



THE DISTRICT OF BARRIERE

## STATEMENT OF FINANCIAL INFORMATION

Year Ended December 31, 2019

In Compliance with the Public Bodies Financial Information Act Statutes  
Of British Columbia, Chapter 140



DISTRICT OF BARRIERE  
SCHEDULE OF REMUNERATION AND EXPENSES  
PAID ON BEHALF OF EMPLOYEES  
FOR THE 2019 FISCAL YEAR

**COUNCIL REMUNERATION**

	DUTIES REMUNERATION	EXPENSE PAYMENTS	TOTAL
ARMSTRONG, JUDY	\$7,999.51	\$ 4,960.74	\$12,960.25
KERSLAKE, ROBERT	\$7,999.51	\$ 3,674.24	\$11,673.75
KERSHAW, SCOTT	\$7,999.51	\$ 1,085.90	\$9,085.41
FORTIN: AL	\$7,999.51	-	\$7,999.51
KIBBLE: DONNA	\$7,999.51	-	\$7,999.51
SABYAN: AMANDA	\$7,999.51	-	\$7,999.51
STAMER: WARD	\$12,719.78	\$ 3,634.33	\$16,354.11
	<b><u>\$60,716.84</u></b>	<b><u>\$ 13,355.21</u></b>	<b><u>\$74,072.05</u></b>

**STAFF REMUNERATION 2018**

	DUTIES REMUNERATION	EXPENSE PAYMENTS	TOTAL
EMPLOYEES WITH REMUNERATION & EXPENSES EXCEEDING \$75,000.00			
C HANNIGAN	\$ 94,055.73	\$ 2,096.12	\$ 96,151.85
CONSOLIDATED TOTAL FOR EMPLOYEES WITH EARNINGS LESS THAN \$75,000.00	<b><u>\$ 650,272.60</u></b>	<b><u>\$ 27,018.71</u></b>	<b><u>\$ 677,291.31</u></b>
	<b><u>\$ 744,328.33</u></b>	<b><u>\$ 29,114.83</u></b>	<b><u>\$ 773,443.16</u></b>

**RECONCILIATION**

TOTAL REMUNERATION FOR ELECTED OFFICIALS	\$ 60,716.84
TOTAL REMUNERATION FOR STAFF	\$ 744,328.33
T4'S	\$ (815,397.17)
FIRE PAY IN T4 NOT IN PAYROLL	\$ 10,352.00
	<b><u>\$ (0.00)</u></b>
RECONCILING ITEMS-WAGES IN GL	\$ 789,219.04
RECONCILING ITEMS-TAXABLE BENEFITS IN GL	\$ 15,826.13
FIRE PAY	\$ -
T4S	\$ 10,352.00
	<b><u>\$ (815,397.17)</u></b>
	<b><u>\$ -</u></b>



DISTRICT OF BARRIERE  
2019 SCHEDULE OF PAYMENT MADE FOR  
PROVISION OF GOODS AND SERVICES

<b>SUPPLIERS WHO RECEIVED AGGREGATE PAYMENTS EXCEEDING \$25000.00</b>	<b>AMOUNT PAID</b>
TRUE CONSULTING	\$ 118,347.02
BC GROUNDWATER CONSULTING SERVICES LTD	\$ 108,114.02
THOMPSON-NICOLA REGIONAL DISTRICT	\$ 324,950.19
JR DRILLING	\$ 143,624.28
DEFIANCE ENTERPRISES INC.	\$ 316,776.03
CANADA REVENUE AGENCY	\$ 201,672.21
BC HYDRO & POWER AUTHORITY	\$ 194,449.37
THOMPSON REGIONAL HOSPITAL DISTRICT	\$ 114,293.33
RIVERMIST	\$ 125,977.85
COLLABRIA	\$ 41,875.09
NORTH THOMPSON FALL FAIR & RODEO	\$ 30,849.94
GREAT WEST LIFE	\$ 42,416.69
MEARLS MACHINE WORKS LTD	\$ 30,848.14
MUNICIPAL INSURANCE ASSOCIATION	\$ 42,259.00
ASSOCIATED FIRE SAFETY	\$ 25,970.12
	<b>\$ 1,862,423.28</b>
<b>SUPPLIERS WITH AGGREGATE PAYMENTS LESS THAN \$25,000.00</b>	<b>\$ 790,371.13</b>
<b>TOTAL</b>	<b>\$ 2,652,794.41</b>

