



DISTRICT OF
HOPE

2022 **ANNUAL** REPORT

CONTENTS



Introduction

Mayor's Message.....	1
Mayor and Council.....	3
Vision and Mission.....	4
Objectives and Progress Measures.....	5
Organizational Chart.....	6

Municipal Departments

Community Development.....	7
Fire Department.....	11
Operations.....	17
Finance and Corporate Services.....	27

Financial Information:

Auditor's Report.....	30
Consolidated Statement of Financial Position.....	33
Consolidated Stmt of Operations/Accumulated Surplus....	34
Consolidated Stmt of Changes in Net Financial Assets.....	35
Consolidated Statement of Cash Flows.....	36
Notes to Consolidated Financial Statements.....	37
Development Cost Charges.....	54
Permissive Tax Exemptions.....	55

Mayor's Message



2022 was a year of continued struggle and achievement. We were still feeling the immediate effects of the November 2021 Atmospheric River Event and spent considerable time and effort addressing the resulting safety and environmental concerns. The District, working with the Province, managed to stabilize and further protect the riverbank adjacent the Fraser Canyon Hospital and Riverside Manor. An after-action study and report were completed with the results indicated a satisfactory performance by District emergency response staff, despite the unique and highly challenging circumstances. We do acknowledge though, that there is always room for improvement.

Throughout 2022 we continued to work with the Province to address other areas of concern which are still in progress. We should rightly feel proud how our community pulled together and undertook repair and recovery work. In particular, members of the Hope Golf & Country Club put in countless hours and thousands of dollars to get the course back functioning after the significant damage it suffered. The Province, along with many communities in the Lower Mainland, are working towards longer-term plans at environmental resilience.

2022 also saw the Hope Flood Falls Wildfire event in September. In this particular event, District and Fraser Valley Regional District staff, along with the BC Wildfire Service, worked effectively in addressing the fire and the needs of those who needed evacuation. Emergency Social Services were set up in Chilliwack, Abbotsford and Mission. Like the Atmospheric River after-action report above, the response was good but we will pursue improvement utilizing the lessons learned.

You will notice that the District administration still managed to achieve significant project completion. Of particular note was the progress made in the area of capital projects. We were successful in obtaining grants to further improve Othello Road, we started the Yale Street Rehabilitation Project, and we gathered the funding together to create the Richmond Hill Multi-Use Pathway once Trans Mountain vacate their work site along that location. From an asset management perspective, we completed the Stormwater Master Plan and will work to complete the Facilities Master Plan and Transportation Master Plan. All these plans allow us to best plan infrastructure repair, replacement and improvement over the long-term. This will allow for the most effective use of taxpayer's dollars.

Mayor Victor Smith's message

As 2022 was a municipal election year, and being the new Mayor, I would like to express my heartfelt thanks to those Council members who chose to retire after rendering such great service to our community. Every Council mandate is challenging and the work is often unrewarding. In particular, our appreciation and respect go out to; Peter Robb, Bob Erickson, Craig Traun, and Dusty Smith.

New Council looks forward to executing its strategic plan and working towards continued improvement in District services and the quality of life of its residents. We wish you all a happy and successful 2023.

MAYOR & COUNCIL



November 05, 2018 - November 07, 2022

Front Row (L-R) Councillor Scott Medlock, Mayor Peter Robb, Councillor Heather Stewin
Back Row (L-R) Councillor Bob Erickson, Councillor Dusty Smith, Councillor, Victor Smith,
Councillor Craig Traun



November 07, 2022 - December 31, 2022

Front Row (L-R) Councillor Scott Medlock, Mayor Victor Smith, Councillor Heather Stewin
Back Row Councillor Crystal Sedore, Councillor Zachary Wells, Councillor Pauline Newbigging, Councillor Angela Skoglund

VISION & MISSION

VISION STATEMENT:

Creating an appealing and sustainable community that fosters diversity through economic, social and environmental inclusion.



MISSION STATEMENT:

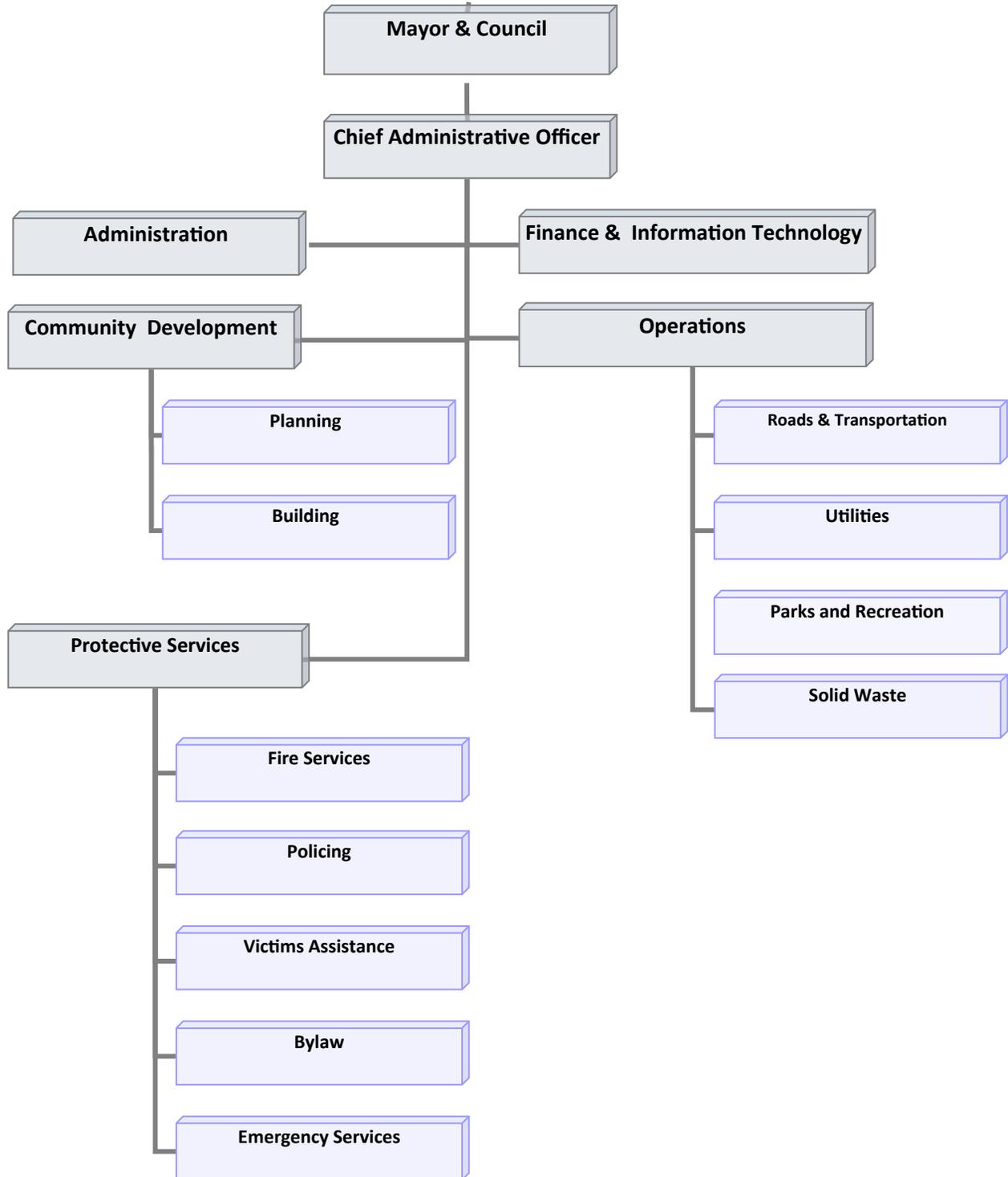
To provide customer service excellence in the delivery of local government services to enhance the quality of life for the community of Hope.

