459,566	433,349
Transportation services	180,484	193,926	173,044
Environmental health	25,353	23,463	24,261
Community planning	102,865	49,285	60,579
<hr/>			
	903,808	832,496	781,670
<hr/>			
Net excess of revenue over expenditures	515,617	313,657	246,842
<hr/>			
Transfers from (to) own funds and reserves:			
General capital	(985,622)	(168,323)	(45,230)
Transfer from reserves	406,770	-	-
Transfer to reserves	(195,375)	(570,764)	(505,566)
Internal transfers	50,185	53,604	53,687
Surplus appropriated from prior year	208,425	-	-
<hr/>			
	(515,617)	(685,483)	(497,109)
<hr/>			
Annual surplus (deficit)	-	(371,826)	(250,267)
<hr/>			
Accumulated surplus (deficit), beginning of year	(246,182)	(246,182)	4,085
<hr/>			
Accumulated deficit, end of year	\$ (246,182)	\$ (618,008)	\$ (246,182)

The Corporation of the Village of Montrose

Exhibit 3 - Statement of Operations

Water operating fund

(Unaudited)

Year ended December 31, 2019

	Budget	2019	2018
Revenue			
Parcel taxes	\$ 116,332	\$ 116,332	\$ 116,332
Water user rates	136,864	138,618	131,427
Transfers from other governments	-	-	4,745
Other	4,079	3,954	3,820
	257,275	258,904	256,324
Expenditures			
Salaries and administration	43,600	39,496	28,889
Contracted services	33,500	11,591	12,158
Materials and supplies	60,369	45,640	42,395
	137,469	96,727	83,442
Net excess of revenue over expenditures	119,806	162,177	172,882
Transfer (to) from other funds and reserves:			
Water capital fund	(247,164)	(13,375)	(387,882)
Transfer from reserves	157,164	-	-
Internal expense transfers	(29,806)	(27,593)	(27,361)
	(119,806)	(40,968)	(415,243)
Annual surplus (deficit)	-	121,209	(242,361)
Accumulated surplus, beginning of year	256,591	256,591	498,952
Accumulated surplus, end of year	\$ 256,591	\$ 377,800	\$ 256,591

The Corporation of the Village of Montrose

Exhibit 4 - Statement of Operations

Sewer operating fund

(Unaudited)

Year ended December 31, 2019

	Budget	2019	2018
Revenue			
Parcel taxes	\$ 64,468	\$ 64,468	\$ 64,468
Sewer user rates	173,007	174,462	165,641
Transfers from other governments	1,838,190	-	483,290
Other	2,146	2,297	2,195
	2,077,811	241,227	715,594
Expenditures			
Salaries and administration	70,800	70,864	58,503
Contracted services	17,927	10,586	16,553
Materials and supplies	80,103	56,907	34,324
	168,830	138,357	109,380
Net excess of revenue over expenditures	1,908,981	102,870	606,214
Transfer from other funds and reserves:			
Transfer from reserves	884,076	-	-
Internal transfers	(25,791)	(26,011)	(26,326)
Sewer capital fund	(2,767,266)	(6,049)	(659,850)
	(1,908,981)	(32,060)	(686,176)
Annual surplus (deficit)	-	70,810	(79,962)
Accumulated surplus, beginning of year	110,297	110,297	190,259
Accumulated surplus, end of year	\$ 110,297	\$ 181,107	\$ 110,297

THE CORPORATION OF THE VILLAGE OF MONTROSE

BYLAW #723

A BYLAW TO EXEMPT A CERTAIN PROPERTIES FROM PROPERTY TAXATION

WHEREAS section 224 of the *Community Charter* (SBC Chapter 26) gives Council the authority to exempt certain properties from property taxation;

NOW THEREFORE BE IT RESOLVED that the Council of the Village of Montrose, in open meeting assembled, enacts as follows:

SHORT TITLE

- 1. (1) This Bylaw may be cited for all purposes as the **"PROPERTY TAX EXEMPTION (2016-2025) BYLAW"**.

EXEMPTION

- 2. (1) Land and buildings on Parcel B, Block 2, Plan 2541, PID 015-251-519 are exempt under section 224(2)(g) of the *Community Charter*.
- (2) Land and buildings on Parcel B, Plan NEP73949, PID 025-726-145 are exempt under section 224(2)(i) of the *Community Charter*.
- 3. (1) The exemptions granted pursuant to this Bylaw shall remain in effect for the years 2016 to 2025 inclusive.

ENACTMENT

- 4. (1) If any section, subsection, sentence, clause, or phrase of this Bylaw is for any reason held to be invalid by the decision of any court of competent jurisdiction, the invalid portion shall be severed and the part that is invalid shall not affect the validity of the remainder.
- (2) This Bylaw shall come into full force and effect on the final adoption thereof.

READ A FIRST TIME	this 15 th day of June, 2015
READ A SECOND TIME	this 15 th day of June, 2015
READ A THIRD TIME	this 15 th day of June, 2015
NOTICE PURSUANT TO SECTION 227 PUBLISHED	this 25 th day of June, 2015, and this 2 nd day of July, 2015
READ A FOURTH TIME AND FINALLY ADOPTED	this 6 th day of July, 2015

Mayor

Corporate Officer

I hereby certify the foregoing to be a true and correct copy of Property Tax Exemption (2016-2025) Bylaw #723.

Corporate Officer