

# 2017 ANNUAL REPORT





## Introduction to the 2017 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, and as of the new term of Council in 2014, now four-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 2017 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 to [inquiry@barriere.ca](mailto:inquiry@barriere.ca).

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# COMMUNITY OVERVIEW

Barriere, British Columbia is a growing, friendly and affordable community that currently boasts 1713 residents who enjoy an urban yet rural lifestyle. 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 now held every four years and the next election is scheduled for October 20, 2018.

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 and cycling trails are accessible from the town centre.

*The North Thompson Fall Fair and Rodeo Association (NTFFRA)* 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 NTFFRA, has enabled Barriere to welcome the *Provincial Winter Fair* and other highly anticipated events.

The District has continued its efforts to finalize the completion of the massive 6.7 million dollar construction undertaking of the *Solar Aquatics Water Reclamation Centre* project in the downtown core. The exciting new infrastructure began servicing the properties hooked up to the system this year.

The year 2017 also marked the construction beginnings of two new dual production wells in Bradford Park, along with a brand new reservoir that will greatly assist in ensuring adequate water supply for the community, especially in the hot and dry summer months.

Upgrading of the District of Barriere parks and trails are 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 fifth season of *Barriere Bandshell Fridays* showcasing many of the valley's incredible musical talent. The Bandshell will continue to host many community 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.

**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.*

# Message from the Mayor



2017 was another busy year for the District of Barriere.

As 2018 is the last year that I will be part of Council, I cannot help but reflect on all the improvements our Community has undergone since incorporation in 2007. We have made amazing strides with our Solar Aquatics Water Reclamation Centre and are in the process of bringing two new wells and a new reservoir on line. Not to mention the bandshell, fieldhouse, Fadear Park, Trees for tomorrow and many other grants that we have received in the last 10 years. Since 2007 **we have received \$13,922,541 in grants**, some have been 1/3 funded others have been 100% funded. This is an accomplishment not many communities can claim, it speaks to the dedication of our staff and consultants.

When I moved to Barriere in 1995 I was amazed at the volunteers in this community. Now, 23 years later, that has not changed. The District of Barriere Volunteer Fire Department is just one of many examples of volunteers stepping up to provide service for their community. Barriere has always been a "can do" community and I pray that continues.

It has been an honour to serve this community and I thank those who have supported me and those who have at the least been tolerant.

*Virginia Smith*

Mayor, District of Barriere

# Council



*L-R: Councillor Ward Stamer, Councillor Pat Paula, Councillor Amanda Sabyan, Mayor Virginia Smith, Councillor Donna Kibble, Councillor Al Fortin, and Councillor Mike Fennell*

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](http://www.barriere.ca) for up to date meeting agendas and minutes.



# 2017 Administrative Activities & Highlights

## Council Highlights

- 21 Regular Council meetings were held
- 2 Special Council meetings were held
- 2 Committee meetings were held
- 5 Public Budget Discussion meetings were held
- 0 Public Hearings were conducted
- 0 Development Variance Permits (DVP) were submitted.
- 0 Board of Variance Applications (BOV's) were submitted.
- 0 Development Permit Applications were submitted.
- 0 Subdivision applications were submitted.
- 0 Temporary Use Permits applications were submitted.
- 8 Bylaws were passed.
- 38 Bylaw complaint files were opened and responded to.



## Plans and Grant Applications

The following list shows the status of studies/plans and grants that have been applied for in 2017:

### Public Works – Grants

1. Gas Tax - *Barriere Town Road Improvements*
2. Gas Tax Strategic Priorities Fund – *Wells and Reservoir*
3. Rural Dividend – *Sustainability Plan*
4. Rural Dividend – *Pilot Project*

### Status

- Unsuccessful
- Successful – Nearing Completion
- Successful – Complete
- Successful – Extended and in progress



# 2017 Administrative Activities & Highlights

## Building Permits Issued

	2014	2015	2016	2017
<b>Barriere:</b>				
<b>Total Permits Issued</b>	<b>18</b>	<b>18</b>	<b>36</b>	<b>49</b>
<b>Construction Value</b>	<b>\$599,500</b>	<b>\$478,00</b>	<b>\$488,000</b>	<b>\$2,688,200</b>
<b>Clearwater:</b>				
<b>Total Permits Issued</b>	<b>36</b>	<b>21</b>	<b>32</b>	<b>25</b>
<b>Construction Value</b>	<b>\$9,356,502</b>	<b>\$1,919,680</b>	<b>\$3,800,000</b>	<b>\$1,918,735</b>
<b>Logan Lake:</b>				
<b>Total Permits Issued</b>	<b>20</b>	<b>23</b>	<b>12</b>	<b>17</b>
<b>Construction Value</b>	<b>\$2,338,245</b>	<b>\$2,382,343</b>	<b>\$4,310,000</b>	<b>\$2,837,750</b>

# 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 Committee of the Whole (COW).



# 2017 Select Committees of Council

## **Greenhouse Think Tank**

**Chair:** Mayor Smith

**Members:** Mary Bernt, John Klop, Kim Rink, Brian Schilling, Grace Baker, Doug Borrill, Lynn Wright, Laura Campbell, Susan Ross, Bill Kershaw, Rhonda Kershaw, Fred Fortier, Chief Nathan Matthew, Nora Johnson, Colleen Hannigan

## **Wellhead Protection Committee**

**Chair:** Councillor Stamer

**Members:** Councillor Fennell, Councillor Paula, Chris Matthews, Jim Warman, David Thomson, Doug Borrill, Colleen Hannigan

# 2017 – Photo Scrapbook



# SAWRC

## SOLAR AQUATICS WATER RECLAMATION CENTRE

The 2017 SAWRC (Solar Aquatics Water Reclamation Center) Agri-Entrepreneurs had a successful season and learned a lot. Four Entrepreneurs each brought their ideas and experiences. Vegetables, flowers, hanging baskets and herbs were grown, and for the most part, a success. The summer heat was a factor and adapting to these conditions was necessary. The sales were good and the feedback received was both positive and constructive to use for the 2018 season.

As residents and businesses in the downtown core steadily hook into the system, staff also continue to work on improving the functionality and production of the unique system. Fats, oils and grease entering the collection basins is a huge challenge that can threaten the system's optimum effectivity. Public education becomes a focus.

# 2017 – Photo Scrapbook



Blue Bag

Recycling starts to see some changes



Weekly collection



Cardboard Recycling



TNRD – Louis Creek Eco Depot

DISTRICT OF BARRIERE GARBAGE PICKUP SCHEDULE			
<p>                     BARTLETT RD                      BARRIERE TOWN RD (odd side)                      BARTLETT RD                      BORTHWICK AVE                      CARLESTROM RD                      CORNER RD                      DUMONT RD                      GRAY PL                      HARGREAVES RD                      HALL RD                      HAWKLOPES ST                      HIN CHES                      LITTLE RD                      MOUNTAIN RD                      NELSON RD                      NEWBERRY RD                      POWER RD                      BREKENT AVE                      RUSSELL ST                      SALK RD                      SHAWMILL RD                      STANES RD                      STEVENSON RD                      TROD RD                      YELLOWHEAD HWY                 </p> <p style="text-align: center;"><b>ZONE 1</b></p>	<p>                     JINNETT RD                      BARRIERE LAKES RD                      BARRIERE TOWN RD                      Green Tree area                      BARRIERE TOWN RD                      (Suburban Park)                      CLARY RD                      DEER RD                      FOUQUET RD                      GIBBS RD                      GILBERT DR                      GLENNANA RD                      JACKPINE DR                      LEONIE CREEK RD                      LOGGECOLE RD                      MCLAM RD                      ORFLE WAY                      ROBIN DR                      SISKI DR                      SUMMERS RD                 </p> <p style="text-align: center;"><b>ZONE 2</b></p>	<p>                     ARMOUR RD                      DAMMETER RD                      BARRIERE TOWN RD (even side)                      BIRCH LAKE                      BRADFORD RD                      DIXON CREEK RD                      DUNN LAKE RD                      GEMER RD                      HANCO RD                      SALLEE RD                      SHARER RD                      SPURICE RD                 </p> <p style="text-align: center;"><b>ZONE 3</b></p>	<p>                     Garbage/recycling must be placed on the curb before 7am on your pick up day. One regulation sized garbage container per household/week is permitted. A \$ 1.00 fee per extra garbage bag/container will apply. Pre-paid stickers are available for purchase at the District Office.                      A garbage bag must not weigh over 50 pounds.                      An unlimited number of Recycling Blue Bags per household/week are permitted (items acceptable in Blue Bags: (no food, no liquids or glass))                 </p> <ul style="list-style-type: none"> <li>• Paper/newspaper</li> <li>• Plastic 1-7 (plastic milk jugs, dish soap/laundry container etc.)</li> <li>• Tin cans and aluminum foil</li> <li>• Small pieces of cardboard</li> </ul> <p>                     Cardboard recycling – Containers are located just north of the Search &amp; Rescue Building on Barrieres Town Road.                      Thank you for supporting the District's recycling initiatives.                 </p>  <p>                     Box 215, 4016 Barrieres Town Road                      Barrieres, BC V1E 1E1                      Tel: 250.672-9751 Fax: 250.672-9706                      Email: inquiry@barriere.ca                 </p>

