



# HARRISON HOT SPRINGS

*Naturally Refreshed*




## VILLAGE OF HARRISON HOT SPRINGS

*British Columbia, Canada*

# ANNUAL REPORT 2024

*For the fiscal year ended December 31, 2024*





NO LIFEGUARD ON DUTY

## TRADITIONAL TERRITORY

The Village of Harrison Hot Springs is located on the traditional territory of Sts'ailes

## MUNICIPALITY

Village of Harrison Hot Springs

## ANNUAL REPORT

For the fiscal year ending  
December 31, 2024

## PREPARED BY

The Village Municipal Staff

## LOCATION

Harrison Hot Springs  
British Columbia, Canada

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# Mayor's Message

On behalf of Village Council, I am pleased to present the 2024 Annual Report, which highlights the services and operations of our Village over the last year.

2024 was a unique year in the history of the Village of Harrison Hot Springs. The resignation of Mayor Wood in June and subsequent resignation of Councillor Allen led to a September by-election. During this unsettled period, the work of the Village and projects already underway continued towards their completion. Following the by-election which resulted in a new Mayor and Councillor, Council, in earnest, advanced discussions on and began to lay the foundation for future decisions.



In 2024, we initiated several master plan processes, including the Village Lands, Parks and Trails, and Water, Storm and Sanitary Sewer plans. We ventured into recreation programs with the Community Walking Group and Chair Yoga programs and held several successful community engagement events including the Health and Wellness Fair and Age-Friendly Community Open House. This year, we had a Local FireSmart Representative, held an Emergency Preparedness Open House, and built community resiliency through various emergency preparedness initiatives. A New Residents Resource guide was developed, and several Committees were launched or revived.

2024 represents 75 years since the incorporation of the Village of Harrison Hot Springs. The accomplishments of the Village's 75th year and the opportunities for the future speak to the changing landscape that local governments face today. Despite the dynamic political, social and economic environment we find ourselves in, one aspect of local government that remains unchanged is our responsibility to foster the well-being of our community. Using this fundamental purpose as our guiding principle, your Village Council is committed to achieving its goals through collaborative governance, providing essential local services and maintaining responsible stewardship of public assets.

With a dedicated Council, strong community partnerships and engaged community members, I look forward to seeing what can be accomplished in 2025.

A stylized, handwritten signature in black ink, likely belonging to Mayor Fred Talen.

Mayor Fred Talen



# Village Council

Harrison Hot Springs Village Council consists of the Mayor and four Councillors, all of whom are elected village-wide and serve until October 2026. 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.

Council decisions are informed by staff reports, community input and legislative requirements, ensuring that policies reflect both the needs of residents and the long-term vision for the Village. Through these measures, Council remains committed to open communication, responsible leadership, and fostering a vibrant and sustainable community.







## Mayor Fred Talen

\*Elected September 2024

### Council Appointments

Age-Friendly Committee

Harrison-Agassiz Chamber of Commerce

Lets'emot Community to Community Forum



## Councillor Leo Facio

### Council Appointments

Accessibility Committee

Fraser Valley Regional District Board (Municipal Director)

Fraser Valley Regional Hospital Board (Municipal Director)

Fraser Valley Regional Library Board (Alternate Municipal Director)



## Councillor Allan Jackson

### Council Appointments

Communities in Bloom Committee

Fraser Valley Regional Library Board (Municipal Director)

Fraser Valley Regional Hospital Board (Alternate Municipal Director)

Municipal Insurance Association Voting Delegate

Tourism Harrison River Valley Liaison





## Councillor Mark Schweinbenz

\*Elected September 2024

### Council Appointments

Agassiz Harrison Historical Society

Environmental Advisory Committee



## Councillor Michie Vidal

### Council Appointments

Agassiz-Harrison Healthy Communities

Community Futures North Fraser Board of Directors

Kent Harrison Joint Emergency Program Committee

Lets'emot Community to Community Forum (Alternate)

Mountain Institution Citizen's Advisory Committee

Municipal Insurance Association Voting Delegate (Alternate)





# Letter of Transmittal

May 27, 2025

To the Mayor and Council,

I am pleased to submit the 2024 Annual Report for the Village of Harrison Hot Springs (the Village). This report presents the financial results for the fiscal year ended December 31, 2024 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, 2024. In 2024, the Village was the recipient of a Canadian Award for Financial Reporting (CAnFR) from the Government Finance Officers Association for its 2023 Annual Report. The CAnFR recognizes excellence in governmental accounting and financial reporting and represents a significant accomplishment by a local government and its management. Staff are very proud of this accomplishment and will strive to continue to provide transparent and accountable financial information to the public.

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. 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 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 2024 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 on page 32 of this report.

### 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 2024 there was an increase to tangible capital assets in the amount of approximately \$1.7M, which was primarily attributed to a new fully accessible playground, seismic upgrades and renovations to the Fire Hall, and various water and sewer projects.

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 2024 there were contributions to the DCC's of \$55,782, and \$634,672 was expended.

Long-term debt and liabilities under agreement were reduced overall by \$40,946 in 2024. The Village currently only has one debt item which is related to the Flood Pump.

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 2024, there was a total increase to the equity in TCA of \$1.78M and the Village's total equity in TCA ended the year at \$39,795,957.

### Statement of Operations:

#### Revenues

Revenues in 2024 were increased by approximately \$422,000 versus 2023. This was primarily a result of increased property tax and utility revenues, increased use of Development Cost Charges, and increased interest earned on investments. Total revenues were under budget by about \$10.5 million, however this was related to two large grant funded projects (Dike improvements and Hot Springs Road drainage upgrades). These projects are in planning stages, and grant revenues will be recognized as the projects progress.

#### Expenses

Expenses include operational items and capital expenditures that do not meet the requirement for capitalization and amortization. During 2024, there were 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 the Village ended the year in a surplus position.

#### 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

### **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 30, 2024, Council adopted the 2024-2028 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 vibrant resort municipality that continues to experience both significant opportunities and important responsibilities. The Village’s population has increased steadily in recent years which is a testament to its growing appeal as a desirable place to live, visit, and invest. In addition to permanent population growth, the Village welcomes a substantial number of non-resident property owners and tourists, particularly during the summer months. This seasonal influx contributes to the community’s vitality and economic activity, but also increases demand on municipal services. As the Village evolves, these changes present valuable opportunities to strengthen, enhance, and adapt services to meet the needs of a dynamic and growing community.

The Village remains steadfast in its commitment to fiscal responsibility and proactive financial management. The pursuit of grant opportunities continues to be a priority, as grants are essential to supporting key infrastructure and community projects that would otherwise be beyond the capacity of local taxation revenue alone. To illustrate, a 1% tax increase generates just over \$25,000, underscoring the importance of external funding to support larger initiatives. The Village is grateful for the continued support provided through funding programs such as the Resort Municipality Initiative (RMI), the Community Works Fund Grant, and various other provincial and federal grants. These resources play a vital role in maintaining parks and beachfront areas, enhancing public amenities, and investing in important infrastructure and beautification projects.

While the Village has a limited supply of land available for new development, interest in residential, mixed-use, and recreational projects remains strong. This sustained interest is a positive indicator of the community’s economic resilience and appeal.

In closing, I would like to extend sincere appreciation to all those who contribute to making Harrison Hot Springs such an exceptional place to live, work, and visit. This report reflects not only the ongoing hard work and dedication of Village staff but also the sound governance and prudent financial stewardship of Council. Together, we will continue to foster a vibrant, sustainable, and welcoming community for generations to come.

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, 2023**

Executive Director/CEO



# CAO's Message

Time has a way of moving quickly—especially in local government, where new social, environmental, health, and economic challenges are constantly emerging. The past few years have been filled with unexpected developments that have affected communities across the province, and Harrison Hot Springs has certainly felt the impact

From the ongoing aftereffects of the COVID-19 pandemic to the realities of climate change, global conflict, and housing shortages, our municipality has faced financial pressures that influence everything from our daily operations to long-term capital planning. While these issues may seem distant at times, they have a real effect on the cost of living, the price of materials, and the delivery of services in our own backyard.



Despite these challenges, our team at the Village remains focused and committed to serving our residents with professionalism, care, and resourcefulness. Our staff are often the unsung heroes of the community—working behind the scenes to ensure things run smoothly, whether it's maintaining infrastructure, delivering essential services, or planning for future growth.

We continue to adapt to rising costs, supply shortages, and shifting development opportunities by being strategic in our planning and seeking out opportunities—particularly grant funding—that can bring lasting value to our community without placing undue strain on local taxpayers.

In local government, having a clear vision and a plan is essential. Council provides the direction, and it is our job to bring that vision to life. That means not only reacting to current challenges but also preparing for future needs, ensuring we're making thoughtful investments in both people and infrastructure.

As we look ahead to 2025, we encourage all residents to stay informed and engaged. Your feedback, participation, and support are vital as we work together to shape a future that reflects the values and priorities of Harrison Hot Springs. Whether it's through public consultations, community events, or simply sharing your thoughts with Council, your voice matters.

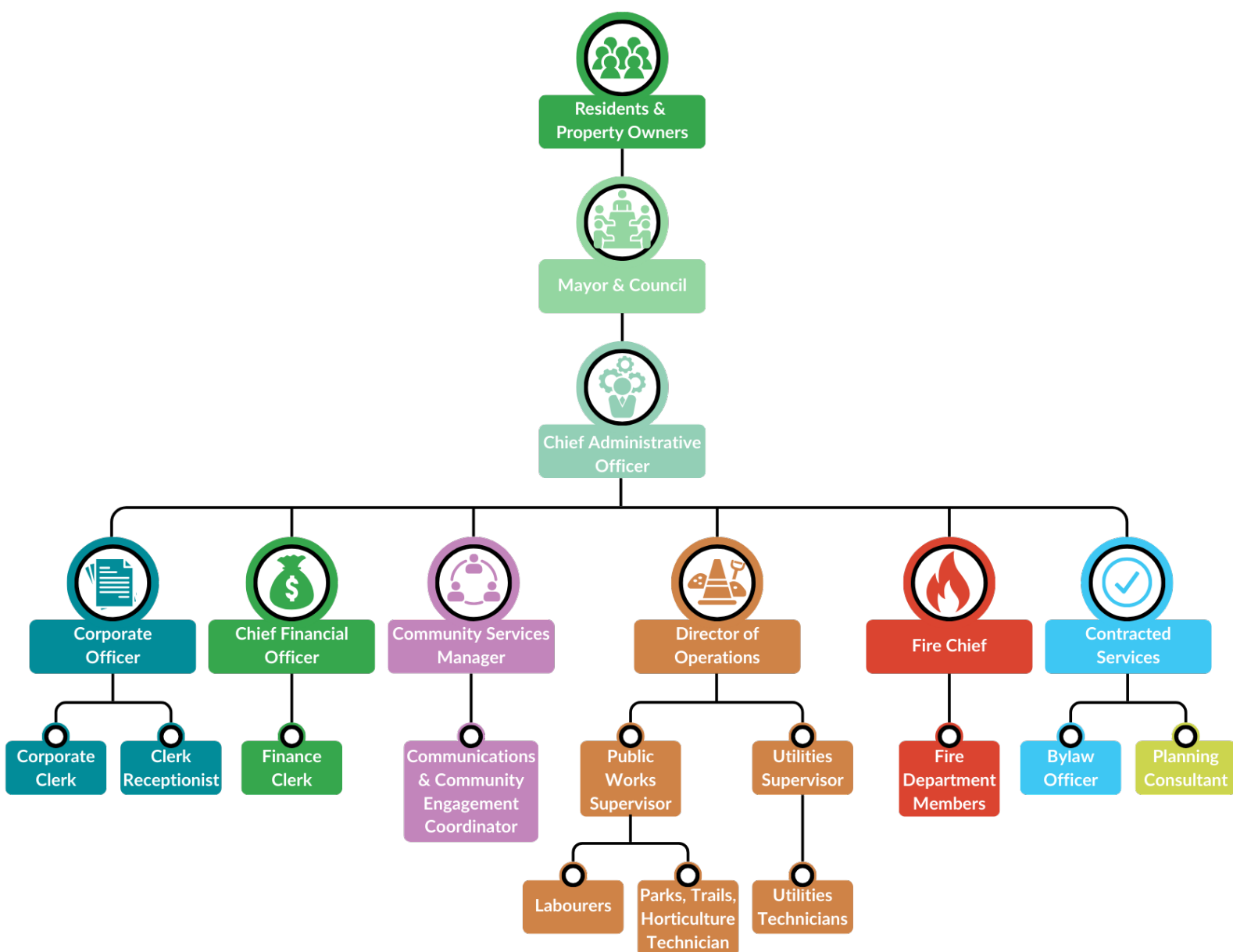
On behalf of our dedicated staff, I want to thank the community for its continued support. It is an honour to serve as CAO and to work alongside Council in making Harrison Hot Springs a resilient, vibrant, and welcoming place for all.



**Tyson Koch**  
Chief Administrative Officer



# Organizational Chart



# Departments



## Corporate & Administrative Services

### Corporate & Administrative Services

Corporate Services is responsible for the preparation, preservation, disposition and access to records of the official business of the Village including bylaws, meeting agendas and minutes, and policies. It provides administrative support to all other departments and is also responsible for managing information and privacy, and conducting elections, alternative approval processes 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.

