



# VILLAGE OF HARRISON HOT SPRINGS

## NOTICE OF MEETING AND AGENDA

### REGULAR COUNCIL MEETING

**Date:** Monday, May 6, 2013  
**Time:** 7:00 p.m.  
**Location:** Council Chambers, 495 Hot Springs Road  
 Harrison Hot Springs, British Columbia

<b>1. CALL TO ORDER</b>			
	(a)	Meeting called to order by Mayor Facio	
<b>2. INTRODUCTION OF LATE ITEMS</b>			
<b>3. APPROVAL OF AGENDA</b>			
<b>4. ADOPTION OF COUNCIL MINUTES</b>			
<input type="checkbox"/> Public Hearing Record of April 15, 2013		THAT the Public Hearing Record of April 15, 2013 be adopted.	Item 4.1 Page 1
<input type="checkbox"/> Regular Council Meeting Minutes of April 15, 2013		THAT the Regular Council Meeting Minutes of April 15, 2013 be adopted.	Item 4.2 Page 9
<input type="checkbox"/> Special Council Meeting Minutes of April 16, 2013		THAT the Special Council Meeting Minutes of April 16, 2013 be adopted.	Item 4.3 Page 15
<input type="checkbox"/> Special Council Meeting Minutes of April 23, 2013		THAT the Special Council Meeting Minutes of April 23, 2013 be adopted.	Item 4.4 Page 19
<input type="checkbox"/> Special Council Meeting Minutes of May 1, 2013		THAT the Special Council Meeting Minutes of May 1, 2013 be adopted.	Item 4.5 Page 21
<b>5. BUSINESS ARISING FROM THE MINUTES</b>			
<b>6. CONSENT AGENDA</b>			
<b>i. Bylaws</b>		Village of Harrison Hot Springs Official Community Plan Bylaw Amendment Bylaw No. 1027, 2013;	Item 6.i Page 25

	Village of Harrison Hot Springs Zoning Bylaw Amendment Bylaw No. 1028, 2013;	Item 6.i Page 29
	Revitalization Tax Exemption Bylaw No. 1033, 2013;	Item 6.i Page 31
	Village of Harrison Hot Springs Bylaw Financial Plan Bylaw No. 1037, 2013; and	Item 6.i Page 43
	Village of Harrison Hot Springs Tax Rate Bylaw No. 1038, 2013.	Item 6.i Page 49
<b>ii. Agreements</b>		Item 6.ii
<b>iii. Committee/ Commission Minutes</b>		Item 6.iii
<b>iv. Correspondence</b>		Item 6.iv

## 7. DELEGATIONS

Vancouver Coast & Mountains Tourism Region	Vancouver Coast & Mountains Tourism Region – Kevan Ridgway	Item 7.1 Page 53
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## 8. CORRESPONDENCE

	Item 8.1
<b>9. BUSINESS ARISING FROM CORRESPONDENCE</b>	Item 9.1

## 10. REPORTS OF COMMITTEES, COMMITTEE OF THE WHOLE AND COMMISSIONS

	Item 10.1
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## 11. REPORTS FROM MAYOR

L. Facio – verbal

## 12. REPORTS FROM STAFF

<input type="checkbox"/> Agassiz-Harrison Transit System Capacity Improvement Proposal	<b>Report of Manager, Planning &amp; Community Services – April 29, 2013</b> Re: Agassiz-Harrison Transit System Capacity Improvement Proposal  <b>RECOMMENDATION:</b> THAT Council support in principle the proposed acquisition of two medium capacity “Vicinity” buses by the Fraser Valley Regional District for the Agassiz-Harrison sub-regional transit system.	Item 12.1 Page 55
<input type="checkbox"/> 2012 Audited Financial Statements	<b>Report of Director of Finance – April 30, 2013</b> Re: 2013 Audited Financial Statements	Item 12.2 Page 63



	<b>RECOMMENDATION:</b> THAT the 2012 Consolidated Financial Statements of the Village of Harrison Hot Springs be adopted; and  THAT the Independent Auditor's Report be received; and  THAT the Independent Auditor's Report be attached to the approved Consolidated Financial Statements of the Village of Harrison Hot Springs.	
<b>13. BYLAWS</b>		
		Item 13.1
<b>14. QUESTIONS FROM THE PUBLIC</b>		
<b>15. ADJOURNMENT</b>		





**VILLAGE OF HARRISON HOT SPRINGS  
RECORD OF PUBLIC HEARING OF  
OFFICIAL COMMUNITY PLAN BYLAW  
AMENDMENT BYLAW NO. 1027, 2013 and  
ZONING AMENDMENT BYLAW NO. 1028, 2013**

**DATE:** April 15, 2013  
**TIME:** 7:00 p.m.  
**PLACE:** Council Chambers, 495 Hot Springs Road

**IN ATTENDANCE:** Mayor Leo Facio  
Councillor Allan Jackson  
Councillor Sonja Reyerse  
Councillor John Buckley  
Councillor Zolton Kiss  
  
Ted Tisdale, Chief Administrative Officer  
Debra Key, Deputy Chief Administrative Officer/CO  
Andre Isakov, Manager of Planning and Community  
Services  
Ian Crane, Manager of Development Services  
Ian Gardner, Operations Manager

*Krystal Sobie, Recording Secretary*

**(1) Call to  
Order**

**CALL TO ORDER**

Mayor Facio called the public hearing to order at 7:00 p.m.

**(2)**

**PROCEDURE FOR PUBLIC HEARING**

Mayor Facio read the opening statement and procedure for conducting the Public Hearing pursuant to Sec 890 and 892 of the *Local Government Act*.

**Official Community Plan Bylaw Amendment Bylaw No. 1027, 2013 and  
Zoning Amendment Bylaw No. 1028, 2013**

The Village's Manager of Planning & Community Services presented a PowerPoint overview of the amendments.

The applicant's representative, Ryan Anderson provided further background regarding the amendments.

The Mayor reported that nine (9) written submissions were received.

**The Mayor called for a first time for submissions to Council regarding Bylaw No. 1027, 2013, Official Community Plan.**

**VILLAGE OF HARRISON HOT SPRINGS  
RECORD OF THE PUBLIC HEARING  
OF OFFICIAL COMMUNITY PLAN BYLAW  
AMENDMENT BYLAW NO. 1027, 2013 and ZONING AMENDMENT BYLAW NO. 1028, 2013  
*April 15, 2013***

(3)

**PUBLIC COMMENTS**

**BYLAW NO. 1027, 2013**

**John Allen 398 Hot Springs Road**

Mr. Allen summarized for Council the letters he submitted as written submissions for the Public Hearing which have been included in the Public Hearing binder.

Mr. Allen quoted sections of the Official Community Plan and believes that the Official Community Plan Amendment Bylaw No. 1027, 2013 should be rejected by Council.

Mr. Allen expressed the opinion that this Bylaw has not received appropriate public review. The bylaws were presented to the Advisory Planning Commission.

Mayor Fascio requested clarification from Andre Isakov on Mr. Allen's comments. Mr. Isakov confirmed that the proposed bylaws do conform with the Official Community Plan.

**Michael Scott 320 Clover Place**

Mr. Scott stated he believes that the wording of this Bylaw is very ambiguous and open to interpretation and should be changed to be more specific.

Andre Isakov, Manager of Planning and Community Services, noted that it is important to read the proposed section in the context of the entire section of 8.3 of the Official Community Plan.

**Bill Young 514 Driftwood Avenue**

Mr. Young stated he would like to see wording more specific similar to Section 7.3.6 of the previous section which discusses future planning for this area. He believes that development of resource lands has a permanent impact of the residents of Harrison Hot Springs and would like to see more specific wording to protect them.

**Brian Williams 246 Miami River Drive**

Mr. Williams stated he would like to know why Council and Staff feel it is necessary to do such an open ended amendment which appears to give Council and future Councils the rights to go into the resource lands. The language seems to be open ended where Council would not need to speak with the residents for future changes.



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Andre Isakov clarified that Bylaw No. 1027, 2013 has two portions, text amendment and map amendment. The map amendment does not require the text amendment and can be removed.

**Mayor Facio called for a second time for submissions to Council regarding Bylaw No. 1027, 2013 Official Community Plan Amendment.**

**Bill Young 514 Driftwood Avenue**

Mr. Young stated he believes that the text amendment and map amendment should be treated as two separate items. He would like to see more specific wording in this Bylaw.

**Michael Scott 320 Clover Place**

Mr. Scott asked why Mr. Kingma is in such a hurry as the parcel along Hot Springs Road has not seen any development as to date.

**Name Indiscernible 540 Naismith Drive**

The speaker representing 540 Naismith Drive stated he is not in favour of the Bylaw amendments and believes the lands should be kept as Resource Reserve.

Andre Isakov clarified that the Resource Reserve does allow for a single family home to be built on the property.

**John Allen 398 Hot Springs Road**

Mr. Allen stated that Council should put these bylaws on hold until the negotiations that Mr. Anderson spoke of have been concluded and we are aware of what we are getting out of the deal.

Mr. Allen read sections of the Official Community Plan aloud.

Mr. Allen stated that there is significant land throughout the Village that could be used as residential lands and there is no need to take land from the Resource Reserve for such.

**Garry Finlay 223 Balsam Avenue**

Mr. Finlay stated he is confused as to why Kingma would want to build further residential houses when there are numerous residences for sale and are not selling.



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**Andrew Baziuk 889 Hope Place**

Mr. Baziuk commented that he supports Mr. Allen's comments and does not support this Bylaw.

**Brian Williams 246 Miami River Drive**

Mr. Williams stated that he is concerned with the feasibility of the geotechnical aspect of the lands in question.

**Bill Young 514 Driftwood Avenue**

Mr. Young requested clarification on the number of homes that are being proposed at this time. Council clarified that there is up to 3 homes in question.

A variety of comments and general discussion between Mayor Facio and members of the public....no names given.

**The Mayor called for a third and final time for submissions to Council regarding Bylaw No. 1027, 2013 Official Community Plan Amendment.**

**John Allen 398 Hot Springs Road**

Mr. Allen stated that he offered to purchase the land from Kingma and his offer was not accepted. Mr. Allen re-read aloud several sections of the Official Community Plan and continued to express his concern that Council's action is in contradiction to the Official Community Plan.

**Michael Scott 320 Clover Place**

Mr. Scott commented he would like to see Council not treat the public as the enemy.

**Will Watchorn 470 Echo Avenue**

Mr. Watchorn stated he would hope that Council would consider the other tools that they have had their hands to make necessary decisions for the community. He supported the public process in future planning decisions.

**Brian Woodrow 349 Walnut Avenue**

Mr. Woodrow stated that he and his wife do not feel intimidated by the Council at any time and believe that the Council is doing a fine job.

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AMENDMENT BYLAW NO. 1027, 2013 and ZONING AMENDMENT BYLAW NO. 1028, 2013  
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**BYLAW NO. 1028, 2013**

**The Mayor called for a first time for submissions to Council regarding Bylaw No. 1028, 2013 Zoning Amendment**

**John Allen 398 Hot Springs Road**

Mr. Allen stated that he knows the Bear Mountain area very well and believes that this zoning is inappropriate based on geotechnical reports of the area and could potentially place Council in a position of future liability.

Mr. Allen stated that Council should be looking at the long term needs for the Village and urged the Council to not approve Bylaw No. 1028, 2013.

**Brian Williams 246 Miami River Drive**

This speaker spoke in support of Mr. Allen's comments and expressed concern with regard to possible future liability.

**Finlay(Indiscernible)**

This speaker spoke to the dangers of blasting in the subject area, stating that studies need to be done to see what will be done behind.

**John Allen 398 Hot Springs Road**

Mr. Allen commented that the land behind the subject property is Crown Land and has loose rocks and boulders which may bring potential geotechnical hazards.

**Ryan Anderson of OTG Development Concepts, Applicant's Representative**

Mr. Anderson presented clarification on the issues brought forward by the public.

- geotechnical issues will be addressed and safety issues will be met
- access to the Crown Lands can be obtained if necessary
- they will work to provide protection to the parkland
- the lands are not all in the ALR as alluded to earlier
- text amendments are not required for this project
- the plans for this property are current – not something that was proposed in the past
- the only plans at this point are to cut off the property
- there are nor never have been any plans for 3 houses



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AMENDMENT BYLAW NO. 1027, 2013 and ZONING AMENDMENT BYLAW NO. 1028, 2013  
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- the request is to hack off the piece of property to deal with the issue
- this would allow the geotechnical issues to be addressed
- this would also protect the environmental lands
- this would provide an economic benefit to the Village
- geotechnical reports are not required at this point but only at the subdivision stage
- the intention is to make the property safer
- this would allow servicing the site
- land use does not mean subdivision
- the Official Community Plan is a land use document
- at this point the applicant is only dealing with one property with one house
- if a group wishes to purchase the lands from Kingma, this is an option
- development rights exist on all their properties
- this is not new land but existing land on which building could happen immediately
- the proposal is to build one house on one property
- the intent is to make the bulk of the land available for use by the community
- support for the public process
- a professional survey determined that Kingma actually own a good portion of the road
- Kingma would like to give the road back
- most of this is just housekeeping
- first part will be taking off the townhouse site
- at this point there are no plans for multiple house developments
- Whippoorwill Point is not owned by Kingma

**Gary Finlay 223 Balsam Avenue**

Mr. Finlay requested clarification of the Highway ownership and liability issues.

**Mike (Indiscernible) 540 Naismith**

This speaker expressed support for the parkland idea but would like it in writing.

**The Mayor called for a second time for submissions to Council regarding Bylaw No. 1028, 2013 Zoning Amendment.**

**The Mayor called for a third time for submissions to Council regarding Bylaw No. 1028, 2013 Zoning Amendment.**

Hearing none, the Public Hearing for Bylaw No. 1027, 2013 OCP Amendment and Bylaw No. 1028, 2013 Zoning Amendment, is now concluded.



**VILLAGE OF HARRISON HOT SPRINGS  
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OF OFFICIAL COMMUNITY PLAN BYLAW  
AMENDMENT BYLAW NO. 1027, 2013 and ZONING AMENDMENT BYLAW NO. 1028, 2013  
*April 15, 2013***

**(4)**

**CONCLUSION**

**The Public Hearing concluded at 8:27 p.m.**

Certified a true and correct copy of the record of the Official Community Plan Amendment Bylaw No. 1027 and Zoning Amendment Bylaw No. 1028 Public Hearing held April 15, 2013 in the Council Chambers, 495 Hot Springs Road, Village of Harrison Hot Springs, BC

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**Leo Facio  
Mayor**

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**Debra Key  
Corporate Officer**



**VILLAGE OF HARRISON HOT SPRINGS  
MINUTES OF THE REGULAR MEETING OF COUNCIL**

**DATE:** April 15, 2013  
**TIME:** 8:33 p.m.  
**PLACE:** Council Chambers,  
 495 Hot Springs Road  
 Harrison Hot Springs, BC

**IN ATTENDANCE:**

Mayor Leo Facio  
 Councillor Sonja Reyerse  
 Councillor John Buckley  
 Councillor Zoltan Kiss  
 Councillor Allan Jackson

CAO, Ted Tisdale  
 DCAO/CO, Debra Key  
 Manager of Planning and Community Services, A. Isakov

*Recording Secretary Krystal Sobie*

**1. CALL TO ORDER**

Mayor Facio called the meeting to order at 8:33 p.m.

