# VILLAGE OF HARRISON HOT SPRINGS BRITISH COLUMBIA 2022 ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2022

# HARRISON HOT SPRINGS

Naturally Refreshed



Naturally Refreshed

**MUNICIPALITY** Village of Harrison Hot Springs

**ANNUAL REPORT** For the year ended December 31, 2022

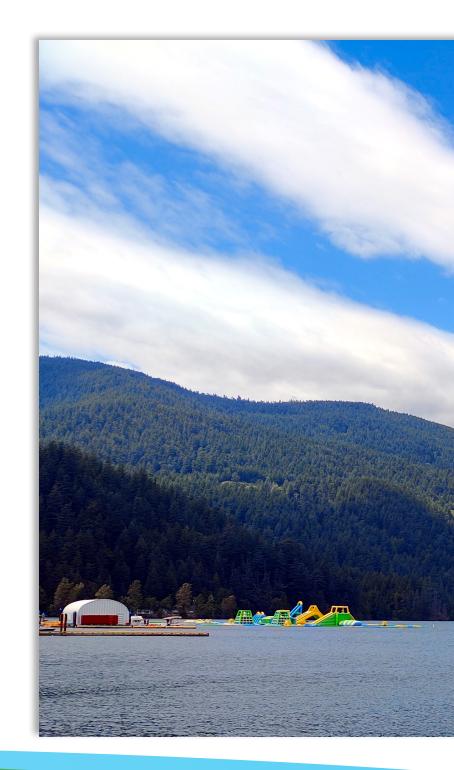
**PREPARED BY** The Village Municipal Staff

## LOCATION

Harrison Hot Springs British Columbia, Canada

### CONTACT

604-796-2171 info@harrisonhotsprings.ca www.harrisonhotsprings.ca



# VILLAGE OF HARRISON HOT SPRINGS ENTIBLICUMBIA 2022 ANNUAL REPORT



# Table of Contents

# **01** INTRODUCTORY SECTION

MAYOR'S MESSAGE01
VILLAGE COUNCIL
LETTER OF TRANSMITTAL05
CANADIAN AWARD FOR FINANCIAL REPORTING09
ORGANIZATIONAL CHART10
VILLAGE DEPARTMENTS
GOALS & OBJECTIVES

# **02** FINANCIAL SECTION

FIVE YEAR FINANCIAL PLAN
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING22
AUDITOR'S REPORT
STATEMENT OF FINANCIAL POSITION
STATEMENT OF OPERATIONS
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
STATEMENT OF CASH FLOWS
NOTES TO THE FINANCIAL STATEMENTS
SCHEDULE 1: STATEMENT OF TANGIBLE CAPITAL ASSETS44
SCHEDULE 2: TABLE OF SEGMENTED INFORMATION45
SCHEDULE 3: COVID-19 SAFE RESTART GRANT

# **03** STATISTICAL SECTION

DEMOGRAPHICS & TOURISM48
EMPLOYMENT
STATEMENT OF FINANCIAL POSITION
REVENUES BY SOURCE
EXPENSES BY FUNCTION
EXPENSES BY OBJECT53
DEBT
ASSESSED VALUES
MUNICIPAL PROPERTY TAXES
TAX RATES
BUILDING PERMITS ISSUED
VALUE OF BUILDING PERMITS ISSUED
BUSINESS LICENSES ISSUED
BYLAW ENFORCEMENT
GUIDE TO MRDT VS. RMI61







# **MAYOR'S MESSAGE**

On behalf of the Village of Harrison Hot Springs Council and municipal staff, I am pleased to present the 2022 Annual Report. The purpose of the Annual Report is to summarize the major projects and accomplishments that occurred throughout the preceding year. It gives taxpayers, residents and other interested parties information about our operational activities and financial performance.

Some of the 2022 projects and their funding sources were:

- 1. Beach Berm (2023 Completion) Resort Municipalities Initiative
- 2. Spring Park Reserves and Development Cost Charges
- 3. Fire Hall (2023 Completion) Grant Funding
- 4. Dike Assessment Grant Funding
- 5. Water Treatment Plan Membrane Replacement Reserves

As Mayor of the Village of Harrison Hot Springs, I am very proud of our community's ability to focus on and achieve our goals. Council and staff continue to deliver responsible governance and municipal services for the citizens of Harrison Hot Springs while efficiently managing public assets and fostering the economic, social, and environmental well-being of the community.

With input from our residents, we also look ahead, envisioning the Harrison Hot Springs of the future and how we can foster a vibrant and growing community while staying true to our small-town roots.

I would like to acknowledge and thank the many volunteers in the community who provide assistance to ensure that some of our very popular events continue to take place within our community.

I also wish to thank the people in the Harrison Hot Springs business community for working with the Village and for cooperating with and supporting one another. We acknowledge that the last few years were very challenging and we thank you for keeping your business operational during that difficult time.

To learn more about the Village's goals and accomplishments, take a moment to review the pages of this Annual Report. As always, thank you for your interest in the Village and our efforts to make our community a place to stay forever.

ΜΑΥΝΚ ΕΝ ΨΟΛΝ

# **VILLAGE COUNCIL**



L-R Councillor John Buckley, Mayor Ed Wood, Councillor Michie Vidal, Councillor Allan Jackson

## About Village Council

Harrison Hot Springs Village Council consists of the Mayor and four Councillors, all of whom are elected villagewide 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 Ed Wood

## COUNCIL APPOINTMENTS

Agassiz Harrison Historical Society

Lets'emot Community to Community Forum

Municipal Insurance Association, Alternate Voting Delegate



# **Councillor John Buckley**

## COUNCIL APPOINTMENTS

Agassiz Harrison Healthy Communities

Fraser Valley Regional District Board, Alternate Municipal Director

Fraser Valley Regional Hospital District Board, Alternate Municipal Director

Harrison Agassiz Chamber of Commerce



## COUNCIL APPOINTMENTS

Fraser Health

Fraser Valley Regional District Board, Municipal Director

Fraser Valley Regional Hospital District Board, Municipal Director

Fraser Valley Regional Library Board, Alternate Municipal Director





# **Councillor Allan Jackson**

## COUNCIL APPOINTMENTS

Fraser Valley Regional Library Board, Municipal Director

Municipal Insurance Association, Voting Delegate

Tourism Harrison

# **Councillor Michie Vidal**

## COUNCIL APPOINTMENTS

Community Futures North Fraser Board of Directors

Corrections Canada Citizen's Advisory Committee

Kent Harrison Joint Emergency Program Committee

Lets'emot Community to Community Forum, Alternate Representative





### May 31, 2023

To the Mayor and Council,

I am pleased to submit the 2022 Annual Report for the Village of Harrison Hot Springs (the Village). This report presents the financial results for the fiscal year ended December 31, 2022 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, 2022. In 2022, the Village was the recipient of a Canadian Award for Financial Reporting (CAnFR) from the Government Finance Officers Association for its 2021 Annual Report, which marked the third 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 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 incorporated all information available as of the audit date within reasonable limits of materiality. 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 2022 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 2022 there was an increase to tangible capital assets in the amount of approximately \$1.2M. This increase is primarily a result of infrastructure projects that are in progress (such as the Lagoon Berm improvement project, and the fire hall upgrades project), as well as a new fire truck for the Fire Department.

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 2022 there were contributions to the DCC's of \$412,524, and \$71,951 was expended.

Long-term debt and liabilities under agreement were reduced overall by \$59,166 in 2022. 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. In 2022, there was a total increase to the equity in TCA of \$1,261,505, and the Village's total equity in TCA ended the year at \$37,832,434.

### **Statement of Operations:**

### Revenues

In 2022, we saw the gradual loosening of COVID-19 restrictions which resulted in increased usership of municipal facilities and services. Also, favorable summer weather and strong visitation saw pay parking stalls well used and revenues were higher than budget. In 2022, total revenues were under budget by about \$3.9 million, however this was 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 2022, there were many cost pressures associated to inflation which affected most areas that the Village does business, including construction supplies and general goods and services. These costs were mitigated as much as possible and total costs still remained under budget.

### Reserves

Reserve funds provide a mechanism to set aside funds to:

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

All of these funds are intended to accomplish two goals:

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

Additions to reserves consist of transfers from operations and interest earnings on those reserve funds. In 2020, the Village received \$675,000 in funding from the COVID-19 Restart Grant which was to have been expended by the end of 2022. This COVID-19 grant assisted with the costs and lost revenues associated with the pandemic, and was fully expended in 2022 (Note 14, Schedule 3).

