



Photo Credit: Tourism Harrison

VILLAGE OF HARRISON HOT SPRINGS BRITISH COLUMBIA
CANADA
2021 ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021



HARRISON HOT SPRINGS

Naturally Refreshed





HARRISON HOT SPRINGS

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MUNICIPALITY

Village of Harrison Hot Springs

ANNUAL REPORT

For the year ended December 31, 2021

PREPARED BY

Financial Services & Community Services

LOCATION

Harrison Hot Springs
British Columbia, Canada

CONTACT

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VILLAGE OF HARRISON HOT SPRINGS BRITISH COLUMBIA
CANADA
2021 ANNUAL REPORT



Table of Contents

01 INTRODUCTORY SECTION

MAYOR'S MESSAGE	01
VILLAGE COUNCIL	02
LETTER OF TRANSMITTAL	05
CANADIAN AWARD FOR FINANCIAL REPORTING	09
ORGANIZATIONAL CHART	10
VILLAGE DEPARTMENTS	11
GOALS & OBJECTIVES	14

02 FINANCIAL SECTION

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	21
FIVE YEAR FINANCIAL PLAN	22
AUDITOR'S REPORT	23
STATEMENT OF FINANCIAL POSITION	25
STATEMENT OF OPERATIONS	26
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS	27
STATEMENT OF CASH FLOWS	28
NOTES TO THE FINANCIAL STATEMENTS	29
SCHEDULE 1: STATEMENT OF TANGIBLE CAPITAL ASSETS	45
SCHEDULE 2: TABLE OF SEGMENTED INFORMATION	46
SCHEDULE 3: COVID-19 SAFE RESTART GRANT	47

03 STATISTICAL SECTION

DEMOGRAPHICS & TOURISM	49
EMPLOYMENT	50
STATEMENT OF FINANCIAL POSITION	51
REVENUES BY SOURCE	52
EXPENSES BY FUNCTION	53
EXPENSES BY OBJECT	54
ASSESSED VALUES	55
MUNICIPAL PROPERTY TAXES	55
DEBT	55
TAX RATES	56
BUILDING PERMITS ISSUED	57
VALUE OF BUILDING PERMITS ISSUED	57
BUSINESS LICENSES ISSUED	58
BYLAW ENFORCEMENT	59
GUIDE TO MRDT VS. RMI	61





Photo Credit: Tourism Harrison



MAYOR'S MESSAGE

I don't remember a time when the word "unprecedented" was used so much in one year. In 2021, the Village of Harrison Hot Springs experienced heat domes, atmospheric rivers, and an ongoing pandemic. The province was devastated by forest fires and flooding. All of these challenges had an effect on our residents, business operators, neighbouring communities, friends and families. My heart goes out to all of those who were affected.

Very early in 2021, officials were informed that Health Canada approved COVID-19 vaccines would be supplied to British Columbia residents. To ensure that citizens of Harrison Hot Springs had access to vaccines, on behalf of Council, I spent a significant amount of time this year advocating to the Province for local COVID-19 Immunization Clinics which were set up in Agassiz. There were also two pop-up clinics at our waterfront in the Harrison Civic Plaza. I continued to advocate to the Province for assistance to our businesses who had been hardest hit by travel restrictions, road closures, fuel rationing, and cancelled events due to both the pandemic and the transportation disruptions caused by November's storm event.

We are grateful to the federal and provincial governments for grant funding under the Investing in Canada Infrastructure and Community Economic Recovery Infrastructure programs which aided us in completing the Miami River Greenway, build a new walking trail on McCombs Drive and begin on seismic upgrades to our Fire Hall. We also received two Provincial grants to build a berm and plaza with seating on the southwest side of the lagoon which will protect infrastructure, enhance the area, and improve playground safety. Provincial funding was also secured to assess the Harrison Lake Dike which protects the community against floodwaters originating with Harrison Lake. Quantifying and mapping local flood risk will help the Village evaluate the existing flood protection infrastructure and prioritize future flood management efforts such as emergency response provisions and land use planning. There has never been a more pressing time to undertake this review. We also continue to receive Resort Municipality Initiative funding which will be invested in further upgrades to our waterfront area. In total, we received over \$3.2 million in grant funding in 2021.

To support the first ever National Day for Truth and Reconciliation, the Village Office was closed so that staff could have time to meaningfully reflect on the history and legacy of residential schools and to honour Indigenous communities, families and survivors. I was honoured to join Sts'ailes leadership in a walk for reconciliation on September 25 when we walked together from the Sasquatch Eco-Lodge to the Sandpiper Gold Course. Lights in the Civic Plaza were also installed and glowed orange for the duration of the night.

I am very proud of how we persevered this year and came together as a community. As we move cautiously forward to welcome visitors and to once again engage in social and cultural events, we do so with open hearts and with gratitude for all the wonderful things our community has to offer.

MAYOR LEO FACIO

VILLAGE COUNCIL



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

About Village Council

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

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

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

VILLAGE COUNCIL



Mayor Leo Facio

COUNCIL APPOINTMENTS

Fraser Valley Regional District Board,
Municipal Director

Fraser Valley Regional Hospital District Board,
Municipal Director

Kent Harrison Joint Emergency Program Committee



Councillor Samantha Piper

COUNCIL APPOINTMENTS

Corrections Canada Citizen's Advisory Committee

Kent Harrison Joint Emergency Program Committee

Fraser Valley Regional Library, Alternate Municipal Director

Harrison Agassiz Chamber of Commerce

Tourism Harrison



Councillor Gerry Palmer

COUNCIL APPOINTMENTS

Fraser Valley Regional Library, Municipal Director

Kent Harrison Joint Emergency Program Committee

Public Art Committee, Chair



Councillor Ray Hooper

COUNCIL APPOINTMENTS

Fraser Health Authority

Agassiz Harrison Historical Society



Councillor Michie Vidal

COUNCIL APPOINTMENTS

Fraser Valley Regional District Board,
Alternate Municipal Director

Fraser Valley Regional Hospital District Board,
Alternate Municipal Director

Agassiz Harrison Healthy Communities



May 9, 2022

To the Mayor and Council,

I am pleased to submit the 2021 Annual Report for the Village of Harrison Hot Springs (the Village). The purpose of this report is to present the financial results for the fiscal year ended December 31, 2021 in accordance with the Community Charter and the Local Government Act. This report includes the Audit Report from BDO Canada LLP, the Financial Statements of the Village, and supplementary information for the year ended December 31, 2021. In 2021, the Village was the recipient of a Canadian Award for Financial Reporting (CAnFR) from the Government Finance Officers Association for its 2020 Annual Report, which marked the second consecutive year that this award was won by the Village. The CAnFR recognizes excellence in governmental accounting and financial reporting and represents a significant accomplishment by a local government and its management.

In order to receive a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we will be submitting it to GFOA to determine its eligibility for another award. Staff are proud of what they have accomplished and we hope to continue on this path in the future.

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

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

The financial statements have been examined by the Village's independent external auditor, BDO Canada LLP in accordance with Canadian generally accepted auditing standards. The external auditor's responsibility is to express their opinion on whether the financial statements, in all material respects, fairly present the Village's financial position, results of operations, changes

in net financial assets and cash flows in accordance with Canadian Public Sector Accounting Standards. Their Independent Auditor's Report outlines the scope of their examination and their opinion. The external auditor has full and open access to all records of the Village and has direct access to management and Council when required.

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

1. **Introductory Section:** Provides an overview of the Village and our role, vision and strategic direction. It includes the nature and scope of the services provided as well as highlights and accomplishments.
2. **Financial Section:** Presents the 2021 financial statements, notes, supplementary schedules and the independent Auditors' Report for the Village.
3. **Statistical Section:** Presents a variety of statistical and financial information on a five-year comparative basis.

Financial Overview

Significant Financial Management Policies:

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

Statement of Financial Position:

The statement of financial position shows the results of net financial assets and tangible capital assets. Tangible capital assets are accounted for at net value (acquisition cost less accumulated amortization). In 2021 there was a decrease to tangible capital assets in the amount of approximately \$614,000. This occurred because the additions to tangible capital assets were less than the amount of amortization that the tangible capital assets incurred during the year, largely due to major capital projects being carried forward into 2022. Additions in the amount of \$477,797 included the McCombs Drive and Miami River Greenway trail development, transit bus shelters, and preliminary work for the beach redevelopment project.

Development cost charges (DCC's) are contributions collected from developers to pay for growth in infrastructure and to support new development for sewer, water, drainage, and parks in the future. In 2021 there was only a small addition to the DCC's of \$21,595, however only \$15,551 was expended.

Long –term debt and liabilities under agreement were reduced overall by \$59,677 in 2021. All other debt relates to the General Fund and is serviced by taxation.

Accumulated surplus includes investment in tangible capital assets. Equity in tangible capital assets is the net Tangible Capital Assets less debt used to purchase the assets. Due to the additions to capital assets being less than the amortization in 2021, there was a net decrease to the equity in TCA of \$554,521. The Village's total equity in TCA ended the year at \$36,570,929.

Statement of Operations:**Revenues**

In 2021, we saw many challenges for the Village due to the continued uncertainty with the COVID-19 pandemic as well as the major flooding event in November, which affected many BC municipalities. As a result, revenues continued to be down in areas such as rentals of municipal facilities. On the other hand, due to people staying closer to home as well as seeking relief from the very hot summer we had, revenues for pay parking and boat launch were up quite significantly. In 2021, total revenues were under budget by about \$5.9 million, however this was mostly related to government grant applications that were still in process and not awarded. When the Village applies for a grant, the revenues associated are included in the annual budget. However, if the grant is not approved or approval is delayed, revenues will not be realized and the budgeted expenditure will also not occur.

Expenses

Expenses include operational items and capital expenditures that do not meet the requirement for capitalization and amortization. During 2021, increased visitation required higher expenditures for beach front maintenance and the November flood event resulted in higher than expected expenditures for emergency management services. The total Village expenditures remained within the budgeted allowances.

Reserves

Reserve funds provide a mechanism to set aside funds to:

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

All of these funds are intended to accomplish two goals:

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

Additions to reserves consist of transfers from operations and interest earnings on those reserve funds. In 2021, A net amount of over \$339,000 increased reserves to fund future capital projects and contingencies. In addition, the Village received \$675,000 in funding from the COVID-19 Restart grant in 2020 which provided an operating reserve of \$198,935 in unspent funds at the end of 2021 to assist with costs related to the pandemic in 2022 (Note 15, 23).

Financial Planning Process

The Community Charter section 165 and 166 require the Village to complete a five-year Financial Plan and institute a public process for consultation on the plan. The Financial Plan in the form of a bylaw must be adopted by May 15th of each year. On March 7th, 2022, Council adopted the

2022-2026 Financial Plan as part of its financial planning process. A summary can be found within the “Five Year Financial Plan” section of the Annual Report.

Future Outlook

The Village of Harrison Hot Springs is a resort municipality which presents both opportunities and challenges. The Village has seen a population growth of approximately 30% from 2016 to 2021 which places a high demand on services that the Village provides for its taxpayers, also, demands on services are additionally increased when non-resident owners and tourists arrive during the summer season.


While the traditional summer season is a popular time for tourist visits, the impact of the global COVID-19 pandemic, public health order restrictions, as well as the closing of borders to non-essential travel has affected the local businesses that are predominantly tourism driven. The outlook into 2022 is more positive however, many COVID-19 restrictions have been lifted and the BC economy is gradually re-opening. It is still unknown how quickly tourism will rebound or if there will be future COVID-19 restrictions, but there is a definite optimism that a degree of normality will return.

The Village is committed to fiscal responsibility and will continue to seek out grants as they become available for specific eligible and relevant projects. Grants remain a key source of funding for the Village as large projects are most often not possible without supplemental funding sources or the need for debt borrowing. The Village is unable to generate the level of taxation revenues necessary to fund certain large projects without grant funding; a 1% tax increase generates just under \$25,000.

The Village has a limited amount of land available for development, however there continues to be consistent interest in new development projects which include both residential and mixed commercial/residential opportunities. Real estate transactions showed continued strong demand and selling prices throughout 2021 continued to increase. Like much of the lower mainland in BC, assessed values rose rapidly in 2021. Of the three classes of properties that the Village has assessed value for, residential values rose almost 31%, business values rose 10.7%, and recreational/non-profit values rose almost 16%.