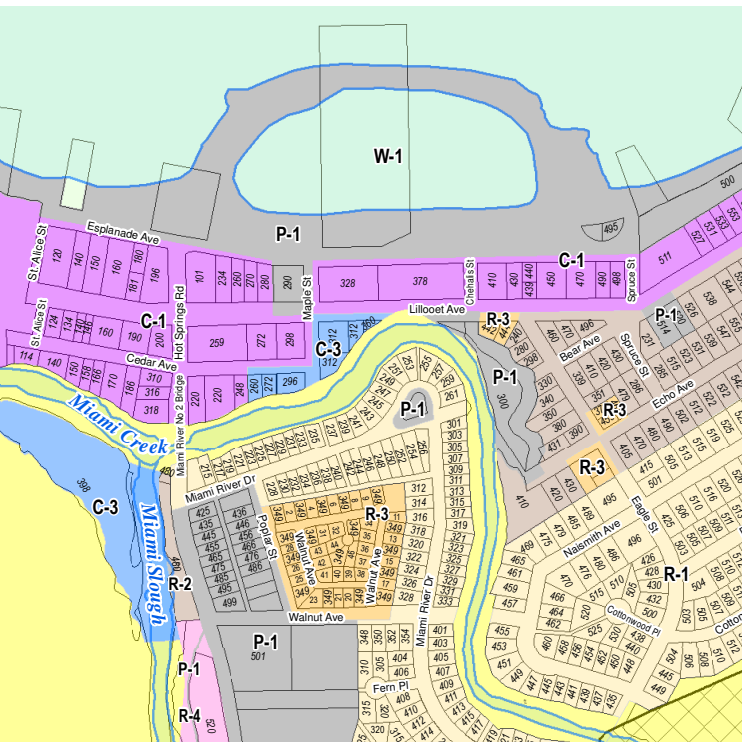


## Planning & Development Services

### Planning & Development Services

Planning & 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.







## Financial Services & Human Resources

### Human Resources

Human Resources (HR) serves as a strategic partner in the attraction, development, and retention of the Village's workforce ; building a high performing, diverse and inclusive culture. Some specific responsibilities of the HR department include recruitment, employee relations, training and development, and health and safety. Human Resources focuses on employee well-being and growth, contributing to the overall success and resilience of the organization.

### 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 & maintaining a high level of client service for municipal payments and inquiries.



## Community Services

### Community Services

Community Services is focused on creating positive relationships with the people and organizations that make up the community. The department manages the Resort Municipality Initiative (RMI), supports community events, and promotes effective communications and engagement throughout the Village. Community Services also administers curbside waste collection, pay parking, environmental initiatives, and oversees the FireSmart program. They seek out and apply for grant opportunities to increase and enhance services available in the community.







## 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.

In 2024, thanks to funding from the Province's FireSmart program, the Village began outfitting a structure protection unit trailer and members of the Fire Department participated in a number of interface fire courses.

### Emergency Preparedness

The Kent Harrison Joint Emergency Program Committee oversees the Village's all-hazards Emergency Response and Recovery Plan. This plan guides the operations, 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. The KHJEP Coordinator facilitates updates to the emergency plan, training for Emergency Support Services (ESS) volunteers, and supports Village staff in pursuing training opportunities for Emergency Management.





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





# Committees & Commissions

The Village currently has the following committees:



The Accessibility Committee is established under the Accessible British Columbia Act to assist the Village in identifying barriers to accessibility and make recommendations as to how to remove and prevent those barriers. Councillor Facio is the Council liaison for this Committee.



The Advisory Planning Commission is an advisory body that considers and reports on all matters referred to it by the Council with respect to land use, community planning or proposed bylaws. The Commission reserves the first Wednesday of every month at 7:00 pm for meetings but meets on an as-needed basis.







### Age-Friendly Committee

The Age-Friendly Committee typically meets on the third Thursday of every month at 2:00 pm. Topics of discussion include the implementation of age-friendly programming within the parameters of associated grant funding. Mayor Talen is the Council liaison for this Committee.



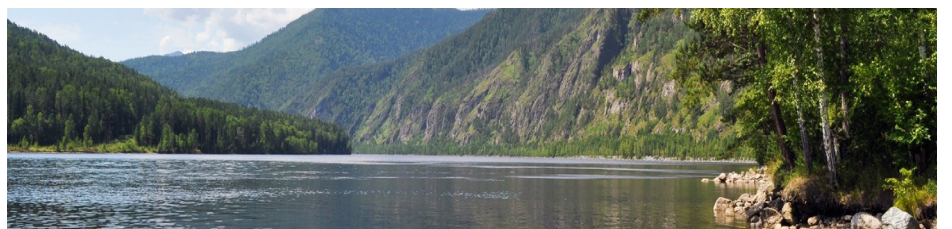
### Communities In Bloom Committee

The goal of Communities in Bloom is to enhance the quality of life and the environment through people and plants to create community pride. This Committee's mandate is to foster community involvement in enhancement of green spaces, heritage conservation, tree management, and landscape, plant and floral displays. Councillor Jackson is the Council liaison for this Committee. Communities in Bloom is a national organization.



### Environmental Advisory Committee

The Environmental Advisory Committee typically meets on the second Wednesday of every month at 9:00 am. This Committee considers community climate planning, active transportation, the Local Government Climate Action Program and environmental impacts. Councillor Schweinbenz is the Council liaison for this Committee.



# Strategic Plan

## OUR VISION

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A residential and resort community focused on maintaining an attractive and inviting village core, with a strong commitment to preserving the scenic qualities, the environment and quality of life.

## OUR MISSION

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The Village of Harrison Hot Springs will provide exceptional leadership to its residents, businesses and visitors through partnerships and the provision of effective and community focused services.

In 2023, Council adopted a Strategic Plan outlining the Village's vision, mission and priorities. The vision sees Harrison Hot Springs as both an inviting residential and resort community. Harrison is known for its beautiful natural scenery, vibrant arts and culture community, and tourism industry. The focus is to maintain an attractive village core through preservation of the environment and quality of life. To achieve this vision, five strategic priorities were identified.



## Strategic Priorities



**Sustainable  
Development**



**Organizational  
Development**



**Public  
Safety**



**Environmental  
Protection**



**Healthy  
Livable  
Community**

As the Village continues to grow, these strategic priorities will provide a framework to guide actions, initiatives, budgets and operational plans. With the values of respect, integrity, accountability, positivity, collaboration and communication in mind, the Village is working toward becoming a community that balances the needs of residents, businesses, and visitors. Each strategic priority has a list of associated priority actions which will be used to set targets and measure the Village's success. The plan was reviewed and updated in early 2025 and will continue to inform the Village's future objectives.



## SUSTAINABLE DEVELOPMENT

### OUR GOAL

To maintain Harrison Hot Springs  
as a place we call home.

## 2024 HIGHLIGHTS

- Began process of Village Lands Master Plan to explore partnerships for housing
- Updated land use and development regulatory documents, including the adoption of Official Community Plan Bylaw No. 1184, 2022 and Design Guidelines Policy 1.39

## 2025 GOALS

- Continue to review and update land development bylaws and policies
- Pursue affordable housing partnerships
- Monitor and ensure compliance with provincial housing requirements and regulations
- Work towards enhancing a long-term asset management plan



## ORGANIZATIONAL DEVELOPMENT

### OUR GOAL

To provide for the needs of a growing community.

## 2024 HIGHLIGHTS

- Began process of creating new Water, Sewer and Storm Sewer master plans
- Lift Station #1 replacement project was substantially completed
- Water reservoir maintenance was completed

## 2025 GOALS

- Develop and review existing bylaws to assist with cost recovery of infrastructure needed to accommodate new development
- Implement Interim Housing Needs Report recommendations
- Finalize and adopt Water, Sewer and Storm Sewer master plan and Lillooet Avenue West Streetscape plan
- Finalize and adopt Water Treatment Plant and Waste Water Treatment Plant master plan

## 2024 HIGHLIGHTS

- Hosted an Emergency Preparedness Open House
- Local FireSmart program became fully operational
- Completed forest fuel management at water tower site and implemented recommendations at Fire Hall Park
- Received fuel prescription for Spirit Trail
- Installation of early wildfire detection system
- Began the setup of a structure protection unit trailer for the Fire Department, thanks to FireSmart grant funding
- Adopted a Community Wildfire Resiliency Plan (CWRP)

## 2025 GOALS

- Complete fuel management work in Spirit Trail
- Continue to expand local FireSmart program through demonstration projects at Village facilities and community events
- Complete dike design and move forward to construction stage
- Begin implementing priority CWRP recommendations
- Mock Emergency Operations Centre (EOC) tabletop exercises and continued emergency preparedness education



## PUBLIC SAFETY

### OUR GOAL

To ensure and enhance public safety.





## HEALTHY LIVABLE COMMUNITY

### OUR GOAL

To promote and enhance a healthy lifestyle for all ages.

## 2024 HIGHLIGHTS

- Hosted a health & wellness fair to highlight local organization and Village services
- Provided support to organizations through the Grants to Groups program
- Implemented Age-Friendly initiatives including a community walking group and chair yoga program
- Installation of an accessible playground at the beachfront
- Hosted a 75th Anniversary celebration
- Hosted a Community Open House

## 2025 GOALS

- Adopt and implement recommendations from the Parks & Trails Master Plan
- Continue to build on committee momentum and implement supported recommendations
- Expand recreational services
- Complete renovations to Primary Care Unit
- Maximize opportunities for use of public facilities and update associated bylaws and policies

## 2024 HIGHLIGHTS

- Acquired an electric truck for the Utilities department and charging stations utilizing grant funding
- Installed two replacement EV charging stations at Memorial Hall
- Environmental Advisory Committee launched and hosted 6 meetings
- Began planning process for Lillooet Avenue West with a focus on climate resiliency

## 2025 GOALS

- Continue to build relationships and support local community environmental partners
- Increase communications and public awareness surrounding environmental initiatives
- Expand electric vehicle fleet through the support of grant funding
- Collaborate with the Fraser Valley Regional District on regional climate planning



## ENVIRONMENTAL PROTECTION

### OUR GOAL

To restore and protect the environment for future generations.

# Financial Section

## Five-Year Financial Plan 2024-2028

Revenues	2024	2025	2026	2027	2028
Property Taxes - Municipal	\$2,857,115	\$2,822,076	\$2,890,464	\$2,960,550	\$3,029,508
Collections - Other Governments & Agencies	\$2,300,260	\$2,371,870	\$2,419,312	\$2,467,703	\$2,517,057
Penalties & Interest - Taxes	-	-	-	-	-
Utility Co. 1% Revenue Taxes	\$44,733	\$45,628	\$46,540	\$47,471	\$48,420
Payments in lieu of Taxes	\$6,400	\$6,400	\$6,528	\$6,659	\$6,792
<b>Total Taxes Collected</b>	<b>\$5,208,508</b>	<b>\$5,245,974</b>	<b>\$5,362,844</b>	<b>\$5,482,383</b>	<b>\$5,601,777</b>
Remittances - Other Governments & Agencies	(\$2,300,260)	(\$2,371,870)	(\$2,419,312)	(\$2,467,703)	(\$2,517,057)
<b>Net Taxes for Municipal Purposes</b>	<b>\$2,908,248</b>	<b>\$2,874,104</b>	<b>\$2,943,532</b>	<b>\$3,014,680</b>	<b>\$3,084,720</b>
Revenue from Own Sources	\$2,406,204	\$2,441,285	\$2,482,787	\$2,525,103	\$2,569,329
Grants & Donations	\$11,106,020	\$567,000	\$578,340	\$589,907	\$601,705
DCC	\$3,207,670	-	-	-	-
Contributed Assets	-	-	-	-	-
<b>Total Revenue</b>	<b>\$19,628,142</b>	<b>\$5,882,389</b>	<b>\$6,004,659</b>	<b>\$6,129,690</b>	<b>\$6,255,754</b>
Expenses					
Legislative	\$215,924	\$218,307	\$226,091	\$234,252	\$238,334
General Government	\$1,585,141	\$1,374,086	\$1,398,266	\$1,423,025	\$1,449,822
Protective Services	\$348,409	\$333,016	\$339,301	\$345,714	\$352,300
Development Planning	\$332,700	\$125,154	\$127,657	\$130,210	\$132,814
Tourism and Community Improvement	\$416,678	\$298,091	\$304,447	\$310,943	\$317,653
Engineering, Transportation, Storm Water	\$930,668	\$922,575	\$935,088	\$947,831	\$960,557
Solid Waste	\$246,971	\$259,140	\$263,823	\$268,600	\$273,972
Parks, Recreation & Cultural Services	\$645,959	\$650,246	\$659,777	\$669,516	\$679,266
Wastewater Utility	\$1,002,561	\$1,026,392	\$1,043,288	\$1,060,496	\$1,078,783
Water Utility	\$593,266	\$601,799	\$610,522	\$619,432	\$628,846
Debt - Interest	\$13,200	\$13,200	\$13,200	\$13,200	\$13,200
<b>Total Expenditures</b>	<b>\$6,331,477</b>	<b>\$5,822,006</b>	<b>\$5,921,460</b>	<b>\$6,023,219</b>	<b>\$6,125,546</b>
<b>Surplus (Deficit)</b>	<b>\$13,296,665</b>	<b>\$60,383</b>	<b>\$83,199</b>	<b>\$106,471</b>	<b>\$130,208</b>
Capital, Debt, Reserves, Transfers & Borrowing					
Capital Expenditures	\$(15,604,629)	\$(111,180)	\$(113,404)	\$(115,671)	\$(117,984)
Repayment on Debt	\$(31,100)	\$(31,100)	\$(31,100)	\$(31,100)	\$(31,100)
Proceeds of Debt	-	-	-	-	-
Contributions to Reserves	\$(1,268,470)	\$(1,215,283)	\$(1,238,099)	\$(1,261,372)	\$(1,285,109)
Transfers From Reserves	\$2,421,534	\$111,180	\$113,404	\$115,672	\$117,985
Appropriation from Surplus	-	-	-	-	-
Equity in Tangible Capital Assets	\$1,186,000	\$1,186,000	\$1,186,000	\$1,186,000	\$1,186,000
<b>Total Capital</b>	<b>\$(13,296,665)</b>	<b>\$(60,383)</b>	<b>\$(83,199)</b>	<b>\$(106,471)</b>	<b>\$(130,208)</b>
<b>Surplus (Deficit) Plus Capital, Debt</b>	<b>- 0</b>	<b>- 0</b>	<b>- 0</b>	<b>- 0</b>	<b>- 0</b>



## Management's Responsibility for Financial Reporting

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### Statement of Management's Responsibility


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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 judgment. 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.

