



**VILLAGE OF HARRISON HOT SPRINGS
NOTICE OF MEETING
AND
MEETING AGENDA**

<h2 style="margin: 0;">SPECIAL COUNCIL MEETING</h2>

Date: Thursday, April 30, 2009
Time: 7:00 P.M.
Place: Council Chambers, Village of Harrison Hot Springs

1. CALL TO ORDER	
	Meeting called to order by Mayor Becotte

2. ADOPTION AND RECEIPT OF MINUTES	
	Minutes of the Special Council Meeting of April 21, 2009
	Minutes of the Special Council Meeting of April 28, 2009

3. REPORTS FROM STAFF	

4. ITEMS FOR DISCUSSION	
<input type="checkbox"/> 2009-2013 Financial Plan	2009-2013 Financial Plan

5. BYLAWS	
<input type="checkbox"/> Bylaw 910 – 2009-2013 Financial Plan	THAT Bylaw 910 – 2009-2013 Financial Plan be received for first, second and third readings.
<input type="checkbox"/> Bylaw 911 – Establishment of 2009 Tax Rate	THAT Bylaw 911- Establishment of 2009 Tax Rate be received for first, second and third readings.

6. ADJOURNMENT	

 Larry Burk
 Chief Administrative Officer

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

DATE: April 21, 2009
TIME: 9:00 a.m.
PLACE: Harrison Hot Springs Resort
Harrison Hot Springs, B. C.

IN ATTENDANCE: Mayor K. Becotte
Councillor B. Perry
Councillor D. Harris
Councillor A. Jackson

Larry Burk, Chief Administrative Officer
Dale Courtice, Director of Finance
Ken Fleckenstein, Superintendent of Public Works

Recording Secretary, E. Heistad

ABSENT: Councillor D. Kenyon

1. CALL TO ORDER

Mayor Becotte called the meeting to order at 9:32 a.m.

2. ITEMS FOR DISCUSSION

The Director of Finance gave an updated copy of the revised Financial Plan to members of Council and reviewed it with them.

The Director of Finance discussed the draft of Schedule B to the Financial Plan Bylaw and asked that Council review the objectives and policies and bring forward comments which will be discussed at length in the next scheduled meeting.

Moved by Councillor Harris
Seconded by Councillor Perry

THAT the Financial Plan Draft of April 21, 2009 be received.

CARRIED
OPPOSED COUNCILLOR JACKSON

Moved by Councillor Perry
Seconded by Councillor Jackson

THAT a meeting be scheduled for Monday April 27, 2009 at 9:00 a.m. in the Council Chambers to discuss the revisions to the Financial Plan.

CARRIED

VILLAGE OF HARRISON HOT SPRINGS MINUTES OF THE
SPECIAL COUNCIL MEETING
April 14, 2009
PAGE (2)

5. ADJOURNMENT

Moved by Councillor Harris
Seconded by Councillor Jackson

THAT the meeting be adjourned at 10:33 am.

CARRIED

Certified a true and correct copy of the minutes of the Special
Council Meeting held April 21, 2009 in the Harrison Hot
Springs Resort, Village of Harrison Hot Springs, BC.

Ken Becotte
Mayor

Larry Burk
Chief Administrative Officer

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

DATE: April 28, 2009
TIME: 9:00 a.m.
PLACE: Council Chambers
Harrison Hot Springs, B. C.

IN ATTENDANCE: Mayor K. Becotte
Councillor B. Perry
Councillor D. Harris
Councillor A. Jackson
Councillor D. Kenyon
Larry Burk, Chief Administrative Officer
Dale Courtice, Director of Finance

Recording Secretary, E. Heistad

ABSENT: Ken Fleckenstein, Superintendent of Public Works

1. CALL TO ORDER

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

2. ITEMS FOR DISCUSSION

The Director of Finance reviewed the changes that were made to the Financial Plan Bylaw and to Schedule B from the last meeting and explained that the budget was now balanced and ready for the meeting on Thursday.

Moved by Councillor Kenyon
Seconded by Councillor Harris

THAT the Financial Plan Draft be received.

CARRIED
OPPOSED COUNCILLOR PERRY
COUNCILLOR JACKSON

Council discussed increasing security at the beach front and the new plaza area. Council also discussed the concept of a skateboard park and asked that staff research and report on possible locations and costs.