EXPENDITURES PER FINANCIAL STATEMENTS	\$ 2,721,820.32
Non Expenditure Payments	\$ 459,938.29
Electronic Payments	\$ (659,801.86)
Adjustments (GST, Benefits, Changes in A/P)	\$ 365,711.66
Capital Acquisitions	\$ 475,725.00
Annual Depreciation	\$ (710,599.00)
<b>TOTAL</b>	<b>\$ 2,652,794.41</b>

**RECEIVER GENERAL RECONCILIATION**

CRA Payments 2019	\$ 161,389.36
Employee Portion	\$ (37,811.44)
Employer Portion	\$ (123,577.92)
	<b>\$ -</b>



District of Barriere

DISTRICT OF BARRIERE STATEMENT OF FINANCIAL  
INFORMATION APPROVAL FOR THE FISCAL YEAR 2019

The undersigned, as authorized by the Financial Information Regulation, Schedule 2, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.

Chelsea Young  
Finance Officer

September 15, 2020

Ward Stamer  
Mayor

September 15, 2020



District of Barriere  
MANAGEMENT REPORT

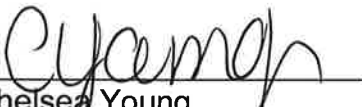
The Financial Statements contained in this Statements of Financial Information under the Financial Information Act have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.


Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Mayor and Council are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the Committee of the Whole of The District of Barriere. The District of Barriere Council meets with management and external auditors during the year.

The external auditor, KPMG LLP, Chartered Accountants conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. The examination does not relate to the other schedules and statements required by the Act. The examination includes a review and evaluation of the District of Barriere's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Council of the District of Barriere and meet when necessary.

On behalf of The District of Barriere

  
Chelsea Young  
Deputy Finance Officer  
September 15, 2020

  
Bob Payette  
Chief Administrative Officer  
September 15, 2020



## District of Barriere

### SCHEDULE OF DEBTS

A Schedule of Debts has not been prepared because the information required is disclosed in the Notes to Financial Statement, and no additional information would be provided in the Schedule.



District of Barriere

SCHEDULE OF GUARANTEES AND INDEMNITY  
PAYMENTS FOR THE FISCAL YEAR 2019

The District of Barriere has not given any guarantees or indemnities under the Guarantees and Indemnity Regulation.



## DISTRICT OF BARRIERE

### STATEMENT OF SEVERANCE FOR THE FISCAL YEAR 2019

There were no severance agreements made between the District of Barriere and its non union employees during the fiscal year.



# Financial Information Regulation, Schedule 1

## Checklist – Statement of Financial Information (SOFI)

### For the Corporation:

Corporate Name: District of Barriere Contact Name: Chelsea Young  
 Fiscal Year End: December 31, 2019 Phone Number: 250-672-9751  
 Date Submitted: September 15, 2020 E-mail: cyoung@barriere.ca

### For the Ministry:

Ministry Name: \_\_\_\_\_ Reviewer: \_\_\_\_\_  
 Date Received: \_\_\_\_\_ Deficiencies: Yes ☐ No ☐  
 Date Reviewed: \_\_\_\_\_ Deficiencies Addressed: Yes ☐ No ☐  
 Approved (SFO): \_\_\_\_\_ Further Action Taken: \_\_\_\_\_

