

2013 ANNUAL REPORT



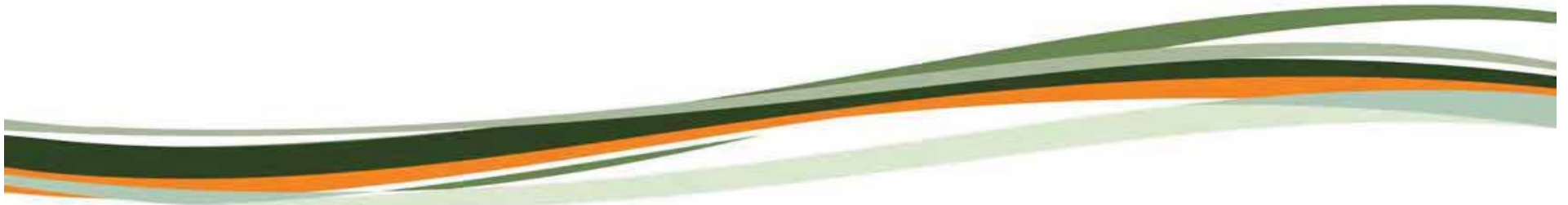
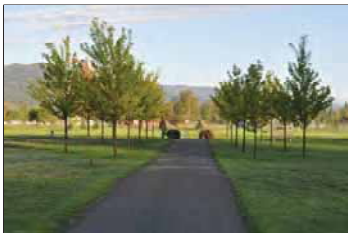
Introduction to the 2013 Annual Report

Section 98 of the Community Charter requires the District of Barriere to prepare an annual report regarding financial and operational information.

This annual report includes a progress report respecting the previous year in relation to objectives and measures established for that year. The report also sets out current and future year objectives and measures. This results in a rolling three-year reporting cycle for identifying our achievement of objectives for the previous year, and then setting objectives and measures for the current and following year.

Section 99 of the Community Charter requires that the Municipal Council annually consider, at a council meeting or other public meeting, the municipal annual report and any submissions or questions from the public.

We would like to “thank you” in advance for taking the time to review the District of Barriere’s 2013 Annual Report. Comments and feedback regarding this report or any other items that pertain to the District of Barriere are welcomed and encouraged and may be directed to our Administration or Finance Departments by calling 250.672.9751 or by email at inquiry@barriere.ca.



2013 District of Barriere Annual Report

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Council Strategic Plan

VISION

To nurture a safe, healthy and sustainable community through leadership that is inclusive and balanced.

MISSION

To provide municipal services that meet the growing needs and enrich the quality of life within our community.

VALUES

To conduct the business of the community with integrity, accountability and transparency.



Community Overview

Barriere, British Columbia is a growing, friendly and affordable community that currently boasts 1773 residents who enjoy an urban yet rural lifestyle. Barriere is located on the Yellowhead Highway, just 45 minutes north of Kamloops, BC. Barriere became a District Municipality on December 4, 2007. Barriere Council consists of the Mayor and six (6) Councillors. Local Government elections are held every three years and the next election is scheduled for the third Saturday, November 15, 2014.

Recreational opportunities are plentiful for enthusiasts of many activities including great fishing, spectacular hiking, canoeing and cross country skiing. Downhill skiing is very close at Sun Peaks Resort south of Barriere. Gentle walking trails are accessible from the town centre.

The North Thompson Fall Fair and Rodeo (NTFFR) has been held in the Barriere area every Labour Day weekend since 1950. The overall content and success of the Fair is fueled by hundreds of volunteer hours logged all year round to make this the largest single event in the North Thompson Valley. Recent statistics reveal almost 10,000 visitors over the three-day affair. There are many events including, but not limited to, exhibits, live music, a logging show, 4H judging, pony chariot racing, a full rodeo and heavy horse exhibitions. The primary focus, however, is on agriculture making the NTFFR the largest agricultural show in B.C.'s interior. The recent construction of the Agri-Plex building built in large part by community donations by the NTFFR, has enabled Barriere to welcome the *Provincial Winter Fair* and other highly anticipated events.

The *Celebration of the Arts* has grown into an annual event held in May or June of each year. It is ever-growing in popularity and the event showcases local artists in many mediums such as oil, water and acrylic painting, pottery, sculpting, glass work, quilting, weaving, photography, jewelry and First Nations skills in drum making, beading and pine needle basketry.



2013 marked Barriere's second year of participation in the *Communities in Bloom* program and was awarded 4 out of a possible 5 Blooms. The success of this outstanding achievement is credited to the dedication and hard work of so many resident volunteers that this community is fortunate to have.

Upgrading of the District of Barriere parks is an ongoing objective for Council. Areas for leisure activities for our community residents and welcomed visitors are being improved and developed. The Barriere Bandshell hosted its second season of ***Barriere Bandshell Fridays*** showcasing many of the valley's incredible musical talent. The Bandshell will continue to host many local celebrations over the years; where local talent and entertainment can bring individuals and families together to enjoy the festivities, create traditions and make lasting memories.

Message from the Mayor



2013 was a year of progress and change here in the District of Barriere.

The District entered into agreements with the Thompson Nicola Regional District which brought about the construction of a septage receiving station. This facility will provide initial treatment of septage for District and area residents and replace the use of open pits at landfill sites.

We saw the start of the construction on our new state of the art Solar Aquatics Wastewater reclamation centre which will provide an ecologically sound solution for treatment of waste water. Upon completion the facility will be one of the largest of its kind in the world. Included in the facility are spaces for ongoing research into the solar aquatics technology. The District is working towards partnering with Thompson Rivers University to have students study and improve the cutting edge technology in a hands on environment.