OBJECTIVES & PROGRESS MEASURES

2022 Community Services Objectives and Progress Measures

Objectives	Strategies	Measures
Housing Needs Assessment	Applied for Provincial Funding to undertake study.	Study completed.
Othello Road Stabilization Project	Adopt phased approach with District funding along with grant applications.	Grant awarded for \$1,669,736. Completion predicted by end 2024.
Station House Project	Find new home for Station House or demolish	Agreement reached to move Station House by end of 2024.
Paving Program	Priorities as per the Paving Management Plan. Yale Street Rehabilitation Project	Budget \$1,800,000. Yale Street Project begun.
Regional Transport	Continue monitoring and adjust routes, schedules, stops should demand increase.	Service levels changes being considered for 2022. Service update/forecast to be provided by BC Transit.
Richmond Hill pedestrian/cycle connector to downtown	Leverage Federal and Provincial Grants.	Funding achieved via Trans Mountain amenity agreement and District Funds. Start after Trans Mountain vacates work site.
753 Water Utility Borrowing Bylaw	Delayed by COVID, restart.	Borrowing public assent process complete by end 2023.
Cannabis Retail Regulation	Consider and consult various bylaws and policies affected by allowing for Cannabis retail in Hope.	Council adopted new bylaws allowing for retail sale within the District.
Facilities Master Plan	Contract consultant on long-term future facilities plan for the District.	Process continues with possible finalization and endorsement.
Identify and confirm actions to reduce homelessness	BC Housing providing subsequent transition housing proposal.	Council endorsed new site and approved rezoning to support.
Stormwater Master Plan	District funded study to analyze all systems within the District and anticipate future development needs.	Study completed.
District Recovery Plan creation and action as a result of the Atmospheric River Event	Engage a Disaster Recovery Manager to directly coordinate activities.	Plan completed with projects being actively pursued. Large degree of Provincial/Federal funding will be required.

ORGANIZATIONAL CHART

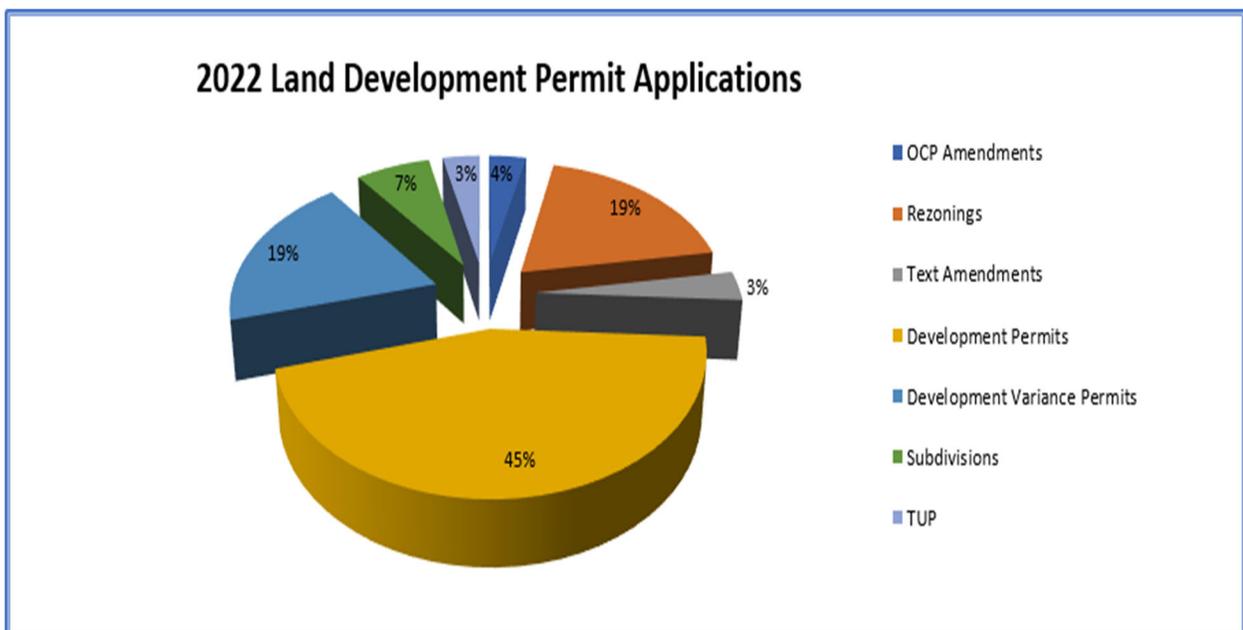


COMMUNITY DEVELOPMENT

The Community Development Department is responsible for the issuance of building permits, demolition permits, moving permits (buildings and mobile homes), sign permits, wood burning stoves and fireplaces. In addition to regular day-to-day community planning, the department also oversees or participates in programs such as:

- Experience the Fraser
- Regional Growth Strategy
- Healthy Communities
- Emergency Operations
- Upper Fraser Valley Film Co-op
- Species At Risk
- Fraser Valley Adaptation Strategies Working Group

A new Integrated Official Community Plan was adopted in October 2016, and promotes policies from the 2015 Age Friendly Plan that will help build an active complete community which includes accessibility, social inclusion, and healthy living for seniors. When applied holistically, the Age-Friendly Plan included components that promote healthy living policies for children, families and residents with mobility and/or health-related issues. The IOCP is an essential guide for landowners, businesses, community organizations, and governments that may be considering changes related to land, building, and resource use in Hope over the next 20-30 years. The OCP defines what the community wants to become and not only provides a statement of where and what land uses the community want to see in the future. It also speaks to our aspirations for the economy, our strategies for achieving growth in a responsible way, for meeting our social needs, and for building a more interesting and more vibrant community.



COMMUNITY DEVELOPMENT

The Planning and Building Section of the Community Development Department is responsible for land use planning, review and approval of applications, building inspections and land use related initiatives. The Department handles Zoning Amendments, Development Permits, Development Variance Permits, Subdivisions, Agricultural Land Reserve applications and secondary dwelling applications. Its' mandate is to provide quality "one stop" service to customers and to work actively with them to find solutions and solve problems. The principles of customer service, a proactive approach to application review, sound community planning and well constructed development guidelines form the foundation of this department. They tackle emerging planning issues, identifying and exploring trends, developing forecasts and proposing and assessing policy responses appropriate to a small community.

The Community Development Department is also responsible for the Official Community Plan which is the blueprint for land development in the future. This Department is responsible for all forms of development activity in the District including regulating and controlling building while at the same time ensuring that health and safety regulations are maintained.

