



VILLAGE OF HARRISON HOT SPRINGS BRITISH COLUMBIA
CANADA
2018 ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2018





HARRISON HOT SPRINGS

Naturally Refreshed

MUNICIPALITY

Village of Harrison Hot Springs

ANNUAL REPORT

For the year ended December 31, 2018

PREPARED BY

Financial Services & Community Services

LOCATION

Harrison Hot Springs
British Columbia, Canada

CONTACT

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VILLAGE OF HARRISON HOT SPRINGS BRITISH COLUMBIA CANADA 2018 ANNUAL REPORT



Photo Credit: Tourism Harrison

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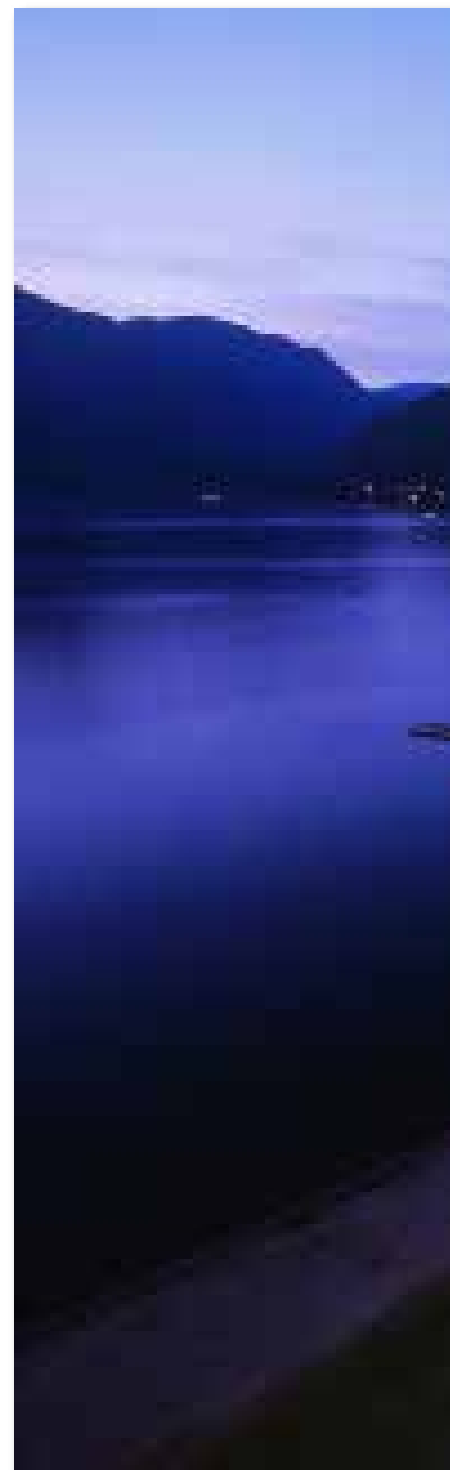




Photo Credit: Tourism Harrison

MAYOR'S MESSAGE



“It was wonderful to see the many visitors who came out to view the inaugural Lights by the Lake event.

This event is sure to continue for years to come, we invite you to visit.”

In 2018, The Village of Harrison Hot Springs said a grateful farewell to some long serving Councillors and welcomed a new Council for the 2018-2021 term. I want to say thank you to both Councils who made significant contributions to the community in the past year. I also want to thank the B.C. Wildfire Service and crews who worked tirelessly to combat the 2018 Mount Hicks wildfire and protect our residents and natural assets.

The Village experienced significant growth in 2018. Residential developments saw a 20% increase in permits being issued over 2017. There was also a sign of healthy growth in the business sector with a 10% increase in business licenses issued over the prior year. In 2018, infrastructure improvements to the municipal water distribution system were completed, bringing municipal water to approximately 100 additional homes. Three new bus shelters were added and BC Transit service was increased. A comprehensive Waterfront Safety Assessment was completed by the BC Lifesaving Society. We were pleased to find that there were no major safety risks identified in the assessment. However, as safety is a priority for the Village, several projects will be implemented to enhance safety and provide an inclusive, accessible, and fun environment.

We enjoy excellent relationships with our neighbouring communities and will continue to actively take part in the Community to Community Forum meetings. This important Forum brings together Mayors, Chiefs and Councils from the surrounding communities to discuss common goals and issues.

As a Resort Municipality, we continue to fulfill our mandate to provide both residents and tourists opportunities to take in our natural beauty, rich history and relaxed lifestyle. The Provincial Resort Municipality Initiative (RMI) was renewed for an additional three years. There are new and exciting infrastructure improvements and events that will come to life beginning in 2019, made possible by the RMI funding.

It was wonderful to see the many visitors who came out to view the inaugural Lights by the Lake event. This event was a tremendous success which created an inviting and festive atmosphere along the lake front from November to January. This event is sure to continue for years to come, we invite you to visit.

A handwritten signature in black ink, appearing to read 'L. Facio'.

MAYOR LEO FACIO

VILLAGE COUNCIL



L-R Councillor Ray Hooper, Councillor Michie Vidal, Mayor Leo Facio, Councillor Gerry Palmer, Councillor Samantha Piper

About Village Council

Harrison Hot Springs Village Council consists of the mayor and four councillors, all of whom are elected village-wide and serve four-year terms. Council's role is to establish policies to guide the growth, development and operation of the Village, set budgets and levy taxes to provide services.

Council meets regularly and the public is welcome to attend any open meeting and participate in the question period at the end of the meeting. To make a presentation or address Council, a delegation request may be submitted to the Village.

Mayor and Council give administrative responsibility to the Chief Administrative Officer who oversees Village operations and ensures that staff work to meet community, corporate and Council priorities.

VILLAGE COUNCIL



Mayor Leo Facio

COUNCIL APPOINTMENTS

Fraser Valley Regional District Board,
Municipal Director

Fraser Valley Regional Hospital District Board,
Municipal Director

Kent Harrison Joint Emergency Program Committee



Councillor Samantha Piper

COUNCIL APPOINTMENTS

Corrections Canada Citizen's Advisory Committee

Harrison Agassiz Chamber of Commerce

Kent Harrison Joint Emergency Program Committee

Resort Development Strategy Committee, Chair

Tourism Harrison



Councillor Gerry Palmer

COUNCIL APPOINTMENTS

Fraser Valley Aboriginal Relations Committee

Fraser Valley Regional Library, Municipal Director

Kent Harrison Joint Emergency Program Committee



Councillor Ray Hooper

COUNCIL APPOINTMENTS

Age-Friendly Committee, Chair
Agassiz Harrison Healthy Communities
Fraser Health Authority



Councillor Michie Vidal

COUNCIL APPOINTMENTS

Fraser Valley Aboriginal Relations Committee

Fraser Valley Regional District Board,
Alternate Municipal Director

Fraser Valley Regional Hospital District Board,
Alternate Municipal Director

Fraser Valley Regional Library, Alternate Municipal Director



April 16, 2019

To the Mayor and Council,

It is my pleasure to submit the 2018 Annual Report for the Village of Harrison Hot Springs (the Village). The purpose of this report is to present the financial results for the fiscal year ended December 31, 2018 in accordance with the Community Charter and the Local Government Act. This report includes the Audit Report from BDO Canada LLP, the Financial Statements of the Village, and supplementary information for the year ended December 31, 2018.

The financial statements of the Village of Harrison Hot Springs (the Village) are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards, consistently applied and appropriate in the circumstances. The preparation of the financial statements requires the use of estimates which have been made using careful judgement. In management's opinion, the financial statements have been properly prepared within the framework of the accounting policies summarized in the financial statements and incorporate within reasonable limits of materiality, all information available as of the audit date. The financial statements have also been reviewed and approved by the Mayor and Council of the Village.

Management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorised and recorded in compliance with legislative and regulatory requirements and that reliable financial information is available on a timely basis. These systems are monitored and evaluated by management. Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control.

The financial statements have been examined by the Village's independent external auditor; BDO Canada LLP in accordance with Canadian generally accepted auditing standards. The external auditor's responsibility is to express their opinion on whether the financial statements, in all material respects, fairly present the Village's financial position, results of operations, changes in net financial assets and cash flows in accordance with Canadian public sector accounting standards. Their Independent Auditor's Report outlines the scope of their examination and their opinion. The external auditor has full and open access to all records of the Village and has direct access to management and Council when required.

This report presents fairly and accurately the financial position of the Village of Harrison Hot Springs. The purpose is to provide readers with a clear understanding of the financial information and operations of the Village. The report is divided into three sections:

1. **Introductory Section:** Provides an overview of the Village and our role, vision and strategic direction. It includes the nature and scope of the services provided as well as highlights and accomplishments.
2. **Financial Section:** Presents the 2018 financial statements, notes, supplementary schedules and the independent Auditors' Report for the Village.
3. **Statistical Section:** Presents a variety of statistical and financial information on a five year comparative basis.

Financial Overview

Significant Financial Management Policies:

The Village of Harrison Hot Springs is governed by bylaws and policies, many of which are financial in nature. Significant accounting policies are described in Note One (1) to the financial statements.

Statement of Financial Position:

The statement of financial position shows the results of net financial assets and tangible capital assets. Tangible capital assets are accounted for at net value (acquisition cost less accumulated amortization). In

2018 there was a net increase to tangible capital assets in the amount of \$2,582,019, this was primarily as a result of an expansion to the potable water distribution system that provided potable water to approximately 100 homes at the south end of the Village and replaced the supply lines to the water reservoir with more earthquake resilient infrastructure.

Development cost charges (DCC's) are contributions collected from developers to pay for growth in infrastructure and to support new development in the future. In 2018 DCC's were collected for Sewer, Water, Drainage and Parks and the net increase to DCC's was \$1,254,710. Some of these funds are budgeted to be spent to increase the capacity in Sanitary Sewer Lift Station #3 in 2019.

Long –term debt, interim debt and liabilities under agreement were reduced overall by \$183,950. Interim debt relating to the Water Fund in the amount of \$220,000 will be fully paid by 2020 and is serviced through water fees. All other debt relates to the General Fund and is serviced by taxation.

Accumulated surplus includes investment in tangible capital assets. Equity in tangible capital assets is the net Tangible Capital Assets less debt used to purchase the assets. The Village's investment increased by \$2,765,971 in 2018 and totaled \$35,847,640. The majority of assets purchased were water infrastructure assets and were funded by the Canada-BC Clean Water and Wastewater Fund grant.

Statement of Operations:

Revenues

In 2018 total revenues increased by over \$1,483,500 compared to 2017. Government transfers for grant funding comprised most of this amount. Utility service fees increased due to additional participants in the water service area with the expansion of the potable water distribution system. Increases in property taxes collected included properties added to the rolls from new development within the Village. Sale of services was down slightly in 2018 as pay parking revenues from day visitors was affected by smoke from forest fires in BC and Washington State during the month of August. Investment income was approximately \$24,000 more in 2018 than 2017 as bank rates continued to increase throughout 2018.

Expenses

Expenses include operational items, capital expenditures that do not meet the requirement for capitalization and amortization. A five year (2017-2021) collective agreement with the local union was ratified in July of 2018, increases resulting from negotiated wage and benefit contracts and the filling of a vacant position increased wage and benefits cost by \$86,000 and amortization of new asset acquisitions increased the expense by \$65,000. Overall expenses increased in 2018 by just over \$195,000 compared to 2017 but still remained within budget.

Reserves

Reserve funds provide a mechanism to set aside funds to:

- Finance all or part of future infrastructure or equipment requirements
- Provide a degree of financial stability
- Provide a budgetary option to mitigate the need to cut service or raise taxes in uncertain economic times

All of these funds are intended to accomplish two goals:

- Achieve tax stability, and
- Contribute to the orderly provision of services

Additions to reserves consist of transfers from operations and interest earnings on those reserve funds. A net amount of over \$581,000 was transferred to reserves to fund future capital projects (Note 15).