This report speaks to the efficient and dedicated work of Village staff, including former employees whose excellent work we continue to build upon. Additionally, it should be recognized that this very positive Annual Report is a result of good governance and of Council’s ongoing commitment to prudent financial management.

Respectfully Submitted,



Scott Schultz, Finance Manager



Government Finance Officers Association

**Canadian Award
for
Financial Reporting**

Presented to

**Village of Harrison Hot Springs
British Columbia**

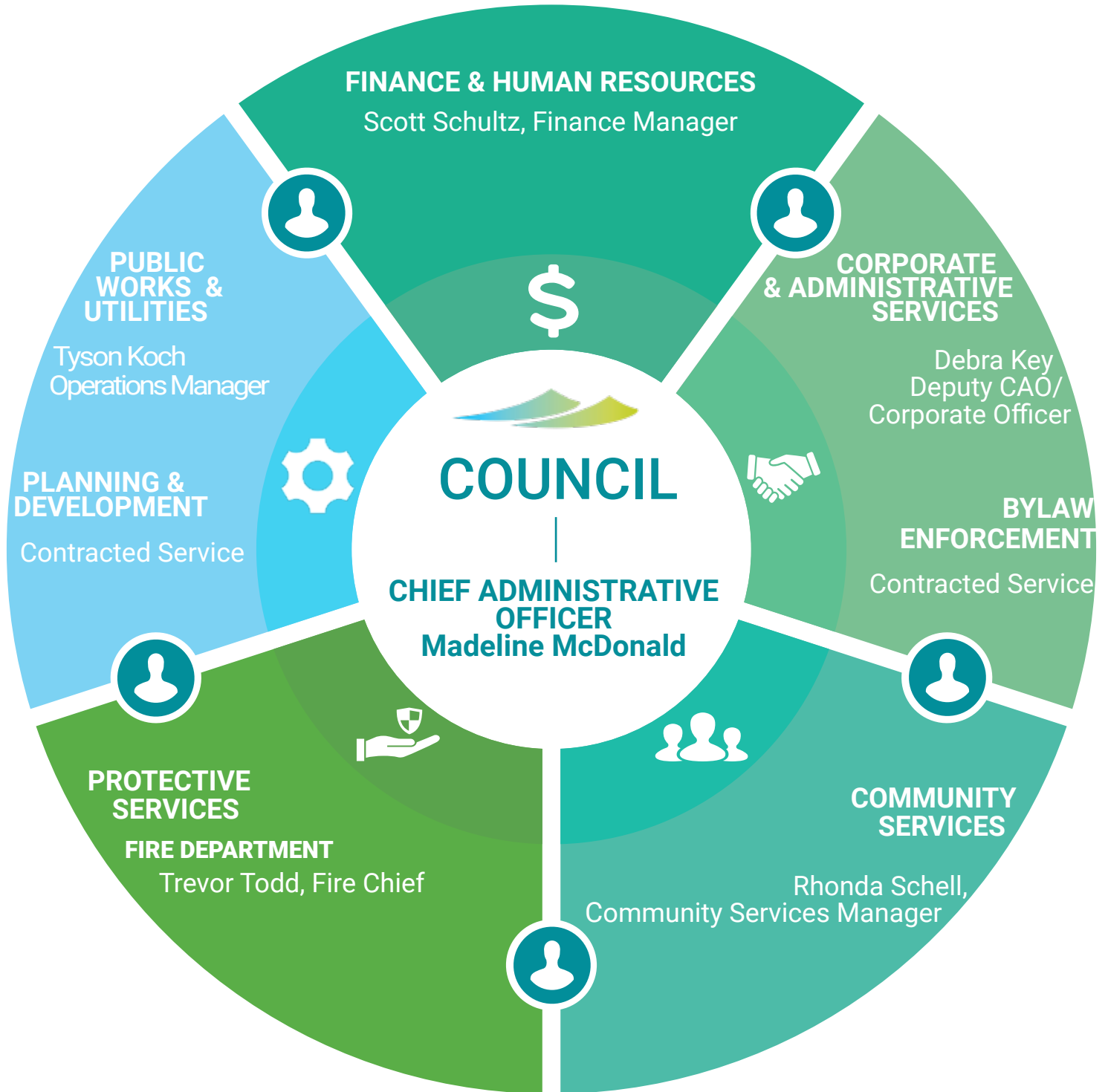
For its Annual
Financial Report
for the Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

ORGANIZATIONAL CHART



DEPARTMENTS



Corporate & Administrative Services

Corporate & Administrative Services

Corporate Services prepare and preserve records of the official business of the corporation, including bylaws, minutes of Council and Committee meetings, and Council policies. The department is also responsible for the coordination of municipal elections, and referendums.

Bylaw Enforcement Services

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



Financial Services & Human Resources

Financial Services

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

Human Resources

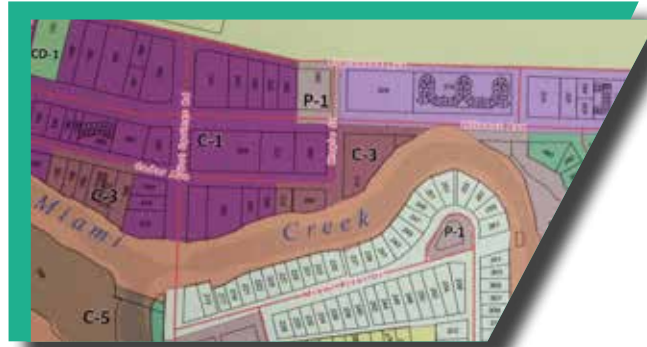
Human Resources supports all stages of the employee experience, from job applications to retirement planning. Human Resources is responsible for providing strategic advice to staff and Council to foster an inclusive culture of employee empowerment and to maintain a sustainable municipal workforce.



Community Services

Community Services

Community Services helps build strong and healthy relationships with the people and organizations that make up the community. The department manages the Resort Municipality Initiative (RMI), organizes community events and promotes effective communications and engagement throughout the Village. Community Services also administers curbside waste collection, pay parking, BC Transit, environmental initiatives, economic development and film production.



Planning & Development Services

Planning & Development Services

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

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



DEPARTMENTS



Protective Services

Fire Protection

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

Emergency Preparedness

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

Public Works & Utility Services

Public Works

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

Utility Services

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

GOALS & OBJECTIVES





INFRASTRUCTURE & UTILITIES

2021 ACHIEVEMENTS

- **Completed** Boat Launch Building drawings and moved project to Building Permit stage
- **Compiled** GIS files and transferred data to the FVRD for addition to Regional Mapping Platform
- **Applied** to Province for a joint drainage project on Hot Springs Road
- **Completed** Engineering for Lift Station #1
- **Upgraded** Waste Water Treatment Plant UV treatment system
- **Installed** New Street Lighting on Chehalis Street
- **Upgraded and expanded** Off-site file storage with new shelving and additional unit

2022 GOALS

- Complete renovations to Boat Launch Building
- Realign and extend water main on St. Alice Street from Lillooet Avenue to Cedar Street
- Upgrade Lift Station # 1 to increase pumping capacity
- Replace twenty-two membranes at the Water Treatment Plant as part of preventative maintenance plan
- Rehabilitation of the Water Reservoir
- Installation of gantry crane system at Wastewater Treatment Plant
- Upgrade emergency backup generator at the Water Treatment Plant
- Install new emergency backup generator at the Water Intake Facility
- Update subdivision and development servicing bylaw to meet current industry standards and best practices

What is a membrane?

Hollow fiber membranes are long, narrow tubes with billions of microscopic pores on the surface that are thousands of times smaller in diameter than a human hair.

The tiny pores filter water, allowing clean water to pass through, while preventing virtually all particles from entering the environment.

Our membrane system is an effective, reliable way to treat our waste water that exceeds government water quality regulations.





TRANSPORTATION & SAFETY

2021 ACHIEVEMENTS

- **Installed** additional bus shelter on McCombs Drive
- **Developed** a Parking Master Plan
- **Installed** Block Watch Signage
- **Purchased** new utility vehicle for Public Works Department
- **Replaced** Fire Department compressor and upgraded SCBA inventory
- **Scoped and Ordered** new Fire Pumper Truck
- **Completed** design and engineering work for Fire Hall Seismic upgrade
- **Scoped and awarded** contract to undertake Harrison Dike Flood Risk Assessment
- **Implemented additional** Summer Policing pilot project at the waterfront

2022 GOALS

- Install additional bus shelter on Hot Springs Road
- Implement one sided parking restrictions on Pine Avenue and McCombs Drive
- Implement a public alerting system for local advisories and emergencies
- Complete Fire Hall Seismic Upgrade
- Complete Fire Pumper Truck purchase
- Complete Harrison Lake Dike Assessment
- Upgrade Flood Pump Access



RECREATION, CULTURE & TOURISM



2021 ACHIEVEMENTS

- **Continued participation** in Joint Council Meetings with Sts'ailes
- **Continued participation** in Lets'emot Community to Community Forum to work with our closest neighbours: District of Kent, Stó:lō Tribal Council, Sts'ailes, Cheam, Seabird, and Scowlitz First Nations
- **Continued partnership** with Tourism Harrison River Valley for events
- **Continued partnership** with the Harrison Festival Society for the annual Harrison Hot Springs Festival of the Arts
- **Co-Hosted** a Virtual Canada Day
- **Hosted** two filming productions
- **Completed** a Crime Prevention Through Environmental Design assessment for all parks

2022 GOALS

- Continued participation in the Lets'emot Community to Community Forum members
- Continue to enhance annual shoulder and off season events in partnership with Tourism Harrison River Valley
- Celebrate the return of Sasquatch Days in partnership with Sts'ailes after a two-year hiatus due to public health restrictions
- Consultation with Sts'ailes and installation of cultural infrastructure as Reconciliation Initiative
- Update the Filming Policy
- Install water bottle filling station in Rendall Park
- Install a permanent washroom, covered seating area, and Ping Pong Tables in Spring Park
- Submit a multi-year Resort Development Strategy and renew Resort Municipality Initiative Agreement with the Province
- Construct new pedestrian trail along McCombs Drive and complete Miami River Greenway Trial
- Upgrade lagoon area with new berm and patio
- Add an overhead cover to the Starlight Skating Rink



ENVIRONMENT & SUSTAINABILITY

2021 ACHIEVEMENTS

- **Scoped and awarded** contract to undertake Urban Forest Master Plan
- **Finalized** Single Use Plastics Bylaw and submitted to the Province for review
- **Completed** environmental assessment to install Lagoon Berm and Plaza
- **Hosted** Harrison Elementary School Painted Lady Butterfly Release

2022 GOALS

- Join the Recycle BC Network of Collectors
- Provide single stream and glass recycling bins for all residents
- Seek opportunities to expand and upgrade the EV charging stations
- Adopt a Single Use Plastics Bylaw
- Complete an Urban Forest Master Plan
- Complete environmental assessment to upgrade Lagoon Walkway



*Harrison Elementary School
Butterfly Release at the Village Office*



FAIRNESS & FISCAL RESPONSIBILITY

2021 ACHIEVEMENTS

- **Received the Canadian Award for Financial Reporting** for the 2020 Annual Report
- **Awarded 3.2 million dollars** in Federal and Provincial funding for projects within the Village
- **Provided additional financial support** to the Fire Department and Harrison Festival of the Arts through COVID-19 Restart Grant Funding

