



HUDSON'S
HOPE
PLAYGROUND OF THE PEACE

DISTRICT OF HUDSON'S HOPE

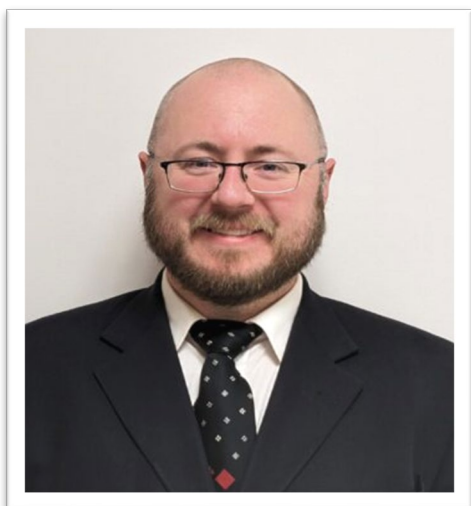
2025 Annual Report

For the year ending December 31, 2025

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MESSAGE FROM THE MAYOR



On behalf of the District of Hudson's Hope, it is my privilege to introduce the 2025 Annual Report. The annual report sets out the goals and objectives for the District of Hudson's Hope for the upcoming year, as well as providing a comprehensive update of the strategic priorities set and delivered since the last annual report.

2025 was not without its challenges. Significant new legislative requirements have increased workload for our municipal staff and have led to delays in important processes such as the updating of our Official Community Plan and Zoning Bylaw. The trickledown effect has left other important bylaw updates waiting while we reposition ourselves to meet these new realities.

Fiscal sustainability, transparency and community engagement continue to be the foundational principles under which Mayor and Council operate. We are proud to have delivered substantially on our goals, even under the significant pressures of inflation, legislative downloading and limited avenues for Municipal revenue.

Our community bid farewell to one of our two physicians, but Council continued to remain active advocating for that position to be filled expediently. We have also advocated for additional support as well as transparency from Northern Health on matters that may affect our Health Center moving forward including new approaches to service delivery and new technologies to support our healthcare staff.

One of the most significant achievements of 2025 was the signing of an agreement with BC Hydro to complete our Water Treatment Plant, which will see commissioning and operation in 2026, and will provide a safe and secure source of drinking water for our community for decades to come.

Looking forward from 2025, during which council made significant progress on plans for the replacement of the Hudson's Hope Community Hall and Public Library with a Multi-Use Gathering Center, next year will see Council seeking fiscal approval through an assent vote during the upcoming municipal election. While the assent vote will authorize a significant portion of the funding for the Multi-Use Gathering Center, Council will still have to work diligently to raise the majority of the cost of the project through grants, sponsors and partnerships.

We continue to advocate for greater attention to the North, including remediation of decades long standing issues related to the condition of Highway 29 and inequities in programs such as the Grant In Lieu of Taxes. Highway 29 is Central to our safety, our local economy, and our ability to access and provide services, and enhancement of the Grant in Lieu would represent a transformative moment for Hudson's Hope as it would finally recognize the contribution that we make on the Provincial stage and secure our ability to fund infrastructure and services within our community.

As we move into the fall, we will inevitably embrace change once again. October will bring municipal elections across British Columbia. Your Mayor and Council may change, but as we all know change is one of the few constants.

Our community is strong, and our residents resilient. We are seeing a return of community commerce with new local businesses opening. Hudson's Hope continues to be one of the most affordable and inviting communities in the whole of British Columbia. Council has set the

Municipality on a path of openness and transparency in all our business and laid the groundwork for ongoing fiscal sustainability. More work will need to be done to ensure reliable streams of revenue are available and to build relationships within our region and the province to guarantee our success. It is my firm belief we are on the right track, and we are as committed as we have ever been to ensure a bright and prosperous future for Hudson's Hope.

Mayor Travous Quibell

MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER



As Chief Administrative Officer, I am pleased to present this annual report for the District of Hudson's Hope. This report reflects the work undertaken throughout 2025 to support Council's priorities, strengthen municipal operations, and continue building a resilient future for our community. It also reflects the care, commitment, and hard work of the people who serve this community every day.

Throughout 2025, the District continued to navigate important operational, financial, and infrastructure priorities while maintaining a strong focus on transparency, service delivery, and long-term planning. It was a busy and demanding year, but it was also one marked by steady progress. Across all departments, staff responded to day-to-day needs while continuing to move important strategic work forward for the benefit of Hudson's Hope.

One of the District's most significant priorities in 2025 remained the permanent Water Treatment Plant. Safe, reliable drinking water is fundamental to the health of our residents and the future of our community, and this project continues to be deeply important to all of us. During the year, meaningful progress was made through ongoing design and construction work, key upgrades at the site, and continued collaboration with BC Hydro toward a long-term solution. While there is still work ahead, the progress made in 2025 strengthened our confidence that we are moving in the right direction.

At the same time, the District continued to advance several other important initiatives. Work progressed on the Multi-Use Gathering Centre feasibility, policy and bylaw development continued, and investment in municipal assets and facilities remained a key focus. These efforts may happen in different departments and in different ways, but together they reflect a shared commitment to strengthening our organization and investing in the long-term well-being of Hudson's Hope.

Council and staff also remained committed to transparent local government. Public engagement opportunities, regular updates on major initiatives, open Council meetings, and continued efforts to improve access to information helped strengthen communication with residents throughout the year. Open and respectful communication matters, and I am grateful to everyone who takes the time to stay informed, ask questions, and participate in the life of our community.

I continue to be impressed by the resilience, professionalism, and dedication shown by District staff. Local government work is not always easy, and much of it happens quietly behind the scenes, but it matters deeply. In 2025, staff across the organization showed up with care, patience, and a strong sense of responsibility to this community, and I am sincerely grateful for their efforts.

I would like to extend my sincere thanks to Mayor and Council for their leadership, to District staff for their hard work and commitment, and to our residents, partners, businesses, and volunteers for their continued support. The progress made in 2025 is the result of many people contributing in different ways, and I am truly thankful for the trust, collaboration, and community spirit that continue to move Hudson's Hope forward.

Hudson's Hope remains a strong, capable, and forward-looking community. While important work still lies ahead, the progress achieved this year has strengthened our foundation and positioned the District well for the future. I am proud of what has been accomplished, grateful to be part of this work, and optimistic about what we can continue to achieve together in the year ahead.

Crystal Brown, Chief Administrative Officer

MAYOR AND COUNCIL



Left to Right: Councillor Charlesworth, Councillor Winnicky, Councillor Cryderman, Mayor Quibell, Councillor Jeffrey, Councillor Goddard, and Councillor Beattie.

Mayor and Council were elected on October 15, 2022, for a four-year term.

A by-election was held on July 29, 2023, due to Mayor Heiberg stepping down and Councillor Quibell also stepping down to run for Mayor. Mayor Quibell and Councillor Charlesworth were elected to complete the term.

A second by-election was held on February 24, 2024, due to Councillor Kelly Miller stepping down. Councillor Greta Goddard was elected to complete the term.

The next municipal election will be in October 2026.



Mayor Travous Qulbell

-elected Mayor in the 2023 By-Election

mayor@hudsonshope.ca

Cell: 250.783.0812



Councillor Tina Jeffrey

-elected in the 2022 election

tina@hudsonshope.ca

Cell: 250.783.8399



Councillor Debbie Beattie

-elected in the 2022 election

debbie@hudsonshope.ca

Cell: 250.783.0746



Councillor Greta Goddard

-elected in the 2024 by-election

greta@hudsonshope.ca

Cell: 250.783-0855



Councillor James Cryderman

-elected in the 2022 election

james@hudsonshope.ca

Cell: 250.783.8363



Councillor Tashana Winnicky

-elected in the 2022 election

tashana@hudsonshope.ca

Cell: 250.329.4586



Councillor KK Charlesworth

-elected in the 2023 by-election

kk@hudsonshope.ca

Cell: 250.783.8363



RESPONSIBILITIES OF THE MAYOR AND COUNCIL

Council is the governing body of the municipal corporation. All decisions for the municipality are made by the elected Council, which consists of the Mayor and Councillors. The most important roles that Council plays are the consideration and passage of municipal bylaws, financial planning, budget approval, the appointment of official officers, and determination of the basic organization of the community by representing all residents.

A single member of Council does not have the power to bind the municipality in any way or direct either its employees or its affairs. Council as a whole – as opposed to individual Council members – has the full authority to commit the municipality to action, give direction to staff and expend civic funds. Councils may only exercise their authority by resolution or bylaw.

The role of Mayor and Council is to:

- consider the well-being and interests of the municipality;
- contribute to the development and evaluation of the policies and programs of the municipality respecting its services and other activities;
- participate in Council meetings, committee meetings, and meetings of other bodies to which the member is appointed;
- carry out other duties assigned by the Council; and
- carry out other duties assigned under the *Community Charter* or any other Act.

ROLE OF COUNCILLORS

Council members are elected to govern. A Councillor's job is to work with other the Council members to set the overall direction of the municipality as a policy-maker. The policies that Council sets are the guidelines for the administration to follow as it handles the municipality's operations. Much of Council's time is spent considering new policies and programs and reviewing the current ones to make sure they are working as they should. Councillors have the following responsibilities:

- consider the well-being and interests of the municipality;
- contribute to the development and evaluation of the policies and programs of the municipality respecting its services and other activities;
- participate in Council meetings, committee meetings, and meetings of other bodies to which the member is appointed;
- carry out other duties assigned by the Council; and
- carry out other duties assigned under the Community Charter this or any other Act.

ROLE OF THE MAYOR

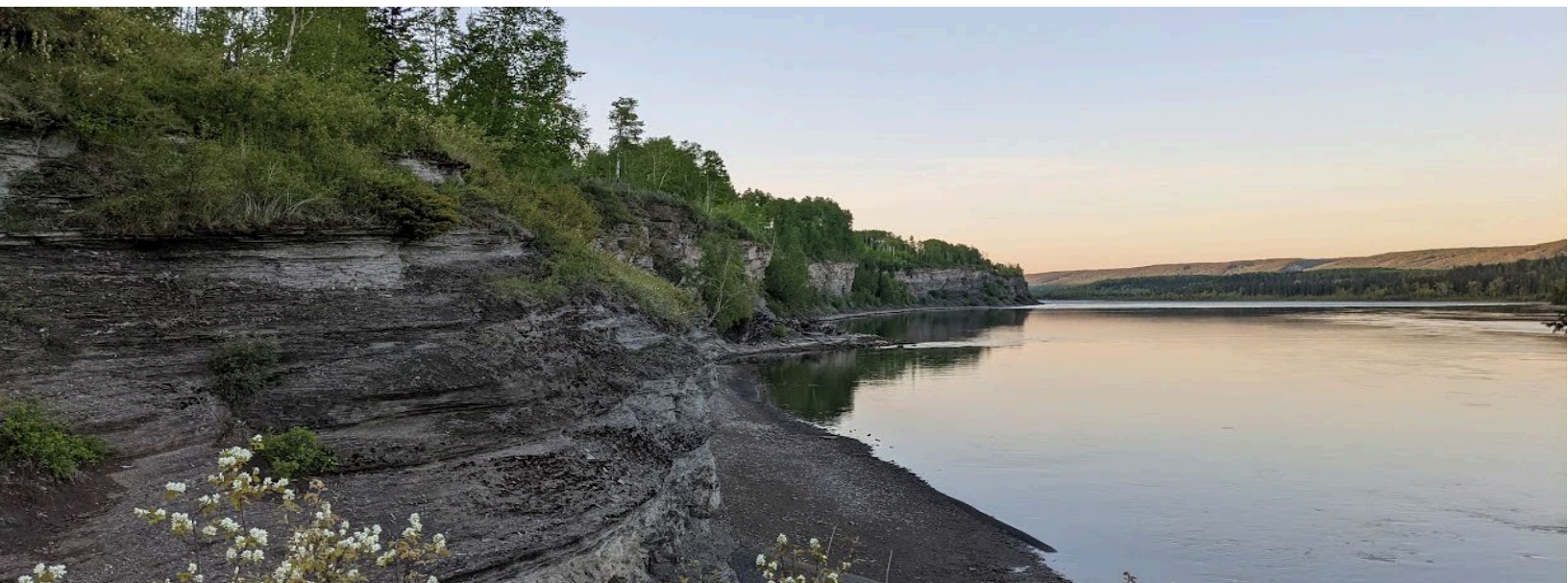
The Mayor is the head and Chief Executive Officer of the municipality. The Mayor has no more legal authority than any other member of Council. They have no authority to make decisions that bind the municipality, nor can they direct the work of staff. In addition to the Mayor's responsibilities as a member of Council, the Mayor has the following legislative responsibilities:

- provide leadership to the Council;
- recommend bylaws, resolutions, and other measures to Council that, in the Mayor's opinion, may assist the peace, order, and good government of the municipality;
- communicate information to the Council;
- preside at Council meetings when in attendance;
- provide, on behalf of the Council, general direction to municipal officers respecting the implementation of municipal policies, programs, and other directions of the Council;
- establish standing committees;
- suspend municipal officers and employees;
- reflect the will of Council, and to carry out other duties on behalf of the Council;
- to carry out other duties assigned under the Community Charter and any other Act; and
- vote on all resolutions and bylaws before Council;

ROLE OF THE ACTING MAYOR

Each year, Council must designate a Councillor(s) as the member responsible for acting in place of the Mayor when the Mayor is absent, or otherwise unable to act, or when the office of Mayor is vacant. Council can choose to re-appoint one Acting Mayor each year through the term or rotate the Acting Mayor position among Council on an annual, quarterly, or monthly basis. When in the position of Acting Mayor, the Councillor has all the same powers and duties of the Mayor.