District Council approved a number of changes in the reporting of financial transactions to allow for a greater transparency to the public. A number of changes were also implemented around the annual audit which will provide an in depth look at the financial status of the District. The District continues to be financially sound.

The District continued to partner with and provide support for the many volunteer groups here in the District and area. Council recognizes that it is the commitment and hard work of the residents that provide the spark that will make our community shine well into the future.

Barriere is slowly growing and moving forward. District Council will work to promote a strong foundation so that those who volunteer, those that create job opportunities and those who provide essential services in the education, health care and public safety sectors will have an environment that enables them to succeed.

I look forward to the future of our strong and vibrant community.

Bill Humphreys

Mayor, District of Barriere

Mayor & Council



*L-R: Councillor Glen Stanley,
Councillor Ward Stamer,
Councillor Virginia Smith,
Mayor Bill Humphreys,
Councillor Amanda Sabyan,
Councillor Pat Paula,
Councillor Bill Kershaw*

Our citizens are represented by an elected Council consisting of the Mayor and six Councillors. Council also meets to discuss civic matters in a more informal Committee structure. Members of the public join Council representatives on other Select Committees, as well.

Regular Council meetings are held at the District office at 7:00 pm on the first and third Monday of each month, unless otherwise advised.

Committee meetings are held throughout the year as needed.

Please visit www.barriere.ca for up to date meeting agendas and minutes.

Standing Committees

Committee of the Whole

A Committee of the Whole (C.O.W) comprises all members of Council. At the beginning of 2013, Council delegated administrative power to the Committee of the Whole, meaning, decisions made during its meetings would no longer require being reported back to Council for final approval.

The Acting Mayor of the month in which the Committee of the Whole Meeting is to be held, presides as Chair. No Bylaws can be formally read or adopted in C.O.W.

Development

Co-Chair: Councillor Stamer

Co-Chair: Councillor Kershaw

Members: Councillor Sabyan, Councillor Stanley

Public Members: Paul Morris, Shawn Fadear, Scott Kershaw, Murray Purcha, and Carman Smith

Defined scope:

The Development Committee monitors and supports the delivery of community and economic development programs; develops and coordinates the implementation of programs related to tourism and conventions, and coordinates the planning and implementation of town revitalization and business retention/development.

2013 Select Committees of Council

100th Anniversary Committee

Co-Chair: Lindsay Arcand

Co-Chair: Tasha Buchanan

Members: Councillor Paula, Councillor Smith, Dustin Doherty, Marie Downing, Leesa Genier, Liz Gilbertson, Colleen Hannigan, Margaret Houben, Nora Johnson, Charla Johnstone, Donna Kibble, Bev Murphy, Shirley Wittner and Harley Wright.

Defined Scope:

The 100th Anniversary Committee focuses on fundraising and preparing of a Heritage Canada Grant Application to facilitate a "Splash in the Past" splash pad commemorating Barriere's upcoming 100th Anniversary as well as the planning of festivities to celebrate the milestone in 2014.

Bandshell

Chair: Councillor Sabyan

Members: Councillor Stanley, Marty Philibert, Bev Murphy, Barrie McLean, Wayne Broomfield, Charlie Kibble

Defined scope:

The Bandshell Committee works to promote the use of the Barriere Bandshell and makes recommendations to Council regarding any issues concerning the Bandshell.

Cemetery

Chair: Councillor Smith

Members: Councillor Paula, Lorraine Thorn, Father Donal O'Reilly, Brent Hamblin and Lianne Hamblin

Advisor: Drake Smith

Defined scope:

The Cemetery Committee makes recommendations to Council on the future development, operation and maintenance of the Barriere Cemetery.



2013 Administrative Activities & Highlights

1. Council Highlights

- 22 Regular Council meetings were held
- 2 Special Council meetings were held
- 24 Committee meetings were held
- 2 Public Budget Discussion meetings were held
- 2 Public Open Houses/Round Tables were conducted
- 1 Development Variance Permits (DVP) was approved.
- 3 Board of Variance Applications (BOV's) were submitted.
- 2 Development Permits were approved.
- 3 Subdivision applications were submitted.
- 6 Bylaws were passed



2. Building Permits Issued

	2010	2011	2012	2013
Barriere:				
Total Permits Issued	43	23	29	38
Construction Value	\$4,210,097	\$2,055,744	\$1,537,000	\$2,608,000
Clearwater:				
Total Permits Issued	27	28	40	27
Construction Value	\$2,194,420	\$2,767,535	\$3,257,457	\$3,072,857
Logan Lake:				
Total Permits Issued	22	9	21	12
Construction Value	\$1,679,164	\$642,900	\$2,146,529	\$1,441,231

3. Water Works

Monthly Water Usage

Month	2012 US Gallons	2013 US Gallons	2012 Litres	2013 Litres
January	8,810,300	7,641,000	33,350,613	28,924,332
February	7,201,200	7,295,200	27,259,507	27,615,336
March	7,028,400	9,357,400	26,605,388	35,421,613
April	10,952,300	10,173,800	41,458,965	38,512,023
May	15,872,872	22,001,973	60,085,356	83,286,529
June	16,885,600	18,708,663	63,918,949	70,819,994
July	26,626,100	30,786,663	100,790,752	116,538,281
August	26,648,860	27,589,141	100,876,908	104,436,259
September	20,836,600	15,884,776	78,873,975	60,130,419
October	12,937,300	10,513,055	48,973,007	39,796,243
November	7,255,900	6,453,400	27,466,569	24,428,777
December	8,413,200	6,260,400	31,847,426	23,698,192
TOTAL	169,468,632	172,664,965	641,508,557	653,607,993