  
\_\_\_\_\_  
Chief Administrative Officer

  
\_\_\_\_\_  
Chief Financial Officer

May 5, 2025



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Vancouver, BC V6E 3P3 Canada

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## Independent Auditor's Report

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

### Opinion

We have audited the financial statements of the Village of Harrison Hot Springs (the "Village") which comprise the Statement of Financial Position as at December 31, 2024 and the Statements Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2024 and its results of operations, changes in net financial assets, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally-accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of this 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 'Schedule 3 - Schedule for Growing Communities Fund' that is included in 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 the financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

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

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





### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- 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 7, 2025

## Village of Harrison Hot Springs Statement of Financial Position

December 31	2024	2023
<b>Financial Assets</b>		
Cash (Note 1)	\$ 24,703,264	\$ 22,814,943
Accounts Receivable (Note 2)	1,006,952	1,716,059
MFA Deposits (Note 3)	7,588	7,332
	<u>25,717,804</u>	<u>24,538,334</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 4)	433,900	321,567
Employee Future Benefits (Note 5)	105,488	88,015
Developers' Deposits and Other Liabilities (Note 6)	384,185	1,968,765
Deferred Revenue (Note 7)	4,168,258	2,240,922
Development Cost Charges (Note 8)	5,117,054	5,419,329
Long-term Debt (Note 10)	277,592	318,538
Asset Retirement Obligation (Note 11)	20,564	18,019
	<u>10,507,041</u>	<u>10,375,155</u>
<b>Net Financial Assets</b>	<u>15,210,763</u>	<u>14,163,179</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 12, Schedule 2)	40,134,644	38,385,382
Prepaid Expenses	70,555	64,663
	<u>40,205,199</u>	<u>38,450,045</u>
<b>Accumulated surplus (Note 14)</b>	<u>\$ 55,415,962</u>	<u>\$ 52,613,224</u>

  
 \_\_\_\_\_ Chief Administrative Officer

  
 \_\_\_\_\_ Mayor

The accompanying summary of significant policies and notes are an integral part of these financial statements 4



**Village of Harrison Hot Springs**  
**Statement of Operations**

<b>For year ended December 31</b>	<b>2024 Budget (Note 19)</b>	<b>2024</b>	<b>2023</b>
<b>Revenue</b>			
Property Taxes (Note 15)	\$ 2,908,248	\$ 2,909,443	\$ 2,709,154
Sale of Services (Note 16)	1,790,385	1,805,210	1,758,323
Utility Service Fees (Note 17)	521,860	536,805	505,985
Government Transfers (Note 18)	11,106,022	2,180,824	2,468,868
Investment Income	65,900	822,108	747,745
Penalties and Interest	-	100,281	83,494
Development Cost Charges (Note 8)	3,207,670	634,672	343,624
Other Revenue	28,059	164,025	114,006
	<b>19,628,144</b>	<b>9,153,368</b>	<b>8,731,199</b>
<b>Expenses (Note 20)</b>			
Legislative Services	215,924	159,321	167,245
General Government	1,598,341	1,839,711	1,678,828
Protective Services	342,098	351,742	329,259
Public Works	416,218	461,082	424,888
Transportation Services	514,450	406,449	450,902
Public Health	6,311	7,532	7,213
Planning and Development	332,700	139,149	115,710
Tourism, Community and Economic Development	416,678	314,751	257,380
Solid Waste Management and Recycling	246,971	242,257	244,972
Beaches, Parks, Recreation and Culture	645,961	706,247	551,043
Sewer Services	1,002,561	1,020,756	896,637
Water Services	593,266	701,633	601,327
	<b>6,331,479</b>	<b>6,350,630</b>	<b>5,725,404</b>
<b>Annual surplus</b>	<b>13,296,665</b>	<b>2,802,738</b>	<b>3,005,795</b>
<b>Accumulated surplus, beginning of year, (Note 14)</b>	<b>52,613,224</b>	<b>52,613,224</b>	<b>49,607,429</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 65,909,889</b>	<b>\$ 55,415,962</b>	<b>\$ 52,613,224</b>

The accompanying summary of significant policies and notes are an integral part of these financial statements 5

**Village of Harrison Hot Springs**  
**Statement of Changes in Net Financial Assets**

For year ended December 31	2024 Budget (Note 19)	2024	2023
Annual surplus	\$ 13,296,665	\$ 2,802,738	\$ 3,005,795
Acquisition of tangible capital assets	(15,604,629)	(3,000,783)	(1,394,155)
Amortization of tangible capital assets (Note 20, Schedule 2)	1,186,000	1,251,521	1,202,324
Change in prepaid expenses	-	(5,892)	(8,289)
<b>Increase (decrease) in net financial assets for the year</b>	<b>(1,121,964)</b>	<b>1,047,584</b>	<b>2,805,675</b>
<b>Net financial assets, beginning of year</b>	<b>14,163,179</b>	<b>14,163,179</b>	<b>11,357,504</b>
<b>Net financial assets, end of year</b>	<b>\$ 13,041,215</b>	<b>\$ 15,210,763</b>	<b>\$ 14,163,179</b>

The accompanying summary of significant policies and notes are an integral part of these financial statements 6



## Village of Harrison Hot Springs

### Statement of Cash Flows

For the year ended December 31	2024	2023
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Annual surplus	\$ 2,802,738	\$ 3,005,795
Items not involving cash:		
Amortization of tangible capital assets	1,251,521	1,202,324
Accretion expense	2,545	2,444
	<u>4,056,804</u>	<u>4,210,563</u>
<b>Changes in working capital:</b>		
Accounts receivable	709,107	(674,027)
MFA Deposits	(256)	(221)
Prepaid expenses	(5,892)	(8,289)
Accounts payable and accrued liabilities	112,333	(361,240)
Developers' deposits and other liabilities	(1,584,580)	(1,073,415)
Employee future benefits	17,473	(28,313)
Deferred revenue	1,927,336	1,080,151
Development cost charges	(302,275)	191,450
	<u>4,930,050</u>	<u>3,336,659</u>
<b>Capital activities</b>		
Asset retirement remediation	-	(43,019)
Acquisition of tangible capital assets	(3,000,783)	(1,394,155)
<b>Financing transactions</b>		
Repayment of long-term debt	(40,946)	(41,924)
<b>Increase in cash during the year</b>	<u>1,888,321</u>	<u>1,857,561</u>
<b>Cash, beginning of year</b>	<u>22,814,943</u>	<u>20,957,382</u>
<b>Cash, end of year</b>	<u>\$24,703,264</u>	<u>\$ 22,814,943</u>

The accompanying summary of significant policies and notes are an integral part of these financial statements 7

## Village of Harrison Hot Springs

### Summary of Significant Accounting Policies

For the year ended December 31, 2024

#### 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.

###### 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

Effective January 1, 2024, the Village adopted the new Public Sector Accounting Handbook Standard, PS 3400 Revenue. The standard provides additional guidance on the recognition of revenue transactions. The standard was adopted on the prospective basis at the date of adoption. Adoption of the new standard resulted in no change to the prior year comparative figures.

Revenue from transactions with performance obligations is recognized when (at a point in time) or as (over a period of time) the organization satisfies the performance obligations, which occurs when control of the benefits associated with the promised goods or services has passed to the payor.



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## Village of Harrison Hot Springs

### Summary of Significant Accounting Policies

For the year ended December 31, 2024

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#### b. Revenue Recognition (continued)

The Village recognizes revenue from users of the water, sewer, development permits, and rentals of Municipal property services on a straight-line basis over the period of time that the relevant performance obligations are satisfied by the City.

The Village recognizes revenue from administrative services, sales of goods, and other licenses and permits at the point in time that the City has performed the related performance obligations and control of the related benefits has passed to the payors.

The Village recognizes revenue from tax penalties and interest, parking ticket fines, and other revenue without associated performance obligations at the realizable value at the point in time when the Village is authorized to collect these revenues.

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.

#### c. Expense Recognition

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

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## Village of Harrison Hot Springs

### Summary of Significant Accounting Policies

For the year ended December 31, 2024

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#### 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. All financial instruments are measured at cost or amortized cost on the statement of financial position, using the effective interest rate method to determine interest revenue or expense. Transaction costs are added to the initial carrying value for financial instruments.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Unrealized gains and losses from changes in the fair value of financial instruments would be recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations. As the Village has no financial instruments reported at fair value, no statement of remeasurement gain or loss is presented in these financial statements.

#### e. Asset Retirement Obligations

The Village records a liability for an asset retirement obligation when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date.

Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed. The liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Any changes resulting from changes in estimate of assumptions are adjusted to the carrying amount of the asset if still in use, or recorded in the statement of operations if the asset has been retired.



## Village of Harrison Hot Springs

### Summary of Significant Accounting Policies

**For the year ended December 31, 2024**

#### **f. 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. Estimated useful lives of tangible capital assets are as follows:

Land improvements	10 to 25 years
Parks infrastructure	10 to 50 years
Buildings	40 to 60 years
Machinery, furniture and equipment	5 to 10 years
IT infrastructure	4 to 10 years
Vehicles	5 to 20 years
Roads infrastructure	15 to 75 years
Water infrastructure	10 to 100 years
Sewer infrastructure	10 to 100 years
Drainage infrastructure	10 to 100 years

##### **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.

##### **iv. Leased Tangible Capital Assets**

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

#### **g. Use of estimates**

The preparation of financial statements 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.

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## Village of Harrison Hot Springs

### Summary of Significant Accounting Policies

For the year ended December 31, 2024

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#### **h. Liability for Contaminated Sites**

Contaminated sites result from the introduction of a chemical, organic or radioactive material or live organism that exceeds environmental standard, either resulting from an unexpected event or on a site that the Village does not own or control but for which it has accepted responsibility. A liability for remediation of contaminated sites is recognized when 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, 2024, no contamination in excess of an environmental standard exists to land for which the Village is responsible.

## Village of Harrison Hot Springs

### Notes to the Financial Statements

For the year ended December 31, 2024

<b>1. Cash</b>	<b>2024</b>	<b>2023</b>
Restricted cash:		
Statutory reserves	\$ 2,823,857	\$ 2,714,534
Non-statutory reserves	5,980,949	5,376,207
Development Cost Charges/Deposits in Trust	5,117,054	5,419,329
	<u>13,921,860</u>	<u>13,510,070</u>
Unrestricted Cash	10,781,404	9,304,873
	<u>\$24,703,264</u>	<u>\$ 22,814,943</u>

<b>2. Accounts Receivable</b>	<b>2024</b>	<b>2023</b>
Property taxes receivable	\$ 523,443	\$ 327,414
Government grants receivable	270,265	1,138,751
Trade and other receivable	213,244	249,894
	<u>\$ 1,006,952</u>	<u>\$ 1,716,059</u>

### 3. 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 and by extension, member municipalities 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

For the year ended December 31, 2024

4. Accounts Payable and Accrued Liabilities

	2024	2023
Trade and other	\$ 8,400	\$ 19,320
Holdbacks payable	88,824	42,616
Other government	195,276	182,028
Accrued employee benefits	141,400	77,603
	<u>\$ 433,900</u>	<u>\$ 321,567</u>

5. 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, 2024.

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 2024 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, 2024.