### **Financial Planning Process**

The Community Charter sections 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 April 3, 2023, Council adopted the 2023-2027 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 (Statistics Canada) 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 visit during the summer season.

The traditional summer season is a popular time for tourist visits, and the local businesses that are predominately tourism driven were impacted by the global COVID-19 pandemic, public health order restrictions, as well as the closing of borders to non-essential travel. 2022 did see a relaxation of COVID restrictions, and tourism has rebounded strongly. Increased inflationary pressures as well as labour availability in a competitive market continue to be challenging, however both of these items are being mitigated as much as possible by management.

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 is also grateful for the various sources of funding such as the Resort Municipality Initiative (RMI), Municipal and Regional District Tax (MRDT), as well as the Community Works Grant. These various sources of funding greatly assist with beach and park maintenance, as well as fund major infrastructure and beachfront beautification projects.

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 speaks to the high desirability of the Village. Like much of the lower mainland in BC, assessed values rose rapidly in 2021, while softening in 2022 but still increasing in all three classes of properties that the Village has assessed values for (Residential, Business, and Recreational / Non-Profit).

I believe that this very positive report speaks to the ongoing efficient and dedicated work of Village staff, while also recognizing the good governance of prior and current Councils ongoing commitment to prudent financial management.

Respectfully Submitted,

Scott Schultz, Chief Financial Officer



Government Finance Officers Association

# Canadian Award for Financial Reporting

Presented to

## **Village of Harrison Hot Springs**

## **British Columbia**

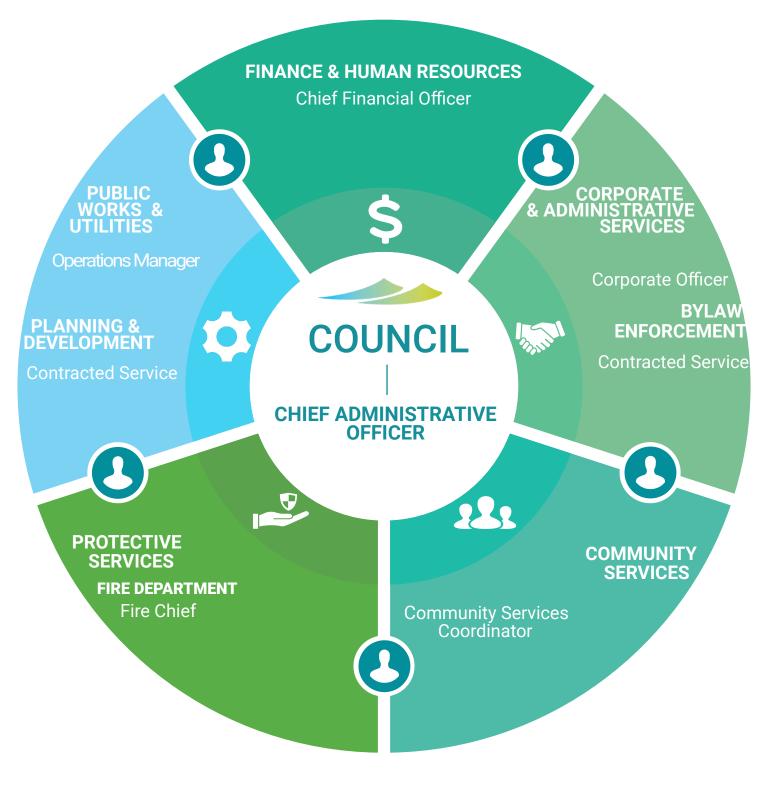
For its Annual Financial Report for the Year Ended

December 31, 2021

Christophen P. Morrill

Executive Director/CEO

# **ORGANIZATIONAL CHART**



2022 ANNUAL REPORT **10** 

# 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

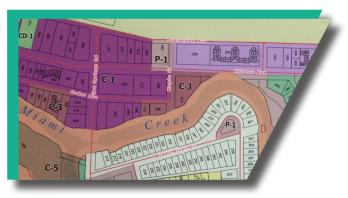
Human Resources supports all stages of the employee experience, from job applications to retirement planning. Human Resources is responsible for providing strategic advice to staff and Council to foster an inclusive culture of employee empowerment and to maintain a sustainable municipal workforce.



# 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**



2022 ANNUAL REPORT **14** 



# **2022 ACHIEVEMENTS**

- Replaced twenty-two membranes at the Water Treatment Plant
- Completed Subdivision and
   Development Bylaw
- Installed Gantry Crane at the Waste Water Treatment Plant
- Completed initial design approval for Boat Launch Building

# 2023 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
- Perform maintenance on Lift Station #'s 4, 5, and 6
- **Upgrade** emergency backup generator at the Water Treatment Plant and the Water Intake Facility

### 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.





# 2022 ACHIEVEMENTS

- Installed additional bus shelter on Hot Springs Road
- Implemented one-sided parking restrictions on Pine Avenue and McCombs Drive
- Implemented a public alerting system for local advisories and emergencies
- Completed Fire Pumper truck
   purchase
- Completed Harrison Lake Dike
   Assessment

# TRANSPORTATION & SAFETY

# 2023 GOALS

- Upgrade Flood Pump Access
- Initiate planning stages of Dike upgrade
- Complete Fire Hall seismic upgrade
- **Upgrade** Emergency Operations Centre equipment in Fire Hall
- Expand paid parking zone to Lillooet West
- Install two additional bus shelters



# RECREATION, CULTURE & TOURISM

# **2022 ACHIEVEMENTS**

- Celebrated the return of Sasquatch Days in partership with Sts'ailes after a two-year hiatus due to public health restrictions
- **Submitted** a multi-year Resort Development Strategy and renewed the Resort Municipality Agreement with the Province
- Completed construction of a pedestrian trail along McCombs Drive, and completed Miami River Greenway Trail
- **Upgraded** Lagoon area with new berm and patio

# 2023 GOALS

35846

- Continue to upgrade the beautiful lagoon berm area
- **Host** Festivals such as the Harrison Festival of the Arts, Canada Day and Sasquatch Days
- Continued participation in the Lets'emot Community to Community forums
- **Continued** consultation with Sts'ailes and installation of cultural infrastructure as a reconciliation initiative
- **Install** a permanent washroom, covered seating area, and Ping Pong Tables in Spring Park





# **2022 ACHIEVEMENTS**

- Joined RecycleBC Network of Collectors
- **Provided** single stream and glass recycling bins for all residents
- Received funding from the Local Government Climate Action Plan (LGCAP) program to fund environmental initiatives

# 2023 GOALS

Complete the Urban Forest Master Plan

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- Seek opportunities to expand and upgrade EV charging stations, as well as other environmental initiatives within the LGCAP program
- **Continue** to procure environmentally friendly equipment when replacing older equipment



### GOALS & OBJECTIVES

# FAIRNESS & FISCAL RESPONSIBILITY

# **2022 ACHIEVEMENTS**

- Received the Canadian Award for Financial Reporting for the 2021 Annual Report
- Mitigated the increased inflationary pressures while still remaining under budget overall
- **Analyzed** and developed a cost recovery plan for electricity usage at EV stations

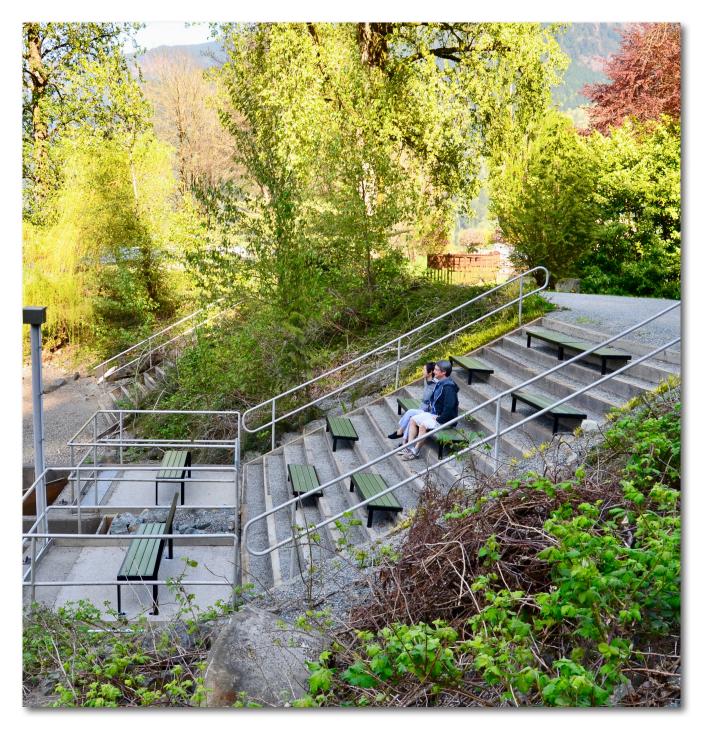
# 2023 GOALS

- **Continue** to ensure fair taxation between classes to mitigate the fiscal effects of fluctuating assessment
- Implement Asset Retirement Obligation (ARO) accounting standard
- Continue to seek out and apply for grants as they become available