**2. INTRODUCTION OF LATE ITEMS**

**3. APPROVAL OF AGENDA**

Moved by Councillor Jackson  
Seconded by Councillor Buckley

THAT the agenda be approved.

**CARRIED  
UNANIMOUSLY**

**4. ADOPTION AND RECEIPT OF MINUTES**

☐ Regular Council Meeting  
 Minutes – April 2, 2013

Moved by Councillor Jackson  
Seconded by Councillor Reyerse

THAT the minutes of the Regular Council Meeting of April 2, 2013 be adopted.

**CARRIED  
UNANIMOUSLY**



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Minutes of the Regular Council Meeting  
April 15, 2013*

□ Committee of the Whole  
Meeting Minutes – March 11,  
2013

**Moved by Councillor Jackson**  
**Seconded by Councillor Buckley**

THAT the minutes of the Committee of the Whole Meeting of  
March 11, 2013 be adopted.

**CARRIED  
UNANIMOUSLY**

**5. BUSINESS ARISING FROM THE MINUTES**

**6. CONSENT AGENDA**

**i. Bylaws**

“Village of Harrison Hot Springs Sewer Regulation and Fee Amendment  
Bylaw No. 1032, 2013”; and,

“Village of Harrison Hot Springs Water Regulation and Fee Amendment  
Bylaw No. 1034, 2013”.

Advisory Planning Commission Minutes of February 12, 2013.

**ii. Agreements**

**iii. Committee/  
Commission  
Minutes**

**Moved by Councillor Reverse**  
**Seconded by Councillor Buckley**

THAT the Consent Agenda be approved.

**iv. Correspondence**

**CARRIED  
OPPOSED BY COUNCILLOR KISS**

**7. DELEGATIONS**

**8. CORRESPONDENCE**

**Healthier Community Partnerships**

Councillor Buckley reported he is currently working with the  
Committee to review Harrison’s role in providing input for the  
upcoming Trade Show to be held on May 24, 2013.

9. **BUSINESS ARISING OUT OF CORRESPONDENCE**

10. **REPORTS OF COMMITTEES, COMMITTEE OF THE WHOLE  
AND COMMISSIONS**

11. **REPORTS FROM MAYOR FACIO**

Announced that May is "MS Awareness Month".

Attended the "Celebration of Life" for Irene Hardy at the Friendship House.

Provided comment on the Council Newsletter and extended appreciation to staff for their efforts.

Announced that Saturday, April 20, 2013 is "Earth Day" and extended an invitation to any volunteers to join the Mayor at the Village Office at 9:00 a.m. to assist in the clean-up along Hot Springs Road.

Announced that on Saturday, May 4, 2013 the Kent-Harrison Emergency Operations Centre will be hosting an Emergency Preparedness Open House for residents. The event will take place at the Agassiz Fire Hall.

Noted that the Agassiz-Harrison Community Services has extended an invitation to attend the "Skill Links Participation" event to be held on April 26, 2013 at 1:00 p.m. at the Community Services office.

Noted that the Council to Council meeting, hosted by the Fraser Valley Regional District, will be taking place on May 24<sup>th</sup> from 9:00 a.m. to 12:00 noon and June 4<sup>th</sup> from 9:00 a.m. to 12:00 noon or 1:00 p.m. to 4:00 p.m.

Announced that on April 20, 2013 from 2:00 p.m. to 5:00 p.m. the "Bike Skills Park", located on Island 22, will be open.

Announced that "Sasquatch Days" will be taking place on June 8 and 9, 2013.

Provided comment on recent article written by the Manager of Planning and Community Services, Andre Isakov, on the topic of Harrison Hot Springs that appeared in the Invest-BC Magazine.

Provided clarification to the public on literature that was distributed to



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the residents, through their mail boxes last week, regarding a development in Harrison Hot Springs.

12.

**REPORTS FROM STAFF**

**Moved by Councillor Buckley**  
**Seconded by Councillor Jackson**

☐ Liquor Primary and  
Liquor Primary Club  
Structural Change  
Application

THAT Council approve the endorsement of the Old Settler Pub's Liquor Primary and Liquor Primary Structural Change Application.

**CARRIED  
UNANIMOUSLY**

☐ GE Remote Monitoring  
and Diagnostics Agreement

**Moved by Councillor Jackson**  
**Seconded by Councillor Buckley**

THAT Council authorize staff to renew the Agreement between the Village of Harrison Hot Springs and GE for the provision of "Remote Monitoring and Diagnostics and 24/7 Technical Support" for a term of 5 years; and,

THAT the Mayor and Corporate Officer be authorized to sign all necessary documentation.

**CARRIED  
UNANIMOUSLY**

☐ Lagoon Breach Contract  
Award

**Moved by Councillor Jackson**  
**Seconded by Councillor Buckley**

THAT the contract for the Lagoon Breach Repair be awarded to Timbro Contracting in the amount of \$28,345.35 plus all applicable taxes; and,

THAT the Mayor and Corporate Officer be authorized to sign all necessary documentation.

**CARRIED  
UNANIMOUSLY**

13.

**BYLAWS**

☐ Village Core Revitalization  
Tax Exemption Bylaw No  
1033, 2013

Manager of Planning and Community Services, provided an overview of the proposed amendment to extend the revitalization area to include the property located at 398 Hot Springs Road and the Village owned lands located adjacent to 480 Hot Springs Road.



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**Moved by Councillor Kiss**  
**Seconded by Councillor Jackson**

THAT Council amend the bylaw by extending the Revitalization Area as outlined within Schedule A of Bylaw No. 1033 to include the property located at 398 Hot Springs Road and the Village owned lands located adjacent from 480 Hot Springs Road.

THAT "Revitalization Tax Exemption Bylaw No. 1033, 2013" be read a second and third time, as amended.

□ OCP Amendment Bylaw  
No. 1027 and Rezoning  
Amendment Bylaw No. 1028

**CARRIED  
UNANIMOUSLY**

**Moved by Councillor Reverse**  
**Seconded by Councillor Buckley**

THAT the Village of Harrison Hot Springs Official Community Plan Amendment Bylaw No. 1027, 2013 be read a third time.

**CARRIED  
OPPOSED BY COUNCILLOR KISS**

**Moved by Councillor Jackson**  
**Seconded by Councillor Reverse**

THAT the Village of Harrison Hot Springs Zoning Amendment Bylaw No. 1028, 2013 be read a third time.

**CARRIED  
UNANIMOUSLY**

**14. QUESTIONS FROM THE PUBLIC**

Q. A member of the public raised concerns regarding the design of the spillway pipe into the lagoon and the effect on the management of the lagoon.

A. Both DFO and Ministry of Environment were contacted and were given 90 days to comment and to date no submissions have been received.

Q. A member of the public expressed concern regarding the process for public input in connection with the OCP amendment and does this permit council to make decisions without public input.

A. No, Council cannot make decisions without public input. Public input is permitted at the public hearing stage.

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**ADJOURNMENT**

15.

**Moved by Councillor Jackson**  
**Seconded by Councillor Buckley**

THAT the meeting be adjourned at 9:30 p.m.

**CARRIED  
UNANIMOUSLY**

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Leo Facio  
Mayor

\_\_\_\_\_  
Debra Key  
Corporate Officer

DRAFT

**VILLAGE OF HARRISON HOT SPRINGS  
MINUTES OF THE SPECIAL MEETING OF COUNCIL**

**DATE:** April 16, 2013  
**TIME:** 10:00 a.m.  
**PLACE:** Council Chambers  
 495 Hot Springs Road, Harrison Hot Springs

**IN ATTENDANCE:** Mayor Leo Facio  
 Councillor Allan Jackson  
 Councillor Sonja Reyerse  
 Councillor John Buckley  
 Councillor Zoltan Kiss

CAO, Ted Tisdale  
 DCAO/Corporate Officer, Debra Key  
 Director of Finance, Dale Courtice  
 Manager of Revenue Services, Peggy Parberry

Recording Secretary, Krystal Sobie

**1. CALL TO ORDER**

Mayor Facio called the meeting to order at 10:00 a.m.

**2. INTRODUCTION OF LATE ITEMS**

Report of Deputy Chief Administrative Officer/Corporate Officer re:  
 Street Closure for Border Services Healing Wheels Ride

Report of Deputy Chief administrative Officer/Corporate Officer re:  
 Street Closure for Vancouver Firefighters Bikers for Burns

Street Closure for the Car Show

**3. APPROVAL OF AGENDA**

Moved by Councillor Jackson  
Seconded by Councillor Buckley

THAT the agenda be approved as amended.

**CARRIED  
UNANIMOUSLY**

**4. DELEGATIONS**

**5. REPORTS FROM STAFF**



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☐ Road Closure – Healing  
Wheels Ride

**Moved by Councillor Reyerse**  
**Seconded by Councillor Buckley**

THAT Council approve the request received from Border Services Healing Wheels Ride for a special community event street closure from the entrance of Esplanade Avenue at Maple Street to Chehalis Street on Sunday, August 11, 2013 from 11:00 a.m. to 8:00 p.m.

**CARRIED  
UNANIMOUSLY**

☐ Road Closure – Bikers  
for Burns

**Moved by Councillor Reyerse**  
**Seconded by Councillor Buckley**

THAT Council approve the request received from Vancouver Firefighters Charitable Society for a special community event street closure from the entrance of Esplanade Avenue at Maple Street to Chehalis Street on Saturday, September 7, 2013 from 1:30 p.m. to 5:30 p.m.

**CARRIED  
UNANIMOUSLY**

☐ Road Closure – Car  
Show

Council considered a request for special event parking and street closure to hold a Car Show. Staff advised Council that two “Funny Cars” will be at the show and the coordinators would like to “fire up” the vehicles during the day in conjunction with the event.

**Moved by Councillor Buckley**  
**Seconded by Councillor Kiss**

THAT Council approve the request received from Tourism Harrison Hot Springs for a special community event to hold a car show and provide street closure from the entrance of Esplanade Avenue at Maple Street to Chehalis Street on Saturday, August 17, 2013.

**CARRIED  
UNANIMOUSLY**

☐ 2013 Draft Financial  
Plan

The Director of Finance provided an overview of the changes to the 2013 Financial Plan. The plan, as presented, indicates an additional amount of tax revenue to be generated in the amount of \$37,400.

A power point presentation was provided outlining the tax rate needed to create a balance budget for 2013. Staff proposed a tax rate of 3.34774% which would amount to a tax rate increase of 3.5% over the



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2012 rate.

The Plan included three scenarios showing an increase in each scenario in the tax rate and where these increases were shifted between residential; commercial; and, recreational and non-profit, and the effects on each classification.

**Moved by Councillor Jackson**  
**Seconded by Councillor Reverse**

THAT Council accept the proposed budget of \$1,812,000, subject to review of the ratios; and,

THAT a Special Meeting of Council be held on Tuesday, April 23, 2013 at 9:00 a.m. to further review the 2013 Financial Plan.

**CARRIED  
UNANIMOUSLY**

6.

**BYLAWS**

7.

**QUESTION PERIOD**

8.

**ADJOURNMENT**

**Moved by Councillor Buckley**  
**Seconded by Councillor Jackson**

THAT the meeting be adjourned at 11:38 a.m.

**CARRIED  
UNANIMOUSLY**

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**Leo Facio**  
**Mayor**

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**Debra Key**  
**Corporate Officer**



**VILLAGE OF HARRISON HOT SPRINGS  
MINUTES OF THE SPECIAL MEETING OF COUNCIL**

**DATE:** April 23, 2013  
**TIME:** 9:00 a.m.  
**PLACE:** Council Chambers  
 495 Hot Springs Road, Harrison Hot Springs

**IN ATTENDANCE:** Mayor Leo Facio  
 Councillor Allan Jackson  
 Councillor Sonja Reyerse  
 Councillor John Buckley  
 Councillor Zoltan Kiss

CAO, Ted Tisdale  
 Manager of Development Services, Ian Crane  
 Director of Finance, Dale Courtice  
 Manager of Planning and Community Services, A. Isakov

Recording Secretary, P. Carol Friesen

**1. CALL TO ORDER**

Mayor Facio called the meeting to order at 9:00 a.m.

**2. INTRODUCTION OF LATE ITEMS**

Fraser Health Baseline Assessment

**3. APPROVAL OF AGENDA**

Moved by Councillor Buckley  
Seconded by Councillor Reyerse

THAT the agenda be approved as amended.

**CARRIED  
UNANIMOUSLY**

☐ Fraser Health Baseline  
Assessment

Councillor Buckley provided comment on the Fraser Health Baseline Assessment and explained that the baseline assessment is intended to be used as a mechanism to promote healthier lifestyles and ultimately healthier communities.

Moved by Councillor Buckley  
Seconded by Councillor Kiss

THAT Council support the Fraser Health Baseline Assessment process; and,

THAT approval be given to proceed with the Assessment.

**CARRIED  
UNANIMOUSLY**



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4. **DELEGATIONS**

5. **REPORTS FROM STAFF**

☐ 2013 Draft Financial Plan

The Director of Finance provided a power point presentation on the 2013 Financial Plan. The Plan included three scenarios, each of which concluded with a balanced budget for 2013.

Following discussion Council supported Scenario "B" that recommended an overall residential rate of 3.44899%, which includes a residential to business ratio of 1:3.25.

**Moved by Councillor Reverse**  
**Seconded by Councillor Kiss**

THAT Council support Property Tax Rate Scenerio "B" with respect to the 2013 Draft Financial Plan.

**CARRIED  
UNANIMOUSLY**

6. **BYLAWS**

7. **QUESTION PERIOD**

Q. A member of the public asked if campgrounds are included within the Class 8 designation.

A. The Director of Finance provided confirmation.

8. **ADJOURNMENT**

**Moved by Councillor Buckley**  
**Seconded by Councillor Reverse**

THAT the meeting be adjourned at 9:37 a.m.

**CARRIED  
UNANIMOUSLY**

\_\_\_\_\_  
Leo Facio  
Mayor

\_\_\_\_\_  
Debra Key  
Corporate Officer

**VILLAGE OF HARRISON HOT SPRINGS  
MINUTES OF THE SPECIAL COUNCIL MEETING**

**DATE:** May 1, 2013  
**TIME:** 7:00 p.m.  
**PLACE:** Memorial Hall, 290 Esplanade Road, Harrison  
 Hot Springs, BC

**IN ATTENDANCE:**

Mayor Leo Facio  
 Councillor John Buckley  
 Councillor Zoltan Kiss

Ted Tisdale, Chief Administrative Officer  
 Debra Key, Deputy Chief Administrative Officer/CO  
 Dale Courtice, Director of Finance  
 Ian Gardner, Operations Manager

**ABSENT:** Councillor Allan Jackson  
 Councillor Sonja Reyerse

Recorder: Debra Key

**1. CALL TO ORDER**

Mayor Facio called the meeting to order at 7:00 p.m.

**2. LATE ITEMS**

**3. APPROVAL OF AGENDA**

Moved by Councillor Buckley  
Seconded by Mayor Facio

THAT the Special Council Meeting agenda be approved.

**CARRIED  
UNANIMOUSLY**

**4. DELEGATIONS**

**5. REPORTS OF STAFF**

☐ 2013 Budget

The Director of Finance provided a Power Point Presentation of the 2013 Financial Budget outlining a summary of the Financial Plan for the years 2013 – 2022 and some key points on:

- Community Charter requirements
- Budget highlights for 2013

*Village of Harrison Hot Springs  
Minutes of the Special Council Meeting  
May 1, 2013*

- Assessment information
- Tax rate information and comparisons
- Expenditure information
- Revenue information

6.