Barriere- Average Consumption per person, per day* in 2013: 266 US Gallons/ 1,007/L

Clearwater- Average Consumption per person, per day in 2013: 390 US Gallons/ 1,476/L

Logan Lake- Average Consumption per person, per day in 2013: 163 US Gallons/ 618/L

*per person average based on population as recorded in the 2011 Canadian Census

2013 Administrative Activities & Highlights

3. Plans and Grant Applications

The following list shows the status of studies/plans and grants that have been applied for in 2013:

Planning – Studies/Plans

1. Zoning Bylaw Review – In House

Status

Underway

Parks – Grants

1. New Horizons – *Outdoor Fitness Equipment*
2. Tree Grant
3. Canadian Heritage Legacy Fund
4. CN Connexions
5. CIPP – Cycling Infrastructure Partnership Program

Status

Completed
Completed
Pending
Not Approved
Pending

Public Works – Grants

1. Innovations Fund – Wastewater Treatment Plant for the Downtown Core
3. General Strategic Priorities Fund – *Wells and Reservoir*

Status

Underway
Shelf Ready



2013 Administrative Activities & Highlights

4. Solid Waste and Recycling Programs

The District of Barriere is committed to our environment and is proud to have been the second community in the area to implement a curbside recycling program. We offer the following services and products to our community members:

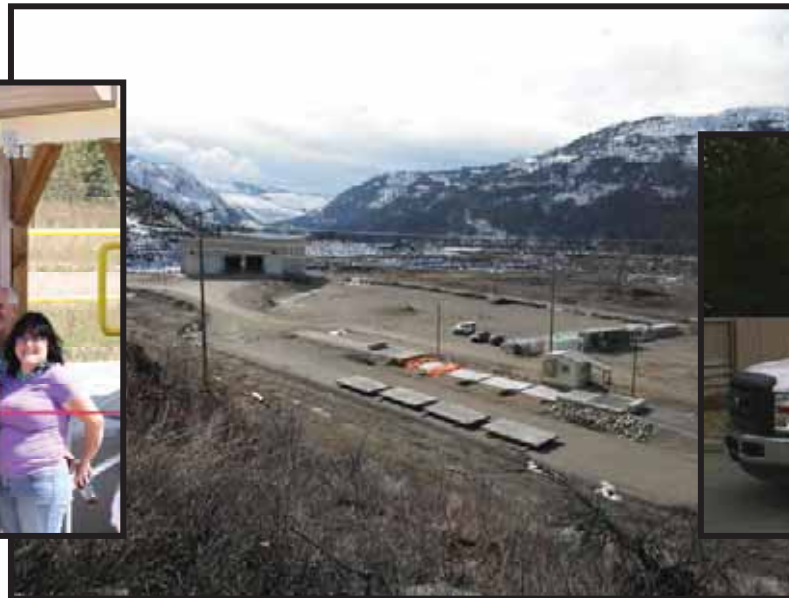
- Weekly curbside solid waste removal
- Weekly curbside recycling pick-up
- Household battery recycling
- Household composters (\$25 to purchase)
- Researching and pricing the cost of rain barrels that citizens can purchase



In April, the Thompson Nicola Regional District closed the Barriere Landfill, indefinitely, and opened the Louis Creek Eco Depot located on Agate Bay Road. Approximately 500 tonnes of Household Waste collected by the District of Barriere and deposited into the Barriere Landfill site (from January to April) and the new Eco Depot (April to December) in 2013. Residents are encouraged to use the Blue Bag program as each tonne of recycling is free to haul to the landfill as opposed to garbage that incurs a tipping fee of \$60 per tonne.



Louis Creek Eco-Depot Site – Grand Opening



2013 Administrative Activities & Highlights

6. Climate Action Charter

Greenhouse Gas (GHG) Emission Reduction

In 2007, the Provincial Government passed Bill 44- the *Greenhouse Gas Reduction Targets Act*- thereby committing the Province to reduce GHG emissions by 33% below 2007 levels by the year 2020 and 80% below 2007 levels by the year 2050. In order to help achieve this commitment, the Province enacted the Local Government (*Green Communities*) *Statuses Amendment Act* ("Bill 27"). Under this legislation and Section 877(3) of the Local Government Act, Official Community Plans are now required to include targets for the reduction of GHG emissions as well as policies and actions to support the reduction targets.

As signatory to the BC Climate Action Charter, the District of Barriere has voluntarily agreed to develop strategies and take actions to achieve the following goals:

- being carbon neutral in respect of corporate operations by 2012
- measuring and reporting on the community's GHG emissions profile; and
- creating complete, compact, and more energy efficient community

Targets

The Province is providing each local government with a Community Energy & Emissions Inventory (CEEI) report to track and report annual community-wide energy consumption and GHG emissions. Reducing transportation emissions is a challenge in rural communities therefore additional Provincial and Federal Government policies, actions and initiatives will be needed to support the community-wide GHG reduction targets set by the District.

Recognizing the challenges of reducing GHG emissions in rural communities, the District of Barriere sets the following community-wide GHG reduction targets:

- **10% by 2020 from 2007 levels**
- **33% by 2050 from 2007 levels**

We look forward to working with our community members on these initiatives and hope that by our pledging to the Charter, our residents will be inspired to do their part for the environment as well.

Each year, we are required to audit and report our advancements towards this goal. The Provincial Government provides a rebate to each community involved in the amount of 100 per cent of the carbon costs incurred on fuel purchases. The District of Barriere received a Climate Action Revenue Incentive grant in the amount of \$710.00 for such purchases.