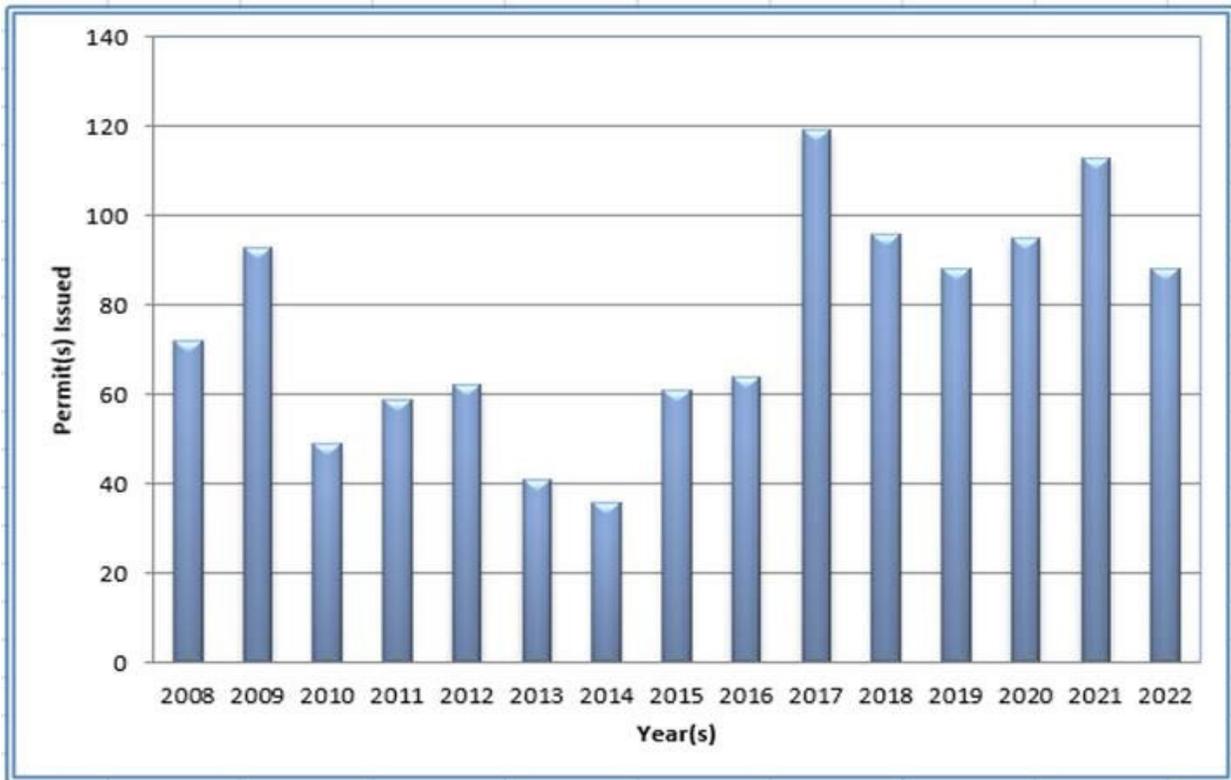


COMMUNITY DEVELOPMENT

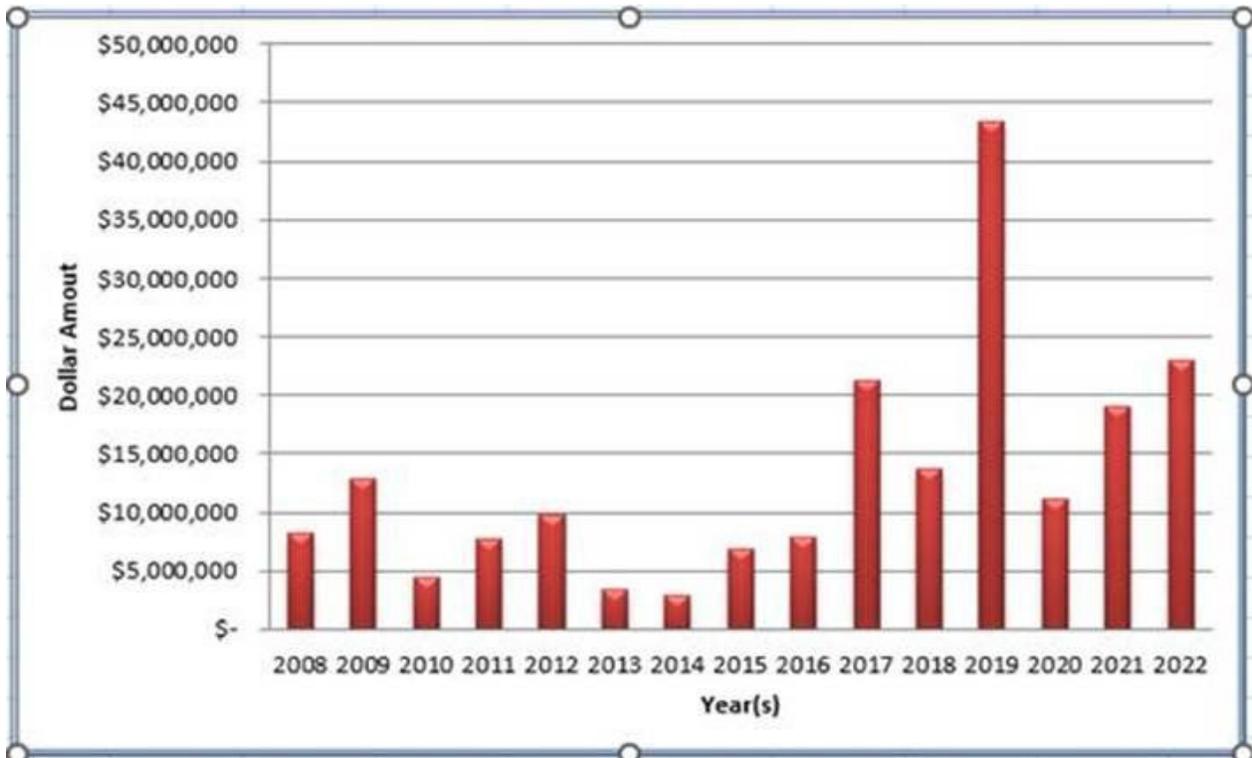


COMMUNITY DEVELOPMENT

2022 ANNUAL BUILDING PERMIT VALUES



2022 ANNUAL BUILDING PERMITS ISSUED



FIRE DEPARTMENT

2022 was a transitional year for The Hope Fire Department. The retirement of Fire Chief Tom DeSorcy was upcoming, and succession planning proved beneficial for a seamless transition of leadership. Chief DeSorcy had accumulated some holiday time throughout the Covid pandemic and was enjoying some long-awaited holidays in the end of 2022 before his official retirement on January 19, 2023. The Department thanks Chief DeSorcy for his 32 years of service to Hope with 22 years in the role of Fire Chief.

Incident responses saw a 15% increase in call volume over the previous year. We logged a total of 767 events. Of those, 34 were reportable fires through the Office of the Fire Commissioner (OFC) with a total accumulated loss of over 3.1 million dollars. Our largest contributing category of response remains medical at 20% which has increased by 14 events over last year. Hope Fire still maintains its position of medical response being at the request of BC ambulance. Typically, this means they call us when there are limited resources in the area and/or when they are delayed more than 10 minutes. The next categories of significant responses include alarm calls at 17%, followed by motor vehicle incidents at 13%. 2.5% of calls were structure fires.

In August, Hope Fire supported the BC wildfire response to Apex Mountain. We deployed one water tender for 17 days, with four of our members rotating coverage of the required two-person crew.

In September, Hope Fire responded to several wildfires in and around the Hope area, with the Flood Falls Trail Fire being the most predominant of all. It started on September 8th and lasted several weeks. Hope assisted BC Wildfire on several occasions during this event, as it was outside of the District of Hope boundaries. In total, we responded to 56 reports of wildfires with dozens of calls being duplicates to the same area and others being spot fires from debris falling between Flood Falls Trail and Hunter Creek. In the first initial week of the Flood Falls Trail Fire, Hope responded to over 40 calls. Varying from Wild fires, alarms, medical and vehicle fires.

Another incident of note included a windstorm on November 4th and 5th in which we received 20 calls for wires down, trees and branches hanging on wires, a gas line break from an up-rooted tree and a couple of calls to assist Ambulance with access to residents.

Special thanks to all of our Volunteer Firefighters for their courageous work over the last year. All have sacrificed much to serve their community and we are so fortunate to have a dedicated team of professional volunteers who answer the call.