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# **FINANCIAL SECTION**



## Five Year Financial Plan 2022-2026

	2023	2024	2025	2026	2027
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
<u>REVENUES:</u>					
PROPERTY TAXES - MUNICIPAL	2,660,468	2,661,795	2,726,427	2,795,802	2,865,306
COLLECTIONS OTHER GOVERNMENTS & AGENCIES	2,214,180	2,300,185	2,371,789	2,419,224	2,419,224
PENALTIES & INTEREST - TAXES	-	-	-	-	-
UTILITY CO. 1% REVENUE TAXES	41,987	39,505	40,296	41,101	41,924
PAYMENTS IN LIEU OF TAXES	6,400	6,400	6,400	6,528	6,658
TOTAL TAXES COLLECTED	4,923,035	5,007,885	5,144,912	5,262,655	5,333,112
REMITTANCES OTHER GOVERNMENTS & AGENCIES	(2,214,180)	(2,300,185)	(2,371,789)	(2,419,224)	(2,419,224)
NET TAXES FOR MUNICIPAL PURPOSES	2,708,855	2,707,700	2,773,123	2,843,431	2,913,888
REVENUE FROM OWN SOURCES	2,331,715	2,361,156	2,410,122	2,450,690	2,492,026
GRANTS AND DONATIONS	9,708,484	562,000	567,000	578,340	589,907
DCC	2,878,375	-	-	-	-
CONTRIBUTED ASSETS	-	-	-	-	-
TOTAL REVENUE	\$17,627,429	\$5,630,856	\$5,750,245	\$5,872,461	\$5,995,821
EXPENSES:					
LEGISLATIVE	198,020	195,096	203,212	212,550	220,736
GENERAL GOVERNMENT	1,490,165	1,252,487	1,275,538	1,303,435	1,331,964
PROTECTIVE SERVICES	325,126	327,848	331,976	338,306	344,764
DEVELOPMENT PLANNING	144,520	122,700	125,154	127,657	130,210
TOURISM AND COMMUNITY IMPROVEMENT	326,653	304,745	311,333	318,021	324,857
ENGINEERING, TRANSPORTATION, STORM WATER	946,732	882,920	895,633	914,409	933,533
SOLID WASTE	263,314	244,167	256,280	260,905	265,624
PARKS, RECREATION & CULTURAL SERVICES	632,296	614,844	626,599	639,302	652,276
WASTEWATER UTILITY	949,475	967,885	986,161	1,005,633	1,025,448
WATER UTILITY	557,623	565,320	573,177	584,756	596,572
DEBT- INTEREST	13,200	15,700	15,700	16,014	16,334
TOTAL EXPENDITURES	5,847,125	5,493,713	5,600,762	5,720,989	5,842,317
SURPLUS (DEFICIT)	\$11,780,304	\$137,143	\$149,483	\$151,472	\$153,504
	\$11,780,504	Ş137,143	\$149,485	¥131,472	Ş155,504
CAPITAL, DEBT, RESERVES, TRANSFERS &					
BORROWING					
CAPITAL EXPENDITURES	(14,098,048)	(646,000)	(111,180)	(113,404)	(115,673)
REPAYMENT ON DEBT	(31,100)	(53,100)	(53,100)	(54,162)	(55,245)
PROCEEDS OF DEBT	-	95,000	-	-	
CONTRIBUTIONS TO RESERVES	(1,255,676)	(1,209,043)	(1,221,383)	(1,244,810)	(1,268,708)
TRANSFERS FROM RESERVES	2,206,345	551,000	111,180	113,404	115,672
APPROPRIATION FROM SURPLUS	273,175	-	-	-	
EQUITY IN TANGIBLE CAPITAL ASSETS	1,125,000	1,125,000	1,125,000	1,147,500	1,170,450
	\$(11,780,304)	\$(137,143)	\$(149,483)	\$(151,472)	\$(153,504)
					-
SURPLUS (DEFICIT) PLUS CAPITAL, DEBT, -	0 -	0	0	0  -	0

### Management's Responsibility for Financial Reporting

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

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

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

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

ly Redley Ridley

Interim Chief Administrative Officer May 1, 2023

Scott Schultz Chief Financial Officer May 1, 2023



Tel: 604 688 5421 Fax: 604 688 5132 vancouver@bdo.ca www.bdo.ca BDO Canada LLP Unit 1100 -Royal Centre 1055 West Georgia Street Vancouver, BC V6E 3P3 Canada

### 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, 2022, and the Statements 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, 2022, 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 attempleted to verify the accuracy or completeness of the schedule or exhibits on page 25 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 May 1, 2023

### **Statement of Financial Position**

### As at December 31, 2022

	2022	2021
Financial assets		
Cash (Note 2)	\$ 20,957,382	\$ 18,844,359
Accounts Receivable (Note 3)	1,042,032	494,898
MFA Deposits (Note 4)	7,111	6,956
	22,006,525	19,346,213
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	682,807	419,815
Employee Future Benefits (Note 6)	116,328	131,798
Developer's Deposits and Other Trust Liabilities (Note 7)	3,042,180	1,417,722
Deferred Revenue (Note 8)	1,160,771	2,105,198
Development Cost Charges (Note 9)	5,227,879	4,768,748
Liabilities under Agreement (Note 10)	2,362	23,305
Long-term debt (Note 11)	358,100	396,323
	10,590,427	9,262,909
Net financial assets	11,416,098	10,083,304
Non-financial assets		
Tangible Capital Assets (Note 12, Schedule 1)	38,192,895	36,990,555
Prepaid expenses	56,374	356,060
	38,249,269	37,346,615
Accumulated surplus	49,665,367	47,429,919

elles Redley Kelly Ridley

Interim Chief Administrative Officer

Ed Wood Mayor

### **Statement of Operations**

### for the year ended December 31, 2022

	Budget (Note 19)	2022	2021
Revenue			
Property Taxes (Note 15)	\$ 2,564,679	\$ 2,551,795	\$ 2,470,865
Sale of Services (Note 16)	1,596,433	1,688,486	1,632,567
Utility Service Fees (Note 17)	491,000	491,453	487,887
Government Transfers (Note 18)	5,080,801	2,122,812	978,633
Investment Income	55,900	350,537	92,497
Penalties and interest	-	64,321	70,930
Development Cost Charges (Note 9)	1,563,400	71,952	15,550
Other revenue	31,250	92,391	63,483
	11,383,463	7,433,747	5,812,412
Expenses (Note 20)			
Legislative Services	131,900	115,957	100,213
General Government	1,351,015	1,228,264	1,079,004
Protective Services	312,263	274,928	311,507
Public Works	416,047	396,952	333,706
Transportation Services	544,190	471,903	444,450
Public Health	6,260	7,535	7,740
Planning and Development	482,335	278,299	154,088
Tourism, Community and Economic Development	296,015	277,440	227,063
Solid Waste Management and Recycling	277,437	259,859	198,713
Beaches, Parks, Recreation and Culture	627,815	512,320	605,167
Water Services	545,123	498,974	467,286
Sewer Services	937,500	875,868	824,880
	5,927,900	5,198,299	4,753,817
Annual surplus	5,455,563	2,235,448	1,058,595
Accumulated surplus, beginning of year (Note 14)	47,429,919	47,429,919	46,371,324
	\$ 52,885,482	\$ 49,665,367	\$ 47,429,919