Financial Planning Process

The Community Charter section 165 and 166 require the Village to complete a five year Financial Plan and institute a public process for consultation on the plan. The Financial Plan in the form of a bylaw must be adopted by May 15th of each year. On March 4th, 2019 the Council adopted the 2019-2023 Financial Plan as part of its financial planning process. A summary can be found within the “Five Year Financial Plan” section of the Annual Report.

Future Outlook

The Village of Harrison Hot Springs is a resort municipality which presents both opportunities and challenges. Non-resident property owners hold over 40% of the properties within the Village and while census population statistics show no growth, demands on services remain high when the non-resident owners and tourists arrive during the summer season.

While the traditional summer season is a popular time for tourist visits the off-season visits drop dramatically in the winter season which impacts the local businesses that are pre-dominantly tourism driven. Tourism Harrison continues to strive to expand the tourist season with added events and activities outside the summer season. In 2018 they introduced the “Lights by the Lake” event which ran from November 23rd 2018 to January 28th 2019 and was very successful in attracting tourists to the Village in the “off season”. The Village has entered into another three (3) year agreement under the Resort Municipality Initiative that provides the Village with funding for tourism infrastructure and event programming.

The Village continues to develop its asset management program. With asset management grants awarded in 2018 progress is expected to continue in 2019. The Village is committed to fiscal responsibility and will continue to seek out grants as they become available for specific eligible and relevant projects. Grants remain a key source of funding for the Village as large projects are most often not possible without supplemental funding sources or the need for debt borrowing. The Village is unable to generate the level of taxation revenues necessary to fund certain large projects without grant funding; a 1% tax increase generates just over \$21,000.

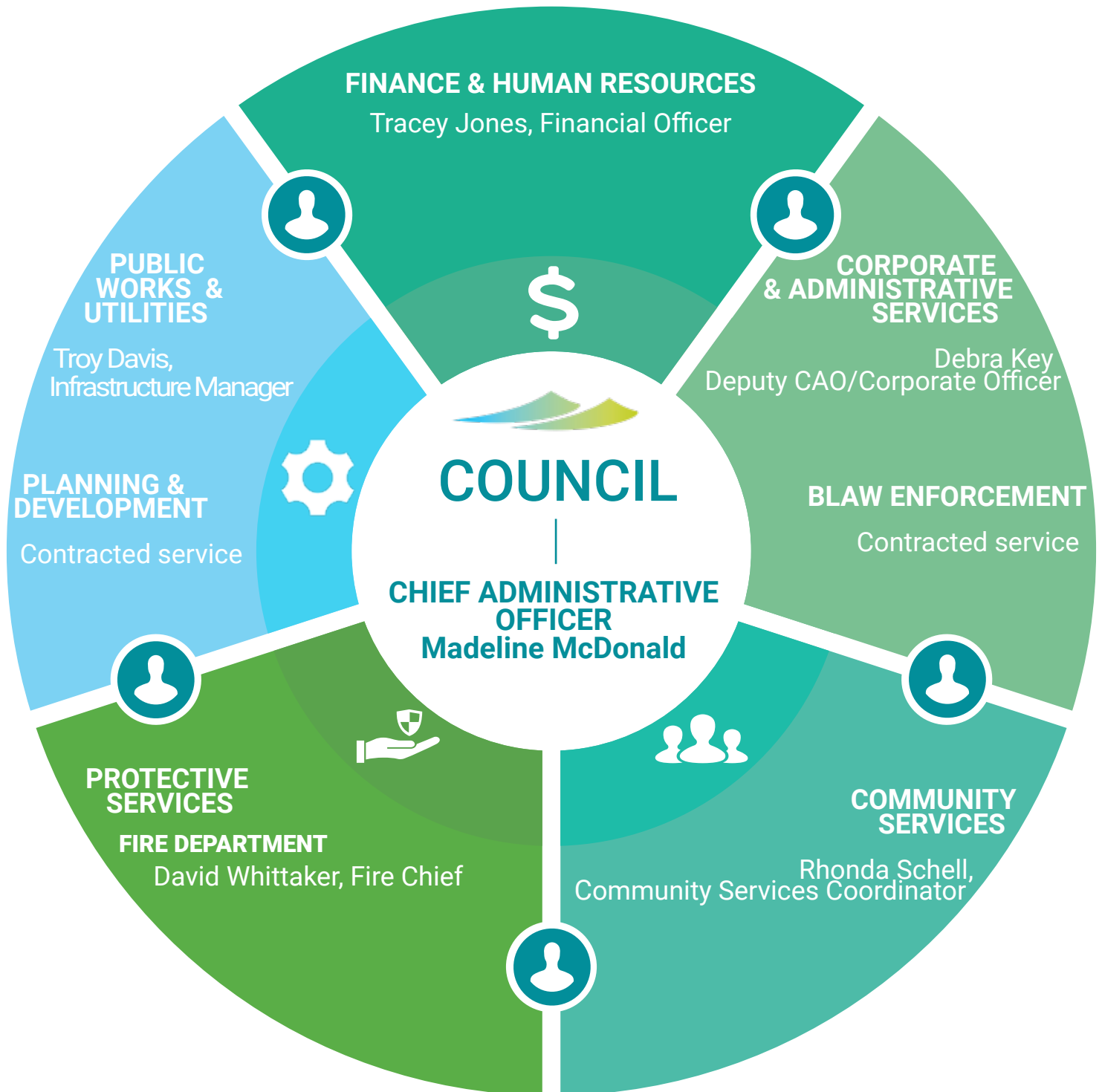
The Village has a limited amount of land available for development. With the increased demand in the Fraser Valley for real estate the Village has seen an increase in applications for development of single family and multi-family residential properties. In 2018 this resulted in Non-Market Change (growth) that added an additional \$34,600 to the tax base which was an equivalent to a 1.75% growth in tax base. This Non-Market Growth has continued into 2019 with growth to the tax base of \$64,000 or 3.13% and is estimated at 2% for 2020. This growth is subject to the ups and downs of the real estate market and the limited land available for development within the Village, it is difficult to predict how long this growth will continue into the future. In addition to the growth in tax base there was a general tax increase of 2.62% in 2018 and a projected tax increase of 2.37% in 2019.

Respectfully submitted,



Tracey Jones,
Financial Officer

ORGANIZATIONAL CHART



DEPARTMENTS



Corporate & Administrative Services

Corporate & Administrative Services

Corporate Services provides the corporate and administrative communication link between the residents of Harrison Hot Springs and their Village Council. Corporate Services prepare and preserve records of the official business of the corporation, including bylaws, minutes of Council and Committee meetings, and Council policies. The department is also responsible for the coordination of municipal elections, and referendums.

Bylaw Enforcement Services

Bylaw Enforcement Services supports a safe and healthy environment for the residents of Harrison Hot Springs by ensuring compliance with Village bylaws, from parking to noise complaints. An educational approach is used to resolve infractions whenever possible with a focus on quality customer service.

Animal Control

Dog control and licencing services are provided to the Village by the Fraser Valley Regional District.



Financial Services & Human Resources

Financial Services

Financial Services provides financial reporting and control services, manages Village assets, and offers guidance for maintaining the overall financial stability of the municipality. Specific functions include preparing and monitoring operating and capital budgets, levying and collecting property taxes and utilities, administering payroll, processing accounts payable and accounts receivable and maintaining a high level of client service for municipal payments and inquiries.

Human Resources

Human Resources supports all stages of the employee experience, from job applications to retirement planning. Human Resources is responsible for providing strategic advice and leadership to managers within the Village to create a culture of employee empowerment and recognition.



Community Services

Community Services

Community Services helps build strong and healthy relationships with the people and organizations that make up the community. They coordinate the Resort Municipality Initiative (RMI), organize community events and promote effective communications and engagement throughout the Village. Among many things, Community Services helps administer curbside waste collection, pay parking, BC Transit and provides support on emerging projects.



Planning & Development Services

Planning & Development Services

Planning and Development Services is responsible for developing a wide range of land use plans and strategies and for processing applications for land use and development. This contracted service provides advice to senior staff and works with Council on the development, implementation and administration of the Official Community Plan and Zoning Bylaws.

Building development and building inspection services are provided by the Fraser Valley Regional District.



Village Digital Sign



Culture Hub Concept

DEPARTMENTS



Protective Services

Fire Protection

The Harrison Hot Springs Fire Department provides fire prevention and awareness information to the Village. The Fire Department is comprised of dedicated paid-on-call fire fighters who are committed to public safety through the delivery of a wide variety of services including fire suppression, first responder medical service, and fire extinguisher training. The Village of Harrison Hot Springs and the District of Kent have a Mutual Aid Agreement in place to lend assistance across jurisdictional boundaries in the case of an emergency.

Emergency Preparedness

The Kent Harrison Joint Emergency Program Committee oversees the development of the Hazard Emergency Response and Recovery Plan. This plan guides the operations, organization, responsibilities and coordination necessary to provide for effective response and recovery from major emergencies or disasters in the jurisdictional area of the Village of Harrison Hot Springs and the District of Kent.



Public Works & Utility Services

Public Works

Public Works is responsible for the repair, maintenance and beautification of Village-owned assets including municipal facilities, beachfront and parks. Public works is also responsible for road maintenance including snow clearing, solid waste collection in public spaces, street maintenance, and flood protection among many other things.

Utility Services

Utility Services operates and maintains the Village's potable water supply, treatment and distribution system, the sanitary sewer system including a level three secondary waste water treatment facility and the storm water collection system. This critical infrastructure meets or exceeds legislated health and safety requirements and provides high-quality potable water.



Photo Credit: Tourism Harrison

Dragon Boat Festival



Photo Credit: Tourism Harrison

Harrison Uncorked Wine Fest



Photo Credit: Tourism Harrison

Harrison Beer Fest

GOALS & OBJECTIVES



Photo Credit: Tourism Harrison





INFRASTRUCTURE & UTILITIES

2018 ACHIEVEMENTS

Completed an Infiltration and Inflow Study to identify ways to reduce influent flows and energy consumption at the Waste Water Treatment Plant

Completed an Infrastructure Planning Review of the Waste Water Treatment Plant

Reviewed garbage collection **fees** to ensure that service is fully user-pay

Completed Water System Upgrades and added up to 100 residential properties to the municipal water system

Replaced the supply and return lines to the water reservoir

Upgraded water mains on Hot Springs Road to improve fire protection

Expanded Water Treatment Plant capacity

2019 GOALS

- Improve drainage infrastructure on an incremental basis
- Rebuild Lift Station Number 3 on McCombs Drive to increase capacity
- Install Lift Station Number 7 on Hot Springs Road to increase capacity, replacing 'siphon' infrastructure

- Make improvements to the treatment process at the Waste Water Treatment Plant
- Increase capacity at the Waste Water Treatment Plant

- Build out new park with historical and environmental interpretive signage at the Flood Pump Facility
- Upgrade decking on government wharf
- Complete Subdivision Servicing and Development Bylaw

- Upgrade water mains on Hot Springs Road to improve fire protection
- Expand Water Treatment Plant capacity





RECREATION, CULTURE & TOURISM

2018 ACHIEVEMENTS

Continued participation in Joint Council Meetings with District of Kent

Continued participation in Community to Community Forum

Implemented user surcharge at the Harrison Hot Springs Public Boat Launch to support Kent Harrison Search and Rescue

Installed digital sign to promote Village and Tourism events

Inaugural Lights by the Lake event lighting the waterfront for residents and visitors.