**BYLAWS**

☐ Bylaw 1037 for Introduction and Three Readings

**Moved by Councillor Buckley**  
**Seconded by Councillor Kiss**

That the Village of Harrison Hot Springs Financial Plan Bylaw No. 1037, 2013 be given first, second and third readings.

**CARRIED  
UNANIMOUSLY**

☐ Bylaw 1038 for Introduction and Three Readings

**Moved by Councillor Buckley**  
**Seconded by Councillor Kiss**

That the Village of Harrison Hot Springs Tax Rate Bylaw No. 1038, 2013 be given first, second and third readings.

**CARRIED  
UNANIMOUSLY**

7.

**QUESTION PERIOD**

8.

Q. There is no point asking questions as the public was not allowed to ask questions after the presentation.

A. The public was present at earlier public meetings and had opportunity to ask questions at that time.

Q. What about the process – stakeholders should have had opportunity. There was no opportunity to ask questions. Stated he is frustrated that I can't get answers at Village Office.

A. Any member of public has opportunity to attend the Village Office to ask questions.

Q. The Director of Finance is not accountable to me, the Mayor is.

A. The Director of Finance is a Certified General Accountant and has presented a balanced budget.



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Q. What is Own Sources?

A. This includes things like user fees, utility service fees.

Q. Will there be an increase in utility user fees this year?

A. Sewer user fees were increased due to the construction upgrade to the Waste Water Treatment Plant. The new Water Treatment Plant may incur increases in approximately 6 months.

Q. Where do I get more in **depth** information on the RMI?

A. CHPA presented a beachfront **plan** but the scope has been changed. Council has now approved Block 1 Esplanade for streetscape improvements.

Q. Glad to see Event Coordination

A. This has been beneficial to the Village – last year there were 10 events and new ones are coming, hopefully this will be a boost to businesses.

Q. A member of the public stated he didn't see the impact of the 2012 budget and surplus. The surplus from 2012 should be passed on to the residents.

A. Some years the surplus is brought into revenue, but a decision was made to reserve for emergencies in the event of an unexpected situation.

Q. Shouldn't it be shown in the budget?

A. This information will be included in the Financial Statements.

Q. Once this budget is adopted, does any deviation require Council motion?

A. Yes

Q. There is no revenue showing for the boat launch. There is no contract language for any more revenue. You are denying people of Harrison jobs. There has been no allocation for elections. You should be putting in \$20,000 each year.

*Village of Harrison Hot Springs  
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A. There is no line item for elections – it is grouped under General Administration expenses.

Q. There has been no public consultation for Block 1.

A. The OCP states that Council will work toward establishing an attractive and appealing streetscape.

**ADJOURNMENT**

**Moved by Councillor Buckley**  
**Seconded by Councillor Kiss**

**THAT** the meeting be adjourned at 8:00 p.m.

**CARRIED  
UNANIMOUSLY**

\_\_\_\_\_  
Leo Facio  
Mayor

\_\_\_\_\_  
Debra Key  
Corporate Officer



**VILLAGE OF HARRISON HOT SPRINGS  
BYLAW NO. 1027**

**A bylaw to amend Village of Harrison Hot Springs  
Official Community Plan Bylaw 864, 2007**

---

**WHEREAS** the Mayor and Council has deemed it advisable to amend the Village of Harrison Hot Springs Official Community Plan Bylaw No. 864, the Official Community Plan Bylaw for the Village of Harrison Hot Springs, as adopted May 7, 2007;

**NOW THEREFORE** in open meeting assembled, the Mayor and Council of the Village of Harrison Hot Springs enacts as follows:

**I. CITATION**

This Bylaw may be cited for all purposes as the "Village of Harrison Hot Springs Official Community Plan Amendment Bylaw No. 1027, 2013".

**II. TEXT AMENDMENT**

A. That Schedule 1-A, the Official Community Plan Text of the Village of Harrison Hot Springs Official Community No. 864, be amended by including the following sections:

1. Section 8.3.6 - "Resource land designations will be reviewed and amended to respond to current information or changing conditions."

**III. MAP AMENDMENT**

A. That Schedule 1-B, the Future Land Use Designation Map of the Village of Harrison Hot Springs Official Community No. 864, be amended by redesignating a portion of the lands located on the north section of the lands, adjacent to Rockwell Drive, legally described as Section 13, TP 4, R 29, W6M, NWD Portion Fractional Except Plan PT subdivided by Plan 251 and except PT subdivided by PL 9656, 9786, 27133, 38836, 48818, 53383, 66843, 66844, 66845, 66846, 70213, as outlined in heavy black outline and cross-hatched on Schedule 1 of this Bylaw from **Resource** to **Low Density Residential**.



**IV. READINGS AND ADOPTION**

READ A FIRST TIME THIS 4<sup>th</sup> DAY OF FEBRUARY, 2013

READ A SECOND TIME THIS 18<sup>th</sup> DAY OF MARCH, 2013

A PUBLIC HEARING WAS HELD ON THE 15<sup>th</sup> DAY OF APRIL, 2013

READ A THIRD TIME THIS 15<sup>th</sup> DAY OF APRIL, 2013

ADOPTED THIS                      DAY OF                      , 2013

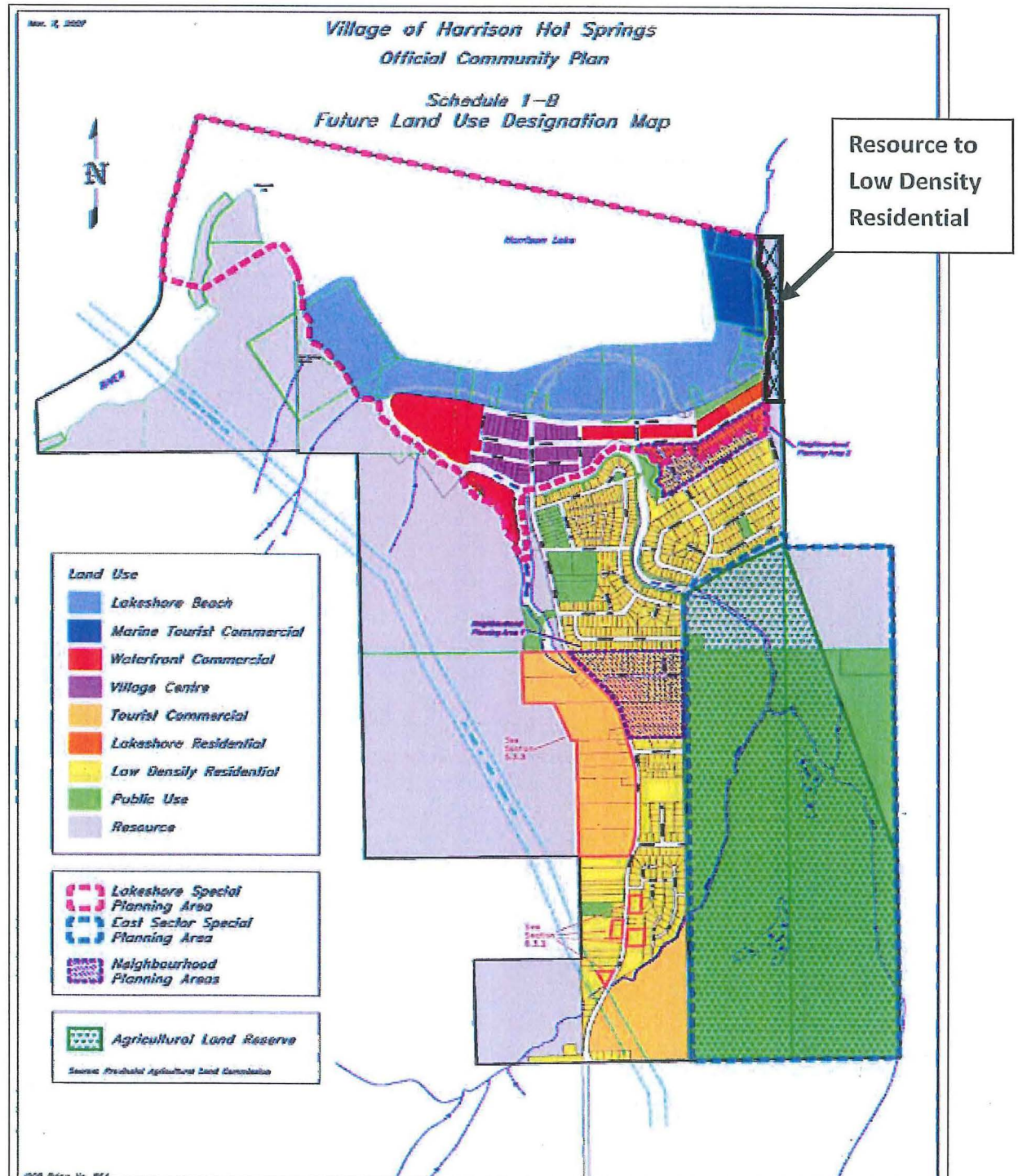
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Mayor

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Corporate Officer

Bylaw 1027  
Schedule 1









VILLAGE OF HARRISON HOT SPRINGS  
BYLAW NO. 1028

A bylaw to amend Village of Harrison Hot Springs Zoning Bylaw 1020, 2012

**WHEREAS** the Mayor and Council has deemed it advisable to amend the Village of Harrison Hot Springs Zoning Bylaw No. 1020, 2012, the Zoning Bylaw for the Village of Harrison Hot Springs, as adopted January 7, 2013;

**NOW THEREFORE** in open meeting assembled, the Mayor and Council of the Village of Harrison Hot Springs enacts as follows:

**I. CITATION**

This Bylaw may be cited for all purposes as the "Village of Harrison Hot Springs Zoning Bylaw Amendment Bylaw No. 1028, 2013".

**II. MAP AMENDMENT**

A. That Schedule A, the Zoning Map of the Village of Harrison Hot Springs Bylaw No. 1020, be amended by rezoning a portion of the lands located on the north section of the lands, adjacent to Rockwell Drive, legally described as Section 13, TP 4, R 29, W6M, NWD Portion Fractional Except Plan PT subdivided by Plan 251 and except PT subdivided by PL 9656, 9786, 27133, 38836, 48818, 53383, 66843, 66844, 66845, 66846, 70213, outlined in heavy black outline and cross-hatched on Schedule 1 of this Bylaw from **Resource Reserve (RR) zone to Low Density Residential 3 (Small Lot) – R-3 zone.**

B. That the map appended hereto designated as Schedule 1 showing such amendment is an integral part of this Bylaw.

**III. READINGS AND ADOPTION**

READ A FIRST TIME THIS 4<sup>th</sup> DAY OF FEBRUARY, 2013

READ A SECOND TIME THIS 18<sup>th</sup> DAY OF MARCH, 2013

A PUBLIC HEARING WAS HELD ON THE 15<sup>th</sup> DAY OF APRIL, 2013

READ A THIRD TIME THIS 15<sup>th</sup> DAY OF APRIL, 2013

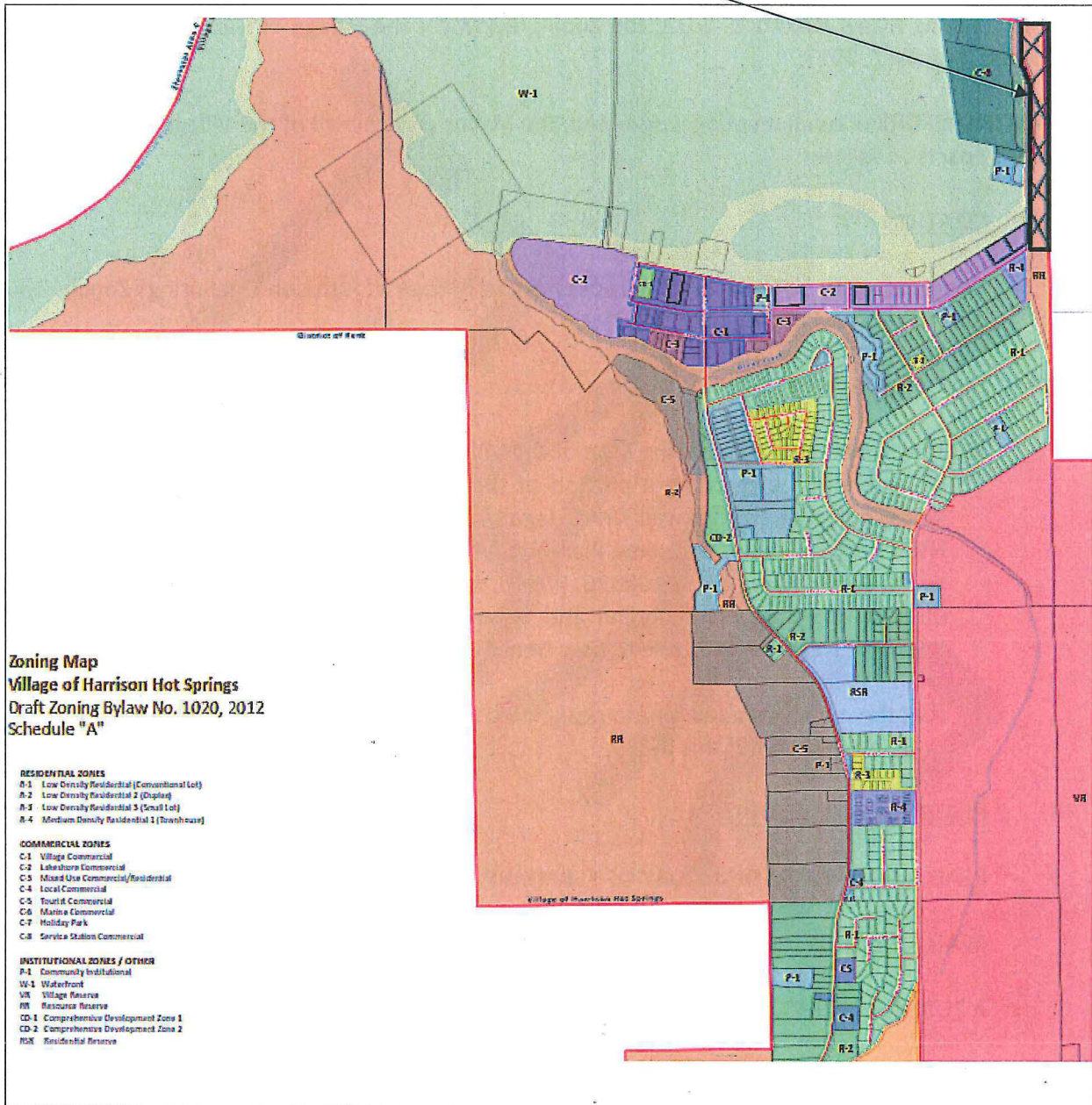
ADOPTED THIS                      DAY OF                      , 2013

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Corporate Officer

## Bylaw 1028 Schedule 1

Resource Reserve (RR) Zone to  
Low Density Residential 3 Zone (Small Lot)







## VILLAGE OF HARRISON HOT SPRINGS BYLAW NO. 1033

### VILLAGE CORE REVITALIZATION TAX EXEMPTION

**WHEREAS** under the provisions of Section 226 of the *Community Charter* the Council may by bylaw adopt a tax exemption program for the purpose of encouraging revitalization in a portion of the municipality;

**AND WHEREAS** the *Community Charter* provides that a revitalization tax exemption program bylaw may only be adopted after notice of the proposed bylaw has been given in accordance with Section 227 of the *Community Charter* and this notice has been given;

**NOW THEREFORE** the Council of the Village of Harrison Hot Springs, in open meeting assembled enacts as follows:

#### I. CITATION

This Bylaw may be cited for all purposes as the "Revitalization Tax Exemption Bylaw No. 1033, 2013".