Statement of Change in Net Financial Assets

### For the Year Ended December 31, 2022

	Budget (Note 19)	2022	2021
Annual Surplus	5,455,563	2,235,448	1,058,595
Acquisition of tangible capital assets	(8,182,701)	(2,340,530)	(477,797)
Amortization of tangible capital assets Note1., Schedule 1	1,125,000	1,130,016	1,091,996
Loss on disposal of tangible capital assets	-	8,174	-
	(1,602,138)	1,033,108	1,672,794
Acquisition of prepaid expenses	-	(56,374)	(356,060)
Use of prepaid expenses	-	356,060	72,155
	-	299,686	(283,905)
Increase in net financial assets	(1,602,138)	1,332,794	1,388,889
Net financial assets, beginning of year	10,083,304	10,083,304	8,694,415
Net financial assets, end of year	8,481,166	11,416,098	10,083,304

### **Statement of Cash Flows**

### For the Year Ended December 31, 2022

	2022	2021
Cash provided by (used in):		
Operating Transactions Annual surplus	2,235,448	1,058,595
Items not involving cash:		
Amortization	1,130,016	1,091,996
Loss on disposal of tangible capital assets	8,174	-
Changes in working capital:		
Accounts receivable	(547,135)	62,684
MFA deposits	(155)	(116)
Accounts payable and accrued liabilities	262,993	223,810
Developer's deposits and other trust liabilities	1,624,457	(111,643)
Prepaid expenses	299,687	(283,905)
Employee future benefits	(15,471)	2,396
Deferred revenue	(944,426)	1,285,973
Development cost charges	459,130	21,595
Net change in cash from operating transactions	4,512,718	3,351,385
Capital Transactions:		
Acquisition of tangible capital assets	(2,340,530)	(477,797)
Net change in cash from capital transactions	(2,340,530)	(477,797)
Financing Transactions		
Repayments of debt and liabilities under agreement	(59,165)	(59,677)
Net change in cash from financing transactions	(59,165)	(59,677)
Net change in cash	2,113,023	2,813,911
Cash , beginning of year	18,844,359	16,030,448
Cash , end of year	20,957,382	18,844,359

**Notes to the Financial Statements** 

December 31, 2022

#### 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 theses 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. <u>Operating Funds</u>: 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. <u>Capital funds</u>: 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. <u>Reserve funds</u>: 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.

**Notes to the Financial Statements** 

December 31, 2022

#### 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 aquisition 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.

Notes to the Financial Statements

December 31, 2022

### 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 managements's best estimates as additional information becomes available in the future. Areas requiring the greatest degree of estimation include employee future benefits and useful lives of tangible capital assets.

#### g. Liability for Contaminated Sites

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

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

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

The Village has determined that as of December 31, 2022, no contamination in excess of an environmental standard exists to land not in productive use for which the Village is responsible.

#### Notes to the Financial Statements

#### December 31, 2022

#### 2. Cash

	2022	2021
Restricted cash		
Statutory Reserves	\$ 1,361,661	\$ 1,591,163
Non-Statutory Reserves	4,428,345	3,748,823
Development Cost Charges and Other Deposits	9,430,830	8,291,668
	15,220,836	13,631,654
Unrestricted cash	5,736,546	5,212,705
Total cash	\$ 20,957,382	\$ 18,844,359

#### 3. Account Receivable

	2022		2021
Accounts Receivable - Property Taxes	\$ 169,19	2 \$	227,622
Accounts Receivable - Other Governments	653,96	5	65,635
Accounts Receivable - Trade and Other	218,87	5	201,641
	\$ 1,042,03	2\$	494,898

#### 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.

Notes to the Financial Statements

December 31, 2022

#### 5. Accounts Payable and Accrued Liabilities

	2022	2021
Trade and Other	\$ 349,214 \$	164,401
Holdbacks payable	116,362	48,174
Other government	150,065	139,908
Accrued Employee benefits	67,166	67,332
	\$ 682,807 \$	419,815

#### 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 2022 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, 2022, \$116,328 (2021 - \$131,798) 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:

	2022	2021
Discount rates	4.4	2.4
Expected future inflation	2.5	2.5

Notes to the Financial Statements

#### December 31, 2022

#### 6. Employee Future Benefits (continued)

Accrued Benefit Obligation as at December 31, 2022

	2022	2021
Beginning benefit obligation	\$ 131,798	\$ 129,402
Current service cost	19,123	16,372
Interest on accrued benefit obligation	3,346	2,087
Benefits payments	(22,989)	(16,063)
Accrued Benefit Liability, end of year	131,278	131,798
Less Unamortized net actuarial (loss)	(14,950)	-
Accrued Benefit Obligations, end of year	\$ 116,328	\$ 131,798

#### 7. Developers Deposits and Other Liabilities

	2022		2021
Property and event damage deposits	\$ 1,129,	38 \$	127,364
Developers Deposit	1,911,	'86	1,289,102
Funds held on behalf of community groups	1,:	256	1,256
	\$ 3,042,	80 \$	1,417,722

#### 8. Deferred Revenue

	Opening Balance	R	xternally lestricted Inflows	Revenue Earned	De	ecember 31, 2022
Prepaid taxes	\$ 179,424	\$	335,206	\$ (340,250)	\$	174,380
Resort Municipality Initiative	964,954		71,977	(126,748)		910,183
Deferred Revenue	960,795		53,559	(938,571)		75,783
Facility rentals and other	25		400	-		425
	\$ 2,105,198	\$	461,142	\$ (1,405,569)	\$	1,160,771

Notes to the Financial Statements

December 31, 2022

#### 9. Development Cost Charges

	Opening Balance	F	Receipts Interes		Transfers Receipts Interest Out			Closing Balance
Sewer DCC	\$ 1,742,253	\$	139,720	\$	43,188	\$	47,274	\$ 1,877,887
Water DCC	1,513,483		112,504		37,645		-	1,663,632
Drainage DCC	965,003		96,180		24,040		15,077	1,070,146
Parks DCC	548,009		64,120		13,685		9,600	616,214
	\$ 4,768,748	\$	412,524	\$	118,558	\$	71,951	\$ 5,227,879

#### 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 2023.

Changes in liabilities under agreement are as follows:

	2022	2021
Balance, January 1,	\$ 23,305 \$	46,051
Less: Principal repayments	(20,943)	(22,746)
Balance, December 31	\$ 2,362 \$	23,305

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

 2023
 \$ 2,354

 Less:Amount representing interest
 8

 \$ 2,362
 \$ 2,362

Total interest expense during the year was \$211. Total interest over the term of the agreements is \$5,854.

Notes to the Financial Statements

#### December 31, 2022

#### 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 A		Principal Additions Repayments		octuarial * djustment	Balance, end of year			
General Fund									
MFA Issue 131	\$	396,323	\$	-	\$	31,095	\$ 7,128	\$	358,100

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

	G	General			Sewer		
2023	\$	31,095	\$	-	\$	-	
2024	\$	31,095	\$	-	\$	-	
2025	\$	31,095	\$	-	\$	-	
2026	\$	31,095	\$	-	\$	-	
2027	\$	31,095	\$	-	\$	-	
Thereafter	\$	202,625	\$	-	\$	-	
Total	\$	358,100	\$	-	\$	-	

\* 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. Tangible Capital Assets

	2022	2021
Land and improvements	\$ 10,680,913	\$ 10,680,913
Buildings	2,770,166	2,903,940
Machinery, equipment, furniture, IT and vehicles	1,386,005	804,577
Engineering Structures:		
Engineering structures - water	7,520,054	7,675,144
Engineering structures - sewer and drainage	7,898,676	8,056,020
Engineering structures - roads	4,248,980	4,541,856
Engineering structures - parks and other	1,399,110	1,528,619
Other tangible capital assets	686,955	361,649
Work in Progress	1,602,036	437,837
Total	\$ 38,192,895	\$ 36,990,555

Notes to the Financial Statements

December 31, 2022

#### 12. Tangible Capital Assets (continued)

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

There were no contibuted assets recognized in 2022.