Hosted Canada Day

Co-hosted Sasquatch Days with the Sts'ailes First Nation

Lobbied provincial government to continue support for the Resort Municipality Initiative (RMI)

2019 GOALS

- Continue to foster and improve partnerships with neighbouring jurisdictions and other agencies

- Continued partnerships with the Community to Community Forum members

- Make waterfront and beach improvements

- Improve community signage
- Install interpretive signage relating to the history of the region
- Review Memorial Recognition Policy

- Continue to enhance annual winter light display

- Continue to host Canada Day featuring high-quality entertainment and activities
- Continue to co-host Sasquatch Days and build on the relationship with the Sts'ailes First Nation

- Identify new goals for the 2019-2021 Resort Development Strategy



ENVIRONMENT & SUSTAINABILITY

2018 ACHIEVEMENTS

Collaborated with the University of the Fraser Valley - Trades and Technology Centre on the Street Lighting Program

Implemented technology to combat nuisance weeds using steam in and around public parks and spaces

Completed beach and lagoon safety assessment

2019 GOALS

- Complete LED street lighting upgrade throughout the Village
- Upcycle HPS lights to send to El Salvador

- Continue to promote waste diversion

- Create Lagoon Redesign Master Plan





TRANSPORTATION

2018 ACHIEVEMENTS

Initiated Active Transportation Plan

Initiated Roads & Bridges Master Plan

Installed three additional covered bus shelters within the community

Replaced tractor for year round use to maintain public lawns and clear sidewalks of snow

Added a snowblower to winter equipment

2019 GOALS

- Complete Active Transportation Plan

- Complete Roads & Bridges Master Plan





FAIRNESS & FISCAL RESPONSIBILITY

2018 ACHIEVEMENTS

Improved tax fairness between residential, recreational & commercial tax classes

Began development of an Asset Management Strategy, Policy & Plan

Completed review of sewer utility billing system & metered rates

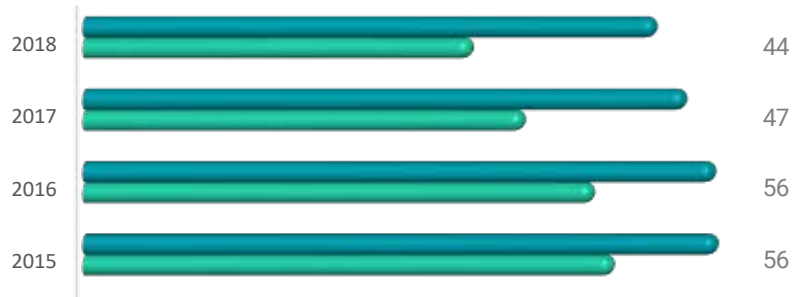
2019 GOALS

- Continue to pursue tax fairness in all classes
- Review tax multipliers with Council to incorporate in a strategic plan going forward
- Continue to develop the Asset Management Strategy, Policy & Plan in order to inform long term fiscal planning
- Update the Sewer Fees Bylaw to reflect appropriate cost recovery for operational needs
- Continued improvements to the Annual Report



Residential Tax Rate

Rank

**1 = Lowest Tax Rates**

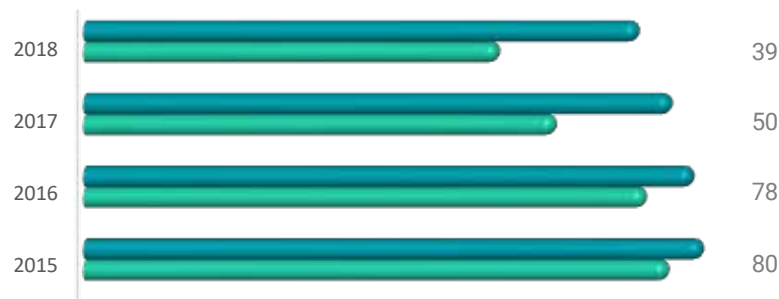
*These rankings
are from lowest to
highest out of 162
municipalities
in British Columbia.*

162 = Highest Tax Rates

	2015	2016	2017	2018
Provincial Average	\$8.6317	\$8.5979	\$8.2029	\$7.7969
Village	\$7.2146	\$6.9458	\$6.0014	\$5.2898

Business Tax Rate

Rank

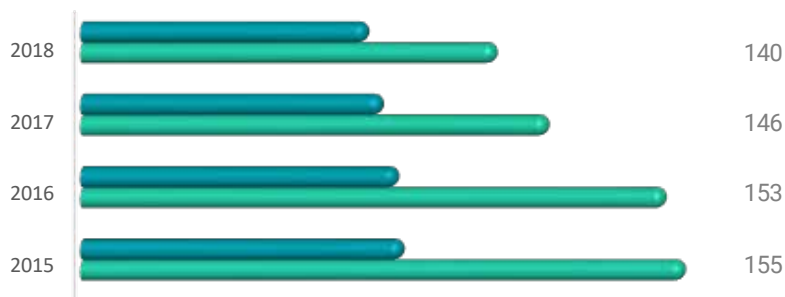


**The Village shows
improved rankings
year over year.**

	2015	2016	2017	2018
Provincial Average	\$21.4203	\$21.0866	\$20.3289	\$19.1882
Village	\$20.2233	\$19.4380	\$16.3100	\$14.3430

Recreational Tax Rates

Rank



	2015	2016	2017	2018
Provincial Average	\$11.1798	\$10.9930	\$10.4551	\$9.9431
Village	\$20.9811	\$20.3105	\$16.2301	\$14.4214

Average tax rates for all purposes includes:

Municipal, Regional District, Hospital District, School and Other



FINANCIAL SECTION



Photo Credit: Tourism Harrison

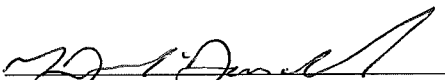
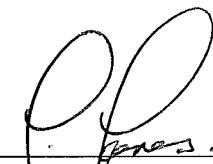
Management's Responsibility for Financial Reporting

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The financial statements have been examined by the Village's independent external auditor, BDO Canada LLP in accordance with Canadian generally accepted auditing standards. The external auditor's responsibility is to express their opinion on whether the financial statements, in all material respects, fairly present the Village's financial position, results of operations, changes in net financial assets and cash flows in accordance with Canadian public sector accounting standards. Their Independent Auditor's Report outlines the scope of their examination and their opinion.

The external auditor has full and open access to all records of the Village and has direct access to management and Council when required.


Madeline McDonald
Chief Administrative Officer
April 16 , 2018
Tracey Jones
Financial Officer
April 16 , 2018

Five Year Financial Plan 2019-2023

	2019	2020	2021	2022	2023
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
REVENUES:					
PROPERTY TAXES - RESIDENTIAL	1,450,641	1,510,000	1,540,000	1,570,000	1,601,400
PROPERTY TAXES - BUSINESS	616,846	630,000	642,600	655,500	668,610
PROPERTY TAXES - RECREATION/NON-PROFIT	110,388	112,600	114,800	117,200	119,544
COLLECTIONS FOR OTHER GOVERNMENTS & AGENCIES	1,781,250	1,817,110	1,851,331	1,889,884	1,927,682
PENALTIES & INTEREST - TAXES	8,000	4,000	-	-	-
UTILITY CO. 1% REVENUE TAXES	36,951	37,262	37,262	37,597	38,348
PAYMENTS IN LIEU OF TAXES	4,350	4,350	4,350	4,437	4,526
TOTAL TAXES COLLECTED	4,008,426	4,115,322	4,190,343	4,274,618	4,360,110
REMITTANCES TO OTHER GOVERNMENTS & AGENCIES	-\$1,781,250	-\$1,817,110	-\$1,851,331	-\$1,889,884	-\$1,927,682
NET TAXES FOR MUNICIPAL PURPOSES	2,227,176	2,298,212	2,339,012	2,384,734	2,432,428
REVENUE FROM OWN SOURCES	1,902,560	1,946,700	1,959,700	1,986,970	2,026,109
GRANTS AND DONATIONS	3,001,745	539,000	539,000	539,028	549,811
DCC	896,529	-	-	-	-
CONTRIBUTED ASSETS	-	174,000	-	-	-
TOTAL REVENUE	8,028,010	\$4,957,912	\$4,837,712	\$4,910,732	\$5,008,348
EXPENSES:					
LEGISLATIVE	142,280	137,010	137,010	138,369	141,136
GENERAL GOVERNMENT	1,112,623	1,110,992	1,124,140	1,156,045	1,179,166
PROTECTIVE SERVICES	258,526	250,282	250,282	254,559	259,650
DEVELOPMENT PLANNING	362,200	122,200	122,200	122,344	124,791
TOURISM AND COMMUNITY IMPROVEMENT	285,211	254,697	256,808	259,184	264,368
ENGINEERING, TRANSPORTATION, STORM WATER	857,774	844,886	849,625	857,742	874,898
SOLID WASTE	199,145	201,946	210,948	197,785	201,741
PARKS, RECREATION & CULTURAL SERVICES	523,270	477,630	482,318	489,169	498,952
WASTEWATER UTILITY	800,360	809,000	822,000	835,882	852,600
WATER UTILITY	471,172	472,435	485,575	481,523	491,153
DEBT- INTEREST	26,450	20,700	15,700	16,014	16,335
TOTAL EXPENDITURES	5,039,011	4,701,778	4,756,606	4,808,616	4,904,789
SURPLUS (DEFICIT)	2,988,999	\$256,134	\$81,106	\$102,116	\$103,559
CAPITAL, DEBT, RESERVES, TRANSFERS & BORROWING					
CAPITAL EXPENDITURES	-\$4,024,274	-\$785,500	-\$254,500	-\$219,000	-\$111,180
REPAYMENT ON DEBT	-\$221,355	-\$163,100	-\$53,100	-\$54,162	-\$55,245
PROCEEDS OF DEBT	-	-	-	110,000	-
CONTRIBUTIONS TO RESERVES	-\$773,212	-\$929,034	-\$888,006	-\$1,057,954	-\$1,078,514
TRANSFERS FROM RESERVES	846,800	611,500	104,500	109,000	111,180
APPROPRIATION FROM SURPLUS	173,042	-	-	-	-
EQUITY IN TANGIBLE CAPITAL ASSETS	1,010,000	1,010,000	1,010,000	1,010,000	1,030,200
	-\$2,988,999	-\$256,134	-\$81,106	-\$102,116	-\$103,559
SURPLUS (DEFICIT) PLUS CAPITAL, DEBT,	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -



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vancouver@bdo.ca
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 600 Cathedral Place
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 Vancouver BC V6C 3L2 Canada

Independent Auditor's Report

To the Mayor and Council of the Village of Harrison Hot Springs

We have audited the financial statements of the Village of Harrison Hot Springs ("the Village") which comprise the Statement of Financial Position as at December 31, 2018 and the Statements Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the Village's financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2018 and results of its operations, changes in net financial assets, and 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 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.

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.

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:

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.