Collection Schedule

## SOLID WASTE/RECYCLING

District staff continue to collect residential garbage and recycling on a weekly basis. Using a split compartment truck (one side for garbage and the other for blue bagged recycling), haulers make an average of nine trips to the Louis Creek Eco-Depot per week to dispose of residential waste alone. Additional trips are taken for commercial pickup and for the collection of corrugated cardboard.

In 2017, the District receives word from the TNRD that their subcontractor will no longer accept the inclusion of plastic film in the mixed recycling. Residents are asked to separate out this material and recycle the film separately at the Depot. District staff begin tearing open blue bags at the facility in order to comply with the new regulations. The empty blue bags are then recycled separately.

By keeping the 128 tonnes of recyclable material collected by the District out of the landfill, tax payers saved over \$10,200 in garbage fees in 2017.

SOLID WASTE

# 2017 Administrative Activities & Highlights

## 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)

In April of 2013, the Thompson Nicola Regional District closed the Barriere Landfill, indefinitely, and opened the Louis Creek Eco Depot located on Agate Bay Road. Residents are encouraged to use the Blue Bag program as each tonne of recycling is free to haul to the Eco Depot as opposed to garbage that incurs a tipping fee of \$80 per tonne. In the fall of 2017, the TNRD's subcontractor announced that they will no longer be accepting plastic film in the recycling program. Staff begin tearing open blue bags on site at the Louis Creek facility and recycling the blue bags separately. The District is informed that further changes, possibly drastic changes, to the recycling program are imminent in 2018.

In 2016, an amount of 497 tonnes of total refuse & 119 tonnes of recycling was collected by the District and hauled to the Eco Depot. In 2017, an amount of 510 tonnes of total refuse & 128 tonnes of recycling was collected by the District and hauled to the Eco Depot.



# 2017 – Photo Scrapbook



New Reservoir Construction



Valve Upgrades



New Well Pump



View from New Reservoir

# WATER UTILITY

## WATER UTILITY

This year was an extremely busy year for the water department that consists of two full-time staff and 2 on-call, part-time labourers. In addition to the standard, daily water sample testing that takes an average of 1.5hrs to complete, 52 water samples were sent for Interior Health testing; all coming back in full compliance. A total of 23 seasonal water meters were serviced and staff responded and repaired 5 water main breaks.

The community's waterline system gained a massive boost in value in 2017 with applications for 100% funding from the Province successful, resulted in close to \$1M in upgrades. But it didn't stop there! Two new production wells were drilled and tested in Bradford Park along with construction beginning for a brand new Reservoir at the south end of town. These improvements will make a significant difference to the water security of Barriere.

## Water Utility

### Monthly Water Usage

Month	2016 US Gallons	2017 US Gallons	2016 Litres	2017 Litres
January	4,931,000	7,629,400		
February	6,322,000	6,897,000		
March	4,934,600	6,292,600		
April	7,709,200	6,602,600		
May	17,569,100	13,297,400		
June	17,845,000	22,539,545		
July	17,679,600	35,465,600		
August	21,972,900	22,934,300		
September	8,767,500	15,454,700		
October	5,742,000	7,513,400		
November	4,161,900	4,662,400		
December	4,578,300	5,135,500		
<b>TOTAL</b>	<b>122,206,199</b>	<b>154,424,445</b>	<b>462,600,786</b>	<b>584,560,114</b>

Barriere- Average Consumption per person, per day\* in 2017: 247 US Gallons/ 935/L  
 Clearwater- Average Consumption per person, per day in 2017: 299 US Gallons/ 1,131/L  
 Logan Lake- Average Consumption per person, per day in 2017: 263 US Gallons/ 996/L

\*per person average based on population as recorded in the 2016 Canadian Census

# 2017 – Photo Scrapbook



Ballfields



Exercise Equipment



Splash Pad Shade Structure



Splash in the Past Sign



Bike Park



ToolCat Mower/  
Utility Work  
Machine

## PARKS & RECREATION

The Parks Department is largely seasonal having up to a half dozen crew members during peak season. Obviously, much of their time is spent on the weekly mowing and maintenance of 30 acres of various grass covered parks and public spaces, but there are a variety of other activities tasked to the department. Some of those activities include: Spring start up and winterization of our parks irrigation systems, splashpad, concession and public washrooms. There's also various cemetery related duties, roadside vegetation management, maintenance of 64 flower beds and planters, maintenance of public washrooms, management of noxious weeds, upkeep of ball fields, community garden, bike park, multi-use court, playgrounds, bandshell, and wildfire monument. Outside of routine duties, the department also is involved in a number of projects every year. Some examples from 2017 include landscaping, memorial program installations, irrigation and pavers around the splash pad and installation of new basketball hoop in Fadear Park.

# PARKS



# 2017 – Photo Scrapbook



Remembrance  
Day Poppy  
Pinning of Mayor



Interior Savings Moonlight  
Movie Fundraiser for Skate Park



Halloween Fireworks



Canada 150 Celebration



Annual Tree Lighting



10<sup>th</sup> Anniversary  
Of Incorporation  
Gift from YCS

## COMMUNITY EVENTS

The year 2017 was a big year for not only the District of Barriere, but for the entire nation! Canada's 150<sup>th</sup> birthday celebration coincided with Barriere's 10<sup>th</sup> year Anniversary of Incorporation! On behalf of Yellowhead Community Services, CEO Jack Keough, presented Council with a stunning clock to be displayed in Council Chambers in commemoration of the milestone.

Canada's 150<sup>th</sup> celebration was co-hosted with the NTFRA on the fair grounds this year.

The Annual Interior Savings Movie Night raised funds for the planned skate park and residents old and young alike enjoyed the annual Halloween fireworks and tree lighting events.

Family Fun Night hosted in February at the Ridge was yet another well attended success. To provide family fun during the colder months, Council, in partnership with the TNRD and YCS, began hosting one indoor movie event per month for the fall to spring season.

# EVENTS

# 2017 – Photo Scrapbook



Fire Response Fleet



It isn't an easy job



Barriere once again endures  
smoke filled skies



Mayor Smith with Dept. members welcome new  
Fire Chief, Kent Readman in December

FIRE DEPARTMENT

## BARRIERE VOLUNTEER FIRE DEPARTMENT

The year 2017 was a particularly busy one for our local volunteer fire department. Record high temperatures and very little rain resulted in yet another intense wildfire season for the area and in many parts of the Province. The entire town of Little Fort was put on Evacuation Order in July and Barriere responded with aid. Many of our members fought to protect the homes and properties of our neighbours while also watching the enormous devastation also occurring in Williams Lake, Chase and Elephant Hill.

The District of Barriere invoiced the Province for the aid in the amount of \$153,277.00.