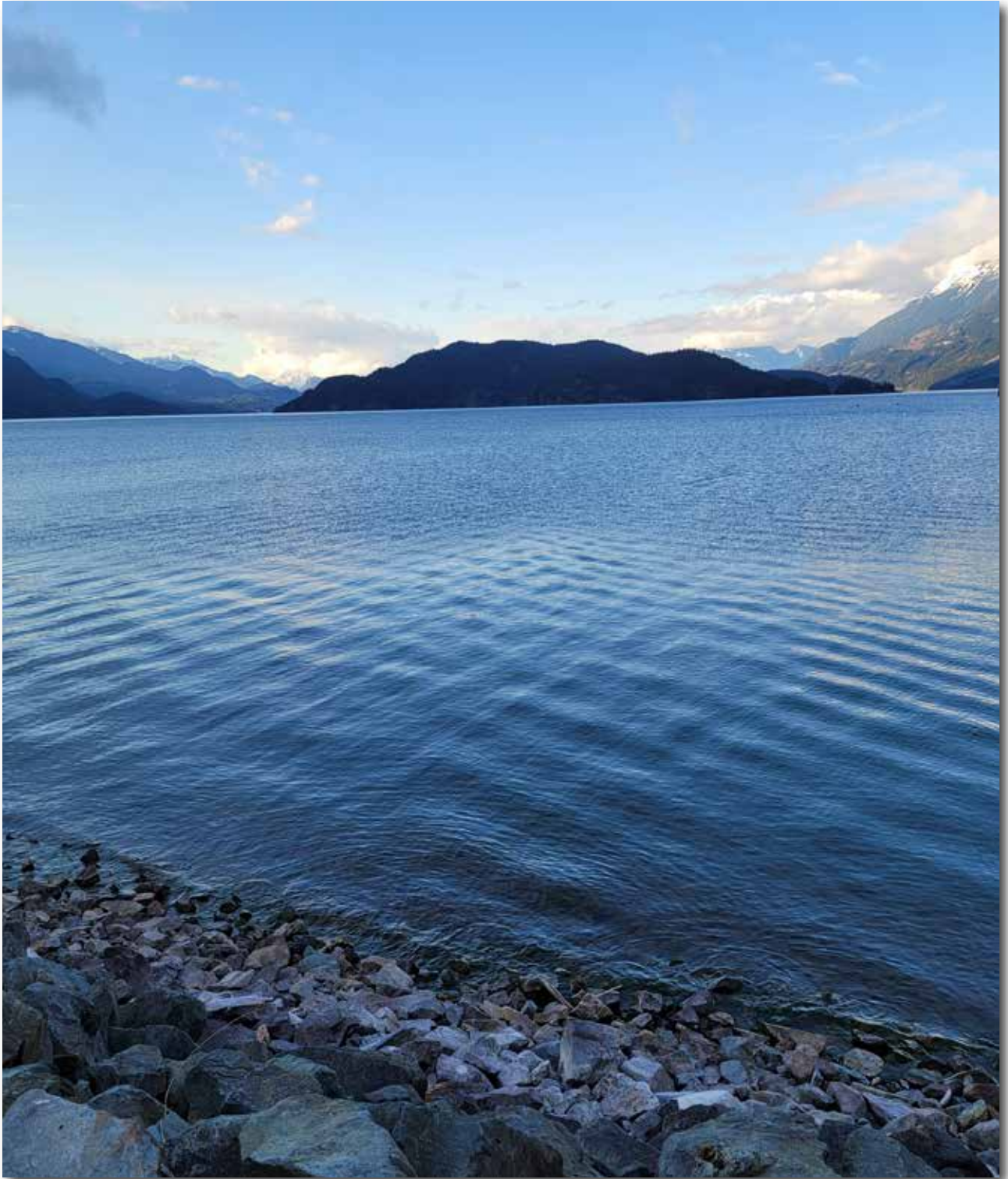
2022 GOALS

- Develop a cost recovery mechanism for electricity consumption at public EV charging stations
- Ensure fair taxation between classes to mitigate the fiscal effects of fluctuating assessment
- Review and finalise draft Reserve Policy
- Achieve the Canadian Award for Financial Reporting for the 2021 Annual Report



New Crosswalk to connect the Miami River Greenway to the McCombs Trail

FINANCIAL SECTION



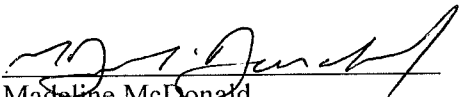
Management's Responsibility for Financial Reporting

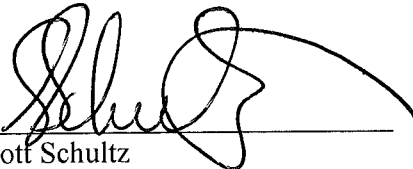
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The financial statements have been examined by the Village's independent external auditor, BDO Canada LLP in accordance with Canadian generally accepted auditing standards. The external auditor's responsibility is to express their opinion on whether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

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


Madeline McDonald
Chief Administrative Officer
April 4, 2022


Scott Schultz
Finance Manager
April 4, 2022

Five Year Financial Plan 2022-2026

	2022	2023	2024	2025	2026
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
REVENUES:					
PROPERTY TAXES - MUNICIPAL	2,519,662	2,555,375	2,567,209	2,620,309	2,672,715
COLLECTIONS OTHER GOVERNMENTS & AGENCIES	2,118,175	2,214,180	2,300,185	2,371,789	2,419,224
PENALTIES & INTEREST - TAXES	-	-	-	-	-
UTILITY CO. 1% REVENUE TAXES	38,617	38,935	39,505	40,296	41,101
PAYMENTS IN LIEU OF TAXES	6,400	6,400	6,400	6,400	6,528
TOTAL TAXES COLLECTED	4,682,854	4,814,891	4,913,299	5,038,793	5,139,569
REMITTANCES OTHER GOVERNMENTS & AGENCIES	(2,118,175)	(2,214,180)	(2,300,185)	(2,371,789)	(2,419,224)
NET TAXES FOR MUNICIPAL PURPOSES	2,564,679	2,600,711	2,613,114	2,667,004	2,720,344
REVENUE FROM OWN SOURCES	2,174,583	2,205,710	2,240,004	2,297,901	2,343,859
GRANTS AND DONATIONS	5,080,801	565,254.00	562,000.00	567,000.00	578,340.00
DCC	1,563,400	-	-	-	-
CONTRIBUTED ASSETS	-	-	-	-	-
TOTAL REVENUE	\$11,383,463	\$5,371,675	\$5,415,118	\$5,531,906	\$5,642,544
EXPENSES:					
LEGISLATIVE	131,900	143,700	135,500	138,128	140,891
GENERAL GOVERNMENT	1,335,315	1,226,900	1,240,745	1,260,612	1,285,824
PROTECTIVE SERVICES	346,523	315,177	318,443	322,412	328,860
DEVELOPMENT PLANNING	482,335	122,700	122,700	125,154	127,657
TOURISM AND COMMUNITY IMPROVEMENT	296,015	300,235	304,673	310,624	316,837
ENGINEERING, TRANSPORTATION, STORM WATER	960,237	864,993	872,459	886,424	904,152
SOLID WASTE	277,437	222,314	228,167	240,460	245,269
PARKS, RECREATION & CULTURAL SERVICES	599,815	604,950	612,535	620,793	633,208
WASTEWATER UTILITY	937,500	915,175	925,557	936,796	955,532
WATER UTILITY	545,123	546,491	553,657	560,456	571,666
DEBT- INTEREST	15,700	15,700	15,700	15,700	16,014
TOTAL EXPENDITURES	5,927,900	5,278,336	5,330,135	5,417,558	5,525,909
SURPLUS (DEFICIT)	\$5,455,563	\$93,339	\$84,983	\$114,347	\$116,635
CAPITAL, DEBT, RESERVES, TRANSFERS & BORROWING					
CAPITAL EXPENDITURES	(8,182,701)	(152,000)	(151,000)	(111,180)	(113,404)
REPAYMENT ON DEBT	(53,100)	(53,100)	(53,100)	(53,100)	(54,162)
PROCEEDS OF DEBT	-	-	-	-	-
CONTRIBUTIONS TO RESERVES	(1,137,997)	(1,150,239)	(1,156,883)	(1,186,248)	(1,209,973)
TRANSFERS FROM RESERVES	2,238,000	137,000	151,000	111,180	113,404
APPROPRIATION FROM SURPLUS	555,235	-	-	-	-
EQUITY IN TANGIBLE CAPITAL ASSETS	1,125,000	1,125,000	1,125,000	1,125,000	1,147,500
	\$(5,455,563)	\$(93,339)	\$(84,983)	\$(114,348)	\$(116,635)
SURPLUS (DEFICIT) PLUS CAPITAL, DEBT,	0	0	0	0	0



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Independent Auditor's Report

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

Opinion

We have audited the financial statements of Village of Harrison Hot Springs (the Village), which comprise the Statement of Financial Position as at December 31, 2021, and the Statement of Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2021, and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Village in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unaudited Information

We have not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the schedules or exhibits on page 26 of the Village's financial statements.

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

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

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Village's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Village to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
April 20, 2022

Village of Harrison Hot Springs

Statement of Financial Position

As at December 31, 2021

	2021	2020
Financial assets		
Cash (Note 2)	\$ 18,844,359	\$ 16,030,448
Accounts Receivable (Note 3)	494,898	557,582
MFA Deposits (Note 4)	6,956	6,840
	19,346,213	16,594,870
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	419,815	196,005
Employee Future Benefits (Note 6)	131,798	129,402
Developer's Deposits and Other Trust Liabilities (Note 7)	1,417,722	1,529,365
Deferred Revenue (Note 8)	2,105,198	819,225
Development Cost Charges (Note 9)	4,768,748	4,747,153
Liabilities under Agreement (Note 10)	23,305	46,050
Long-term debt (Note 11)	396,323	433,254
	9,262,909	7,900,454
Net financial assets	10,083,304	8,694,416
Non-financial assets		
Tangible Capital Assets (Note 13, Schedule 1)	36,990,555	37,604,754
Prepaid expenses	356,060	72,155
	37,346,615	37,676,909
Accumulated surplus	47,429,919	46,371,325



Madeline McDonald,
Chief Administrative Officer



Leo Facio
Mayor

Village of Harrison Hot Springs

Statement of Operations

for the year ended December 31, 2021

	Budget (Note 20)	2021	2020
Revenue			
Property Taxes (Notes 23, 16)	\$ 2,469,152	\$ 2,470,865	\$ 2,366,532
Sale of Services (Note 17)	1,460,463	1,632,567	1,491,805
Utility Service Fees (Note 18)	476,300	487,887	472,607
Government Transfers (Note 19)	6,099,900	978,633	1,546,263
Investment Income	47,000	92,497	108,747
Penalties and interest	-	70,930	68,661
Development Cost Charges (Note 9)	1,175,000	15,550	224,144
Other revenue	31,100	63,483	108,197
	11,758,915	5,812,412	6,386,956
Expenses (Note 21)			
Legislative Services	131,350	100,213	99,355
General Government	1,280,420	1,079,004	986,955
Protective Services	306,397	311,507	229,207
Public Works	370,950	333,706	261,635
Transportation Services	553,866	444,450	434,214
Public Health	3,630	7,740	3,487
Planning and Development	487,300	154,088	79,809
Tourism, Community and Economic Development	289,483	227,063	275,123
Solid Waste Management and Recycling	212,948	198,713	198,311
Beaches, Parks, Recreation and Culture	558,558	605,167	486,818
Water Services	509,513	467,286	446,337
Sewer Services	819,500	824,880	781,462
Non-capital items expensed	-	-	4,619
	5,523,915	4,753,817	4,287,332
Annual surplus	6,235,000	1,058,595	2,099,624
Accumulated surplus, beginning of year (Note 15)	46,371,324	46,371,324	44,271,700
	\$ 52,606,324	\$ 47,429,919	\$ 46,371,324

Village of Harrison Hot Springs

Statement of Change in Net Financial Assets

For the Year Ended December 31, 2021

	Budget (Note 20)	2021	2020
Annual Surplus	6,235,000	1,058,595	2,099,624
Acquisition of tangible capital assets	(6,841,958)	(477,797)	(1,061,303)
Amortization of tangible capital assets Note 1., Schedule 1	1,020,000	1,091,996	1,053,631
Loss on disposal of tangible capital assets	-	-	1,248
	413,042	1,672,794	2,093,200
Acquisition of prepaid expenses	-	(356,060)	(72,155)
Use of prepaid expenses	-	72,155	73,853
	-	(283,905)	1,698
Increase in net financial assets	413,042	1,388,889	2,094,898
Net financial assets, beginning of year	8,694,415	8,694,415	6,599,517
Net financial assets, end of year	9,107,457	10,083,304	8,694,415

Village of Harrison Hot Springs

Statement of Cash Flows

For the Year Ended December 31, 2021

	2021	2020
Cash provided by (used in):		
Operating Transactions		
Annual surplus	1,058,595	2,099,624
Items not involving cash:		
Amortization	1,091,996	1,053,631
Loss on disposal of tangible capital assets	-	1,249
Changes in working capital:		
Accounts receivable	62,684	733,111
MFA deposits	(116)	(138)
Accounts payable and accrued liabilities	223,810	(226,207)
Developer's deposits and other trust liabilities	(111,643)	965,526
Prepaid expenses	(283,905)	1,698
Employee future benefits	2,396	706
Deferred revenue	1,285,973	98,118
Development cost charges	21,595	1,490,670
Net change in cash from operating transactions	3,351,385	6,217,988
Capital Transactions:		
Acquisition of tangible capital assets	(477,797)	(1,061,303)
Net change in cash from capital transactions	(477,797)	(1,061,303)
Financing Transactions		
Debt repayment	(59,677)	(167,742)
Net change in cash from financing transactions	(59,677)	(167,742)
Net change in cash	2,813,911	4,988,943
Cash , beginning of year	16,030,448	11,041,504
Cash , end of year	18,844,359	16,030,447

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

1. Significant Accounting Policies

The Financial Statements combine the activities of the various funds of the reporting entity - Village of Harrison Hot Springs (the "Village") which are the representation of management are prepared in accordance with Canadian generally accepted accounting principles for governments as prescribed by the Public Sector Accounting Board (PSAB). Interfund transactions and fund balances have been eliminated for reporting purposes. There are no other organizations under the control of the Village Council that meet the criteria for inclusion and consolidation in these statements. Significant accounting policies adopted by the Village are as follows:

a. Basis of reporting

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

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

b. Revenue Recognition

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

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

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

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

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

1. Significant Accounting Policies (continued)

c. Expense Recognition

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

d. Financial Instruments

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

e. Non-financial Assets

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

i. Tangible Capital Assets

Tangible capital assets, comprised of capital assets and assets under construction, are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes the capital expenditure, excluding interest, directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing when the asset is put into service.