VILLAGE OF HARRISON HOT SPRINGS MINUTES OF THE
SPECIAL COUNCIL MEETING

April 28, 2009

PAGE (2)

5. ADJOURNMENT

Moved by Councillor Harris

Seconded by Councillor Kenyon

THAT the meeting be adjourned at 10:18 a.m.

CARRIED

Certified a true and correct copy of the minutes of the Special
Council Meeting held April 28, 2009 in the Harrison Hot
Springs Resort, Village of Harrison Hot Springs, BC.

Ken Becotte
Mayor

Larry Burk
Chief Administrative Officer



VILLAGE OF HARRISON HOT SPRINGS

BYLAW NO. 910

A Bylaw of the Village of Harrison Hot Springs to establish the Financial Plan for the years 2009-2013.

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

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

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

1. That Schedule "A" attached hereto and made part of this bylaw is hereby adopted and is the Village of Harrison Hot Springs Financial Plan for the years 2009-2013.
2. That Schedule "B" attached hereto and made part of this bylaw is hereby adopted and is the Village of Harrison Hot Springs Financial Plan Objectives and Policies Statement for the year 2009 – 2013.
3. This bylaw may be cited for all purposes as the "Village of Harrison Hot Springs Financial Plan Bylaw No. 910, 2009"
4. Bylaw No. 888, 2008 – 2012 Financial Plan is hereby repealed.

READ A FIRST TIME THIS 30th DAY OF APRIL, 2009.

READ A SECOND TIME THIS 30th DAY OF APRIL, 2009.

READ A THIRD TIME THIS 30th DAY OF APRIL, 2009.

ADOPTED THIS DAY OF MAY, 2009.

Ken Becotte
Mayor

Larry Burk
Corporate Officer

Schedule A
Bylaw No. 910
Financial Plan
2009-2013

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Revenues					
Property Taxes - Residential	\$ 910,000	\$ 928,000	\$ 956,000	\$ 985,000	\$ 1,014,500
Property Taxes - Business	646,000	665,000	685,000	685,000	705,500
Property Taxes - Rec / Non Profit	33,500	34,000	35,000	36,000	37,000
Municipal Debt Taxes	26,250	56,150	181,250	181,250	181,250
Frontage Charges	297,800	270,000	270,000	330,000	270,000
Penalties and Interest	16,200	16,200	16,200	16,200	16,200
Revenue Taxes	28,550	28,600	27,900	27,900	27,900
Payments in Lieu of Taxes	5,500	5,600	5,750	5,910	5,910
Sale of Services	6,900	6,400	6,400	6,400	6,400
Revenues from Own Sources	532,330	536,830	538,830	538,630	538,630
Other Revenues	1,150	1,150	1,150	1,150	1,150
Transfers from Other Governments	2,105,310	2,249,210	3,653,710	413,710	413,710
Transfers from Own Reserves	791,500	1,635,000	85,000	90,000	-
Accumulated Surplus	403,570	-	-	-	-
Borrowing	1,800,000	100,000	2,700,000	-	-
Total Revenues	<u>\$ 7,604,560</u>	<u>\$ 6,532,140</u>	<u>\$ 9,162,190</u>	<u>\$ 3,317,150</u>	<u>\$ 3,218,150</u>
Expenditures					
General Government	\$ 852,170	\$ 809,010	\$ 854,780	\$ 853,860	\$ 870,360
Community Services	158,990	149,850	148,970	148,990	149,510
Protective Services	130,450	115,200	116,360	117,220	118,620
Public Works	227,720	270,410	268,120	270,040	297,550
Transportation Services	206,700	173,170	175,360	174,560	174,580
Environmental and Public Health	112,750	126,850	125,950	126,180	126,300
Recreation and Culture	269,810	344,830	315,430	315,710	317,020
Sewer Utility	265,970	327,260	322,260	322,260	322,260
Water Utility	146,870	166,330	166,330	166,330	171,330
Debt - Interest	85,310	120,310	120,310	245,310	245,310
Debt - Principal	22,320	22,320	22,320	22,320	22,320
Transfers to Reserves	412,000	224,000	446,000	211,000	236,000
Capital Expenditures	4,713,500	3,682,600	6,080,000	343,370	166,990
Total Expenditures	<u>\$ 7,604,560</u>	<u>\$ 6,532,140</u>	<u>\$ 9,162,190</u>	<u>\$ 3,317,150</u>	<u>\$ 3,218,150</u>
Surplus (Deficit)	<u>\$ (0)</u>	<u>\$ -</u>	<u>\$ 0</u>	<u>\$ (0)</u>	<u>\$ (0)</u>