FIRE DEPARTMENT



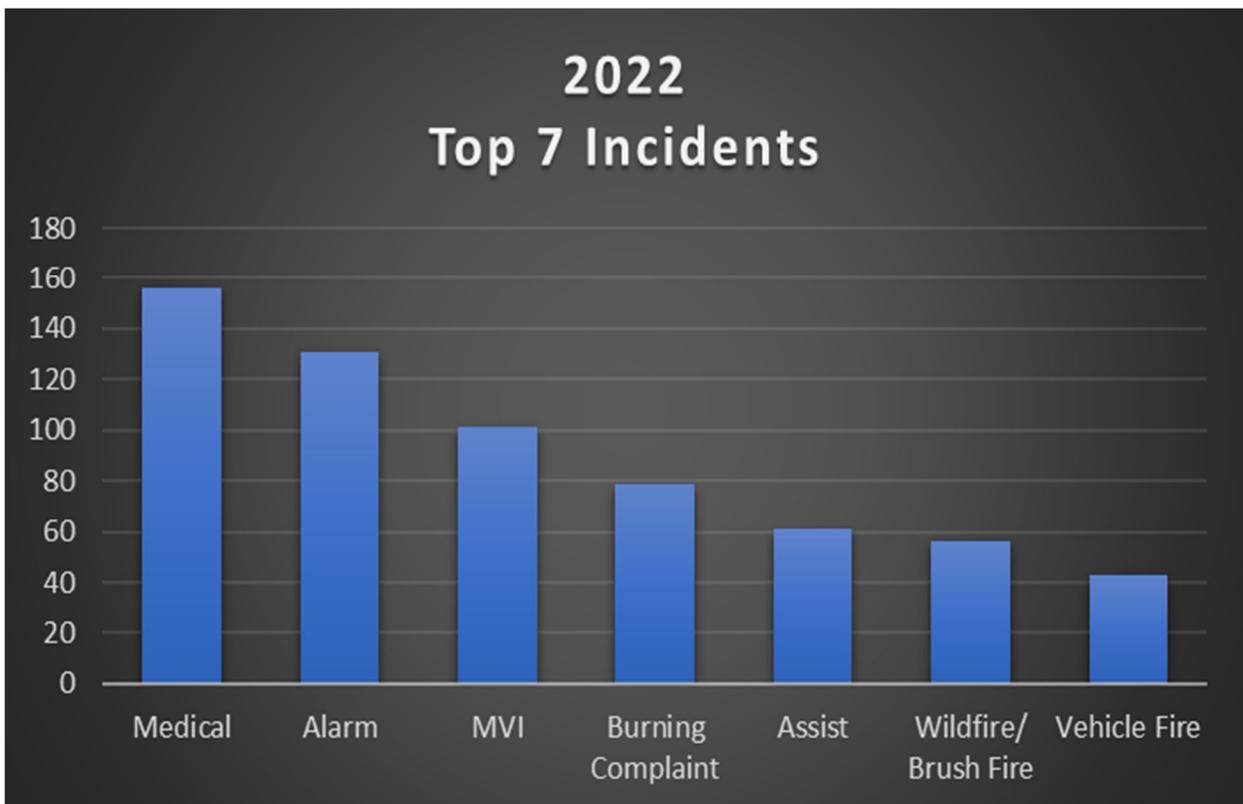
FIRE DEPARTMENT



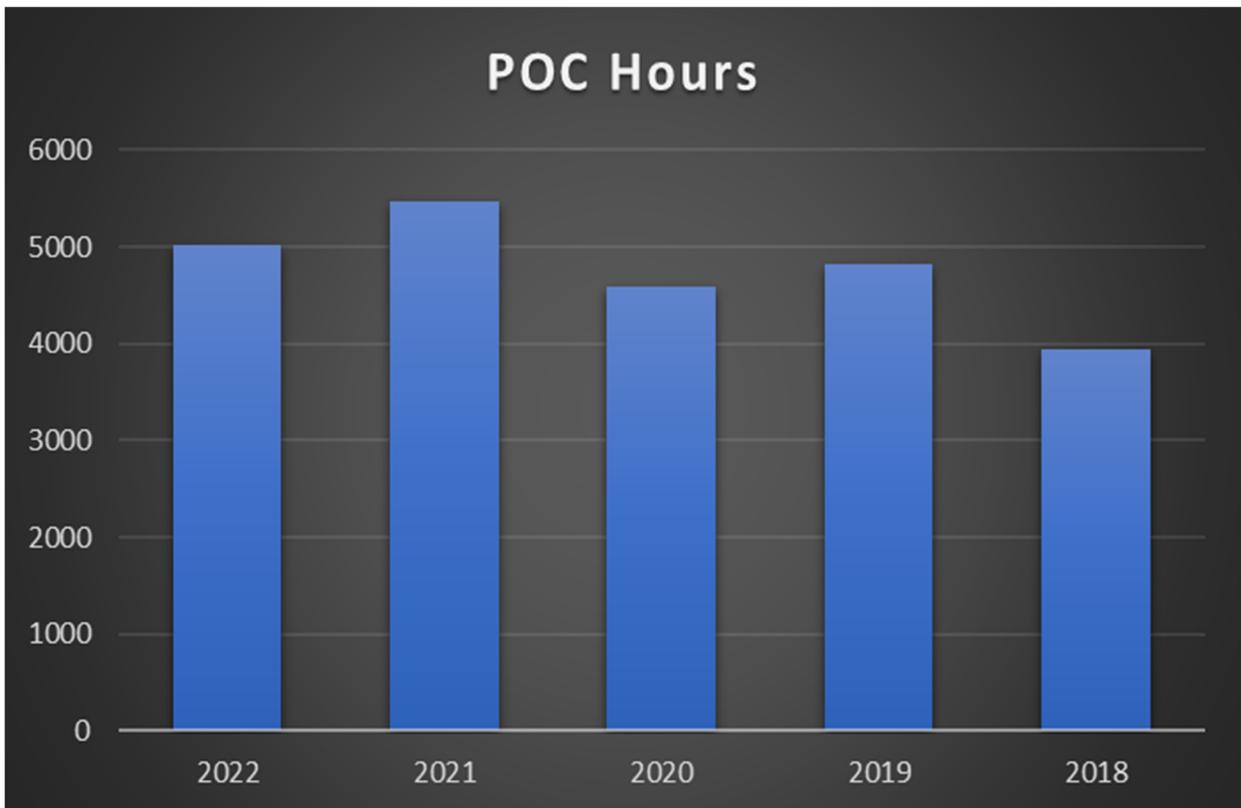
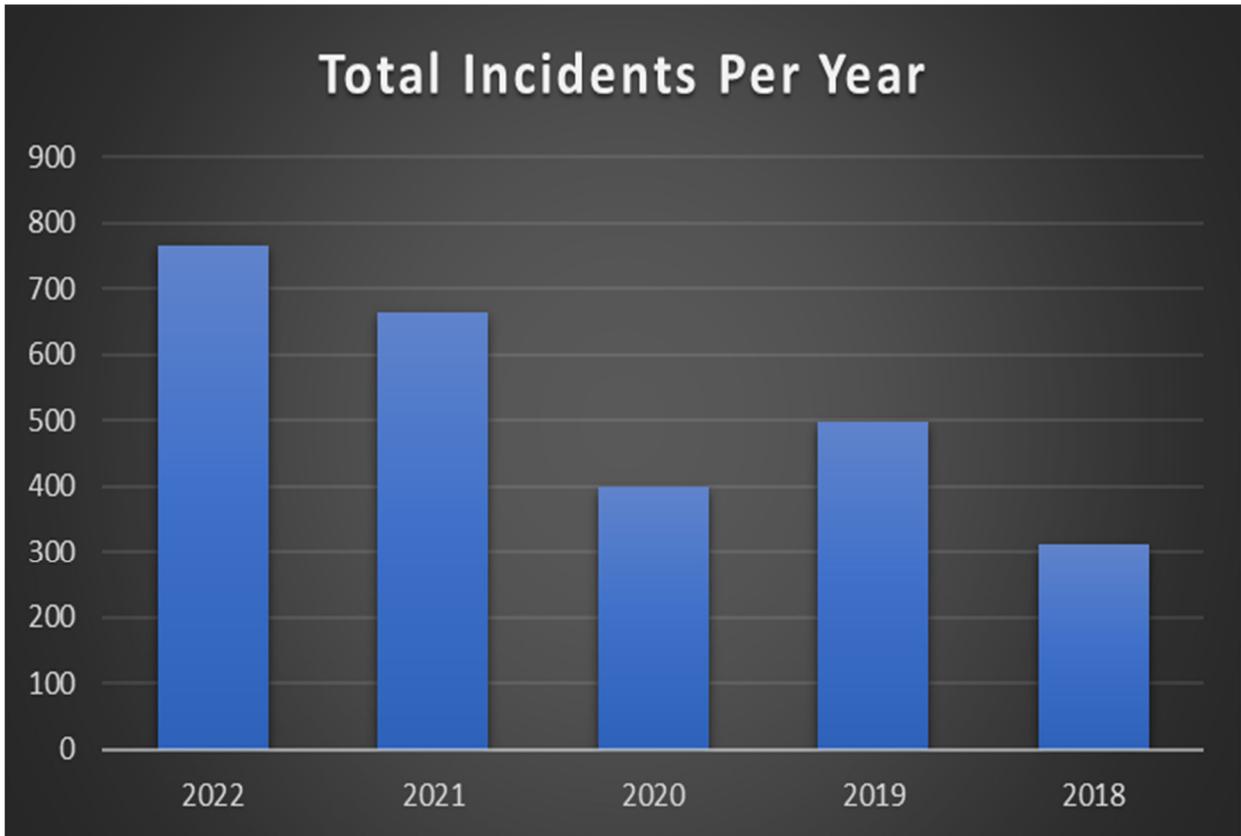
FIRE DEPARTMENT



FIRE DEPARTMENT



FIRE DEPARTMENT



OPERATIONS

Operations (Public Works) Responsibilities:

- Roads, Sidewalks and Transportation
- Drainage and Flood Protection
- Parks and Cemeteries
- Water, Sewer and Stormwater
- Building Maintenance
- Solid Waste
- Mechanical and Fleet
- Asset Management
- Infrastructure Replacement
- Capital Projects
- Occupational Health and Safety

The Operations Department is led by the Director of Operations, with day-to-day supervision of staff by the Operations Manager. A regular work force of 16 comprises the crews who oversee the maintenance needs for the District of Hope. During the busy spring and summer seasons, the Operations Department is augmented with term employees.



OPERATIONS



OPERATIONS



Kawkawa Lake Dock

Operations replaced the old worn dock with a new one, the old dock was showing its age and started to need repairs each year. The wood was causing splinters to some of the people who had used it. This new dock should give us years of service without any need for major repairs and maintenance.

OPERATIONS



Mountainview Cemetery

A large hedge along the West side of the Mountainview Cemetery was removed, as well as a chain link fence that was in disrepair along the Northside. Replacing the old chain link brings several advantages. The black vinyl-coated chain link provides a sleek and professional appearance that can enhance the overall aesthetic appeal of the cemetery. This will create a more welcoming environment for visitors making it a more peaceful and respectful place for paying respects to loved ones. The vinyl coating also makes the fence more durable and resistant to rust and corrosion, increasing lifespan and reducing maintenance costs. By removing the hedge we remove a large maintenance item so we can dedicate more time to maintaining and beautifying the grounds.