#### II. INTERPRETATION

##### 1. In this bylaw:

"Approving Officer" means the person appointed by Council as the Chief Administrative Officer (CAO) or their designate;

"Base Amount" means an assessed value of land and improvements used to calculate municipal property tax payable on a parcel located in the Revitalization Area during the Base Amount Year;

"Base Amount Year" means the calendar year prior to the first calendar year in respect of which an Agreement set out in Schedule "B" applies to a parcel in the Revitalization Area set out in Schedule "A";

"Full Assessment" means the amount of municipal property tax that would be payable in respect of a parcel in the revitalization area after the calendar year during which an Agreement set out in Schedule "B" is made, as if the Agreement had never been made;



"Basic Development Project" means a set of conditions which a standard level of revitalization tax exemption will apply;

"Green Development Project" means a set of conditions under which an extended level of revitalization tax exemption will apply, these projects must have LEED certification of Silver, Gold, or Platinum;

"Revitalization Area" means an area designated and shown on Schedule "A";

"Commercial Property" means a property which is zoned for commercial use under the Village's Zoning Bylaw No. 1020.

"Residential Property" means a property with four or more family dwelling units.

2. There is an established a revitalization tax exemption program which includes the following:

- (1) Property tax exemptions prescribed by this bylaw in respect of
  - (a) a construction of a new improvement in excess of \$200,000.00, or
  - (b) exterior alteration of an existing improvement where the alteration has a value in excess of \$200,000.00.
- (2) The maximum exemption under this bylaw must not exceed the increase in the assessed value of land and improvements on the parcel between:
  - (a) the year before the construction or alteration began, and
  - (b) the year in which the tax exemption certificate under this bylaw is issued.
- (3) The amounts of exemptions and terms provided under this Bylaw are such that the municipality property tax payable, in Schedule "A" Revitalization Area Map, is as follows:
  - (a) Basic Development Project of value between \$200,000 and \$500,000
    - Years 1-4: base amount;
    - Year 5: base amount plus 50% of the difference;
    - Year 6: full assessment.
  - (b) Basic Development Project of value between \$500,000 and \$1.5 million
    - Years 1-5: base amount;
    - Year 6: base amount plus 50% of the difference;
    - Year 7: base amount plus 75% of the difference;
    - Year 8: full assessment.
  - (c) Basic Development Project of value over \$1.5 million
    - Years 1-6: base amount;
    - Year 7: base amount plus 50% of the difference;
    - Year 8: base amount plus 75% of the difference;
    - Year 9: full assessment.

(d) Green Development Project of value between \$200,000 and \$500,000

Years 1-5: base amount;  
Year 6: base amount plus 50% of the difference;  
Year 7: full assessment.

(e) Green Development Project of value between \$500,000 and \$1.5 million

Years 1-6: base amount;  
Year 7: base amount plus 50% of the difference;  
Year 8: base amount plus 75% of the difference;  
Year 9: full assessment.

(f) Green Development Project of value over \$1.5 million

Years 1-7: base amount;  
Year 8: base amount plus 50% of the difference;  
Year 9: base amount plus 75% of the difference;  
Year 10: full assessment.

3. To be eligible for consideration for a Revitalization Tax Exemption under this bylaw the following conditions must be met:

- (1) With regard to the Basic Development Project:
  - (a) the parcel is located within the Revitalization Area shown on Schedule "A";
  - (b) a construction of a new improvement or an alteration of an existing exterior improvement where the construction has a value in excess of \$200,000.00;
  - (c) the owner of the parcel has entered into an Agreement with the Village.
- (2) With regard to the Green Development Project:
  - (a) all conditions specified for the Basic Development Project exemption in paragraph 3(1), and
  - (b) the building has received a LEED certification of Silver, Gold, or Platinum.

4. This bylaw does not apply to a revitalization project unless:

- (a) the property that is being revitalized is a commercial property, or
- (b) a residential property with four or more dwelling units at the completion of the improvement.

5. Once the conditions established under Section 3 and the Agreement set out in Schedule "B" have been met, a revitalization tax exemption certificate must be issued for the parcel in accordance with the Agreement.

6. The revitalization tax exemption certificate must, in accordance with the conditions established in Section 3 and the Agreement set out in Schedule "B", specify the following:

- (1) the amount of the tax exemption or the formula for determining the exemption;
- (2) the term of the tax exemption;



(3) the conditions on which the tax exemption is provided;

(4) that a recapture amount is payable if the certificate is cancelled and how that amount is to be determined.

7. If an Owner wishes a tax exemption under the bylaw, the Owner must apply to the Chief Administrative Officer in writing, prior to October 31 of the preceding year and must submit the following with the application:

(1) a certificate that all taxes assessed and rates, charges, and fees imposed on the Lands have been paid, and where taxes, rates, or assessments are payable by instalments, that all instalments owing at the date of the certificate have been paid;

(2) a completed written application in a form prescribed by Council and available in the Village office,

(3) description of the new improvements or the alteration of the existing improvement that would be eligible under the bylaw for a municipal tax exemption with supporting documentation;

(4) an examination fee in the amount of \$100.00;

(5) a copy of the Agreement duly executed by and on behalf of the Owner.

In compliance with section 227 of the *Community Charter*, public notice was given March 22, 2013 and March 29, 2013 in accordance with section 94 of the *Community Charter*.

### III. READINGS AND ADOPTION

READ A FIRST TIME THIS 18<sup>th</sup> DAY OF MARCH, 2013

READ A SECOND TIME, AS AMENDED, THIS 15<sup>th</sup> DAY OF APRIL, 2013

READ A THIRD TIME, AS AMENDED, THIS 15<sup>th</sup> DAY OF APRIL, 2013

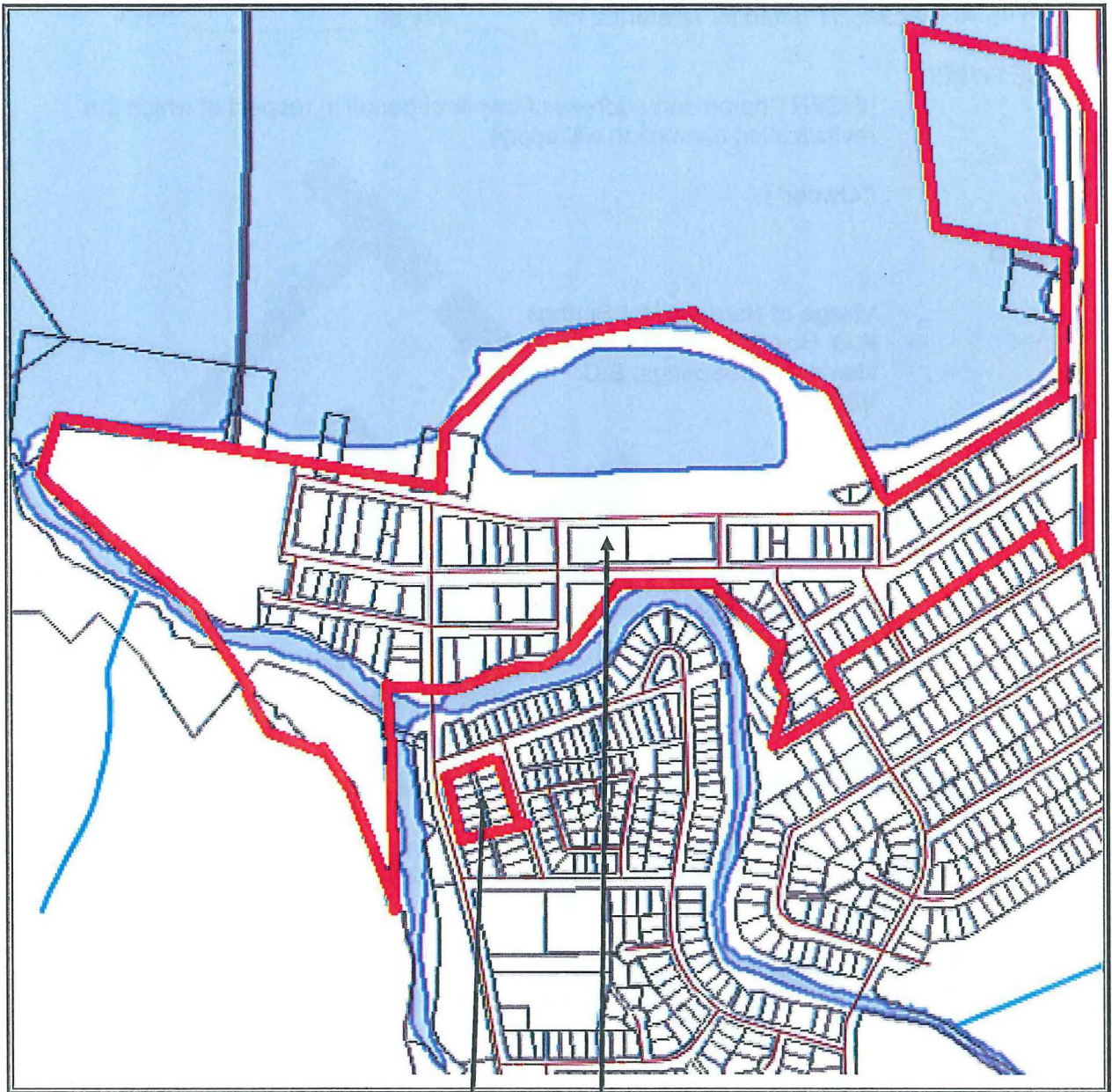
ADOPTED THIS                      DAY OF                      , 2013.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Corporate Officer



## Schedule A – Revitalization Area



Village of Harrison Hot Springs Revitalization Area

**SCHEDULE "B"**  
**Revitalization Tax Exemption Agreement**

THIS AGREEMENT dated for reference the \_\_\_\_\_ day of \_\_\_\_\_, 2013.

BETWEEN

[INSERT name and address of owner of parcel in respect of which the revitalization exemption will apply]

("Owner")

AND

Village of Harrison Hot Springs  
P.O. Box 160, 495 Hot Springs Road,  
Harrison Hot Springs, B.C.  
V0M 1K0

**GIVEN THAT**

- A. The Village has under the Bylaw defined in this Agreement established a revitalization tax exemption program for the purpose of encouraging revitalization of an area of the municipality,
- B. The Lands that are the subject of this Agreement are located in an area designated by the Village's Council as a revitalization area,
- C. The Owner is a registered Owner of the Lands defined in this Agreement,
- D. This Agreement contains the terms and conditions respecting the provision of a municipal property tax exemption under the bylaw defined in this Agreement,
- E. The Owner and the Municipality wish to enter into this Agreement and register it against the title to the Lands as a covenant under Section 219 of the *Land Title Act*,

THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements contained in this Agreement and the payment by the Owner to the Village of consideration in the amount of \$10.00 (Ten) Dollars, the receipt and sufficiency of which are acknowledged by the Village, the Village and Owner covenant and agree with each other as follows:



## DEFINITIONS

1. In this Agreement the following words have the following meanings:

"Agreement" means this Agreement, including the standard charge terms contained in this Agreement, together with the General Instrument defined in this Agreement;

"Assessed Value" means the most recent assessed value of the Lands as determined by the assessment authority in the area in which the Lands are located; if such value is not available then the assessed value means the highest price in terms of money that the real property will fetch under all conditions requisite to a fair sale with the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus as estimated by a real estate appraiser accredited in the jurisdiction in which the Lands are located;

"Bylaw" means "Revitalization Tax Exemption Bylaw No. 1033", in force from time to time;

"CPI" means the All Items Consumer Price Index for Vancouver, British Columbia, published from time to time by Statistics Canada, or its successor in function, where the base amount year, defined in this Agreement, equals 100;

"Dispose" means to transfer by any method and includes assign, give, sell, grant, charge, convey, bequeath, devise, lease, rent or sublet, divest, release or agree to do any of those things;

"General Instrument" means the Form C under the Land Title (Transfer Forms) Regulation as amended, and all schedules and addenda to the Form C charging the Lands and citing the terms and conditions of this Agreement as the "standard charge terms" for the purposes of the Form C;

"Lands" means the lands legally described in Item 2 of the General Instrument and any part into which the Lands are subdivided;

"LTO" means the New Westminster Land Title Office or its successor;

"Owner" means the transferor described in the General Instrument and any subsequent owner of the Lands or any parts into which the Lands are subdivided, and includes any person who is a registered owner in fee simple of the Lands from time to time;

"Prime Rate" means the annual rate of interest, expressed as a percentage, used as a reference rate by the Prospera Credit Union.

## TERM

2. The Owner covenants and agrees with the Village that the term of this Agreement is:



(1) [Insert the applicable term from Section 3.(4) of the Bylaw]

### **APPLICABLE IMPROVEMENTS**

**3.** The tax exemption provided for under the bylaw applies in respect of

- (1) a construction of a new improvement in excess of \$200,000.00 on the Lands, or
- (2) the exterior alteration of an existing improvement, where the value of the alteration referred to in the building permit is in excess of \$200,000.00

on the Lands.

### **REVITALIZATION TAX EXEMPTION CERTIFICATE**

- 4.** (1) Once the Owner has completed the construction of the new improvement or alteration of an existing improvement referred to in Section 3, and the Village has issued an occupancy permit under the Village's Building Regulation Bylaw, in force from time to time, in respect of the new improvement or alteration of an existing improvement, the Village's Council must issue a revitalization tax exemption certificate to the Owner for the Lands if the Owner and the Lands are otherwise in compliance with this Agreement.
- (2) An interim certificate may be issued.
  - (3) A revitalization tax exemption certificate must, in accordance with the Bylaw and this Agreement, specify the following:
    - (a) the amount of the tax exemption or the formula for determining the exemption;
    - (b) the term of the tax exemption;
    - (c) the conditions on which the tax exemption is provided;
    - (d) that a recapture amount is payable if the certificate is cancelled and how that amount is to be determined.

### **TAX EXEMPTION**

- 5.** So long as a revitalization tax exemption certificate in respect of the Lands has not been cancelled, the Lands are exempt, to the extent, for the period and subject to the conditions provided in the certificate, from municipal property taxation.
- 6.** The revitalization tax exemption certificate may be cancelled by the Council of the Village
- (1) on the request of the Owner, or
  - (2) if any of the conditions in the certificate are not met.

## **OWNERS OBLIGATIONS**

7. The Owner must pay to the Village the cost of all tie-ins of works and services associated with the new improvements or alteration to improvements, to existing storm and sanitary sewers, water mains, water meters, driveways, and other municipal services.
8. The Owner must comply with
  - (1) all enactments, laws, statutes, regulations and Orders of any authority having jurisdiction, including bylaws of the Village, and
  - (2) all federal, provincial, municipal and environmental licenses, permits and approvals required under applicable enactments.

## **OBLIGATIONS OF VILLAGE**

9. The Village must issue a revitalization tax exemption certificate to the Owner in respect of the Lands once the Owner has applied for and obtained an occupancy permit from the Village under the Village's Building Regulation Bylaw, in force from time to time, in relation to the new improvements or alterations to an existing improvement, so long as the Owner and the Lands are otherwise in compliance with the Bylaw and this Agreement.