- 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.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
April 15, 2019


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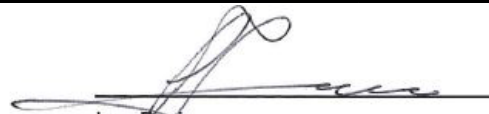
Village of Harrison Hot Springs

Statement of Financial Position

As at December 31, 2018

	2018	2017
Financial assets		
Cash (Note 2)	9,847,890	9,216,348
Accounts Receivable (Note 3)	1,188,913	882,299
MFA Deposits (Note 4)	6,549	6,410
	11,043,352	10,105,057
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	363,287	271,924
Employee Future Benefits (Note 6)	113,696	108,727
Developer's Deposits and Other Trust Liabilities (Note 7)	199,320	409,950
Deferred Revenue (Note 8)	702,726	1,099,323
Development Cost Charges (Note 9)	3,106,272	1,851,562
Liabilities under Agreement (Note 10)	148,883	189,524
Long-term debt (Note 11)	503,412	536,721
Interim financing debt (Note 12)	220,000	330,000
	5,357,596	4,797,731
Net financial assets	5,685,756	5,307,326
Non-financial assets		
Tangible Capital Assets (Note 13, Schedule 1)	36,719,932	34,137,913
Prepaid expenses	61,981	68,970
	36,781,913	34,206,883
Accumulated surplus	\$ 42,467,669	\$ 39,514,209
Represented by:		
Operating fund (Note 15)	3,151,719	3,545,757
Appropriated Surplus (Note 15)	1,617,960	1,298,522
Statutory Reserves (Note 15)	1,850,350	1,588,261
Equity in tangible capital assets (Note 14)	35,847,640	33,081,669
	\$ 42,467,669	\$ 39,514,209


 Madeline McDonald,
 Chief Administrative Officer


 Leo Facio
 Mayor

The accompanying notes and schedule are an integral part of these financial statements.

Village of Harrison Hot Springs

Statement of Operations

for the year ended December 31, 2018

	Budget (Note 20)	2018	2017
Revenue			
Property Taxes (Note 16)	\$ 2,104,964	\$ 2,095,811	\$ 2,016,765
Sale of Services (Note 17)	1,281,980	1,239,637	1,253,427
Utility Service Fees (Note 18)	414,000	440,408	410,951
Government Transfers (Note 19)	3,430,631	2,745,539	678,512
Investment Income	47,000	109,545	85,617
Penalties and interest	18,837	78,006	89,390
Development Cost Charges (Note 9)	1,345,000	130,059	-
Contributed Assets	-	509,800	993,500
Other revenue	162,350	(21,279)	315,837
	8,804,762	7,327,526	5,843,999
Expenses (Note 21)			
Legislative Services	129,950	113,230	113,859
General Government	1,060,470	1,047,620	977,516
Protective Services	265,742	205,814	213,754
Public Works	358,990	360,080	328,650
Transportation Services	544,419	495,319	488,422
Public Health	4,950	3,317	4,354
Planning and Development	325,200	167,128	109,754
Tourism, Community and Economic Development	243,022	193,985	186,272
Solid Waste Management and Recycling	187,146	179,929	210,784
Beaches, Parks, Recreation and Culture	483,535	483,909	447,065
Water Services	390,514	419,994	343,941
Sewer Services	737,230	703,739	754,653
	4,731,168	4,374,064	4,179,024
Annual surplus	4,073,594	2,953,462	1,664,975
Accumulated surplus, beginning of year (Note 15)	39,514,207	39,514,207	37,849,232
	\$ 43,587,801	\$ 42,467,669	\$ 39,514,207

The accompanying notes and schedule are an integral part of these financial statements.

Village of Harrison Hot Springs

Statement of Change in Net Financial Assets

For the Year Ended December 31, 2018

	Budget (Note 20)	2018	2017
Annual Surplus	4,073,594	2,953,462	1,664,975
Acquisition of tangible capital assets	(5,938,900)	(4,041,405)	(1,524,463)
Amortization of tangible capital assets Note1., Schedule 1	860,000	965,112	899,421
Proceeds from the sale of tangible capital assets	-	10,250	8,000
(Gain) loss from sale of tangible capital assets	-	484,024	(3,759)
	(1,005,306)	371,443	1,044,176
Acquisition of prepaid expenses	-	(61,981)	(68,970)
Use of prepaid expenses	-	68,970	65,840
	-	6,989	(3,130)
Increase (decrease) in net financial assets	(1,005,306)	378,432	1,041,046
Net financial assets, beginning of year	5,307,326	5,307,326	4,266,280
Net financial assets, end of year	\$ 4,302,020	\$ 5,685,758	\$ 5,307,326

The accompanying notes and schedule are an integral part of these financial statements.

Village of Harrison Hot Springs

Statement of Cash Flows

For the Year Ended December 31, 2018

	2018	2017
Cash provided by (used in):		
Operating Transactions		
Annual surplus	2,953,462	1,664,975
Items not involving cash:		
Amortization	965,112	899,421
(Gain)/ Loss on disposal of assets	484,024	(3,759)
Changes to cash items:		
Accounts receivable	(306,614)	14,607
MFA deposits	(139)	(123)
Accounts payable and accrued liabilities	91,363	(148,218)
Developer's deposits and other trust liabilities	(210,630)	32,285
Prepaid expenses	6,989	(3,130)
Employee future benefits	4,969	14,927
Deferred revenue	(396,597)	836,230
Development cost charges	1,254,710	275,743
Net change in cash from operating transactions	4,846,649	3,582,958
Capital Transactions:		
Proceeds from sale of tangible capital assets	10,250	8,000
Acquisition of tangible capital assets	(4,041,405)	(1,524,463)
Net change in cash from capital transactions	(4,031,155)	(1,516,463)
Financing Transactions		
Debt repayment	(183,952)	(168,704)
Proceeds from MFA equipment borrowing	-	110,000
Net change in cash from financing transactions	(183,952)	(58,704)
Net change in cash	631,542	2,007,791
Cash at beginning of year	9,216,348	7,208,557
Cash, end of year	\$ 9,847,890	\$ 9,216,348

The accompanying notes and schedule are an integral part of these financial statements.

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

1. Significant Accounting Policies

The Financial Statements combine the activities of the various funds of the reporting entity - Village of Harrison Hot Springs (the "Village") which are the representation of management are 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 Canada. Interfund transactions and fund balances have been eliminated for reporting purposes. There are no other organizations under the control of the Village Council that meet the criteria for inclusion and consolidation in these statements. Significant accounting policies adopted by the Village are as follows:

a. Basis of reporting

The Financial Statements reflect the combined results and activities of the reporting entity which is comprised of the Operating, Capital and Reserve funds. Inter-fund transactions have been eliminated.

- i. Operating Funds: These funds include the General, Water and Sewer operations of the Village. They are used to record the operating costs of the services provided by the Village.
- ii. Capital funds: These funds include the General, Water and Sewer capital funds. They are used to record the acquisition and disposal of tangible capital assets and their financing.
- iii. Reserve funds: Under the *Community Charter*, Village Council may, by bylaw establish reserve funds for specified purposes. Money in a Statutory Reserve Fund, and interest earned thereon, must be expended by bylaw only for the purpose for which the fund was established. If the amount in a reserve fund is greater than required, Village Council may, by bylaw, transfer all or part of the balance to another reserve fund. Non-statutory Reserves require being included in an approved council budget or a resolution before these funds can be expended.

b. Revenue Recognition

Sources of revenue are recorded on an accrual basis and recognized in the period in which they are earned. Unearned revenue in the current period is reported on the statement of Financial Position as deferred revenue.

The Village recognizes the transfer of government funding as revenue when the transfer is authorized and any eligibility criteria are met, except to the extent that any transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when the transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year. Through the British Columbia Assessments' appeal process, taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized at the time they are awarded. Sale of services and fees are recognized when the service or product is provided by the Village. All other revenue is recognized as it is earned and is measurable. Revenue unearned in the current period is recorded as deferred revenue and is recognized as revenue in the fiscal year the services are performed.

Development Cost Charges are restricted revenue liabilities representing funds received from developers and deposited into separate deferred revenue liability accounts for specific future capital expenses. In accordance with Canadian public sector accounting standards, the Village records these funds as restricted revenue which is then recognized when the related costs are incurred.

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

1. Significant Accounting Policies

c. Expense Recognition

Operating expenses are recognized on an accrual basis in the period they are incurred.

d. Financial Instruments

The Village's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, long-term debt and interim financing debt. It is management's opinion that the Village is not exposed to significant interest, currency or credit risk arising from these financial instruments.

e. Non-financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They may 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, comprised of capital assets and assets under construction, are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes the capital expenditure, excluding interest, directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing when the asset is put into service.

Asset	Useful Life - Years
Land improvements	10-25
Parks infrastructure	10-50
Buildings	40-50
Machinery, furniture and equipment	5-10
IT infrastructure	4-10
Vehicles	5-20
Roads infrastructure	15-75
Water infrastructure	10-100
Sewer infrastructure	10-100
Drainage infrastructure	10-100

ii. Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the time of donation.

iii. Works of art and cultural and historic assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

1. Significant Accounting Policies

e. Non-financial Assets

iv. Leased tangible capital assets

Leases which transfer substantially all the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets.

f. Use of estimates

The preparation of 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 at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from managements's best estimates as additional information becomes available in the future. Areas requiring the greatest degree of estimation include employee future benefits and useful lives of tangible capital assets.

g. 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 environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

- (i) an environmental standard exists;
- (ii) contamination exceeds the environmental standard;
- (iii) the Village is directly responsible or accepts responsibility;
- (iv) it is expected that future economic benefits will be given up; and
- (v) a reasonable estimate of the amount can be made.

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

The Village has determined that as of December 31, 2018, no contamination in excess of an environmental standard exists to land not in productive use for which the Village is responsible.

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

2. Cash

	2018	2017
Restricted cash		
Statutory Reserves	\$ 1,850,350	\$ 1,588,261
Non-Statutory Reserves	1,617,960	1,298,522
Development Cost Charges/Deposits in Trust	4,008,320	3,360,835
	7,476,630	6,247,618
Unrestricted cash	2,371,260	2,968,730
Total cash	\$ 9,847,890	\$ 9,216,348

3. Account Receivable

	2018	2017
Accounts Receivable - Property Taxes	\$ 495,739	\$ 446,175
Accounts Receivable - Other Governments	226,842	54,453
Accounts Receivable - Trade and Other	466,332	381,671
	\$ 1,188,913	\$ 882,299

4. Municipal Finance Authority Deposits

The Municipal Finance Authority of British Columbia (the MFA) provides capital funding for regional districts and their member municipalities. The MFA is required to establish a Debt Reserve Fund. The MFA must then use this fund if at any time there are insufficient funds to meet payments on its obligations. If this occurs the regional districts may be called upon to restore the fund.

Each regional district, through its member municipalities who share in the proceeds of a debt issue, is required to pay into the Debt Reserve Fund certain amounts set out in the financing agreements. The interest earned on the Debt Reserve fund, less administrative expenses, becomes an obligation of the MFA to the regional districts.

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

5. Accounts Payable and Accrued Liabilities

	2018	2017
Trade and Other	\$ 198,062	\$ 121,680
Holdbacks payable	24,252	2,655
Other government	59,040	72,511
Accrued Employee benefits	81,933	75,078
	\$ 363,287	\$ 271,924

6. Employee Future Benefits

Sick Pay

The Village provides paid sick leave to qualifying employees, this benefit accrues at two days of sick leave per month. At the end of each calendar year 2/3 of the unused portion of sick leave is vested up to a maximum of 360 days. The amount recorded for this benefit is based on an actuarial evaluation prepared by an independent firm and will be reviewed on a periodic basis. The date of the last actuarial evaluation was as of December 31, 2018.

Retirement Allowance

A regular employee who retires under the provisions of the Municipal Pension Plan is entitled to a retirement benefit as outlined in the Collective Agreement and Management Policy. In all instances, the rate of pay used in the calculation of the retirement benefit shall be the rate of pay applicable on the last day worked. The amount recorded for this benefit in 2018 is based on an actuarial evaluation prepared by an independent firm and will be reviewed on a periodic basis. The date of the last actuarial evaluation was as of December 31, 2018.