Asset	Useful Life - Years
Land improvements	10-25
Parks infrastructure	10-50
Buildings	40-60
Machinery, furniture and equipment	5-10
IT infrastructure	4-10
Vehicles	5-20
Roads infrastructure	15-75
Water infrastructure	10-100
Sewer infrastructure	10-100
Drainage infrastructure	10-100

ii. Contributions of tangible capital assets

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

iii. Works of art and cultural and historic assets

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

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

1. Significant Accounting Policies (continued)

e. Non-financial Assets (continued)

iv. Leased tangible capital assets

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

f. Use of estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Areas requiring the greatest degree of estimation include employee future benefits and useful lives of tangible capital assets.

g. Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

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

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

The Village has determined that as of December 31, 2021, no contamination in excess of an environmental standard exists to land not in productive use for which the Village is responsible.

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

2. Cash

	2021	2020
Restricted cash		
Statutory Reserves	\$ 1,591,163	\$ 1,821,752
Non-Statutory Reserves	3,748,823	2,980,203
Development Cost Charges/Deposits in Trust	8,291,668	7,095,743
	13,631,654	11,897,698
Unrestricted cash	5,212,705	4,132,750
Total cash	\$ 18,844,359	\$ 16,030,448

3. Account Receivable

	2021	2020
Accounts Receivable - Property Taxes	\$ 227,622	\$ 331,084
Accounts Receivable - Other Governments	65,635	39,709
Accounts Receivable - Trade and Other	201,641	186,789
	\$ 494,898	\$ 557,582

4. Municipal Finance Authority Deposits

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

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

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

5. Accounts Payable and Accrued Liabilities

	2021	2020
Trade and Other	\$ 164,401	\$ 86,200
Holdbacks payable	48,174	45,034
Other government	139,908	32,841
Accrued Employee benefits	67,332	31,930
	\$ 419,815	\$ 196,005

6. Employee Future Benefits

Sick Pay

The Village provides paid sick leave to qualifying employees, this benefit accrues at two days of sick leave per month. At the end of each calendar year 2/3 of the unused portion of sick leave is vested up to a maximum of 360 days. The amount recorded for this benefit is based on a valuation prepared by an independent firm of actuaries. The date of the last full actuarial evaluation was as of December 31, 2021, with updates in 2022 and 2023.

Retirement Allowance

A regular employee who retires under the provisions of the Municipal Pension Plan is entitled to a retirement benefit as outlined in the Collective Agreement and Management Policy. In all instances, the rate of pay used in the calculation of the retirement benefit shall be the rate of pay applicable on the last day worked. The amount recorded for this benefit in 2020 is based on a valuation prepared by an independent firm of actuaries. The date of the last full actuarial evaluation was as of December 31, 2021, with updates scheduled in 2022 and 2023.

As of December 31, 2021, \$131,798 (2020 - \$129,402) of the accrued benefit liability has been charged to operations. The significant actuarial assumptions adopted in measuring the Village's accrued benefit liability are as follows:

	2021	2020
Discount rates	2.4	1.5
Expected future inflation	2.5	2.00%

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

6. Employee Future Benefits (continued)

Accrued Benefit Obligation as at December 31, 2021

	2021	2020
Beginning benefit obligation	\$ 129,402	\$ 128,696
Current service cost	16,372	15,142
Interest on accrued benefit obligation	2,087	3,621
Actuarial (gain) loss	(16,063)	6,063
Benefits paid during the year	-	(24,120)
Accrued Benefit Liability, end of year	131,798	129,402
Less Unamortized net actuarial (loss)	-	(6,662)
Accrued Benefit Obligations, end of year	\$ 131,798	\$ 122,740

7. Developers Deposits and Other Trust Liabilities

	2021	2020
Property and event damage deposits	\$ 127,364	\$ 186,197
Developers Deposit	1,289,102	1,286,120
Funds held on behalf of community groups	1,256	57,048
	\$ 1,417,722	\$ 1,529,365

8. Deferred Revenue

	Opening Balance	Externally Restricted Inflows	Revenue Earned	December 31, 2021
Prepaid taxes	\$ 158,750	\$ 312,777	\$ (292,102)	\$ 179,425
Resort Municipality Initiative	641,222	443,517	(119,785)	964,954
Deferred Revenue	19,228	941,566	-	960,794
Facility rentals and other	25	-	-	25
	\$ 819,225	\$ 1,697,860	\$ (411,887)	\$ 2,105,198

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

9. Development Cost Charges

	Opening Balance	Receipts	Interest	Transfers Out	Closing Balance
Sewer DCC	\$ 1,744,161	\$ -	\$ 13,643	\$ 15,551	\$ 1,742,253
Water DCC	1,501,729	-	11,754	-	1,513,483
Drainage DCC	957,509	-	7,494	-	965,003
Parks DCC	543,753	-	4,256	-	548,009
	\$ 4,747,152	\$ -	\$ 37,147	\$ 15,551	\$ 4,768,748

10. Liabilities under Agreement

In 2017, the Village entered into a five year agreement with the Municipal Finance Authority to borrow funds in the amount of \$110,000 to purchase capital equipment. This agreement ends in 2022.

Changes in liabilities under agreement are as follows:

	2021	2020
Balance, January 1,	\$ 46,051	\$ 68,110
Less: Principal repayments	(22,746)	(22,059)
Balance, December 31	\$ 23,305	\$ 46,051

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

2022	\$ 23,429
Less: Amount representing interest	(124)
	\$ 23,305

Total interest expense during the year was \$332. Total interest over the term of the agreements is \$5,762.

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

11. Long-Term Debt

In 2015 the Village borrowed funds under loan authorisation bylaw 1052. MFA Issue 131 has an amortization period of 15 years at 2.2% interest for the first 10 years of the term. Interest is \$13,200 per year with \$198,000 estimated to be paid over the life of the debt. Early repayment options exist at the rate reset date of 10 years.

	Balance, beginning of Year	Additions	Principal Repayments	Actuarial * Adjustment	Balance, end of year
General Fund					
MFA Issue 131	\$ 433,254	\$ -	\$ 31,095	\$ 5,836	\$ 396,323

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

	General	Water	Sewer
2022	\$ 31,095	\$ -	\$ -
2023	\$ 31,095	\$ -	\$ -
2024	\$ 31,095	\$ -	\$ -
2025	\$ 31,095	\$ -	\$ -
2026	\$ 31,095	\$ -	\$ -
Thereafter	\$ 240,848	\$ -	\$ -
Total	\$ 396,323	\$ -	\$ -

* 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.

12. Interim Financing Debt

In 2009 the Village borrowed \$1,500,000 under the Interim Financing Program from the Municipal Finance Authority of British Columbia under Loan Authorisation Bylaw 885, for the purpose of constructing a new water reservoir. This debt was fully paid in 2020.

	2021	2020
Beginning Balance Jan 1,	\$ -	\$ 110,000
Principal repayments	\$ -	\$ (110,000)

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

13. Tangible Capital Assets

	2021	2020
Land and improvements	\$ 10,680,913	\$ 10,680,913
Buildings	2,903,940	2,992,529
Machinery, equipment, furniture, IT and vehicles	804,577	794,922
Engineering Structures:		
Engineering structures - water	7,675,144	7,848,335
Engineering structures - sewer and drainage	8,056,020	8,285,488
Engineering structures - roads	4,541,856	4,834,732
Engineering structures - parks and other	1,528,619	1,654,281
Other tangible capital assets	361,649	376,553
Work in Progress	437,837	137,001
Total	\$ 36,990,555	\$ 37,604,754

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

There were no contributed assets recognized in 2021.

14. Equity in Tangible Capital Assets

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

	2021	2020
Equity in TCA, beginning of year	\$ 37,125,450	\$ 36,951,284
Add:		
Capital Expenditures	477,797	1,061,303
Debt Repayments	53,842	163,155
Actuarial adjustment	5,836	4,587
Less:		
Net Book Value of dispositions	-	(1,248)
Amortization	(1,091,996)	(1,053,631)
Equity in TCA, end of year	\$ 36,570,929	\$ 37,125,450

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

15. Accumulated Surplus

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

	2021	2020
Surplus:		
Invested in tangible capital assets	\$ 36,570,929	\$ 37,125,450
Operating Fund	5,519,004	4,443,919
Total surplus	42,089,933	41,569,369
Reserves set aside by Council:		
Appropriated Surplus:		
COVID 19 Restart Grant (Schedule 3)	198,935	509,260
Fire Department	27,896	27,680
Assessment appeal	138,349	137,274
Beach	4,280	4,247
Building	65,917	65,405
Contingencies	12,053	11,960
Dock replacement	64,021	53,562
Boat Launch	69,839	64,315
Flood box / drainage	16,354	16,227
General	912,606	536,940
Insurance	10,473	10,392
Parking / traffic management	61,718	56,264
Office Equipment	45,522	47,014
Property	49,909	49,522
Road/Sidewalk	14,181	14,071
Sick leave/Retirement	53,608	53,192
Community Works Fund	507,635	278,002
Sewer	765,795	571,817
Water	729,732	473,059
Total Appropriated Surplus	3,748,823	2,980,203
Statutory Fund Reserves:		
Community amenities	162,278	161,018
Fire department capital	266,173	540,365
Land unexpended funds	51,603	51,202
Parkland acquisition and improvements	389,191	386,169
Public works capital	52,686	53,784
Sewage treatment replacement	575,857	536,564
Sewer unexpended funds	87,847	87,165
Port Divestiture income	5,528	5,485
Total Statutory Fund Reserves	1,591,163	1,821,752
	\$ 47,429,919	\$ 46,371,324

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

16. Property Taxes

The Village is reliant upon one taxpayer for approximately 14% of municipal property tax revenue. Taxation revenue, reported on the statement of operations, is made up of the following:

	Budget	2021	2020
Taxes collected			
Municipal property taxes	\$ 2,425,128	\$ 2,425,128	\$ 2,322,742
1 % Utility taxes	38,524	39,330	37,901
Payments in lieu of taxes	5,500	6,407	5,889
School taxes	1,544,545	1,545,714	1,260,777
Regional District	172,000	170,099	168,566
Regional hospital district	110,000	105,824	107,084
Police tax	190,000	167,971	167,322
Other agencies	37,170	37,138	36,192
	4,522,867	4,497,611	4,106,473
Less transfers to other governments			
School taxes paid	1,544,545	1,545,714	1,260,777
Regional district taxes paid	172,000	170,099	168,566
Regional hospital district taxes paid	110,000	105,824	107,084
Police taxes paid	190,000	167,971	167,322
Other agencies taxes paid	37,170	37,138	36,192
	2,053,715	2,026,746	1,739,941
	\$ 2,469,152	\$ 2,470,865	\$ 2,366,532