## **VILLAGE'S RIGHTS AND POWERS**

10. Nothing contained or implied in this Agreement prejudices or affects the Village's rights and powers in the exercise of its functions or its rights and powers under any public and private statutes, bylaws, orders, or regulations to the extent the same are applicable to the Lands, all of which may be fully and effectively exercised in relation to the Lands as if this Agreement had not been executed and delivered by the Owner.

## **GENERAL PROVISIONS**

11. It is mutually understood, agreed, and declared by and between the parties that Harrison Hot Springs has made no representations, covenants, warranties, guarantees, promises, or agreements (oral or otherwise), express or implied, with the Owner other than those expressly contained in this Agreement.
12. The Owner covenants and agrees to use best efforts to do or cause to be done, at the expense of the Owner, all acts reasonably necessary to grant priority to this Agreement as a covenant over all charges and encumbrances which may have been registered against the title to the Lands in the New Westminster/Vancouver Land Title Office, save and except those specifically approved in writing by the Village or in favour of the Village.
13. The covenants set forth in this Agreement shall charge the Lands pursuant to Section 219 of the *Land Title Act* and shall be covenants the burden of which shall run with the Lands



and bind the Lands and every part or parts thereof, and every part to which the Lands may be divided or subdivided, whether by subdivision plan, strata plan, or otherwise.

14. The covenants set forth in this Agreement shall not terminate if and when a purchaser becomes an owner in fee simple of the Lands or any portion thereof, but shall charge the whole of the interest of such purchaser and shall continue to run with the Lands and bind the Lands and all future owners for the time being of the Lands or any portion thereof, except the Owner will be entitled to a partial discharge of this Agreement with respect to any subdivided parcel of the Lands on acceptance of the works and on compliance by the Owner with all requirements under this Agreement with respect to the subdivided portion of the Lands.
15. It is further expressly agreed that the benefit of all covenants made by the Owner herein shall accrue solely to the Village and this Agreement may only be modified by agreement of the Village with the Owner, or discharged by the Village pursuant to the provisions of Section 219 of the *Land Title Act* and this Agreement. All of the costs of the preparation, execution, and registration of any amendments or discharges shall be borne by the Owner.
16. This Agreement shall enure to the benefit of and is binding on the parties and their respective heirs, executors, administrators, successors and assigns.
17. The Owner shall, on the request of the Village, execute and deliver or cause to be executed and delivered, all such further transfers, agreements, documents, instruments, easements, statutory rights of way, deeds and assurances, and do and perform or cause to be done and performed, all such acts and things as may be, in the opinion of the Village necessary to give full effect to the intent of this Agreement.
18. Time is of the essence of this Agreement.
19. This Agreement constitutes the entire agreement between the Owner and the Village with regard to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written of the Village with the Owner.
20. Any notice or other communication required or contemplated to be given or made by any provision of this Agreement shall be given or made in writing and either delivered personally (and if so shall be deemed to be received when delivered) or mailed by prepaid registered mail in any Canada Post Office (and if so, shall be deemed to be delivered on the sixth business day following such mailing except that, in the event of interruption of mail service notice shall be deemed to be delivered only when actually received by the party to whom it is addressed), so long as the notice is addressed as follows:

to the Owner at:  
[insert name]  
[insert address]  
Attention: [insert contact]

and:

to the Village at:  
Village of Harrison Hot Springs  
P.O. Box 160, 495 Hot Springs Road,  
Harrison Hot Springs, B.C.



VOM 1K0  
Attention: CAO

or to such other address to which a party hereto from time to time notifies the other parties in writing.

21. (a) No amendment or waiver of any portion of this Agreement shall be valid unless in writing and executed by the parties to this Agreement.  
  
(b) Waiver of any default by a party shall not be deemed to be a waiver of any subsequent default by that party.
22. This Agreement is not intended to create a partnership, joint venture, or agency between the Owner and the Village.
23. This Agreement shall be construed according to the laws of the Province of British Columbia.
24. A reference in this Agreement to the Village or the Owner includes their permitted assigns, heirs, successors, officers, employees, and agents.
25. This Agreement is effective from and after the reference date in this Agreement, but only if this Agreement has been executed and delivered by the Developer and executed by the Village.
26. The parties intend, by their execution and delivery of this Agreement, to create a covenant granted to the Village under Section 219 of the *Land Title Act*, a contract, and a deed executed and delivered to the Village under seal.
27. Unless otherwise expressly provided in this Agreement, whenever the Village is permitted to make or give any decision, direction, determination, or consent, the Village may act in its sole discretion, but will act reasonably.
28. Unless otherwise expressly provided in this Agreement, the expense of performing the obligations and covenants of the Owner contained in this Agreement, and of all matters incidental to them, is solely that of the Owner.
29. The Owner represents and warrants to the Village that
  - (1) all necessary corporate actions and proceedings have been taken by the Owner to authorize its entry into and performance of this Agreement;
  - (2) upon execution and delivery on behalf of the Owner, this Agreement constitutes a valid and binding contractual obligation of the Owner;
  - (3) neither the execution and delivery, nor the performance, of this Agreement shall breach any other Agreement or obligation, or cause the Owner to be in default of any other Agreement or obligation, respecting the Lands; and
  - (4) the Owner has the corporate capacity and authority to enter into and perform this Agreement.



Village of Harrison Hot Springs  
SCHEDULE "C"  
REVITALIZATION TAX EXEMPTION APPLICATION

Date \_\_\_\_\_ Receipt No. \_\_\_\_\_  
Application No. \_\_\_\_\_  
Property Owner/Applicant \_\_\_\_\_  
Mailing Address \_\_\_\_\_  
Telephone No. \_\_\_\_\_ Fax No. \_\_\_\_\_ Cell No. \_\_\_\_\_

**Subject Property:**

Roll No. \_\_\_\_\_ Civic Address \_\_\_\_\_  
Legal Description \_\_\_\_\_  
Zoning Designation \_\_\_\_\_  
Current Use \_\_\_\_\_  
Current Assessed Value \_\_\_\_\_  
Description of Proposed Revitalization \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Year(s) Applying For: \_\_\_\_\_  
Value of Construction: \_\_\_\_\_ Building Permit No. \_\_\_\_\_

Note: Additional Information may be required.

I hereby certify that the above information is to my knowledge accurate, and that I have received and read the Revitalization Tax Exemption Bylaw No. 1033 and applicable schedules.

\_\_\_\_\_  
Signature Property Owner/Applicant Date



**VILLAGE OF HARRISON HOT SPRINGS  
BYLAW NO. 1037**

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**A Bylaw of the Village of Harrison Hot Springs to establish the Financial Plan for the years 2013 - 2022.**

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WHEREAS the Community Charter requires the municipality to adopt a financial plan annually;

AND WHEREAS public consultation regarding the financial plan was provided by way of an open meeting;

NOW THEREFORE the Council of the Village of Harrison Hot Springs, in open meeting, lawfully assembled, ENACTS AS FOLLOWS:

1. That Schedule "A" attached hereto and made part of this bylaw is hereby adopted and is the Village of Harrison Hot Springs Financial Plan for the years 2013-2022.
2. That Schedule "B" attached hereto and made part of this bylaw is hereby adopted and is the Village of Harrison Hot Springs Financial Plan Objectives and Policies Statement for the year 2013 – 2022.
3. This bylaw may be cited for all purposes as the "Village of Harrison Hot Springs Financial Plan Bylaw No. 1037, 2013"
4. Bylaw No. 1004, 2012 – 2021 Financial Plan is hereby repealed.

**READ A FIRST TIME THIS 1<sup>st</sup> DAY OF MAY, 2013**

**READ A SECOND TIME THIS 1<sup>st</sup> DAY OF MAY, 2013**

**READ A THIRD TIME THIS 1<sup>st</sup> DAY OF MAY, 2013**

**ADOPTED THIS      DAY OF MAY, 2013**

---

**Mayor**

---

**Corporate Officer**



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Property Taxes - Residential	\$ 1,059,000	\$ 1,080,000	\$ 1,102,000	\$ 1,124,000	\$ 1,146,000	\$ 1,169,000	\$ 1,192,000	\$ 1,216,000	\$ 1,240,000	\$ 1,240,000
Property Taxes - Business	712,500	727,000	742,000	757,000	772,000	787,000	803,000	819,000	835,000	835,000
Property Taxes - Rec / Non Profit	40,500	41,000	42,000	43,000	44,000	45,000	46,000	47,000	48,000	48,000
Penalties and Interest	21,000	19,000	16,200	16,200	16,100	16,200	16,200	16,200	16,200	16,200
Revenue Taxes	32,200	32,000	32,000	32,000	32,000	30,000	30,000	30,000	30,000	30,000
Payments in Lieu of Taxes	6,700	6,900	7,200	6,300	7,400	7,700	7,700	7,900	8,100	8,100
Sale of Services	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Revenues from Own Sources	1,271,800	1,240,600	1,241,200	1,238,700	1,236,700	1,219,700	1,241,200	1,241,700	1,241,700	1,222,700
Other Revenues	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
DCC Revenues	162,800	562,000	246,000	202,999	566,000	413,500	809,999	451,000	1,452,500	570,000
Transfers from Other Governments	2,158,700	807,700	530,700	530,700	530,700	530,700	530,700	530,700	530,700	530,700
<b>Total Revenues</b>	<b>\$ 5,473,000</b>	<b>\$ 4,524,000</b>	<b>\$ 3,967,100</b>	<b>\$ 3,958,699</b>	<b>\$ 4,358,700</b>	<b>\$ 4,226,600</b>	<b>4,684,599</b>	<b>\$ 4,367,300</b>	<b>\$ 5,410,000</b>	<b>\$ 4,508,500</b>
<b>Expenditures</b>										
General Government	\$ 1,041,850	\$ 1,072,350	\$ 1,069,350	\$ 1,087,050	\$ 1,102,750	\$ 1,103,150	\$ 1,100,250	\$ 1,146,350	\$ 1,112,650	\$ 1,145,850
Community Services	169,550	156,050	150,100	152,100	142,100	156,800	151,800	146,900	151,700	151,900
Protective Services	170,000	162,800	162,450	158,750	156,700	161,500	161,800	157,500	160,300	160,500
Public Works	179,850	184,450	190,000	191,400	190,950	194,950	194,550	196,050	194,750	199,650
Transportation Services	147,100	145,900	141,900	148,000	133,000	121,700	124,700	123,700	123,100	129,900
Flood Protection	10,900	10,900	10,900	10,900	10,900	10,900	10,900	10,900	10,900	10,900
Environmental and Public Health	121,700	121,700	121,700	121,200	121,200	121,200	99,200	121,700	121,700	121,200
Recreation and Culture	442,550	361,350	264,200	263,800	265,600	264,900	266,900	268,700	265,900	269,600
Sewer Utility	496,150	477,150	486,000	483,600	488,000	485,000	492,000	488,000	489,000	483,000
Water Utility	175,000	170,000	170,000	168,000	169,000	169,000	169,000	170,000	170,000	170,000
Debt - Interest	25,450	23,450	51,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Amortization of tangible capital assets	682,000	682,000	682,000	682,000	682,000	682,000	682,000	682,000	682,000	682,000
<b>Total Expenditures</b>	<b>\$ 3,662,100</b>	<b>\$ 3,568,100</b>	<b>\$ 3,499,600</b>	<b>\$ 3,516,800</b>	<b>\$ 3,512,200</b>	<b>\$ 3,521,100</b>	<b>\$ 3,503,100</b>	<b>\$ 3,561,800</b>	<b>\$ 3,532,000</b>	<b>\$ 3,574,500</b>
<b>Surplus (Deficit)</b>	<b>\$ 1,810,900</b>	<b>\$ 955,900</b>	<b>\$ 467,500</b>	<b>\$ 441,900</b>	<b>\$ 846,500</b>	<b>\$ 705,500</b>	<b>\$ 1,181,500</b>	<b>\$ 805,500</b>	<b>\$ 1,878,000</b>	<b>\$ 934,000</b>
<b>Capital, Debt, Reserve Transfers and Borrowing</b>										
Capital Expenditures	\$ (2,151,500)	\$ (1,231,000)	\$ (607,000)	\$ (563,000)	\$ (1,181,000)	\$ (851,500)	\$ (1,205,500)	\$ (927,500)	\$ (1,949,000)	\$ (942,000)
Repayment of debt	(175,400)	(168,900)	(42,500)	(47,900)	(42,500)	(29,000)	(29,000)	(29,000)	(29,000)	(29,000)
Replacement reserves	(169,000)	(338,000)	(500,000)	(513,000)	(305,000)	(507,000)	(629,000)	(531,000)	(582,000)	(645,000)
Reserves used for capital financing	3,000	100,000	-	-	-	-	-	-	-	-
Appropriation from surplus	-	-	-	-	-	-	-	-	-	-
Equity in tangible capital assets	682,000	682,000	682,000	682,000	682,000	682,000	682,000	682,000	682,000	682,000
	\$ (1,810,900)	\$ (955,900)	\$ (467,500)	\$ (441,900)	\$ (846,500)	\$ (705,500)	\$ (1,181,500)	\$ (805,500)	\$ (1,878,000)	\$ (934,000)
<b>Surplus (Deficit) plus Capital, Debt Reserve Transfers and Borrowing</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>\$ (0)</b>	<b>\$ -</b>	<b>\$ 0</b>	<b>\$ -</b>	<b>\$ 0</b>	<b>\$ -</b>

SCHEDULE A  
 BYLAW NO. 1037  
 FINANCIAL PLAN 2013 - 2022



**BYLAW NO. 1037, 2013**  
**SCHEDULE B**  
**2013 FINANCIAL PLAN OBJECTIVES AND POLICIES**

In accordance with Section 165(3.1) of the *Community Charter*, the Village of Harrison Hot Springs is required to include in the Ten Year Financial Plan, objectives and policies regarding each of the following:

1. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the *Community Charter*;
2. The distribution of property taxes among the property classes, and
3. The use of permissive tax exemptions.

**Funding Sources**

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2013. Property taxes usually form the greatest proportion of revenue. As a revenue source, property taxation offers a number of advantages, for example, it is simple to administer and it is fairly easy for residents to understand. It offers a stable and reliable source of revenues for services that are difficult or undesirable to fund on a user pay basis. These include services such as:

- general government and administration;
- public works;
- roads and street maintenance;
- fire protection and bylaw enforcement;
- street lighting;
- recreation and culture; and
- beaches and parks maintenance.

During 2013 the Village will commence with the construction of a new water treatment facility to be completely funded by grants from the General Strategic Priorities Fund and Innovation Fund under the Gas Tax Agreement and the Regionally Strategic Priorities Fund.

Government grants include both unconditional and conditional grants that are to be used for specified projects.

User fees and charges typically form the second largest proportion of planned revenue. Many services can be measured and charged on a user-pay basis. Services where fees and charges can be easily administered include water and sewer usage, building permits, business licenses, and sale of services—these are charged on a user pay basis. User fees attempt to apportion the value of a service to those who use the service.

**Table 1: 2013 Funding Sources**

<b>Revenue Source</b>	<b>% of Total Revenue</b>	<b>Dollar Value</b>
Property taxes	<b>33.1%</b>	<b>\$1,812,000</b>
Service utility fees	<b>7.1%</b>	<b>\$387,000</b>
Government grants	<b>39.4%</b>	<b>\$2,158,700</b>
User fees and charges	<b>12.1%</b>	<b>\$664,000</b>
DCCs	<b>3.0%</b>	<b>\$162,800</b>
Other sources	<b>5.3%</b>	<b>\$288,500</b>

## Objectives

- For 2013 the Village is comfortable with the current mix of funding sources;
- To develop further funding sources to gain more revenue; and
- Endeavour to develop funding sources that will be sustainable over the short and long term.