In December, the Volunteer Fire Department welcomed Mr. Kent Readman from Ontario who took the position of Fire Chief. The Deputy Fire Chief position will be announced in the spring of 2018.

# Barriere Volunteer Fire Department



The Fire Department consists of a Fire Chief, Deputy Chief, Assistant Deputy Chief, Captains, Safety Officer, 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 services area of the Fire Department includes a portion of the TNRD Electoral Area O. The Electoral Area pays approximately 35% of the Fire Department's operating costs.



## Summary of Calls

	2016	2017
Fires	43	43
False Alarms	4	2
Fatalities	0	1
Mutual Aid	1	0
Practices	52	9
<b>TOTAL FIRE</b>	<b>97</b>	<b>97</b>

# Goals & Highlights

## RECREATION 2017 Goals:

Item	Status	Comment
1. Secure ownership of lots 34, 35 and 36 from the Province for park facilities	Transfer Approved	Legal process underway
2. Plan Downtown Civic Building (including Fire Hall & Rec Centre)	In process	
3. Identify and secure River Access for the public	Ongoing	
4. Community Events at Bandshell	Ongoing	- 6 <sup>th</sup> year of Bandshell Fridays planned
5. Incorporate Wildfire Monument park into existing duties & enter into service agreement with society & TNRD	Complete	
6. Approval to locate & fundraise for Skate Park	Complete	



# Goals & Highlights

## RECREATION 2018 Goals:

- | Item  | Status     |
|---|------------|
| 1. Complete approved transfer of lots 34, 35 and 36 from the Province for park facilities | In process |
| 2. Rehab areas to regain mowable status   | In process |
| 3. Continue to design and fundraise for Skate Park  | In process |
| 4. Identify and secure River Access for the public  | Ongoing    |
| 5. Community Events at Bandshell  | Ongoing    |
| 6. Continue to improve park amenities   | Ongoing    |
| 7. Continue to develop trail system   | Ongoing    |



# 2017 Administrative Activities & Highlights

## 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) Statutes 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 \$1,656.00 for such purchases.

For more information on the Climate Action Charter, please visit [www.cd.gov.bc.ca](http://www.cd.gov.bc.ca)

# Goals & Highlights



**INFRASTRUCTURE**  
2017 Goals:

Item	Status
1. Wastewater System – Downtown Core and beyond	Approved scope of construction complete
2. Develop a prioritization plan for upgrades to the water system	In process
3. Downtown Revitalization Plan	In process
4. Highway Signage	In process
5. Continue to research revenue stream for the Solar Aquatics Water Reclamation Centre	Working on Implementation
6. Develop Asset Management Plan	In process



# Goals & Highlights

## INFRASTRUCTURE 2018 Goals:

Item	Status	Comments
1. Complete Wastewater System – Downtown Core	In operation	Minor adjustments to process ongoing
2. Construct water upgrades north end of Barriere Town Road	Complete	Minor deficiencies being addressed
3. Downtown Revitalization Plan	In process	Funding dependent
4. Construct new deep wells & reservoir	In process	
5. Re-establish Well Head Protection Working Group	Complete	Planning underway
6. 2016 Application to Rural Dividend for Operational Sustainability Plan for Solar Aquatics Water Reclamation Centre	Extended to Oct 20/18	
7. Develop Asset Management Plan	In process	
8. Construct Water Upgrades on Station Road	Budget Approved	

### 2017 Highlights- Infrastructure

- Construction of the \$4.8 million “Innovation Fund” Grant project for the construction of water upgrades, 2 new deep wells and a south reservoir nears completion.
- 50% of properties hook into the Solar Aquatics Wastewater Reclamation System



# Goals & Highlights

## ECONOMIC DEVELOPMENT & DIVERSIFICATION

### 2017 Goals:

Item	Status
1. Market Louis Creek Industrial Park Properties with local Real Estate Agents	Ongoing
2. Mountain Bike Initiative – valley	Complete w/Simpcw having taken the lead
3. Support increased density in downtown core	Ongoing
3. Support highway commercial development	Ongoing
4. Promote tourism in conjunction with Barriere and District Chamber of Commerce & 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



### 2018 Goals:

Item	Status	Comments
1. With local Real Estate Agents, market Louis Creek Industrial Park properties	Ongoing	
2. Promote tourism through the Lower North Thompson Tourism Society	Ongoing	Regional contract in place
3. Work with the Barriere and District Chamber of Commerce to retain existing businesses and to attract new businesses	Ongoing	

### 2017 Highlights- Economic Development & Diversification

- Lot 7, Louis Creek Industrial Park, first lot to be leased with option to purchase after 1<sup>st</sup> year.

# Goals & Highlights

## LIVABILITY

### 2017 Goals:

Item	Status
1. Initiate review of DCC Bylaw	On Hold
2. Become a model Healthy community	Ongoing
3. Become a green community	Ongoing
4. Community Cleanup & Beautification	Ongoing
5. Infrastructure application which includes accessibility improvements to downtown core.	Not Successful



### 2018 Goals:

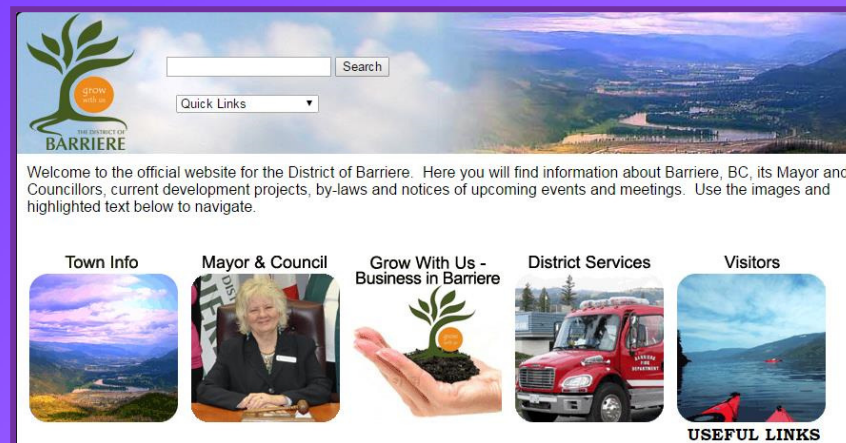
Item	Status	Comments
1. Research options and their feasibility to address Provincially mandated recycling changes	In process	Awaiting acceptance to Recycle BC Program
2. Support Healthy Living for All Ages	Ongoing	Continue to entertain non-gov't partnerships
3. Become a green community	Ongoing	
4. Community Cleanup & Beautification	Ongoing	

# Goals & Highlights

## GOOD GOVERNMENT / COMMUNICATION

### 2017 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	Complete
4. Explore options to further engage the public	Ongoing
5. Continue to utilize "the Bear" Radio station to disseminate information to citizens	Ongoing



### 2018 Goals:

Item	Status	Comments
1. Work toward effective and ongoing communications with business community, government & social groups	Ongoing	Working online with Star Journal and Radio Station to provide ongoing updates and information provision to residents & visitors
2. Apply for all grants that will add value to the community	Ongoing	
3. Continue review and revision of old bylaws	In process	
4. Explore Options to further engage the public	In process	
5. Begin OCP review process	On Hold	Holding until next term of Council

# Goals & Highlights

## FINANCIAL SUSTAINABILITY

### 2017 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. Budget for Asset Replacement	Ongoing
4. Review User Fees	Ongoing
5. Explore Alternate Revenue Sources	Ongoing

### 2018 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. Explore Alternative Revenue Sources	Ongoing
4. Asset Management Planning	Ongoing



### 2017 Highlights – Financial Sustainability

- New Water Tanker
- Modification of Old Garbage Truck to Dump Truck for Parks & Roads Departments

# Goals & Highlights

## BUDGET PROCESS / TAX

### 2017 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

### 2018 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



### 2017 Highlights- Budget Process/ Tax

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

# Permissive Tax Exemptions

District of Barriere  
Section 224 (2)(a) Community Charter  
Tax Exemption Bylaw No.126, 2015