OPERATIONS



The Operations Department continues to renew assets in accordance with a 10-year revolving fleet replacement program that is funded through annual contribution to reserve. The aim of the program is to purchase equipment that can be used for multiple maintenance activities, regardless of the season. Shown here are two new Freightliner trucks outfitted with snow and ice equipment and a new compact refuse truck equipped with a leaf vacuum, a wood chipper chute and is also capable of plowing and sanding in the winter.



OPERATIONS



Dog Park Fencing

The District raised the height of the fence adjacent to the dog park to provide for a safer environment for dog park patrons from baseballs that could have once gone over the old fence. The increased height of the fence can act as a barrier to reduce the likelihood of balls entering the park and potentially injuring people or dogs.





Intersection Improvement

Audible signals and walk timers were added as a means to increase safety for pedestrians at 3rd Avenue and Wallace Street

Stormwater Master Plan

District of Hope



ENGINEERING ■ PLANNING ■ URBAN DESIGN ■ LAND SURVEYING

July 2022

Project No. 1239-271

Asset Management Planning

Stormwater Master Plan

The Stormwater Master Plan (SWMP) has been developed to provide a description and evaluation of the stormwater conveyance systems within the District's boundaries.

Responsible stormwater planning must be recognized as an on-going and evolving process, instead of a singular static deliverable. This SWMP has been produced as a living document. The purpose of this approach is that the report itself will not require replacement or superseding in the future, but rather, a continual on-going update as goals, resources, inputs, and regulations to it change. The content of this document is not intended to remain static.

Professional software was utilized to develop a working model of the District's watershed and conveyance systems.

Utilizing the model, results have been developed for several design storm events in current day conditions and future estimated conditions. Current day conditions were evaluated using a combination of freely available provincial and federal datasets, topographic survey, and orthographic photography.

The results of the modelled scenarios have been used to lead discussion on existing deficiencies in conveyance infrastructure, recommend areas where future deficiencies may develop with community growth, and identify where future data collection may be useful to expanding the detail and confidence of the model.

OPERATIONS

Infrastructure Improvements

Kawkawa Lake Road Slope Stability Repair

Operations staff noticed new and concerning cracking of the asphalt surface on a portion of the westbound lane of Kawkawa Lake Road, west of the Othello Junction. This lane is partially founded on fill and has since 2011 shown signs of stress (longitudinal pavement cracking) however the progression and severity of the cracking became an immediate concern in April of 2022 and repairs were undertaken.



FINANCE & CORPORATE SERVICES

The Finance & Information Technology Department is responsible for financial services and information technology services. Some of the primary functions include revenue collection, maintaining property tax assessment roll information, establishing annual municipal tax rates, preparing five year capital and operating plans, accounting functions, processing approved grant applications, asset management, and treasury as well as meeting information technology requirements. The Department also completes the required financial activities as legislated in the *Local Government Act* and the *Community Charter*.

In preparing budgets and five-year financial plans, Finance staff strive to provide timely and accurate financial information to facilitate the decision-making needs of Council, senior management and external stakeholders.

Corporate Services is responsible for ensuring the legislative requirements of the *Community Charter* and *Local Government Act*, along with other relevant statutes for the Corporate Administration of the District of Hope.

Corporate Services provides full clerical support to Mayor and Council including agenda preparation, recording of official minutes, administration and certification of bylaws and execution of all legal documentation on behalf of the District.

Corporate services is also responsible for:

- Freedom of Information Requests – receiving and processing these requests in compliance with the *Freedom of Information and Protection of Privacy Act*
- Records Management – maintain electronic and paper records management for the organization
- Bylaw Enforcement – ensures compliance with bylaws ie: animal control, parking, unsightly properties and noise
- Document Reviews composing, reviewing and advising on bylaws, policies and contracts
- Human Resources – job postings, recruitment process, maintenance of personnel files, Collective Agreement, union negotiations and Labour/ Management Meetings
- Elections and Referendums – administration of Local Government General Elections and Referendums.

2022 Financial Summary

The District ended the year with an annual surplus of \$2.9 million (2021 – \$1.3 million). The District's operations for 2022 continued to be impacted by the effects of the COVID pandemic and the supply chain issues which restricted access to materials. However, operations were able to increase during the year as the organization as the business environment opened up. The District revenue was higher than budgeted as funding received from other governments was higher than budgeted by \$600,000. This difference can be attributed to the District receiving more grants for capital projects. Additionally, the District had a gain on the sale of land for \$2.1 million which is a non-recurring source of revenue.

Overall, the District's expenses were \$16.0 million (2021 – \$15.3 million). This was lower than expected budget. For the expenses one of the areas that differed from budget was that the Grant in Aid supplied to organizations was lower than expected (\$400,000). Transportation expenditures for repairs were less for the period then budgeted for. Some of the decline in expenditures can be attributed to a preventative maintenance program and equipment replacement occurring.

The accumulated surplus for the current year for all reserve funds are \$27.8 million (2021 - \$27.3 million). The District holds \$27.5 million in investments (2021 - \$22.5 million) which are held in short term and long-term investments based on the District's needs. These funds generate interest which is reinvested in the respective funds and allocated to the respective reserves.

Under the direction of the District Council, the District of Hope continues to move forward with a disciplined financial approach. Finally, I would like to take the time to extend my appreciation of the hard work and commitment that the Finance team has undertaken to ensure the citizens of the District of Hope are well served.

Mike Olson, CPA, CA

Director of Finance

FINANCIAL STATEMENTS



FINANCIAL STATEMENTS



KPMG LLP
Suite 200 - 9123 Mary Street
Chilliwack BC V2P 4H7
Canada
Telephone (604) 793-4700
Fax (604) 793-4747

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the District of Hope

Opinion

We have audited the consolidated financial statements of the District of Hope (the "District") which comprise:

- the consolidated statement of financial position as at December 31, 2022
- the consolidated statements of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "*Auditors' Responsibilities for the Audit of the Financial Statements*" section of our auditors' report.

We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



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

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 District'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 District or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the District's financial reporting process.

Auditors' 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 auditors' 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 the 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 risk 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

FINANCIAL STATEMENTS



District of Hope.
Page 3

- 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 District'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 District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 District 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants

Chilliwack, Canada

May 8, 2023

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Consolidated Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Financial assets:		
Cash and short term deposits (note 2)	\$ 6,839,084	\$ 8,258,836
Accounts receivable (note 3)	1,985,880	2,631,166
Portfolio investments (note 2)	27,545,549	22,501,829
Investment in government business partnership (note 4)	652,831	637,360
	37,023,344	34,029,191
Financial liabilities:		
Accounts payable and accrued liabilities (note 6)	3,522,511	4,501,509
Development cost charges (note 7)	2,417,271	2,381,200
Deferred revenue	3,257,277	678,624
Long-term debt (note 8)	1,490,990	1,700,386
Equipment financing	9,217	11,385
Landfill liability (note 9)	453,143	494,051
	11,150,409	9,767,155
Net financial assets	25,872,935	24,262,036
Non-financial assets:		
Tangible capital assets (note 11)	40,875,591	38,535,913
Prepaid expenses and deposits	135,721	847,548
Inventories	187,928	528,047
Contingencies (note 14)		
Accumulated surplus (note 12)	\$ 67,072,175	\$ 64,173,544

Director of Finance

Mayor

The accompanying notes are an integral part of these consolidated financial statements.

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Consolidated Statement of Operations and Accumulated Surplus

Year Ended December 31, 2022, with comparative information for 2021

	2022 Budget (note 17)	2022	2021
Revenues:			
Municipal taxation	\$ 9,213,830	\$ 9,215,147	\$ 8,708,117
Parcel taxes	228,920	229,300	224,755
Payments in lieu of taxes	265,270	261,213	253,687
Sales of services	3,633,650	4,681,822	3,999,114
Investment income	160,000	614,993	165,782
Government business partnership income	-	15,471	188,767
Rents and leases	26,500	34,956	26,648
Transfers from other governments	1,054,090	1,612,115	2,808,614
Contributions from developers	-	-	238,286
Gain on disposal of tangible capital assets	-	-	9,270
Gain on land held for resale	-	2,131,368	-
Actuarial adjustment on debenture debt	-	83,396	75,623
	14,582,260	18,879,781	16,696,663
Expenses:			
General government	2,230,590	2,135,312	1,848,072
Recreation	1,862,690	1,388,804	1,472,253
Protective services	3,568,050	3,751,394	4,282,377
Environment and public health	2,056,500	1,947,841	1,853,329
Transportation	2,936,790	2,626,522	2,130,832
Community development	873,450	711,314	684,541
Utilities	1,340,100	1,326,208	1,134,298
Interest	58,380	58,275	58,275
Amortization	1,861,500	2,035,480	1,885,029
	16,788,050	15,981,150	15,349,006
Annual Surplus (Deficit)	(2,205,790)	2,898,631	1,347,656
	64,173,544	64,173,544	62,825,888
Accumulated surplus, end of year	\$ 61,967,754	\$ 67,072,175	\$ 64,173,544

The accompanying notes are an integral part of these consolidated financial statements.