BYLAW NO. 910, 2009
SCHEDULE B
2009 FINANCIAL PLAN OBJECTIVES AND POLICIES

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

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

Funding Sources

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2009. Property taxes usually form the greatest proportion of revenue. As a revenue source, property taxation offers a number of advantages, for example, it is simple to administer and it is fairly easy for residents to understand. It offers a stable and reliable source of revenues for services that are difficult or undesirable to fund on a user pay basis. These include services such as:

- general administration;
- public works common services;
- roads and street maintenance;
- fire protection;
- bylaw enforcement;
- street lighting; and
- beach and parks maintenance.

During 2009 the Village will borrow \$1,500,000 for the construction of a new water reservoir and potentially \$300,000 towards the initial phase of a new sewer line to the District of Kent. Water frontage taxes and municipal debt taxes respectively will fund the debt servicing on this borrowing.

Government grants include both unconditional grants that will be received and conditional grants that have either been approved or are still in the approval process.

Transfers from reserves are used to assist in funding capital projects to lessen the burden on property and frontage taxes.

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

Table 1: 2009 Funding Sources

Revenue Source	% of Total Revenue	Dollar Value
Property taxes	21%	\$1,615,750
Proceeds from borrowing	24%	\$1,800,000
Government grants	28%	\$2,105,310
User fees and charges	10 %	\$778,600
Reserve transfers	10%	\$791,500
Other sources	7%	\$513,400

Objectives

- For 2009 the Village is comfortable with the current mix of funding sources;
- Over the next two years the Village shall endeavour to maintain the current proportion of funding sources without having to borrow;
- To develop further funding sources to gain more revenue; and
- Endeavour to develop funding sources that will be sustainable over the short and long term.

Policies

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

Distribution of Property Taxes

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

Table 2: Distribution of Property Tax Rates

Property Class	% of Total Property Taxation	Dollar Value
Residential (1)	57%	\$925,000
Business (6)	41%	\$656,700
Recreation/Non-profit (8)	2%	\$34,050

Objectives

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

Policies

- Set property tax rates that are based on principals of equity and responsiveness to current economic trends;
- Regularly review and compare Village's distribution of tax burden relative to other similar municipalities in British Columbia; and
- Ensure that property taxes are in line with goals and policies in the Official Community Plan and Regional Growth Strategy;
- Consider a property tax commission to review the Village's distribution of tax rates among the property classes, i.e. residential, business and recreational/non-profit.

Permissive Tax Exemptions

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

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

Objective

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

Policy

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



VILLAGE OF HARRISON HOT SPRINGS

BYLAW NO. 911 TAX RATE BYLAW

A Bylaw to establish tax rates for 2009.

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

1. The following rates are hereby imposed and levied for the year 2009.
 - (a) For all lawful general purposes of the municipality on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "A" of Schedule I attached hereto and forming a part of this bylaw.
 - (b) For debt purposes on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "B" of Schedule I attached hereto and forming a part of this bylaw.
 - (c) For Regional Hospital District purposes on the full assessed value of all land and assessed value of all improvements taxable for Regional Hospital District purposes, rates appearing in Column "A" of Schedule II attached hereto and forming a part of this bylaw.
 - (d) For Regional District purposes on the full assessed value of all land and assessed value of all improvements taxable for Regional Hospital District purposes, rates appearing in Column "B" of Schedule II attached hereto and forming a part of this bylaw.
2. The minimum amount of taxation upon a parcel of real property shall be one dollar (\$1.00).
3. This bylaw may be cited as "Tax Rate Bylaw No. 911, 2009."
4. Bylaw No. 892, 2008 Tax Rate Bylaw is hereby repealed.

READ A FIRST TIME THIS 30th DAY OF APRIL, 2009.

READ A SECOND TIME THIS 30th DAY OF APRIL, 2009.

READ A THIRD TIME THIS 30th DAY OF APRIL, 2009.

ADOPTED THIS DAY OF MAY, 2009.