<b>Societies / Non Profit</b>	<b>2016</b>	<b>2017</b>
Barriere & District Heritage Society Assessed under Roll No. 1245.667	\$1,964.08	\$1,964.08
Barriere & District Senior's Society Assessed under Roll No. 1245.408	\$2,769.55	\$2,769.55
Barriere & District Food Bank Assessed under Roll No. 1470.362	\$5,138.69	\$4,829.78
Provincial Rental Housing Corp Yellowhead Residence Assessed under Roll No. 1390.370	\$1,794.32	\$2,019.25
North Thompson Fall Fair Assessed under Roll No. 1465.058	\$3,542.24	\$3,642.54
North Thompson Fall Fair Assessed under Roll No. 1465.080	\$15,342.94	\$15,008.87
Barriere Curling Club Assessed under Roll No. 1465.200	\$12,328.78	\$11,333.62
Interior Community Services Assessed under Roll No. 1245.420	\$2,182.62	\$2,170.61
North Thompson Legion #242 Assessed under Roll No. 1270.085	\$1,287.01	\$1,164.82
Lower North Thompson Community Forest Society under Roll No. 1470.007	n/a	\$6,735.00

# Permissive Tax Exemptions

District of Barriere  
Section 220 (1)(h) Community Charter  
Tax Exemption Bylaw No. 125, 2015

<b>Churches</b>	<b>2016</b>	<b>2017</b>
Trustee of the Barriere BC Congregation Jehovah's Witness Assessed under Roll No. 1225.248	\$493.56	\$625.38
Roman Catholic Bishop of Kamloops Assessed under Roll No. 1470.430 (church)	\$793.45	\$718.12
United Church Assessed under Roll No. 1245.386	\$591.33	\$599.00
Baptist Church Assessed under Roll No. 1390.060	\$412.71	\$418.62
Pentecostal Church Assessed under Roll No. 1470.514	\$690.98	\$700.25

Financial Statements of

# **DISTRICT OF BARRIERE**

Year ended December 31, 2017



# DISTRICT OF BARRIERE

## Financial Statements

Year ended December 31, 2017

### Financial Statements

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## **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



KPMG LLP  
200-206 Seymour Street  
Kamloops BC V2C 6P5  
Canada  
Tel (250) 372-5581  
Fax (250) 828-2928

## **INDEPENDENT AUDITORS' REPORT**

To the Mayor and Council of District of Barriere

We have audited the accompanying financial statements of the District of Barriere ("the District") which comprise the statement of financial position as at December 31, 2017 and the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the District's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## 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, 2017 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.

*KPMG LLP*

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Chartered Professional Accountants

Kamloops, Canada

April 23, 2018

# DISTRICT OF BARRIERE

## Statement of Financial Position

December 31, 2017, with comparative information for 2016

	2017	2016
<b>Financial assets:</b>		
Cash and investments (note 2)	\$ 3,544,091	\$ 2,061,451
Accounts receivable (note 3)	1,452,659	417,765
Land held for resale	492,022	492,022
	<u>5,488,772</u>	<u>2,971,238</u>
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	1,026,257	531,713
Deferred revenue (note 4)	215,260	96,783
Short-term debt (note 5)	1,500,000	-
	<u>2,741,517</u>	<u>628,496</u>
Net financial assets	2,747,255	2,342,742
<b>Non-financial assets:</b>		
Inventory of supplies	19,412	30,022
Prepaid expenses and deposits	6,789	6,825
Tangible capital assets (note 6)	26,961,388	23,910,215
	<u>26,987,589</u>	<u>23,947,062</u>
Commitments (note 8)		
Trust funds (note 15)		
<b>Accumulated surplus (note 7)</b>	<b>\$ 29,734,844</b>	<b>\$ 26,289,804</b>

See accompanying notes to financial statements.

# DISTRICT OF BARRIERE

## Statement of Operations and Accumulated Surplus

Year ended December 31, 2017, with comparative information for 2016

	Budget (note 13)	2017	2016
Revenue:			
Tax requisition (note 9)	\$ 790,700	\$ 791,494	\$ 751,872
Service revenue	716,480	942,811	831,553
Government transfers (note 10)	4,191,314	4,058,368	1,741,417
Grants in lieu of taxes	35,100	35,924	35,138
Other income	16,000	25,745	248,895
Developer contributions	-	-	400,774
Total revenue	5,749,594	5,854,342	4,009,649
Expenses:			
General government	598,800	665,017	640,988
Protective services	128,485	219,602	149,224
Transportation services	302,350	548,864	564,891
Environmental services	110,850	146,004	126,570
Development services	32,975	24,763	18,659
Parks and recreation	92,000	143,433	117,718
Water utility	270,250	304,954	304,706
Sewer utility	131,814	356,665	136,587
Total expenses	1,667,524	2,409,302	2,059,343
Annual surplus	4,082,070	3,445,040	1,950,306
Accumulated surplus, beginning of year	26,289,804	26,289,804	24,339,498
Accumulated surplus, end of year	\$ 30,371,874	\$ 29,734,844	\$ 26,289,804

See accompanying notes to financial statements.

# DISTRICT OF BARRIERE

## Statement of Change in Net Financial Assets

Year ended December 31, 2017, with comparative information for 2016

	Budget (note 13)	2017	2016
Annual surplus	\$ 4,082,070	\$ 3,445,040	\$ 1,950,306
Acquisition of tangible capital assets	(4,232,140)	(3,655,275)	(2,759,568)
Amortization of tangible capital assets	-	604,101	418,934
	(4,232,140)	(3,051,174)	(2,340,634)
Acquisition of prepaid expenses	-	(6,789)	(6,825)
Acquisition of inventories	-	(19,412)	(17,673)
Use of prepaid expenses	-	6,825	3,426
Use of inventories	-	30,022	16,154
	-	10,646	(4,918)
Net change in net financial assets	(150,070)	404,512	(395,246)
Net financial assets, beginning of year	2,342,743	2,342,743	2,737,989
Net financial assets, end of year	\$ 2,192,673	\$ 2,747,255	\$ 2,342,743

See accompanying notes to financial statements.

# DISTRICT OF BARRIERE

## Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Cash provided by (used in):		
<b>Operating activities:</b>		
Annual surplus	\$ 3,445,040	\$ 1,950,306
Items not involving cash:		
Amortization of tangible capital assets	604,101	418,934
(Gain) loss on disposal of tangible capital assets	-	(40,500)
Change in non-cash operating assets and liabilities:		
Accounts receivable	(1,034,894)	1,042,702
Inventory	10,610	(1,520)
Prepaid expenses	36	(3,399)
Accounts payable and accrued liabilities	494,545	159,419
Deferred revenue	118,477	(326,218)
	<u>3,637,915</u>	<u>3,199,724</u>
<b>Capital activities:</b>		
Acquisition of tangible capital assets	(3,655,275)	(2,759,568)
Proceeds on sale of tangible capital assets	-	40,500
	<u>(3,655,275)</u>	<u>(2,719,068)</u>
<b>Investing activities:</b>		
Increase (decrease) in investments	(20,047)	243,024
<b>Financing activities:</b>		
Proceeds on debt	1,500,000	-
	<u>1,500,000</u>	<u>-</u>
Increase in cash	1,462,593	723,680
Cash, beginning of year	819,014	95,334
Cash, end of year	<u>\$ 2,281,607</u>	<u>\$ 819,014</u>

See accompanying notes to financial statements.



# DISTRICT OF BARRIERE

Notes to Financial Statements

Year ended December 31, 2017

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District of Barriere (the "District") is incorporated and operates under the provisions of the Local Government Act and the Community Charter of British Columbia.

The District provides municipal services to residents of the incorporated area. These include protective services, transportation services, environmental services, development services, water utilities, sewer utilities, parks and recreation, and general government services.

## 1. Significant accounting policies:

The financial statements of District of Barriere (the "District") are prepared by management 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 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.