17. Sale of Services

	Budget	2021	2020
Sewer user fees	\$ 640,000	\$ 664,567	\$ 642,571
Water user fees	342,013	362,509	344,471
Curbside collection fees	125,000	125,191	124,391
Pay Parking Revenue	280,000	361,503	279,618
Licenses and permits	36,700	59,121	47,195
Facility rentals	29,000	46,791	40,206
Fines	4,250	8,970	9,612
Other	3,500	3,915	3,741
	\$ 1,460,463	\$ 1,632,567	\$ 1,491,805

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

18. Utility Service Fees

	Budget	2021	2020
Sewer service utility fee - residential	\$ 204,000	\$ 211,758	\$ 204,762
Sewer service utility fee - business	20,000	19,719	20,114
Water service utility fee - residential	231,000	235,782	226,936
Water service utility fee - business	21,300	20,628	20,795
Total	\$ 476,300	\$ 487,887	\$ 472,607

19. Government Transfers

Government transfers reported on the Statement of Operations are:

	Budget	2021	2020
Provincial:			
Conditional			
Infrastructure	\$ 2,803,354	\$ 288,299	\$ -
Resort Municipality Initiative	543,500	119,785	419,181
COVID 19 Restart Grant	-	-	675,000
Other	527,400	3,114	9,447
Unconditional	325,000	328,000	325,689
Federal			
Conditional			
Infrastructure	1,783,646	-	-
Gas tax	117,000	239,435	116,946
	\$ 6,099,900	\$ 978,633	\$ 1,546,263

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

20. Budget Data

The data presented in these financial statements is based upon the 2021 operating and capital budgets adopted by Council on March 1, 2021. The table below reconciles the approved balanced budget to the budget figures reported in these financial statements.

2021 Adopted Operating and Capital Budget	Budget Amount
Revenues:	
Operating budget	\$ 5,523,915
Capital budget	7,892,258
Total revenue	13,416,173
Expenses:	
Operating budget	5,523,915
Capital Budget	7,892,258
Total expenses	13,416,173
Budgeted surplus (deficit)	\$ -
Add:	
Capital expenses	\$ 6,841,958
Transfers to reserves	997,200
Principal repayments	53,100
Less:	
Transfers from reserves	(581,458)
Appropriation from Surplus	(55,800)
Amortization	(1,020,000)
Annual budgeted surplus (see statement of operations)	\$ 6,235,000

21. Classification of Expenses by Object

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

	Budget	2021	2020
Salaries, wages and employee benefits	\$ 1,910,729	\$ 1,768,182	\$ 1,545,438
Operating Materials and supplies	739,893	656,756	573,129
Contracted services	951,450	557,691	383,335
Administrative services and supplies	613,383	407,833	472,460
Utilities	220,300	207,921	188,939
Rentals and contractual obligations	52,460	49,906	50,200
Debt financing	15,700	13,532	15,581
Capital Items Expensed	-	-	4,619
Amortization	1,020,000	1,091,996	1,053,631
Total expenditures by object	\$ 5,523,915	\$ 4,753,817	\$ 4,287,332

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

22. Commitments and Contingencies

- a. The municipality and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2020, the plan has about 220,000- active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors from local governments. Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any funding surplus and will be adjusted for the amortization of any unfunded actuarial liability. The Village of Harrison Hot Springs paid \$102,696 (2020 \$100,906) for employer contributions to the Plan in fiscal 2021. Employee contributions in fiscal 2021 were \$91,336 (2020 \$89,693). The most recent valuation for the Municipal Pension Plan as at December 31, 2018 indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2021 with results available in 2022. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.
- b. Debts of the Fraser Valley Regional District are, under provisions of the Local Government Act, a direct, joint and several liability of the District and each member municipality within the District, including the Village of Harrison Hot Springs.
- c. The Village is a subscribed member of the Municipal Insurance Association of British Columbia (The "Exchange") as provided by section 3.02 of the Insurance Act of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange Agreement, the Village is assessed a premium and specific deductible for its claims based on population. The obligation of the Village with respect to the Exchange and/or contracts and obligations entered into by the Exchange are in every case several, not joint and several. The Village irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other subscriber may suffer.
- d. The Village has entered into various agreements and contracts for the provision of services and the construction of assets that extend beyond the current year. Substantive obligations include contracts for engineering and planning, garbage and recycling collection, IT services, pay parking, tourist information centre services and auditing services. These contractual obligations will become liabilities in the future when the terms of the contract are met. The following amounts relate to the unperformed portion of the contracts: 2022 - \$1,223,500, 2023 - \$370,575, 2024 - \$195,000, 2025-\$41,500.
- e. In 2014, the Ministry of Environment directed the Village to assess any potential effects the closure of the landfill in 1983 has on well water. Water samples were taken and the results prompted the Ministry to direct the Village to drill test wells and monitor the water which began in 2015. The Village is to continue this process for the years 2017-2021 at which time the results will determine if any further action is required.

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

23. Global Pandemic

As the COVID-19 pandemic continues to impact Canada and the global economy, there could be specific impact on the Village, its citizens, employees, suppliers and other third party business associates that could impact the timing and amounts realized on the Village's assets and future ability to deliver services and projects. At this time, the full potential impact of COVID-19 on the Village is not known. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of disruption, the related financial impact cannot be reasonably estimated at this time. The Village's ability to continue delivering non-essential services and employ related staff will depend on the legislative mandates from the various levels of government. The Village will continue to focus on collecting receivables, managing expenditures, and, if necessary, leveraging existing reserves and credit facilities to ensure it is able to continue providing essential services to its citizens.

Village of Harrison Hot Springs

Notes to the Financial Statements

December 31, 2021

24. Segmented Disclosures

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

Legislative Services

Legislative services includes Council and legislative services

General Government

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

Protective Services

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

Development and Planning

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

Engineering, Transportation and Storm Water

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

Solid Waste

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

Parks, Recreation and Cultural Services

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

Wastewater Utility

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

Water Utility

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

Village of Harrison Hot Springs

Schedule 1 - Statement of Tangible Capital Assets

For the Year Ended December 31, 2021

	Engineered Structures										2021	2020	
	Land	Building	Equipment Furniture Vehicles	Water	Sewer Drainage	Roads	Other	Work In Progress	Tangible Capital Assets	Other			
COST													
Opening balance	\$ 10,680,913	\$ 4,616,896	\$ 2,373,438	\$ 9,775,939	\$ 11,177,304	\$ 10,259,211	\$ 2,776,057	\$ 136,999	\$ 592,199	\$ 52,388,957	\$ 51,402,585		
Add: Additions	-	45,184	117,621	-	-	-	14,154	346,022	-	522,981	1,061,303		
Less: Disposals	-	-	(132,690)	-	-	-	-	(45,184)	-	(177,874)	(74,931)		
Closing Balance	10,680,913	4,662,080	2,358,369	9,775,939	11,177,304	10,259,211	2,790,211	437,837	592,199	52,734,064	52,388,957		
ACCUMULATED AMORTIZATION													
Opening Balance	-	1,624,367	1,578,515	1,927,604	2,891,817	5,424,479	1,121,776	-	215,645	14,784,203	13,804,255		
Add: Amortization	-	133,773	107,967	173,191	229,468	292,876	139,816	-	14,905	1,091,996	1,053,631		
Less: Acc. Amortization on Disposals	-	-	(132,690)	-	-	-	-	-	-	(132,690)	(73,683)		
Closing Balance	-	1,758,140	1,553,792	2,100,795	3,121,285	5,717,355	1,261,592	-	230,550	15,743,509	14,784,203		
	\$ 10,680,913	\$ 2,903,940	\$ 804,577	\$ 7,675,144	\$ 8,056,020	\$ 4,541,856	\$ 1,528,619	\$ 437,837	\$ 361,649	\$ 36,990,555	\$ 37,604,754		

Village of Harrison Hot Springs

Schedule 2 - Table of Segmented Information

For the Year Ended December 31, 2021

	Legislative	General Government	Protective Services	Development Planning	Engineering, Transportation & Storm Water	Solid Waste	Parks, Recreation & Cultural Services	Wastewater Utility	Water Utility	Budget	2021	2020
Revenue:												
Property Taxes	\$ -	\$ 2,470,865	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,469,152	\$ 2,470,865	\$ 2,366,532
Sale of Services	-	433,509	-	-	-	125,191	46,791	664,567	362,509	1,460,463	1,632,567	1,491,805
Utility Service Fees	-	-	-	-	-	-	-	231,477	256,410	476,300	487,887	472,607
Government Transfers	-	858,848	-	119,785	-	-	-	-	-	6,099,900	978,633	1,546,263
Investment Income	-	78,171	-	-	-	-	-	9,953	4,373	47,000	92,497	108,747
Penalties and interest	-	53,469	-	-	-	1,379	-	8,483	7,599	-	70,930	66,661
Development Cost Charges	-	-	-	-	-	-	-	15,550	-	1,175,000	15,550	224,144
Other revenue	-	33,378	-	-	-	-	-	9,850	20,255	31,100	63,463	106,197
	-	3,928,240	-	119,785	-	126,570	46,791	939,880	651,146	11,758,915	5,812,412	6,386,956
Expenses:												
Salaries, wages and employee benefits	92,707	573,871	19,052	122,552	204,742	60,323	258,237	261,500	175,198	1,910,729	1,768,182	1,545,438
Operating Materials and supplies	-	4,519	168,329	294	107,628	-	109,347	195,320	71,319	739,893	656,756	573,128
Contracted services	-	33,475	82,666	149,214	62,215	136,390	30,122	61,609	-	951,450	557,691	383,335
Administrative services and supplies	6,303	213,129	19,748	88,091	21,508	-	12,519	33,242	13,293	613,383	407,833	472,460
Utilities	1,203	16,572	6,384	-	44,345	-	36,681	68,451	34,285	220,300	207,921	188,939
Rentals and contractual obligations	-	13,870	3,583	21,000	7,913	-	3,540	-	-	52,460	49,906	50,200
Debt financing	-	13,532	-	-	-	-	-	-	-	15,700	13,532	15,581
Capital Items Expensed	-	-	-	-	-	-	-	-	-	-	-	4,619
Amortization	-	210,036	11,745	-	337,545	-	154,721	204,758	173,191	1,020,000	1,091,996	1,053,631
	100,213	1,079,004	311,507	381,151	785,896	198,713	605,167	824,880	467,286	5,523,915	4,753,817	4,287,332
Annual Surplus (Deficit)	\$ (100,213)	\$ 2,849,236	\$ (311,507)	\$ (261,366)	\$ (785,896)	\$ (72,143)	\$ (558,376)	\$ 115,000	\$ 183,860	\$ 6,235,000	\$ 1,058,595	\$ 2,099,624

Village of Harrison Hot Springs

Schedule 3 - COVID-19 Safe Restart Grant (Unaudited)

For the Year Ended December 31, 2021

In November 2020 the BC provincial government provided a direct grant to assist local governments as they deal with the increased operating costs and lower revenue due to the COVID-19 pandemic. The Village of Harrison Hot Springs received \$675,000 in grant funding under the COVID 19 Safe Restart Grant. This grant is available to offset costs in 2020, 2021 and 2022. In 2021 \$ 310,325 of funding was used as follows:

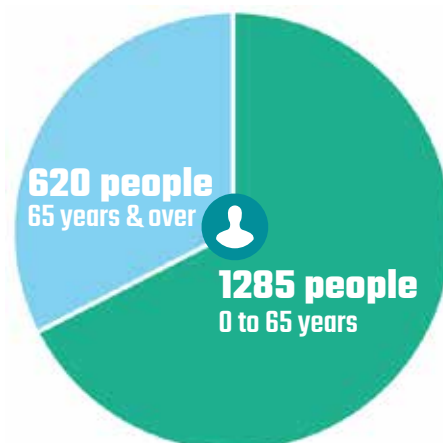
	2021	2020
Opening Balance	\$ 509,260	\$ 675,000
Bylaw enforcement/emergency planning	(59,320)	(9,640)
Communication/Audio Visual	(53,695)	(45,900)
Occupational health and safety measures	(59,295)	(8,140)
Social distancing and signage	-	(11,410)
Program revenue lost	(50,845)	(31,350)
Program restart expenditures	-	(15,000)
Additional operating expenditures - Public Facilities	(87,170)	(44,300)
Closing Balance	\$ 198,935	\$ 509,260