**Ken Becotte,
Mayor**

**Larry Burk,
Corporate Officer**

BYLAW NO. 911, 2009

SCHEDULE I

GENERAL MUNICIPAL PURPOSES

PROPERTY CLASS	TAX RATES (DOLLARS OF TAX PER \$1,000 TAXABLE VALUE)		
	A GENERAL MUNICIPAL	B DEBT	TOTAL
1. Residential	2.92813	.04816	2.97629
2. Utilities	10.24846	.16856	10.41702
3. Supportive Housing	2.92813	.04816	2.97629
4. Major Industry	9.95564	.16374	10.11938
5. Light Industry	9.95564	.16374	10.11938
6. Business/Other	9.07720	.14929	9.22649
7. Managed Forest Land	8.78439	.14448	8.92887
8. Recreation/Non Profit	9.07720	.14929	9.22649
9. Farm	2.92813	.04816	2.97629

BYLAW NO. 911, 2009

SCHEDULE I

GENERAL MUNICIPAL PURPOSES

PROPERTY CLASS	TAX RATES (DOLLARS OF TAX PER \$1,000 TAXABLE VALUE)		
	A REGIONAL HOSPITAL	B REGIONAL DISTRICT	TOTAL
1. Residential	.25682	.20353	.46035
2. Utilities	.89887	.71236	1.61123
3. Supportive Housing	.25682	.20353	.46035
4. Major Industry	.87319	.69200	1.56519
5. Light Industry	.87319	.69200	1.56519
6. Business/Other	.62921	.49865	1.12786
7. Managed Forest Land	.77046	.61059	1.38105
8. Recreation/Non Profit	.25682	.20353	.46035
9. Farm	.25682	.20353	.46035

AVERAGE ASSESSMENT COMPARISON

Single Family Residence

Average assessment in 2009 (\$349,600) decreased \$9,251 or 2.6% over 2008

Strata Unit

Average assessment in 2009 (\$274,407) remained unchanged 2008

SINGLE FAMILY RESIDENCE



	<u>2009 Rates</u>	<u>2009 Average Assessment</u>	<u>Taxes</u>
Municipal	2.92813	349,600	\$1,023.67
Debt	.04816	349,600	16.84
School*	2.6302	349,600	919.52
Regional District	.20353	349,600	71.15
Regional Hospital	.25682	349,600	89.78
BCAA	.06410	349,600	22.41
MFA	.00020	349,600	.07
Police*	.19980	349,600	69.85
Water Frontage	11.14	18m	200.52
Sewer Frontage	6.13	18m	<u>110.34</u>
		Total	<u>\$2,524.15</u>

*Final School & Police tax rates for 2009 have not yet been received – using 2008 final rates

Total taxes in 2008 using 2008 average assessment of \$358,851 with 2008 taxes rate amounted to \$2,558.66

STRATA UNIT



	<u>2009 Rates</u>	<u>2009 Average Assessment</u>	<u>Taxes</u>
Municipal	2.92813	274,407	\$803.50
Debt	.04816	274,407	13.22
School*	2.6302	274,407	721.75
Regional District	.20353	274,407	55.85
Regional Hospital	.25682	274,407	70.47
BCAA	.06410	274,407	17.59
MFA	.00020	274,407	.05
Police*	.19980	274,407	54.83
Water Frontage	11.14	18m	200.52
Sewer Frontage	6.13	18m	<u>110.34</u>
		Total	<u>\$2,048.12</u>

*Final School & Police tax rates for 2009 have not yet been received – using 2008 final rates

Total taxes in 2008 using 2008 average assessment of \$274,407 with 2008 taxes rate amounted to \$2,028.88

Village of Harrison Hot Springs

GENERAL MUNICIPAL					
CLASS	2009 ASSESSMENT	TAX RATES	TOTAL	RATIOS	% OF REVENUE
Residential	310,941,200	2.92813	910,476	1:1	57.3%
Business	71,158,262	9.07720	645,918	1:3.10	40.6%
Rec/Non Profit	3,702,000	9.07720	33,604	1:3.10	2.1%
Total	385,801,462		1,589,998		100%

2008

COLLECTIONS FOR OTHER GOVERNMENTS

	<u>2009</u>	<u>2008</u>	<u>Increase (Decrease)</u>
Regional Hospital District	\$ 126,658	\$ 125,526	0.90%
Regional District	100,377	103,191	(2.7 %)
BC Assessment Authority	35,100	34,314	2.3 %
Municipal Finance Authority	100	72	38.9 %
Provincial School *	527,236	535,786	(1.6 %)
Local School *	817,611	830,452	(2.4 %)
Police Tax	<u>99,160</u>	<u>100,128</u>	(1.0 %)
Total	<u>\$1,706,242</u>	<u>\$1,729,469</u>	

