



# FINANCIAL PLAN

## BYLAW NO. 1161, 2021

### (CONSOLIDATED)

Record of Amendments to Financial Plan Bylaw No. 1161, 2021				
Amending Bylaw No.	Type of Amendment		Summary of Amendment	Date of Adoption
	Text	Schedule		
1169		x	Schedule B	October 4, 2021



**VILLAGE OF HARRISON HOT SPRINGS  
BYLAW NO. 1161, 2021**

**A Bylaw of the Village of Harrison Hot Springs to establish the 2021 – 2025  
Financial Plan**

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WHEREAS the *Community Charter* requires the municipality to adopt a five-year 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 2021 - 2025.
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 2021 – 2025.
3. This bylaw may be cited for all purposes as the “Village of Harrison Hot Springs Financial Plan Bylaw No. 1161, 2021”
4. Bylaw No. 1153, 2020 – 2024 Financial Plan is hereby repealed.

READINGS AND ADOPTION

READ A FIRST TIME THIS 1<sup>st</sup> DAY OF FEBRUARY, 2021

AMENDED AND READ A SECOND TIME THIS 16<sup>th</sup> DAY OF FEBRUARY, 2021

READ A THIRD TIME THIS 16<sup>th</sup> DAY OF FEBRUARY, 2021

ADOPTED THIS 1<sup>st</sup> DAY OF MARCH, 2021

AMENDMENT BYLAW 1169 ADOPTED ON THE 4<sup>TH</sup> DAY OF OCTOBER, 2021

“Leo Facio”  
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Mayor

“Debra Key”  
\_\_\_\_\_  
Corporate Officer

**BYLAW NO. 1161, 2021**

**SCHEDULE "A"**  
**2021-2025 Financial Plan**

	2021	2022	2023	2024	2025
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
<b>REVENUES:</b>					
PROPERTY TAXES - MUNICIPAL	2,425,128	2,484,634	2,505,482	2,545,173	2,594,700
COLLECTIONS OTHER GOVERNMENTS & AGENCIES	2,053,715	2,143,210	2,223,856	2,307,654	2,353,807
PENALTIES & INTEREST - TAXES	-	-	-	-	-
UTILITY CO. 1% REVENUE TAXES	38,524	38,878	38,935	39,505	40,296
PAYMENTS IN LIEU OF TAXES	5,500	5,500	5,500	5,500	5,610
TOTAL TAXES COLLECTED	4,522,867	4,672,222	4,773,773	4,897,833	4,994,413
REMITTANCES OTHER GOVERNMENTS & AGENCIES	(2,053,715)	(2,143,210)	(2,223,859)	(2,307,654)	(2,353,807)
NET TAXES FOR MUNICIPAL PURPOSES	2,469,152	2,529,012	2,549,914	2,590,179	2,640,606
REVENUE FROM OWN SOURCES	2,014,763	2,083,398	2,111,671	2,147,159	2,188,863
GRANTS AND DONATIONS	6,100,000	2,328,000.00	550,000.00	550,000.00	561,000.00
DCC	1,175,000	-	-	-	-
CONTRIBUTED ASSETS	-	-	-	-	-
TOTAL REVENUE	\$11,758,915	\$6,940,410	\$5,211,585	\$5,287,338	\$5,390,469
<b>EXPENSES:</b>					
LEGISLATIVE	131,350	131,360	133,150	134,950	137,649
GENERAL GOVERNMENT	1,264,720	1,209,086	1,215,650	1,236,041	1,260,762
PROTECTIVE SERVICES	333,027	294,364	273,226	276,681	282,215
DEVELOPMENT PLANNING	487,300	122,700	122,700	122,700	125,154
TOURISM AND COMMUNITY IMPROVEMENT	289,483	293,909	298,135	302,573	308,624
ENGINEERING, TRANSPORTATION, STORM WATER	924,816	882,512	889,141	904,710	922,164
SOLID WASTE	212,948	192,505	193,575	194,667	198,560
PARKS, RECREATION & CULTURAL SERVICES	535,558	518,122	525,085	534,927	545,626
WASTEWATER UTILITY	819,500	838,352	850,029	863,470	880,739
WATER UTILITY	509,513	505,693	515,087	525,388	535,896
DEBT- INTEREST	15,700	15,700	15,700	15,700	16,014
TOTAL EXPENDITURES	5,523,915	5,004,303	5,031,479	5,111,805	5,213,402
SURPLUS (DEFICIT)	\$6,235,000	\$1,936,107	\$180,106	\$175,533	\$177,067
<b>CAPITAL, DEBT, RESERVES, TRANSFERS &amp; BORROWING</b>					
<b>BORROWING</b>					
CAPITAL EXPENDITURES	(6,841,958)	(2,544,000)	(109,000)	(109,000)	(111,180)
REPAYMENT ON DEBT	(53,100)	(53,100)	(53,100)	(53,100)	(54,162)
PROCEEDS OF DEBT	-	110,000	-	-	-
CONTRIBUTIONS TO RESERVES	(997,200)	(1,148,007)	(1,164,209)	(1,177,176)	(1,195,365)
TRANSFERS FROM RESERVES	581,458	479,000	109,000	109,000	111,180
APPROPRIATION FROM SURPLUS	55,800	200,000	-	-	-
EQUITY IN TANGIBLE CAPITAL ASSETS	1,020,000	1,020,000	1,037,200	1,054,744	1,075,839
	\$(6,235,000)	\$(1,936,107)	\$(180,109)	\$(175,532)	\$(173,688)
SURPLUS (DEFICIT) PLUS CAPITAL, DEBT,	\$ -	\$ -	\$ -	\$ -	\$ -