As of December 31, 2018, \$113,696 (2017 - \$108,727) of accrued benefit liability has been charged to operations. The significant actuarial assumptions adopted in measuring the Village's accrued benefit liability are as follows:

	2018	2017
Discount rates	3.00%	1.90%
Expected future inflation	2.00%	1.75%

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

6. Employee Future Benefits

Accrued Benefit Obligation as at December 31, 2018

	2018	2017
Beginning benefit obligation	\$ 108,727	\$ 93,800
Current service cost	20,776	19,052
Interest on accrued benefit obligation	-	2,000
Actuarial (gain) loss	-	-
Benefits paid during the year	(15,807)	(6,125)
Ending benefit obligation	113,696	108,727
Less Unamortized net actuarial (loss)	-	-
Accrued Benefit Liability	\$ 113,696	\$ 108,727

7. Developers Deposits and Other Trust Liabilities

	2018	2017
Property and event damage deposits	\$ 146,948	\$ 19,100
Developers Deposit	-	340,365
Community groups funds held in trust	52,372	50,485
	\$ 199,320	\$ 409,950

8. Deferred Revenue

	Opening Balance	Externally Restricted Inflows	Revenue Earned	December 31, 2018
Prepaid taxes	\$ 120,103	\$ 240,107	\$ (221,739)	\$ 138,471
Resort Municipality Initiative	271,622	374,183	(132,166)	513,639
Deferred Revenue	700,683	-	(660,546)	40,137
Facility rentals and other	6,915	186,459	(182,895)	10,479
	\$ 1,099,323	\$ 800,749	\$ (1,197,346)	\$ 702,726

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

9. Development Cost Charges

	Opening Balance	Receipts	Interest	Transfers Out	Closing Balance
Sewer DCC	\$ 1,126,796	\$ 473,697	\$ 27,856	\$ 86,115	\$ 1,542,234
Water DCC	452,168	381,421	13,031	43,944	802,676
Drainage DCC	170,732	308,307	6,838	-	485,877
Parks DCC	101,866	169,918	3,701	-	275,485
	\$ 1,851,562	\$ 1,333,343	\$ 51,426	\$ 130,059	\$ 3,106,272

10. Liabilities under Agreement

In 2014, the Village entered into a capital lease agreement with Caterpillar Financial Services Limited to finance the acquisition of a new backhoe in the amount of \$132,725. The term of the lease is five years with an option to purchase at the end of the lease for \$47,723. In 2017, the Village entered into an agreement with the Municipal Finance Authority to borrow funds to purchase capital equipment in the amount of \$110,000. The term of the agreement is for five years.

Changes in liabilities under agreement are as follows:

	2018	2017
Balance, January 1,	\$ 189,524	\$ 106,046
Add: Borrowing additions	-	110,000
Less: Principal repayments	(40,641)	(26,522)
Balance, December 31	\$ 148,883	\$ 189,524

The minimum payments over the next five years of the liabilities under agreement are as follows:

2019	\$ 85,704
2020	23,079
2021	23,079
2022	23,079
Less: Amount representing interest	(6,058)
	\$ 148,883

Total interest expense during the year was \$5,357. Total interest over the term of the agreements is \$26,320.

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

11. Long-Term Debt

In 2015 the Village borrowed funds under loan authorisation bylaw 1052. MFA Issue 131 has an amortization period of 15 years at 2.2% interest for the first 10 years of the term. Early repayment options exist at the rate reset date of 10 years.

	Balance, beginning of Year	Additions	Principal Repayments	Actuarial * Adjustment	Balance, end of year
General Fund					
MFA Issue 131	\$ 536,721	\$ -	\$ 31,094	\$ 2,215	\$ 503,412

The following principal amounts are payable over the next five years:

	General	Water	Sewer
2019	\$ 31,095	\$ -	\$ -
2020	\$ 31,095	\$ -	\$ -
2021	\$ 31,095	\$ -	\$ -
2022	\$ 31,095	\$ -	\$ -
2023	\$ 31,095	\$ -	\$ -
Thereafter	\$ 347,936	\$ -	\$ -
Total	\$ 503,412	\$ -	\$ -

* Actuarial Adjustments represent earnings on sinking funds held by the Municipal Finance Authority. The amounts are used to reduce the principal amount of outstanding debt.

12. Interim Financing Debt

In 2009 the Village borrowed \$1,500,000 under the Interim Financing Program from the Municipal Finance Authority of British Columbia under Loan Authorisation Bylaw 885, for the purpose of constructing a new water reservoir. In 2015 the Village received an extension and has until 2020 to pay back the principal amount. Any principal balance unpaid will be converted into long-term debt at that time. The Village can pay down any amount on the principal in the next year. Interest was paid monthly in 2018 at daily interest rates that varied between 1.94% and 2.79%. During 2018 the Village paid \$6,899 in interest (2017 \$6,576).

	2018	2017
Beginning Balance Jan 1,	\$ 330,000	\$ 440,000
Principal repayments	(110,000)	(110,000)
Ending Balance, December 31	\$ 220,000	\$ 330,000

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

13. Tangible Capital Assets

	2018	2017
Land and improvements	\$ 10,680,913	\$ 10,444,913
Buildings	3,244,548	3,384,007
Machinery, equipment, furniture, IT and vehicles	815,384	728,766
Engineering Structures:		
Engineering structures - water	8,188,220	6,252,781
Engineering structures - sewer and drainage	7,012,897	6,819,202
Engineering structures - roads	5,178,987	4,900,117
Engineering structures - parks and other	1,162,765	1,126,193
Other tangible capital assets	225,086	191,507
Work in Progress	211,132	290,427
Total	\$ 36,719,932	\$ 34,137,913

For additional information, see Schedule of Tangible Capital Assets. (Schedule 1)

Included in equipment, furniture and vehicles are vehicles and equipment purchased under capital lease totalling \$151,342 with accumulated amortization to the end of 2018 of \$68,104.

Contributed assets recognized in 2018 totalled \$509,800; Storm drainage \$111,800, Sidewalks \$22,500, Roads \$335,000 and Sewer \$40,500.

14. Equity in Tangible Capital Assets

Equity in tangible capital assets (TCA) represents the net book value (NBV) of total capital assets less long term obligations assumed to acquire those assets. The change in consolidated equity in tangible capital assets is as follows:

	2018	2017
Equity in TCA, beginning of year	\$ 33,081,669	\$ 32,402,164
Add:		
Capital Expenditures	4,041,405	1,524,464
Debt Repayments	181,737	168,704
Actuarial adjustment	2,215	-
Less:		
MFA equipment borrowing	-	(110,000)
Dispositions at NBV	(494,274)	(4,241)
Amortization	(965,112)	(899,421)
Equity in TCA, end of year	\$ 35,847,640	\$ 33,081,669

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

15. Accumulated Surplus

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

	2018	2017
Surplus:		
Invested in tangible capital assets	\$ 35,847,640	\$ 33,081,669
Operating Fund	3,151,719	3,545,757
Total surplus	38,999,359	36,627,426
Reserves set aside by Council:		
Appropriated Surplus:		
Fire Department	26,521	26,000
Assessment appeal	131,529	128,943
Beach	38,006	37,259
Building	62,667	61,436
Contingencies	11,459	11,234
Dock replacement	31,793	21,274
Boat Launch	51,860	45,893
Flood box / drainage	15,548	15,243
General	63,357	28,821
Insurance	9,957	9,762
Memorial Hall restoration	5,561	5,452
Parking / traffic management	57,366	56,239
Office Equipment	44,501	37,959
Property	47,449	46,516
Road/Sidewalk	13,482	13,216
Sick leave/Retirement	50,966	49,965
Community Works Fund	222,969	219,397
Sewer	529,639	401,587
Water	203,330	82,326
Total Appropriated Surplus	1,617,960	1,298,522
Statutory Fund Reserves:		
Community amenities	154,279	151,247
Fire department capital	464,293	421,610
Land unexpended funds	13,180	12,921
Parkland acquisition	347,635	201,930
Public works capital	32,789	70,026
Sewage treatment replacement	733,761	628,167
Sewer unexpended funds	83,517	81,875
Port Divestiture income	20,896	20,485
Total Statutory Fund Reserves	1,850,350	1,588,261
	\$ 42,467,669	\$ 39,514,209

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

16. Property Taxes

The Village is reliant upon one taxpayer for approximately 19.3% of municipal property tax revenue. Taxation revenue, reported on the statement of operations, is made up of the following:

	Budget	2018	2017
Taxes collected			
Municipal property taxes	\$ 2,064,192	\$ 2,055,178	\$ 1,977,592
1 % Utility taxes	36,122	36,121	34,504
Payments in lieu of taxes	4,650	4,512	4,669
School taxes	1,330,000	1,327,913	1,262,698
Regional District	145,600	145,369	144,549
Regional hospital district	107,700	99,962	95,185
Police tax	130,000	142,410	129,436
Other agencies	30,515	29,912	27,628
	3,848,779	3,841,377	3,676,261
Less transfers to other governments			
School taxes paid	1,330,000	1,327,913	1,262,698
Regional district taxes paid	145,600	145,369	144,549
Regional hospital district taxes paid	107,700	99,962	95,185
Police taxes paid	130,000	142,410	129,436
Other agencies taxes paid	30,515	29,912	27,628
	1,743,815	1,745,566	1,659,496
	\$ 2,104,964	\$ 2,095,811	\$ 2,016,765

17. Sale of Services

	Budget	2018	2017
Sewer user fees	\$ 588,980	\$ 537,118	\$ 544,245
Water user fees	301,100	306,627	303,337
Curbside collection fees	116,000	117,742	116,493
Pay Parking Revenue	192,000	185,378	194,540
Licenses and permits	28,200	42,535	36,025
Facility rentals	49,500	42,300	46,348
Fines	2,700	4,312	8,926
Other	3,500	3,625	3,513
	\$ 1,281,980	\$ 1,239,637	\$ 1,253,427

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

18. Utility Service Fees

	Budget	2018	2017
Sewer service utility fee - residential	\$ 193,000	\$ 195,196	\$ 187,331
Sewer service utility fee - business	20,000	20,601	20,532
Water service utility fee - residential	180,000	203,231	181,792
Water service utility fee - business	21,000	21,380	21,296
Total	\$ 414,000	\$ 440,408	\$ 410,951

19. Government Transfers

The Government transfers reported on the Statement of Operations are:

	Budget	2018	2017
Provincial:			
Conditional			
Infrastructure	\$ 1,288,931	\$ 854,431	\$ 128,024
Resort Municipality Initiative	272,500	132,166	101,778
WWTP Assessment	-	-	10,000
Other	1,400	2,986	2,935
Unconditional	316,000	317,314	316,487
Federal			
Conditional			
Infrastructure	1,383,800	1,314,652	-
Gas tax	115,000	119,990	115,288
Other	53,000	4,000	4,000
	\$ 3,430,631	\$ 2,745,539	\$ 678,512

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

20. Budget Data

The data presented in these financial statements is based upon the 2018 operating and capital budgets adopted by Council on March 5, 2018. The table below reconciles the approved balanced budget to the budget figures reported in these financial statements.