* Using 2008 Final rates (2009 rates unavailable at this time)

PROPERTY TAX RATE COMPARISON

The following are percentage changes in tax rates from 2008:

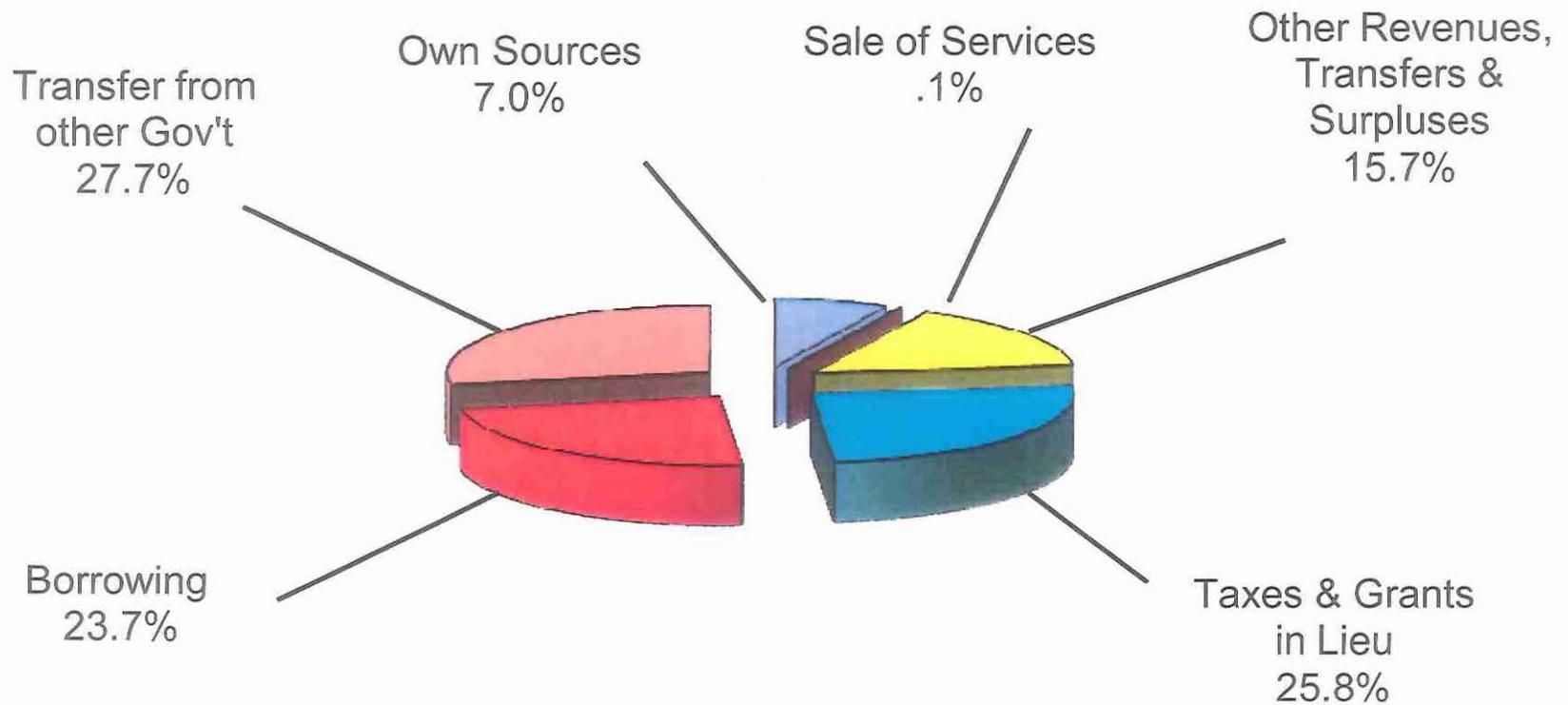
Residential

- General Municipal – 1.4 % increase
- Municipal Debt – 1.4 % increase
- Regional District – 1.2 % decrease
- Regional Hospital – 2.5 % increase
- Local School – unavailable
- Municipal Finance Authority – no change
- BC Assessment Authority – 4.2 % increase
- Police Tax – unavailable