## Policies

- Over time, decrease the Village's reliance on property taxes and focus on increasing revenue received from user fees and charges;
- Pursue cost recovery for water, sewer and other municipal services through appropriate user fees;
- Ensure that user fees and charges are increased on a regular basis in line with inflation while ensuring that services remain affordable and competitive;
- Attempt to keep proportionate share of revenue from property taxes at a level similar to the average of comparable municipalities;
- Mitigate the impact on property taxes by applying for government grants;
- Endeavour to acquire resources whose primary responsibility is to seek out, apply for, and manage provincial and federal government grants.

## Distribution of Property Taxes

Table 2 outlines the distribution of property taxes among the property classes. The residential property class provides the largest proportion of property tax revenue. This is appropriate as this class provides the largest proportion of the assessment base and consumes the majority of Village services.

**Table 2: Distribution of Property Tax Rates**

<b>Property Class</b>	<b>% of Total Property Taxation</b>	<b>Dollar Value</b>
<b>Residential (1)</b>	<b>58.4%</b>	<b>\$1,059,000</b>
<b>Business (6)</b>	<b>39.3%</b>	<b>\$712,500</b>
<b>Recreation/Non-profit (8)</b>	<b>2.3%</b>	<b>\$40,500</b>



## **Objectives**

- Village Council recognizes that residential tax payers are the predominant users of municipal services and therefore should bear a larger portion of the tax burden. Therefore review the ratio to see if changes are required; and
- Ensure that the Village is competitive with other similar sized municipalities in British Columbia.

## **Policies**

- Set property tax rates that are based on principals of equity and responsiveness to current economic trends;
- Regularly review and compare the Village's distribution of tax burden relative to other similar municipalities in British Columbia; and
- Ensure that property taxes are in line with goals and policies in the Official Community Plan and Regional Growth Strategy;

## **Permissive Tax Exemptions**

The Village should consider how to support or encourage growth in the community through the use of permissive tax exemptions. For example;

- Is the financial loss of a permissive tax exemption to the social benefit?
- Is there evidence of long-term benefit from a revitalization tax exemption?
- Who will benefit directly or indirectly from permissive tax exemptions?
- Review all relevant considerations, factors and other advice in relation to permissive tax exemptions from the Ministry of Community Development.

## **Objective**

To actively pursue answers to the above and make appropriate recommendations as to whether a permissive tax exemption policy needs to be developed.

## **Policy**

The Village does not have an existing policy which guides the administration and approval of permissive tax exemptions.





## VILLAGE OF HARRISON HOT SPRINGS

### BYLAW NO. 1038

#### A Bylaw to establish tax rates for 2013

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The Council of the Village of Harrison Hot Springs, in open meeting, lawfully assembled, ENACTS AS FOLLOWS:

1. The following rates are hereby imposed and levied for the year 2013.
  - (a) For all lawful general purposes of the municipality on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in Schedule I attached hereto and forming a part of this bylaw.
  - (b) For Regional Hospital District purposes on the full assessed value of all land and assessed value of all improvements taxable for Regional Hospital District purposes, rates appearing in Column "A" of Schedule II attached hereto and forming a part of this bylaw.
  - (c) For Regional District purposes on the full assessed value of all land and assessed value of all improvements taxable for Regional Hospital District purposes, rates appearing in Column "B" of Schedule II attached hereto and forming a part of this bylaw.
2. The minimum amount of taxation upon a parcel of real property shall be one dollar (\$1.00).
3. This bylaw may be cited as "Tax Rate Bylaw No. 1038, 2013."
4. Bylaw No. 1005, 2012 Tax Rate Bylaw is hereby repealed.

**READ A FIRST TIME THIS 1<sup>st</sup> DAY OF MAY, 2013**

**READ A SECOND TIME THIS 1<sup>st</sup> DAY OF MAY, 2013**

**READ A THIRD TIME THIS 1<sup>st</sup> DAY OF MAY, 2013**

**ADOPTED THIS      DAY OF MAY, 2013**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Corporate Officer



**BYLAW NO. 1038, 2013****SCHEDULE I****GENERAL MUNICIPAL PURPOSES**

<b>PROPERTY CLASS</b>	<b>TAX RATES (DOLLARS OF TAX PER \$1,000 TAXABLE VALUE)</b>
	<b>GENERAL MUNICIPAL</b>
1. Residential	3.44899
2. Utilities	12.07147
3. Supportive Housing	3.44899
4. Major Industry	11.72657
5. Light Industry	11.72657
6. Business/Other	11.20922
7. Managed Forest Land	10.34697
8. Recreation/Non Profit	15.52046
9. Farm	3.44899

## BYLAW NO. 1038, 2013

## SCHEDULE II

PROPERTY CLASS	TAX RATES (DOLLARS OF TAX PER \$1,000 TAXABLE VALUE)		
	A REGIONAL HOSPITAL	B REGIONAL DISTRICT	TOTAL
1. Residential	.23381	.23629	.47010
2. Utilities	.81834	.82702	1.64536
3. Supportive Housing	.23381	.23629	.47010
4. Major Industry	.79495	.80339	1.59834
5. Light Industry	.79495	.80339	1.59834
6. Business/Other	.57283	.57891	1.15174
7. Managed Forest Land	.70143	.70887	1.41030
8. Recreation/Non Profit	.23381	.23629	.47010
9. Farm	.23381	.23629	.47010







## VILLAGE OF HARRISON HOT SPRINGS

### Request to Appear as a Delegation

In order to make a presentation to Council at a Council Meeting, you are required to submit a written request to the Corporate Officer no later than 4:30 p.m. on the Wednesday before the regular meeting. The request can either be a copy of this completed form or a separate letter that you have written which contains the information requested on this form. Any background materials are appreciated and will be circulated to the Mayor and Council with the agenda. You can submit your request in person, by mail at PO Box 160 Harrison Hot Springs, BC V0M 1K0, fax at 604-796-2192 or e-mail at [dkey@harrisonhotsprings.ca](mailto:dkey@harrisonhotsprings.ca).

The Administration Department will advise you when you are scheduled to appear before Council. Council meetings commence at 7:00 p.m. in the Village's Council Chambers at 495 Hot Springs Road, Harrison Hot Springs, BC.

You are limited to a maximum of 10 minutes to present your material, regardless of the number of presenters in your delegation.

Date: <u>January 21/13</u>	Requested Meeting Date: <u>May 6, 2013</u>
Organization Name (if applicable): <u>Vancouver, Coast &amp; Mountains</u> <u>Tourism Region</u>	
Name of Presenter: <u>Kevan Ridgway</u>	
Name of Applicant if Other than Above: <u>Shawna Leung</u>	
Contact Phone Number & E-Mail: <u>604-484-5360</u> <u>shawna@vcmibc.com</u>	
Mailing Address with Postal Code: <u>Suite 270, 11651 Commercial Drive</u> <u>Vancouver, BC V5L 3Y3</u>	
Audio/Visual requirements: <u>Power point <del>and</del> (projector &amp; screen)</u>	
Topic: <u>Tourism value &amp; opportunities</u> <u>(See attached letter)</u>	
Action you wish Council to take: <u>—</u>	

January 21, 2013

Village of Harrison Hot Springs  
495 Hot Springs Road  
PO Box 160  
Harrison Hot Springs, BC V0M 1K0

Dear Mayor and Council,

Tourism plays an important role in the local economy throughout British Columbia. Tourism is the fastest growing industry in the world and is responsible for the employment of one in every eight BC residents. In 2009, BC's tourism industry generated over \$12.7 billion in revenues. Within the province there are 17,814 tourism related businesses that create a unique experience for the 14.8 million overnight visitors to the province.

Vancouver, Coast & Mountains Tourism Region, a not-for-profit society, is one of six British Columbia's tourism regions contracted by the Ministry of Jobs, Tourism and Skills Training, to deliver cooperative and generic marketing for businesses and communities aimed at moving people throughout the region and increasing overnight visitation. Vancouver, Coast & Mountains is also tasked with assisting communities develop their tourism products and take these products to market.

Vancouver, Coast & Mountains sees the importance of communities and tourism and is committed to creating awareness of the tourism industry throughout the region. As part of that awareness a strong communication to all levels of government is priority. We would welcome the opportunity to visit your community and appear as a delegation to council, May 6<sup>th</sup>, about the value of tourism and how we can work together on your community's tourism interests including assistance in leveraging funds available for tourism.

We look forward to working with the Village of Harrison Hot Springs and Tourism Harrison Hot Springs collaboratively to grow the tourism industry within Harrison Hot Springs.

If you have any additional questions please contact me at 604-484-5360, or [shawna@vcmbc.com](mailto:shawna@vcmbc.com).

Best Regards,



Shawna Leung  
Director, Community Relations





## VILLAGE OF HARRISON HOT SPRINGS

### REPORT TO COUNCIL

**TO:** Mayor and Council **DATE:** April 29, 2013

**FROM:** Andre Isakov,  
Manager, Planning & Community Services **FILE:** 8500-01

**SUBJECT:** Agassiz-Harrison Transit System Capacity Improvement Proposal

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**ISSUE:** To maintain an up-to-date bus fleet that will meet the growing demands on the Agassiz-Harrison (AGH) transit system in the most cost-effective way, it is proposed that the Fraser Valley Regional District (FVRD) would request that BC Transit reserve two medium capacity "Vicinity" buses for the sub-regional transit system. This issue is before Council for discussion. The FVRD requested that all transit system partner local governments review and formally support the initiative.

#### **BACKGROUND:**

The FVRD manages the AGH transit system. The Village staff cooperate with the FVRD and other local government partners to oversee successful strategic planning for the system.

The FVRD has informed the municipality of two planning concerns. First, concern is over the immediate (this year) need to replace one of the two Ford Polar vehicles currently in operation. Second, concern is over the inability of the current bus fleet to meet the rapidly growing capacity demands on the AGH public transit system due to the size of the current vehicle fleet in operation.

Attached to this staff report is a memorandum from the FVRD that provides a more in-depth review of the issue. In summary, the FVRD is proposing that the current Ford Polar vehicle fleet (with bus capacity of 21 seats and 11 standees) be replaced in its entirety with Vicinity busses (with bus capacity of 23 seats and 16 standees). Such fleet replacement would result in a 22% increase in carrying capacity of the transit system which is highly desirable particularly in peak hours of operation when ridership demand sometimes exceeds the transit system capacity. It is proposed that the new bus fleet could be operational by September 2013.



The AGH transit system fleet upgrade would have financial implications. The FVRD is projecting that the fleet upgrade would cost the transit system \$29,500 per year (before revenue) – Harrison Hot Springs share being \$9,440 (32%).

The FVRD Board has already passed the motion calling for the reservation of the two new Vicinity busses with BC Transit, budget amendment, and the approval of partner local governments. While FVRD staff are working to bring back a budget amendment that will reflect the transit upgrades in 2013 to the Board, the member municipalities have been asked to provide feedback.

#### **ATTACHMENTS:**

1. FVRD BOD Report: BC Transit Review of Agassiz-Harrison Transit System Capacity Problems – Transit Improvement Proposal.

#### **RECOMMENDATION:**

**THAT** Council support in principle the proposed acquisition of two medium capacity “Vicinity” buses by the Fraser Valley Regional District for the Agassiz-Harrison sub-regional transit system.

Respectfully submitted for your consideration;



Andre Isakov  
Manager of Planning and Community Services

#### **DIRECTOR OF FINANCE COMMENTS:**



Dale Courtice  
Director of Finance

#### **CHIEF ADMINISTRATIVE OFFICER COMMENTS:**



Ted Tisdale  
Chief Administrative Officer

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## **MEMORANDUM**

**To:** Chair and Members of the Fraser Valley Regional District Board  
**From:** Alison Stewart, Senior Planner, Strategic Planning and Initiatives  
**Date:** April 17, 2013  
**Subject:** BC Transit Review of Agassiz-Harrison Transit System Capacity Problems – Transit Improvement Proposal.  
**File No.:** 8500-30-planning

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### **RECOMMENDATION:**

**THAT** the Fraser Valley Regional District Board request that BC Transit reserve two medium capacity "Vicinity" buses for the Agassiz-Harrison sub-regional transit system, on the understanding that any final decision will require a budget amendment and the approval of partner local governments and the FVRD Board;

**THAT** the Board direct staff to seek partner local government approval for the purchase of two medium capacity "Vicinity" buses;

**AND THAT** upon unanimous approval from local government partners, staff be directed to bring a budget amendment back to the Board to reflect the cost of implementing the transit upgrade that will take place in late 2013.

### **SUMMARY OF ISSUE(S):**

BC Transit and the FVRD have been reviewing service capacity problems on the existing Agassiz-Harrison (AGH) transit system because of increasing complaints from passengers about being left behind at peak times due to over-crowding.

Two weeks ago, BC Transit informed the region and its partners that several higher capacity "Vicinity" buses have become available to distribute to transit systems around the province. Given the capacity issues of the current AGH system, and its status as one of the most successful small transit systems in the province, BC Transit has identified the Agassiz-Harrison as a prime candidate for fleet replacement with two Vicinity vehicles.

Separate to this offer from BC Transit is the fact that one of the existing buses in the AGH system is scheduled to be replaced in 2013. The FVRD has learned that BC Transit is planning to replace the existing bus model (Ford Polar) with a lower capacity vehicle called an "Arboc". This move to a lower capacity vehicle is because the Ford Polar model is no longer being manufactured and no similar sized alternative is available.



Staff report dated April 15, 2013 to the Fraser Valley Regional District Board regarding BC Transit Review of Agassiz-Harrison Transit System Capacity Problems – Transit Improvement Proposal.

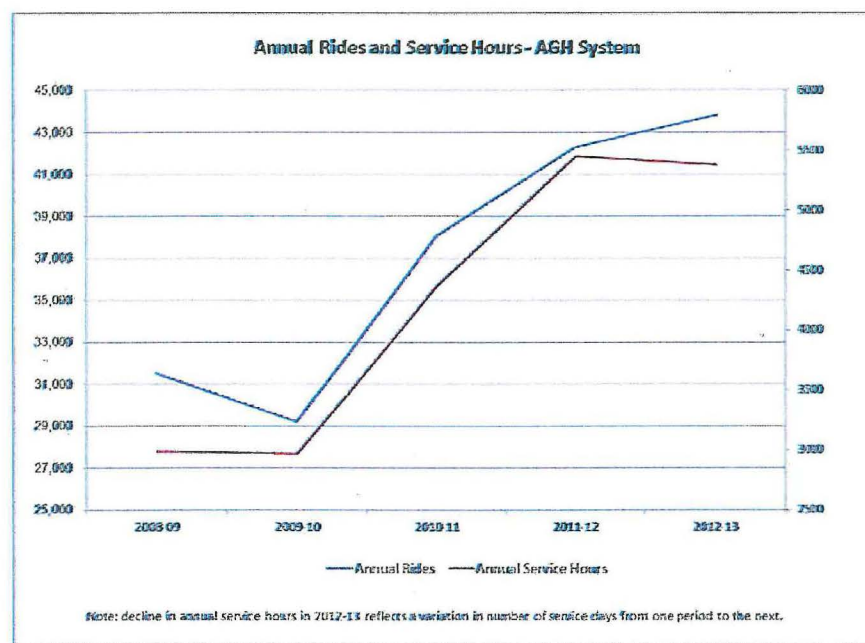
For a transit service that is already experiencing overloading, this reduction of capacity will worsen the capacity issue. Maintaining similar levels of service will require either introducing larger capacity buses or increasing service hours (number of trips per day), both of which have cost implications.