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Consolidated Statement of Changes in Net Financial Assets

For the Year Ended December 31, 2022, with comparative information for 2021

	2022	2021
Annual surplus	\$ 2,898,831	\$ 1,347,656
Acquisition of tangible capital assets	(4,375,158)	(354,856)
Amortization of tangible capital assets	2,035,480	1,885,029
Gain on disposal of tangible capital assets	-	(9,270)
Proceeds on disposal of tangible capital assets	-	13,770
	(2,339,678)	1,534,673
Change in inventories	340,119	(4,409)
Change in prepaid expenses	711,827	(728,975)
	1,051,946	(733,384)
Change in net financial assets	1,610,899	2,148,945
Net financial assets, beginning of year	24,262,036	22,113,091
Net financial assets, end of year	\$ 25,872,935	\$ 24,262,036

The accompanying notes are an integral part of these consolidated financial statements.

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Consolidated Statement of Cash Flows

For the Year Ended December 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 2,898,631	\$ 1,347,656
Items not involving cash:		
Government business partnership income	(15,471)	(186,767)
Amortization on tangible capital assets	2,035,480	1,885,029
Gain on disposal of tangible capital assets	-	(9,270)
Actuarial adjustment on debt	(83,396)	(75,623)
Change in non-cash operating assets and liabilities:		
Accounts receivable	645,286	(1,320,964)
Prepays	711,827	(728,975)
Inventories	340,119	(4,409)
Accounts payable and accrued liabilities	(978,998)	2,075,417
Landfill liability	(40,908)	(26,978)
Deferred revenue	2,578,653	59,576
Development cost charges	36,071	241,694
	8,127,294	3,256,386
Capital activities:		
Acquisition of tangible capital assets	(4,375,158)	(354,856)
Proceeds on disposal of tangible capital assets	-	13,770
	(4,375,158)	(341,086)
Investing activities:		
Change in portfolio investments	(5,043,720)	1,315
Partnership draws	-	150,000
	(5,043,720)	151,315
Financing activities:		
Proceeds of equipment financing debt	-	11,385
Repayment of equipment financing	(2,168)	-
Repayment of long-term debt	(126,000)	(126,000)
	(128,168)	(114,615)
Increase (decrease) in cash	(1,419,752)	2,952,000
Cash and equivalents, beginning of year	8,258,836	5,306,836
Cash and cash equivalents, end of year	\$ 6,839,084	\$ 8,258,836
Supplemental cash flow information:		
Interest paid	\$ 58,275	\$ 58,275
Interest received	\$ 614,993	\$ 165,782

The accompanying notes are an integral part of these consolidated financial statements.

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

General

The District of Hope (the "District") was incorporated in 1992 under Letters Patent and operates under the authority of British Columbia Community Charter. The District's principal activities include the provision of local government services to residents of the incorporated area including administrative, protective, transportation, recreational, water, sewer, environmental health and fiscal services.

1. Significant accounting policies:

These financial statements are prepared using standards issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants.

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

(a) Basis of presentation:

These consolidated financial statements include the operations of the operating, water, sewer, and reserve funds.

All material interfund accounts and transactions have been eliminated.

The consolidated financial statements do not include assets, liabilities or surplus of trust funds administered by the District.

(b) Cash and short-term deposits:

Cash and short-term deposits include term deposits whose maturities upon acquisition were 90 days or less.

(c) Portfolio investments:

Portfolio investments are recorded at amortized cost plus accrued interest. Discounts or premiums arising on the purchase of portfolio investments are amortized on a straight line basis over the term to maturity. If it is determined that there is a permanent impairment in the value of an investment, it is written down to net realizable value.

(d) Inventories:

Inventories consist of land held for resale and supplies and are valued at the lower of cost and net realizable value.

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

1. Significant accounting policies: (continued)

(e) Revenue recognition:

Revenue from municipal taxation payments, grants in lieu of taxes and utility charges are recognized when the levies are billed or billable to the property owner. Revenue from sales of services are recognized when the services are provided and collection is reasonably assured. Government grants are recognized when they are approved by senior governments and the conditions required to earn the grants have been completed. Development cost charges are recognized as revenue in the period the funds are expended on a development project. Development cost charges not expended are recorded as unearned revenue.

(f) Contaminated sites:

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- a) an environmental standard exists
- b) contamination exceeds the environmental standard
- c) the organization is directly responsible or accepts responsibility for the liability
- d) future economic benefits will be given up, and
- e) a reasonable estimate of the liability can be made.

(g) Use of estimates:

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported amounts of revenues and expenses at the date of the financial statements. Areas that contain estimates include assumptions used in determining the landfill post-closure liability, contingent liabilities, and estimated useful lives of tangible capital assets.

(h) Government Business Partnership

The investment in government business partnership is accounted for using the modified equity basis.

(i) Non-financial capital assets:

Non financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They 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 are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development, or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight line basis

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

1. Significant accounting policies: (continued)

(i) Non-financial capital assets: (continued)

(i) Tangible capital assets: (continued)
over their estimated useful lives as follows:

Asset	Useful life - years
Land	Indefinite
Engineering structures	10-100
Buildings	10-75
Machinery and equipment	5-20
Water systems	10-100
Sewer systems	10-100

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Natural resources:

Natural resources that have not been purchased are not recognized as assets in the financial statements.

(iv) 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.

(v) Interest capitalization:

The District does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(vi) Leased tangible capital assets:

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

1. Significant accounting policies: (continued)

(i) Non-financial capital assets: (continued)

(vi) Leased tangible capital assets: (continued)
leases and the related payments are charged to expenses as incurred.

2. Restricted assets:

Included in cash and short-term deposits and portfolio investments are the following restricted amounts:

	2022	2021
Cash and short term deposits	\$ 6,839,084	\$ 8,258,836
Portfolio investments	27,545,549	22,501,829
	<u>34,384,633</u>	<u>30,760,665</u>
Less restricted for:		
Statutory reserves	1,800,752	1,790,425
Deferred revenue	3,257,277	678,624
Development cost charges	2,417,271	2,381,201
	<u>7,475,300</u>	<u>4,850,250</u>
Funds available for operations	\$ 26,909,333	\$ 25,910,415

3. Accounts receivable:

	2022	2021
Taxes	\$ 834,030	\$ 619,317
Utilities	376,255	357,460
Federal government	142,178	137,788
Trade accounts	126,924	242,611
Provincial government	506,493	1,273,990
	<u>\$ 1,985,880</u>	<u>\$ 2,631,166</u>

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

4. Investment in Government Business Partnership

(a) Partnership

The District owns a 1/3 partnership share in the Cascade Lower Canyon Community Forest LP "CLCCF" or the "Partnership".

(b) Establishment

In 2006, the District along with Yale First Nation and the Fraser Valley Regional District established the CLCCF for the purpose of operating a community forest. The District initially invested \$10,000 for 10,000 units in the Partnership. In 2013, the Partnership acquired a license to forest up to 34,300 cubic meters of timber annually. At this time net revenues are anticipated to remain within the Partnership until such time that the CLCCF Board determines that sufficient reserves exist to fund capital needs related to forestry operations. Should the Partnership cease to exist, the District would be entitled to 1/3 of the accumulated equity.

The Partnership has a March 31 year-end. The condensed results for the year end March 31, 2022 are summarized below.

CLCCF Condensed Financial Statements:

Assets	2022	2021
Cash	\$ 1,080,154	\$ 2,147,104
Other Current Assets	1,131,856	405,729
Tangible Capital Assets	248,609	256,250
	\$ 2,440,619	\$ 2,809,083

Liabilities	2022	2021
Accounts Payable	\$ 479,354	\$ 444,234
Partnership Equity	1,961,265	2,364,849
	\$ 2,440,619	\$ 2,809,083

	2022	2021
Total Revenue	\$ 328,963	\$ 5,127,484
Total Expenses	282,547	4,567,105
Net Income	\$ 46,416	\$ 560,359

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

5. Municipal finance authority reserve deposits and demand notes:

The District issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the Municipal Finance Authority as a debt reserve fund. The District also executes demand notes in connection with each debenture whereby the District may be required to loan certain amounts to the Municipal Finance Authority.