For more information on the Climate Action Charter, please visit www.cd.gov.bc.ca

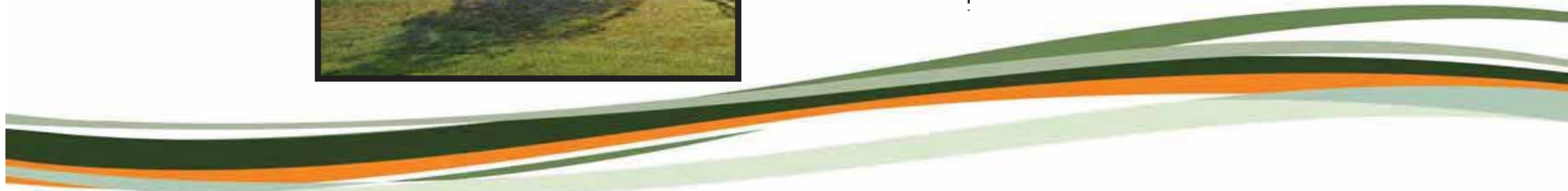


Goals & Highlights

RECREATION

2013 Goals:

Item	Status	Comment
1. Secure ownership of lots 34, 35 and 36 from the Province for park facilities Plan	In process	
2. Plan Downtown Civic Building (including Fire Hall & Rec Centre)	In process	- Old HY Louis building purchased.
3. Complete finishing of Bandshell (rear landscaping)	Complete	- Finished pavers in front of Bandshell with MOTI/Argo volunteers
4. Outdoor Exercise Equipment in Fadear Park	Complete	
5. Fundraising for Heritage Splash Pad construction	Ongoing	- Apple Pie Sales, Raffles and Penny Drive
6. Identify and secure River Access for the public	Ongoing	
7. Community Events at Bandshell	Ongoing	- Second year of Bandshell Fridays planned
8. Open up and sign Bike Park	Complete	



Goals & Highlights

RECREATION con't

2014 Goals:

Item	Status
1. Secure ownership of lots 34, 35 and 36 from the Province for park facilities	In process
2. Plan Downtown Civic Building	In process
3. Community Park and River Trail upgrades – cycling infrastructure – Grant applied for	Pending
4. Fundraising for Heritage Splash Pad construction	Ongoing
5. Identify and secure River Access for the public	Ongoing
6. Community Events at Bandshell	Ongoing



2013 Highlights- Recreation

- Completed railings, curbs on accessible ramp access at rear of Bandshell. Established and gravel-surfaced rear driveway and parking area.
- Outdoor exercise equipment installed adjacent Lions Gazebo.
- Second Year of **Barriere Bandshell Fridays** a success and continues to grow in popularity.

Goals & Highlights

INFRASTRUCTURE

2013 Goals:

Item	Status
1. Wastewater System – Downtown Core and beyond	Construction underway
2. Develop a prioritization plan for upgrades to the water system	In process
3. Downtown Revitalization Plan	In process
4. Road Maintenance Plan	Complete
5. Highway Signage	In process
6. Plan to upgrade Water main between Station and Barkley Roads	Failed

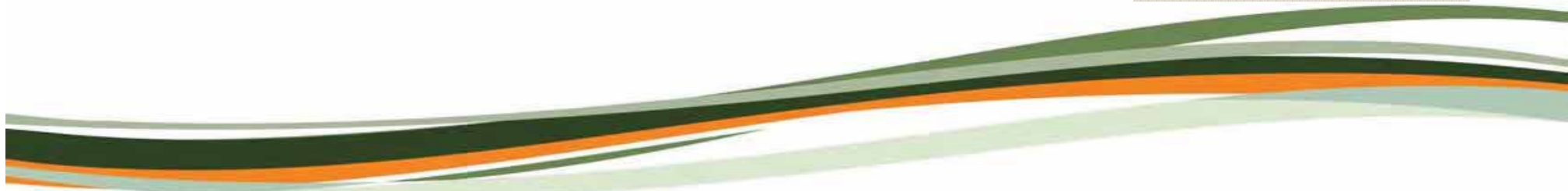


2014 Goals:

Item	Status	Comments
1. Complete Wastewater System – Downtown Core and beyond	In process	
2. Upgrade the water main on Barriere Town Road	In process	Grant shelf-ready for first intake for Build Canada – possible fall referendum for 1/3 funding
3. Downtown Revitalization Plan	In process	
4. Highway Signage	In process	

2013 Highlights- Infrastructure

- Initiated construction of the \$6.7 million “Innovation Fund” Grant project for the construction of a Solar Aquatics Wastewater System for the downtown core and beyond.
- Substantially completed construction of Septage Receiving Facility
- Took over road maintenance responsibilities for all District Roads.



Goals & Highlights

ECONOMIC DEVELOPMENT & DIVERSIFICATION

2013 Goals:

Item	Status
1. Develop and market Louis Creek Site	On hold
2. Support increased density in downtown core	In process
3. Support highway commercial development	In process
4. Promote tourism in conjunction with Barriere and District Chamber of Commerce & new Lower North Thompson Tourism Society	Ongoing
5. Work with the Barriere and District Chamber of Commerce to retain existing businesses and to attract new businesses	Ongoing
6. Initiate an economic development plan	In process



2014 Goals:

Item	Status	Comments
1. Develop and market Louis Creek Industrial Park	Ongoing	
2. Barriere to McBride Corridor initiatives	In process	Labour market analysis, fibre, tourism, reliable power.
3. Web Marketing	In process	
4. Promote tourism through the Lower North Thompson Tourism Society	Ongoing	Regional contract in place
5. Work with the Barriere and District Chamber of Commerce to retain existing businesses and to attract new businesses	Ongoing	