STATISTICAL SECTION



STATISTICAL SECTION

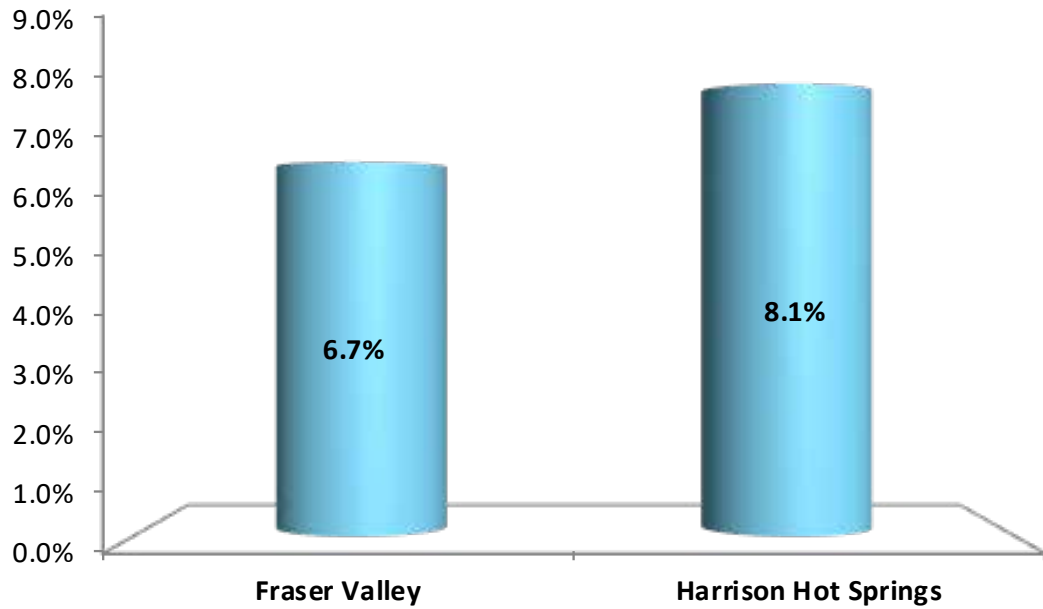
Demographics & Tourism



*2021 Statistics Canada

**Tourism Harrison

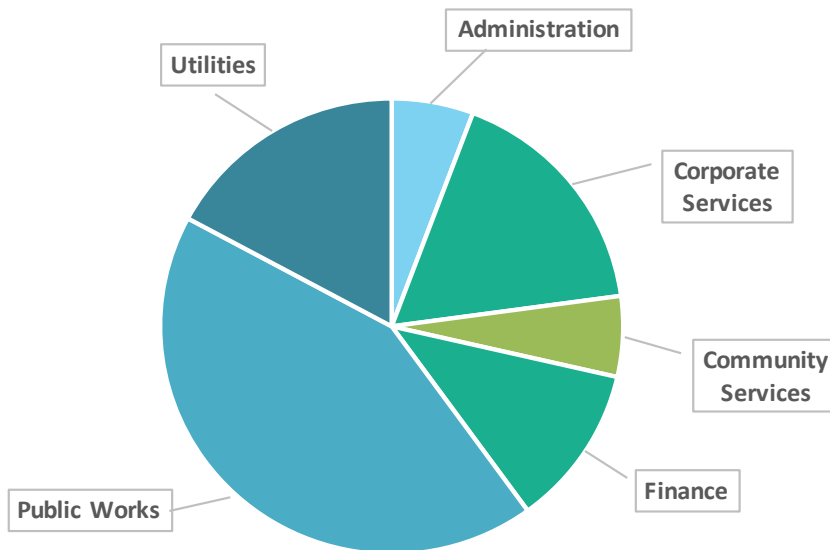
Unemployment Rates



*2016 Statistics Canada

Municipal Employees

For the years 2016 - 2021, the Village of Harrison Hot Springs employed 16 full-time and 3 seasonal employees.



Statement of Financial Position

Financial Assets	2017	2018	2019	2020	2021
Cash and Equivalents	\$9,216,348	\$9,847,890	\$11,041,504	\$16,030,448	\$18,844,359
Accounts Receivable	\$882,299	\$1,188,913	\$1,290,694	\$557,582	\$494,898
MFA Deposits	\$6,410	\$6,549	\$6,702	\$6,840	\$6,956
	\$10,105,057	\$11,043,352	\$12,338,900	\$16,594,870	\$19,346,213

Financial Liabilities	2017	2018	2019	2020	2021
Accounts Payable & Accrued Liabilities	\$271,924	\$363,287	\$422,212	\$196,005	\$419,815
Employee Future Benefits	\$108,727	\$113,696	\$128,696	\$129,402	\$131,798
Developer Deposit & Other Trust Liabilities	\$409,950	\$199,320	\$563,839	\$1,529,365	\$1,417,722
Deferred Revenue	\$1,099,323	\$702,726	\$721,107	\$819,225	\$2,105,198
Development Cost Charges	\$1,851,562	\$3,106,272	\$3,256,483	\$4,747,153	\$4,768,748
Liabilities Under Agreement	\$189,524	\$148,883	\$68,109	\$46,051	\$23,305
Long-term Debt	\$536,721	\$503,412	\$468,936	\$433,254	\$396,323
Interim Financing Debt	\$330,000	\$220,000	\$110,000		
	\$4,797,731	\$5,357,596	\$5,739,382	\$7,900,455	\$9,262,909

	2017	2018	2019	2020	2021
Net Financial Assets	\$5,307,326	\$5,685,756	\$6,599,518	\$8,694,415	\$10,083,304

Non-Financial Assets	2017	2018	2019	2020	2021
Tangible Capital Assets	\$34,137,913	\$36,719,934	\$37,598,330	\$37,604,754	\$36,990,555
Prepaid Expenses	\$68,970	\$61,981	\$73,853	\$72,155	\$356,060
	\$34,206,883	\$36,781,915	\$37,672,183	\$37,676,909	\$37,346,615

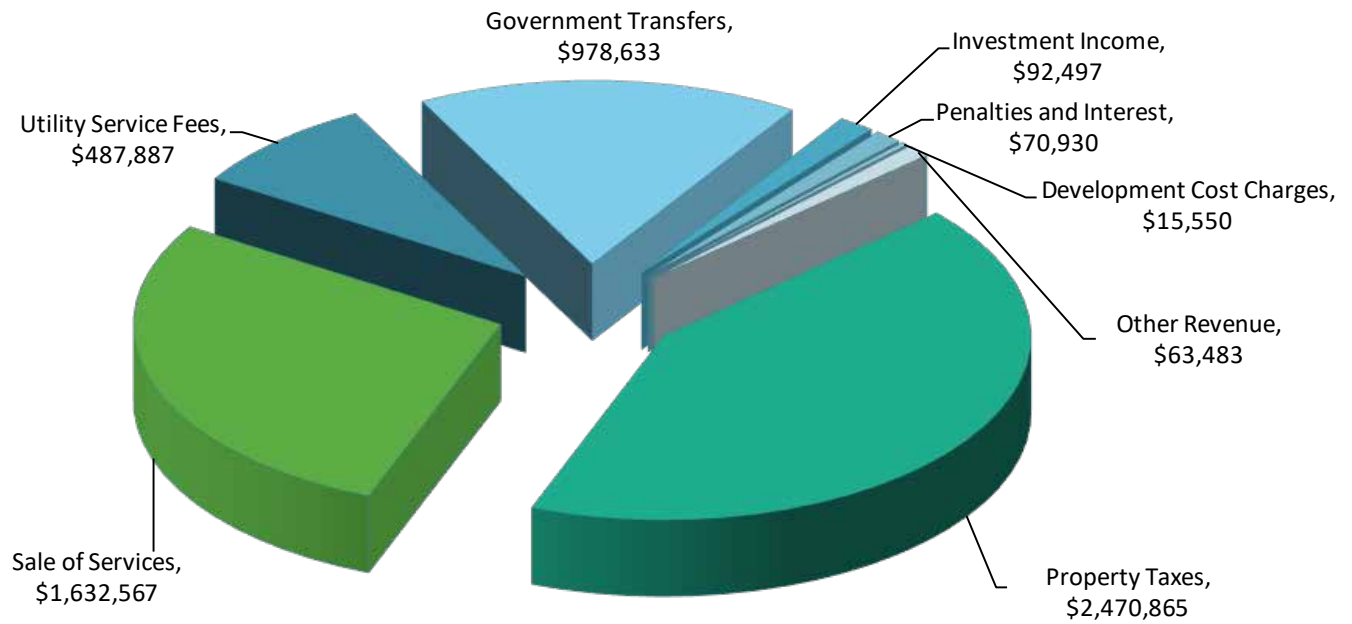
	2017	2018	2019	2020	2021
Accumulated Surplus	\$39,514,209	\$42,467,671	\$44,271,701	\$46,371,324	\$47,429,919

Accumulated Surplus - Represented By	2017	2018	2019	2020	2021
Operating fund	\$3,545,757	\$3,151,721	\$3,568,952	\$4,443,919	\$5,519,004
Appropriated Surplus	\$1,298,522	\$1,617,960	\$1,768,398	\$2,980,203	\$3,748,823
Statutory Reserves	\$1,588,261	\$1,850,350	\$1,983,066	\$1,821,752	\$1,591,163
Equity in Tangible Capital Assets	\$33,081,669	\$35,847,640	\$36,951,284	\$37,125,450	\$36,570,929
	\$39,514,209	\$42,467,671	\$44,271,701	\$46,371,324	\$47,429,919

	2017	2018	2019	2020	2021
Annual Surplus	\$1,664,975	\$2,953,462	\$1,804,031	\$2,099,624	\$1,058,595

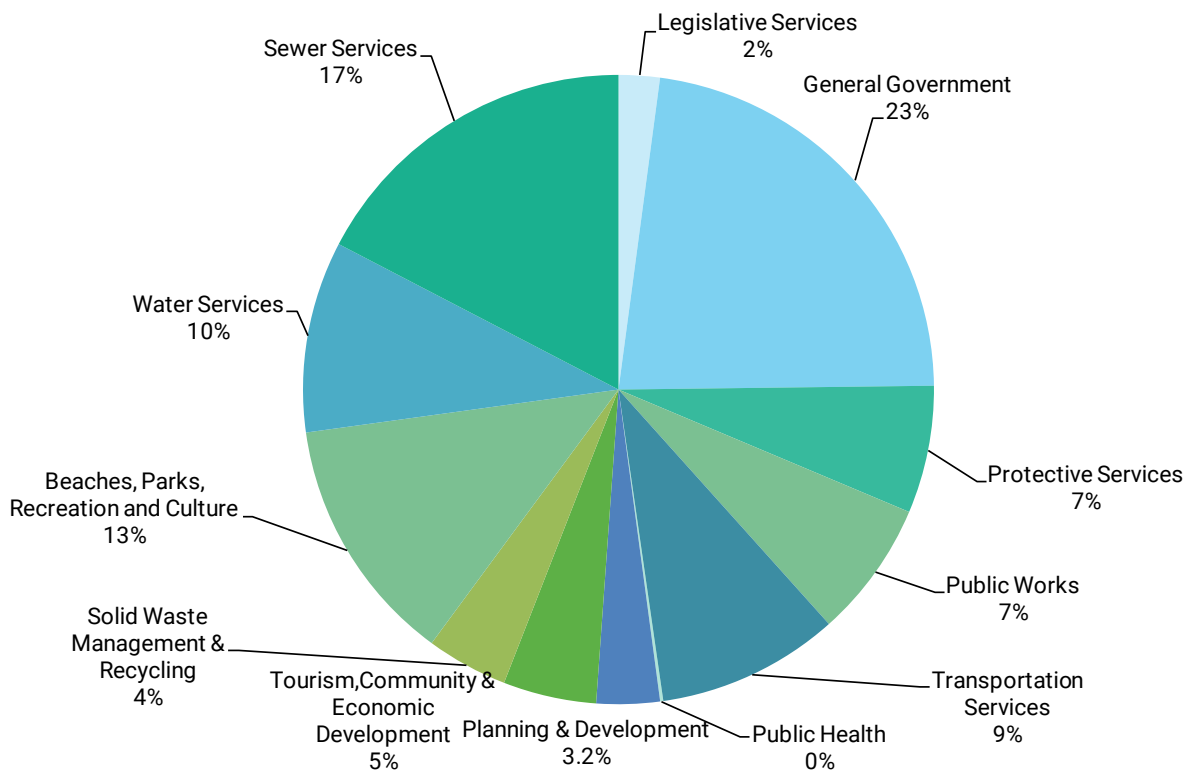
	2017	2018	2019	2020	2021
Acquisition of Tangible Capital Assets	\$1,524,463	\$4,041,405	\$1,887,011	\$1,061,303	\$477,797