#### 13. 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:

	2022	2021
Equity in TCA, beginning of year	\$ 36,570,929	\$ 37,125,450
Add:		
Capital Expenditures	2,340,530	477,797
Debt Repayments	52,037	53,842
Actuarial adjustment	7,128	5,836
Less:		
Net Book Value of dispositions	(8,174)	-
Amortization	(1,130,016)	(1,091,996)
Equity in TCA, end of year	\$ 37,832,434	\$ 36,570,929

Notes to the Financial Statements

December 31, 2022

#### 14. Accumulated Surplus

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

	2022	2021
Surplus:		
	\$ 37,832,434	\$ 36,570,929
Operating Fund	6,042,927	5,519,004
Total surplus	43,875,361	42,089,933
Reserves set aside by Council:		
Appropriated Surplus:		
COVID 19 Restart Grant (Schedule 3)	-	198,935
Fire Department	28,582	27,896
Assessment appeal	141,749	138,349
Beach	4,385	4,280
Building	67,537	65,917
Contingencies	12,350	12,053
Dock replacement	75,634	64,021
Boat Launch	76,575	69,839
Flood box / drainage	16,756	16,354
General	1,311,523	912,606
Insurance	10,731	10,473
Parking / traffic management	63,235	61,718
Office Equipment	25,557	45,522
Property	51,136	49,909
Road/Sidewalk	14,529	14,181
Sick leave/Retirement	54,926	53,608
Community Works Fund	550,434	507,635
Sewer	981,695	765,795
Water	941,011	729,732
Total Appropriated Surplus	4,428,345	3,748,823
Statutory Fund Reserves:		
Community amenities	166,267	162,278
Fire department capital	5,487	266,173
Land unexpended funds	52,871	51,603
Parkland acquisition and improvements	386,701	389,191
Public works capital	91,629	52,686
Sewage treatment replacement	563,036	575,857
Sewer unexpended funds	90,006	87,847
Port Divestiture income	5,664	5,528
Total Statutory Fund Reserves	1,361,661	1,591,163
	\$ 49,665,367	\$ 47,429,919

2022 ANNUAL REPORT **38** 

Notes to the Financial Statements

#### December 31, 2022

#### 15. 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	2022	2021
Taxes collected			
Municipal property taxes	\$ 2,519,662	\$ 2,506,424	\$ 2,425,128
1 % Utility taxes	38,617	38,617	39,330
Payments in lieu of taxes	6,400	6,754	6,407
School taxes	1,600,385	1,603,551	1,545,714
Regional District	174,929	175,283	170,099
Regional hospital district	103,776	103,986	105,824
Police tax	177,457	177,815	167,971
Other agencies	40,504	40,598	37,138
	4,661,730	4,653,028	4,497,611
Less transfers to other governments			
School taxes paid	1,600,385	1,603,551	1,545,714
Regional district taxes paid	174,929	175,283	170,099
Regional hospital district taxes paid	103,776	103,986	105,824
Police taxes paid	177,457	177,815	167,971
Other agencies taxes paid	40,504	40,598	37,138
	2,097,051	2,101,233	2,026,746
	\$ 2,564,679	\$ 2,551,795	\$ 2,470,865

#### 16. Sale of Services

	Budget	2	2022	2021
Sewer user fees	\$ 701,000	\$	701,443 \$	664,567
Water user fees	362,270		372,071	362,509
Curbside collection fees	133,929		137,924	125,191
Pay Parking Revenue	310,000		355,813	361,503
Licenses and permits	40,884		60,753	59,121
Facility rentals	40,000		45,825	46,791
Fines	4,250		10,773	8,970
Other	4,100		3,884	3,915
	\$ 1,596,433	\$ 1	,688,486 \$	1,632,567

#### Notes to the Financial Statements

#### December 31, 2022

#### 17. Utility Service Fees

	Budget	2022	2021
Sewer service utility fee - residential	\$ 212,000 \$	213,092 \$	211,758
Sewer service utility fee - business	20,000	19,763	19,719
Water service utility fee - residential	238,000	237,384	235,782
Water service utility fee - business	21,000	21,214	20,628
Total	\$ 491,000 \$	<b>491,453</b> \$	487,887

#### 18. Government Transfers

	Budget	2022	2021
Provincial:			
Conditional			
Infrastructure	\$ 2,509,301	\$ 1,459,022	\$ 288,299
Resort Municipality Initiative	719,000	126,748	119,785
Other	-	552	3,114
Unconditional	330,000	414,000	328,000
Federal			
Conditional			
Infrastructure	1,400,000	-	-
Gas tax	122,500	122,490	239,435
	\$ 5,080,801	\$ 2,122,812	\$ 978,633

Notes to the Financial Statements

#### December 31, 2022

#### 19. Budget Data

The data presented in these financial statements is based upon the 2022 operating and capital budgets adopted by Council on March 7, 2022. The table below reconciles the approved balanced budget to the budget figures reported in these financial statements.

2022 Adopted Operating and Capital Budget	Bue	dget Amount
Revenues:		
Operating budget	\$	5,927,900
Capital budget		8,182,701
Total revenue		14,110,601
Expenses:		
Operating budget		5,927,900
Capital Budget		8,182,701
Total expenses		14,110,601
Budgeted surplus (deficit)	\$	-
Add:		
Capital expenses	\$	8,182,701
Transfers to reserves		1,137,997
Principal repayments		53,100
Less:		
Transfers from reserves		(2,238,000)
Appropriation from Surplus		(555,235)
Amortization		(1,125,000)
Annual budgeted surplus (see statement of operations)	\$	5,455,563

#### 20. 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	2022	2021
Salaries, wages and employee benefits	\$ 1,945,586	\$ 1,834,566	\$ 1,768,182
Operating Materials and supplies	867,885	739,269	656,756
Contracted services	1,016,044	688,224	557,691
Administrative services and supplies	679,842	526,390	407,833
Utilities	224,158	216,570	207,921
Rentals and contractual obligations	53,685	49,852	49,906
Debt financing	15,700	13,412	13,532
Amortization	1,125,000	1,130,016	1,091,996
Total expenditures by object	\$ 5,927,900	\$ 5,198,299	\$ 4,753,817

Notes to the Financial Statements

#### 21. Commitments and Contingencies

- a. The municipality and its employees contribute to the Public Service Pension Plan (a jointly trusteed pension plan). The Public Service Pension Board of Trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at March 31, 2021, the plan has about 68,000 active members and approximately 52,000 retired members. Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability. The Village of Harrison Hot Springs paid \$93,193 (2021 \$102,696) for employer contributions to the Plan in fiscal 2022. Employee contributions in fiscal 2022 were \$86,185.35 (2021 \$91,336). The latest actuarial valuation for the Public Sector Pension Plan as at March 31, 2020, indicated a \$2,667 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at March 31, 2023. 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 engineeering 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 contracts are met. The following amounts relate to the unperformed portion of the contracts: 2023 \$1,284,000, 2024 \$193,000, 2025 \$39,500
- 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 was to continue this process for the years of 2017-2021 at which time the results would determine if any further action was required. This process is now complete and the results are with the Ministry; the Village is awaiting further instruction from the Ministry at this time.

Notes to the Financial Statements

#### December 31, 2022

#### 22. 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

#### 43 2022 ANNUAL REPORT

Schedule 1 - Statement of Tangible Capital Assets

For the Year Ended December 31, 2022

Engineered Structures

			•		'						
	Land	Building	Equipment Furniture Vehicles	Water	Sewer Drainage	Roads	Other	Work In Progress	Other Tangible Capital Assets	2022	2021
COST											
Opening balance	\$ 10,680,913	\$ 4,662,081	\$ 2,358,369	\$ 9,775,939	\$ 11,177,304	\$10,259,211 \$2,790,211 \$437,837 \$592,199	\$ 2,790,211	\$ 437,837		\$ 52,734,064 \$ 52,388,957	52,388,957
Add: Additions	,		725,282	19,053	72,822	ı	12,018	1,164,199	347,156	2,340,530	522,981
Less: Disposals			(45,175)							(45,175)	(177,874)
Closing Balance	10,680,913	4,662,081	3,038,476	9,794,992	11,250,126	10,259,211	2,802,229	1,602,036	939,355	55,029,419	52,734,064
ACCUMULATED AMORTIZATION											
Opening Balance		1,758,141	1,553,792	2,100,795	3,121,285	5,717,355	1,261,592		230,550	15,743,509	14,784,203
Add: Amortization	·	133,774	135,680	174,143	230,166	292,876	141,527		21,850	1,130,016	1,091,996
Less: Acc. Amortization on Disposals			(37,001)							(37,001)	(132,690)
Closing Balance		1,891,915	1,652,471	2,274,938	3,351,451	6,010,231	1,403,119		252,400	16,836,524	15,743,509
	\$ 10,680,913	\$ 2,770,166	\$ 1,386,005	\$ 7,520,054	\$ 7,898,676	2,770,166 \$ 1,386,005 \$ 7,520,054 \$ 7,838,676 \$ 4,248,980 \$ 1,399,110 \$ 1,602,036 \$ 686,955 ;	\$ 1,399,110	\$ 1,602,036	\$ 686,955 ;	<b>38,192,895</b> \$ 36,990,555	36,990,555