The significant actuarial assumptions adopted in measuring the Village's accrued benefit obligation are as follows:

	2024	2023
Discount rates	4.0 %	4.0 %
Expected future inflation	3.0 %	3.0 %
Expected average remaining service life (years)	16.0	16.0

## Village of Harrison Hot Springs

### Notes to the Financial Statements

For the year ended December 31, 2024

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

Accrued Benefit Obligation as at December 31, 2024:

	2024	2023
Accrued benefit obligation, beginning of year	\$ 105,487	\$ 131,278
Current service cost	19,667	15,408
Interest on accrued benefit obligation	4,180	4,814
Benefit payments	(6,365)	(44,654)
Amortization of net actuarial gain	(1,602)	(1,359)
Accrued benefit obligation, end of year	121,367	105,487
Unamortized actuarial gain	(15,879)	(17,472)
Accrued benefit obligation, end of year	<u>\$ 105,488</u>	<u>\$ 88,015</u>

#### 6. Developers Deposits and Other Liabilities

	2024	2023
Property and event damage deposits	\$ 288,702	\$ 608,789
Developers deposit	94,228	1,358,721
Funds held on behalf of community groups	1,255	1,255
	<u>\$ 384,185</u>	<u>\$ 1,968,765</u>

#### 7. Deferred Revenue

	December 31, 2023	Externally Restricted Inflows	Revenue Earned	December 31, 2024
Prepaid taxes	\$ 202,238	\$ 331,116	\$ (353,300)	\$ 180,054
Resort municipality initiative	1,871,448	604,371	(1,248,072)	1,227,747
Deferred revenue	164,411	3,191,840	(597,369)	2,758,882
Facility rentals and other	2,825	1,250	(2,500)	1,575
	<u>\$ 2,240,922</u>	<u>\$ 4,128,577</u>	<u>\$ (2,201,241)</u>	<u>\$ 4,168,258</u>

## Village of Harrison Hot Springs

### Notes to the Financial Statements

For the year ended December 31, 2024

#### 8. Development Cost Charges

	Opening Balance	Receipts	Interest	Revenue Recognized	December 31, 2024
Sewer DCC	\$ 1,966,059	\$ 19,959	\$ 99,432	\$ (494,431)	\$ 1,591,019
Water DCC	1,760,916	16,071	90,476	(17,649)	1,849,814
Drainage DCC	1,186,825	12,882	61,073	(1,124)	1,259,656
Parks DCC	505,529	6,870	25,634	(121,468)	416,565
	<u>\$ 5,419,329</u>	<u>\$ 55,782</u>	<u>\$ 276,615</u>	<u>\$ (634,672)</u>	<u>\$ 5,117,054</u>

#### 9. 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 was fully repaid in 2023. Changes in the liabilities are as follows:

	2024	2023
Balance, beginning of year	\$ -	\$ 2,362
Less: Principal repayments	-	(2,362)
Balance, end of year	<u>\$ -</u>	<u>\$ -</u>

Total interest expense during the year was \$NIL. Total interest over the term of the agreements was \$5,863.

#### 10. Long-Term Debt

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

	Opening Balance	Additions	Principal Repayments	Actuarial Adjustment*	December 31, 2024
General Fund MFA Issue 131	\$ 318,538	\$ -	\$ 31,095	\$ 9,851	\$ 277,592

\*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.



## Village of Harrison Hot Springs

### Notes to the Financial Statements

For the year ended December 31, 2024

#### 10. Long-Term Debt (continued)

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

	General	Water	Sewer
2025	\$ 31,095	\$ -	\$ -
2026	31,095	-	-
2027	31,095	-	-
2028	31,095	-	-
2029	31,095	-	-
Thereafter	122,117	-	-
Total	\$ 277,592	\$ -	\$ -

#### 11. Asset Retirement Obligation

The Village is required to report as a liability the legal obligations associated with the retirement of tangible capital assets. The Village's asset retirement obligation consists of the following obligations:

##### a) Asbestos obligation

The Village owns a building which is known to contain asbestos. The Village has recognized an obligation relating to the removal and disposal of the asbestos in these buildings. Estimated remaining future costs of \$8,000 have been discounted to the present value using a discount rate of 4.17% per annum (2023 - 4.17%).

##### b) Water wells

The Village operates a water well which will require decommissioning at the end of its useful life. The Village has recognized an obligation relating to the decommissioning of the well. Estimated future costs of \$15,000 have been discounted to the present value using a discount rate of 4.17% per annum (2023 - 4.17%).

## Village of Harrison Hot Springs

### Notes to the Financial Statements

**For the year ended December 31, 2024**

#### 11. Asset Retirement Obligation (continued)

Changes in the asset retirement obligation in the year are as follows:

	Asbestos Remediation	Well Decommissioning	2024
Opening balance	\$ 7,614	\$ 10,405	\$ 18,019
Accretion expense	2,111	434	2,545
Closing balance	<u>\$ 9,725</u>	<u>\$ 10,839</u>	<u>\$ 20,564</u>

	Asbestos Remediation	Well Decommissioning	2023
Opening balance	\$ 48,606	\$ 9,988	\$ 58,594
Accretion expense	2,027	417	2,444
Retirement costs incurred	(43,019)	-	(43,019)
Closing balance	<u>\$ 7,614</u>	<u>\$ 10,405</u>	<u>\$ 18,019</u>

The asset retirement liability has been estimated using a net present value technique using the assumptions as described above. The related asset retirement costs have been added to the cost and are being amortized on a straight-line basis over the remaining useful lives of the assets.

Significant estimates and assumptions are made in determining the asset retirement costs as there are numerous factors that will affect the amount ultimately payable. Those uncertainties may result in future actual expenditures that are different than the amounts currently recorded. At each reporting date, as more information and experience is obtained as it relates to these asset retirement obligations, the estimates of the timing, the undiscounted cash flows and the discount rates may change. Adjustments to these factors are accounted for as an adjustment to the asset retirement obligation and the related tangible capital asset in the current period on a prospective basis.

## Village of Harrison Hot Springs

### Notes to the Financial Statements

For the year ended December 31, 2024

#### 12. Tangible Capital Assets

	2024	2023
Land and improvements	\$10,680,913	\$ 10,680,913
Buildings	3,252,472	2,636,961
Machinery, equipment, furniture IT, and vehicles	1,486,314	1,297,902
Engineering structures:		
Engineering structures - water	7,553,580	7,641,143
Engineering structures - sewer and drainage	7,913,938	7,935,888
Engineering structures - roads	3,719,615	3,959,941
Engineering structures - parks and other	2,153,293	2,089,239
Other tangible capital assets	2,053,513	1,485,229
Work in progress	1,321,006	658,166
	<b>\$40,134,644</b>	<b>\$ 38,385,382</b>

There were no contributed assets recognized in 2024.

#### 13. Equity in Tangible Capital Assets

	2024	2023
Equity in TCA, beginning of year	\$38,008,294	\$ 37,776,886
Add:		
Capital expenditures	3,000,783	1,394,155
Debt repayments	31,095	33,554
Actuarial adjustments	9,851	8,467
Less:		
Amortization	(1,251,521)	(1,202,324)
Asset retirement obligation (Note 11)	(2,545)	(2,444)
	<b>\$39,795,957</b>	<b>\$ 38,008,294</b>



## Village of Harrison Hot Springs

### Notes to the Financial Statements

For the year ended December 31, 2024

#### 14. Accumulated Surplus

The Village segregates its accumulated surplus into the following categories:

	2024	2023
Surplus:	<b>\$39,795,957</b>	\$ 38,008,294
Operating fund	<b>6,815,199</b>	6,514,189
Total surplus	<b>\$46,611,156</b>	\$ 44,522,483
Reserves set aside by council:		
Appropriated surplus:		
Fire department	\$ 31,635	\$ 30,095
Assessment appeal	156,888	149,252
Beach	4,854	4,617
Building	74,750	71,112
Contingencies	13,669	13,003
Dock replacement	88,964	74,860
Boat Launch	90,205	80,628
Flood box / drainage	18,546	17,643
General	2,064,031	1,793,679
Insurance	11,877	11,299
Parking / traffic enforcement	144,767	118,174
Office equipment	26,108	19,355
Property	56,598	53,843
Road / sidewalk	16,081	15,298
Sick leave/ retirement	60,792	57,833
Community works fund	731,478	671,138
Sewer	1,223,728	1,164,168
Water	1,165,978	1,030,210
Total appropriated surplus	<b>\$ 5,980,949</b>	\$ 5,376,207
Statutory fund reserves:		
Community amenities	\$ 184,024	\$ 175,067
Fire department capital	128,628	106,222
Growing communities fund	1,222,378	1,208,456
Land unexpended funds	58,518	55,670
Parkland acquisition and improvements	428,002	407,169
Public works capital	100,521	132,733
Sewage treatment replacement	595,898	528,483
Sewer unexpended funds	99,619	94,770
Port divestiture income	6,269	5,964
Total statutory fund reserves	<b>\$ 2,823,857</b>	\$ 2,714,534
	<b>\$55,415,962</b>	\$ 52,613,224

# Village of Harrison Hot Springs

## Notes to the Financial Statements

For the year ended December 31, 2024

### 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	2024	2023
<b>Taxes collected</b>			
Municipal property taxes	\$2,857,115	\$2,857,111	\$ 2,660,469
1% utility taxes	44,733	44,086	41,987
Payments in lieu of taxes	6,400	8,246	6,698
School taxes	1,914,235	1,914,235	1,736,748
Regional district	217,052	217,052	180,139
Regional hospital district	115,540	115,540	108,770
Police tax	240,541	240,541	225,076
Other agencies	46,899	46,899	44,281
	<u>5,442,515</u>	<u>5,443,710</u>	<u>5,004,168</u>
<b>Less: Transfers to other governments</b>			
School taxes paid	1,914,235	1,914,235	1,736,748
Regional district taxes paid	217,052	217,052	180,139
Regional hospital district taxes paid	115,540	115,540	108,770
Police taxes paid	240,541	240,541	225,076
Other agencies taxes paid	46,899	46,899	44,281
	<u>2,534,267</u>	<u>2,534,267</u>	<u>2,295,014</u>
	<u>\$2,908,248</u>	<u>\$2,909,443</u>	<u>\$ 2,709,154</u>

### 16. Sale of Services

	Budget	2024	2023
Sewer user fees	\$ 780,849	\$ 778,483	\$ 736,117
Water user fees	384,923	426,791	377,373
Curbside collection fees	155,000	161,493	150,851
Pay parking revenue	370,000	337,621	377,566
Licenses and permits	41,263	53,879	59,698
Facility rentals	50,000	39,220	43,613
Fines	4,250	3,525	9,010
Other	4,100	4,198	4,095
	<u>\$1,790,385</u>	<u>\$1,805,210</u>	<u>\$ 1,758,323</u>

## Village of Harrison Hot Springs

### Notes to the Financial Statements

For the year ended December 31, 2024

#### 17. Utility Service Fees

	Budget	2024	2023
Sewer service utility fee - residential	\$ 224,000	\$ 233,332	\$ 219,777
Sewer service utility fee - business	21,012	19,281	19,704
Water service utility fee - residential	255,000	263,056	245,408
Water service utility fee - business	21,848	21,136	21,096
	<u>\$ 521,860</u>	<u>\$ 536,805</u>	<u>\$ 505,985</u>

#### 18. Government Transfers

	Budget	2024	2023
Provincial:			
Conditional			
Infrastructure	\$ 8,133,543	\$ 352,372	\$ 1,853,021
Resort municipality initiative	1,630,479	1,248,072	161,857
Other	-	736	736
Unconditional	334,000	359,300	325,000
Federal:			
Conditional			
Infrastructure	880,000	70,191	-
Gas tax	128,000	150,153	128,254
	<u>\$11,106,022</u>	<u>\$ 2,180,824</u>	<u>\$ 2,468,868</u>

#### 19. Budget Data

The data presented in these financial statements is based upon the 2024 operating and capital budgets adopted by Council on April 30, 2024. The table below reconciles the approved balanced budget to the budget figures reported in these financial statements.



## Village of Harrison Hot Springs

### Notes to the Financial Statements

**For the year ended December 31, 2024**

#### 19. Budget Data (continued)

2024 Adopted Operating and Capital Budget:

	<u>2024</u>
Revenues:	
Operating budget	\$ 6,331,479
Capital budget	<u>15,604,629</u>
Total revenue	<u>21,936,108</u>
Expenses:	
Operating budget	6,331,479
Capital budget	<u>15,604,629</u>
Total expenses	<u>21,936,108</u>
Budgeted surplus (deficit)	<u>-</u>
Add:	
Capital additions	15,604,629
Transfers to reserves	1,268,470
Principal repayments	31,100
Less:	
Transfers from reserves	(2,421,534)
Amortization	<u>(1,186,000)</u>
Annual budgeted surplus (see statement of operations)	<u>\$ 13,296,665</u>

#### 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:

	<u>Budget</u>	<u>2024</u>	<u>2023</u>
Salaries, wages and employee benefits	\$2,159,995	\$2,204,520	\$ 2,092,061
Operating materials and supplies	837,238	997,229	852,592
Contracted services	980,392	807,659	641,197
Administrative services and supplies	857,612	791,770	643,402
Utilities	242,842	225,403	224,627
Rentals and contractual obligations	54,200	56,783	53,548
Debt financing	13,200	13,200	13,209
Amortization	1,186,000	1,251,521	1,202,324
Accretion	-	2,545	2,444
	<u>\$6,331,479</u>	<u>\$6,350,630</u>	<u>\$5,725,404</u>

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## Village of Harrison Hot Springs

### Notes to the Financial Statements

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For the year ended December 31, 2024

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#### 21. Commitments and Contingencies

- (a) The municipality and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The 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 December 31, 2023, the plan has about 256,000 active members and approximately 129,000 retired members. Active members included approximately 45,000 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 actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis. The Village of Harrison Hot Springs paid \$128,805 (2023 - \$100,778) for employer contributions to while employee contributed \$119,120 (2023 - \$93,200) in fiscal 2024. The next valuation will be as at December 31, 2024, with results available in 2025. 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.

## Village of Harrison Hot Springs

### Notes to the Financial Statements

For the year ended December 31, 2024

#### 21. Commitments and Contingencies (continued)

- (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: 2025 - \$2,967,852, 2026 - \$230,757, 2027 - \$209,688.