Distribution: Legislative Library ☐ Ministry Retention ☐

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>General</b>					
1 (1) (a)	Statement of assets and liabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (b)	Operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (c)	Schedule of debts	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
1 (1) (d)	Schedule of guarantee and indemnity agreements	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
1 (1) (e)	Schedule of employee remuneration and expenses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (f)	Schedule of suppliers of goods and services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (3)	Statements prepared on a consolidated basis or for each fund, as appropriate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (4) 1 (5)	Notes to the financial statements for the statements and schedules listed above	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>Statement of Assets &amp; Liabilities</b>					
2	<ul style="list-style-type: none"> <li>A balance sheet prepared in accordance with GAAP or stated accounting principles / policies, and</li> <li>Show changes in equity and surplus or deficit due to operations</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Operational Statement</b>					
3 (1)	Prepared in accordance with GAAP or stated accounting principles / policies and consists of: <ul style="list-style-type: none"> <li>a Statement of Income or Statement of Revenue and Expenditures, and</li> <li>a Statement of Changes in Financial Position</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3 (2) 3 (3)	<ul style="list-style-type: none"> <li>The Statement of Changes in Financial Position may be omitted if it provides no additional information</li> <li>The omission must be explained in the notes</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3 (4)	Community colleges, school districts, and municipalities must prepare a Statement of Changes in Financial Position for the Capital Fund	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Schedule of Debts</b>					
4 (1) (a) 4 (2)	List each long-term debt (secured by debentures, mortgages, bonds, etc.), stating the amount outstanding, the interest rate, and the maturity date	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4 (1) (b)	Identify debts covered by sinking funds or reserves and amounts in these accounts	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4 (3) 4 (4)	<ul style="list-style-type: none"> <li>The schedule may be omitted if addressed under section 2 or 5 and it provides no additional information</li> <li>The omission must be explained in a note to the schedule</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>Schedule of Guarantee and Indemnity Agreements</b>					
5 (1)	List financial agreements that required government approval prior to being given (see Guarantees and Indemnities Regulation in FIA Guidance Package)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
5 (2)	State the entities involved, and the specific amount involved if known	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
5 (3) 5 (4)	<ul style="list-style-type: none"> <li>The schedule may be omitted if addressed under section 2 or 4 and it provides no additional information</li> <li>The omission must be explained in a note to the schedule</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>Schedule of Remuneration and Expenses</b> (See Guidance Package for suggested format)					
6 (2) (a)	List separately, by name and position, the total remuneration and the total expenses for each elected official, member of the board of directors, and employee appointed by Cabinet	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (2) (b)	List alphabetically each employee whose total remuneration exceeds \$75,000 and the total expenses for each [excluding the persons listed under 6 (2) (a)]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (2) (c)	Include a consolidated total for employees whose remuneration is \$75,000 or less [excluding the persons listed under 6 (2) (a)]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (2) (d)	Reconcile or explain any difference between total remuneration in this schedule and related information in the operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (3)	Exclude personal information other than name, position, function or remuneration and expenses of employees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>Schedule of Remuneration and Expenses</b> (See Guidance Package for suggested format)					
6 (6)	Report the employer portion of EI and CPP as a supplier payment to the Receiver General for Canada rather than as employee remuneration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (7) (a) 6 (7) (b)	Include a statement of severance agreements providing: <ul style="list-style-type: none"> <li>the number of severance agreements under which payment commenced in the fiscal year being reported on for non-union employees, and</li> <li>the range of equivalent months' compensation for them</li> </ul> (see Guidance Package for suggested format)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
6 (8)	Provide the reason for omitting a statement of severance agreements in a note to the schedule of remuneration and expenses	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>Schedule of Suppliers of Goods or Services</b> (See Guidance Package for suggested format)					
7 (1) (a)	List in alphabetical order all suppliers of goods and services who received aggregate payments exceeding \$25,000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (1) (b)	Include a consolidated total of all payments to suppliers who received \$25,000 or less	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (1) (c)	Reconcile or explain any difference between the consolidated total and related figures in the operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (2) (b)	Include a statement of payments for the purposes of grants or contributions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>Inactive Corporations</b>					
8 (1)	The ministry reports for the corporation if the corporation is not operating to the extent required to produce a SOFI	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8 (2) (a)	The ministry's report contains the statements and schedules required under section 1 (1), to the extent possible	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8 (2) (b)	The ministry's report contains a statement of the operational status of the corporation (see Guidance Package regarding what to include)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>Approval of Financial Information</b>					
9 (1)	Corporations other than municipalities – the SOFI is signed as approved by the board of directors or the governing body (see Guidance Package for example)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9 (2)	Municipalities – the SOFI is approved by its council and by the officer assigned responsibility for financial administration (see Guidance Package for example)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (3)	A management report is included, signed by the head and chief financial officer, or by the municipal officer assigned responsibility for financial administration (see examples in annual report at <a href="http://www.gov.bc.ca/cas/popt/">http://www.gov.bc.ca/cas/popt/</a> )	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (4)	The management report explains the roles and responsibilities of the board of directors or governing body, audit committee, management, and the auditors	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (5)	Signature approvals required in section 9 are for each of the statements and schedules of financial information, not just the financial statements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Financial Statements of