### (b) Revenue recognition:

Property taxes, parcel taxes, frontage taxes, special assessments and grants in lieu of taxes are recognized as revenue in the year in which they are assessable.

Service revenue, such as water and sewer user rates, connection fees, sale of services, and interest and penalties are recognized as revenue in the year the related service is provided.

Investment income is reported as revenue in the period earned.

### (c) Government transfers:

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made unless the transfer contains stipulations that create a liability in which case the transfers are recognized as revenue in the period that the liability is extinguished.

### (d) Investments:

Investments are comprised of term deposits with maturity dates greater than 90 days after acquisition as well as savings accounts. Investments are recorded at cost.

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

---

## 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	20-60 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, 2017

---

## 1. Significant accounting policies (continued):

(iii) Natural resources:

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

(iv) Works of art and cultural and historic assets:

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(v) Interest capitalization:

The District capitalizes interest costs associated with the acquisition or construction of a tangible capital asset when they are directly attributable to the asset.

(vi) Inventory of supplies:

Inventories held for consumption are recorded at the lower of cost and replacement cost.

(vii) Land held for resale:

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

(g) Use of estimates:

The preparation of financial statements in accordance with PSAB requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Significant estimates include the useful lives of tangible capital assets.

Management reviews these estimates on a periodic basis and, where necessary, makes adjustments prospectively.

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

---

## 1. Significant accounting policies (continued):

(h) Taxes collected on behalf of other agencies:

The District collects taxes on behalf of the Regional District, the Regional Hospital District, British Columbia Assessment Authority, Municipal Finance Authority ("MFA"), and School and Police taxes on behalf of the Province. The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the Regional District and School Board are not reflected in these financial statements.

(i) Contaminated sites:

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

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

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

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

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## 2. Cash and investments:

Cash and investments reported on the statement of financial position have costs that approximates market value. Cash and investments consist of the following:

	2017	2016
Cash	\$ 2,281,607	\$ 819,014
Investments	1,262,484	1,242,437
	<u>\$ 3,544,091</u>	<u>\$ 2,061,451</u>

Investments include term deposits and savings accounts bearing interest at rates between 0.45% to 2.25%.

## 3. Accounts receivable:

Accounts receivable consists of amounts receivables for the following sources:

	2017	2016
Government transfers	\$ 896,852	\$ 52,577
Property taxes	172,680	153,064
Goods and services tax	265,287	113,010
Other amounts	117,840	99,114
	<u>\$ 1,452,659</u>	<u>\$ 417,765</u>

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

## 4. Deferred revenue:

Deferred gas tax 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.

	2017	2016
Deferred gas tax:		
Opening balance	\$ -	\$ 226,136
Funding received	128,333	127,293
Revenues recognized	-	(355,145)
Interest earned	69	1,716
	128,402	-
Prepaid property taxes	25,789	32,417
Other prepaid deposits	15,000	20,000
Restricted funds	12,255	10,552
Development cost charges	33,814	33,814
	\$ 215,260	\$ 96,783

## 5. Short-term debt:

The District received short term borrowings of \$1,500,000 through the Municipal Finance Authority ("MFA") to finance part of the cost of upgrading waterworks systems. Under the terms of the agreement, the District is required to make principal payments once annually, while interest is calculated daily and is based on the original debt principal borrowed. Interest is payable the last day of the month, or the next business day after the last day of the month. The District has agreed to repayment by May 31, 2018, once the project has completed and Federal Gas Tax grants have been received.

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

## 6. Tangible capital assets:

2017	Land	Roads and bridges*	Buildings	Equipment	Vehicles	Wastewater infrastructure*	Waterworks infrastructure*	Total 2017
<b>Cost:</b>								
Balance, beginning of year	\$ 4,945,629	\$ 7,079,609	\$ 1,280,376	\$ 945,469	\$ 899,697	\$ 8,738,688	\$ 4,549,347	\$ 28,438,815
Additions	-	-	-	26,884	23,772	-	3,604,619	3,655,275
Disposals	-	-	-	(4,656)	-	-	(5,488)	(10,144)
Balance, end of year	\$ 4,945,629	\$ 7,079,609	\$ 1,280,376	\$ 967,697	\$ 923,469	\$ 8,738,688	\$ 8,148,478	\$ 32,083,946
<b>Accumulated amortization:</b>								
Balance, beginning of year	\$ -	\$ 2,196,976	\$ 226,074	\$ 513,659	\$ 486,452	\$ 20,069	1,085,370	\$ 4,528,600
Disposals	-	-	-	(4,656)	-	-	(5,489)	(10,145)
Amortization	-	250,107	38,564	51,781	56,775	137,897	68,977	604,101
Balance, end of year	-	2,447,083	264,638	560,784	543,227	157,966	1,148,858	5,122,556
Net book value, end of year	\$ 4,945,629	\$ 4,632,526	\$ 1,015,738	\$ 406,913	\$ 380,242	\$ 8,580,722	\$ 6,999,620	\$ 26,961,388

\*Contains assets under construction - see note (a)

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

## 6. Tangible capital assets (continued):

2016	Land	Roads and bridges*	Buildings	Equipment	Vehicles	Wastewater infrastructure*	Waterworks infrastructure*	Total 2016
<b>Cost:</b>								
Balance, beginning of year	\$ 4,844,629	\$ 7,002,934	\$ 1,271,352	\$ 724,913	\$ 664,020	\$ 7,692,110	\$ 3,511,889	\$ 25,711,847
Additions	101,000	76,675	9,024	225,556	263,277	1,046,578	1,037,458	2,759,568
Disposals	-	-	-	(5,000)	(27,600)	-	-	(32,600)
Balance, end of year	\$ 4,945,629	\$ 7,079,609	\$ 1,280,376	\$ 945,469	\$ 899,697	\$ 8,738,688	\$ 4,549,347	\$ 28,438,815
<b>Accumulated amortization:</b>								
Balance, beginning of year	\$ -	\$ 1,947,947	\$ 187,690	\$ 492,978	\$ 478,075	\$ 16,055	\$ 1,019,521	\$ 4,142,266
Disposals	-	-	-	(5,000)	(24,600)	-	-	(32,600)
Amortization expense	-	249,029	38,384	25,681	35,977	4,014	65,849	418,934
Balance, end of year	-	2,196,976	226,074	513,659	489,452	20,069	1,085,370	4,528,600
Net book value, end of year	\$ 4,945,629	\$ 4,882,633	\$ 1,054,302	\$ 431,810	\$ 410,245	\$ 8,718,619	\$ 3,463,977	\$ 23,910,215

\*Contains assets under construction - see note (a)



# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

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## 6. Tangible capital assets (continued):

### (a) Assets under construction:

Assets under construction, consisting of waterworks infrastructure having a cost of \$1,050,427 (2016 - \$1,050,427) and wastewater infrastructure having a cost of \$nil (2016 - \$8,820,922) have not been amortized. Amortization of these assets will commence when the asset is put into service.