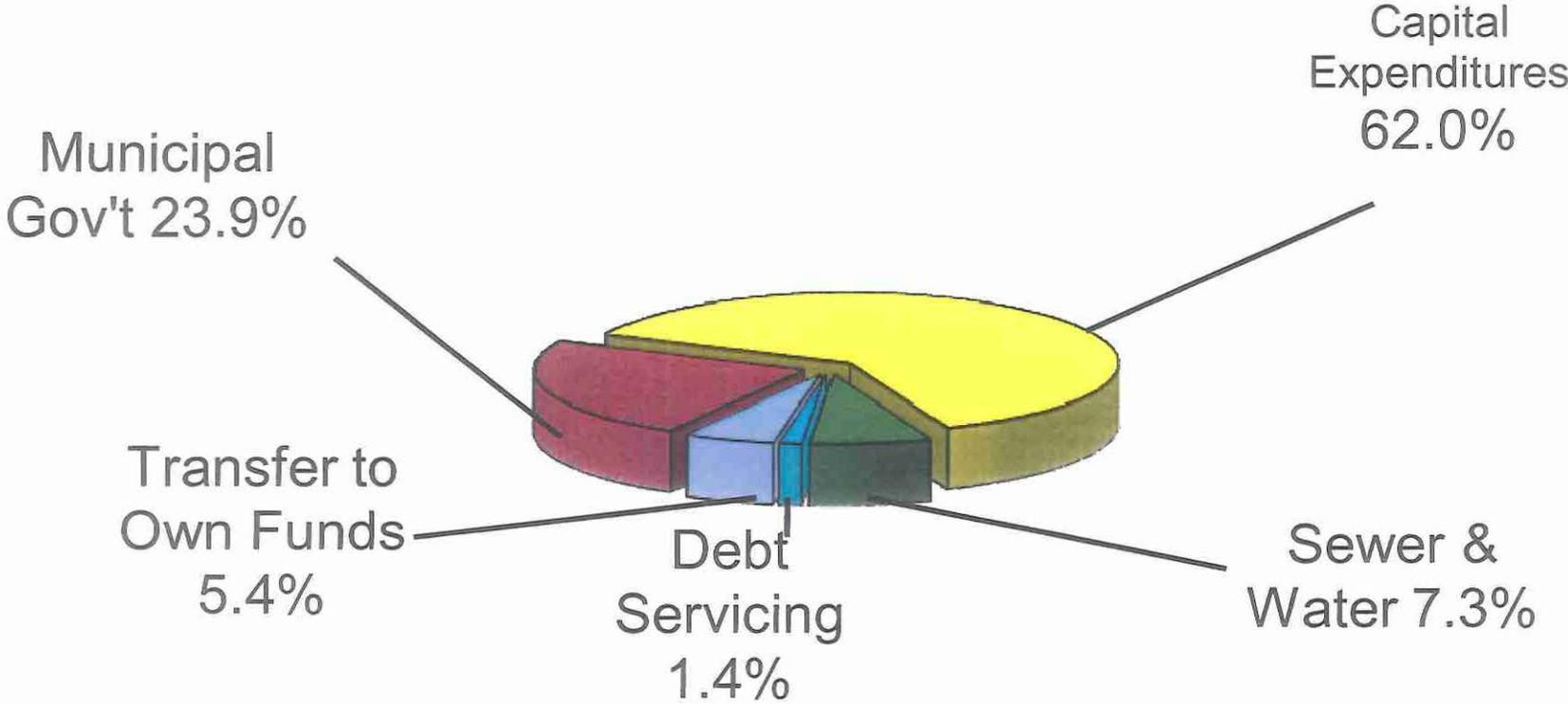
Business

- General Municipal – 1.74 % increase
- Municipal Debt – 1.4 % increase
- Regional District – 1.2 % decrease
- Regional Hospital – 2.5 % increase
- Provincial School – unavailable
- Municipal Finance Authority – 400 % increase
- BC Assessment Authority – 4.2 % increase
- Police Tax – unavailable