2018 Adopted Operating and Capital Budget	Budget Amount
Revenues:	
Operating budget	\$ 4,731,168
Capital budget	6,762,676
Total revenue	11,493,844
Expenses:	
Operating budget	4,731,168
Capital Budget	6,762,676
Total expenses	11,493,844
Budgeted surplus (deficit)	\$ -
Add:	
Capital expenses	\$ 5,938,900
Transfers to reserves	642,376
Principal repayments	181,400
Less:	
Transfers from reserves	(694,590)
Appropriation from Surplus	(1,134,492)
Amortization	(860,000)
Annual budgeted surplus (see statement of operations)	\$ 4,073,594

21. Classification of Expenses by Object

The Schedule of Operating Fund Activities represents the expenditures by function; the following table classifies those same expenditures by object:

	Budget	2018	2017
Salaries, wages and employee benefits	\$ 1,691,351	\$ 1,605,894	\$ 1,519,685
Operating Materials and supplies	675,577	637,291	640,129
Contracted services	645,250	415,582	393,917
Administrative services and supplies	516,540	438,966	398,286
Utilities	205,400	192,575	210,124
Rentals and contractual obligations	108,250	93,188	93,824
Debt financing	28,800	25,456	23,638
Amortization	860,000	965,112	899,421
Total expenditures by object	\$ 4,731,168	\$ 4,374,064	\$ 4,179,024

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

22. Commitments and Contingencies

- a. The municipality 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 the 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, 2017, the plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 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 funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The Village of Harrison Hot Springs paid \$110,951 (2017 \$97,239) for employer contributions to the Plan in fiscal 2018. Employee contributions in fiscal 2018 were \$95,835 (2017 \$85,847)

The most recent valuation for the Municipal Pension Plan as at December 31, 2015 indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged. The next valuation will be as at December 31, 2018 with results available in 2019. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

- b. Debts of the Fraser Valley Regional District are, under provisions of the Local Government Act, a direct, joint and several liability of the District and each member municipality within the District, including the Village of Harrison Hot Springs.
- c. The Village is a subscribed member of the Municipal Insurance Association of British Columbia (The "Exchange") as provided by section 3.02 of the Insurance Act of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange Agreement, the Village is assessed a premium and specific deductible for its claims based on population. The obligation of the Village with respect to the Exchange and/or contracts and obligations entered into by the Exchange are in every case several, not joint and several. The Village irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other subscriber may suffer.
- d. The Village has an agreement with the Harrison Hot Springs Tourism Society to provide annual funding of \$21,000. The term of the agreement ends December 31st, 2023.
- e. In 2014, the Ministry of Environment directed the Village to assess any potential effects the closure of the landfill in 1983 has on well water. Water samples were taken and the results prompted the Ministry to direct the Village to drill test wells and monitor the water which began in 2015. The Village is to continue this process for the years 2017-2021 at which time the results will determine if any further action is required.

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2018

23. Segmented Disclosures

The Table of Segmented Information - Schedule 2 has been prepared in accordance with PS2700 Segmented Disclosures. Segmented information has been identified based upon functional activities provided by the Village. For each reported segment, revenue and expenses represent amounts directly attributable to the functional activity and amounts allocated on a reasonable basis. The functional areas that have been separately disclosed in the segmented information, along with services they provide are as follows:

Legislative Services

Legislative services includes Council and legislative services

General Government

General government includes taxation, sale of services, government transfers, investment income and administrative services for the general fund

Protective Services

Protective Services includes the volunteer fire department, emergency measures and bylaw enforcement

Development and Planning

Development and Planning includes economic development, planning, land development, community development and tourism

Engineering, Transportation and Storm Water

Engineering, transportation and storm water services include engineering, fleet, public health, roads, sidewalk, storm sewers and transit

Solid Waste

Solid waste includes sustainability, curbside collection, recycling and organic waste

Parks, Recreation and Cultural Services

Parks, recreation and cultural services includes the maintenance of the beachfront, parks and cultural facilities within the Village

Wastewater Utility

Wastewater includes the wastewater collection system, lift stations and wastewater treatment plant

Water Utility

Water includes the water collection, treatment and distribution of potable water

Village of Harrison Hot Springs

Schedule 1 - Statement of Tangible Capital Assets

For the Year Ended December 31, 2018

	Engineered Structures							Other Tangible Capital Assets	2018	2017
	Land	Building	Equipment Furniture Vehicles	Water	Sewer Drainage	Roads	Other	Work In Progress		
COST										
Opening balance	\$10,444,913	\$4,604,890	\$2,238,607	\$7,770,415	\$9,255,851	\$9,705,979	\$1,945,824	\$290,428	\$371,783	\$46,628,690
Add: Additions	236,000	-	188,806	2,524,082	397,472	609,823	121,838	(79,296)	42,680	4,041,405
Less: Disposals	-	-	(107,740)	(524,745)	(64,938)	(295,638)	-	-	-	(993,061)
Closing Balance	10,680,913	4,604,890	2,319,673	9,769,752	9,588,385	10,020,164	2,067,662	211,132	414,463	49,677,034
ACCUMULATED AMORTIZATION										
Opening Balance	-	1,220,883	1,509,840	1,517,634	2,436,650	4,805,863	819,631	-	180,276	12,490,777
Add: Amortization	-	139,459	92,747	148,027	166,110	324,402	85,266	-	9,101	965,112
Less: Acc. Amortization on Disposals	-	-	(98,298)	(84,129)	(27,272)	(289,088)	-	-	-	(498,787)
Closing Balance	-	1,360,342	1,504,289	1,581,532	2,575,488	4,841,177	904,897	-	189,377	12,957,102
	\$10,680,913	\$3,244,548	\$815,384	\$8,188,220	\$7,012,897	\$5,178,987	\$1,162,765	\$211,132	\$225,086	\$36,719,932
										\$34,137,913

Village of Harrison Hot Springs

Schedule 2 - Table of Segmented Information

For the Year Ended December 31, 2018

	Legislative	General Government	Protective Services	Development Planning	Engineering, Transportation & Storm Water	Solid Waste	Parks, Recreation & Cultural Services	Wastewater Utility	Water Utility	Budget	2018	2017
Revenue:												
Property Taxes	\$ -	\$ 2,095,811	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,104,964	\$ 2,095,811	\$ 2,016,765
Sale of Services	-	235,950	-	-	-	117,742	42,300	537,119	306,627	1,281,980	1,239,638	1,253,427
Utility Service Fees	-	-	-	-	-	-	-	215,797	224,611	414,000	440,408	410,951
Government Transfers	-	624,644	-	132,166	-	-	-	-	1,988,728	3,430,631	2,745,538	678,512
Investment Income	-	85,339	-	-	-	-	-	22,287	1,919	47,000	109,545	85,617
Penalties and interest	-	63,558	-	-	-	1,427	-	6,897	6,124	18,837	78,006	89,390
Development Cost Charges	-	-	-	-	-	-	-	86,115	43,944	1,345,000	130,059	-
Contributed Assets	-	-	-	-	-	-	-	40,500	-	-	509,800	993,500
Other revenue	-	239,186	-	-	-	-	-	16,950	(277,416)	162,350	(21,280)	315,837
	-	3,344,389	-	132,166	469,300	119,169	42,300	925,665	2,294,537	8,804,762	7,327,526	5,843,999
Expenses:												
Salaries, wages and employee benefits	95,591	542,195	6,382	59,328	248,786	48,019	230,448	212,961	162,184	1,691,351	1,605,894	1,519,885
Operating Materials and supplies	-	4,421	129,158	570	134,981	194	100,862	211,717	55,589	675,577	637,291	640,129
Contracted services	-	5,250	7,956	161,783	42,382	131,716	13,215	53,280	-	645,250	415,582	393,917
Administrative services and supplies	16,579	233,669	12,879	108,433	22,768	-	10,439	20,939	13,260	516,540	438,966	398,286
Utilities	1,060	18,585	6,040	-	42,484	-	30,872	59,498	34,036	205,400	192,575	210,124
Rentals and contractual obligations	-	13,037	39,073	31,000	6,173	-	3,905	-	-	108,250	93,188	93,824
Debt financing	-	18,557	-	-	-	-	-	-	6,899	28,800	25,456	23,638
Amortization	-	211,905	4,325	-	361,143	-	94,367	145,345	148,027	860,000	965,112	899,421
	113,230	1,047,620	205,814	361,113	858,717	179,929	483,909	703,739	419,994	4,731,168	4,374,064	4,179,024
Annual Surplus (Deficit)	\$ (113,230)	\$ 2,296,769	\$ (205,813)	\$ (228,948)	\$ (389,417)	\$ (60,760)	\$ (441,609)	\$ 221,925	\$ 1,874,542	\$ 4,073,594	\$ 2,953,462	\$ 1,664,975

STATISTICAL SECTION



Photo Credit: Tourism Harrison



Statement of Financial Position

Financial Assets	2014	2015	2016	2017	2018
Cash and Equivalents	\$6,401,201	\$7,794,822	\$7,208,557	\$9,216,348	\$9,847,890
Accounts Receivable	\$805,739	\$820,704	\$896,906	\$882,299	\$1,188,913
MFA Deposits		\$6,103	\$6,287	\$6,410	\$6,549
	\$7,206,940	\$8,621,629	\$8,111,750	\$10,105,057	\$11,043,352

Financial Liabilities	2014	2015	2016	2017	2018
Accounts Payable & Accrued Liabilities	\$421,257	\$393,735	\$420,142	\$271,924	\$363,287
Employee Future Benefits	\$-	\$78,000	\$93,800	\$108,727	\$113,696
Developer Deposit & Other Trust Liabilities	\$391,277	\$378,097	\$377,665	\$409,950	\$199,320
Deferred Revenue	\$648,936	\$500,267	\$263,093	\$1,099,323	\$702,726
Development Cost Charges	\$978,021	\$1,212,301	\$1,575,819	\$1,851,562	\$3,106,272
Liabilities Under Agreement	\$161,989	\$139,211	\$106,046	\$189,524	\$148,883
Long-term Debt	\$-	\$600,000	\$568,905	\$536,721	\$503,412
Interim Financing Debt	\$600,000	\$550,000	\$440,000	\$330,000	\$220,000
	\$3,201,480	\$3,851,611	\$3,845,470	\$4,797,731	\$5,357,596

	2014	2015	2016	2017	2018
Net Financial Assets	\$4,005,460	\$4,770,018	\$4,266,280	\$5,307,326	\$5,685,756

Non-Financial Assets	2014	2015	2016	2017	2018
Tangible Capital Assets	\$31,421,843	\$31,234,292	\$33,517,112	\$34,137,913	\$36,719,934
Prepaid Expenses	\$54,696	\$35,302	\$65,840	\$68,970	\$61,981
	\$31,476,539	\$31,269,594	\$33,582,952	\$34,206,883	\$36,781,915