2013 Highlights- Economic Development & Diversification

- Yellowhead Corridor Revitalization Bylaw Tax Exemption Bylaw adopted
- New Zoning Bylaw drafted for Public Review



Goals & Highlights

LIVABILITY

2013 Goals:

Item	Status
1. Initiate Zoning Bylaw Review	Complete
2. Initiate review of DCC Bylaw	In process
3. Become a model Healthy community	Ongoing
4. Become a green community	Ongoing
5. Community Cleanup & Beautification	Ongoing
6. Participate in the Communities in Bloom Program	Ongoing

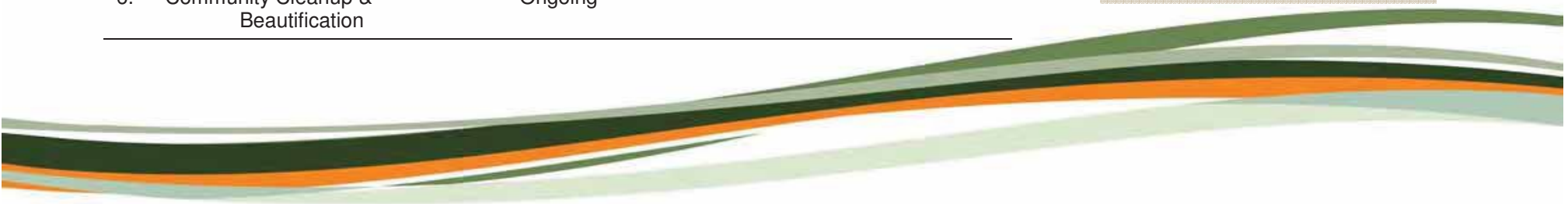


2014 Goals:

Item	Status	Comments
1. Adopt Zoning Bylaw	In process	Ongoing public consultation
2. Initiate review of DCC Bylaw	In process	
3. Celebrate 100 th Anniversary of Barriere	In process	Visual and event promotion ongoing
4. Participate in the Communities in Bloom Program	In process	2014 year – emphasis on “Heritage”
5. Become a green community	Ongoing	
6. Community Cleanup & Beautification	Ongoing	

2013 Highlights- Livability

- Communities in Bloom volunteers built additional planter boxes in Fadear Park.
- Received four (4) Blooms in second year of Communities in Bloom and were the recipient of the “Tidiness Trophy”.



Goals & Highlights

GOOD GOVERNMENT/ COMMUNICATION

2013 Goals:

Item	Status
1. Work toward effective and ongoing communications with business community, government and social groups	Ongoing
2. Apply for all grants that will add value to the community	Ongoing
3. Develop webpage as communication vehicle	In process

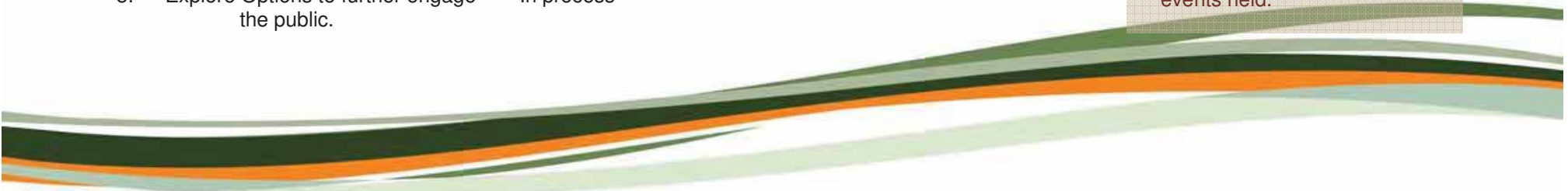


2014 Goals:

Item	Status	Comments
1. Work toward effective and ongoing communications with business community, government and social groups	Ongoing	Working online with Star Journal to provide ongoing updates and information provision to residents & visitors
2. Apply for all grants that will add value to the community	Ongoing	
3. Develop webpage as communication vehicle	Some aspects complete with others still in process	Bandshell Calendar online Event links to other sites.
4. Explore Social Media to advertise and promote Special Events	In process	Facebook Event Pages created for Bandshell Fridays and other special events.
5. Explore Options to further engage the public.	In process	

**2013 Highlights-
Good Government/
Communication**

- Council/Committee Agendas/Minutes/Bylaws and attachments available online
- Continual updating of website front page.
- Mayor continues "As the Mayor Sees It" weekly column in local newspaper
- Number of public consultation events held.



Goals & Highlights

FINANCIAL SUSTAINABILITY

2013 Goals:

Item	Status
1. Review the current taxation policy	Ongoing
2. Council, through staff, will seek out new revenue opportunities which include grant opportunities	Ongoing
3. Plan for replacement of Pumper Truck Chassis	In process
4. Budget for Asset Replacement	Ongoing



2014 Goals:

Item	Status	Comments
1. Review the current taxation policy	Ongoing	
2. Council, through staff, will seek out new revenue opportunities which include grant opportunities	Ongoing	
3. Plan for replacement of Pumper Truck Chassis	In process	
4. Budget for Asset Replacement	Ongoing	Reserve Account Set Up
5. Review User Fees	Ongoing	
6. Explore Alternative Revenue Sources	Ongoing	

2013 Highlights – Financial Sustainability

- Water Meter Rates Bylaw adopted to bill on a consumption basis.