# **DISTRICT OF BARRIERE**

Year ended December 31, 2019

# **DISTRICT OF BARRIERE**

## **Financial Statements**

Year ended December 31, 2019

### **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.

  
\_\_\_\_\_  
Finance Officer





KPMG LLP  
560 Victoria Street  
Kamloops BC V2C 2B2  
Canada  
Tel (250) 372-5581  
Fax (250) 828-2928

## INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of District of Barriere

### Opinion

We have audited the financial statements of the District of Barriere (the "District"), which comprise:

- the statement of financial position as at December 31, 2019
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District as at December 31, 2019, 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.

### Basis for Opinion

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

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

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



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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the District's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

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

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*KPMG LLP*

Chartered Professional Accountants

Kamloops, Canada

May 4, 2020

# DISTRICT OF BARRIERE

## Statement of Financial Position

December 31, 2019, with comparative information for 2018

	2019	2018
<b>Financial assets:</b>		
Cash and investments (note 2)	\$ 3,325,984	\$ 2,871,759
Accounts receivable (note 3)	479,109	420,232
Land held for resale	215,976	436,273
	4,021,069	3,728,264
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	609,064	355,066
Deferred revenue (note 4)	619,968	350,269
	1,229,032	705,335
Net financial assets	2,792,037	3,022,929
<b>Non-financial assets:</b>		
Inventory of supplies	22,672	19,804
Prepaid expenses and deposits	8,449	8,104
Tangible capital assets (note 5)	26,626,314	26,862,629
	26,657,435	26,890,537
Commitments (note 7)		
Subsequent event (note 15):		
Trust funds (note 14)		
<b>Accumulated surplus (note 6)</b>	<b>\$ 29,449,472</b>	<b>\$ 29,913,466</b>

See accompanying notes to financial statements.

# DISTRICT OF BARRIERE

## Statement of Operations and Accumulated Surplus

Year ended December 31, 2019, with comparative information for 2018

	Budget (note 12)	2019	2018
Revenue:			
Tax requisition (note 8)	\$ 873,100	\$ 876,817	\$ 829,841
Service revenue	837,045	858,542	892,602
Government transfers (note 9)	445,058	473,603	780,129
Grants in lieu of taxes	38,000	39,532	38,762
Other income	28,000	659,938	281,763
Total revenue	2,221,203	2,908,432	2,823,097
Expenses:			
General government	689,100	689,538	740,986
Protective services	149,210	225,378	220,231
Transportation services	440,600	686,618	574,275
Environmental services	133,400	154,681	158,490
Development services	30,250	265,503	93,681
Parks and recreation	117,210	153,202	149,690
Water utility	287,100	821,988	329,452
Sewer utility	236,525	375,518	377,670
Total expenses	2,083,395	3,372,426	2,644,475
Annual surplus (deficiency)	137,808	(463,994)	178,622
Accumulated surplus, beginning of year	29,913,466	29,913,466	29,734,844
Accumulated surplus, end of year	\$ 30,051,274	\$ 29,449,472	\$ 29,913,466

See accompanying notes to financial statements.

# DISTRICT OF BARRIERE

## Statement of Change in Net Financial Assets

Year ended December 31, 2019, with comparative information for 2018

	Budget (note 12)	2019	2018
Annual (deficit) surplus	\$ 137,808	\$ (463,994)	\$ 178,622
Acquisition of tangible capital assets	(131,000)	(475,725)	(524,494)
Disposal of tangible capital assets	-	1,441	5,003
Amortization of tangible capital assets	-	710,599	618,250
	(131,000)	236,315	98,759
Acquisition of prepaid expenses	-	(8,449)	(8,104)
Acquisition of inventories	-	(22,672)	(19,804)
Use of prepaid expenses	-	8,104	6,789
Use of inventories	-	19,804	19,412
	-	(3,213)	(1,707)
Net change in net financial assets	6,808	(230,892)	275,674
Net financial assets, beginning of year	3,022,929	3,022,929	2,747,255
Net financial assets, end of year	\$ 3,029,737	\$ 2,792,037	\$ 3,022,929

See accompanying notes to financial statements.