#### 22. Financial Instrument Risk Management

The Village is exposed to credit risk, liquidity risk, and interest rate risk from its financial instruments. This note describes the Village's objectives, policies and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

- a) Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Village is exposed to credit risk through its cash, accounts receivable and MFA deposits. The maximum amount of credit risk exposure is limited to the carrying amount of the balance in the financial statements. There have not been any changes from the prior year in the Village's exposure to credit risk or the policies, procedures and methods it uses to manage and measure the risk.
- b) Liquidity risk is the risk that the Village will encounter difficulty in meeting obligations associated with financial liabilities. The Village is exposed to liquidity risk through its accounts payable, employee future benefits and long-term debt. The Village manages its liquidity risk by maintaining adequate levels of working capital to ensure all obligations can be met when they fall due. There have not been any changes from the prior year in the Village's exposure to liquidity risk or the policies, procedures and methods it uses to manage and measure the risk.
- c) Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Village is exposed to interest rate risk through its cash and long-term debt. The Village manages its interest rate risk by maintaining low long-term debt balances and holding cash in low risk savings accounts. There have not been any changes from the prior year in the Village's exposure to interest rate risk or the policies, procedures and methods it uses to manage and measure the risk.

#### 23. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's presentation.



Village of Harrison Hot Springs  
Notes to the Financial Statements

For the year ended December 31, 2024

24. Segmented Information

The Table of Segmented Information - Schedule 1 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 - Table of Segmented Information**

For the year ended December 31, 2024

	Legislative	General Government	Protective Services	Development Planning	Engineering, Transportation & Storm Water	Solid Waste	Parks, Recreation & Cultural Services	Wastewater Utility	Water Utility	2024 Budget	2024 Actual	2023 Actual
<b>Revenues</b>												
Property Taxes	\$ -	\$2,909,442	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$2,908,248	\$2,909,443	\$2,709,154
Sale of Services	-	399,223	-	-	-	161,493	39,220	778,483	426,791	1,947,387	1,805,210	1,758,323
Utility Service Fees	-	-	-	-	-	-	-	252,613	284,192	521,860	536,805	505,985
Government Transfers	-	862,560	-	1,248,072	-	-	-	70,191	-	10,949,020	2,180,824	2,468,868
Investment Income	-	665,350	-	-	-	-	-	97,341	59,417	65,900	822,108	747,745
Penalties and Interest	-	78,712	-	-	-	2,391	-	10,271	8,907	-	100,281	83,494
Development Cost Charges	-	74,512	-	-	-	-	48,080	494,431	17,649	3,207,670	634,672	343,624
Other Revenue	-	80,916	-	-	-	29,053	-	3,000	51,056	28,059	164,025	114,006
<b>Total revenue</b>	-	<b>5,070,715</b>	-	<b>1,248,072</b>	-	<b>192,937</b>	<b>87,300</b>	<b>1,706,330</b>	<b>848,012</b>	<b>19,628,144</b>	<b>9,153,368</b>	<b>8,731,199</b>
<b>Expenses</b>												
Salaries, Wages and Employee Benefits	129,421	847,898	16,017	133,758	258,173	58,023	265,503	291,916	203,811	2,159,995	2,204,520	2,092,061
Operating Materials and Supplies	-	15,654	195,834	3,014	174,091	157	118,266	285,905	204,308	837,238	997,229	852,592
Contracted Services Administrative	-	190,133	79,145	142,475	79,331	184,077	24,475	93,825	14,198	980,392	807,659	641,197
Services and Supplies	26,047	467,437	30,936	153,653	23,061	-	18,960	45,794	25,882	857,612	791,770	643,402
Utilities	3,853	16,993	8,452	-	42,895	-	42,879	73,917	36,414	242,842	225,403	224,627
Rentals and Contractual Obligations	-	13,150	4,598	21,000	14,153	-	3,882	-	-	54,200	56,783	53,548
Debt Financing Amortization	-	13,200	-	-	-	-	-	-	-	13,200	13,200	13,209
Accretion Expense	-	273,452	16,760	-	283,359	-	232,282	229,082	216,586	1,186,000	1,251,521	1,202,324
	-	1,794	-	-	-	-	-	317	434	-	2,545	2,444
<b>Total expenses</b>	<b>159,321</b>	<b>1,839,711</b>	<b>351,742</b>	<b>453,900</b>	<b>875,063</b>	<b>242,257</b>	<b>706,247</b>	<b>1,020,756</b>	<b>701,633</b>	<b>6,331,479</b>	<b>6,350,630</b>	<b>5,725,404</b>
<b>Excess (deficiency) in revenues over expenses</b>	<b>\$(159,321)</b>	<b>\$3,231,004</b>	<b>\$(351,742)</b>	<b>\$ 794,172</b>	<b>\$ (875,063)</b>	<b>\$(49,320)</b>	<b>\$(618,947)</b>	<b>\$ 685,574</b>	<b>\$ 146,379</b>	<b>\$13,296,665</b>	<b>\$2,802,738</b>	<b>\$3,005,795</b>

**Village of Harrison Hot Springs**  
**Schedule 2 - Statement of Tangible Capital Assets**

**For the year ended December 31, 2024**

		Engineered Structures							Other Tangible Capital Assets	2024	2023
		Land	Building	Equipment Furniture Vehicles	Water	Sewer Drainage	Roads	Other	Work In Progress		
<b>Balance,</b>											
beginning of year	\$	10,680,913	\$ 4,664,445	\$ 3,110,574	\$ 10,108,965	\$ 11,527,848	\$ 10,259,212	\$ 3,650,237	\$ 1,485,229	\$ 56,426,778	\$ 55,032,623
Additions	-	-	768,422	344,036	129,023	231,842	-	255,823	568,284	3,000,783	1,394,155
Disposals & adjustments	-	-	-	(445,228)	-	-	-	-	-	(445,228)	-
<b>Cost, end of year</b>		10,680,913	5,432,867	3,009,382	10,237,988	11,759,690	10,259,212	3,906,060	2,053,513	58,982,333	56,426,778
<b>Accumulated amortization,</b>											
beginning of year	-	-	2,027,484	1,812,672	2,467,822	3,591,960	6,299,271	1,560,998	-	18,041,396	16,839,072
Opening adjustments	-	-	-	-	-	-	-	-	-	-	-
Add: Amortization	-	-	152,911	155,624	216,586	253,792	240,326	191,769	-	1,251,521	1,202,324
Less: Accumulated Amortization on Disposals	-	-	-	(445,228)	-	-	-	-	-	(445,228)	-
<b>Accumulated amortization,</b>											
end of year	-	-	2,180,395	1,523,068	2,684,408	3,845,752	6,539,597	1,752,767	-	18,847,689	18,041,396
<b>Net book value,</b>											
end of year	\$	10,680,913	\$ 3,252,472	\$ 1,486,314	\$ 7,553,580	\$ 7,913,938	\$ 3,719,615	\$ 2,153,293	\$ 2,053,513	\$ 40,134,644	\$ 38,385,382



## Village of Harrison Hot Springs

### Schedule 3 - Growing Communities Fund (Unaudited)

**For the year ended December 31, 2024**

#### Growing Communities Fund

The Growing Communities Fund (GCF) distributed conditional grants to communities at the end of March 2023 to help build community infrastructure and amenities to meet the demands of unprecedented population growth. The Fund provided a one-time total of \$1 billion in grants to all 188 municipalities and regional districts. The Village of Harrison Hot Springs received \$1,256,000 from the GCF program in March of 2023.

	2024	2023
Balance, beginning of year	\$ 1,208,456	\$ 1,256,000
Eligible costs:		
Sewer system upgrades	-	103,240
Bridge abutment repairs	47,745	-
Interest	(61,666)	(55,696)
Balance, end of year	<u>\$1,222,377</u>	<u>\$ 1,208,456</u>

The Village of Harrison Hot Springs has two main bridges which exist on McCombs drive which allow crossing of the Miami River. These bridges are known as the Miami River North and Miami River South bridges. After an extensive condition study, it was determined that the abutments of both of these bridges need to be upgraded. In conjunction with that, the sewer line that goes underneath the bridges will need to be replaced and upgraded to new standards. In 2023, the sewer line for the Miami Rive South bridge was fully replaced and improved. In 2024, design and engineering work commenced on the Miami River North bridge, with construction work set to begin in 2025.

# Statistical Section

## The Village at a Glance



**POPULATION**  
1,905\*



**16**  
DEVELOPMENT  
PERMITS



**7**  
FACILITIES



**175**  
BUSINESS  
LICENCES

**550,000\*\***  
ANNUAL VISITORS



**6**



SANITARY SEWER  
LIFT STATIONS



**4** BRIDGES



**8** PARKS



AVERAGE AGE  
**51**



**2** PLAYGROUNDS



**1** FIRE  
HALL

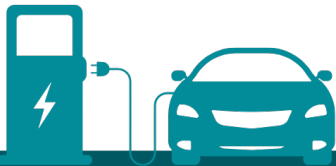
**12 KILOMETRES OF ROADS**

APPLICATION-BASED  
GRANTS APPROVED  
**\$5,340,832**



**\$4.542**  
MILLION

CONSTRUCTION VALUE IN  
BUILDING PERMITS



**7** EV CHARGING PORTS  
IN THE VILLAGE



**14**  
BYLAWS  
ADOPTED

**12**

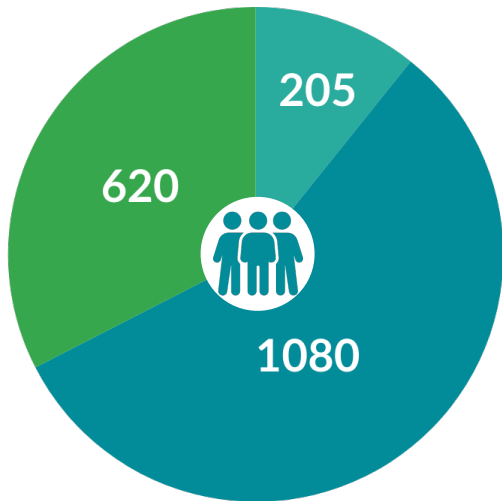
KILOMETRES OF  
WATER MAINS



**1292**  
TOTAL PRIVATE  
DWELLINGS

\*2021 Statistics Canada  
\*\*Tourism Harrison River Valley

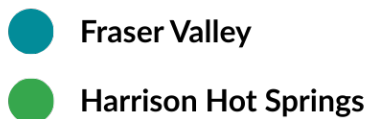
## Demographics



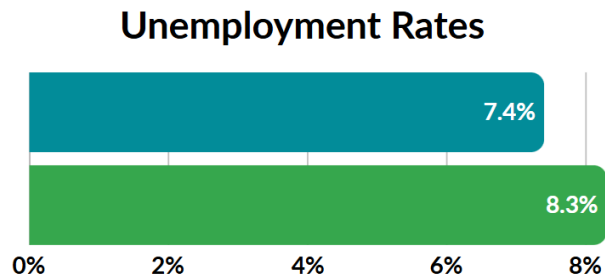
\*2021 Statistics Canada

## Unemployment Rates

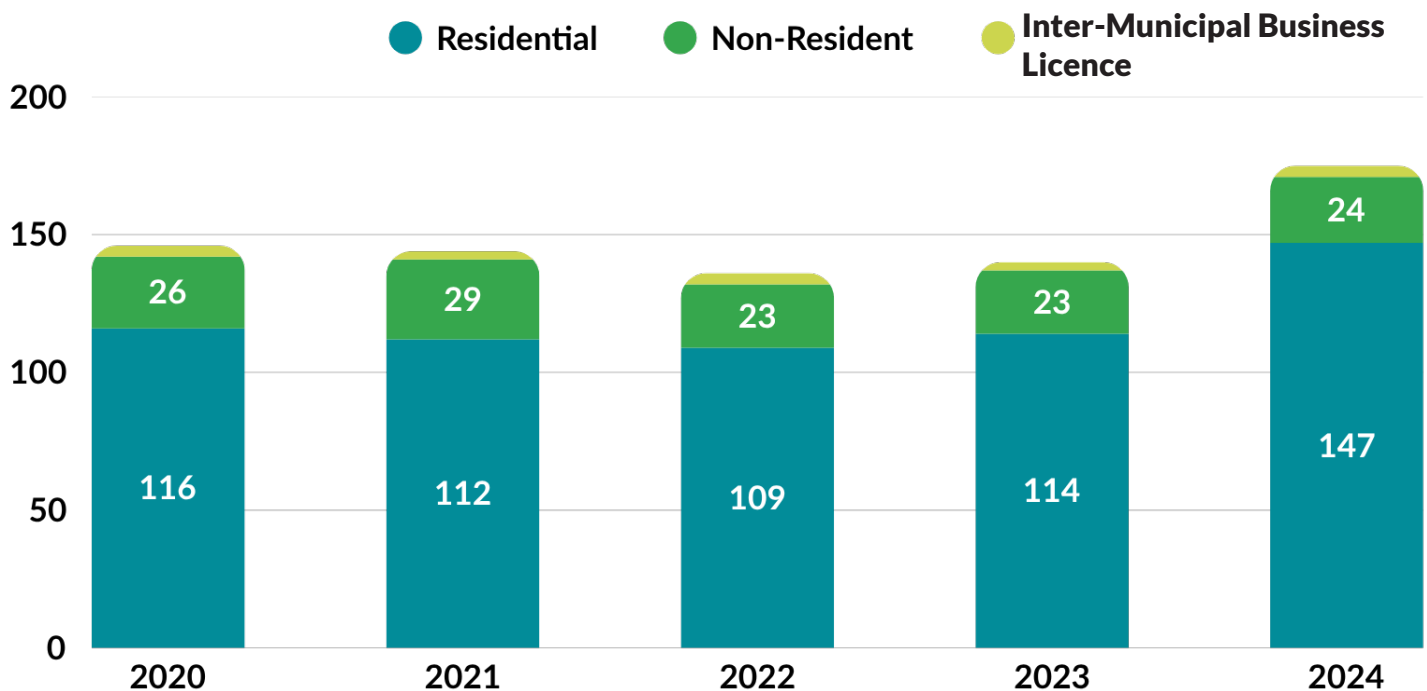
Fraser Valley and the Village



\*2021 Statistics Canada



## Active Business Licences



# Municipal Employees

## Municipal Employees

By Department

- Administration
- Corporate Services
- Community Services
- Financial Services
- Public Works
- Utilities