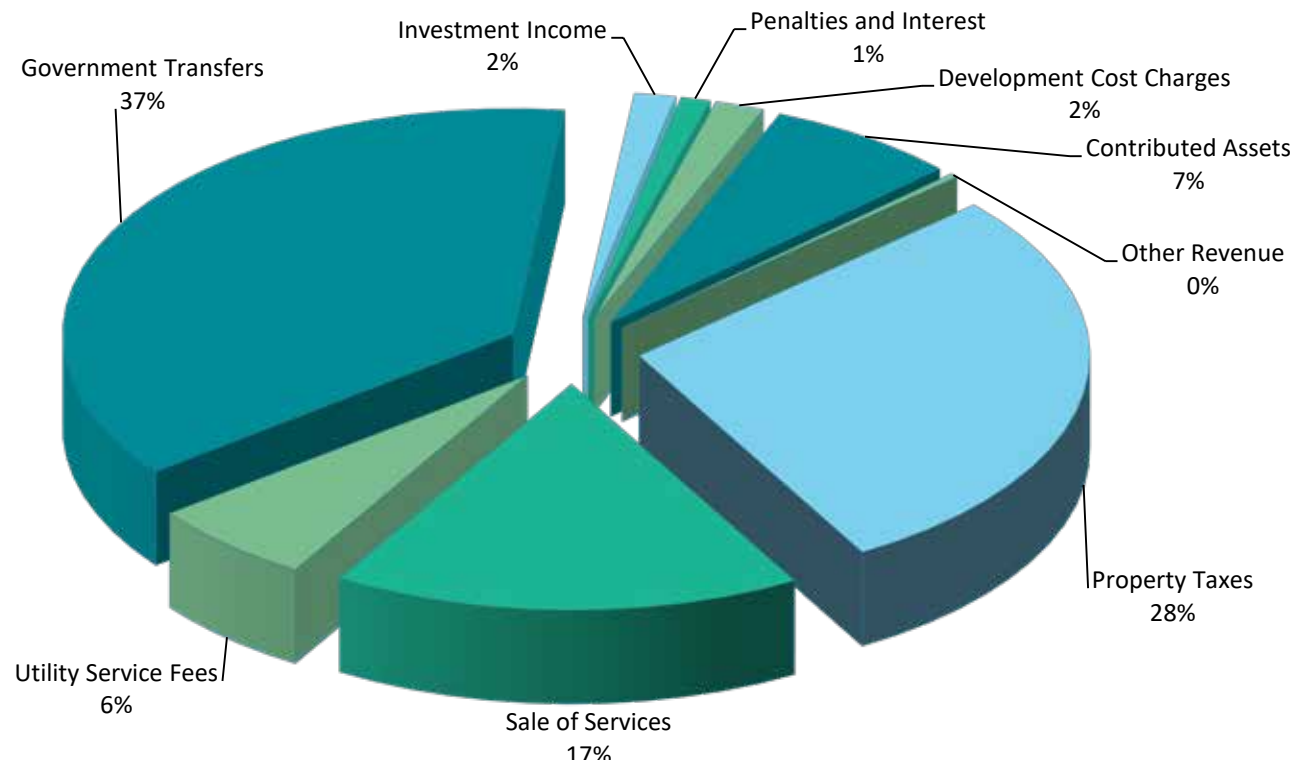
	2014	2015	2016	2017	2018
Accumulated Surplus	\$35,481,999	\$36,039,612	\$37,849,232	\$39,514,209	\$42,467,671

Accumulated Surplus - Represented By	2014	2015	2016	2017	2018
Operating fund	\$2,608,376	\$3,385,784	\$3,147,858	\$3,545,757	\$3,151,721
Appropriated Surplus	\$1,389,874	\$1,690,730	\$1,040,150	\$1,298,522	\$1,617,960
Statutory Reserves	\$855,580	\$1,018,016	\$1,259,060	\$1,588,261	\$1,850,350
Equity in Tangible Capital Assets	\$30,628,169	\$29,945,082	\$32,402,164	\$33,081,669	\$35,847,640
	\$35,481,999	\$36,039,612	\$37,849,232	\$39,514,209	\$42,467,671

	2014	2015	2016	2017	2018
Annual Surplus	\$1,364,821	\$635,613	\$1,809,620	\$1,664,975	\$2,953,462

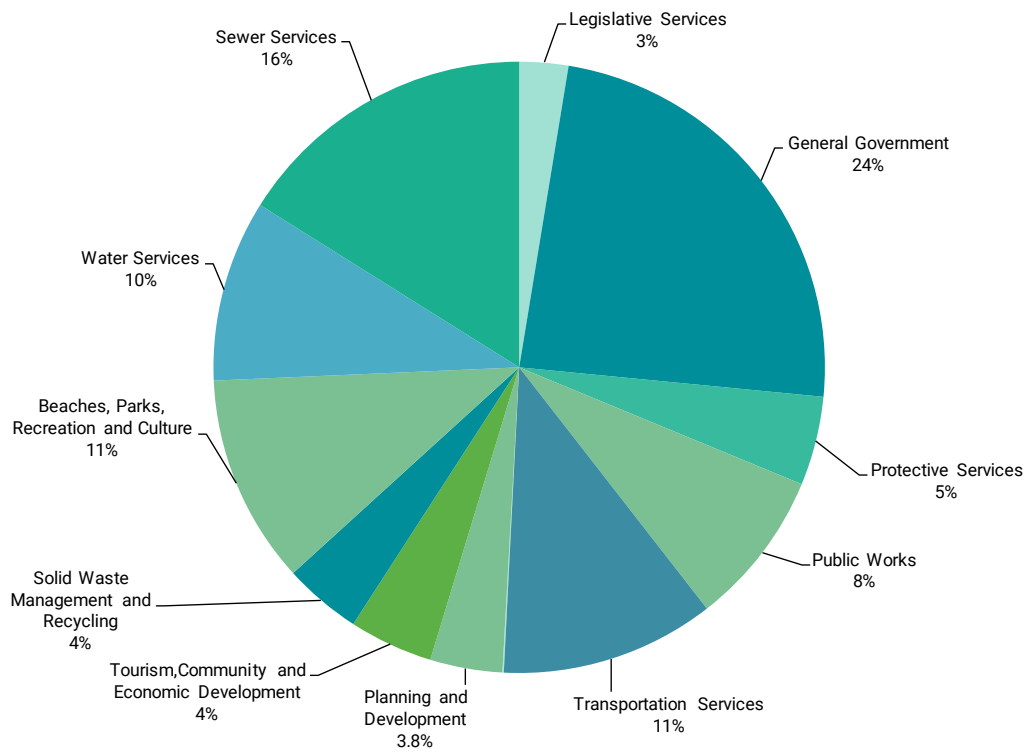
	2014	2015	2016	2017	2018
Acquisition of Tangible Capital Assets	\$2,121,402	\$604,698	\$3,135,321	\$1,524,463	\$4,041,405

Revenues by Source



	2014	2015	2016	2017	2018
Property Taxes	\$1,886,821	\$1,920,696	\$1,972,081	\$2,016,765	\$2,095,811
Sale of Services	\$900,016	\$897,704	\$1,171,999	\$1,253,427	\$1,239,637
Utility Service Fees	\$395,167	\$395,923	\$401,154	\$410,951	\$440,408
Government Transfers	\$1,785,708	\$1,036,076	\$1,937,998	\$678,512	\$2,745,539
Investment Income	\$28,859	\$56,795	\$54,759	\$85,617	\$109,545
Penalties and Interest	\$39,561	\$44,121	\$57,222	\$89,390	\$78,006
Development Cost Charges	\$-	\$16,480	\$7,065		\$130,059
Contributed Assets	\$-	\$-	\$-	\$993,500	\$509,800
Other Revenue	\$53,308	\$36,548	\$117,856	\$315,837	\$(21,279)
	\$5,089,440	\$4,404,343	\$5,720,134	\$5,843,999	\$7,327,526

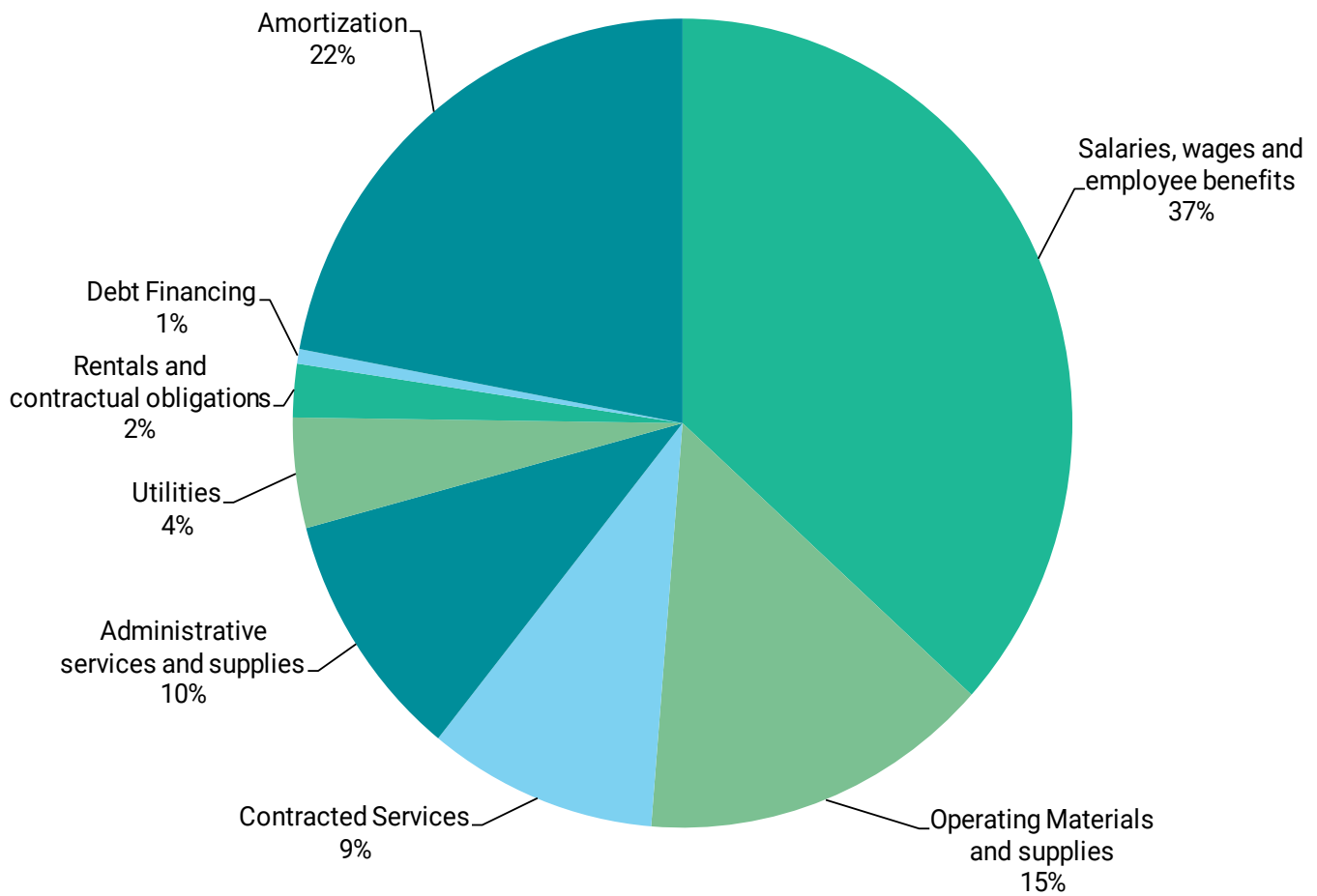
Expenses by Function



	2014	2015	2016	2017	2018
Legislative Services	\$117,012	\$109,463	\$108,704	\$113,859	\$113,230
General Government	\$900,771	\$1,065,420	\$888,867	\$977,516	\$1,047,620
Protective Services	\$161,697	\$181,428	\$182,432	\$213,754	\$205,814
Public Works	\$204,036	\$266,367	\$410,781	\$328,650	\$360,080
Transportation Services	\$102,711	\$389,137	\$455,551	\$488,422	\$495,319
Public Health	\$6,284	\$3,838	\$5,657	\$4,354	\$3,317
Planning and Development	\$47,842	\$33,422	\$156,114	\$109,754	\$167,128
Tourism, Community and Economic Dev.	\$136,406	\$146,511	\$95,242	\$186,272	\$193,985
Sustainability	\$8,856	\$9,559	\$7,711	-	-
Solid Waste Management and Recycling	\$121,232	\$171,070	\$141,299	\$210,784	\$179,929
Beaches, Parks, Recreation and Culture	\$395,987	\$434,127	\$448,369	\$447,065	\$483,909
Water Services	\$238,233	\$358,300	\$308,845	\$343,941	\$419,994
Sewer Services	\$556,318	\$600,088	\$700,942	\$754,653	\$703,739
Debt Financing	\$14,987	-	-		
Amortization	\$747,915	-	-		
	\$3,760,287	\$3,768,730	\$3,910,514	\$4,179,024	\$4,374,064

Starting in 2015, Debt Financing and Amortization were allocated directly to each function.