### (b) 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.

### (c) 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, 2017

## 7. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2017	2016
Unrestricted surplus	\$ 3,027,822	\$ 1,323,644
Equity in tangible capital assets	25,461,389	23,910,214
<b>Reserve funds:</b>		
Roads	549,145	551,496
Fire protection	156,619	61,215
Water	145,395	102,138
Louis Creek Industrial Site	150,900	152,561
Municipal hall	151,344	118,129
Environmental	21,640	9,092
Land sales	41,514	40,600
Highway signs	25,584	20,230
Community hall	3,300	293
First responders	192	192
Total reserve funds	1,245,633	1,055,946
	<b>\$ 29,734,844</b>	<b>\$ 26,289,804</b>

## 8. Commitments:

a) The District has entered into a contract for snow removal services ending in 2019 with annual payments for the next 2 years as follows:

2018	\$ 156,000
2019	78,000
	<b>\$ 234,000</b>

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

## 9. Taxation and grants in lieu:

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

	2017	2016
<b>Municipal and school property taxes levied</b>	<b>\$ 1,770,808</b>	<b>\$ 1,710,190</b>
	1,770,808	1,710,190
Less: Collections on behalf of other governments:		
Province of B.C. - School taxes	481,357	486,895
Thompson-Nicola Regional District ("TNRD")	295,412	284,263
Thompson Regional Hospital District	111,321	93,366
Police taxes	76,166	77,466
B.C. Assessment Authority	11,401	12,281
Payment in lieu of taxes	3,614	4,006
Municipal Finance Authority	43	41
	979,314	958,318
	<b>\$ 791,494</b>	<b>\$ 751,872</b>

## 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:

	2017	2016
Community Works Funding (Gas Tax Fund)	\$ -	\$ 355,145
EcoConnexions grant	-	25,000
Other grants and transfers	3,083	8,404
Rural dividend grant	46,214	15,000
Small Community Grant	416,788	408,328
Strategic priorities funding (Gas Tax Fund)	3,592,283	929,540
	<b>\$ 4,058,368</b>	<b>\$ 1,741,417</b>

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

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## **11. Contingent liabilities:**

Under the Local Government Act, all monies borrowed by a Regional District shall be upon its credit at large and shall, in the event of any default, constitute an indebtedness of the member municipalities for which they are jointly and severally liable. Therefore, the District is responsible for its share of any operating deficits or capital debt related to functions in which it participates.

From time to time, the District is brought forth as a defendant in various lawsuits. The District reviews its exposure to any potential litigation for which it would not be covered by insurance and assesses whether a successful claim would materially affect the financial statements of the District. The District is currently not aware of any claims brought against it that if not defended successfully would result in a material change to the financial statements.

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

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## 12. Pension liability:

The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the 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, 2017, the plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 38,000 contributors from local government.

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 is the adjusted to extent there amortization of any funding deficit.

The most recent actuarial valuation as at December 31, 2015 indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis.

The District paid \$37,432 for employer contributions to the plan in fiscal 2017 which represents 0.005 per cent of the total plan contributions.

The next valuation will be as at December 31, 2018, with results available in 2019.

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.

The District paid \$37,432 (2016 - \$37,314) for employer contributions while employees contributed \$32,519 (2016 - \$32,434) to the plan in fiscal 2017.

Financial Statements of

**DISTRICT OF BARRIERE**

Year ended December 31, 2017

# DISTRICT OF BARRIERE

## Financial Statements

Year ended December 31, 2017

### Financial Statements

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## **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

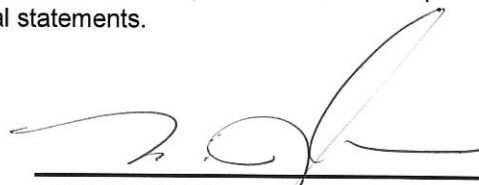
The accompanying financial statements of District of Barriere (the "District") are the responsibility of management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting 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





KPMG LLP  
200-206 Seymour Street  
Kamloops BC V2C 6P5  
Canada  
Tel (250) 372-5581  
Fax (250) 828-2928

## **INDEPENDENT AUDITORS' REPORT**

To the Mayor and Council of District of Barriere

We have audited the accompanying financial statements of the District of Barriere ("the District") which comprise the statement of financial position as at December 31, 2017 and the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the District's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### 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, 2017 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.

*KPMG LLP*

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Chartered Professional Accountants

Kamloops, Canada

April 23, 2018

# DISTRICT OF BARRIERE

## Statement of Financial Position

December 31, 2017, with comparative information for 2016

	2017	2016
<b>Financial assets:</b>		
Cash and investments (note 2)	\$ 3,544,091	\$ 2,061,451
Accounts receivable (note 3)	1,452,659	417,765
Land held for resale	492,022	492,022
	<u>5,488,772</u>	<u>2,971,238</u>
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	1,026,257	531,713
Deferred revenue (note 4)	215,260	96,783
Short-term debt (note 5)	1,500,000	-
	<u>2,741,517</u>	<u>628,496</u>
Net financial assets	2,747,255	2,342,742
<b>Non-financial assets:</b>		
Inventory of supplies	19,412	30,022
Prepaid expenses and deposits	6,789	6,825
Tangible capital assets (note 6)	26,961,388	23,910,215
	<u>26,987,589</u>	<u>23,947,062</u>
Commitments (note 8)		
Trust funds (note 15)		
<b>Accumulated surplus (note 7)</b>	<b>\$ 29,734,844</b>	<b>\$ 26,289,804</b>

See accompanying notes to financial statements.

# DISTRICT OF BARRIERE

## Statement of Operations and Accumulated Surplus

Year ended December 31, 2017, with comparative information for 2016

	Budget (note 13)	2017	2016
Revenue:			
Tax requisition (note 9)	\$ 790,700	\$ 791,494	\$ 751,872
Service revenue	716,480	942,811	831,553
Government transfers (note 10)	4,191,314	4,058,368	1,741,417
Grants in lieu of taxes	35,100	35,924	35,138
Other income	16,000	25,745	248,895
Developer contributions	-	-	400,774
Total revenue	5,749,594	5,854,342	4,009,649
Expenses:			
General government	598,800	665,017	640,988
Protective services	128,485	219,602	149,224
Transportation services	302,350	548,864	564,891
Environmental services	110,850	146,004	126,570
Development services	32,975	24,763	18,659
Parks and recreation	92,000	143,433	117,718
Water utility	270,250	304,954	304,706
Sewer utility	131,814	356,665	136,587
Total expenses	1,667,524	2,409,302	2,059,343
Annual surplus	4,082,070	3,445,040	1,950,306
Accumulated surplus, beginning of year	26,289,804	26,289,804	24,339,498
Accumulated surplus, end of year	\$ 30,371,874	\$ 29,734,844	\$ 26,289,804

See accompanying notes to financial statements.

# DISTRICT OF BARRIERE

## Statement of Change in Net Financial Assets

Year ended December 31, 2017, with comparative information for 2016

	Budget (note 13)	2017	2016
Annual surplus	\$ 4,082,070	\$ 3,445,040	\$ 1,950,306
Acquisition of tangible capital assets	(4,232,140)	(3,655,275)	(2,759,568)
Amortization of tangible capital assets	-	604,101	418,934
	(4,232,140)	(3,051,174)	(2,340,634)
Acquisition of prepaid expenses	-	(6,789)	(6,825)
Acquisition of inventories	-	(19,412)	(17,673)
Use of prepaid expenses	-	6,825	3,426
Use of inventories	-	30,022	16,154
	-	10,646	(4,918)
Net change in net financial assets	(150,070)	404,512	(395,246)
Net financial assets, beginning of year	2,342,743	2,342,743	2,737,989
Net financial assets, end of year	\$ 2,192,673	\$ 2,747,255	\$ 2,342,743

See accompanying notes to financial statements.

# DISTRICT OF BARRIERE

## Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Cash provided by (used in):		
<b>Operating activities:</b>		
Annual surplus	\$ 3,445,040	\$ 1,950,306
Items not involving cash:		
Amortization of tangible capital assets	604,101	418,934
(Gain) loss on disposal of tangible capital assets	-	(40,500)
Change in non-cash operating assets and liabilities:		
Accounts receivable	(1,034,894)	1,042,702
Inventory	10,610	(1,520)
Prepaid expenses	36	(3,399)
Accounts payable and accrued liabilities	494,545	159,419
Deferred revenue	118,477	(326,218)
	<u>3,637,915</u>	<u>3,199,724</u>
<b>Capital activities:</b>		
Acquisition of tangible capital assets	(3,655,275)	(2,759,568)
Proceeds on sale of tangible capital assets	-	40,500
	<u>(3,655,275)</u>	<u>(2,719,068)</u>
<b>Investing activities:</b>		
Increase (decrease) in investments	(20,047)	243,024
<b>Financing activities:</b>		
Proceeds on debt	1,500,000	-
	<u>1,500,000</u>	<u>-</u>
Increase in cash	1,462,593	723,680
Cash, beginning of year	819,014	95,334
Cash, end of year	<u>\$ 2,281,607</u>	<u>\$ 819,014</u>

See accompanying notes to financial statements.