Goals & Highlights

BUDGET PROCESS/ TAX

2013 Goals:

	Item	Status
1.	Continue a financial planning process that reflects sound fiscal management and works toward lessening the portion of taxes paid by residential properties.	Ongoing
2.	Council will increase public knowledge on assessments and taxation	Ongoing
3.	Explore additional ways to further engage the public	Ongoing

2014 Goals:

	Item	Status
1.	Continue to refine financial planning process that reflects sound fiscal management and works toward lessening the portion of taxes paid by residential properties.	Ongoing
2.	Council will increase public knowledge on assessments and taxation	Ongoing
3.	Explore additional ways to further engage the public	Ongoing



2013 Highlights- Budget Process/ Tax

- A number of Public Meetings provided citizens with an opportunity to comment on the District of Barriere's annual budget

Barriere & District Volunteer Fire Department

The Fire Department consists of a Fire Chief, Deputy Chief, Assistant Deputy Chief, Captains, Safety Officer, a Training Officer and approximately fourteen (14) firefighters.

The Department is dedicated to offering the best equipment and training for the firefighters to ensure the safety of our residents and properties.

The First Responder program, managed within the Fire Dept., now have trained volunteers who respond to BC Ambulance dispatched calls within District boundaries when the Ambulance is delayed.

The services area of the Fire Department includes a portion of the TNRD Electoral Area O. The Electoral Area pays approximately 35% of the fire service's operating costs.

SUMMARY OF CALLS

	2012	2013
Fires	58	42
False Alarms	4	7
Fatalities	0	0
Mutual Aid	2	2
Practices	54	55
TOTAL FIRE	118	118
First Responder Calls	`	58



Permissive Tax Exemptions

District of Barriere
Section 224 (2)(a) Community Charter
Tax Exemption Bylaw 0054, 2009

Societies / Non Profit	2012	2013	2014
Barriere & District Heritage Society Assessed under Roll No. 1245.667	\$1,974.63	\$2,014.27	\$2,071.60
Barriere & District Senior's Society Assessed under Roll No. 1245.408	\$2,817.22	\$3,190.57	\$3,001.50
Barriere & District Food Bank Assessed under Roll No. 1470.362	\$5,049.10	\$5,281.38	\$5,390.67
Provincial Rental Housing Corp Yellowhead Residence Assessed under Roll No. 1390.370	\$9,485.16	\$8,820.46	\$8,621.04
North Thompson Fall Fair Assessed under Roll No. 1465.058	\$5,070.00	\$4,950.32	\$4,256.77
North Thompson Fall Fair Assessed under Roll No. 1465.080	\$2,774.01	\$13,595.80	\$13,425.07
Barriere Curling Club Assessed under Roll No. 1465.200	\$16,911.12	\$17,009.81	\$13,218.49
Interior Community Services Assessed under Roll No. 1245.420	\$2,036.40	\$2,067.72	\$2,114.67
North Thompson Legion #242 Assessed under Roll No. 1270.085	n/a	\$1,038.95	\$1,075.19

Permissive Tax Exemptions

District of Barriere
Section 220 (1)(h) Community Charter
Tax Exemption Bylaw 0053, 2009

Churches	2012	2013	2014
Trustee of the Barriere BC Congregation Jehovah's Witness Assessed under Roll No. 1225.248	\$408.15	\$399.04	\$465.98
Roman Catholic Bishop of Kamloops Assessed under Roll No. 1470.430 (church)	\$769.37	\$825.94	\$854.76
United Church Assessed under Roll No. 1245.386	\$730.42	\$714.50	\$587.82
Baptist Church Assessed under Roll No. 1390.060	\$465.70	\$455.66	\$374.83
Pentecostal Church Assessed under Roll No. 1470.514	937.59	\$917.61	\$755.24

Financial Statements of

DISTRICT OF BARRIERE

Year ended December 31, 2013

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS


The accompanying financial statements of District of Barriere (the "District") are the responsibility of 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 The Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in note 1 to the financial statements. The preparation of 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 financial statements. These systems are monitored and evaluated by management.

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

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


Chief Administrative Officer


Finance officer



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the District of Barriere as at December 31, 2013 and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Comparative Information

Without modifying our opinion, we draw attention to note 2 to the financial statements which indicates that the comparative information presented as at and for the year ended December 31, 2012 has been restated.

The financial statements of the District of Barriere as at and for the years ended December 31, 2012 excluding the restatement described in note 2 to the financial statements, were audited by another auditor who expressed an unmodified opinion on those financial statements on April 30, 2013.

As part of our audit of the financial statements as at and for the year ended December 31, 2013, we audited the restatement described in note 2 to the financial statements that was applied to restate the comparative information presented as at and for the year ended December 31, 2012. In our opinion, the restatement is appropriate and has been properly applied.

We were not engaged to audit, review, or apply any procedures to the December 31, 2012 financial statements, other than with respect to the restatement described in note 2 to the financial statements. Accordingly, we do not express an opinion or any other form of assurance on those financial statements taken as a whole.

KPMG LLP

Chartered Accountants

Kamloops, Canada

April 28, 2014

DISTRICT OF BARRIERE

Statement of Operations

Year ended December 31, 2013, with comparative information for 2012

	Budget (note 13)	2013	2012 (Restated - note 2)
Revenue:			
Tax requisition (note 9)	\$ 692,633	\$ 692,825	\$ 670,399
Service revenue	547,250	626,148	630,131
Government transfers (note 10)	3,679,234	2,405,373	1,668,316
Grants in lieu of taxes	31,904	32,095	31,567
Other income	24,762	39,211	50,881
Actuarial adjustment of term debt	-	24,617	22,537
Developer contributions	-	124,000	141,235
Total revenue	4,975,783	3,944,269	3,215,066
Expenses:			
General government	583,220	655,921	831,277
Protective services	134,200	149,487	158,644
Transportation services	181,050	441,441	294,410
Environmental services	99,770	110,612	104,748
Development services	66,403	43,946	86,688
Parks and recreation	113,625	124,033	118,540
Water utility	316,878	358,978	815,405
Sewer utility	30,900	59,050	36,547
Total expenses	1,526,046	1,943,468	2,446,259
Annual surplus	3,449,737	2,000,801	768,807
Accumulated surplus, beginning of year	16,890,333	16,890,333	16,121,526
Accumulated surplus, end of year	\$ 20,340,070	\$ 18,891,134	\$ 16,890,333

See accompanying notes to financial statements.