Acting Mayor Schedule - January to December 2025	
January	Councillor Beattie
February	Councillor Cryderman
March	Councillor Charlesworth
April	Councillor Goddard
May	Councillor Jeffrey
June	Councillor Winnicky
July	Councillor Beattie
August	Councillor Cryderman
September	Councillor Charlesworth
October	Councillor Goddard
November	Councillor Jeffrey
December	Councillor Winnicky



COUNCIL MEETINGS

In 2025, Regular Council Meeting were generally held every two or three weeks. Meetings were held at the Council Chambers at the District Office starting at 6:00 p.m. unless otherwise noted. Meetings are open to the public.

2025 COUNCIL MEETING SCHEDULE

January 20	May 26
January 30 – Special	June 16
February 2 - Special	June 23 – Special
February 10	July 14
February 24	August 18
March 10	September 8
March 24	October 6
April 14	October 21
April 28 – Special	November 24
May 5	December 9 – Special
May 21 – Special	December 15

2023 – 2026 STRATEGIC PLAN



STRATEGIC PLAN



VISION

A vibrant, diverse and livable community supported by sustainable, managed growth within a healthy natural environment

MISSION

To provide strong, cost-effective leadership that supports a high quality of life for residents

VALUES

Respect: Demonstrating respect and consideration for all relevant interests. Working together and supporting one another.

Integrity: Making decisions for and acting in the best interests of the District. Taking ownership and accepting responsibility for decisions and actions emanating from those decisions

Commitment to Service: Pledging to carry out the business of the District in a cost-effective and timely manner that is consistent with the best interests of residents.

Excellence: Working above and beyond the standards of expectation.

STRATEGIC PRIORITIES

Manage, invest, plan and implement sustainable municipal infrastructure to address the needs of residents and visitors.

Retention of residents and attract visitors with recreational amenities.

Facilitate population growth with attainable housing, sustainable infrastructure and tourism.

Perform organizational review for recruitment and retention of out-of-scope staff and overall review of organizational efficiencies.

GOAL 1: Manage, invest, plan and implement sustainable municipal infrastructure to address the needs of residents and visitors.

TARGETS:

1. Work with BC Hydro to get a reliable Water Treatment Plant for the District.
2. Use asset management tools to replace infrastructure in a timely manner with the promotion of green development.
3. Upgrade Kendrick and Adam Street sanitary Lift stations.
4. Complete registration of Wastewater Treatment Plant with the Ministry.
5. Re-pave high-priority roads as per the Asset Management tools.
6. Complete Beryl Prairie Flood Mitigation ditch.
7. Repair and rehabilitation of District owned facilities.
8. Replacement of equipment and fleet following the asset management tool.

GOAL 2: Retention of residents and attract visitors with recreational amenities.

TARGETS:

1. Complete phase-3 of ATV Campground.
2. Complete the trail map.
3. Develop a plan for Pool facility improvement – Recreation committee to provide quarterly reports to the council.
4. Playgrounds will be constructed or rehabilitated on a priority basis based on the availability of funds.
5. Maintain and refurbish existing facilities and campgrounds.

GOAL 3: Facilitate population growth with attainable housing, sustainable infrastructure and tourism.

TARGETS:

1. Develop a marketing plan for the District including residential and industrial development.
2. Update Official Community Plan (OCP) which is long overdue.
3. Hire a consultant for the design and construction of the Community Hall. Recreation Committee to provide quarterly reports to the council.
4. Develop a long-term downtown development plan.
5. Improve Alwin Holland campground once BC Hydro commissions the Site C dam.

GOAL 4: Perform organizational review for recruitment and retention of out-of-scope staff and overall review of organizational efficiencies.

TARGETS:

1. Hire a consultant to perform an organizational review.
2. Amend the Council Procedure Bylaw to include provisions for electronic participation, as per the *Community Charter*, and investigate options for live-streaming and recording Council Meetings.
3. Develop a bylaw for public online meetings and allow Council to attend virtually.
4. Update relevant Bylaws and policies to meet present needs and standards.





MUNICIPAL SERVICES AND OPERATIONS


The District of Hudson's Hope provides a wide range of municipal services, including fire protection, emergency management, building inspection, bylaw compliance, engineering and public works, garbage and recycling collection, planning and development, recreation programs, sports fields, outdoor swimming pool, arena, a curling rink, ICBC, Driver's Licensing, and water and sewer utility services. The District aims to maintain a high quality of life for citizens and ensure a strong future with well-maintained infrastructure, healthy finances, and robust community spirit.

OFFICE OF THE CAO

The Chief Administrative Officer (CAO) is responsible to Council for the efficient management of the municipal workforce and ensuring Council's directions and policies are carried out. The CAO often acts as Council's representative in negotiations with governments, businesses or property owners and is called upon to give management advice to Council. Responsibilities include:

- Executes policies and decisions of Council and directs and coordinates the activities of District departments;
- Assists Council in determining community priorities;
- Oversees a team of staff delivering the District services that support Council's direction; and
- Ensures the timely, transparent, and accurate delivery of information.

2025 Goals

1. Update Strategic Plan	In Progress
2. Development of Water Conservation Bylaw	In Progress
3. Examine District Finances	In Progress
4. Bylaw and Policy Development	In Progress
5. Arena Kitchen Upgrade	In Progress
6. Recruitment of Senior Staff	
7. Perform Organization Review	In Progress
8. Complete Multi-Use Gathering Centre feasibility study	In Progress
9. Develop a Complaint Based Policy and Procedure	In Progress
10. Update User Fee Bylaw	In Progress

2026 Goals

1. Run a successful 2026 Local Government Election
2. Conduct Council Orientation
3. Update Strategic Plan
4. Complete Phase 1 of the Multi-Use Gathering Centre Feasibility Study
5. Hold an Assent Vote for the Multi-Use Gathering Center
6. Complete the Permanent Water Treatment Plant
7. Development of Water Conservation Bylaw
8. Update Council Remuneration Bylaw
9. Update User Fee Bylaw
10. Recruitment of Senior Staff - Chief Financial Officer
11. Investigate Options for Boundary Expansion
12. Develop a Complaint Based Policy and Procedure

CORPORATE ADMINISTRATION

The District of Hudson's Hope Administration Department works together to deliver services to residents under the leadership of Mayor and Council. Administrative staff implement Council policies to ensure the municipality meets its long-term goals and short-term objectives.

The Corporate Administration Department is responsible for the organization of Council agenda; keeping minutes of Council meetings; preparation of bylaws; the safekeeping of municipal records; the provision of information to the public; and employment services for the municipality. It ensures that all District's actions such as Council proceedings, elections and land development are conducted in accordance with government legislation. The Corporate Administration department also completes correspondence on Council's behalf and is responsible for the publication of official notices.

2025 Goals

1. Review and Update Council Procedure Bylaw	In Progress
2. Implement Live Voting at Council Meetings	In Progress
3. Complete Council Chamber Upgrade	In Progress
4. Continue Policy Manual Review	In Progress
5. Records Management	In Progress
6. Privacy Management Program	Not Started

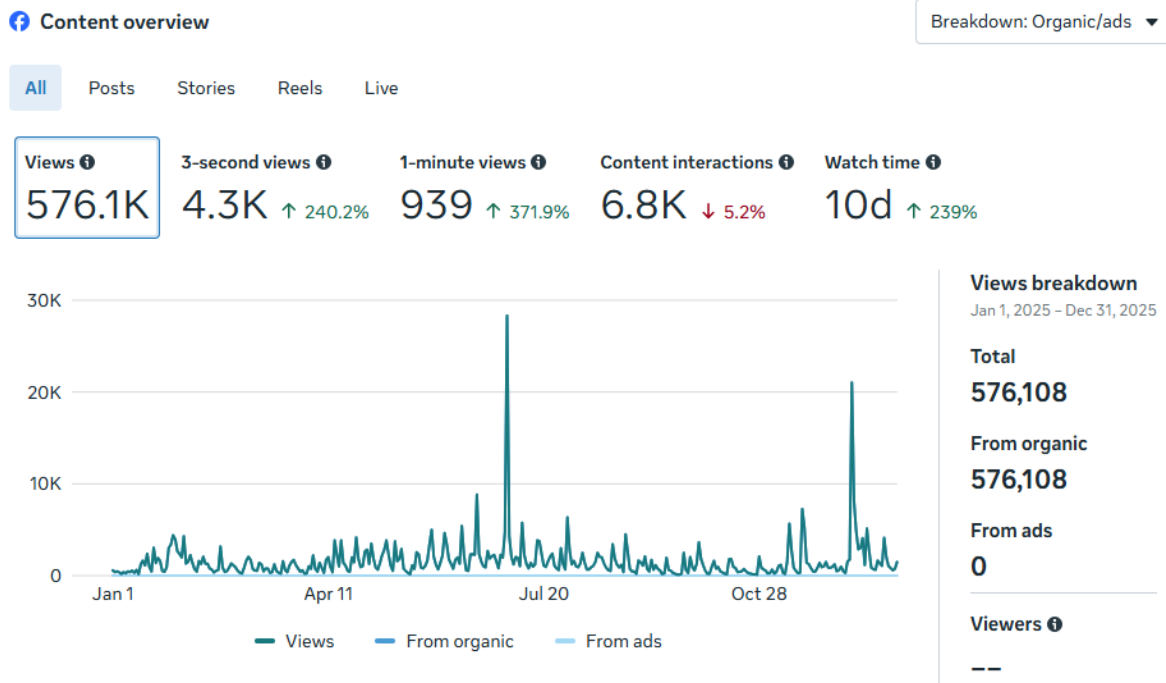
2026 Goals

1. Review and Update Council Procedure Bylaw
2. Implement Live Voting at Council Meetings
3. Complete Council Chamber Upgrade
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5. Records Management
6. Privacy Management Program

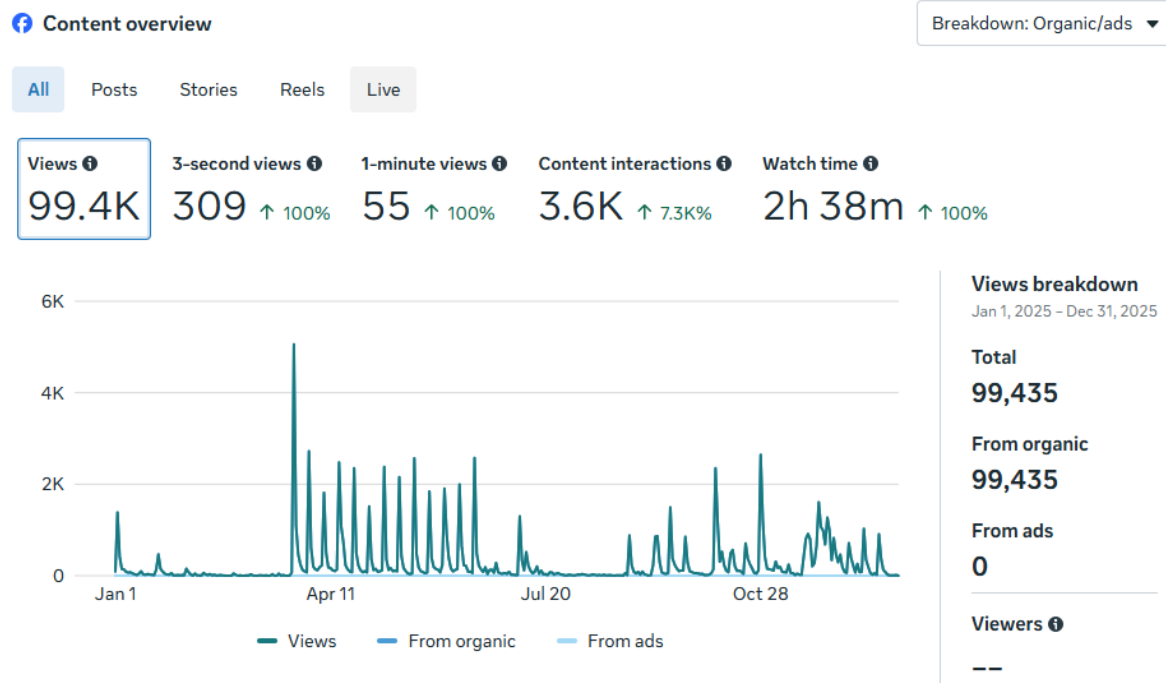
2025 Department Highlights and Achievements

- Implemented Have Your Say – 4 Campaigns launched and 1 updated
 - Multi-Use Gathering Centre (updated)
 - People’s Choice Awards
 - Christmas Town Light Up Contest
 - FireSmart
 - 2025 Community Budget Engagement
- Policies Adopted:
 - Code of Code Policy
 - Progressive Discipline Policy
- Policies Repealed:
 - Base Budget Policy Review
 - Court News Publication In Bulletin Policy
- Bylaws Adopted:
 - Annual Financial Plan Bylaw 956
 - Tax Rates Bylaw 957
 - Fees and Charges Amendment Bylaw 958
- Social Media Stats
 - 3,343 followers on Facebook – Increase of 4.9%
 - 20,690 Visits – Decrease of 12.6%
 - 576,108 Views
- District of Hudson’s Hope Website Stats
 - 92, 817 views
 - 37,972 active users
 - 252,243 events