# DISTRICT OF BARRIERE

Notes to Financial Statements

Year ended December 31, 2017

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District of Barriere (the "District") is incorporated and operates under the provisions of the Local Government Act and the Community Charter of British Columbia.

The District provides municipal services to residents of the incorporated area. These include protective services, transportation services, environmental services, development services, water utilities, sewer utilities, parks and recreation, and general government services.

## 1. Significant accounting policies:

The financial statements of District of Barriere (the "District") are prepared by management 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 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.

### (b) Revenue recognition:

Property taxes, parcel taxes, frontage taxes, special assessments and grants in lieu of taxes are recognized as revenue in the year in which they are assessable.

Service revenue, such as water and sewer user rates, connection fees, sale of services, and interest and penalties are recognized as revenue in the year the related service is provided.

Investment income is reported as revenue in the period earned.

### (c) Government transfers:

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made unless the transfer contains stipulations that create a liability in which case the transfers are recognized as revenue in the period that the liability is extinguished.

### (d) Investments:

Investments are comprised of term deposits with maturity dates greater than 90 days after acquisition as well as savings accounts. Investments are recorded at cost.

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

---

## 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	20-60 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, 2017

---

## 1. Significant accounting policies (continued):

(iii) Natural resources:

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

(iv) Works of art and cultural and historic assets:

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(v) Interest capitalization:

The District capitalizes interest costs associated with the acquisition or construction of a tangible capital asset when they are directly attributable to the asset.

(vi) Inventory of supplies:

Inventories held for consumption are recorded at the lower of cost and replacement cost.

(vii) Land held for resale:

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

(g) Use of estimates:

The preparation of financial statements in accordance with PSAB requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Significant estimates include the useful lives of tangible capital assets.

Management reviews these estimates on a periodic basis and, where necessary, makes adjustments prospectively.

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

---

## 1. Significant accounting policies (continued):

### (h) Taxes collected on behalf of other agencies:

The District collects taxes on behalf of the Regional District, the Regional Hospital District, British Columbia Assessment Authority, Municipal Finance Authority ("MFA"), and School and Police taxes on behalf of the Province. The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the Regional District and School Board are not reflected in these financial statements.

### (i) Contaminated sites:

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

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

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

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

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## 2. Cash and investments:

Cash and investments reported on the statement of financial position have costs that approximates market value. Cash and investments consist of the following:

	2017	2016
Cash	\$ 2,281,607	\$ 819,014
Investments	1,262,484	1,242,437
	<u>\$ 3,544,091</u>	<u>\$ 2,061,451</u>

Investments include term deposits and savings accounts bearing interest at rates between 0.45% to 2.25%.

## 3. Accounts receivable:

Accounts receivable consists of amounts receivables for the following sources:

	2017	2016
Government transfers	\$ 896,852	\$ 52,577
Property taxes	172,680	153,064
Goods and services tax	265,287	113,010
Other amounts	117,840	99,114
	<u>\$ 1,452,659</u>	<u>\$ 417,765</u>

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

## 4. Deferred revenue:

Deferred gas tax 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.

	2017	2016
Deferred gas tax:		
Opening balance	\$ -	\$ 226,136
Funding received	128,333	127,293
Revenues recognized	-	(355,145)
Interest earned	69	1,716
	128,402	-
Prepaid property taxes	25,789	32,417
Other prepaid deposits	15,000	20,000
Restricted funds	12,255	10,552
Development cost charges	33,814	33,814
	\$ 215,260	\$ 96,783

## 5. Short-term debt:

The District received short term borrowings of \$1,500,000 through the Municipal Finance Authority ("MFA") to finance part of the cost of upgrading waterworks systems. Under the terms of the agreement, the District is required to make principal payments once annually, while interest is calculated daily and is based on the original debt principal borrowed. Interest is payable the last day of the month, or the next business day after the last day of the month. The District has agreed to repayment by May 31, 2018, once the project has completed and Federal Gas Tax grants have been received.

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

## 6. Tangible capital assets:

2017	Land	Roads and bridges*	Buildings	Equipment	Vehicles	Wastewater infrastructure*	Waterworks infrastructure*	Total 2017
<b>Cost:</b>								
Balance, beginning of year	\$ 4,945,629	\$ 7,079,609	\$ 1,280,376	\$ 945,469	\$ 899,697	\$ 8,738,688	\$ 4,549,347	\$ 28,438,815
Additions	-	-	-	26,884	23,772	-	3,604,619	3,655,275
Disposals	-	-	-	(4,656)	-	-	(5,488)	(10,144)
Balance, end of year	\$ 4,945,629	\$ 7,079,609	\$ 1,280,376	\$ 967,697	\$ 923,469	\$ 8,738,688	\$ 8,148,478	\$ 32,083,946
<b>Accumulated amortization:</b>								
Balance, beginning of year	\$ -	\$ 2,196,976	\$ 226,074	\$ 513,659	\$ 486,452	\$ 20,069	1,085,370	\$ 4,528,600
Disposals	-	-	-	(4,656)	-	-	(5,489)	(10,145)
Amortization	-	250,107	38,564	51,781	56,775	137,897	68,977	604,101
Balance, end of year	-	2,447,083	264,638	560,784	543,227	157,966	1,148,858	5,122,556
Net book value, end of year	\$ 4,945,629	\$ 4,632,526	\$ 1,015,738	\$ 406,913	\$ 380,242	\$ 8,580,722	\$ 6,999,620	\$ 26,961,388

\*Contains assets under construction - see note (a)

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

## 6. Tangible capital assets (continued):

2016	Land	Roads and bridges*	Buildings	Equipment	Vehicles	Wastewater infrastructure*	Waterworks infrastructure*	Total 2016
<b>Cost:</b>								
Balance, beginning of year	\$ 4,844,629	\$ 7,002,934	\$ 1,271,352	\$ 724,913	\$ 664,020	\$ 7,692,110	\$ 3,511,889	\$ 25,711,847
Additions	101,000	76,675	9,024	225,556	263,277	1,046,578	1,037,458	2,759,568
Disposals	-	-	-	(5,000)	(27,600)	-	-	(32,600)
Balance, end of year	\$ 4,945,629	\$ 7,079,609	\$ 1,280,376	\$ 945,469	\$ 899,697	\$ 8,738,688	\$ 4,549,347	\$ 28,438,815
<b>Accumulated amortization:</b>								
Balance, beginning of year	\$ -	\$ 1,947,947	\$ 187,690	\$ 492,978	\$ 478,075	\$ 16,055	\$ 1,019,521	\$ 4,142,266
Disposals	-	-	-	(5,000)	(24,600)	-	-	(32,600)
Amortization expense	-	249,029	38,384	25,681	35,977	4,014	65,849	418,934
Balance, end of year	-	2,196,976	226,074	513,659	489,452	20,069	1,085,370	4,528,600
Net book value, end of year	\$ 4,945,629	\$ 4,882,633	\$ 1,054,302	\$ 431,810	\$ 410,245	\$ 8,718,619	\$ 3,463,977	\$ 23,910,215

\*Contains assets under construction - see note (a)

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

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## 6. Tangible capital assets (continued):

### (a) Assets under construction:

Assets under construction, consisting of waterworks infrastructure having a cost of \$1,050,427 (2016 - \$1,050,427) and wastewater infrastructure having a cost of \$nil (2016 - \$8,820,922) have not been amortized. Amortization of these assets will commence when the asset is put into service.