Schedule 2 - Table of Segmented Information

For the Year Ended December 31, 2022

	Legislative	General Government	Protective Services	Development Planning	Engineering, Transportation & Storm Water	l Solid Waste	Parks, Recreation & Cultural V Services	Wastewater Utility	Water Utility	Budget	2022	2021
Revenue:												
Property Taxes	' ه	\$ 2,551,795 \$		'	\$ •	÷	<del>ن</del>		\$ '	2,564,679 \$	2,551,795 \$	2,470,865
Sale of Services		431,223				137,924	45,825	701,443	372,071	1,596,433	1,688,486	1,632,567
Utility Service Fees								232,856	258,597	491,000	491,453	487,887
Government Transfers		1,996,064		126,748						5,080,801	2,122,812	978,633
Investment Income		296,032						35,806	18,699	55,900	350,537	92,497
Penalties and interest		45,912				1,779		8,949	7,681		64,321	70,930
Development Cost Charges		9,600			15,077			47,275		1,563,400	71,952	15,550
Other revenue		54,591		1,358		4,817		14,925	16,700	31,250	92,391	63,483
		5,385,217		128,106	15,077	144,520	45,825	1,041,254	673,748	11,383,463	7,433,747	5,812,412
Expenses:												
Salaries, wages and employee benefits	99,201	620,023	8,260	133,556	269,847	48,733	204,336	273,877	176,735	1,945,586	1,834,568	1,768,182
Operating Materials and supplies	- S	13,232	146,382	1,144	115,140	51,620	83,941	227,753	100,057	867,885	739,269	656,756
Contracted services		32,963	75,450	275,189	82,268	159,505	3,250	59,599		1,016,044	688,224	557,691
Administrative services and supplies	15,728	282,936	19,882	124,850	16,069	,	13,559	40,282	13,084	679,842	526,390	407,833
Utilities	1,027	18,583	6,599		46,024		40,478	68,903	34,956	224,158	216,570	207,921
Rentals and contractual obligations	ı	13,382	3,720	21,000	8,369	·	3,381		ı	53,685	49,852	49,906
Debt financing		13,412								15,700	13,412	13,532
Amortization		233,732	14,636		338,672		163,375	205,456	174,143	1,125,000	1,130,014	1,091,996
	115,957	1,228,264	274,928	555,739	876,390	259,859	512,320	875,868	498,974	5,927,900	5,198,299	4,753,817
Annual Surplus (Deficit)	\$ (115,956)	(115,956) \$ 4,156,954 \$	(274,929)\$	) \$ (427,633) \$	) \$ (861,312) \$	(115,338)\$	(466,495) \$	165,384 \$	\$ 174,773 \$	5,455,563 \$	2,235,448 \$	1,058,595

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

#### For the Year Ended December 31, 2022

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 2022 \$ 198,935 of funding was used as follows:

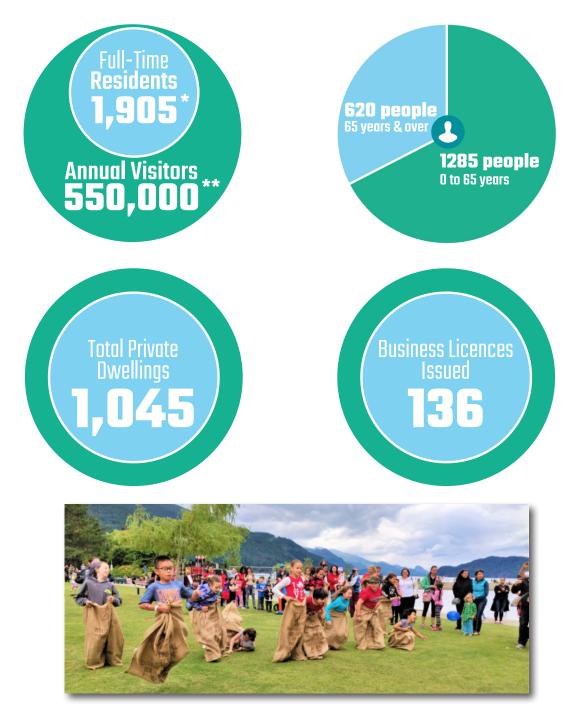
	2022	2021
Opening Balance	<b>\$ 198,935</b> \$	509,260
Bylaw enforcement/emergency planning	(35,000)	(59,320)
Communication/Audio Visual	(13,500)	(53,695)
Occupational health and safety measures	(20,000)	(59,295)
Program revenue lost	(19,800)	(50,845)
Additional operating expenditures - Public Facilities	(110,635)	(87,170)
Closing Balance	<b>\$ -</b> \$	198,935

# STATISTICAL SECTION



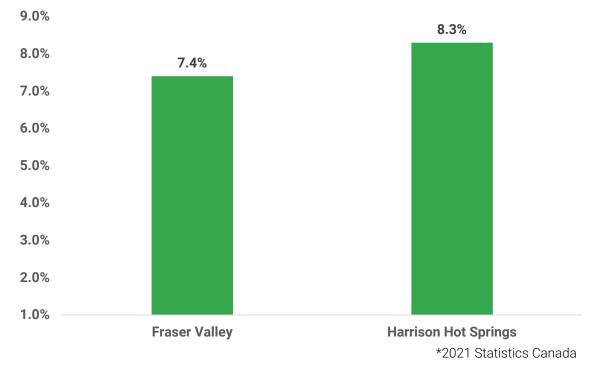
# STATISTICAL SECTION

## **Demographics & Tourism**



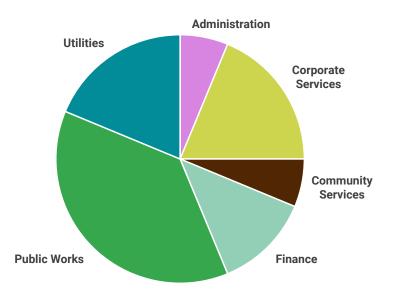
\*2021 Statistics Canada \*\*Tourism Harrison

## **Unemployment Rates**



## **Municipal Employees**

For the years 2018 - 2022, the Village of Harrison Hot Springs employed 16 full-time and 3 seasonal employees.



49 2022 ANNUAL REPORT

# **Statement of Financial Position**

Financial Assets	2018	2019	2020	2021	2022
Cash and Equivalents	\$9,847,890	\$11,041,504	\$16,030,448	\$18,844,359	\$20,957,382
Accounts Receivable	\$1,188,913	\$1,290,694	\$557,582	\$494,898	\$1,042,032
MFA Deposits	\$6,549	\$6,702	\$6,840	\$6,956	\$7,111
	\$11,043,352	\$12,338,900	\$16,594,870	\$19,346,213	\$22,006,525

Financial Liabilities	2018	2019	2020	2021	2022
Accounts Payable & Accrued Liabilities	\$363,287	\$422,212	\$196,005	\$419,815	\$682,807
Employee Future Benefits	\$113,696	\$128,696	\$129,402	\$131,798	\$116,328
<b>Developer Deposit &amp; Other Trust Liabilities</b>	\$199,320	\$563,839	\$1,529,365	\$1,417,722	\$3,042,180
Deferred Revenue	\$702,726	\$721,107	\$819,225	\$2,105,198	\$1,160,771
Development Cost Charges	\$3,106,272	\$3,256,483	\$4,747,153	\$4,768,748	\$5,227,879
Liabilities Under Agreement	\$148,883	\$68,109	\$46,051	\$23,305	\$2,362
Long-term Debt	\$503,412	\$468,936	\$433,254	\$396,323	\$358,100
Interim Financing Debt	\$220,000	\$110,000			
	\$5,357,596	\$5,739,382	\$7,900,455	\$9,262,909	\$10,590,427