TOTAL: 16

\*For the years 2020-2024, the Village of Harrison Hot Springs employed 16 full-time and 3 seasonal employees



# Community Engagement

## Social Media

### Followers Growth

Total Followers

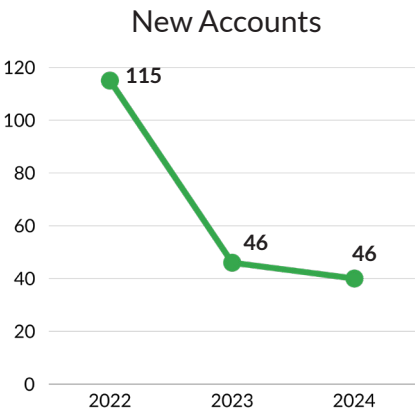
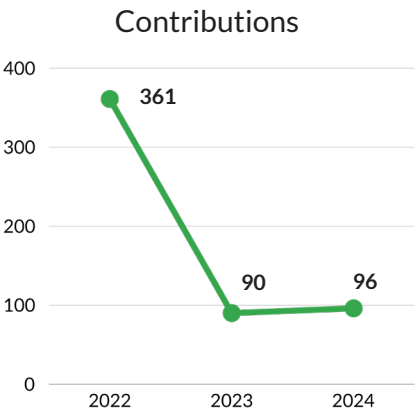
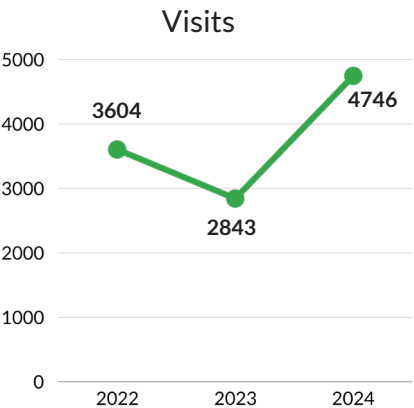
+132

Total Increase

94%



## Get Into It Harrison Engagement Platform





## Statement of Financial Position

Financial Assets	2020	2021	2022	2023	2024
Cash and Equivalents	\$16,030,448	\$18,844,359	\$20,957,382	\$22,814,943	\$24,703,264
Accounts Receivable	\$557,582	\$494,898	\$1,042,032	\$1,716,059	\$1,006,952
MFA Deposits	\$6,840	\$6,956	\$7,111	\$7,332	\$7,588
	<b>\$16,594,870</b>	<b>\$19,346,213</b>	<b>\$22,006,525</b>	<b>\$24,538,334</b>	<b>\$25,717,804</b>

Financial Liabilities	2020	2021	2022	2023	2024
Accounts Payable & Accrued Liabilities	\$196,005	\$419,815	\$682,807	\$321,567	\$433,900
Employee Future Benefits	\$129,402	\$131,798	\$116,328	\$88,015	\$105,488
Developer Deposit & Other Trust Liabilities	\$1,529,365	\$1,417,722	\$3,042,180	\$1,968,765	\$384,185
Deferred Revenue	\$819,225	\$2,105,198	\$1,160,771	\$2,240,922	\$4,168,258
Development Cost Charges	\$4,747,153	\$4,768,748	\$5,227,879	\$5,419,329	\$5,117,054
Liabilities Under Agreement	\$46,051	\$23,305	\$2,362	-	-
Long-term Debt	\$433,254	\$396,323	\$358,100	\$318,538	\$277,592
Asset Retirement Obligation	-	-	\$58,594	\$18,019	\$20,564
	<b>\$7,900,455</b>	<b>\$9,262,909</b>	<b>\$10,649,021</b>	<b>\$10,375,155</b>	<b>\$10,507,041</b>

	2020	2021	2022	2023	2024
Net Financial Assets	<b>\$8,694,415</b>	<b>\$10,083,304</b>	<b>\$11,357,504</b>	<b>\$14,163,179</b>	<b>15,210,763</b>

Non-Financial Assets	2020	2021	2022	2023	2024
Tangible Capital Assets	\$37,604,754	\$36,990,555	\$38,193,551	\$38,385,382	\$40,134,644
Prepaid Expenses	\$72,155	\$356,060	\$56,374	\$64,663	70,555
	<b>\$37,676,909</b>	<b>\$37,346,615</b>	<b>38,249,925</b>	<b>\$38,450,045</b>	<b>\$40,205,199</b>

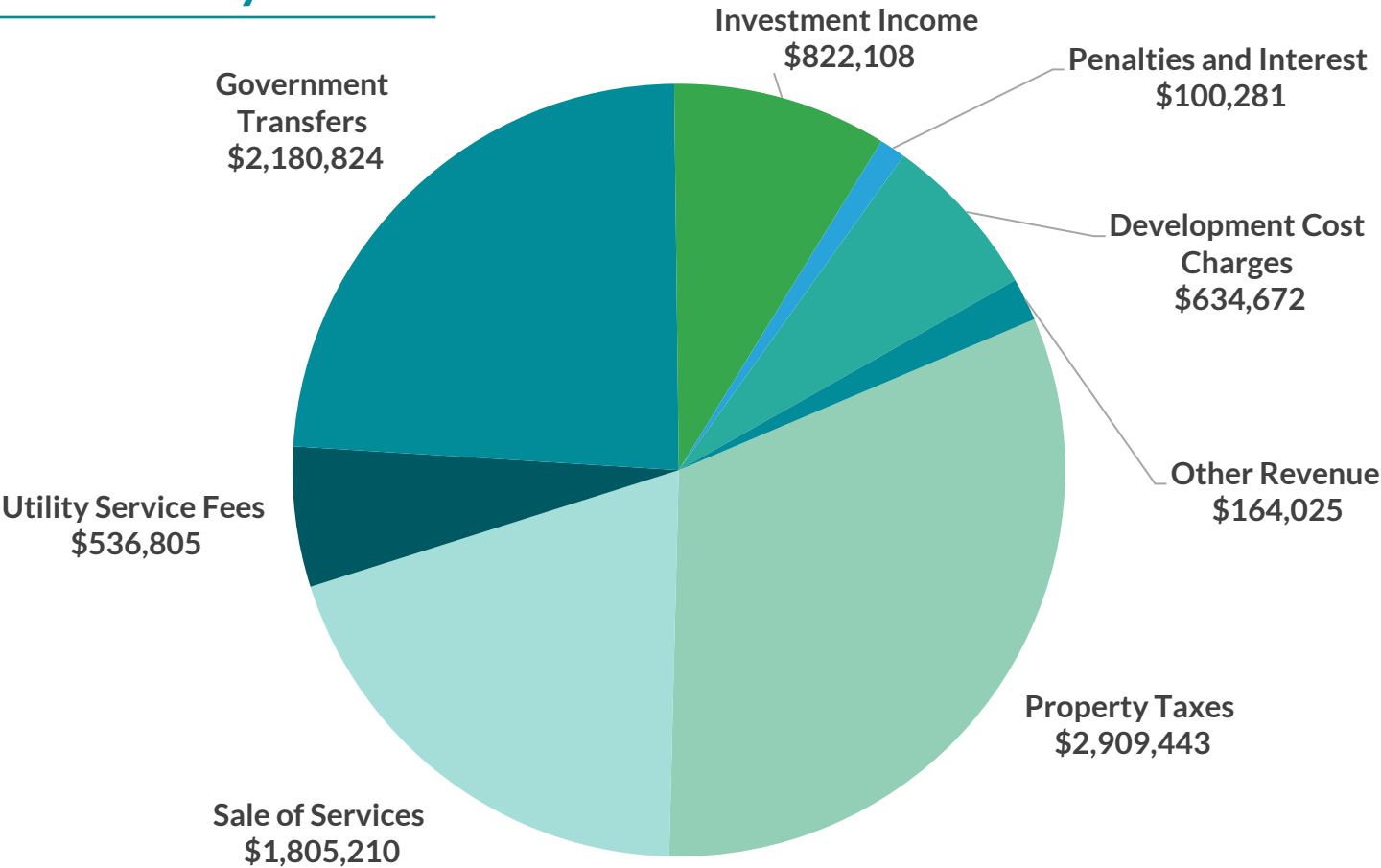
	2020	2021	2022	2023	2024
Accumulated Surplus	<b>\$46,371,324</b>	<b>\$47,429,919</b>	<b>\$49,607,429</b>	<b>\$52,613,224</b>	<b>\$55,415,962</b>

Accumulated Surplus - Represented By	2020	2021	2022	2023	2024
Operating fund	\$4,443,919	\$5,519,004	\$6,040,537	\$6,514,189	\$6,815,199
Appropriated Surplus	\$2,980,203	\$3,748,823	\$4,428,345	\$5,376,207	\$5,980,949
Statutory Reserves	\$1,821,752	\$1,591,163	\$1,361,661	\$2,714,534	\$2,823,857
Equity in Tangible Capital Assets	\$37,125,450	\$36,570,929	\$37,776,886	\$38,008,294	\$39,795,957
	<b>\$46,371,324</b>	<b>\$47,429,919</b>	<b>\$49,607,429</b>	<b>\$52,613,224</b>	<b>\$55,415,962</b>

	2020	2021	2022	2023	2024
Annual Surplus	<b>\$2,099,624</b>	<b>\$1,058,595</b>	<b>\$2,233,063</b>	<b>\$3,005,795</b>	<b>\$2,802,738</b>

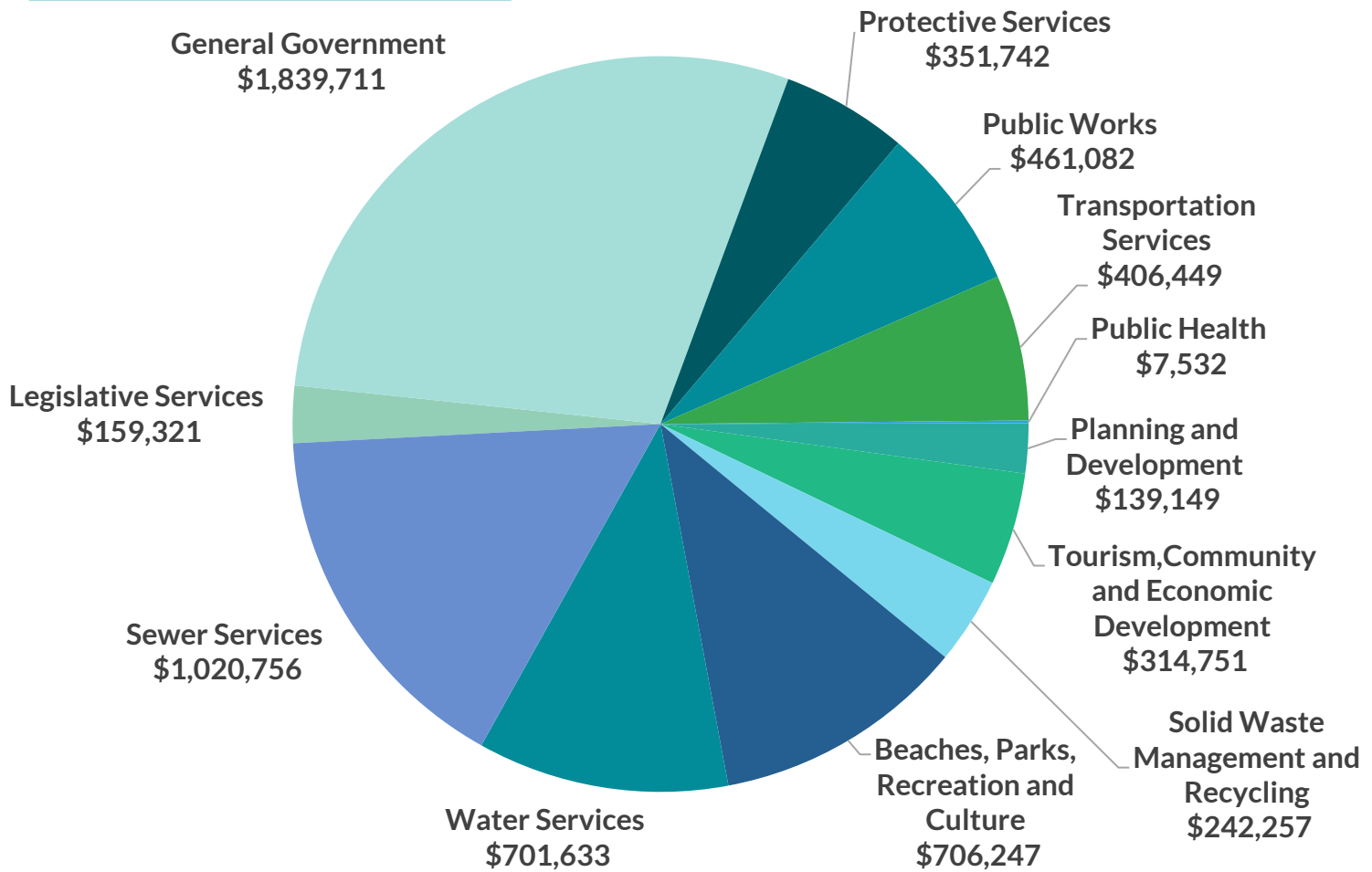
	2020	2021	2022	2023	2024
Acquisition of Tangible Capital Assets	<b>\$1,061,303</b>	<b>\$477,797</b>	<b>\$2,340,530</b>	<b>\$1,394,155</b>	<b>\$3,000,783</b>