# DISTRICT OF BARRIERE

## Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
<b>Operating activities:</b>		
Annual (deficit) surplus	\$ (463,994)	\$ 178,622
Items not involving cash:		
Amortization of tangible capital assets	710,599	618,250
(Gain) loss on disposal of tangible capital assets	(3,753)	5,003
Change in non-cash operating assets and liabilities:		
Accounts receivable	(58,877)	1,032,427
Inventory	(2,868)	(392)
Prepaid expenses	(345)	(1,315)
Accounts payable and accrued liabilities	253,999	(671,191)
Deferred revenue	269,699	135,009
Land held for resale	220,297	55,749
	924,757	1,352,162
<b>Capital activities:</b>		
Acquisition of tangible capital assets	(475,725)	(524,494)
Proceeds on disposal of tangible capital assets	5,193	-
	(470,532)	(524,494)
<b>Investing activities:</b>		
Increase in investments	(1,001,896)	(815,776)
<b>Financing activities:</b>		
Repayment of debt	-	(1,500,000)
	-	(1,500,000)
Decrease in cash	(547,671)	(1,488,108)
Cash, beginning of year	793,499	2,281,607
Cash, end of year	\$ 245,828	\$ 793,499
<b>Supplemental cash flow information:</b>		
Cash paid for interest	\$ -	\$ 2,545
Cash received from interest	12,121	10,645

See accompanying notes to financial statements.

# DISTRICT OF BARRIERE

## Notes to Financial Statements

Year ended December 31, 2019

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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, 2019

## 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, 2019

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## 1. Significant accounting policies (continued):

### (f) Non-financial assets (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, 2019

### 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.

### 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:

	2019	2018
Cash	\$ 245,829	\$ 793,499
Investments	3,080,155	2,078,260
	<u>\$ 3,325,984</u>	<u>\$ 2,871,759</u>

Investments include term deposits and savings accounts bearing interest at rates between 0.70% to 3.15%.

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2019

## 3. Accounts receivable:

Accounts receivable consists of amounts receivables for the following sources:

	2019	2018
Government transfers	\$ 22,478	\$ 12,069
Property taxes	214,010	181,644
Goods and services tax	97,665	95,553
Other amounts	144,956	130,966
	<u>\$ 479,109</u>	<u>\$ 420,232</u>

## 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.

	2019	2018
Deferred gas tax:		
Opening balance	\$ 252,025	\$ 128,402
Funding received	260,697	133,467
Revenues recognized	(8,078)	(10,240)
Interest earned	896	396
	<u>505,540</u>	<u>252,025</u>
Prepaid property taxes	33,415	31,120
Other prepaid deposits	10,920	11,400
Restricted funds	36,279	21,910
Development cost charges	33,814	33,814
	<u>\$ 619,968</u>	<u>\$ 350,269</u>

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2019

## 5. Tangible capital assets:

	Land	Roads and bridges	Buildings	Equipment	Vehicles	Wastewater infrastructure	Waterworks infrastructure*	Total 2019
<b>Cost:</b>								
Balance, beginning of year	\$ 4,945,629	\$ 7,050,748	\$ 1,280,376	\$ 967,303	\$ 923,469	\$ 8,746,379	\$ 8,550,932	\$ 32,464,836
Additions	-	-	-	8,086	32,440	-	435,199	475,725
Disposals	-	-	-	-	(4,800)	-	-	(4,800)
Balance, end of year	\$ 4,945,629	\$ 7,050,748	\$ 1,280,376	\$ 975,389	\$ 951,109	\$ 8,746,379	\$ 8,986,131	\$ 32,935,761
<b>Accumulated amortization:</b>								
Balance, beginning of year	\$ -	\$ 2,598,131	\$ 303,202	\$ 615,644	\$ 602,379	\$ 295,862	\$ 1,186,989	\$ 5,602,207
Disposals	-	-	-	-	(3,360)	-	-	(3,360)
Amortization	-	252,196	38,564	55,373	58,672	138,409	167,385	710,599
Balance, end of year	-	2,850,327	341,766	671,017	657,691	434,271	1,354,374	6,309,446
Net book value, end of year	\$ 4,945,629	\$ 4,200,421	\$ 938,610	\$ 304,372	\$ 293,418	\$ 8,312,108	\$ 7,631,757	\$ 26,626,314