BC Transit is not asking for final approval at this time.

BC Transit is, however wanting confirmation that the FVRD and its partners are interested in the offer to replace the two "in-fleet" buses with two "Vicinity" model buses. Any final decision will be contingent upon a 2013 budget amendment and the approval of partner local governments and the Board. It is staff's understanding that if the FVRD does not express an interest, the buses will be offered to other systems in the province.

### **BACKGROUND:**

The Agassiz-Harrison transit system is one of the most successful small systems in the province, with ridership numbers increasing on an annual basis. The system has been successful from the beginning. Capacity was significantly increased in 2010 to address overcrowding issues at that time, which included fist fights at bus stops on a couple of occasions. A temporary solution included calling taxis to pick up passengers left behind which was cost shared between the system and BC Transit.



Because of these problems, the system was put at the head of the list for new and improved service. In 2010, the system was given an additional bus and service hours were increased to provide hourly service. Ridership increase in response to the improved service was almost immediate. Two years later, the service is so popular that it is again reaching capacity limits. Surveys show that school, shopping and work are the top trip purposes for transit passengers on the system.



Staff report dated April 15, 2013 to the Fraser Valley Regional District Board regarding BC Transit Review of Agassiz-Harrison Transit System Capacity Problems – Transit Improvement Proposal.

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Of concern to passengers is that during peak hours, particularly the evening rush, people are being left behind in Chilliwack to wait an hour for the next bus. In a number of cases, the riders being left behind are students who live in Agassiz/Harrison but attend school in Chilliwack. Agassiz-Harrison Community Services have expressed concern that at the end of the school day, unsupervised youth are being left behind in downtown Chilliwack to wait an hour for the next bus.

### **2013 Scheduled Replacement - Problem**

Currently the transit system runs 2 vehicles (and 1 spare vehicle) and until recently, service has been delivered by Ford Polar buses. These vehicles have a capacity of 21 seated and 11 standees. Although BC Transit does not recommend accommodating standees on longer, higher speed trips such as Agassiz Harrison, these vehicles provide the flexibility to accommodate standees in the event of potentially leaving customers behind.

With Polar buses no longer being built, BC Transit is replacing them with smaller Arboc community buses which have a seated capacity of only 20. Due to vehicle weight restrictions these buses are not permitted to carry standees therefore the system will lose passenger capacity. In order to make up for the loss of capacity, peak service will need to be increased, which will require an additional vehicle (Arboc) and additional costs.

### **Opportunity**

BC Transit has recently made available a number of medium-sized buses (Vicinity) for several transit systems in the province. BC Transit is planning to deploy these vehicles in 2013 (at this point the target date is September, but is subject to change). These buses have a seated capacity of 23 and can accommodate up to 16 standees. Due to the flexibility that these vehicles offer, BC Transit is recommending replacing the 2 Arboc buses (total capacity 20) with Vicinity buses (total capacity 39).

BC Transit is recommending replacing two of the existing vehicles with buses that have increased capacity. According to BC Transit, the alternative option of increasing peak service with smaller buses will cost more than twice the cost of accepting the offer of the two medium capacity Vicinity buses.

### **DISCUSSION:**

This capacity situation can be addressed in three ways:

1. Delivering service with larger capacity buses;
2. Increasing the number of trips at peak periods.
3. Status quo

### 1. Delivering service with medium capacity (Vicinity) buses [22% increase in capacity]

This fleet replacement will have associated incremental costs relating to the vehicle lease fees, fuel consumption and maintenance costs. The total incremental cost increase on an annual basis is estimated to be \$57,500 with the Local Share of this cost to the FVRD in the order of \$29,500 (before revenue). If the system improvements in 2010 are any indication, the increased capacity and improved system reliability has the potential to increase revenue and, in turn reduce the local partner requisitions to support the system

The local share is shown below, based on FVRD Sub-regional Service Area Bylaw allocations. The vehicles will be available in September 2013.

	Cost Share (By-law)	Annualized increase	2013 increase (Sept-Dec)
<b>Cost Increase (before revenue)</b>		\$29,500	\$9,833
Harrison Hot Springs	32%	\$9,440	\$3,147
District of Kent	36%	\$10,620	\$3,540
City of Chilliwack	25%	\$7,375	\$2,458
Electoral Area "D"	7%	\$2,065	\$688

### 2. Increasing number of trips (smaller buses) at peak period [13% increase in capacity]

This option is not simply a case of having the same buses running more frequently, it also requires the provision of additional service when required (when existing buses are in service). This will require adding an additional vehicle to the fleet (4 in total, including spare). Information provided by BC Transit indicates that the total incremental cost increase on an annual basis is estimated to be \$113,000 with the Local Share of this cost to the FVRD in the order of \$58,000 (before revenue). The incremental cost increase, as shown below, reflects the lease fee associated to the additional vehicle as well as the operating cost associated to providing the additional service (labour, fuel, maintenance, repairs and insurance).

In the table below it is assumed that 2 additional round trips are provided per day – one in the am peak and one in the pm peak. In addition, the delivery of an additional bus could take as long as 18 months, therefore capacity issues will not be immediately addressed.

	Cost Share (By-law)	Annualized increase
<b>Cost Increase (before revenue)</b>		\$58,000
Harrison Hot Springs	32%	\$18,560
District of Kent	36%	\$20,880
City of Chilliwack	25%	\$14,500
Electoral Area "D"	7%	\$4,060



Staff report dated April 15, 2013 to the Fraser Valley Regional District Board regarding BC Transit Review of Agassiz-Harrison Transit System Capacity Problems – Transit Improvement Proposal.

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### 3. Status quo [19% reduction of capacity]

A third option is to do nothing and make no adjustments for the loss of capacity due to vehicle replacement. Costs on the system will not decrease as the estimated operating costs will remain largely the same but revenues will decrease as the system will not have the ability to carry as many riders. Loss of system reliability, where customers feel that they cannot rely on the system to get to work on time, for example, could lead to further losses as customers choose alternative methods to get from point A to point B. A worst case situation could occur where the local partner requisition may need to increase, to offset revenue losses, while service levels are decreasing.

**COST:** Option 1 or 2 will require a budget amendment and the approval of partner local governments and the FVRD Board. Option 3 will require no budget amendment.

**COMMENT BY ACTING CHIEF ADMINISTRATIVE OFFICER:** Reviewed and supported

**COMMENT BY DIRECTOR OF CORPORATE SERVICES:** Reviewed and supported

**COMMENT BY DIRECTOR OF REGIONAL PROGRAMS:** Reviewed and supported



## APPENDIX A

### Agassiz-Harrison System - Bus Capacity Scenarios

	Vehicle	capacity by type	Total capacity
<b>Current system</b>			
	Polar	21 + 11 (st)	32
	Polar	21 + 11 (st)	32
(spare)	Arboc	20 + 0 (st)	20
<b>2013 system - replacement</b>			
	Polar	21 + 11 (st)	32
	Arboc	20 + 0 (st)	20
(spare)	Arboc	20 + 0 (st)	20
<b>BC Transit Proposal</b>			
	Vicinity	23 + 16 (st)	39
	Vicinity	23 + 16 (st)	39
(spare)	Polar	21 + 11 (st)	32
<b>2013 system (increased service hours) - 18 month delivery time</b>			
	Polar	21 + 11 (st)	32
	Arboc	20 + 0 (st)	20
	Arboc	20 + 0 (st)	20
(spare)	Arboc	20 + 0 (st)	20

(st) = standing



## VILLAGE OF HARRISON HOT SPRINGS

### REPORT TO COUNCIL

TO: Mayor and Council DATE: April 30, 2013  
 FROM: Director of Finance FILE: 1680  
 SUBJECT: 2012 Audited Financial Statements

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**ISSUE:** Annual Audited Financial Statements

#### BACKGROUND:

Section 167 of the *Community Charter* requires that municipalities annually submit audited financial statements to the Inspector of Municipalities

#### RECOMMENDATION:

THAT the 2012 Consolidated Financial Statements of the Village of Harrison Hot Springs be adopted; and

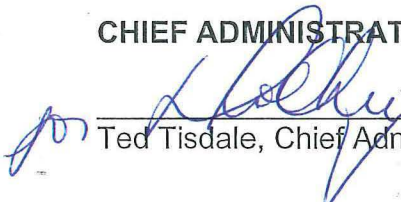
THAT the Independent Auditor's Report be received; and

THAT the Independent Auditor's Report be attached to the approved Consolidated Financial Statements of the Village of Harrison Hot Springs.

Respectfully submitted for your consideration;

  
 Dale Courtice, CGA  
 Director of Finance

#### CHIEF ADMINISTRATIVE OFFICER COMMENTS:

  
 Ted Tisdale, Chief Administrative Officer







Consolidated Financial Statements of

## **THE VILLAGE OF HARRISON HOT SPRINGS**

Year Ended December 31, 2012

**Village of Harrison Hot Springs**  
**Consolidated Financial Statements**  
**For the year ended December 31, 2012**

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## Village of Harrison Hot Springs

### MANAGEMENT REPORT

The accompanying consolidated financial statements are the responsibility of the Village's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Management is also responsible for all the notes to the consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the Council. The Council reviews internal financial statements on a monthly basis and external Audited Financial Statements annually.

The external auditors, McConnell, Voelkl, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the consolidated financial statements. Their examination includes a review and evaluation of the Village's system of internal control and appropriate tests and procedures to provide reasonable assurance that the consolidated financial statements are presented fairly. The external auditors have full and free access to financial management of the Village of Harrison Hot Springs and meet when required.

On behalf of the Village of Harrison Hot Springs

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Dale Courtice, CGA  
Director of Finance  
May 6, 2013



**Village of Harrison Hot Springs**  
**Consolidated Statement of Financial Position**  
**As at December 31, 2012**

	2012	2011
<b>Financial assets</b>		
Cash and investments (Note 2)	\$ 5,595,199	\$ 4,899,588
Accounts receivable (Note 3)	583,901	1,515,728
Lease receivable	-	44,961
MFA deposits (Note 4)	13,808	13,661
	6,192,908	6,473,938
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities (Note 5)	309,272	811,699
Developer's deposits and other trust liabilities (Note 6)	66,036	128,020
Deferred revenue (Note 7)	660,130	530,653
Development cost charges (Note 8)	847,023	1,109,173
MFA demand notes (Note 4)	13,808	13,661
Capital lease	-	8,975
Long-term debt (Note 9)	38,787	50,505
Interim financing debt (Note 10)	850,000	1,000,000
	2,785,056	3,652,686
Net financial assets	3,407,852	2,821,252
<b>Non-financial assets</b>		
Tangible capital assets (Note 11, Schedule I)	30,017,219	28,986,165
Prepaid expenses	37,009	39,712
	30,054,228	29,025,877
<b>Accumulated surplus</b>	<b>\$ 33,462,080</b>	<b>\$ 31,847,129</b>
Represented by:		
Operating fund	\$ 2,200,964	\$ 1,960,144
Capital fund (Note 13)	1,243,690	743,518
Statutory reserve fund (Note 13)	888,994	1,216,783
Equity in tangible capital assets (Note 12)	29,128,432	27,926,684
	\$ 33,462,080	\$ 31,847,129

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

Approved on behalf of Mayor and Council

\_\_\_\_\_  
Dale Courtice, CGA  
Director of Finance

**Village of Harrison Hot Springs**  
**Consolidated Statement of Operations**  
**for the year ended December 31, 2012**

	<b>Budget</b>	<b>2012</b>	<b>2011</b>
	(Unaudited - note 20)		
<b>Revenue</b>			
Property taxes (Note 14,23)	\$ 1,812,200	\$ 1,821,615	\$ 2,183,269
Sale of services (Note 15)	889,750	895,336	734,138
Utility Service Fees (Note 16)	383,000	386,859	-
Government transfers (Note 17)	1,896,700	1,815,184	2,844,232
Investment income	26,500	28,174	35,348
Penalties and interest	20,600	22,842	28,863
Development cost charges (Note 8)	313,000	313,000	-
Other	32,600	58,344	32,835
	5,374,350	5,341,354	5,858,685
<b>Expenses (Note 21)</b>			
Legislative	130,100	131,722	120,585
General government	992,950	923,979	911,069
Protective services	211,650	179,406	187,222
Public Works	192,800	152,156	194,423
Transportation services	179,050	167,187	123,820
Public health	5,200	4,396	2,134
Planning and development	49,100	39,180	22,214
Tourism, Community and Economic Development	87,250	66,334	94,529
Sustainability	18,400	18,418	28,840
Solid waste management and recycling	123,650	114,013	107,467
Beaches, parks, recreation and culture	388,900	361,007	402,274
Water services	185,300	148,853	158,207
Sewer services	446,950	430,837	251,152
Non-Capital items expensed (Note 18)	-	243,761	120,340
Debt financing	31,450	25,625	60,582
Amortization (Note 1, Schedule I)	581,300	697,476	638,882
	3,624,050	3,704,350	3,423,740
Annual surplus	1,750,300	1,637,004	2,434,945
Prior period adjustment (Note 19)	-	(22,053)	84,847
Accumulated surplus, beginning of year	31,847,129	31,847,129	29,327,337
	\$ 33,597,429	\$ 33,462,080	\$ 31,847,129

*Commitments and contingencies are specified in Note 22*

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

**Village of Harrison Hot Springs**  
**Consolidated Statement of Change in Net Financial Assets**  
**for the year ended December 31, 2012**

	<b>Budget</b>	<b>2012</b>	<b>2011</b>
	(unaudited - note 22)		
<b>Annual Surplus</b>	\$ 1,750,300	\$ 1,637,004	\$ 2,434,945
Acquisition of tangible capital assets	(2,521,700)	(2,245,202)	(3,778,719)
Amortization of tangible capital assets	581,300	697,476	638,881
Disposal of tangible capital assets at NBV	-	516,672	4,858
Prior period adjustment	-	(22,053)	84,847
	(190,100)	583,897	(615,188)
Acquisition of prepaid expenses	-	(37,009)	(39,712)
Use of prepaid expenses	-	39,712	37,234
	-	2,703	(2,478)
Increase (decrease) in net financial assets	(190,100)	586,600	(617,666)
Net financial assets, beginning of year	2,821,252	2,821,252	3,438,918
Net financial assets, end of year	\$ 2,631,152	\$ 3,407,852	\$ 2,821,252

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



**Village of Harrison Hot Springs**  
**Consolidated Statement of Cash Flows**  
**for the year ended December 31, 2012**

	2012	2011
Cash provided by (used in):		
Operating Activities:		
Annual surplus / (deficit)	\$ 1,637,004	\$ 2,434,945
Non cash items:		
Amortization	697,476	638,881
(Increase) Decrease in prepaid expenses	2,703	(2,479)
Prior period adjustment	(22,053)	84,847
Changes to financial assets / liabilities:		
Accounts receivable	931,828	(1,099,291)
Lease Receivable	44,961	3,456
Accounts payable and accrued liabilities	(564,412)	214,162
Deferred revenue	129,476	103,078
Development cost charges	(262,149)	132,560
Net change in cash from operating activities	2,594,834	2,510,159
Capital Activities:		
Disposal of tangible capital assets at net book value	516,672	4,858
Acquisition of tangible capital assets	(2,245,202)	(3,778,719)
Net change in cash from capital activities	(1,728,530)	(3,773,861)
Financing Activities:		
Debt repayment	(164,343)	(580,057)
Actuarial adjustments	(6,350)	(15,130)
Net change in cash from financing activities	(170,693)	(595,187)
Net change in cash	695,611	(1,858,889)
Cash and cash equivalents, beginning of year	4,899,588	6,758,477
Cash and cash equivalents, end of year	\$ 5,595,199	\$ 4,899,588

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

**Village of Harrison Hot Springs**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2012**

**1. Significant Accounting Policies**

The Consolidated Financial Statements of the Village of Harrison Hot Springs 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 Canadian Institute of Chartered Accountants. Significant accounting policies adopted by the Village are as follows:

**a. Basis of consolidation**

The Consolidated 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 on consolidation.