**BYLAW NO. 1161, 2021**

**SCHEDULE “B”**  
**2021 FINANCIAL PLAN OBJECTIVES AND POLICIES (AB#1169)**

In accordance with Section 165(3.1) of the Community Charter, the Village of Harrison Hot Springs is required to include in the Five 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 2021. Property taxes usually form the greatest proportion of revenue. As a revenue source, property taxation offers a stable and reliable source of revenues for services such as:

- Governance & Administration
- Operations & Public Works
- Protective Services
- Recreation, Parks & Culture

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 are applied include water and sewer usage, & solid waste management – these are charged on a user pay basis. User fees are designed to apportion the value of a service to those who use the service.

**Table 1: 2021 Funding Sources**

<b>Revenue Source</b>	<b>% of Total Revenue</b>	<b>Dollar Value</b>
Property Taxes including Payments in Lieu	<b>20%</b>	<b>\$2,469,152</b>
Service Utility Fees (Frontage Taxes)	<b>3.9%</b>	<b>\$476,300</b>
User fees	<b>8.1%</b>	<b>\$994,013</b>
Reserves	<b>4.7%</b>	<b>\$581,458</b>
Surplus	<b>0.4%</b>	<b>\$55,800</b>
DCC Revenues	<b>9.5%</b>	<b>\$1,175,000</b>
Borrowing	<b>0%</b>	<b>\$0</b>
Grants/Donations	<b>49.2%</b>	<b>\$6,100,000</b>
Other sources	<b>4.2%</b>	<b>\$544,450</b>

**Objective and Policies**

- to continue to seek grants for major infrastructure repair and replacement
- to keep the public well-informed about projects and initiatives
- to review utility participation rates to ensure they are equitably funded
- to establish reserve policies to assist in the funding of future capital replacements and to stabilize tax rates
- to ensure that Village services are financially sustainable

## **Distribution of Property Taxes**

Table 2 outlines the distribution of property taxes among the property classes.

**Table 2: 2021 Distribution of Property Tax Rates**

<b>Property Class</b>	<b>% of Total Property Taxation</b>
<b>Residential (1)</b>	<b>66%</b>
<b>Business (6)</b>	<b>29%</b>
<b>Recreation/Non-profit (8)</b>	<b>5%</b>

## **Policies and Objectives**

- *Ensure that Village services are financially sustainable*
- *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*
- *Continue to seek grants for major infrastructure renewal and projects*
- *Keep the public well-informed about projects and initiatives*
- *Maintain reserve funds for the funding of future capital replacements*
- *Maintain reserve funds to stabilize tax rates when required*

## **Permissive Tax Exemptions**

### **Policies & Objectives**

*Council may consider a revitalization tax exemption in conjunction with its Financial Plan, for the purpose of providing incentives for development and revitalization of property within the Village.*