DISTRICT OF BARRIERE

Statement of Cash Flows

Year ended December 31, 2013, with comparative information for 2012

	2013	2012
		(Restated - note 2)
Cash provided by (used in):		
Operating transactions:		
Annual surplus	\$ 2,000,801	\$ 768,807
Items not involving cash:		
Amortization of tangible capital assets	423,225	423,177
Actuarial adjustment of term debt	(24,617)	(22,537)
Change in non-cash operating assets and liabilities:		
Accounts receivable	102,457	(748,635)
Inventory	845	2,665
Prepaid expenses	(996)	6,835
Accounts payable and accrued liabilities	391,794	5,045
Deferred revenue	122,179	12,717
Restricted funds	12,692	2,278
Development cost charges	-	21,046
	<u>3,028,380</u>	<u>471,398</u>
Capital transactions:		
Acquisition of tangible capital assets	(2,547,891)	(514,499)
	<u>(2,547,891)</u>	<u>(514,499)</u>
Financing activities:		
Repayment of obligation under capital lease	-	(33,408)
Repayment of debt	(19,053)	(19,053)
	<u>(19,053)</u>	<u>(52,461)</u>
Change in cash and short-term investments	461,436	(95,562)
Cash and short-term investments, beginning of year	2,441,118	2,536,680
Cash and short-term investments, end of year	<u>\$ 2,902,554</u>	<u>\$ 2,441,118</u>

See accompanying notes to financial statements.

DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2013

1. Significant accounting policies (continued):

(e) Statutory reserves:

The statutory reserves include various funded reserves to be used to fund specified expenditures, as authorized by Council. These statutory reserves are set up by bylaw under the authority of the Community Charter. Each year Council evaluates the statutory reserve funds, reallocating balances between reserves, from accumulated surplus, and from reserve accounts.

(f) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They 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	Rate
Equipment	5-12 years
Vehicles	10-15 years
Roads and bridges	50-80 years
Wastewater infrastructure	60 years
Waterworks infrastructure	20-100 years
Buildings	50 years

No amortization is charged in the year of acquisition or in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets:

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

DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2013

2. Restatement of prior period errors:

During the current year, the District identified several errors in the December 31, 2012 financial statements.

Roads and bridges and land transferred to the District upon incorporation in 2007 were not recorded in the financial statements. In 2007, roads, bridges and land with a fair value of \$9,136,206 were transferred from the Ministry of Transportation to the District, but not recognized as an asset or revenue in the financial statements. As of January 1, 2012, recording these roads and bridges, as well as roads that had been contributed to the district between January 1, 2008 and December 31, 2011, had the impact of increasing accumulated surplus and tangible capital assets by \$9,986,490 which represents the unamortized portion of the roads and bridges and land. As a result of the roads not being recorded in the financial statements, amortization included in transportation services in 2012 was understated by \$241,901, which represents the annual amortization on roads and bridges. Also in 2012, roads and bridges and land contributed by a developer were not recorded in revenues and tangible capital assets at their fair value of \$141,235.

Term debt owed to the Municipal Finance Authority ("MFA") was reflected in the financial statements as a commitment instead of a liability. The balance of this debt as of January 1, 2012 was \$179,258 and as of December 31, 2012 was \$137,668. As a result of these amounts not being recorded, opening accumulated surplus and closing accumulated surplus were overstated by the respective amounts. As a result of the liability not being recorded, the principal payments on the term debt were incorrectly expensed to water utility in the amount of \$19,053, and an actuarial adjustment of term debt was not recorded as revenue in the amount of \$22,537.

Certain expenditures incurred during 2012 for the construction of the District's wastewater infrastructure were recorded as both tangible capital assets, and expenses. \$328,486 was recorded as an addition to tangible capital assets, but incorrectly included as an expense on the statement of operations.

Principal repayments on capital lease obligations were applied both to reduce the liability on the statement of operations, as well as included in expenses. \$33,425 was recorded as a reduction of capital lease obligation, but incorrectly included as an expense on the statement of operations.

Development cost charges received from a developer were deferred as a liability on the statement of operations, as well as recognized in revenue during the year. \$21,046 was recorded as an increase to development cost charges, but incorrectly included as a revenue on the statement of operations.

DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2013

4. Accounts receivable:

Accounts receivable consists of amounts receivables for the following sources:

	2013	2012
Government transfers	\$ 536,184	\$ 729,662
Property taxes	95,340	130,894
HST/GST	184,328	151,922
Other amounts	97,248	3,079
	<u>\$ 913,100</u>	<u>\$ 1,015,557</u>

5. Deferred revenue:

Deferred revenue consists of Community Works Funding, which is a portion of Gas Tax funding provided by the Government of Canada. Community works funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding arrangements.