Revenues by Source



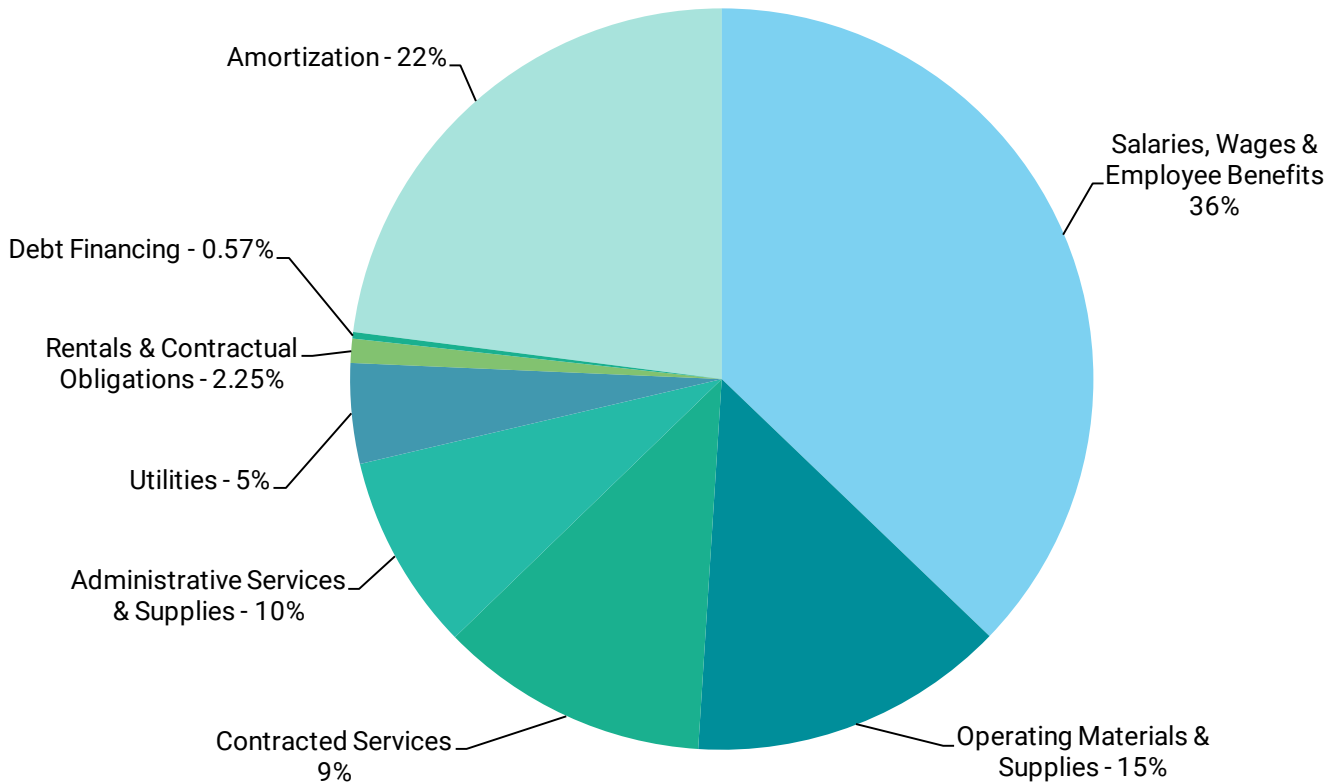
	2017	2018	2019	2020	2021
Property Taxes	\$2,016,765	\$2,095,811	\$2,219,454	\$2,366,532	\$2,470,865
Sale of Services	\$1,253,427	\$1,239,637	\$1,400,567	\$1,491,805	\$1,632,567
Utility Service Fees	\$410,951	\$440,408	\$465,436	\$472,607	\$487,887
Government Transfers	\$678,512	\$2,745,539	\$1,416,400	\$1,546,263	\$978,633
Investment Income	\$85,617	\$109,545	\$152,635	\$108,747	\$92,497
Penalties and Interest	\$89,390	\$78,006	\$79,712	\$68,661	\$70,930
Development Cost Charges		\$130,059	\$605,799	\$224,144	\$15,550
Contributed Assets	\$993,500	\$509,800			
Other Revenue	\$315,837	\$(21,279)	\$112,813	\$108,197	\$63,483
	\$5,843,999	\$7,327,526	\$6,452,816	\$6,386,956	\$5,812,412

Expenses by Function



	2017	2018	2019	2020	2021
Legislative Services	\$113,859	\$113,230	\$125,585	\$99,355	\$100,213
General Government	\$977,516	\$1,047,620	\$1,034,926	\$986,955	\$1,079,004
Protective Services	\$213,754	\$205,814	\$226,299	\$229,207	\$311,507
Public Works	\$328,650	\$360,080	\$319,425	\$261,635	\$333,706
Transportation Services	\$488,422	\$495,319	\$448,533	\$434,214	\$444,450
Public Health	\$4,354	\$3,317	\$2,932	\$3,487	\$7,740
Planning and Development	\$109,754	\$167,128	\$329,723	\$79,809	\$154,088
Tourism, Community and Economic De-	\$186,272	\$193,985	\$260,108	\$275,123	\$227,063
Solid Waste Management and Recycling	\$210,784	\$179,929	\$184,757	\$198,311	\$198,713
Beaches, Parks, Recreation and Culture	\$447,065	\$483,909	\$516,963	\$486,818	\$605,167
Water Services	\$343,941	\$419,994	\$464,768	\$446,337	\$467,286
Sewer Services	\$754,653	\$703,739	\$734,766	\$781,462	\$824,880
Non-Capital Items Expensed				\$4,619	
	\$4,179,024	\$4,374,064	\$4,648,785	\$4,287,332	\$4,753,817

Expenses by Object



	2017	2018	2019	2020	2021
Salaries, Wages & Employee Benefits	\$1,519,685	\$1,605,894	\$1,656,280	\$1,545,438	\$1,768,182
Operating Materials & Supplies	\$640,129	\$637,291	\$663,998	\$573,129	\$656,756
Contracted Services	\$393,917	\$415,582	\$541,797	\$342,240	\$557,691
Administrative Services & Supplies	\$398,286	\$438,966	\$490,148	\$472,460	\$407,833
Utilities	\$210,124	\$192,575	\$203,715	\$188,939	\$207,921
Rentals & Contractual Obligations				\$91,295	\$49,906
Non-Capital Items Expensed				\$4,619	
Debt Financing	\$23,638	\$25,456	\$21,899	\$15,581	\$13,532
Amortization	\$899,421	\$965,112	\$984,985	\$1,053,631	\$1,091,996
	\$4,179,024	\$4,374,064	\$4,648,785	\$4,287,332	\$4,753,817

Assessed Values

	2017	2018	2019	2020	2021
Residential (Class 1)	\$396,052,196	\$495,974,100	\$589,676,900	\$589,035,900	\$627,301,300
Business (Class 6)	\$67,017,223	\$71,206,624	\$78,924,043	\$88,024,598	\$87,007,482
Recreation/Non-Profit (Class 8)	\$7,898,500	\$9,218,900	\$10,770,200	\$11,774,700	\$12,162,600
	\$470,967,919	\$576,399,624	\$679,371,143	\$688,835,198	\$726,471,382

These totals are Land & Improvements combined.

Municipal Property Taxes

	2017	2018	2019	2020	2021
Residential (Class 1)	\$1,219,829	\$1,345,575	\$1,450,193	\$1,523,908	\$1,593,465
Business (Class 6)	\$656,319	\$614,322	\$617,232	\$691,792	\$702,830
Recreation/Non-Profit (Class 8)	\$101,444	\$104,295	\$110,451	\$107,042	\$128,833
	\$1,977,592	\$2,064,192	\$2,177,876	\$2,322,742	\$2,425,128

Debt

	2017	2018	2019	2020	2021
General		\$503,412	\$468,936	\$433,254	\$396,323
Water	\$330,000	\$220,000	\$110,000		
Sewer					
Liabilities Under Agreement	\$189,524	\$148,883	\$68,110	\$46,051	\$23,305
Total Debt	\$1,056,245	\$872,295	\$647,046	\$479,305	\$419,628

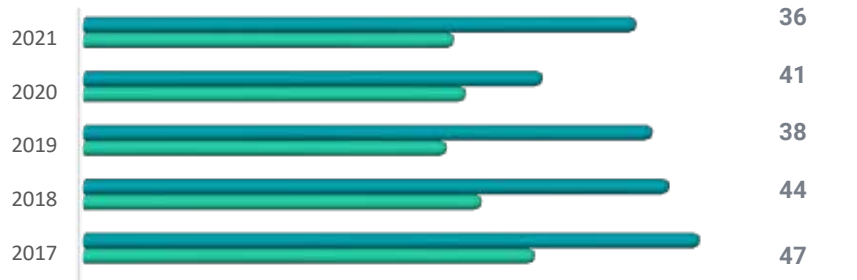
	2017	2018	2019	2020	2021
Population Estimates (BC Stats 2016 and 2021 surveys)	1468	1468	1468	1468	1905
Debt per Capita	\$719.51	\$594.21	\$440.77	\$326.50	\$220.28

	2017	2018	2019	2020	2021
Principal		\$183,950	\$225,249	\$167,740	\$59,677
Interest	\$23,638	\$25,456	\$21,899	\$15,580	\$13,532
Debt Servicing Costs	\$191,252	\$209,406	\$247,148	\$183,320	\$73,209

	2017	2018	2019	2020	2021
Liability Servicing Limit	\$930,155	\$978,731	\$950,521	\$1,055,991	\$1,162,086

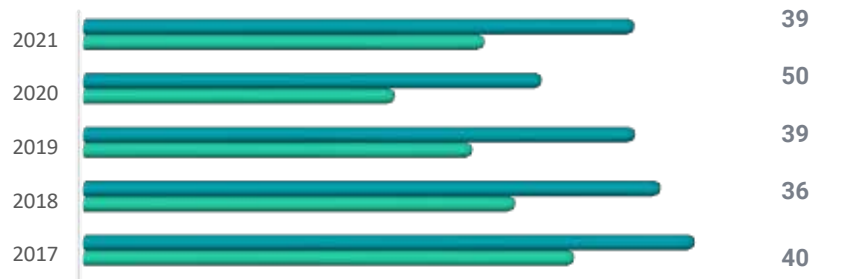
Tax Rates

Residential Tax Rate
(per \$1,000 of assessed value) Rating
(out of 162)



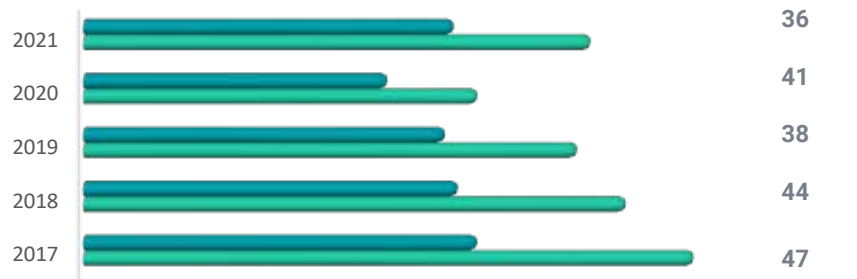
	2017	2018	2019	2020	2021
■ Provincial	\$8.2029	\$7.7969	\$7.5711	\$6.1051	\$7.3542
■ VHHS	\$6.0014	\$5.2898	\$4.8240	\$5.0804	\$4.9220