# Revenues by Source



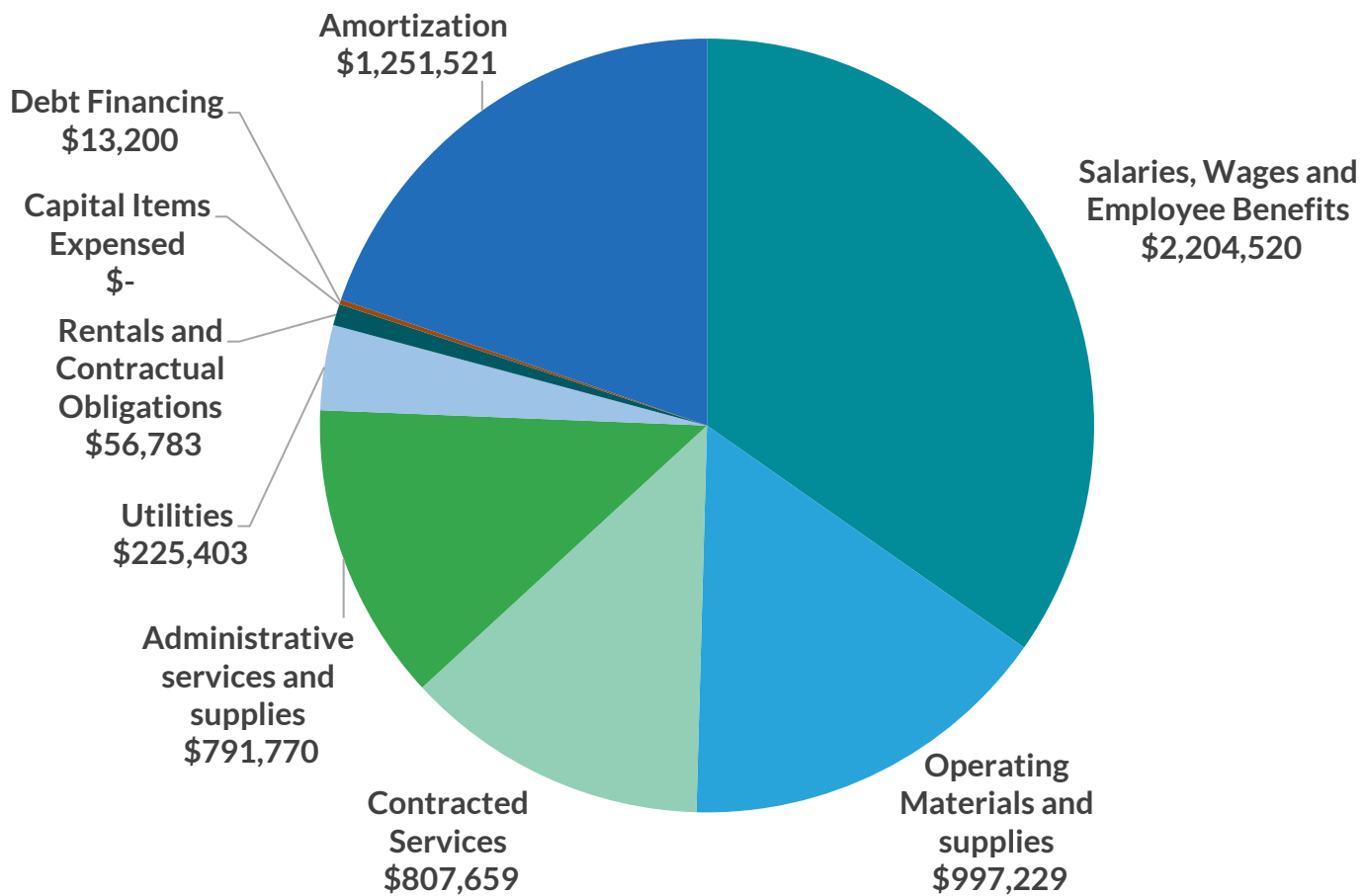
	2020	2021	2022	2023	2024
Property Taxes	\$2,366,532	\$2,470,865	\$2,551,795	\$2,709,154	\$2,909,443
Sale of Services	\$1,491,805	\$1,632,567	\$1,688,486	\$1,758,323	\$1,805,210
Utility Service Fees	\$472,607	\$487,887	\$491,453	\$505,985	\$536,805
Government Transfers	\$1,546,263	\$978,633	\$2,122,812	\$2,468,868	\$2,180,824
Investment Income	\$108,747	\$92,497	\$350,537	\$747,745	\$822,108
Penalties and Interest	\$68,661	\$70,930	\$64,321	\$83,494	\$100,281
Development Cost Charges	\$224,144	\$15,550	\$71,952	\$343,624	\$634,672
Contributed Assets	-	-	-	-	-
Other Revenue	\$108,197	\$63,483	\$92,391	\$114,006	\$164,025
	\$6,386,956	\$5,812,412	\$7,433,747	\$8,731,199	\$9,153,368

## Expenses by Function



	2020	2021	2022	2023	2024
Legislative Services	\$99,355	\$100,213	\$115,957	\$167,245	\$159,321
General Government	\$986,955	\$1,079,004	\$1,229,942	\$1,678,828	\$1,839,711
Protective Services	\$229,207	\$311,507	\$274,928	\$329,259	\$351,742
Public Works	\$261,635	\$333,706	\$396,952	\$424,888	\$461,082
Transportation Services	\$434,214	\$444,450	\$471,903	\$450,902	\$406,449
Public Health	\$3,487	\$7,740	\$7,535	\$7,213	\$7,532
Planning and Development	\$79,809	\$154,088	\$278,299	\$115,710	\$139,149
Tourism, Community and Economic Development	\$275,123	\$227,063	\$277,440	\$257,380	\$314,751
Solid Waste Management and Recycling	\$198,311	\$198,713	\$259,859	\$244,972	\$242,257
Beaches, Parks, Recreation and Culture	\$486,818	\$605,167	\$512,320	\$551,043	\$706,247
Water Services	\$446,337	\$467,286	\$499,374	\$601,327	\$701,633
Sewer Services	\$781,462	\$824,880	\$876,175	\$896,637	\$1,020,756
Non-Capital Items Expensed	\$4,619	-	-	-	-
	\$4,287,332	\$4,753,817	\$5,198,299	\$5,725,404	\$6,350,630

## Expenses by Object



	2020	2021	2022	2023	2024
Salaries, Wages & Employee Benefits	\$1,545,438	\$1,768,182	\$1,834,568	\$2,092,061	\$2,204,520
Operating Materials & Supplies	\$573,129	\$656,756	\$739,269	\$852,592	\$997,229
Contracted Services	\$342,240	\$557,691	\$688,224	\$641,197	\$807,659
Administrative Services & Supplies	\$472,460	\$407,833	\$526,390	\$643,402	\$791,770
Utilities	\$188,939	\$207,921	\$216,570	\$224,627	\$225,403
Rentals & Contractual Obligations	\$91,295	\$49,906	\$49,852	\$53,548	\$56,783
Non-Capital Items Expensed	\$4,619	-	-	-	-
Debt Financing	\$15,581	\$13,532	\$13,411	\$13,209	\$13,200
Amortization	\$1,053,631	\$1,091,996	\$1,130,054	\$1,202,324	\$1,251,521
Accretion	-	-	\$2,346	\$2,444	\$2,545
	\$4,287,332	\$4,753,817	\$5,200,684	\$5,725,404	\$6,350,630



## Debt

	2020	2021	2022	2023	2024
General	\$433,254	\$396,323	\$358,100	\$318,538	\$277,592
Water	-	-	-	-	-
Sewer	-	-	-	-	-
Liabilities Under Agreement	\$46,051	\$23,305	\$2,362	-	-
<b>Total Debt</b>	<b>\$479,305</b>	<b>\$419,628</b>	<b>\$360,462</b>	<b>\$318,538</b>	<b>\$277,592</b>

	2020	2021	2022	2023	2024
Population Estimates (BC Stats 2016 and 2021 surveys)	1468	1905	1905	1905	1905
<b>Debt per Capita</b>	<b>\$326.50</b>	<b>\$220.28</b>	<b>\$189.22</b>	<b>\$167.21</b>	<b>\$145.72</b>

	2020	2021	2022	2023	2024
Principal	\$167,740	\$59,677	\$52,038	\$33,457	\$31,095
Interest	\$15,580	\$13,532	\$13,411	\$13,209	\$13,200
<b>Debt Servicing Costs</b>	<b>\$183,320</b>	<b>\$73,209</b>	<b>\$65,449</b>	<b>\$46,666</b>	<b>\$44,295</b>

	2020	2021	2022	2023	2024
<b>Liability Servicing Limit</b>	<b>\$1,055,991</b>	<b>\$1,162,086</b>	<b>\$1,346,015</b>	<b>\$1,527,715</b>	<b>\$1,671,830</b>

## Assessed Values

	2020	2021	2022	2023	2024
Residential (Class 1)	\$589,035,900	\$627,301,300	\$844,285,900	\$966,961,115	\$968,943,400
Business (Class 6)	\$88,024,598	\$87,007,482	\$92,868,675	\$105,372,842	\$119,067,747
Recreation/Non-Profit (Class 8)	\$11,774,700	\$12,162,600	\$14,385,000	\$15,925,000	\$20,145,000
	<b>\$688,835,198</b>	<b>\$726,471,382</b>	<b>\$951,539,575</b>	<b>\$1,088,258,957</b>	<b>\$1,108,156,147</b>

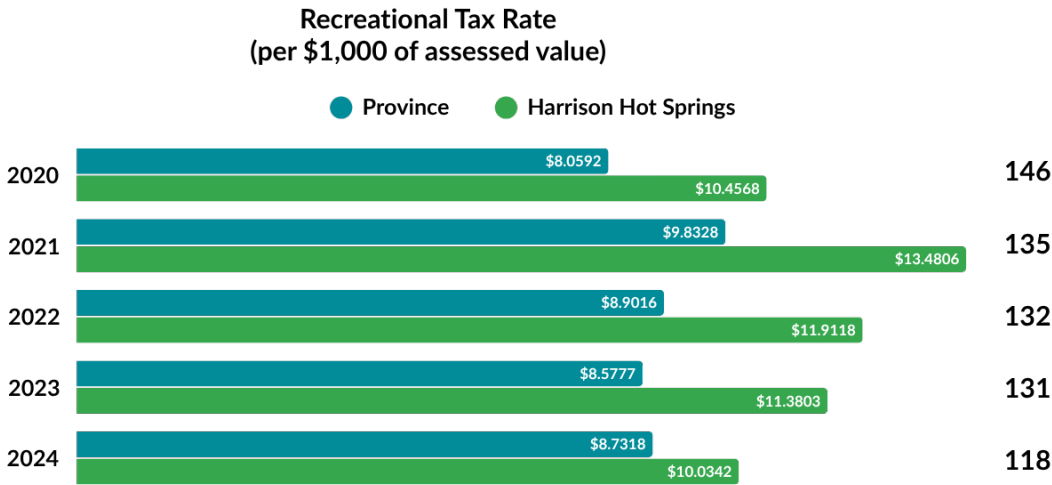
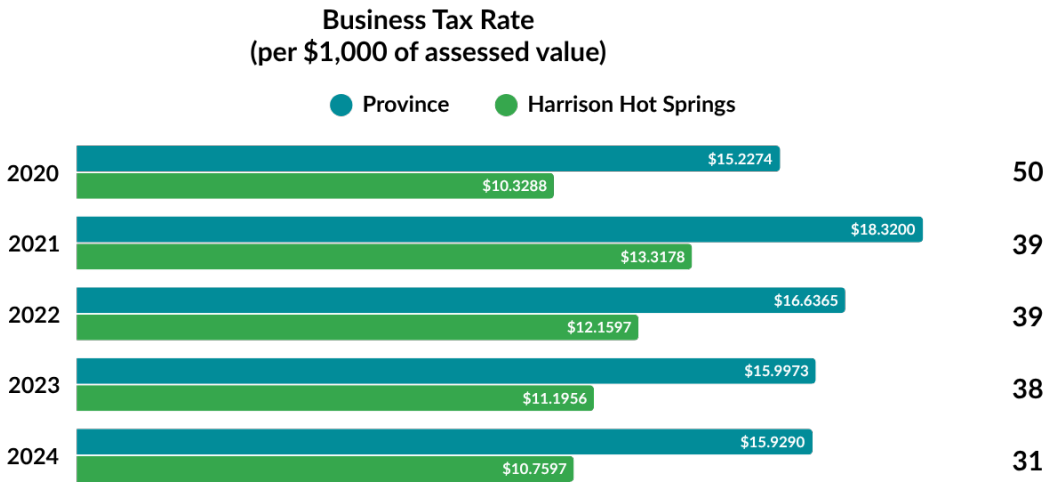
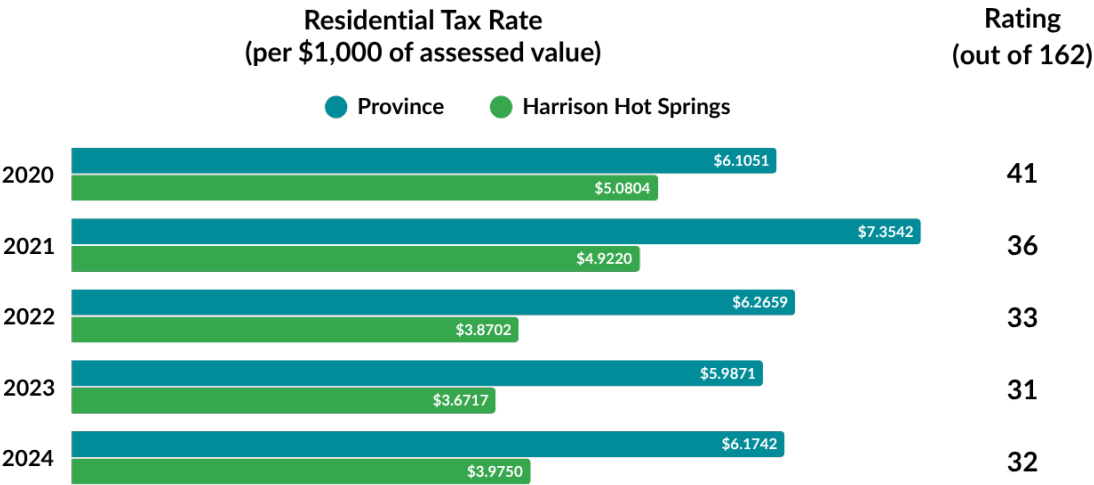
\*These totals are Land & Improvements combined.