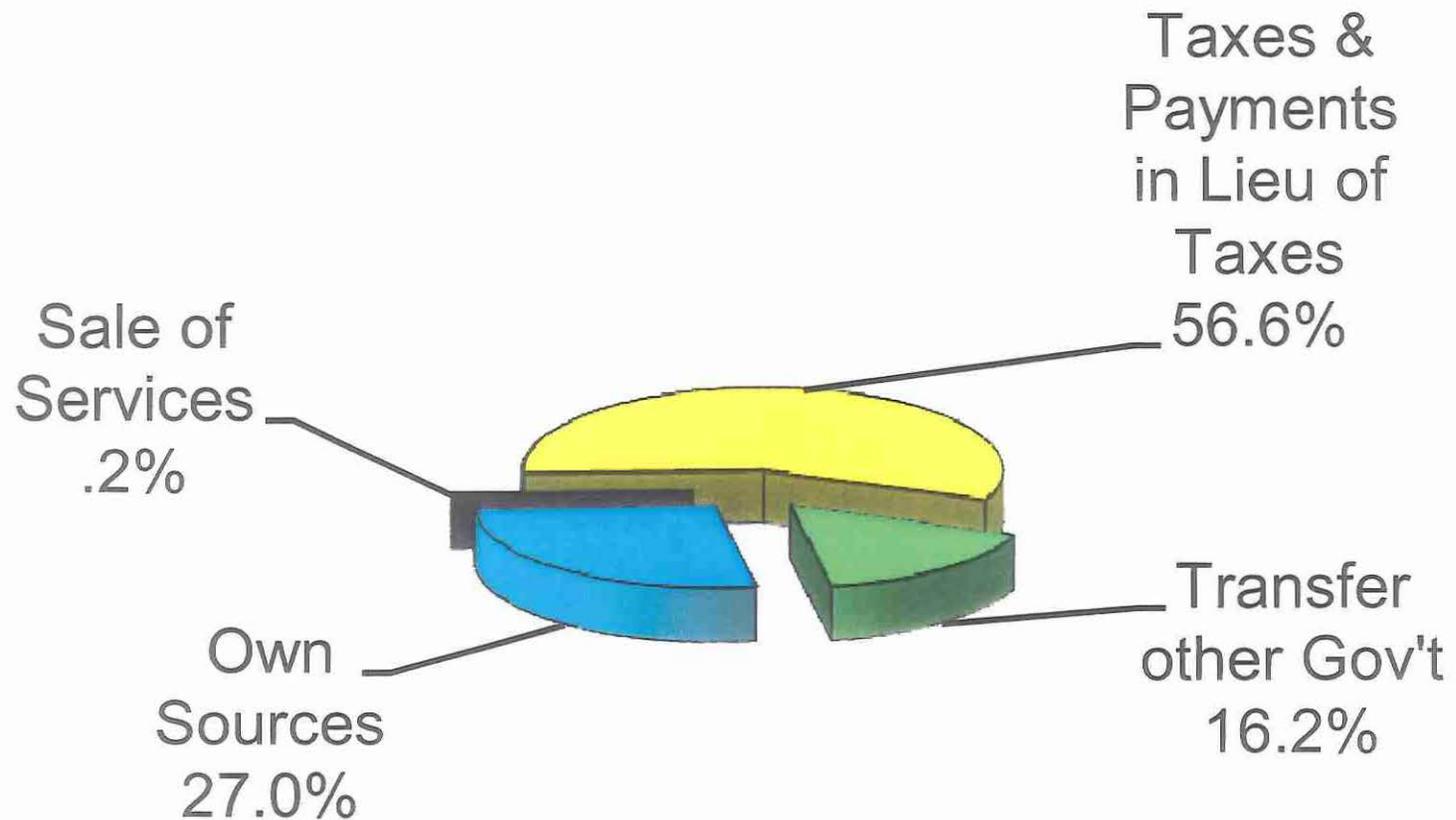
Consolidated Revenues 2009



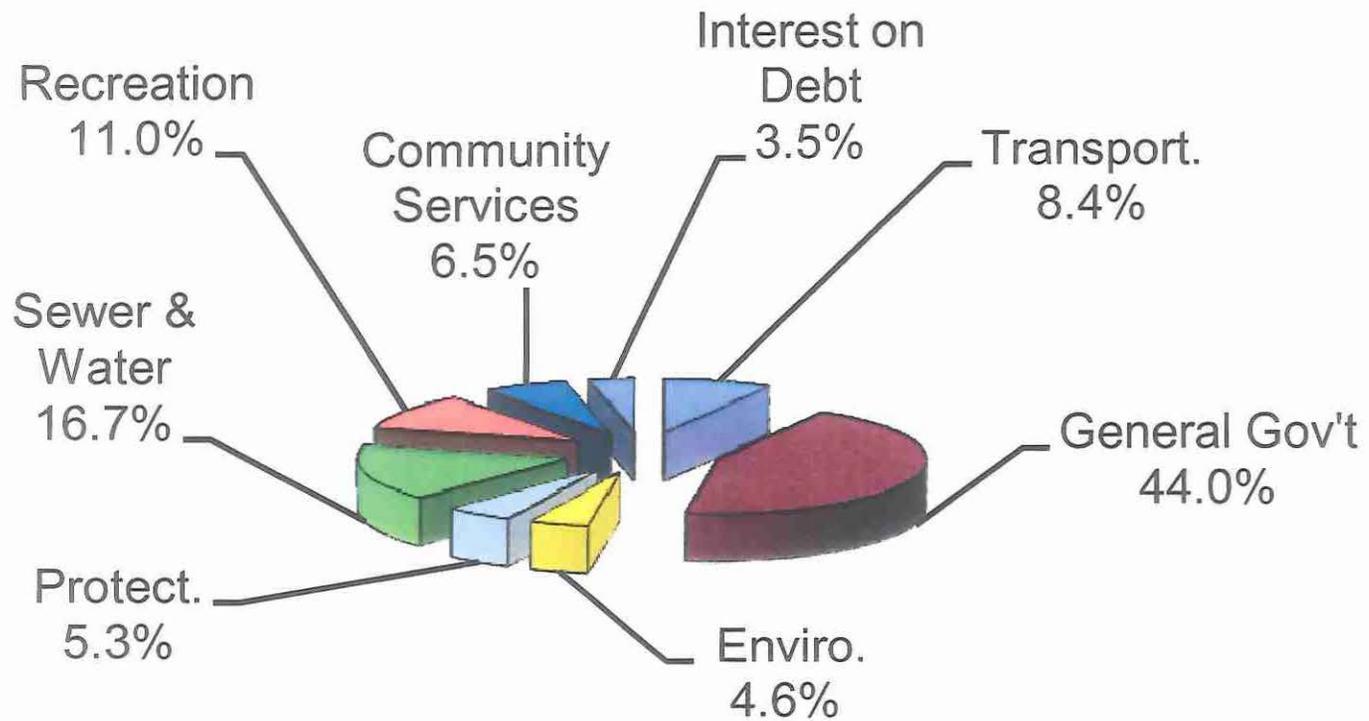
Consolidated Expenditures 2009



REVENUES - OPERATING - 2009



EXPENDITURES - OPERATING 2009



VILLAGE OF HARRISON HOT SPRINGS

2009 FINANCIAL PLAN HIGHLIGHTS

Operating

- Reorganization of Public Works Department (1/2 year for 2009)

Major Capital Projects:

Capital Projects Dependant on Receiving Grant Approval:

- New Flood Pump - \$700,000 (Disaster Relief Mitigation-Flood - 90/10)

Village's portion of project if successful funded through reserves & general revenues.

Capital Projects with Approved Grants:

- Harrison Lake Plaza- \$490,000 (Balance of BC Spirit Squares – \$140,000 grant)
- No. 2 Lift Station - \$156,000 (Remainder of Canada BC Infrastructure Program grant – \$64,700)
- Marine Sani-Station - \$70,000 (Balance of Towns for Tomorrow grant – \$70,000)
- Kent Sewer Line - \$300,000 (MRIF grant & borrowing)
- Walnut Street Bridge - \$205,000(LocalMotion Grant - \$87,500)

Village's portion covered through Tourism Revenue Sharing, Sewer Frontage charges, general revenues and borrowing.

Other Capital Projects:

- Naismith Avenue water main loop - \$60,000
- Water Reservoir - \$1,500,000 MFA Borrowing on interim basis. Potential to pay down principal by means of DCC's, Reserves and Developer Contributions.
- Beach Pump - \$60,000.
- Engineering on Emerald & Diamond water projects - \$30,000.
- Vehicle purchases - \$91,000, funded by Gas Tax revenues.
- Beach Redevelopment – Phase II - \$100,000.
- Trails development - \$45,000.

Village's portion covered by frontage charges, borrowing, gas tax and Tourism Revenue Sharing.