A continuity of the funding received and revenues recognized are as below:

	2013	2012
Opening balance	\$ 216,047	\$ 203,332
Funding received	119,457	119,457
Revenues recognized	(4,277)	(110,308)
Interest earned	6,999	3,566
	<u>\$ 338,226</u>	<u>\$ 216,047</u>

DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2013

7. Tangible capital assets:

2013	Land	Roads and bridges	Buildings	Equipment	Vehicles	Wastewater infrastructure*	Waterworks infrastructure	Total 2013
Cost:								
Balance, beginning of year	\$ 4,575,954	\$ 6,693,313	\$ 881,162	\$ 591,675	\$ 658,150	\$ 329,526	\$ 3,065,613	\$ 16,795,393
Additions	162,675	-	195,953	46,370	2,500	2,098,763	41,630	2,547,891
Balance, end of year	\$ 4,738,629	\$ 6,693,313	\$ 1,077,115	\$ 638,045	\$ 660,650	\$ 2,428,289	\$ 3,107,243	\$ 19,343,284
Accumulated amortization:								
Balance, beginning of year	\$ -	\$ 1,213,555	\$ 89,366	\$ 357,767	\$ 365,315	\$ -	801,109	\$ 2,827,112
Amortization	-	243,987	29,020	44,188	35,728	-	70,302	423,225
Balance, end of year	-	1,457,542	118,386	401,955	401,043	-	871,411	3,250,337
Net book value, end of year	\$ 4,738,629	\$ 5,235,771	\$ 958,729	\$ 236,090	\$ 259,607	\$ 2,428,289	\$ 2,235,832	\$ 16,092,947

*Assets under construction

DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2013

7. Tangible capital assets (continued):

(a) Assets under construction:

Assets under construction, consisting of wastewater infrastructure, having a cost of \$2,428,289 (2012 - \$329,526) have not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets:

Contributed assets of \$124,000 (2012 - \$141,235) were recognized during the year.

(c) Works of art and historical treasures:

The District manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at District sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

(d) Write-down of tangible capital assets:

No write-down of tangible capital assets occurred during the year.

DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2013

9. Taxation and grants in lieu:

General fund taxation revenues comprises the following amounts raised less transfers:

	2013	2012
Municipal and school property taxes levied	\$ 1,639,607	\$ 1,587,839
Parcel tax	37,953	37,421
	<u>1,677,560</u>	<u>1,625,260</u>
Less: Collections on behalf of other governments:		
Thompson-Nicola Regional District ("TNRD")	304,703	308,101
Province of B.C. - School taxes	509,898	499,864
Thompson Regional Hospital District	78,078	61,518
B.C. Assessment Authority	13,573	13,316
Municipal Finance Authority	39	39
Police taxes	73,587	67,395
Payment in lieu of taxes	4,857	4,628
	<u>984,735</u>	<u>954,861</u>
	<u>\$ 692,825</u>	<u>\$ 670,399</u>

10. Government transfers:

The District recognizes the transfer of government funds as expenses or revenues in the period that the events giving rise to the transfer occurred. The government transfers reported on the statement of operations are:

	2013	2012
Innovation Funding (Gas Tax Fund)	\$ 1,924,438	\$ 329,527
Small Community Grant	257,807	551,605
TNRD septage receiving contribution	174,325	-
New Horizons for Seniors Grant	20,203	25,000
Community Works Funding (Gas Tax Fund)	4,277	110,308
Community Recreation Grant	2,264	238,680
Towns for Tomorrow water meters grant	-	396,292
Other grants and transfers	22,059	16,904
	<u>\$ 2,405,373</u>	<u>\$ 1,668,316</u>

DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2013

13. Budget (continued):

	2013
Annual surplus - statement of operations	\$ 3,449,737
Adjust for budgeted cash items not included in statement of operations:	
Acquisition of tangible capital assets	(3,233,500)
Transfer to reserves	(216,237)
Total adjustments	(3,449,737)
Financial plan balance	\$ -

14. Segmented information:

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

(a) General government:

The General Government operations provide the functions of Building Services and Maintenance, Corporate Administration, Finance, Human Resources, Legislative Services and any other functions categorized as non-departmental.

(b) Protective services:

Protective Services is comprised of fire protection, emergency services, building inspection services and bylaw enforcement services.

(c) Transportation services:

Transportation Services is responsible for roads and snow removal within the District boundaries.

(d) Environmental services:

The Environmental Health Department consists of landfill maintenance and garbage collection and processing.

DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2013

14. Segmented information (continued):

2013	Protective services	Transportation services	Environmental services	Development services	Parks and recreation	Water utility	Sewer utility	General government	Total
Revenue:									
Tax requisition	\$ 78,444	\$ 117,325	\$ 56,672	\$ 36,469	\$ 58,407	\$ 37,953	\$ -	\$ 307,555	\$ 692,825
Grants in lieu	-	-	-	-	-	-	-	32,095	32,095
Sales of services	46,723	40,100	98,225	33,851	19,237	345,229	6,656	36,127	626,148
Government transfers	-	2,153	-	2,827	5,867	1,000	2,098,763	294,763	2,405,373
Developer contributions	-	-	-	-	-	-	-	124,000	124,000
Actuarial adjustment of term debt	-	-	-	-	-	24,617	-	-	24,617
Other	-	-	-	-	-	-	-	39,211	39,211
Total revenue	125,167	159,578	154,897	73,147	83,511	408,799	2,105,419	833,751	3,944,269
Expenses:									
Operating	100,300	166,880	51,246	23,814	56,185	131,234	43,339	216,173	789,171
Salaries and benefits	14,311	30,575	42,564	20,132	52,683	155,474	15,711	399,623	731,073
Amortization	34,876	243,986	16,802	-	15,165	72,270	-	40,125	423,224
Total expenses	149,487	441,441	110,612	43,946	124,033	358,978	59,050	655,921	1,943,468
Annual surplus (deficit)	\$ (24,320)	\$ (281,863)	\$ 44,285	\$ 29,201	\$ (40,522)	\$ 49,821	\$ 2,046,369	\$ 177,830	\$ 2,000,801