District of Hudson’s Hope – Official Facebook Page 2025

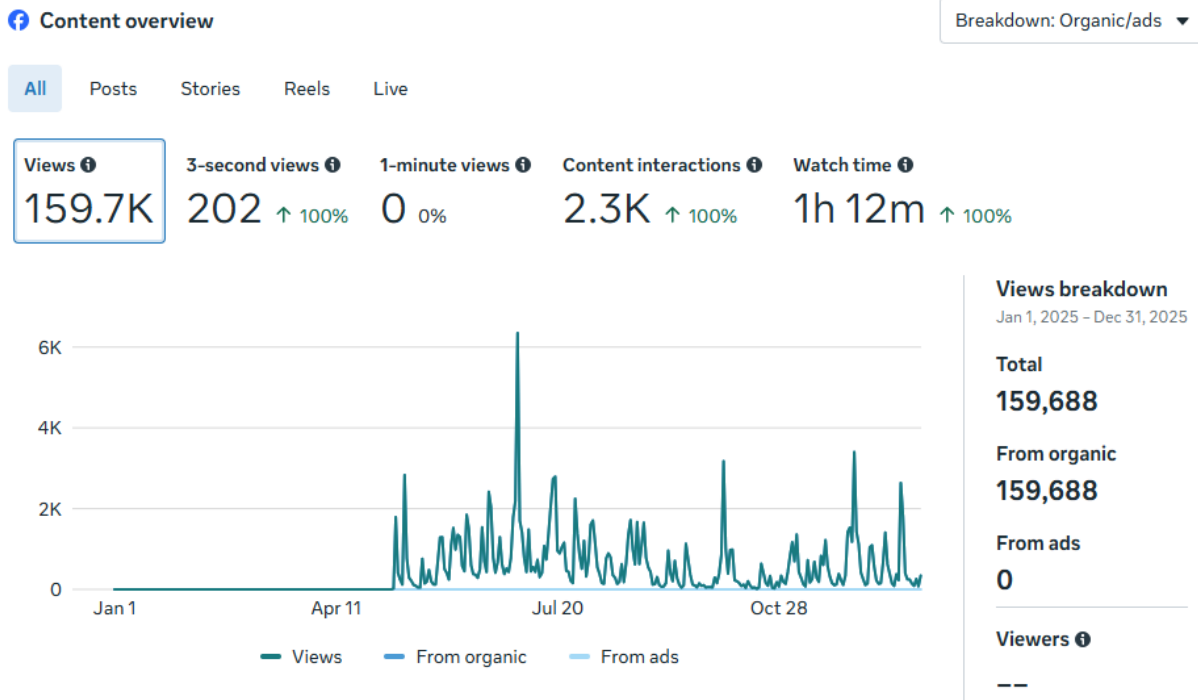


Love Hudson’s Hope Facebook Page 2025

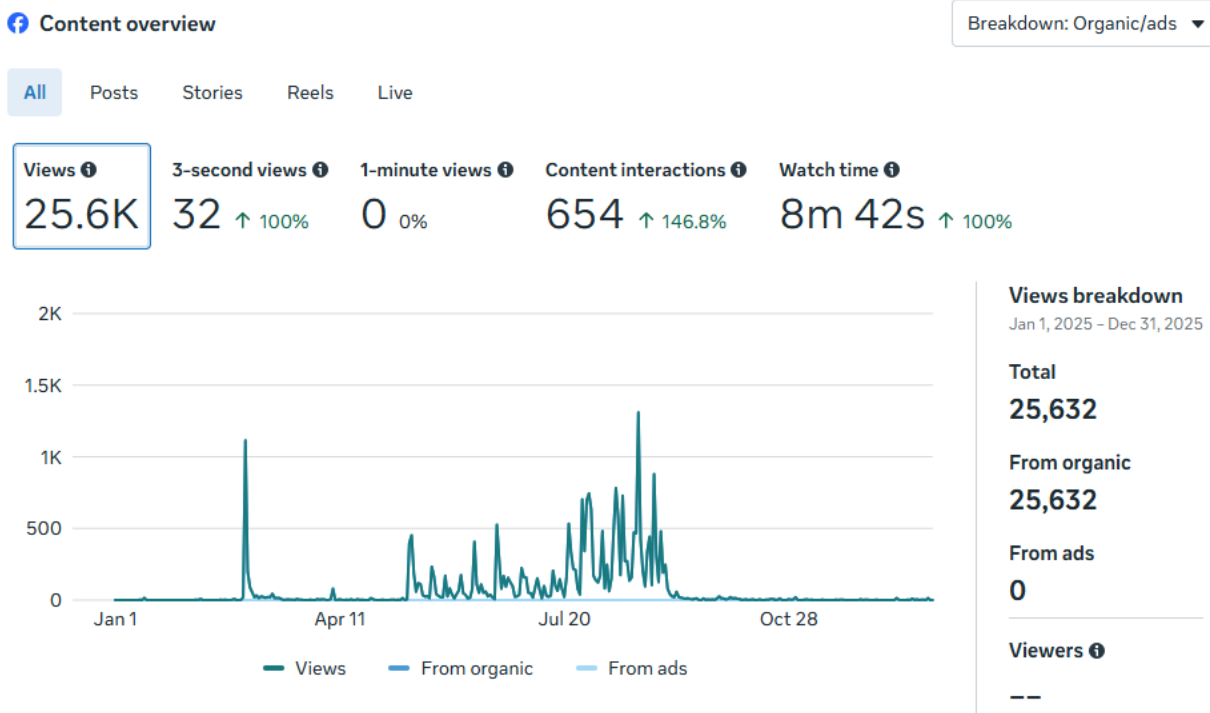


District of Hudson’s Hope Recreation & Events Page – 2025

- This page was created on May 7, 2025, to be used for our recreation programs and special events! The District page would be used more for District business and notices.



Hudson’s Hope Visitor Centre 2025 (only ran during the summer)






HUMAN RESOURCES

The Human Resources (HR) department supports organizational success by building and sustaining a motivated, skilled, and engaged workforce. The Manager of Human Resources is responsible for the administration of the District's HR functions, including recruitment and onboarding, labour relations, compensation and benefits, recognition, training and development, personnel policies and records, and performance management.

2025 Department Highlights and Achievements

- Successfully recruited and onboarded the Director of Public Works and Engineering.
- Managed twenty-one job postings, participated in thirty-six interviews, onboarded seventeen new employees in 2025 (five full-time, six seasonal, five students, and one casual); and completed the recall process of seasonal staff.
- Implemented an online Health and Safety program.
- Implemented an annual performance review process.

2025 Goals

1. Successful recruitment of the Director of Public Works and Engineering	
2. Update and revise key job descriptions	On-Going
3. Improve Orientation and Onboarding processes to support employee retention	
4. Development of personnel related policies and review schedule	In Progress
5. Audit and refine workplace safety polices and programs to maintain a safe and secure environment for employees	In Progress
6. Development of a training and development program	Not Started
7. Assist managers with developing employee training and development plans	In Progress
8. Participate in successful negotiations with BCGEU for new contract	In Progress
9. Establish Health and Wellness Committee	

2026 Goals

1. Continue to update and revise key job descriptions
2. Coordinate an Organizational Review
3. Continue development of personnel related policies and review schedule

-
4. Audit and refine workplace safety policies and programs to maintain a safe and secure environment for employees

 5. Development of a training and development program

 6. Assist managers with developing employee training and development plans


 7. Participate in successful negotiations with BCGEU for new contract

 8. Policy Development

PLANNING AND DEVELOPMENT

The Planning and Development Department provides services related to land use planning and development permitting. The Department is responsible for processing applications for zoning amendments, temporary use permits, subdivisions, development permits and building permits. Furthermore, the Department manages all municipal land acquisition and disposition.

2025 Goals

- | | |
|---|---|
| 1. Hire a Land Use Planner and Asset Management Technician |  |
| 2. Update Official Community Plan. | In Progress |
| 3. Update Zoning Bylaw as per Provincial Requirements | In Progress |
| 4. Development of Land Use Procedures, Bylaws, Guides, and Applications | In Progress |
| 5. Update Business License Bylaw and application | In Progress |
| 6. Develop a formal Business License referral program | In Progress |

2026 Goals

- | |
|---|
| 1. Recruit a Land Use Planner |
| 2. Update Official Community Plan |
| 3. Update Zoning Bylaw as per Provincial Requirements |
| 4. Development of Land Use Procedures, Bylaws, Guides, and Applications |
| 5. Update Business License Bylaw and application |
| 6. Develop a formal Business License referral program |

FINANCE

The finance department plays a critical role in ensuring the efficient and transparent management of public funds. It serves as the backbone of fiscal operations, enabling the delivery of essential services while maintaining financial stability. The Finance Department is responsible for handling all the financial affairs of the municipality.

Core responsibilities include annual budget preparation and management, revenue collection, including property taxes, utility fees, and user fees, revenue diversification and investments, accounts payable and receivables, annual audit and financial reporting, grant management, payroll, record management, ensuring compliance with provincial requirements, develops and implements financial policies, maintains the district's technology infrastructure, municipal insurance, and customer service.

2025 Goals

1. Examine User Fees and Utility Rates	Ongoing
2. Implement Budget Software	Not Started
3. Overhaul Budget Process	Ongoing
4. Investigate options to increase return on investments	Ongoing
5. Restructure Capital Reserves	Not Started

2025 Department Highlights and Achievements

- The District has 1604 Roll numbers, including 1377 Residential.
- Optimized operating funds to increase interest earned by an additional \$152,000.
- Issued 82 business licenses.
- Active Utilities Accounts:
 - 319 Water
 - 223 Sewer
 - 452 Garbage
 - 7 Metered water accounts

2025 Capital Project Spend

CAPITAL PROJECT	COST	CAPITAL PROJECT	COST
Vacant Land – Future Use	235,000	Fire Dept - Turn Out Gear	32,181
Arena Upgrades – Inc Kitchen	305,637	Fire Dept – Portable Radios	26,773
Community Hall Design	139,790	Fire Dept - SCBA	254,768
Marquee Tent – Pool Park	11,398	Fire Hoses & Gas Monitors	53,027
Pool Liner Upgrade	163,311	Wild Land Rescue Access.	5,210
Computer Replacements	17,118	2008 Spartan Rescue Truck	384,008
Council Chamber Sound System	45,151	2026 Chev Tahoe Fire SUV	26,750
Mobile Speed Sign	10,766	Fire Dept – Vehicle Tablets	30,891
2024 John Deer Mower	27,468	Emergency Managemnt Kits	26,337
2024 Chev EV Accessories	3,258	MWR Registration	19,623
Water Treatment Plant	739,262	Kendrick Lift Staton	511,106
Water Hydrant Replacement	307,459		
General Total	1,798,841		
Water Total	1,046,721		
Sewer Total	530,729		
Combined Total	3,376,291		

2026 Goals

1. Compare User Fees and Utility Rates to the region

2. Implement Budget Software

3. Improve Community Engagement for the Budget Process

4. Investigate options to increase return on investments

5. Restructure Capital Reserves

6. Review Merchant fees and streamline payment processes

ICBC AND DRIVER LICENSING

The District of Hudson's Hope is an Appointed Agent for ICBC and Driver Licensing. This service includes renewal of automobile insurance policies, fleet management and transfer of vehicle ownership, as well as Driver Licensing issuance, renewals, knowledge testing and road testing. The District is proud to offer this service to our residents who reside in this beautiful, remote community.

AUTO INSURANCE AND DRIVER LICENSING

The District of Hudson's Hope is an Appointed Agent for ICBC, providing the community with the following services:

- vehicle licensing and insurance;
- driver licensing, including renewals, knowledge testing for all classes and road testing for Class 7;
- issue BCeID's and BC Services Card (formally known as CareCard);
- fine payments; and
- general ICBC/Motor Vehicle inquiries.

2025 Department Highlights and Achievements

ICBC processed a total of 2000 transactions as follows:


	2024	2025
New registrations or transfers	296	375
Policy renewals	1441	1485
Changes to current policies	142	140
Online transactions	23	23
Total	1879	2000

Driver's Licensing processed 1091 Transactions, including:

	2024	2025
Renewals	182	326
Duplicates	63	76
BC Services Card/DL Combo	123	69
BC Services Cards	21	249

BCIDs	15	30
Temporary Driver's Licenses	4	32
Driver Abstracts	86	85
Address Changes	29	37
Road Tests (Class 7 L)	11	7
Road Tests (Class 1-5)		9
Knowledge Testing (Class 5/7)	49	39
Knowledge Testing (Class 1-4)	63	83
Knowledge Testing (Class 6-8)	12	10
Knowledge Testing (Airbrake)	24	15
Failed Knowledge Test Reviews	17	8
Fees/fines/reinstatements	2	16
Total	701	1091

2025 Goals

1. Continue training staff on ICBC and Driver's Licensing to increase coverage	In Progress
2. Meet all audit requirements for ICBC yearly audit	In Progress
3. Implementation of New Driver Licensing Knowledge Testing (DLKT) machine for knowledge testing.	
4. Meet all audit requirements for Driver's License yearly audit	In Progress

2026 Goals

1. Continue training staff on ICBC and Driver's Licensing to increase coverage
2. Meet all audit requirements for ICBC yearly audit
3. Meet all audit requirements for Driver's License yearly audit
4. Implementation of new Graduated Licensing Program changes coming Summer 2026
5. Implementation of New Online Knowledge testing for customers for Class 5-8 in early May or June

PROTECTIVE SERVICES DEPARTMENT

The District of Hudson's Hope in conjunction with its emergency response providers is committed to ensuring the safety, security, and well-being of residents and visitors alike. Emergency response services within the District are provided by the RCMP, BC Ambulance, and Hudson's Hope Fire & Rescue Service.