## Municipal Property Taxes

Municipal Property Taxes Levied	2020	2021	2022	2023	2024
Residential (Class 1)	\$1,523,908	\$1,593,465	\$1,686,512	\$1,805,703	\$1,970,884
Business (Class 6)	\$691,792	\$702,830	\$697,521	\$712,319	\$736,259
Recreation/Non-Profit (Class 8)	\$107,042	\$128,833	\$135,629	\$142,447	\$149,972
	<b>\$2,322,742</b>	<b>\$2,425,128</b>	<b>\$2,519,662</b>	<b>\$2,660,468</b>	<b>\$2,857,115</b>

	2020	2021	2022	2023	2024
<b>Municipal Property Taxes Collected</b>	<b>\$2,157,200</b>	<b>\$2,312,600</b>	<b>\$2,435,066</b>	<b>\$2,496,762</b>	<b>\$2,586,563</b>

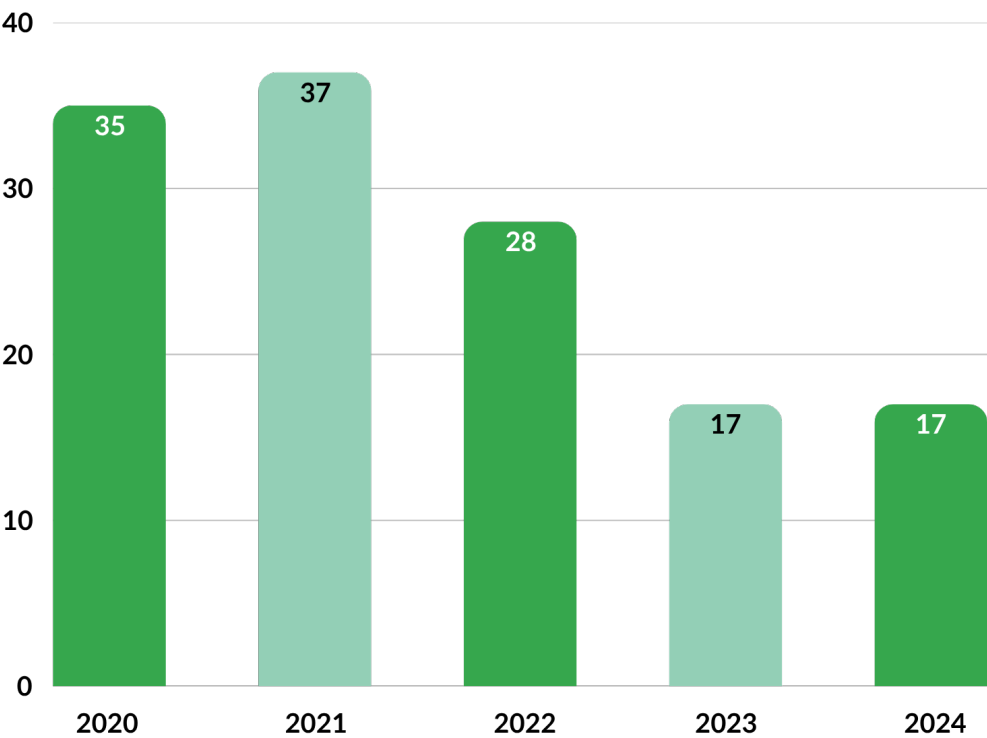
Tax Rates



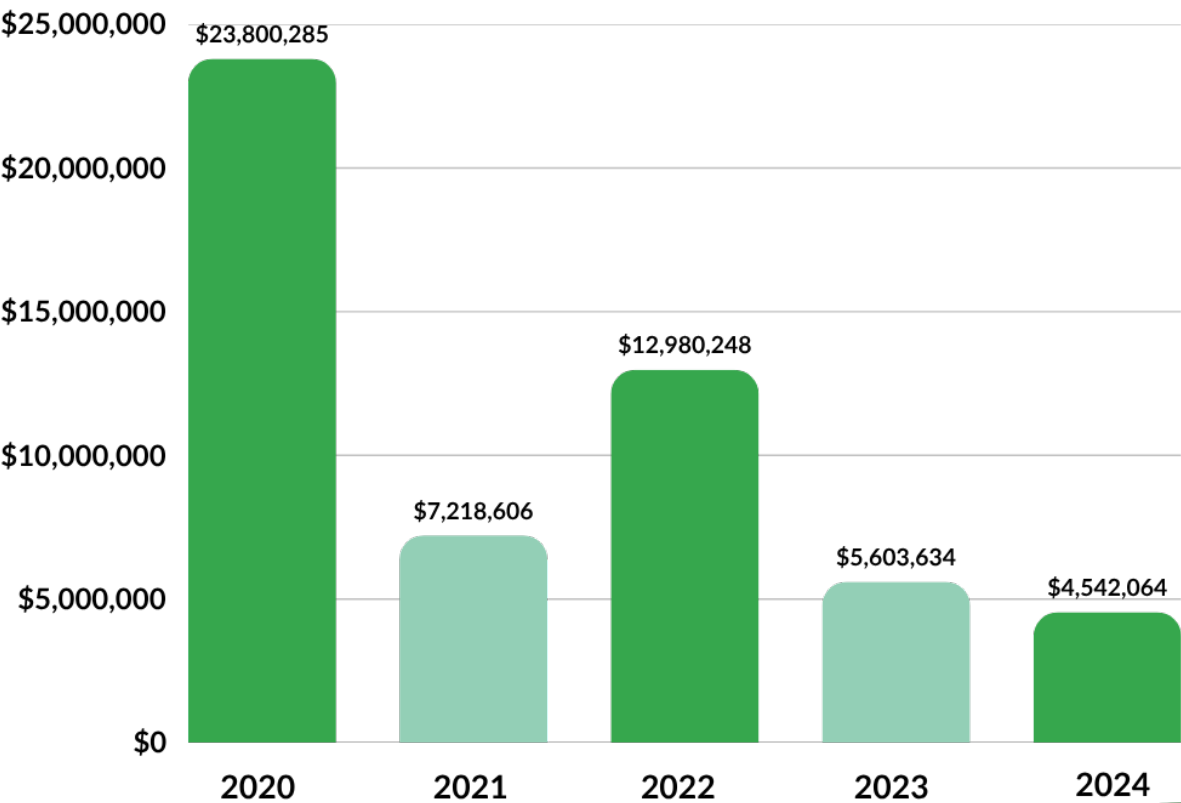
Municipalities  
in BC are  
ranked from  
lowest  
tax rate (1)  
to highest  
tax rate (162).

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

## Building Permits Issued



## Value of Building Permits Issued





# Corporate Services Statistics

Total Time in Regular Council Meetings

Total Hours

51.1

Total Minutes

3066

Total Regular Council Meetings

19

Total Special Council Meetings

20

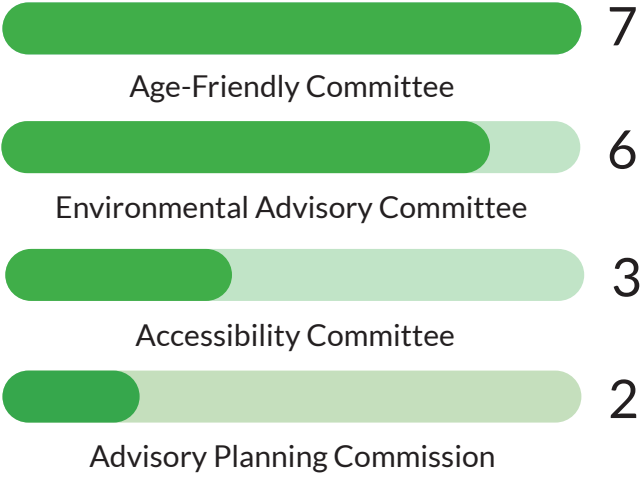
Total Closed Council Meetings

15

Up from 2023

1.05%

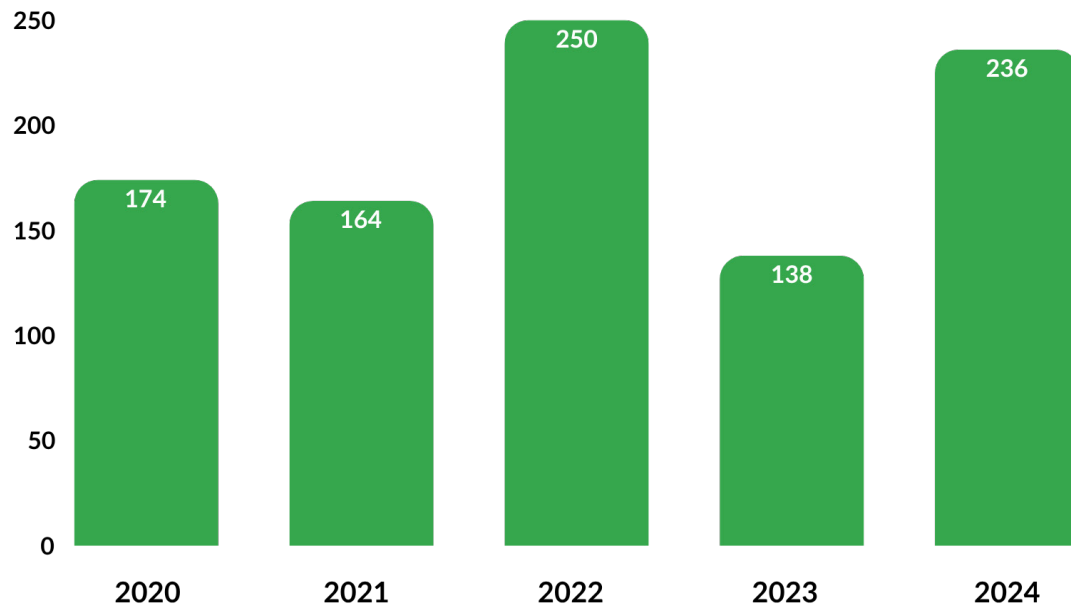
## Total Committee & Commission Meetings





## Bylaw Enforcement

Bylaw Enforcement  
Tickets Issued



	2020	2021	2022	2023	2024
Noise Abatement				1	4
Boat Launch Facility & Parking	3				1
Business Licence	8	8	9		
Bylaw Notice Enforcement					
Highway & Traffic	159	148	239	131	177
Littering/Dumping					
Municipal Dock		4			
Outdoor Fire					
Park		1			1
Sign					
Property/Premises	2			2	50
Tree Protection					1
Waste Collection & Disposal					
Zoning	1	3	2	4	2
Misc	1				
	174	164	250	140	236

# Resort Municipality Initiative

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



## WHAT IS RMI?

The Resort Municipality Initiative (RMI) program is managed by the Ministry of Tourism, Arts, Culture and Sport.

The program is intended to support small, tourism-based municipalities to build and diversify their tourism infrastructure, deliver exceptional visitor experiences and incorporate sustainable tourism practices and products. The Village is proud to be one of fourteen recognized resort municipalities. RMI is calculated based on the region's Municipal and Regional District Tax (MRDT), however, is a separate funding stream. MRDT is applied to short-term accommodation and is managed by Tourism Harrison River Valley.

## RMI OUTCOME

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

The 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.

## ELIGIBLE EXPENSES

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

Eligible expenses include infrastructure and programming that increase visitation, investment, employment and tourism contribution to the local economy.

## RMI BENEFITS

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.



# RESORT DEVELOPMENT STRATEGY

The RMI program is guided by the Village's Resort Development Strategy (RDS). The RDS outlines events and infrastructure projects that the Village must undertake with the funding in the RDS term.



Sasquatch Days



Lights by the Lake



Harrison Festival of the Arts

## COMING UP

In 2025, the Village will be submitting its next three-year Resort Development Strategy (RDS) to the Province for approval. This strategy is a collaborative effort between staff and the RDS Committee which has representatives from Tourism Harrison River Valley, Harrison-Agassiz Chamber of Commerce, and Council. Other projects that will be completed from the previous RDS include the beach redevelopment project and boat launch building upgrades.

## INFRASTRUCTURE

Investments to tourism infrastructure provide benefits to both tourists and residents, as the program allows for projects that otherwise wouldn't have a budget for completion.



**HARRISON HOT SPRINGS**

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*Naturally Refreshed*