Expenses by Object



	2014	2015	2016	2017	2018
Salaries, Wages & Employee Benefits	\$1,477,416	\$1,483,864	\$1,402,953	\$1,519,685	\$1,605,894
Operating Materials & Supplies	\$645,628	\$565,655	\$565,753	\$640,129	\$637,291
Contracted Services	\$213,005	\$243,202	\$413,209	\$393,917	\$415,582
Administrative Services & Supplies	\$418,462	\$405,967	\$375,690	\$398,286	\$438,966
Utilities	\$149,031	\$153,099	\$177,435	\$210,124	\$192,575
Rentals & Contractual Cbligations	\$93,844	\$97,523	\$97,362	\$93,824	\$93,188
Debt Financing	\$14,987	\$27,172	\$25,610	\$23,638	\$25,456
Amortization	\$747,914	\$792,248	\$852,502	\$899,421	\$965,112
	\$3,760,287	\$3,768,730	\$3,910,514	\$4,179,024	\$4,374,064

Assessed Values

	2014	2015	2016	2017	2018
Residential (Class 1)	\$305,450,972	\$309,095,070	\$320,301,375	\$396,052,196	\$495,974,100
Business (Class 6)	\$54,121,470	\$54,119,925	\$58,847,211	\$67,017,223	\$71,206,624
Recreation/Non-Profit (Class 8)	\$4,234,300	\$6,722,800	\$6,837,600	\$7,898,500	\$9,218,900
	\$363,806,742	\$369,937,795	\$385,986,186	\$470,967,919	\$576,399,624

These totals are Land & Improvements combined.

Municipal Property Taxes

	2014	2015	2016	2017	2018
Residential (Class 1)	\$1,097,135	\$1,098,400	\$1,107,945	\$1,219,829	\$1,345,575
Business (Class 6)	\$680,474	\$671,716	\$712,151	\$656,319	\$614,322
Recreation/Non-Profit (Class 8)	\$72,252	\$113,478	\$112,361	\$101,444	\$104,295
	\$1,849,861	\$1,883,594	\$1,932,456	\$1,977,592	\$2,064,192

Debt

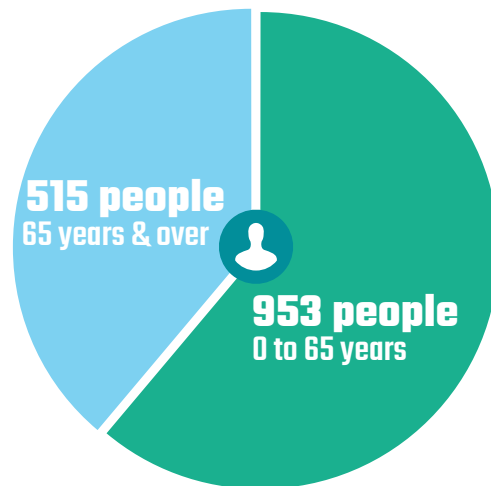
	2014	2015	2016	2017	2018
General		\$600,000	\$568,905	\$536,721	\$503,412
Water	\$600,000	\$550,000	\$440,000	\$330,000	\$220,000
Sewer					
Liabilities Under Agreement	\$161,989	\$139,211	\$106,046	\$189,524	\$148,883
Total Debt	\$761,989	\$1,289,211	\$1,114,951	\$1,056,245	\$872,295

	2014	2015	2016	2017	2018
Population Estimates (BC Stats 2011 and 2016 survey)	1,468	1,468	1,468	1,468	1,468
Debt per Capita	\$519.07	\$878.21	\$759.50	\$719.51	\$594.21

	2014	2015	2016	2017	2018
Principal		\$82,120	\$174,262	\$167,614	\$183,950
Interest	\$14,987	\$23,571	\$25,609	\$23,638	\$25,456
Debt Servicing Costs	\$133,491	\$105,691	\$199,871	\$191,252	\$209,406

	2014	2015	2016	2017	2018
Liability Servicing Limit	\$884,227	\$921,695	\$1,099,511	\$929,651	\$1,121,411

Demographics & Tourism



*2016 Statistics Canada

Who makes up the Village?

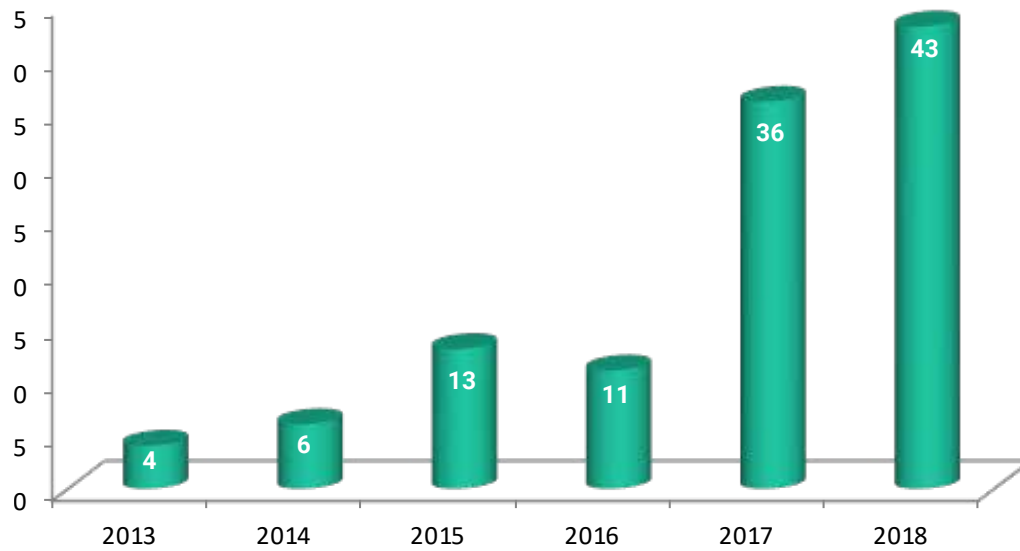
The Village of Harrison Hot Springs is one of 14 Resort Municipalities in British Columbia. We have a full-time resident population of 1,468* and welcome an estimated 600,000** visitors to the community every year. In 2018, the Village received \$365,133 in Resort Municipality Initiative (RMI) funding from the provincial government which helps maintain and develop tourism infrastructure, creating a more dynamic community for both visitors and residents. On average, the Village spends approximately 10% of the annual budget (general revenues) on visitor amenities including beach-front maintenance.



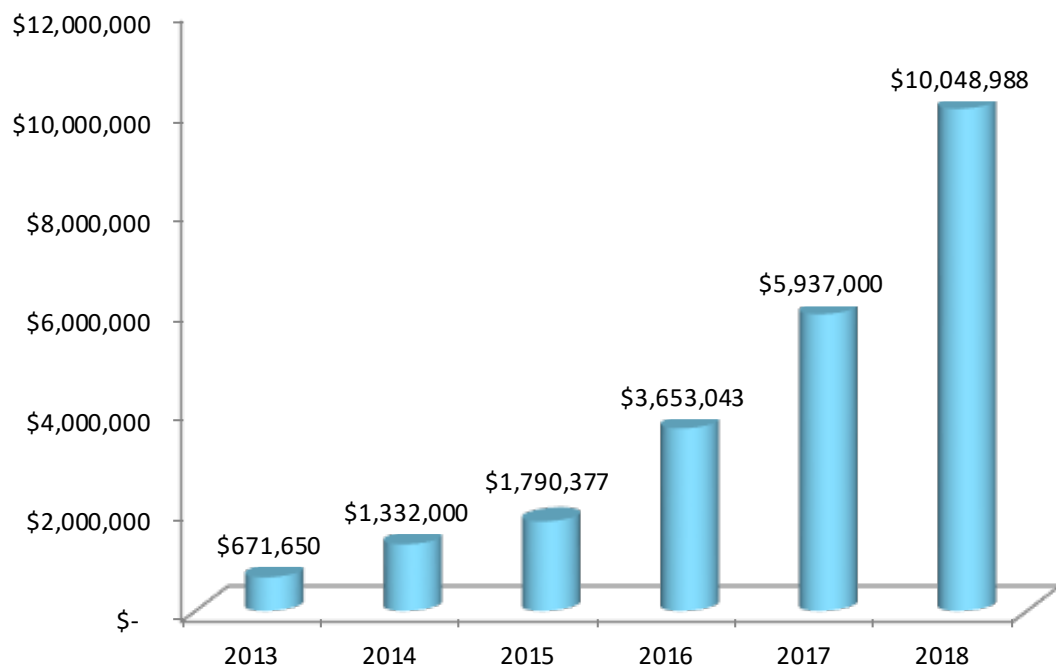
*2016 Statistics Canada

**Tourism Harrison

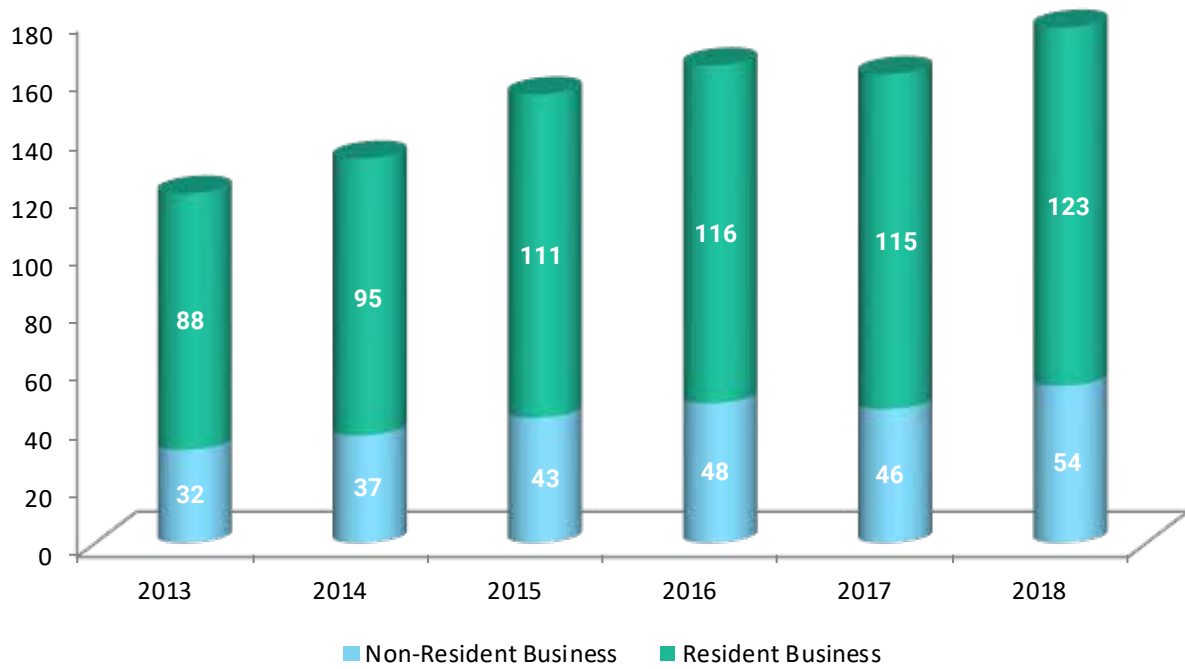
Building Permits Issued



Value of Building Permits Issued



Business Licenses Issued





HARRISON HOT SPRINGS

Naturally Refreshed