Hudson's Hope Fire and Rescue protects life, property, and the environment through the provision of fire prevention & life safety education, emergency preparedness, fire suppression, and first responder medical & rescue services to the citizens and visitors to Hudson's Hope.

In 2024, the Province of BC introduced the Fire Safety Act, increasing responsibility on our community for fire investigation and fire inspections. This past year The Hudson's Hope Fire Rescue initiated an order based on complaint from industry. The order was successful in bringing the level safety to the travelling and working public within the standards set down by the province.

Community events are an important part of keeping our residents engaged and bringing people together from around the community.

In 2025 we had four major events as part of FireSmart which included;

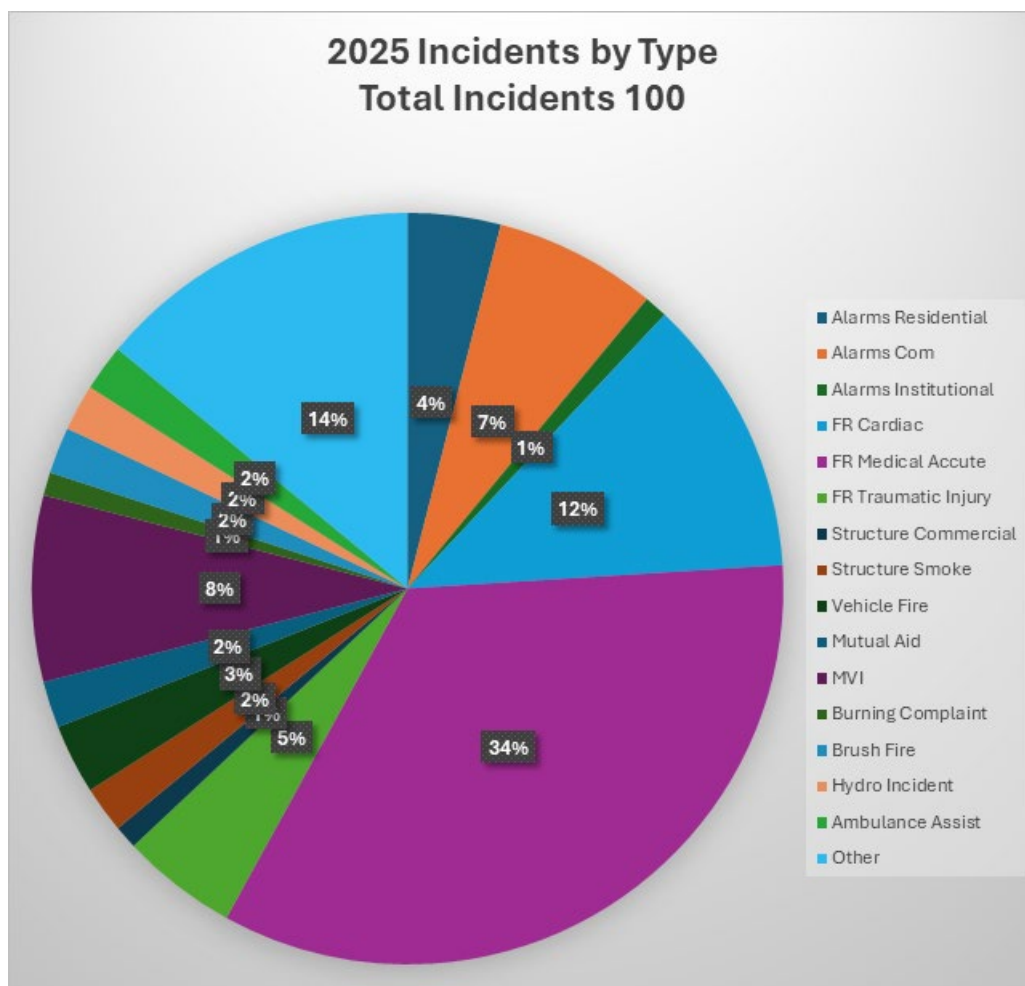
- Wildfire Preparedness Day
- Fire Smart Family Camp Day
- Fire Prevention Week – Dinner and Movie Night
- Fire Smart CWRP Dinner and Meeting

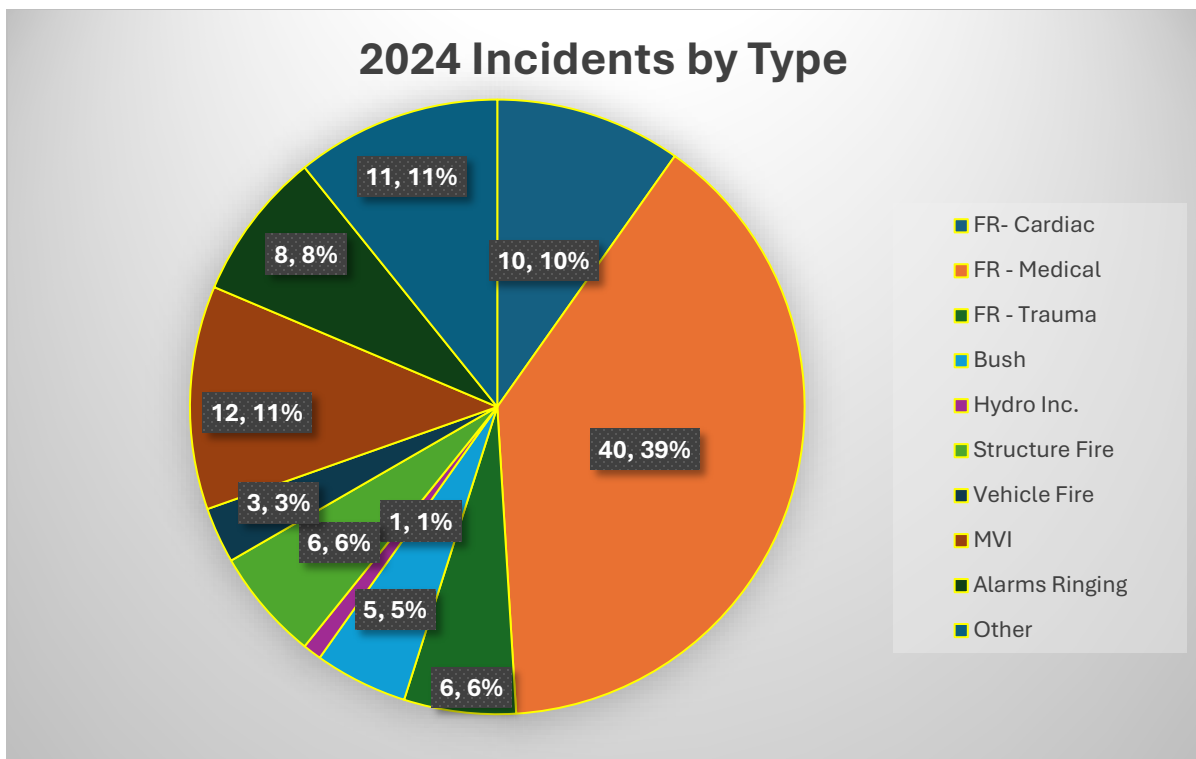
Throughout the year we had seven FireSmart Minor Events;

- Canada Day
- Farmers Market
- Hudson's Hope Business Trade Show
- Halloween Fireworks in conjunction with the fire department
- Santa Claus Parade with a guest appearance by Ember
- Fire Smart Bingo Event
- Fire Smart Library Event

2025 Department Highlights and Achievements

- Late in 2025 Hudson’s Hope Fire Rescue Services took delivery of the Community’s Heavy Rescue Unit.
- The Heavy Rescue Unit has been repurposed from a community on Vancouver Island. This vehicle will carry all the rescue equipment used to extricate patients involved in motor vehicle accidents, the fire department’s Low Slope and High Angle Rope Rescue equipment along with a variety of other specialty tools.
- This vehicle also has a 40,000 Watt, PTO driven generator and is also a support unit at fire incidents where it can fill breathing air bottles, provides scene lighting which makes it safer for fire fighters to work in those conditions.





2025 Goals

1. Train the Fire Chief & Deputy to the new Fire Inspector & Fire Investigator Standard	Not Started
2. Complete the Emergency Evacuation & Routing project	In Progress
3. Total Self-Contained Breathing Apparatus replacement project	✓
4. Purchase of a new used Fire Rescue Truck to replace the 25-year-old Ford	✓
5. Grant Funding for upgrades to the Emergency Operations Center	Not Started
6. Repeater tower Project of coincide the PRRD new radio system	In Progress
7. Development of ESS Team	In Progress
8. Put in place a Fire Smart Coordinator through provincial grant funding	✓

2026 Goals

1. Train the Fire Chief & Deputy to the new Fire Inspector & Fire Investigator Standard
2. Complete the Emergency Evacuation & Routing project
3. Grant Funding for upgrades to the Emergency Operations Center
4. Repeater tower Project of coincide the PRRD new radio system
5. Development of ESS Team
6. Put in place a Fire Smart Coordinator through provincial grant funding
7. To implement a recruiting program for Fire Hall #2.
8. To increase the number of inspection/re-inspections by 50
9. Train the volunteers in the operation of the new Quint

PUBLIC WORKS AND ENGINEERING

Public Works and Engineering plans, builds, operates, and maintains the District's infrastructure. The department provides core municipal services such as road maintenance, water treatment and distribution, garbage collection, stormwater management, and sewage collection and treatment. It also operates and maintains District facilities and public spaces, including campgrounds, a swimming pool, recreation facilities, and municipal buildings.

2025 Department Highlights and Achievements – Water Treatment Plant




In 2025, the Water Treatment Plant remained one of the District's highest-priority infrastructure projects. Public Works and Engineering continued to operate the existing plant with temporary components while advancing the design and construction work required to move toward a permanent, reliable surface water treatment system.

Key accomplishments included:

- Continued working with BC Hydro and the District's engineering consultants on the long-term Water Treatment Plant upgrade project.
- Completed the Water Treatment Plant roof replacement, bringing the roof up to post-disaster requirements.

- Received the new permanent clarifier, which is a major component of the future treatment system.
- Continued design work for the permanent Water Treatment Plant upgrades, including treatment process, structural, mechanical, electrical, and operational requirements.
- Awarded additional components of the Water Treatment Plant upgrade project.

2025 Goals – Water Treatment Plant

1. Collaborate with BC Hydro to get a reliable Water Treatment Plant.	In Progress
2. Water Value & Hydrant Replacement	
3. Installation of Keypads at the Residential Water Stands	In Progress
4. Reservoir Capital Upgrade	Not Started
5. Water Meter Program	Not Started
6. Final Design for Water Treatment Plant	In Progress
7. Establishing a standardized calibration strategy	In Progress
8. Development of standard operating procedures for staff	In Progress
9. Digitized record collection for improved analytics.	In Progress
10. Planned removal of reverse osmosis filter infrastructure.	
11. Receipt of permanent clarifier in late 2025.	
12. Continued education of plant Operators.	In Progress
13. Adam's Lift Station Upgrade	Not Started

2026 Goals – Water Treatment & Distribution

1. Collaborate with BC Hydro to get a reliable Water Treatment Plant
2. Complete Final Design for Water Treatment Plant
3. Install Keypads at the Residential Water Stands
4. Beryl Prairie Well – Complete Feasibility Study
5. Develop Standard Operating Procedures for Staff

6. Complete Construction & Commissioning of New Water Treatment Plant

7. Implement System-Wide SCADA

8. Complete Design for Reservoir Capital Upgrade

9. Digitize Record Collection for Improved Analytics

10. Continue Plant Operator Education


11. Adam's Lift Station Upgrade


2025 Highlights and Achievements – Sanitary Sewer, Roads, Stormwater, Facilities, and Solid Waste

- In 2025, one of the major priorities for the sanitary sewer system was completing the District's registration under the Municipal Wastewater Regulation. This work was completed in May 2025 and represents an important step in maintaining regulatory compliance for the sanitary sewer system.
- The District also received grant funding for upgrades to the Kendrick Lift Station, with most of the construction completed in 2025. The project included installation of a new building to house electrical and controls equipment, wet well improvements, new pumps, and upgraded piping. These upgrades will support the long-term reliability and operation of the lift station.
- Another key accomplishment was the completion of preliminary hazardous materials assessments for District-owned buildings. This work supports the District's Asset Retirement Obligation reporting requirements, which are a relatively new legislated requirement for local governments.

Additional priorities and their statuses from 2025 are summarized below.