Business Tax Rate
(per \$1,000 of assessed value) Rating
(out of 162)



	2017	2018	2019	2020	2021
■ Provincial	\$20.3289	\$19.1882	\$18.3410	\$15.2274	\$18.3200
■ VHHS	\$16.3100	\$14.3430	\$12.9148	\$10.3288	\$13.3178

Recreational Tax Rates
(per \$1,000 of assessed value) Rating
(out of 162)

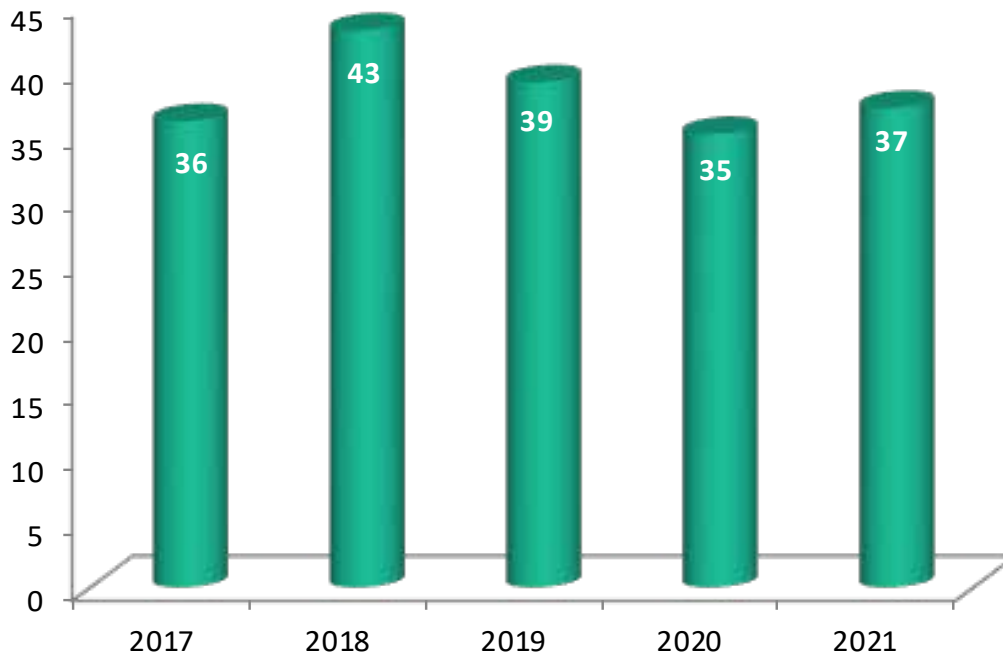


	2017	2018	2019	2020	2021
■ Provincial	\$10.4551	\$9.9431	\$9.5953	\$8.0592	\$9.8328
■ VHHS	\$16.2301	\$14.4214	\$13.1191	\$10.4565	\$13.4806

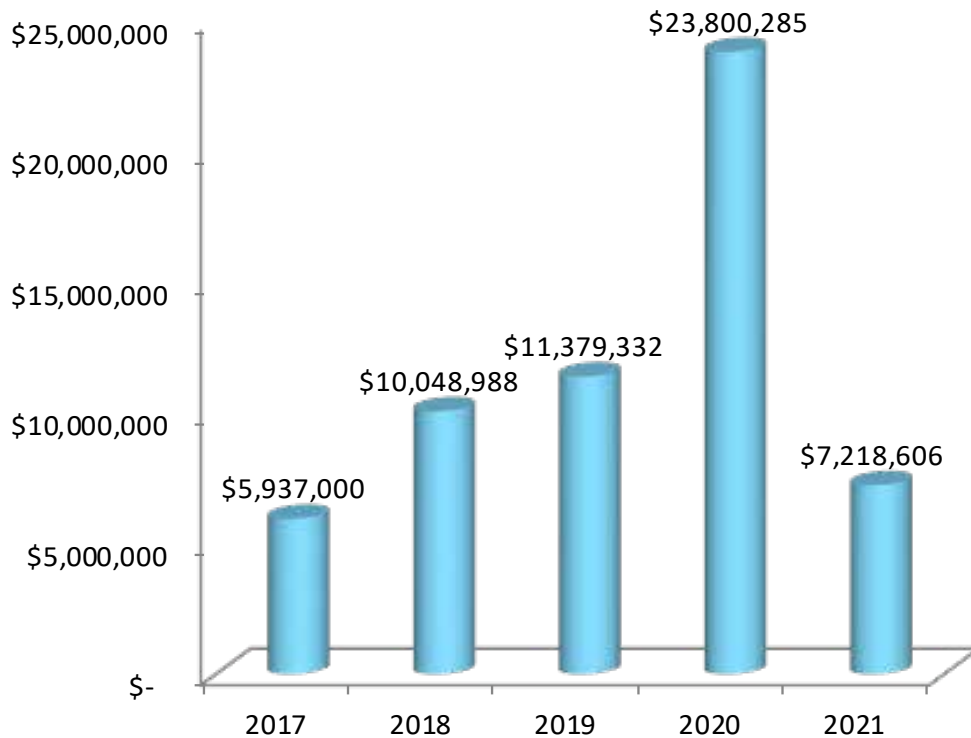
Average tax rates for all purposes includes:
Municipal, Regional District, Hospital District, School and Other

Municipalities in BC are ranked from lowest tax rate (1) to highest tax rate (161).

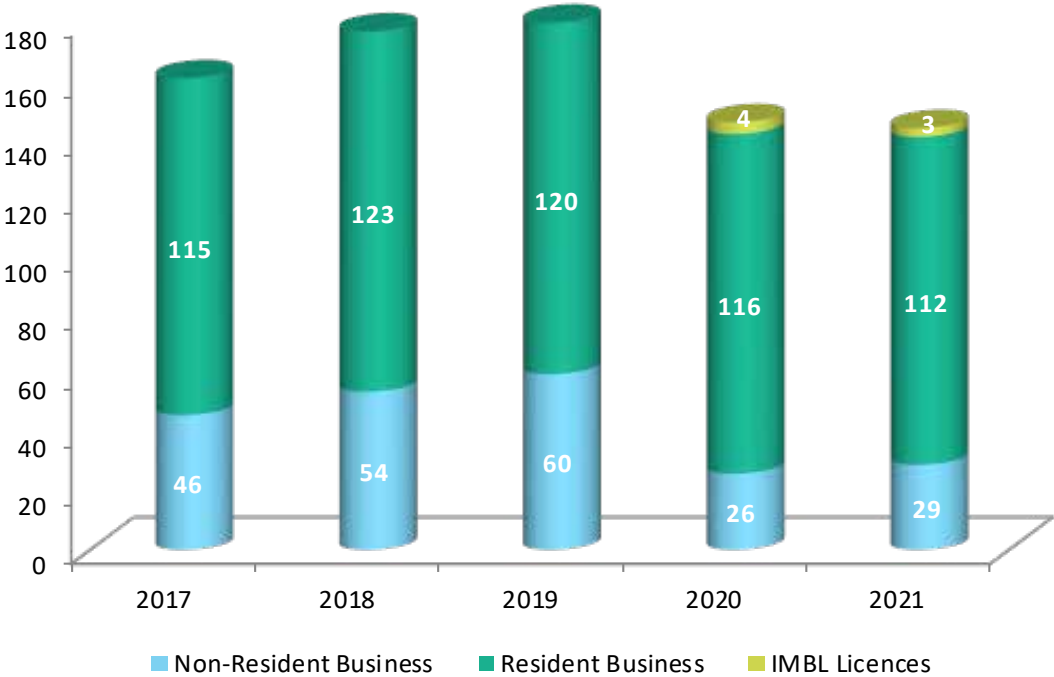
Building Permits Issued



Value of Building Permits Issued



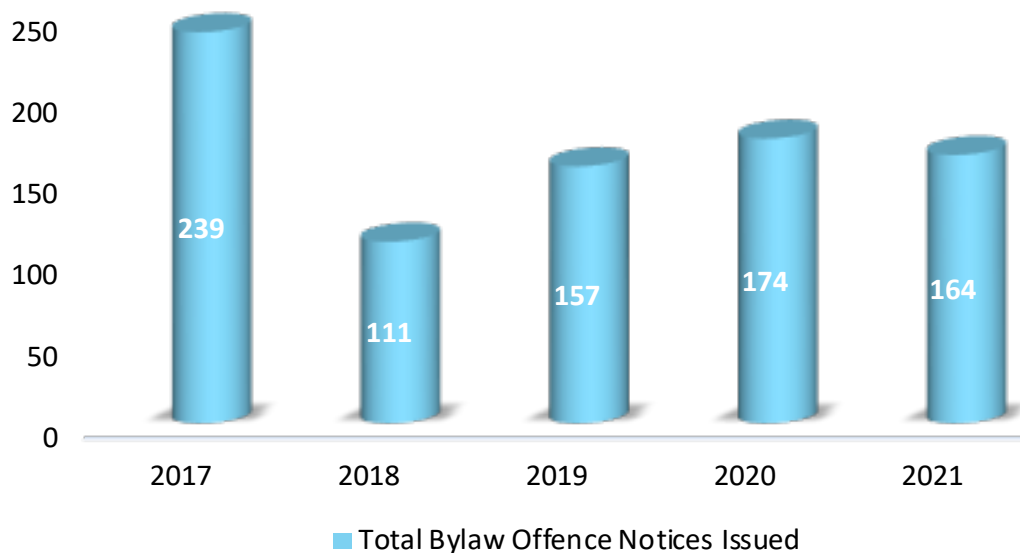
Business Licenses Issued



In 2020 the Village of Harrison Hot Springs joined the Fraser Valley Inter-Municipal business licence program (IMBL). Twenty six (26) non-resident businesses were no longer required to purchase licenses from the Village as they were existing participants in the IMBL program. The Village shares in revenue from the Fraser Valley IMBL program.



Bylaw Enforcement



	2017	2018	2019	2020	2021
Noise Abatement	11	1	3		
Animal Control					
Boat Launch Facility & Parking				3	
Business Licence				8	8
Bylaw Notice Enforcement					
Highway & Traffic	148	106	131	159	148
Littering/Dumping		1			
Municipal Dock	2				4
Outdoor Fire		1	1		
Park					1
Sign			1		
Property/Premises		1	16	2	
Tree Protection		1	5		
Waste Collection & Disposal					
Zoning	78			1	3
Misc				1	
	239	111	157	174	164





A GUIDE TO MRDT AND RMI

The Village benefits from two types of funding from the Province of British Columbia to support local tourism:



2021 MRDT Funding
\$627,788

MRDT

Municipal and Regional District Tax (also known as the Hotel Tax) is a 3% tax generated from short-term accommodation providers in Harrison Hot Springs, District of Kent, and the FVRD Electoral Area C.

Eligible Expenses

Tourism **Marketing, Projects, and Programing** that increase local tourism revenue, visitation and economic benefits.

2021 RMI Funding
\$485,694

RMI

Resort Municipality Initiative grant funding is based on the resort community's needs and a calculation that looks at year-over-year growth.

Eligible Expenses

Infrastructure and programming that increase visitation, investment, employment, and tourism contribution to the local economy.

What is a Resort Municipality?

The Resort Municipality Initiative (RMI) supports small, tourism based municipalities in building infrastructure and delivering programming that will strengthen and diversify the tourism economy. The Village of Harrison Hot Springs is one of 14 Resort Municipalities in British Columbia.

RMI Benefits Residents

The Village of Harrison Hot Springs is grateful to the Province of British Columbia for the funding to support our tourism-based economy. This funding supports services that are above-and-beyond what a municipality of our size would otherwise be able to provide.

RMI Transforms Communities

RMI funding allows the Village to maintain and develop tourism infrastructure, creating a more dynamic community for both visitors and residents.



Playground Equipment



Village Entrance Development



Streetscape Revitalization

RMI Delivers Festivities

RMI funding allows the Village to partner with agencies such as Tourism Harrison River Valley, Harrison Festival of the Arts, and Sts'ailes to deliver special events that create a vibrant atmosphere for both visitors and residents.



Lights by the Lake



Canada Day



Sasquatch Days



HARRISON HOT SPRINGS

Naturally Refreshed