The details of the cash deposits and demand notes at the year-end are as follows:

	2022	2021
General fund	\$ 117,916	\$ 117,008
Sewer fund	39,735	39,329
	\$ 157,651	\$ 156,337

6. Accounts payable:

	2022	2021
Trade accounts	\$ 1,913,689	\$ 3,067,308
Other	981,097	1,202,555
Accrued payroll and benefits	188,207	189,621
Accrued interest	14,384	14,384
Accrued liabilities	425,134	27,641
	\$ 3,522,511	\$ 4,501,509

7. Development cost charges:

Development cost charges represent funds received from developers for capital infrastructure expenditures required as a result of their development projects. As these funds are expended, the liability will be reduced and the amount expended will be recorded as revenue.

Assets are not always physically segregated to meet the requirements of the restricted revenues. The liability will be settled with cash and portfolio investments.

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

8. Long-term debt:

The balance of the long-term debt reported on the consolidated statement of financial position is made up the following:

Purpose	By-Law	Term (Years)	Year Due	Rate	Balance Outstanding	
					2022	2021
General Fund						
Other	1288	20	2030	4.00	\$ 1,467,324	\$ 1,626,589
Sewer Fund						
Sewer	996	25	2023	5.50	23,666	73,797
					\$ 1,490,990	\$ 1,700,386

Future principal payments required over the next five years on issued debt are as follows:

2023	\$	214,171
2024		169,212
2025		175,135
2026		181,264
2027		187,609
Thereafter	\$	603,151

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

9. Landfill liability:

The District closed the Hope Landfill in September 2013. Costs related to post closure activities at the site include, gas monitoring and recovery, leachate management and treatment, closure assessment and planning and regulatory approvals.

The Hope landfill site is still expected to require care up to, and including the year 2038. A liability of \$453,143 at December 31, 2022 (2021 - \$494,051) is calculated based on the discounted estimated future cash flows associated with closure and post-closure activities. The discount rate used in 2022 was 2.30% (2021 - 2.05%). Landfill restoration costs incurred by the District in 2022 were \$40,908 (2021 - \$31,780). The District had an agreement with a private contractor to contribute in-kind the remaining closure costs in exchange for the right to fill the remaining airspace in the landfill. This contribution and related operating expenditure was recognized in 2013 when the closure activities were significantly completed.

10. Liability for Contaminated Sites

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

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

11. Tangible capital assets:

Cost	Balance December 31, 2021	Transfers/ Additions	Transfers/ Disposals	Balance December 31, 2022
Engineering structures	\$ 37,360,642	\$ 391,814	\$ -	\$ 37,752,456
Buildings	7,250,383	1,032,425	-	8,282,808
Machinery and equipment	8,460,770	921,610	(10,995)	9,371,385
Land	2,533,595	882,678	-	3,416,273
Sewer systems	16,227,970	-	-	16,227,970
Water systems	12,961,555	96,707	-	13,058,262
Work in progress	315,078	1,104,718	(54,794)	1,365,002
	\$ 85,109,993	\$ 4,429,952	\$ (65,789)	\$ 89,474,156

Accumulated amortization	Balance December 31, 2021	Disposals	Amortization	Balance December 31, 2022
Engineering structures	\$ 21,805,596	\$ 793,570	\$ -	\$ 22,599,166
Buildings	5,040,109	252,526	-	5,292,635
Machinery and equipment	5,352,857	367,565	(10,995)	5,709,427
Sewer systems	7,826,302	394,681	-	8,220,983
Water systems	6,549,216	227,138	-	6,776,354
	\$ 46,574,080	\$ 2,035,480	\$ (10,995)	\$ 48,598,565

	Net book value December 31, 2021	Net book value December 31, 2022
Engineering structures	\$ 15,555,046	\$ 15,153,290
Buildings	2,210,274	2,990,173
Machinery and equipment	3,107,913	3,661,958
Land	2,533,595	3,416,273
Sewer systems	8,401,668	8,006,987
Water systems	6,412,339	6,281,908
Work in progress	315,078	1,365,002
	\$ 38,535,913	\$ 40,875,591

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

12. Financial equity - current fund:

	2022	2021
Unappropriated:		
Operating fund	\$ 10,654,367	\$ 11,641,233
Non-Statutory reserves:		
Accessibility initiatives reserve	7,254	7,083
Community events reserve	13,164	12,855
Community development regulatory reserve	42,107	41,119
Fire department reserve	641,304	470,801
Future capital expenditures reserve	8,444,074	7,668,503
Infrastructure replacement reserve	4,353,174	3,871,178
Water reserve	1,407,641	1,374,663
Sewer reserve	445,254	434,823
Assessment appeals reserve	37,603	36,721
	15,391,575	13,917,746
Statutory reserves and restricted funds:		
Parkland acquisition reserve	466,574	463,935
Landfill reserve	768,944	764,512
Land for development reserve	187,640	186,559
Bridge unexpended funds reserve	377,564	375,418
	1,800,752	1,790,424
Total financial equity	27,846,694	27,349,403
Equity in tangible capital assets	39,225,481	36,824,141
Accumulated surplus	\$ 67,072,175	\$ 64,173,544

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

13. Collections for other governments:

The District collects and remits taxes on behalf of other government jurisdictions as follows:

	2022	2021
Tax Collected - School Tax	\$ 4,399,341	\$ 3,905,554
Tax Collected - FVRD	1,834,153	1,688,696
Tax Collected - Regional Hospital	259,914	242,856
Tax Collected - BC Assessment	116,889	98,988
Tax Collected - MFA	548	396
	\$ 6,610,843	\$ 5,936,490

14. Contingencies:

- (a) Debt held by the Fraser Valley Regional District is, pursuant to the Local Government Act, a direct joint and several liability of each member municipality within the regional district, including the District.
- (b) Monitoring of leachates in the landfill is required for 25 years subsequent to the closure. Any potential costs arising from future issues will be the responsibility of the District.
- (c) The District is currently engaged in certain legal actions. The District has accrued for claims for which the amounts are known or can be reasonably estimated. The outcome of other claims is indeterminable at this time. Accordingly, no provision has been made in the accounts for these actions.
- (d) The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of 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, 2021, the plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local governments. .

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any 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 District paid \$289,972 (2021 - \$267,048) for employer contributions to the plan in fiscal 2022.

The next valuation will be as at December 31, 2024, with results available in 2025.

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

14. Contingencies: (continued)

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.

15. Fair value of financial assets and financial liabilities:

The fair value of the District's cash and short term deposits, accounts receivable and accounts payable approximate their carrying amounts due to the immediate or short term maturity of these financial instruments.

The fair value of portfolio investments at December 31, 2022 was \$27,545,549 (2021 - \$22,501,829).

The fair value of the long-term debt and obligations under capital lease approximate their book value as the interest rates represent borrowing rates for loans under similar terms and maturities.

16. Contractual Rights

The District has entered into contracts for various property rentals and service agreements, and is scheduled to receive the following amounts under those contracts.

2023	\$	223,727
2024		229,925
2025		238,344
2026		242,992
2027	\$	249,884

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

17. Budget figures:

The financial statements have included the Annual budget as approved by Council. The following is a reconciliation of the budget presentation required for the financial statements and the annual financial plan bylaw:

	2022
Annual deficit from statement of operations	\$ (2,205,790)
Amortization of capital assets	1,861,500
Capital expenditures	(12,826,960)
Transfers from surplus	2,722,330
Reserves used for capital financing	4,551,300
Proceeds of debt financing	1,800,000
Proceeds from grant financing	3,753,330
Transfers from reserves	2,048,070
Transfers to reserves	(1,575,490)
Principal repayment of debt	(128,290)
Net annual budget	\$ -

18. Perpetual Cemetery Care Trust:

The District operates a cemetery in accordance with the Cemetery and Funeral Services Act. The District is required to maintain a trust fund which is not included in these financial statements.

The asset and equity of the Perpetual Cemetery Care Trust are as follows:

	2022	2021
Cash and Deposits	\$ 134,002	\$ 127,871

	2022	2021
Equity balance, beginning of the year	\$ 127,871	\$ 121,379
Transfer from operating	5,410	6,175
Interest	721	317
Equity, end of year	\$ 134,002	\$ 127,871

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

19. Financial risks

Market risk is the risk that changes in market prices, such as interest rates, will affect the District's income. The District's cash and portfolio investments include amounts on deposit with financial institutions that earn interest at market rates. The District manages its cash by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market rates of interest would not have a significant effect on the District's income.