2025 Public Works Goals - Sewer, Roads, Stormwater, Facilities, and Solid Waste

1. Complete Beryl Prairie Flood Mitigation/ Paving	Not Started
2. Upgrade Kendrick Lift Station	In Progress
3. Complete MWR registration of WWTP.	
4. Sanitary Sewer Upgrade – Highway 29 Manhole Installation	Not Started
5. Installation of Lagoon Flowmeter	Not Started

6. Conduct Testing on Facilities for ARO Reporting	
7. Development of an Asset Management Plan, Strategy and Policy	In Progress
8. Improve Alwin Holland Campground	Not Started

2026 Public Works Goals - Sewer, Roads, Stormwater, Facilities, and Solid Waste

1. Complete Beryl Prairie Flood Mitigation/ Paving
2. Upgrade Kendrick Lift Station
3. Complete MWR registration of WWTP.
4. Sanitary Sewer Upgrade – Highway 29 Manhole Installation
5. Installation of Lagoon Flowmeter
6. Demolish Old Community Hall
7. Development of an Asset Management Plan, Strategy and Policy
8. Complete Preliminary Design for Replacement of Beattie Lift Sewer Forcemain
9. Implement SCADA in Sanitary Sewer System
10. Complete Electrical and Communications Upgrades at Beattie and Adams Lift Stations
11. Install Fob-Access Doors and Security Cameras at District Office and Public Works Shop

2025 Department Highlights and Achievements – Grounds and Parks

- Public Works continue to ensure the grounds and parks are maintained to a high standard. They remain highly utilized throughout the summer.
- Groundskeeping began preparing all the flower beds on May 4th. Over the course of approximately 6 weeks, this process included removing rocks, weeding, rototilling, edging and caking the soil, laying soaker hose, cleaning the nursery, unloading the flowers which arrived on May 27th, planting of the flowers and repairing irrigation, hanging baskets and setting flowerpots around the town.

- The District executed a robust playground inspection program throughout the year with an annual check in the spring, then monthly and weekly inspections throughout the summer. One playground was removed and upon the spring inspection, it was noted the one by the pool will need to be removed and replaced.

2025 Department Highlights and Achievements – Campgrounds

- The 2025 season was busy with both locals and tourists. With all the sites now available at the ATV campsite, staff have found it very well used. Repair of picnic tables were ongoing all summer at all the campgrounds.
- The 2025 season was kept busy, bustling with locals and tourists alike from near and far, in all campgrounds this year.
- There was fire ban early in the summer which didn't last long so our firewood sales were up from the previous year, and the fact that they were good quality, it sold quite well. Staff made every effort to accommodate campers: however, operational demands made this difficult on some days.
- Some signage was installed for no parking in the beach area.

2026 Goals for Campgrounds

King Gething Goals

- ✓ Replace picnic tables.
- ✓ Install RV hook-ups for sites 1 through 7.
- ✓ Replace fire pits

Alwin Holland Goals

- ✓ Replace picnic tables
- ✓ Install concrete barriers on sharp corner on Alwin Holland Road
- ✓ Cut grass more frequently and include cutting on weekends

ATV Campsites Dinosaur Lake Goals

- ✓ Install number posts properly
- ✓ Install entrance sign
- ✓ Place new picnic tables
- ✓ Place new A&B plates for number posts
- ✓ Install signage related to proper ATV use
- ✓ Install new firepits

Dinosaur Lake Goals

- ✓ Replace entrance signs
- ✓ Install signage related to proper ATV use
- ✓ Remove BBQ pits
- ✓ Update website to include ATV use rules
- ✓ Install new picnic tables and firepits
- ✓ Conduct grass cutting on weekends


Cameron Lake Goals

- ✓ Replace entrance sign
- ✓ Update website on procedure for “no shows”
- ✓ Conduct grass cutting on weekends

RECREATION

The Recreation Services provides a broad range of recreational and educational opportunities for persons for residents of all ages and abilities. A wide variety of activities and programs are offered throughout the year, including services and events at the swimming pool and arena, as well as community special events that support community well-being, inclusion and social connection.

2025 Goals

1. Pool Liner Replacement and Leak Detection Project	In Progress
2. Pool Mechanical Room Upgrade	Not Started
3. Areana Upgrade – Kitchen Upgrade	In Progress
4. Curling Rink Upgrade - Ice Plant Refrigerant Detection System	
5. Obtain community feedback on recreational programs and events.	Ongoing
6. Conduct regular assessments of current programs	Ongoing
7. Increase participation in community events	Ongoing
8. Conduct an accessibility audit of all recreational facilities	In Progress
9. Partner with local organizations/groups to jointly host events and programs.	Ongoing
10. Establish a local recreation advisory group	Not Started
11. Implement facility data tracking software	Not Started

2025 Department Highlights and Achievements – Arena and Curling Rink

- Arena and Recreation overall was a very successful season. Hiring two new team staff members and the implementation of incorporating recreation/arena attendant roles, served well in execution of exciting, well attended community events as well as arena operations.
- The Arena served 1,241 users during the 2025 season, reflecting an increase of almost 10% from the previous season. The facility was fully staffed with one full-time employee and two Arena/Recreation Attendant employees.
- The Arena was used as a community hub this year with multiple events being held there such as Teen Nights, Skate and Create, movie nights and themed skates. These events not only promoted physical activity but also provided enjoyable recreational opportunities for residents of all ages.

2025 Department Highlights and Achievements – Pool

- Despite a delayed opening, the Hudson's Hope Pool welcomed nearly 2,000 visitors during the 2025 season.
- The facility was fully staffed, including two supervisors, two senior lifeguards, four junior lifeguards, and three receptionists.
- Throughout the season, several sessions of swimming lessons were delivered by qualified instructors to support water safety and skill development within the community.

2025 Department Highlights and Achievements – Visitor Centre

- The Visitor Information Centre recorded more than 1,350 visitors during the 2025 season, which was consistent with visitor volumes in 2024.
- The Visitor Information Centre began the season fully staffed with one supervisor, one full-time summer student, and one part-time summer student. Two staff members returned to post-secondary studies before the end of the season, resulting in staffing challenges.
- Key goals for the 2025 season included increasing social media engagement and strengthening collaboration with regional Visitor Information Centres and local attractions to encourage visitor traffic. Staff supported these efforts by hosting the third annual Dudley's Quest and participating in several Farmer's Markets, helping to promote tourism and community engagement.

2025 Special Events/Recreation Program Highlights

- Senior's Trips – twice monthly trips to Chetwynd/FSJ for shopping/swimming for local seniors.

- Winter Fest - a seven-day community celebration featuring family trivia, fitness and art programming, sledding at the Ski Hill, youth club activities in partnership with the Hudson's Hope Public Library, the Peace Region Hockey Tournament, a doubles curling bonspiel with the Bullhead Mountain Curling Club, a guided hike with Hope for Health, an archery fun shoot, a CanSkate workshop, and additional recreational and cultural activities. The community wind-up dinner attracted more than 160 attendees.
- Family Day: Fun movie night at the Arena with skating and snacks.
- Paint the Ice Party: Second annual event to end the Arena season.
- St. Patrick's Day Bingo Night: Family bingo at hosted at Maverick's Bar & Grill.
- Easter Activity: Event held at the Arena, which was well attended. Activities included games, crafts and an egg hunt.
- Annual Day of Mourning: Ceremony held on April 28th.
- Community Better Challenge: Month-long event with daily fitness classes and community activities; Hudson's Hope ranked 6th in BC for most active community.
- Canada Day: Community event featuring games, live entertainment, crafts, and BBQ in partnership with Hudson's Hope Lions Club. This event brought out over 250 community members.
- Color Run: held a Color Run for the second time in Hudson's Hope
- Farmer's Market Pop-Ups: Participated in markets with events like 'Make Your Own Market Bag' and face painting and games.
- Indoor Skate Park: Utilized Arena off-season; skate park funded by a Northern Health grant.
- Play in the Park: Multiple sessions held throughout the summer
- Family Trivia Night
- Fall Sign-Up Night: Collaborative event with local clubs and organizations.
- Catch Me If You Can
- Frightful Frolics
- Remembrance Day Ceremony & Tea
- Veteran's Dinner: Intimate gathering at Williston Lake Lodge.
- Christmas Parade & Light Up

- Santa Skate: Annual skate with Santa
- Christmas Town Light Up Contest

2026 Goals

1. Pool Liner Replacement and Leak Detection Project
2. Pool Mechanical Room Upgrade
3. Arena Upgrade – Kitchen Upgrade
4. Obtain community feedback on recreational programs and events.
5. Conduct regular assessments of current programs
6. Increase participation in community events
7. Conduct an accessibility audit of all recreational facilities
8. Partner with local organizations/groups to jointly host events and programs.
9. Establish a local recreation advisory group
10. Implement facility data tracking software
11. Re-Build Arena Compressor
12. Install Additional Insulation in Arena Roof Assembly
13. Install new playground equipment in Pool Park
14. Bring Arena Bleachers up to Code
15. Complete assessment for Arena Dehumidifier Access
16. Implement new Arena Dehumidifier Access





























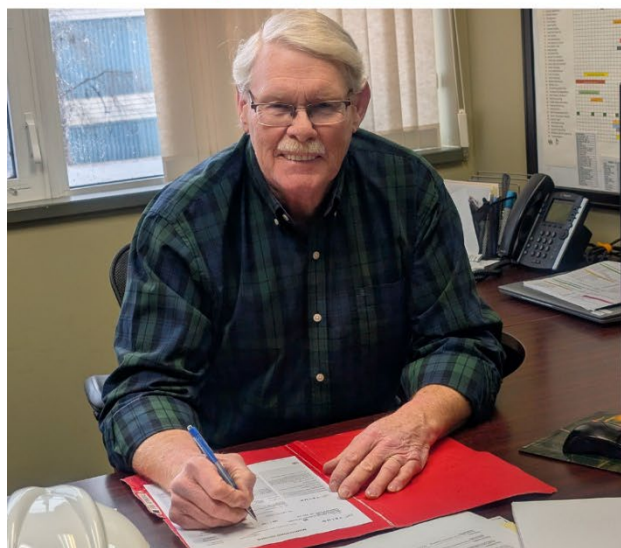






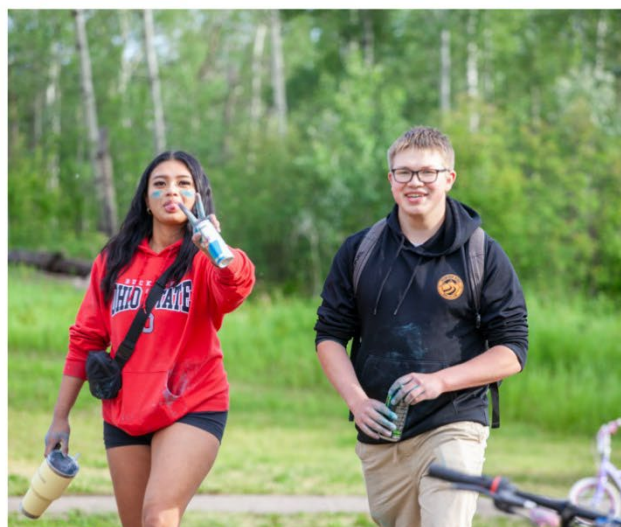


























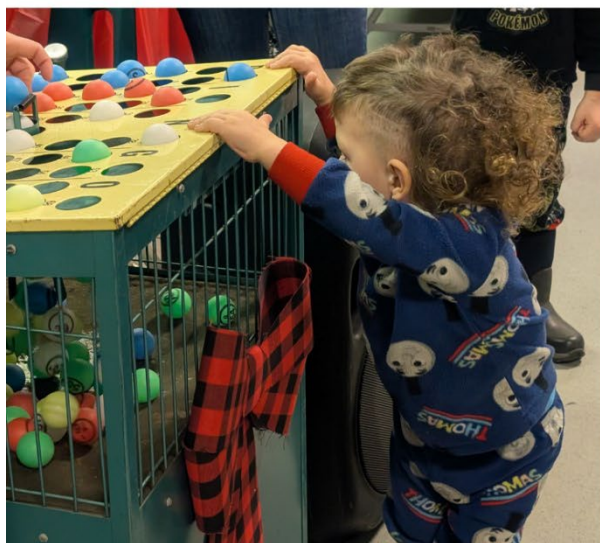




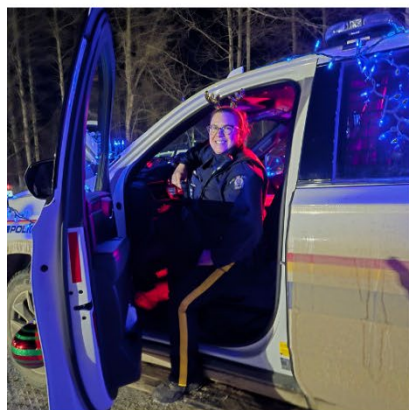


















STATEMENT OF DISQUALIFICATIONS

There were no Councillors disqualified during 2025.