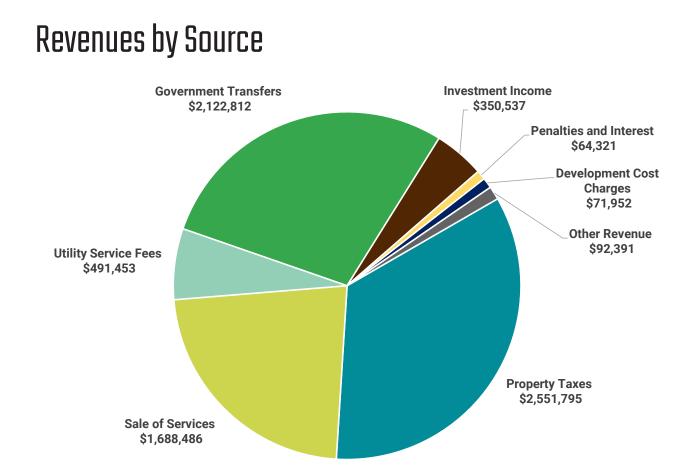
	2018	2019	2020	2021	2022
Net Financial Assets	\$5,685,756	\$6,599,518	\$8,694,415	\$10,083,304	\$11,416,098

Non-Financial Assets	2018	2019	2020	2021	2022
Tangible Capital Assets	\$36,719,934	\$37,598,330	\$37,604,754	\$36,990,555	\$38,192,895
Prepaid Expenses	\$61,981	\$73,853	\$72,155	\$356,060	\$56,374
	\$36,781,915	\$37,672,183	\$37,676,909	\$37,346,615	38,249,269

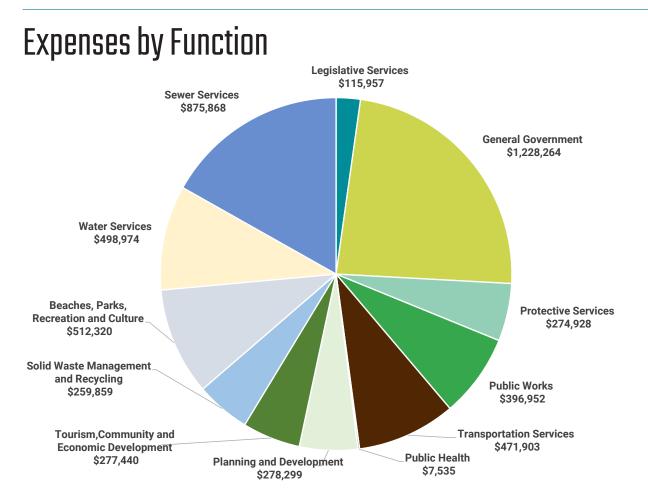
	2018	2019	2020	2021	2022
Accumulated Surplus	\$42,467,671	\$44,271,701	\$46,371,324	\$47,429,919	\$49,665,367

Accumulated Surplus - Represented By	2018	2019	2020	2021	2022
Operating fund	\$3,151,721	\$3,568,952	\$4,443,919	\$5,519,004	\$6,042,927
Appropriated Surplus	\$1,617,960	\$1,768,398	\$2,980,203	\$3,748,823	\$4,428,345
Statutory Reserves	\$1,850,350	\$1,983,066	\$1,821,752	\$1,591,163	\$1,361,661
Equity in Tangible Capital Assets	\$35,847,640	\$36,951,284	\$37,125,450	\$36,570,929	\$37,832,434
	\$42,467,671	\$44,271,701	\$46,371,324	\$47,429,919	\$49,665,367

	2018	2019	2020	2021	2022
Annual Surplus	\$2,953,462	\$1,804,031	\$2,099,624	\$1,058,595	\$2,235,448
	2018	2019	2020	2021	2022
Acquisition of Tangible Capital Assets	\$4,041,405	\$1,887,011	\$1,061,303	\$477,797	\$2,340,530

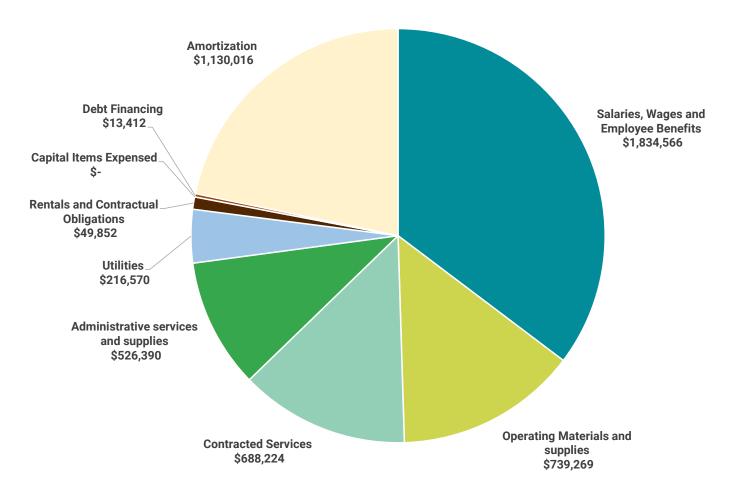


	2018	2019	2020	2021	2022
Property Taxes	\$2,095,811	\$2,219,454	\$2,366,532	\$2,470,865	\$2,551,795
Sale of Services	\$1,239,637	\$1,400,567	\$1,491,805	\$1,632,567	\$1,688,486
Utility Service Fees	\$440,408	\$465,436	\$472,607	\$487,887	\$491,453
Government Transfers	\$2,745,539	\$1,416,400	\$1,546,263	\$978,633	\$2,122,812
Investment Income	\$109,545	\$152,635	\$108,747	\$92,497	\$350,537
Penalties and Interest	\$78,006	\$79,712	\$68,661	\$70,930	\$64,321
Development Cost Charges	\$130,059	\$605,799	\$224,144	\$15,550	\$71,952
Contributed Assets	\$509,800				
Other Revenue	\$(21,279)	\$112,813	\$108,197	\$63,483	\$92,391
	\$7,327,526	\$6,452,816	\$6,386,956	\$5,812,412	\$7,433,747



	2018	2019	2020	2021	2022
Legislative Services	\$113,230	\$125,585	\$99,355	\$100,213	\$115,957
General Government	\$1,047,620	\$1,034,926	\$986,955	\$1,079,004	\$1,228,264
Protective Services	\$205,814	\$226,299	\$229,207	\$311,507	\$274,928
Public Works	\$360,080	\$319,425	\$261,635	\$333,706	\$396,952
Transportation Services	\$495,319	\$448,533	\$434,214	\$444,450	\$471,903
Public Health	\$3,317	\$2,932	\$3,487	\$7,740	\$7,535
Planning and Development	\$167,128	\$329,723	\$79 <i>,</i> 809	\$154,088	\$278,299
Tourism,Community and Economic De-	\$193,985	\$260,108	\$275,123	\$227,063	\$277,440
Solid Waste Management and Recycling	\$179,929	\$184,757	\$198,311	\$198,713	\$259,859
Beaches, Parks, Recreation and Culture	\$483 <i>,</i> 909	\$516,963	\$486,818	\$605,167	\$512,320
Water Services	\$419,994	\$464,768	\$446,337	\$467,286	\$498,974
Sewer Services	\$703,739	\$734,766	\$781,462	\$824,880	\$875 <i>,</i> 868
Non-Capital Items Expensed			\$4,619		
	\$4,374,064	\$4,648,785	\$4,287,332	\$4,753,817	\$5,198,299

# Expenses by Object



	2018	2019	2020	2021	2022
Salaries, Wages & Employee Benefits	\$1,605,894	\$1,656,280	\$1,545,438	\$1,768,182	\$1,834,566
Operating Materials & Supplies	\$637,291	\$663,998	\$573,129	\$656,756	\$739,269
Contracted Services	\$415,582	\$541,797	\$342,240	\$557,691	\$688,224
Administrative Services & Supplies	\$438,966	\$490,148	\$472,460	\$407,833	\$526,390
Utilities	\$192,575	\$203,715	\$188,939	\$207,921	\$216,570
Rentals & Contractual Obligations			\$91,295	\$49,906	\$49,852
Non-Capital Items Expensed			\$4,619		
Debt Financing	\$25,456	\$21,899	\$15,581	\$13,532	\$13,412
Amortization	\$965,112	\$984,985	\$1,053,631	\$1,091,996	\$1,130,016
	\$4,374,064	\$4,648,785	\$4,287,332	\$4,753,817	\$5,198,299

# Debt

	2018	2019	2020	2021	2022
General	\$503,412	\$468,936	\$433,254	\$396,323	\$358,100
Water	\$220,000	\$110,000			
Sewer					
Liabilities Under Agreement	\$148,883	\$68,110	\$46,051	\$23,305	\$2,362
Total Debt	\$872,295	\$647,046	\$479,305	\$419,628	\$360,462