- 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 property and equipment 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 an approved council budget and resolution before these funds can be expended.

**b. Revenue Recognition**

Sources of revenue are recorded on the accrual basis and include revenue in the period in which the transactions or events occurred that give rise to the revenues and the expenses include any liabilities incurred and transfers made. Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year. Sale of services, user fee revenues, investment income, penalties and interest and other revenues are recognized when they are rendered by the Village or are due by convention, bylaw, or received. Grant revenues are recognized when the funding becomes receivable. Revenue unearned in the current period is recorded as deferred revenue and is recognized as revenue in the fiscal year the services are performed.

**c. Investments**

Investments are recorded at cost. When in the opinion of management, there is a permanent decline in value, investments are written down to their net realizable value.

**d. Long-term debt**

Long-term debt is recorded net of related sinking fund balances.

**Village of Harrison Hot Springs**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2012**

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. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing the year the asset is put in to service.

Asset	Useful Life - Years
Land improvements	10 – 25
Parks infrastructure	10 – 50
Buildings	40 – 50
Machinery and equipment	5 – 10
IT infrastructure	4 – 10
Vehicles	5 – 20
Roads infrastructure	15 – 20
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.

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 consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the period.



Village of Harrison Hot Springs  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2012

**2. Cash and Investments**

	2012	2011
Restricted cash and investments		
Statutory Reserves	\$ 933,898	\$1,262,791
Non-statutory reserves	2,634,512	2,680,458
	3,568,410	3,943,249
Unrestricted cash and investments	2,026,789	956,339
Total cash and investments	\$5,595,199	\$4,899,588

**3. Account Receivable**

	2012	2011
Property taxes	\$195,066	\$138,866
Other governments	61,473	1,320,058
Trade and other	327,362	56,804
	\$583,901	\$1,515,728

**4. Deposit and Reserve – Municipal Finance Authority**

The Municipal Finance Authority of British Columbia (the Authority) provides capital funding for regional districts and their member municipalities. The Authority is required to establish a Debt Reserve Fund. The Authority 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 Authority to the regional districts.

Upon the maturity of a debt issue, the unused portion of the Debt Reserve Fund established for that issue will be discharged to the Municipality. The proceeds from these discharges will be credited to income in the year they are received. As at December 31, the total of the Debt Reserve fund was comprised of:

	2012	2011
Cash deposits	\$13,808	\$13,661
Demand notes	\$13,808	\$13,661

Village of Harrison Hot Springs  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2012

5. Accounts Payable and Accrued Liabilities

	2012	2011
Trade and other	\$301,318	\$459,696
Holdbacks payable	-	348,463
Other government	522	2,750
Accrued benefits	7,432	790
	<u>\$309,272</u>	<u>\$811,699</u>

6. Developer's Deposits and Other Trust Liabilities

	2012	2011
Property and event damage deposits	\$34,431	\$91,726
Non-refundable deposits	27,369	27,002
Letter of credit	2,980	2,940
Community groups funds held in trust	1,256	6,352
	<u>\$66,036</u>	<u>\$128,020</u>

7. Deferred Revenue

	2012	2011
Prepaid taxes	\$126,517	\$ 118,809
Gas tax	330,463	389,290
Facility rentals and other	203,150	22,554
	<u>\$660,130</u>	<u>\$530,653</u>

8. Development Cost Charges

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

	Opening Balance	Receipts	Interest	Transfers Out	Closing Balance
Sewer	\$ 974,506	\$ 11,268	\$11,551	\$313,000	\$684,325
Water	134,667	12,920	1,854	-	149,441
Drainage	-	8,588	58	-	8,646
Parks	-	4,580	31	-	4,611
	<u>\$ 1,109,173</u>	<u>\$ 37,356</u>	<u>\$13,494</u>	<u>\$313,000</u>	<u>\$847,023</u>

**Village of Harrison Hot Springs**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2012**

**9. Long-Term Debt**

	Balance, beginning of Year	Additions	Principal Repayments	Actuarial * Adjustment	Balance, end of year
<b>Sewer Fund</b>					
MFA Issue 60	50,505	-	5,368	6,350	38,787

The following principle amounts are payable over the next three years:

	2012	2013	2014
Sewer Fund	\$5,368	\$5,368	\$5,368

\* Actuarial Adjustments represent interest earned on sinking funds held by the Municipal Finance Authority. Such interest is used to reduce the principal amount of outstanding debt.

**10. Interim Financing**

In 2009 the Village borrowed \$1,500,000 under the Interim Financing Program from the Municipal Finance Authority of British Columbia for the purpose of constructing a new water reservoir. The Village has until 2014 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 is paid monthly. During the year the Village paid \$17,194 in interest.

	2012	2011
Balance, December 31, 2010	\$1,000,000	\$ 1,200,000
Principal repayments	(150,000)	(200,000)
Balance, December 31, 2011	\$ 850,000	\$1,000,000



**Village of Harrison Hot Springs**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2012**

**11. Tangible Capital Assets**

	2012	2011
Land	\$9,984,913	\$9,984,913
Buildings	1,189,085	1,243,963
Equipment, furniture and vehicles	653,640	357,894
Engineering structures:		
Water	5,117,222	5,202,918
Sewer	6,017,259	2,350,852
Drainage	1,206,902	1,224,572
Roads	4,358,522	3,797,108
Other	1,321,090	1,374,582
Other tangible capital assets	168,586	3,449,363
<b>Total</b>	<b>\$30,017,219</b>	<b>\$28,986,165</b>

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

The Village has \$81,421 of tangible capital assets under construction at December 31, 2012.

**12. 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:

	2012	2011
Equity in TCA, beginning of year	\$27,926,684	\$24,196,519
Add: Capital acquisitions	2,245,202	3,778,719
Debt principal repayment	164,344	580,056
Actuarial adjustment	6,350	15,130
Less: Amortization		
Dispositions at NBV	(516,672)	(4,858)
Amortization	(697,476)	(638,882)
<b>Equity in TCA, end of year</b>	<b>\$29,128,432</b>	<b>\$27,926,684</b>

**Village of Harrison Hot Springs**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2012**

**13. Accumulated Surplus**

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

	2012	2011
<b>Surplus:</b>		
Invested in tangible capital assets	\$29,128,432	\$27,926,684
Operating fund	2,200,964	1,960,144
<b>Total surplus</b>	<b>31,329,396</b>	<b>29,886,828</b>
<b>Reserves set aside by Council:</b>		
<b>Capital Fund Reserves</b>		
Recreation Centre	402,269	-
Assessment appeal	43,835	18,411
Beach	35,009	34,539
Building	57,717	56,942
Contingencies	10,564	10,423
Dock replacement	27,343	26,976
Flood box / drainage	14,316	14,122
General	27,082	26,718
Insurance	9,172	9,049
Memorial Hall restoration	5,122	8,530
Parking / traffic management	35,423	25,081
Office equipment	21,480	21,191
Property	43,708	43,121
Road/Sidewalk	12,419	12,252
Sick leave/Retirement	102,547	83,145
Sewer	276,552	255,283
Water	119,132	97,735
<b>Total Capital Fund Reserves</b>	<b>1,243,690</b>	<b>743,518</b>
<b>Statutory Fund Reserves:</b>		
Community amenities	85,107	19,506
Fire department capital	132,184	455,532
Land unexpended funds	12,141	7,361
Parkland acquisition	42,829	17,468
Public works capital	69,974	69,075
Sewage treatment replacement	448,999	550,228
Sewer unexpended funds	76,941	75,903
Port Divestiture income	20,819	21,710
<b>Total Statutory Fund Reserves</b>	<b>888,994</b>	<b>1,216,783</b>
	<b>\$33,462,080</b>	<b>\$31,847,129</b>

**Village of Harrison Hot Springs**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2012**

**14. Taxation**

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

	<b>Budget</b>	<b>2012</b>	<b>2011</b>
<b>Taxes collected</b>			
Municipal property taxes	\$1,774,000	\$1,774,002	\$1,748,531
Municipal debt taxes	-	-	25,591
Frontage taxes - Sewer	-	-	198,262
Frontage taxes - Water	-	-	185,303
1 % Utility taxes	31,500	31,610	30,327
Payments in lieu of taxes	6,700	6,644	6,410
School taxes	1,296,200	1,296,161	1,306,412
Regional District	62,200	62,165	63,697
Regional Hospital District	111,500	111,485	114,267
Police tax	108,400	108,337	110,510
Other agencies	31,300	31,319	32,518
	<b>3,421,800</b>	<b>3,421,723</b>	<b>3,821,828</b>
<b>Less transfers to other governments</b>			
School District	1,296,200	1,287,408	1,315,164
Regional District	62,200	62,163	64,295
Regional Hospital District	111,500	111,484	115,229
Police	108,400	107,734	111,114
Other agencies	31,300	31,319	32,757
	<b>1,609,600</b>	<b>1,600,108</b>	<b>1,638,559</b>
<b>Net taxes available for municipal purposes</b>	<b>\$1,812,200</b>	<b>\$1,821,615</b>	<b>\$2,183,269</b>

**15. Sale of Services, User Rates, Rentals**

	<b>Budget</b>	<b>2012</b>	<b>2011</b>
Sewer user fees	\$475,000	\$485,886	\$317,328
Water user fees	177,000	175,849	177,447
Curbside collection fees	90,000	90,933	90,423
Licenses and permits	40,400	34,932	46,625
Facility rentals	97,000	93,651	95,613
Fines	3,300	2,515	2,655
Other	4,050	5,169	4,047
Utility penalties	3,000	6,401	-
<b>Total</b>	<b>\$889,750</b>	<b>\$895,336</b>	<b>\$734,138</b>



**Village of Harrison Hot Springs**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2012**

**16. Utility Service Fees**

	<b>Budget</b>	<b>2011</b>	<b>2011</b>
Sewer service utility fee - residential	\$184,000	\$176,077	\$ -
Sewer service utility fee - business	14,000	19,858	-
Water service utility fee - residential	171,000	169,856	-
Water service utility fee - business	14,000	21,068	-
<b>Total</b>	<b>\$383,000</b>	<b>\$386,859</b>	<b>\$ -</b>

**17. Government Transfers**

The Village recognizes the transfer of government funding as expenses or revenues in the period that the events giving rise to the transfer occurred. The Government transfers reported on the Statement of Operations are:

	<b>Budget</b>	<b>2012</b>	<b>2011</b>
<b>Provincial:</b>			
Conditional			
Infrastructure - wastewater treatment plant	\$537,500	\$579,993	\$ 818,183
Resort Municipality Initiative	310,000	133,704	289,598
McComb's Drive bridges	-	-	400,000
Other	700	756	542
Unconditional	451,000	451,379	436,756
<b>Federal:</b>			
Conditional			
Infrastructure - wastewater treatment plant	537,500	491,628	818,183
Gas tax	60,000	156,107	80,970
	<b>\$1,896,700</b>	<b>\$1,813,567</b>	<b>\$2,844,232</b>

**18. Non-Capital items expensed**

This includes items that although budgeted as capital expenditures did not qualify as tangible capital assets under the Village's policy.

**19. Prior period adjustment**

Prior period adjustments represent the accumulated effect of recording Development Cost Charge revenue, Gas Tax revenue and Resort Municipality Initiative revenue in the year the revenue is received rather than when the revenue is actually used for a particular capital project.

**Village of Harrison Hot Springs**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2012**

**20. Budget Data**

The unaudited budget data presented in these consolidated financial statements is based upon the 2012 operating and capital budgets adopted by Council on April 23, 2012. The chart below reconciles the approved balanced budget to the budget figures reported in these consolidated financial statements.

<b>2012 Adopted Operating and Capital Budget</b>	<b>Budget Amount</b>
Revenues:	
Operating budget	\$3,624,050
Capital budget	2,521,700
Total revenue	6,145,750
Expenses:	
Operating budget	3,624,050
Capital budget	2,521,700
Total expenses	6,145,750
Budgeted surplus (deficit)	\$ -
Budgeted surplus (deficit)	\$ -
Add:	
Capital expenses	\$2,521,700
Transfers to reserves	323,000
Principal repayments	152,400
Less:	
Transfers from reserves	(665,500)
Amortization	(581,300)
Annual budgeted surplus (see statement of operations page 4)	\$1,750,300

**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:

	<b>Budget</b>	<b>2012</b>	<b>2011</b>
Salaries, wages and employee benefits	\$1,416,900	\$1,372,680	\$1,290,586
Operating materials and supplies	620,500	508,223	429,766
Contracted services	218,000	189,955	194,680
Administrative services and supplies	462,500	399,169	432,296
Utilities	160,100	134,225	129,044
Rentals and contractual obligations	133,300	133,236	127,564
Debt financing	31,450	25,625	60,582
Other	-	243,761	120,340
Amortization	581,300	697,476	638,882
Total expenditures by object	\$3,624,050	\$3,704,350	\$3,423,740

**Village of Harrison Hot Springs**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2012**

**22. Commitments and Contingencies**

- a. The municipality and its employees contribute to the Municipal Pension Plan (the plan), a jointly trusted pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 176,000 active members and approximately 67,000 retired members. Active members include approximately 35,000 contributors from local governments.

The latest valuation as at December 31, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. Defined contribution plan accounting is applied to the Plan as the Plan exposes the participating entities to actuarial risks associated with the current and former employees of other entities, with result that there is no consistent and reliable basis for allocating the obligation, Plan assets and cost to individual entities participating in the Plan.

The Village of Harrison Hot Springs paid \$86,132 for employer contributions to the plan in fiscal 2012.

- 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 \$31,000. The term of the agreement ends December 31, 2013.

**23. Significant Taxpayer**

The Village is reliant upon one taxpayer for approximately 23 % of the property tax revenue.

**24. Comparative Figures**

Certain balances of the preceding year have been reclassified to conform to the current year's financial statement presentation.





CHARTERED ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

To the Mayor Council of the VILLAGE OF HARRISON HOT SPRINGS

We have audited the Consolidated Statement of Financial Position of the **VILLAGE OF HARRISON HOT SPRINGS** as at **DECEMBER 31, 2012**, the Consolidated Statement of Operations, and the Consolidated Statement of Changes in Net Financial Assets for the year then ended.

These financial statements are the responsibility of the Village's Management. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and to have in place such internal control as management determines necessary to enable the consolidated financial statements to be free from material misstatements, whether due to fraud or error.

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

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

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

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the **VILLAGE OF HARRISON HOT SPRINGS** as at **DECEMBER 31, 2012**, and the results of its financial activities for the year then ended in accordance with Canadian generally accepted accounting principles for local governments modified as disclosed in Note 1 to the consolidated Financial Statements. We report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

*McConnell, Voelkl*

CHARTERED ACCOUNTANTS

May 6, 2013

Hope, B.C., Canada