STATEMENT OF TAX EXEMPTIONS

Reference Bylaw No. 919, 2020 (Effective Until 2029)

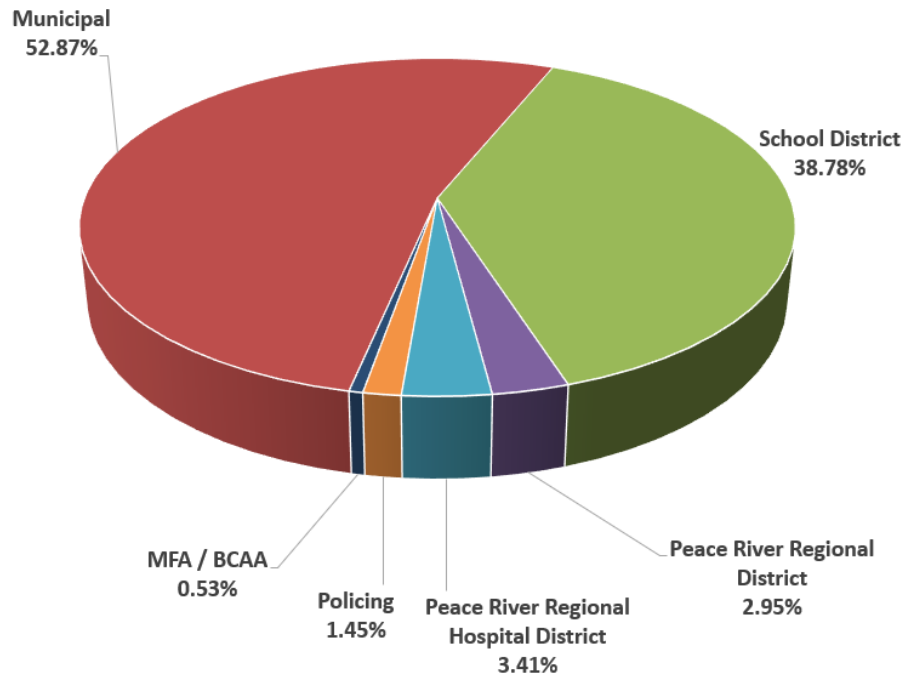
The following buildings and land received exemption from taxation for the 2025 taxation year as per sections 220 & 224 of the Community Charter.

Roll#	Organization	Class	Assessment		Tax Rate	Total Tax Exempted
40420.040	ANGLICAN SYNOD DIOCESE OF CALEDONIA	8	124,300	(bldg)	3.2500	403.98
		8	102,100	(land)	3.2500	331.83
04955.000	DOUBLE "H" SADDLE CLUB	6	110,000	(bldg)	10.2500	1,127.50
		8	109,000	(land)	3.2500	354.25
01035.000	DOUBLE H SADDLE CLUB	6	52,100	(bldg)	10.2500	534.03
		8	125,000	(land)	3.2500	406.25
00635.000	FRIENDS OF HUDSON'S HOPE SOCIETY	6	157,000	(bldg)	10.2500	1,609.25
		6	52,100	(land)	10.2500	534.03
01655.000	RUXTON HELEN R	6	18,000	(land)	10.2500	184.50
00594.000	HUDSON'S HOPE (DISTRICT) BULLHEAD MOUNTAIN CURLING	6	1,597,000	(bldg)	10.2500	16,369.25
		6	92,700	(land)	10.2500	950.18
00569.100	HOUSE OF HOPE COMMUNITY CURCH	8	200,000	(bldg)	3.2500	650.00
		8	39,400	(land)	3.2500	128.05
		6	39,500	(land)	10.2500	404.88
04303.000	HOUSE OF HOPE COMMUNITY CURCH	8	72,100	(bldg)	3.2500	234.33
		8	42,600	(land)	3.2500	138.45
04425.000	HUDSON'S HOPE HEALTH CARE & HOUSING SOCIETY	1	203,000	(bldg)	3.9200	795.76
		1	73,700	(land)	3.9200	288.90
40420.010	HUDSON'S HOPE HISTORICAL SOCIETY	6	24,000	(bldg)	10.2500	246.00
40420.020		8	158,000	(land)	3.2500	513.50
		6	48,300	(bldg)	10.2500	495.08
		8	19,600	(land)	3.2500	63.70
41090.010	HUDSON'S HOPE ROD & GUN CLUB	6	54,700	(bldg)	10.2500	560.68
41091.010		8	100,000	(land)	3.2500	325.00
		8	170,000	(land)	3.2500	552.50
41027.100	HUDSON'S HOPE SKI ASSOC	6	15,300	(bldg)	10.2500	156.83
		8	179,000	(land)	3.2500	581.75
17101.510	NORTHERN HEALTH AUTHORITY	6	1,476,000	(bldg)	10.2500	15,129.00
		6	81,800	(land)	10.2500	838.45
						44,908

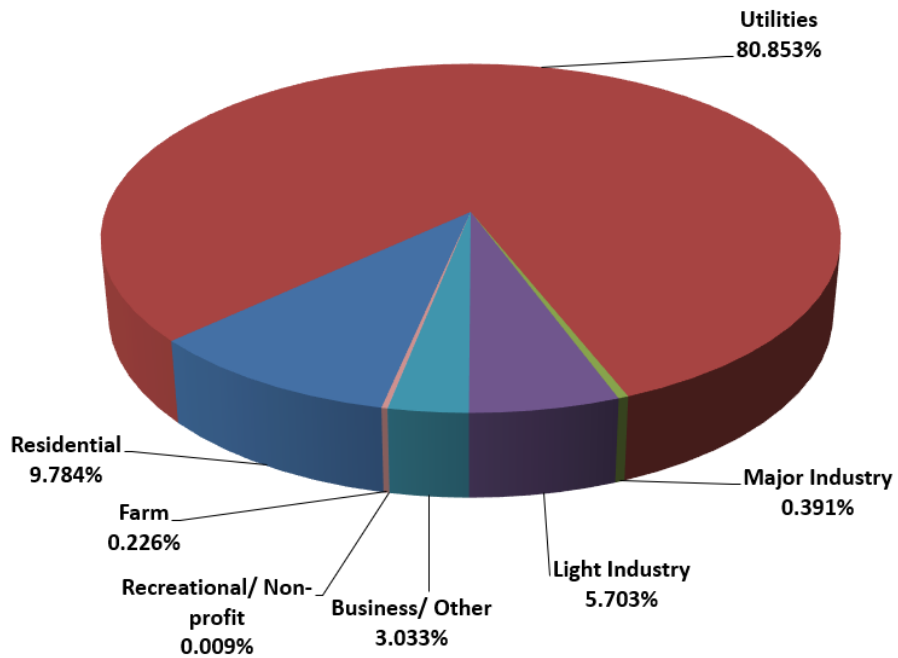
AUDITED FINANCIAL STATEMENTS

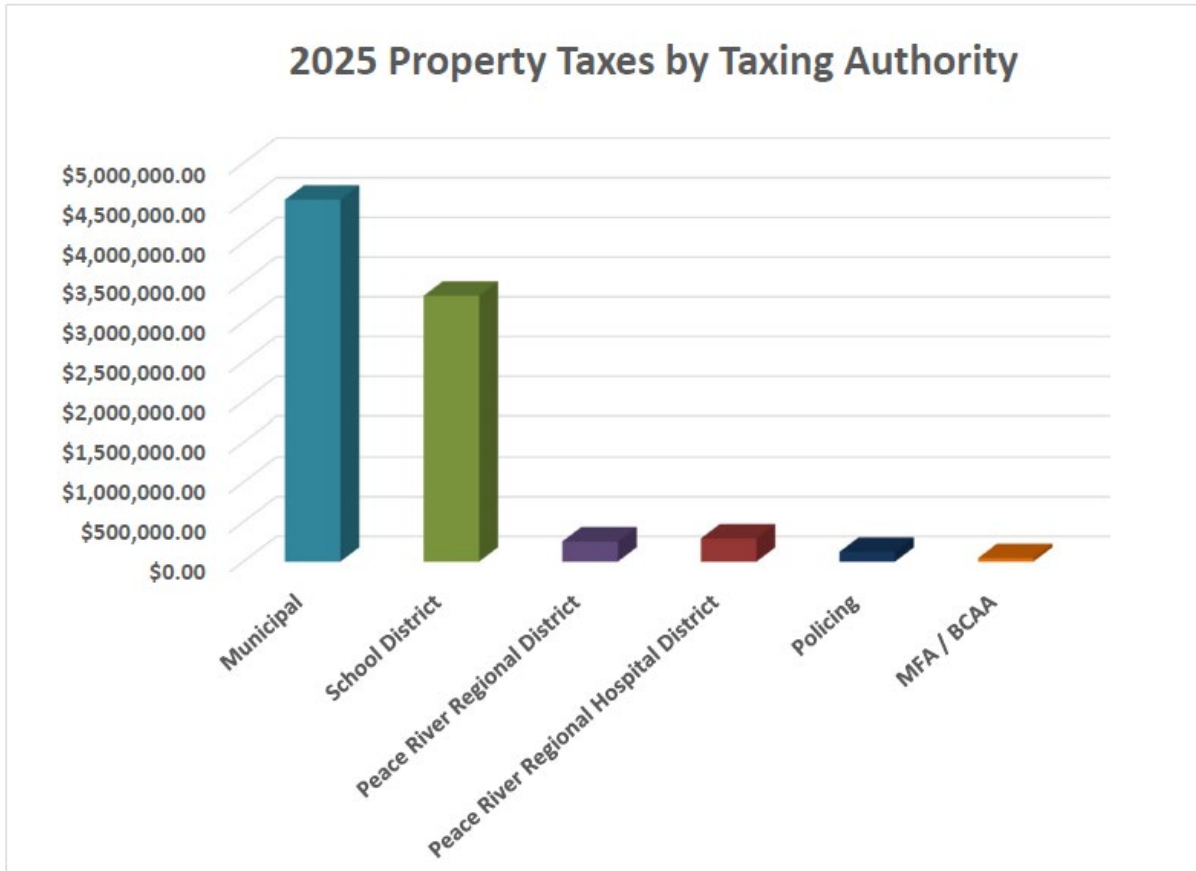


2025 Residential Tax Breakdown



2025 Property Tax Breakdown by Property Class





Consolidated Financial Statements of



DISTRICT OF HUDSON'S HOPE

And Independent Auditor's Report thereon

Year ended December 31, 2025



DISTRICT OF HUDSON'S HOPE

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**HUDSON'S
HOPE**
PLAYGROUND OF THE PEACE

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the District of Hudson's Hope (the "District") are the responsibility of the District's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

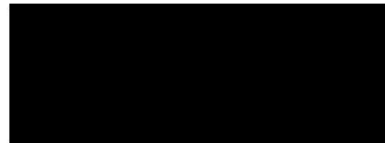
The District's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the District. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the District's consolidated financial statements.



Mrs. Crystal Brown
Chief Administrative Officer



Mrs. Tonia Alexander
Deputy Treasurer



KPMG LLP

177 Victoria Street, Suite 400
Prince George, BC V2L 5R8
Canada
Telephone (250) 563 7151
Fax (250) 563 5693

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of District of Hudson's Hope

Opinion

We have audited the consolidated financial statements of District of Hudson's Hope (the District), which comprise:

- the consolidated statement of financial position as at December 31, 2025
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of change 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 consolidated financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2025 and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises:

- Information, other than the financial statements and the auditor's report thereon, included in Schedule 1 - COVID-19 Safe Restart Grant, and Schedule 2 - Growing Community Fund Reserve



Page 2

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Information, other than the financial statements and the auditor's report thereon, included in Schedule 1 - COVID-19 Safe Restart Grant and Schedule 2 - Growing Communities Fund Reserve as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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 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.

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 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 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 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 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 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.



Chartered Professional Accountants

Prince George, Canada

May 4, 2026



**HUDSON'S
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DISTRICT OF HUDSON'S HOPE

Consolidated Statement of Financial Position

December 31, 2025, with comparative information for 2024

	2025	2024
Financial assets:		
Cash and cash equivalents (note 2)	\$ 10,355,988	\$ 10,528,790
Accounts receivable (note 3)	1,323,828	256,089
Investments (note 4)	659,000	150,000
	<u>12,338,816</u>	<u>10,934,879</u>
Financial liabilities:		
Accounts payable and accrued liabilities (note 5)	1,129,494	462,405
Deferred revenue (note 6)	362,241	1,238,447
Asset retirement obligation (note 7)	717,699	702,456
	<u>2,209,434</u>	<u>2,403,308</u>
Net financial assets	10,129,382	8,531,571
Non-financial assets:		
Tangible capital assets (note 8)	27,194,902	25,213,335
Land held for resale (note 9)	88,363	88,363
Prepaid expenses	30,728	25,342
Inventories	90,534	92,623
	<u>27,404,527</u>	<u>25,419,663</u>
Accumulated surplus (note 10)	\$ 37,533,909	\$ 33,951,234

Commitments and contingencies (note 11)

See accompanying notes to consolidated financial statements.


Mayor


Chief Administrative Officer



DISTRICT OF HUDSON'S HOPE

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2025, with comparative information for 2024

	2025 Budget (note 16)	2025 Actual	2024 Actual
Revenue (note 18):			
Net taxation revenue (note 12)	\$ 4,538,939	\$ 4,567,107	\$ 4,316,489
Grants in lieu of taxes	2,131,183	2,348,964	2,129,729
Sales of services and user charges (note 13)	877,723	486,596	455,643
Government transfers: (note 14)			
Provincial	7,371,540	3,398,229	1,379,182
Federal	107,033	107,033	107,033
Investment income	-	227,836	132,541
Other	186,282	210,831	169,613
Total revenue	15,212,700	11,346,596	8,690,230
Expenses (note 18):			
General government services and administration	2,698,274	2,886,912	2,646,359
Protective services	931,830	542,724	470,131
Public works services	2,116,590	1,375,503	1,526,946
Environmental and public health services	181,000	44,184	127,421
Economic development services	75,000	51,820	55,477
Recreation and cultural services	1,156,299	928,002	909,100
Planning, development and bylaw services	403,162	238,547	217,588
Sanitary sewer systems	897,450	222,424	198,152
Water utility systems	139,850	1,473,805	1,213,730
Total expenses	8,599,455	7,763,921	7,364,904
Annual surplus	6,613,245	3,582,675	1,325,326
Accumulated surplus, beginning of year	33,951,234	33,951,234	32,625,908
Accumulated surplus, end of year	\$ 40,564,479	\$ 37,533,909	\$ 33,951,234

See accompanying notes to consolidated financial statements.