### (b) 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.

### (c) 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, 2017

## 7. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2017	2016
Unrestricted surplus	\$ 3,027,822	\$ 1,323,644
Equity in tangible capital assets	25,461,389	23,910,214
<b>Reserve funds:</b>		
Roads	549,145	551,496
Fire protection	156,619	61,215
Water	145,395	102,138
Louis Creek Industrial Site	150,900	152,561
Municipal hall	151,344	118,129
Environmental	21,640	9,092
Land sales	41,514	40,600
Highway signs	25,584	20,230
Community hall	3,300	293
First responders	192	192
Total reserve funds	1,245,633	1,055,946
	<b>\$ 29,734,844</b>	<b>\$ 26,289,804</b>

## 8. Commitments:

- a) The District has entered into a contract for snow removal services ending in 2019 with annual payments for the next 2 years as follows:

2018	\$ 156,000
2019	78,000
	<b>\$ 234,000</b>



# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

## 9. Taxation and grants in lieu:

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

	2017	2016
<b>Municipal and school property taxes levied</b>	<b>\$ 1,770,808</b>	<b>\$ 1,710,190</b>
	1,770,808	1,710,190
Less: Collections on behalf of other governments:		
Province of B.C. - School taxes	481,357	486,895
Thompson-Nicola Regional District ("TNRD")	295,412	284,263
Thompson Regional Hospital District	111,321	93,366
Police taxes	76,166	77,466
B.C. Assessment Authority	11,401	12,281
Payment in lieu of taxes	3,614	4,006
Municipal Finance Authority	43	41
	979,314	958,318
	<b>\$ 791,494</b>	<b>\$ 751,872</b>

## 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:

	2017	2016
Community Works Funding (Gas Tax Fund)	\$ -	\$ 355,145
EcoConnexions grant	-	25,000
Other grants and transfers	3,083	8,404
Rural dividend grant	46,214	15,000
Small Community Grant	416,788	408,328
Strategic priorities funding (Gas Tax Fund)	3,592,283	929,540
	<b>\$ 4,058,368</b>	<b>\$ 1,741,417</b>

# **DISTRICT OF BARRIERE**

Notes to Financial Statements (continued)

Year ended December 31, 2017

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## **11. Contingent liabilities:**

Under the Local Government Act, all monies borrowed by a Regional District shall be upon its credit at large and shall, in the event of any default, constitute an indebtedness of the member municipalities for which they are jointly and severally liable. Therefore, the District is responsible for its share of any operating deficits or capital debt related to functions in which it participates.

From time to time, the District is brought forth as a defendant in various lawsuits. The District reviews its exposure to any potential litigation for which it would not be covered by insurance and assesses whether a successful claim would materially affect the financial statements of the District. The District is currently not aware of any claims brought against it that if not defended successfully would result in a material change to the financial statements.

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

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## 12. Pension liability:

The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the 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, 2017, the plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 38,000 contributors from local government.

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 is the adjusted to extent there amortization of any funding deficit.

The most recent actuarial valuation as at December 31, 2015 indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis.

The District paid \$37,432 for employer contributions to the plan in fiscal 2017 which represents 0.005 per cent of the total plan contributions.

The next valuation will be as at December 31, 2018, with results available in 2019.

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.

The District paid \$37,432 (2016 - \$37,314) for employer contributions while employees contributed \$32,519 (2016 - \$32,434) to the plan in fiscal 2017.

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

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## 13. Budget:

The Financial Plan (Budget) bylaw adopted by Council on March 6, 2017 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget figures anticipated using surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to \$nil. In addition, the budget expensed all tangible capital asset additions rather than including amortization expense. As a result, the budget figures presented in the statements of operations and change in net financial assets represent the Financial Plan adopted by Council on March 6, 2017 with adjustments as follows:

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	2017
Annual surplus - statement of operations	\$ 4,082,070
Adjust for budgeted cash items not included in statement of operations:	
Acquisition of tangible capital assets	(4,232,140)
Transfer from reserves	150,070
<u>Total adjustments</u>	<u>(4,082,070)</u>
<u>Financial plan balance</u>	<u>\$ -</u>

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## 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.

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

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## 14. Segmented information (continued):

(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.

(e) Parks and recreation:

Parks and recreation is responsible for parks and playgrounds, recreation programming, cemetery services, and cultural buildings and programs.

(f) Water utility:

The District is responsible for environmental programs including the engineering and operation of the potable water system.

(g) Sewer utility:

The District is responsible for environmental programs including the engineering and operation of the wastewater system.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the presentation of segmented financial information. The accounting policies used in these statements are consistent with those followed in the preparation of the financial statements.

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

## 14. Segmented information (continued):

2017	Protective services	Transportation services	Environmental services	Development services	Parks and recreation	Water utility	Sewer utility	General government	Total
<b>Revenue:</b>									
Tax requisition	\$ 80,337	\$ 189,088	\$ 69,572	\$ 20,421	\$ 57,542	\$ -	\$ -	\$ 374,534	\$ 791,494
Grants in lieu	-	-	-	-	-	-	-	35,924	35,924
Sales of services	198,836	48,819	119,106	39,094	12,494	386,096	58,360	80,006	942,811
Government transfers	-	-	-	-	-	3,592,283	46,214	419,871	4,058,368
Other	-	-	-	-	6,208	-	-	19,537	25,745
<b>Total revenue</b>	<b>214,005</b>	<b>237,907</b>	<b>188,678</b>	<b>59,515</b>	<b>76,244</b>	<b>3,978,379</b>	<b>104,574</b>	<b>929,872</b>	<b>5,854,342</b>
<b>Expenses:</b>									
Operating	157,239	259,121	61,587	10,057	54,813	117,678	142,595	206,846	1,009,936
Salaries and benefits	20,382	37,943	62,358	14,706	55,514	115,712	76,173	412,477	795,265
Amortization	41,981	251,800	22,059	-	33,106	71,564	137,897	45,694	604,101
<b>Total expenses</b>	<b>219,602</b>	<b>548,864</b>	<b>146,004</b>	<b>24,763</b>	<b>143,433</b>	<b>304,954</b>	<b>356,665</b>	<b>665,017</b>	<b>2,409,302</b>
<b>Annual surplus (deficit)</b>	<b>\$ (5,597)</b>	<b>\$ (310,957)</b>	<b>\$ 42,674</b>	<b>\$ 34,752</b>	<b>\$ (67,189)</b>	<b>\$ 3,673,425</b>	<b>\$ (252,091)</b>	<b>\$ 264,855</b>	<b>\$ 3,445,040</b>

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

## 14. Segmented information (continued):

2016	Protective services	Transportation services	Environmental services	Development services	Parks and recreation	Water utility	Sewer utility	General government	Total
<b>Revenue:</b>									
Tax requisition	\$ 76,390	\$ 180,299	\$ 67,443	\$ 22,857	\$ 61,578	\$ -	\$ -	\$ 343,305	\$ 751,872
Grants in lieu	-	-	-	-	-	-	-	35,138	35,138
Sales of services	137,615	40,471	120,765	24,319	21,877	363,210	12,048	111,248	831,553
Government transfers	-	-	-	-	49,712	929,540	340,433	421,732	1,741,417
Developer contributions	-	-	-	-	-	-	400,774	-	400,774
Other	-	-	-	-	229,378	-	-	19,517	248,895
Total revenue	214,005	220,770	188,208	47,176	362,545	1,292,750	753,255	930,940	4,009,649
<b>Expenses:</b>									
Operating	94,286	278,327	60,203	8,343	55,687	100,867	85,658	209,562	892,933
Salaries and benefits	24,019	36,342	53,544	10,316	46,915	133,086	46,915	396,339	747,476
Amortization	30,919	250,222	12,823	-	15,116	70,753	4,014	35,087	418,934
Total expenses	149,224	564,891	126,570	18,659	117,718	304,706	136,587	640,988	2,059,343
Annual surplus (deficit)	\$ 64,781	\$ (344,121)	\$ 61,638	\$ 28,517	\$ 244,827	\$ 988,044	\$ 616,668	\$ 289,952	\$ 1,950,306

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2017

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## **15. Trust funds:**

The District operates the Barriere Cemetery and maintains a cemetery perpetual care fund in accordance with the Cemetery and Funeral Services Act. Trust fund assets and related reserve balance have been excluded from the financial statements, as the assets are only held beneficially in trust for unrelated third parties. At December 31, 2017, the District held \$15,459 (2016 - \$15,028) in trust.