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. Management does not believe that the District is exposed to significant credit risk.

There has been no change to the risk exposures outlined above from 2021.

20. Comparative figures

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

21. Segmented information:

The District is a diversified municipal government institution that provides a wide range of services to its citizens. For management reporting purposes, the local government's operations and activities are organized and reported by service areas. Service areas were created for the purpose of recording specific activities to attain certain objectives in accordance with Council policies and District's bylaws. The service areas are as follows:

General Government Services

General government services include activities associated with Mayor and Council administration, bylaw review and adoption, financial management, and information systems, economic development and corporate services, including human resources.

Protective Services

Protective services include activities associated with community safety. These services include local policing, fire protection, bylaw enforcement and emergency services.

DISTRICT OF HOPE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2022

21. Segmented Information: (continued)

Transportation Services

A component of Public Works department is transportation services. Transportation services include activities associated with roads and drainage networks. Services include traffic services, street lighting, public works administration, fleet operations, winter maintenance, and maintenance and improvements to roads, shoulders, sidewalks, drainage, storm sewers and dykes.

Environmental Health Services

Environmental development services include all activities associated with waste management, landfill operations, transfer stations and cemetery operations.

Community Development Services

Community Development services include development activities associated with planning and zoning and building inspections.

Recreation and Culture Services

Recreation and Cultural services include activities associated with operations of parks, recreation and cultural services. Activities also include grants-in-aid, library operations, tourism and minor building maintenance services.

Utilities: Water and Sewer Services

Water and sewer services include all activities associated with water and sanitary sewer operations. Items include maintenance and enhancements of the water supply system, water pump stations, water distribution systems, hydrants, sanitary sewer collection system, sewer lift stations and sewer treatment and disposal.

Segmented information has been identified based upon lines of service provided by the District. District services are provided by departments and their activities are reported by functional area in the body of the financial statements.

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Segmented Reporting Note

For the Year Ended December 31, 2022

	Recreation and Culture	Protective Services	Transportation	Environmental Health	Community Development	Utilities - Water & Sewer	General Government	Total 2022	Total 2021
Revenues									
Municipal taxation	\$ -	\$ 2,356,508	\$ -	\$ -	\$ -	\$ -	\$ 6,858,639	\$ 9,215,147	\$ 8,708,117
Parcel taxes	-	-	-	-	-	229,300	-	229,300	224,755
Payments in lieu of taxes	-	-	-	-	-	-	261,213	261,213	253,687
Sales of services	218,695	89,571	21,069	2,435,621	4,401	984,725	927,740	4,661,822	3,995,114
Investment income	-	-	-	-	-	-	614,993	614,993	165,782
Government business partnership income	-	-	-	-	-	-	15,471	15,471	186,767
Rents and leases	-	-	-	-	-	-	34,956	34,956	26,648
Transfers from other governments	25,000	427,389	2,740	-	-	-	1,156,986	1,612,115	2,808,614
Actuarial adjustment on debenture debt	-	-	-	-	-	-	83,396	83,396	75,623
Contributions from developers	-	-	-	-	-	-	-	-	238,286
Total Revenues	243,695	2,873,468	23,809	2,435,621	4,401	1,214,025	9,953,394	16,748,413	16,687,393
Expenditures									
Salaries and benefits	269,973	697,348	1,229,567	70,130	464,282	443,333	1,345,132	4,519,765	4,077,492
Insurance and claims	26,036	12,072	72,942	259	-	38,961	76,710	226,980	226,473
Office and administration	626,739	2,741,504	105,639	1,844,658	247,032	30,159	577,420	6,173,551	5,476,104
Repair and maintenance	447,895	276,095	1,031,798	25,774	-	621,234	114,589	2,517,385	3,176,188
Utilities	18,161	23,975	186,576	7,020	-	192,521	21,461	449,714	449,446
Total Expense, before interest and amortization	1,388,804	3,751,394	2,626,522	1,947,841	711,314	1,326,208	2,135,312	13,887,395	13,405,703
Gain on disposal of tangible capital assets	-	-	-	-	-	-	-	-	(9,270)
Gain on sale of land held for resale	-	(2,131,368)	-	-	-	-	-	(2,131,368)	-
Interest	-	-	-	-	-	19,875	38,400	58,275	58,275
Amortization	-	-	-	1,413,661	-	621,819	-	2,035,480	1,885,029
Net operating revenues(expenditure)	\$ (1,145,109)	\$ (3,009,294)	\$ (2,602,713)	\$ (525,881)	\$ (706,913)	\$ (753,877)	\$ 7,775,682	\$ 2,858,631	\$ 1,347,656

The accompanying notes are an integral part of these consolidated financial statements.

FINANCIAL STATEMENTS

DISTRICT OF HOPE

Schedule 1 - COVID-19 Safe Restart Grants for Local Governments

For the Year Ended December 31, 2022]

In November 2020 the District of Hope was the recipient of a \$1,833,000 grant under the COVID-19 Safe Restart for Local Governments program from the Province of BC.

COVID Reserve, beginning of year		\$ 1,551,146
Office	\$ 7,168	
IT	33,223	
Public works	507,882	
Expenditures through the year		548,273
COVID Reserve, end of year		\$ 1,002,873

Development Cost Charges

New development typically triggers need for expansion of services like sewer, drainage and water systems. The level of investment needed to support new development is significant and one of the mechanisms available to municipalities to help finance this investment is Development Cost Charges (DCC's).

DCC's are monies collected from developers to help offset the costs of the infrastructure investments needed to service new development. They are imposed by bylaw, pursuant to the *Local Government Act*, and provide the Municipality with a way to finance capital investment related specifically to sewers, drainage, water and parks.

The following chart provides some more information about Development Cost Charge collections and deductions.

Development Cost Charges — 2022

	Water	Drainage	Sanitary	DCC Total
Opening balance	\$ 1,409,448	\$ 267,289	\$ 704,464	\$ 2,381,201
Deductions	-	-	-	-
Contributions	13,216	-	6,821	20,037
Sub-Total	\$ 1,422,664	\$ 267,289	\$ 711,285	\$ 2,401,238
Interest Revenue	9,442	1,550	5,043	16,035
TOTAL	\$ 1,432,106	\$ 268,839	\$ 716,328	\$ 2,417,273

FINANCIAL STATEMENTS

Permissive Tax Exemptions

Organization Name	Community Charter	2022 Municipal Taxes
Anglican Lord Bishop of New Westminster	Section 224(2)(f)	\$4,629.86
Anhart Homes	Section 224(2)(a)(i)	\$5,422.98
BC Corporation of Seventh-Day Adventist	Section 224(2)(f)	\$4,185.06
Fraser Inclusive and Supportive Housing Society	Section 224(2)(a)(i)	\$1,404.27
Fraternal Order of Eagles	Section 224(2)(a)(i)	\$1,851.64
Grace Fellowship Baptist Church	Section 224(2)(f);224(2)(a)(i)	\$5,506.98
Hope Branch 228 Canadian Legion	Section 224(2)(a)(i)	\$6,510.01
Hope Christian Fellowship/Northwest Harvest Church	Section 224(2)(g)	\$5,276.14
Hope Community Services	Section 224(2)(a)(i)	\$3,760.41
Hope Congregation of Jehovah's Witness	Section 224(2)(f)	\$1,628.35
Hope Curling Club	Section 224(2)(i)	\$4,944.91
Hope Golf & Country Club	Section 224(2)(b)	\$7,929.96
Hope Search & Rescue Group	Section 224(2)(b)	\$4,780.79
Hope United Church	Section 224(2)(f)	\$6,680.28
Kawkawa Camp & Retreat Society	Section 224(2)(a)(i)	\$16,588.35
Mount Hope Senior Citizens Housing Society	Section 224(2)(h)	\$2,995.95
Mount Hope Temple Society	Section 224(2)(f)	\$1,172.19
Pentecostal Assemblies of Canada	Section 224(2)(f)	\$1,749.24
Roman Catholic Archbishop of Vancouver	Section 224(2)(f)	\$4,339.52
The Hope & Area Transition Society	Section 224(2)(a)(i)	\$10,266.56
The Nature Trust of BC	Section 224(2)(a)(i)	\$5,049.08
Vancouver Soaring Association	Section 224(2)(i)	\$4,276.86





LAYOUT:

Kari Farley

Tina Foster

PHOTO CREDITS:

Public Works

Fire Department

Kari Farley

Jenette Wallace

325 Wallace Street
PO Box 609
Hope BC V0X 1L0
www.hope.ca
Phone 604.869.5671