DISTRICT OF HUDSON'S HOPE

Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2025, with comparative information for 2024

	2025 Budget (note 16)	2025	2024
Annual surplus	\$ 6,613,425	\$ 3,582,675	\$ 1,325,326
Acquisition of tangible capital assets	(10,260,753)	(3,391,534)	(1,379,886)
Amortization of tangible capital assets	-	1,408,010	1,357,949
Gain on sale of tangible capital assets	-	(11,954)	(24,955)
Proceeds on sale of tangible capital assets	-	13,911	37,304
	(3,647,328)	1,601,108	1,315,738
Use of inventories	-	2,089	(8,274)
Use of prepaid expenses	-	25,342	120,262
Acquisition of prepaid expenses	-	(30,728)	(25,342)
Change in net financial assets	(3,647,328)	1,597,811	1,402,384
Net financial assets, beginning of year	8,531,571	8,531,571	7,129,187
Net financial assets, end of year	\$ 4,884,243	\$ 10,129,382	\$ 8,531,571

See accompanying notes to consolidated financial statements.



DISTRICT OF HUDSON'S HOPE

Consolidated Statement of Cash Flows

Year ended December 31, 2025, with comparative information for 2024

	2025 Actual	2024 Actual
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 3,582,675	\$ 1,325,326
Items not involving cash:		
Amortization of tangible capital assets	1,408,010	1,357,949
Gain on sale of tangible capital assets	(11,954)	(24,955)
Changes in non-cash operating working capital:		
Accounts receivable	(1,067,739)	1,071,319
Inventories	2,089	(8,274)
Accounts payable and accrued liabilities	667,089	216,446
Prepaid expenses	(5,386)	94,920
Asset retirement obligation	15,243	-
Deferred revenue	(876,206)	185,354
	131,146	2,892,759
Capital activities:		
Proceeds on sale of tangible capital assets	13,911	37,304
Acquisition of tangible capital assets	(3,391,534)	(1,379,886)
	(3,377,623)	(1,342,582)
Investing activities:		
Purchase of investments	(509,000)	(150,000)
	(509,000)	(150,000)
(Decrease) increase in cash and cash equivalents	(172,802)	2,725,503
Cash and cash equivalents, beginning of year	10,528,790	7,803,287
Cash and cash equivalents, end of year	\$ 10,355,988	\$ 10,528,790

See accompanying notes to consolidated financial statements.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements

Year ended December 31, 2025

Nature of operations:

The District of Hudson's Hope (the "District") was incorporated in 1965 as a District Municipality under the Community Charter, formerly the Municipal Act, a statute of the Province of British Columbia. Its principal activities include the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water, sanitary sewer and fiscal services.

1. Significant accounting policies:

The consolidated financial statements of the District are prepared in accordance with Canadian generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the District are as follows:

(a) Basis of consolidation:

(i) Consolidated entities:

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the District and which are owned or controlled by the District.

(ii) Accounting for Region and School Board Transactions:

The taxation, other revenues, expenses, assets and liabilities with respect to the operation of the Region and the School Board are not reflected in these consolidated financial statements.

(iii) Trust funds:

Trust funds and their related operations administered by the District are not included in these consolidated financial statements.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(b) Basis of accounting:

The District follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Cash and cash equivalents:

Cash and cash equivalents consist of cash on hand less outstanding cheques and deposits with a maturity of less than three months at the time of purchase and term deposits with a maturity of less than one year at acquisition. When outstanding cheques are in excess of cash on hand, the excess is reported in bank indebtedness.

(d) Investments:

Investments are recorded at cost, adjusted for amortization of premiums or discounts. Provisions for losses are recorded when they are considered to be other than temporary.

(e) Revenue recognition:

The District recognizes revenue in accordance with the provisions of the Community Charter. The District is required to act as the agent for the collection of certain taxes and fees imposed by other authorities. Collections for other authorities are excluded from the District's taxation revenues.

The District is entitled to collect interest and penalties on overdue taxes. This revenue is recorded in the period the interest and penalties are levied.

Revenue from the sales of services and user charges, as well as other revenue, are recorded as revenue when the performance obligations are met.

Revenue unearned in the current period is reported on the consolidated statement of financial position as deferred revenue.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(f) Government transfers:

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfer revenue is recognized in the statements of operations as stipulations for liabilities are settled.

(g) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding agency or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

(h) Non-financial 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, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful life - years
Building and site improvements	10 - 50
Machinery and equipment	5 - 25
Road infrastructure	15 - 40
Water and sanitary sewer infrastructure	15 - 40



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(h) Non-financial assets (continued):

(i) Tangible capital assets (continued):

Annual amortization is charged in the year that an asset becomes available for productive use and in the year of disposal.

Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions to 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) Interest capitalization:

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

(iv) Land held for resale:

Land held for sale is recorded at the lower of cost and net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing.

(v) Inventories:

Inventories consist of crushed gravel and sand. Inventories are valued at the lower of cost and replacement cost with cost determined using a moving average basis.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(i) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value as at the reporting date. All other financial instruments are subsequently measured at cost or amortized cost, unless the District has elected to carry the instruments at fair value. The District has not elected to carry any such financial instruments at fair value.

Unrealized changes in fair value would be recognized on the consolidated statement of remeasurement gains and losses. They are recorded in the consolidated statement of operations when they are realized. There are no unrealized changes in fair value as at December 31, 2025 and December 31, 2024. As a result, the District does not have a consolidated statement of remeasurement gains and losses.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. Transaction costs incurred on the acquisition of financial instruments recorded at cost or amortized cost are included in the cost.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the consolidated statement of operations.

(j) 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Items subject to such estimates and assumptions include the carrying amount of tangible capital assets, accounts payable and accrued liabilities and asset retirement obligations. Actual results could differ from these estimates.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(k) 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:

- i) an environmental standard exists;
- ii) contamination exceeds the environmental standard;
- iii) the organization is directly responsible or accepts responsibility for the liability;
- iv) future economic benefits will be given up, and
- v) a reasonable estimate of the liability can be made.

(l) Asset retirement obligations:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- 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 recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the amortization policies outlined in (h)(i).



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(m) Future accounting pronouncements::

These standards and amendments were not effective for the year ended December 31, 2025, and have therefore not been applied in preparing these consolidated financial statements. Management is currently assessing the impact of the following accounting standards updates on the future consolidated financial statements.

- (i) Concepts Underlying Financial Performance. The revised conceptual framework will replace the existing conceptual framework, which consists of Section PS 1000, Financial Statement Concepts, and Section PS 1100, Financial Statement Objectives. The conceptual framework is to be adopted prospectively. This revised conceptual framework is effective for fiscal years beginning on or after April 1, 2026.
- (ii) PS 1202, Financial Statement Presentation, will replace the current section PS 1201. The Village is currently assessing the impact of this standard on the future consolidated financial statements. Prior period amounts would need to be restated to conform to the presentation requirements for comparative financial information. This standard is effective for fiscal years beginning on or after April 1, 2026.
- (iii) PS 3251, Employee Benefits, will replace the current sections PS 3250 and PS 3255. The proposed section is currently undergoing discussions where further changes are expected as a result of the re-exposure comments. Effective date is currently not determined.

2. Cash and cash equivalents:

The District has established a \$200,000 operating line of credit, which bears interest at prime and is secured by term deposits and accounts receivable. As at December 31, 2025 borrowing against the operating line of credit was nil (2024 - nil).



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

3. Accounts receivable:

	2025	2024
Grants	\$ 272,054	\$ 120,333
BC Hydro	782,702	-
Sales tax	124,315	39,037
Other	91,366	23,480
Taxes	53,391	73,239
	\$ 1,323,828	\$ 256,089

4. Investments:

	Maturity	Interest Rate	2025	2024
Term Deposit - Beem Credit Union	April 2026	3.15%	\$ 428,000	\$ -
Term Deposit - Beem Credit Union	April 2026	3.15%	231,000	-
Term Deposit - Beem Credit Union	August 2025	4.70%	-	150,000
			\$ 659,000	\$ 150,000

5. Accounts payable and accrued liabilities:

	2025	2024
Accounts payable - trade	\$ 937,199	\$ 289,435
Wages and related costs payable	188,170	155,467
Government remittances	2,300	15,678
Cemetery	1,825	1,825
	\$ 1,129,494	\$ 462,405



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

6. Deferred revenue:

	2024	Contributions received	Contributions brought into revenue	2025
BC Hydro	\$ 491,763	\$ -	\$ (341,763)	\$ 150,000
Province of BC	736,306	42,000	(601,258)	177,048
Northern Health	10,378	-	(10,378)	-
UBCM	-	86,010	(50,817)	35,193
	\$ 1,238,447	\$ 128,010	\$ (1,004,216)	\$ 362,241

7. Asset retirement obligation:

The District owns and operates several buildings, as well as water and sewer infrastructure that are known to have hazardous material, which represents a health hazard upon demolition or removal of the assets and there is a legal obligation to remove it. Following the adoption of PS 3280 - Asset Retirement Obligations, the District recognized an obligation relating to the removal and post-removal care of the hazardous materials.

	2025	2024
Asset retirement obligation, beginning of year	\$ 702,456	\$ 702,456
Increase in obligation	15,243	-
Asset retirement obligation, end of year	\$ 717,699	\$ 702,456



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

8. Tangible capital assets:

	2025							
	Land	Buildings and site improvements	Machinery and equipment	Road infrastructure	Water infrastructure	Sanitary sewer infrastructure	Work in progress	Total
Cost:								
Balance, beginning of year	\$ 2,181,118	\$ 10,828,003	\$ 9,183,991	\$ 7,109,835	\$ 8,922,175	\$ 4,775,930	\$ 321,629	\$ 43,322,681
Additions	235,000	635,187	943,705	-	577,326	19,662	980,654	3,391,534
Disposals	-	-	(89,958)	-	-	-	-	(89,958)
Balance, end of year	2,416,118	11,463,190	10,037,738	7,109,835	9,499,501	4,795,592	1,302,283	46,624,257
Accumulated amortization:								
Balance, beginning of year	-	5,125,864	4,274,579	4,193,749	3,363,269	1,151,885	-	18,109,346
Amortization expense	-	265,790	491,872	135,140	400,539	114,669	-	1,408,010
Disposal	-	-	(88,001)	-	-	-	-	(88,001)
Balance, end of year	-	5,391,654	4,678,450	4,328,889	3,763,808	1,266,554	-	19,429,355
Net book value, end of year	\$ 2,416,118	\$ 6,071,536	\$ 5,359,288	\$ 2,780,946	\$ 5,735,693	\$ 3,529,038	\$ 1,302,283	\$ 27,194,902



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

8. Tangible capital assets (continued):

	2024							
	Land	Buildings and site improvements	Machinery and equipment	Road infrastructure	Water infrastructure	Sanitary sewer infrastructure	Work in progress	Total
Cost:								
Balance, beginning of year	\$ 2,173,987	\$ 10,696,869	\$ 8,555,867	\$ 7,090,589	\$ 8,876,378	\$ 4,763,386	\$ 49,635	\$ 42,206,711
Additions	7,131	159,577	863,597	19,246	45,797	12,544	271,994	1,379,886
Disposals	-	(28,443)	(235,473)	-	-	-	-	(263,916)
Balance, end of year	2,181,118	10,828,003	9,183,991	7,109,835	8,922,175	4,775,930	321,629	43,322,681
Accumulated amortization:								
Balance, beginning of year	-	4,891,930	4,049,167	4,057,985	2,966,544	1,037,338	-	17,002,964
Amortization expense	-	255,457	455,456	135,764	396,725	114,547	-	1,357,949
Disposal	-	(21,523)	(230,044)	-	-	-	-	(251,567)
Balance, end of year	-	5,125,864	4,274,579	4,193,749	3,363,269	1,151,885	-	18,109,346
Net book value, end of year	\$ 2,181,118	\$ 5,702,139	\$ 4,909,412	\$ 2,916,086	\$ 5,558,906	\$ 3,624,045	\$ 321,629	\$ 25,213,335



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

9. Land held for resale:

Land held for resale consists of four lots in relation to the Lucas subdivision.

	2025	2024
Net book value of land held for resale	\$ 88,363	\$ 88,363

10. Accumulated surplus:

	2025	2024
Surplus (deficit):		
Invested in tangible capital assets	\$ 26,492,448	\$ 24,510,879
General fund	8,019,590	5,275,228
Water utility fund	(1,104,603)	42,790
Sanitary sewer utility fund	(210,405)	104,438
	33,197,030	29,933,335
Reserve funds set aside for specific purposes by Council:		
Public works, infrastructure and equipment	2,502,052	2,304,204
General capital and office equipment	1,108	63,632
Water capital, infrastructure and equipment	303,576	26,185
Sewer capital, infrastructure and equipment	343,810	109,124
Tax sale properties	237,118	230,759
Community hall	154,289	185,110
Land	204,487	427,648
Growing Communities Fund	590,439	671,237
	4,336,879	4,017,899
	\$ 37,533,909	\$ 33,951,234



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

11. Commitments and contingencies:

- (a) The District is responsible, as a member of the Peace River Regional District, for its portion of any operating deficits or capital debt related to functions in which it participates. Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.
- (b) The District and its employees contribute to the Municipal Pension Plan (a jointly trustees 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, 2024, the plan has about 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 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, 2024, indicated a \$2,675 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2027.