	2018	2019	2020	2021	2022
Population Estimates (BC Stats 2016 and 2021 surveys)	1468	1468	1468	1905	1905
Debt per Capita	\$594.21	\$440.77	\$326.50	\$220.28	\$189.22
	2018	2019	2020	2021	2022

	2010	2017	2020	2021	2022
Principal	\$183,950	\$225,249	\$167,740	\$59,677	\$52,038
Interest	\$25,456	\$21,899	\$15,580	\$13,532	\$13,411
Debt Servicing Costs	\$209,406	\$247,148	\$183,320	\$73,209	\$65,449

	2018	2019	2020	2021	2022
Liability Servicing Limit	\$978,731	\$950,521	\$1,055,991	\$1,162,086	\$1,346,015

## **Assessed Values**

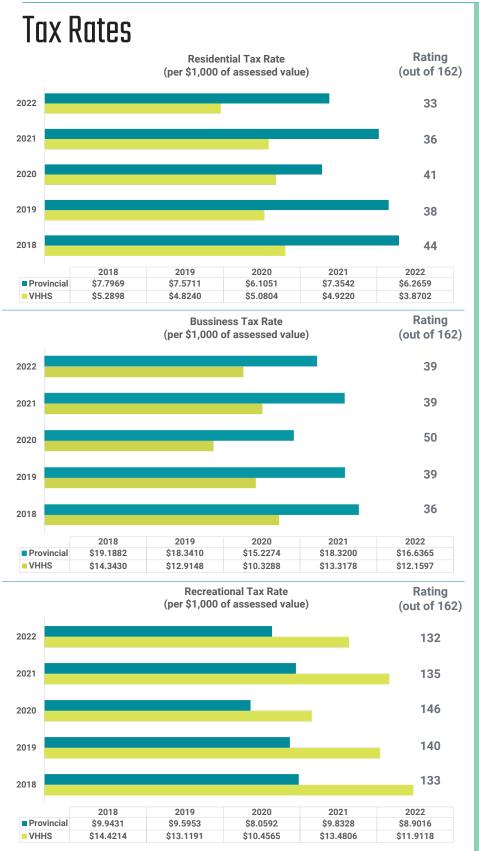
	2018	2019	2020	2021	2022
Residential (Class 1)	\$495,974,100	\$589,676,900	\$589,035,900	\$627,301,300	\$844,285,900
Business (Class 6)	\$71,206,624	\$78,924,043	\$88,024,598	\$87,007,482	\$92,868,675
Recreation/Non-Profit (Class 8)	\$9,218,900	\$10,770,200	\$11,774,700	\$12,162,600	\$14,385,000
	\$576,399,624	\$679,371,143	\$688,835,198	\$726,471,382	\$951,539,575

These totals are Land & Improvements combined.

# **Municipal Property Taxes**

	2018	2019	2020	2021	2022
Residential (Class 1)	\$1,345,575	\$1,450,193	\$1,523,908	\$1,593,465	\$1,686,512
Business (Class 6)	\$614,322	\$617,232	\$691,792	\$702,830	\$697,521
Recreation/Non-Profit (Class 8)	\$104,295	\$110,451	\$107,042	\$128,833	\$135,629
	\$2,064,192	\$2,177,876	\$2,322,742	\$2,425,128	\$2,519,662

#### STATISTICAL SECTION



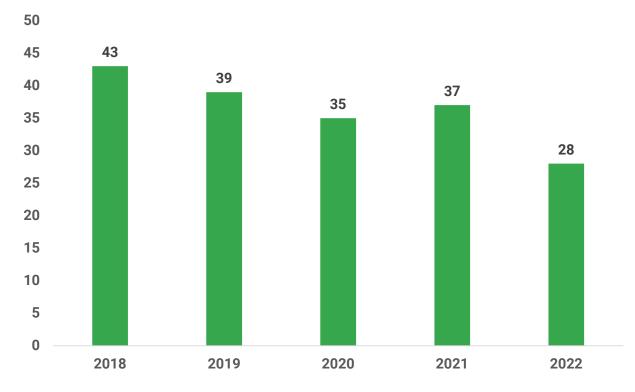
Municipalities in BC are ranked from lowest tax rate (1) to highest tax rate (162).

Average tax rates for all purposes includes:

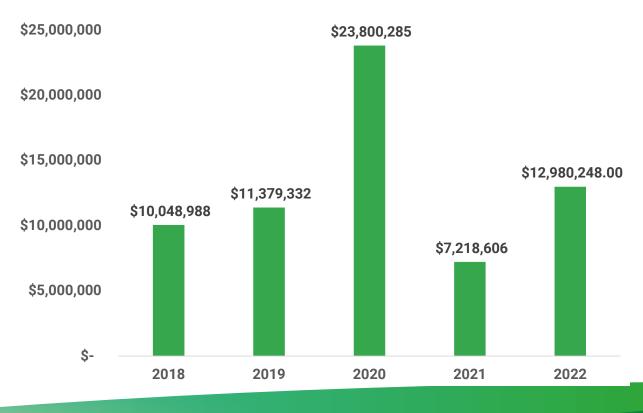
Municipal, Regional District, Hospital District, School and Other

55 2022 ANNUAL REPORT

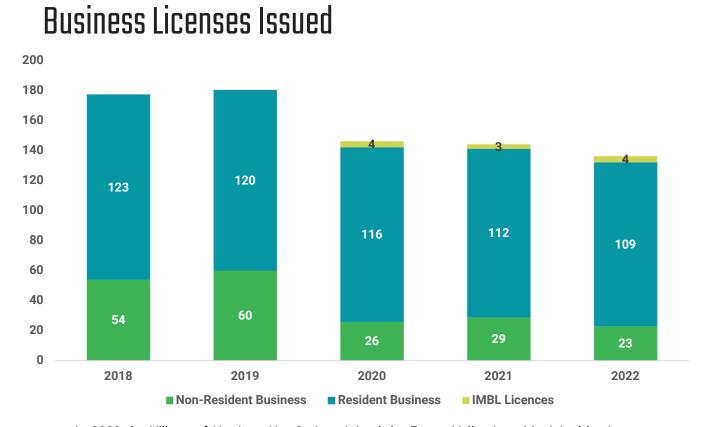
# **Building Permits Issued**



# Value of Building Permits Issued



2022 ANNUAL REPORT 56

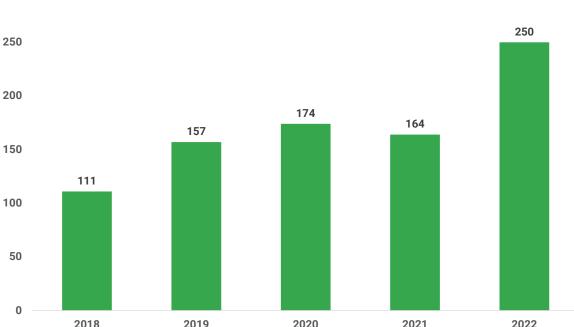


In 2020 the Village of Harrison Hot Springs joined the Fraser Valley Inter-Municipal business licence program (IMBL). Twenty six (26) non-resident businesses were no longer required to purchase licenses from the Village as they were existing participants in the IMBL program. The Village shares in revenue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



57 2022 ANNUAL REPORT

300



Bylaw Enforcement

0								
0	2018	2019		2020	2021		2022	
			2018	2019	2020	2021	2022	
Noise Abatement			1	3				
Animal Control								
Boat Launch Facility & Parking					3			
Business Licence					8	8	9	
Bylaw Notice Enforcement								
Highway & Traffic			106	131	159	148	239	
Littering/	Dumping	g	1					
Municipa	l Dock					4		
Outdoor I	Fire		1	1				
Park						1		
Sign				1				
Property/	/Premise	es	1	16	2			
Tree Protection		1	5					
Waste Co	llection	& Disposal						
Zoning					1	3	2	
Misc					1			
			111	157	174	164	250	

#### STATISTICAL SECTION



LIGHTS BY THE LAKE

59 2022 ANNUAL REPORT



2022 ANNUAL REPORT 60



# A GUIDE TO MRDT AND RMI

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





# **MRDT**

Municipal and Regional District Tax (also known as the Hotel Tax) is a 3% tax generated from short-term accomodation 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.

# 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 infastructure 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.



Sasquatch Days



Canada Day



Lights by the Lake



# HARRISON HOT SPRINGS

Naturally Refreshed