The District paid \$162,989 (2024 - \$148,902) for employer contributions to the plan in fiscal 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.

DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

11. Commitments and contingencies (continued):

- (c) The District is obligated to collect and transmit property taxes levied on Hudson's Hope taxpayers in respect of the following bodies:

Ministry of Education, Province of British Columbia
Peace River Regional District
British Columbia Assessment Authority
Municipal Finance Authority
Peace River Regional Hospital District
Royal Canadian Mounted Police

- (d) The District is a participant in the Municipal Insurance Association of British Columbia. Should the Association pay out claim in excess of premiums received, it is possible that the District, along with other participants, would be required to contribute toward the deficit. Management does not consider external payment under this contingency to be likely and therefore no amounts have been accrued.
- (e) The District has entered into a contract with Hudson's Hope Public Library Association (the "Library") to provide financial assistance to the Library for library services. The term of the contract is for four years commencing on January 1, 2022 with annual payments consisting of \$125,638 plus 1.7% per year to be paid to the Library
- (f) The District has entered into a contract with Hudson's Hope Historical Society and Museum (the "Museum") to provide financial assistance towards the operations of the Museum. The term of the contract is three years commencing on May 5, 2025 with annual payments consisting of \$92,949 plus 1.5% per year to be paid to the Museum.
- (g) The District may, from time to time, be involved in legal proceedings, claims and litigation that arise in the normal course of business. At December 31, 2025, there is a claim outstanding and management has determined the outcome to be undeterminable and thus no accrual has been recorded. It is considered that the potential claim would not materially affect the District's financial statements and any amounts ultimately settled will be recorded in the period which the claim is resolved.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

12. Net taxation revenue:

The District is required to collect taxes on behalf of and transfer these amounts to the government agencies noted below:

	2025	2024
Taxes collected:		
General purposes	\$ 4,563,611	\$ 4,305,667
Collections for other governments	4,065,021	3,951,286
	<u>8,628,632</u>	<u>8,256,953</u>
Less transfers to other governments:		
Province of British Columbia - school taxes	3,327,067	3,222,905
Peace River Regional District	269,635	268,632
Peace River Regional Hospital District	295,506	286,540
Royal Canadian Mounted Police	123,539	118,112
B.C. Assessment Authority	45,674	44,175
Municipal Finance Authority	104	100
	<u>4,061,525</u>	<u>3,940,464</u>
	<u>\$ 4,567,107</u>	<u>\$ 4,316,489</u>

13. Sales of services and user charges:

The District recognizes sales of services and user charges as revenues in the period in which the services are provided. The sales of services and user charges reported on the consolidated statement of operations and accumulated surplus are as follows:

	2025	2024
Water utility	\$ 159,998	\$ 129,456
Sewer system	84,562	78,245
General government services	33,555	36,699
Planning, development and bylaw services	6,376	8,320
Environmental and public health services	92,669	88,383
Recreation and cultural services	109,436	114,540
	<u>\$ 486,596</u>	<u>\$ 455,643</u>



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

14. Government transfers:

	2025	2024
Revenue:		
Provincial grants:		
LGPS Firesmart Grant (UBCM)	\$ 92,485	\$ -
BC Hydro	1,478,436	49,730
Federation of Canadian Municipalities	10,000	10,000
Northern Development Initiative Trust	171,311	-
Peace River agreement - Fair Share	603,891	679,958
Small Community grant	316,000	350,500
Tourism BC grant	15,000	18,750
Northern Health	10,378	-
Canada Summer Student grant	9,969	12,065
Economic Development Capacity Building grant	50,000	47,619
Capacity Funding for Local Government Housing	82,266	72,432
Self Contained Breathing Apparatus Replacement	-	24,182
Indigenous Engagement grant	34,166	11,670
Local Government Development grant	22,000	22,000
Kendrick Lift Station upgrade grant	462,327	67,188
EOC Portable Kits/ Training Grant (UBCM)	40,000	13,088
	<u>3,398,229</u>	<u>1,379,182</u>
Federal grants:		
Gas tax	107,033	107,033
	<u>\$ 3,505,262</u>	<u>\$ 1,486,215</u>

15. Trust fund:

The District maintains a cemetery perpetual care fund in accordance with the Cemeteries and Funeral Services Act. As at December 31, 2025, the trust fund balance for both the liability and its corresponding term deposit is \$20,062 (2024 - \$19,530).



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

16. Budget data:

The budget data presented in these consolidated financial statements is based upon the 2025 operating and capital budgets approved by Council on May 5, 2025. Amortization was not contemplated on development of the budget and, as such, has not been included. The table below reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Budget amount
Revenues:	
Operating budget	\$ 19,343,312
Capital operations budget	10,261,253
Less:	
Collections for other governments	(4,130,612)
Transfers from reserves	(1,728,199)
Transfer to capital	(8,533,054)
	15,212,700
Expenses:	
Operating budget	21,340,070
Capital operations budget	10,260,753
Less:	
Payments to other governments	(4,130,612)
Transfers to reserves	(76,949)
Transfer to capital	(8,533,054)
Capital expenditures	(10,260,753)
	8,599,455
	\$ 6,613,245



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

17. Significant taxpayers:

The District derives a significant portion of its taxation revenue from the utility sector. Any changes in this sector could have an impact on the ongoing operations of the District.

18. Segmented information:

Segmented information has been identified based upon lines of services provided by the District. District services are provided by the departments and their activities are reported by functional area in the body of the consolidated financial statements. Certain lines of services that have been separately disclosed in the segmented information, are as follows:

(i) General Government Services and Administration:

The general government services and administration provides the functions of corporate administration and legislative services and any other functions categorized as non-departmental in the District.

(ii) Protective Services:

Protective services is comprised of the fire department and other community protection costs incurred by the District.

(iii) Public Works Services:

The public works department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, the maintenance of parks and open space, and street lighting in the District.

(iv) Environmental and Public Health Services:

Environmental and public health services is responsible for environmental programs such as waste management, which encompasses garbage collection and recycling. This segment is also responsible for rental of the doctor's office in the District.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

18. Segmented information: (continued):

(v) Environment Development Services:

Environmental development services is responsible for community and economic development, in regard to community development projects.

(vi) Planning, Development and Bylaw Services:

Planning, development and bylaw services is responsible for community planning (OCP), zoning, bylaw enforcement, animal control and building inspection in the District.

(vii) Recreation and Culture Services:

Recreational and cultural services provides various recreational and cultural opportunities to the residents and visitors of the District, including the library, pool, arena, community hall, tourism information centre and museum.

(viii) Water Utility Systems:

The water utility installs and maintains water mains, pump stations and the water treatment plant. The treatment and distribution of water in the District is included in this segment.

(ix) Sanitary Sewer Systems

The sanitary sewer utility installs and maintains sewer mains, lift stations and the sewage treatment facility. The collection and treatment of sewage in the District is included in this segment.

Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation and payments-in-lieu of taxes are allocated to the segments based on the segment that generated the revenue. Development charges earned and developer contributions received were allocated to the segment for which the charge was collected.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 1.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

18. Segmented information: (continued):

	2025									
	General Government Services and Administration	Protective Services	Public Works Services	Environmental and Public Health Services	Economic Development Services	Planning, Development and Bylaw Services	Recreation and Culture Services	Water Utility System	Sanitary Utility System	Total
Revenue:										
Taxation	\$ 4,567,107	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,567,107
Government transfers	2,026,826	-	-	-	-	-	-	1,478,436	-	3,505,262
Grants in lieu	2,348,964	-	-	-	-	-	-	-	-	2,348,964
Sales of services and user charges	32,880	-	-	92,669	-	6,426	109,386	160,673	84,562	486,596
Other	210,831	-	-	-	-	-	-	-	-	210,831
Investment income	227,836	-	-	-	-	-	-	-	-	227,836
Total revenues	9,414,444	-	-	92,669	-	6,426	109,386	1,639,109	84,562	11,346,596
Expenses:										
Salaries, wages and employee benefits	1,153,462	275,671	1,022,079	-	-	-	413,385	198,107	43,584	3,106,288
Operating	392,616	219,148	300,115	44,959	1,820	41,173	514,146	866,796	52,694	2,433,467
Legislature	181,801	-	-	-	-	214	-	-	-	182,015
Amortization	881,326	-	-	-	-	-	-	400,538	126,146	1,408,010
Interest	908	-	-	-	-	-	-	-	-	908
Insurance	184,689	3,349	53,309	-	-	2,162	471	-	-	243,980
Professional services	92,110	44,556	-	-	50,000	194,998	-	8,364	-	390,028
Garbage disposal	-	-	-	(775)	-	-	-	-	-	(775)
Total expenses	2,886,912	542,724	1,375,503	44,184	51,820	238,547	928,002	1,473,805	222,424	7,763,921
Annual surplus (deficit)	\$ 6,527,532	\$ (542,724)	\$ (1,375,503)	\$ 48,485	\$ (51,820)	\$ (232,121)	\$ (818,616)	\$ 165,304	\$ (137,862)	\$ 3,582,675



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

18. Segmented information: (continued):

2024										
	General Government Services and Administration	Protective Services	Public Works Services	Environmental and Public Health Services	Economic Development Services	Planning, Development and Bylaw Services	Recreation and Culture Services	Water Utility System	Sanitary Utility System	Total
Revenue:										
Taxation	\$ 4,316,489	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,316,489
Government transfers	1,453,300	-	-	-	-	-	-	32,915	-	1,486,215
Grants in lieu	2,129,729	-	-	-	-	-	-	-	-	2,129,729
Sales of services and user charges	36,699	-	-	88,383	-	8,320	114,540	129,456	78,245	455,643
Other	169,613	-	-	-	-	-	-	-	-	169,613
Investment income	132,541	-	-	-	-	-	-	-	-	132,541
Total revenues	8,238,371	-	-	88,383	-	8,320	114,540	162,371	78,245	8,690,230
Expenses:										
Salaries, wages and employee benefits	964,865	246,391	1,177,765	-	-	-	316,413	205,012	35,576	2,946,022
Operating	346,450	188,617	301,724	62,402	55,477	41,252	591,777	611,527	36,772	2,235,998
Legislature	195,621	-	-	-	-	1,579	-	-	-	197,200
Amortization	834,954	-	-	-	-	-	-	397,191	125,804	1,357,949
Insurance	233,679	3,334	47,457	-	-	2,143	910	-	-	287,523
Professional services	70,790	31,789	-	-	-	172,614	-	-	-	275,193
Garbage disposal	-	-	-	65,019	-	-	-	-	-	65,019
Total expenses	2,646,359	470,131	1,526,946	127,421	55,477	217,588	909,100	1,213,730	198,152	7,364,904
Annual surplus (deficit)	\$ 5,592,012	\$ (470,131)	\$ (1,526,946)	\$ (39,038)	\$ (55,477)	\$ (209,268)	\$ (794,560)	\$ (1,051,359)	\$ (119,907)	\$ 1,325,326



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

19. Comparative information

Certain 2024 comparative information has been reclassified. The changes had no impact on prior year annual surplus.



DISTRICT OF HUDSON'S HOPE

Schedule 1 - COVID-19 Safe Restart Grant

Year ended December 31, 2025
(Unaudited)

In November 2020, the District of Hudson's Hope was the recipient of a \$499,000 grant under the COVID-19 Safe Restart for Local Governments program from the Province of BC. Due to the conditions of use this grant funding allows local governments to use the funding where the greatest need arises, the initial \$499,000 amount received was considered revenue in 2020 and included in grant revenue on the consolidated statement of operations and accumulated surplus. The District allocated \$94,836 within 2025 to cover operational costs and technology upgrades within the District.

	2025
Balance of COVID-19 Safe Restart grant funds at December 31, 2024	\$ 94,836
Less amount utilized in 2025:	
Council chambers live stream system	10,625
Software & website upgrades	14,541
Protective services/emergency management/bylaw enforcement (wages, training, travel)	20,062
Council chambers renovations (chairs, electrical, TV's)	45,151
Office computers & small accessories	4,457
	94,836
Remaining COVID-19 Safe Restart grant	\$ -



DISTRICT OF HUDSON'S HOPE

Schedule 2 - Growing Communities Fund

Year ended December 31, 2025
(Unaudited)

The Province of British Columbia distributed conditional Growing Communities Fund (GCF) grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of population growth. The GCF provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia.

The District received \$905,000 of GCF funding in March 2023.

	2025
Growing Communities Fund carried forward	\$ 671,237
Interest	12,356
	<u>683,593</u>
Less amount utilized in 2025:	
Arena upgrade - condition assessment balance	11,453
Arena upgrade - freon detection	26,185
Marquee Tent - pool park	11,398
Water treatment plant - emergency pump	44,118
	<u>590,439</u>
Future project expenditures:	
Pool upgrades	78,083
Hydrant & valve replacement	20,000
Beryl Prairie water	200,000
Residential water stands keypad	25,000
Reservoir capital upgrade	40,000
SCADA software and monitoring	90,000
Water general	25,000
Unallocated future projects	22,356
Community hall feasibility	90,000
	<u>590,439</u>
	<u>\$ -</u>