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

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2019

## 5. Tangible capital assets (continued):

2018	Land	Roads and bridges	Buildings	Equipment	Vehicles	Wastewater infrastructure*	Waterworks infrastructure*	Total 2018
<b>Cost:</b>								
Balance, beginning of year	\$ 4,945,629	\$ 7,079,609	\$ 1,280,376	\$ 967,697	\$ 923,469	\$ 8,738,688	\$ 8,148,477	\$ 32,083,945
Additions	-	72,289	-	7,700	-	7,691	444,908	532,588
Disposals	-	(101,150)	-	(8,094)	-	-	(42,453)	(151,697)
Balance, end of year	\$ 4,945,629	\$ 7,050,748	\$ 1,280,376	\$ 967,303	\$ 923,469	\$ 8,746,379	\$ 8,550,932	\$ 32,464,836
<b>Accumulated amortization:</b>								
Balance, beginning of year	\$ -	\$ 2,447,083	\$ 264,638	\$ 560,784	\$ 543,227	\$ 157,966	\$ 1,148,859	\$ 5,122,557
Disposals	-	(96,145)	-	-	-	-	(42,455)	(138,600)
Amortization expense	-	247,193	38,564	54,860	59,152	137,896	80,585	618,250
Balance, end of year	-	2,598,131	303,202	615,644	602,379	295,862	1,186,989	5,602,207
Net book value, end of year	\$ 4,945,629	\$ 4,452,617	\$ 977,174	\$ 351,659	\$ 321,090	\$ 8,450,517	\$ 7,363,943	\$ 26,862,629

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

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2019

## 5. Tangible capital assets (continued):

### (a) Assets under construction:

Assets under construction, consisting of waterworks infrastructure having a cost of \$435,198 (2018 - \$1,172,329) have not been amortized. Amortization of these assets will commence when the assets are 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.

## 6. Accumulated surplus:

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

	2019	2018
Unrestricted surplus	\$ 1,219,131	\$ 1,552,003
Equity in tangible capital assets	26,626,314	26,862,629
<b>Reserve funds:</b>		
Roads	484,957	477,379
Fire protection	67,642	64,331
Water	210,071	211,405
Louis Creek Industrial Site	456,330	390,089
Municipal hall	206,851	182,370
Environmental	44,416	42,135
Land sales	43,402	42,448
Highway signs	26,227	25,942
Community hall	7,327	6,313
First responders	192	192
Highway rescue	1,653	1,653
Wildfires	54,959	54,577
Total reserve funds	1,604,027	1,498,834
	<b>\$ 29,449,472</b>	<b>\$ 29,913,466</b>

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2019

## 7. Commitments:

The District has entered into contracts for premises and snow removal with annual minimum payments for the next 3 years as follows:

2020	\$	199,475
2021		121,475
2022		21,737
	\$	342,687

## 8. Taxation and grants in lieu:

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

	2019	2018
Municipal and school property taxes levied	\$ 1,846,016	\$ 1,791,683
	1,846,016	1,791,683
Less: Collections on behalf of other governments:		
Province of B.C. - School taxes	480,690	468,700
Thompson-Nicola Regional District ("TNRD")	277,215	290,142
Thompson Regional Hospital District	114,148	108,670
Police taxes	82,482	79,721
B.C. Assessment Authority	11,481	11,239
Payment in lieu of taxes	3,133	3,324
Municipal Finance Authority	50	46
	969,199	961,842
	\$ 876,817	\$ 829,841



# DISTRICT OF BARRIERE

## Notes to Financial Statements (continued)

Year ended December 31, 2019

### 9. 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:

	2019	2018
Small community grant	\$ 442,186	\$ 427,021
Housing needs report	8,500	-
Gas tax funding	7,373	10,240
Rural dividend grant	7,000	22,816
Strategic priorities (Gas tax fund)	-	314,911
	\$ 473,603	\$ 780,129

### 10. 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, 2019

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## 11. Pension liability:

The District of Barriere and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2018, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The District of Barriere paid \$42,255 (2018 - \$43,465) for employer contributions while employees contributed \$36,913 (2018 - \$37,952) to the plan in fiscal 2019.

The next valuation will be as at December 31, 2021, with results available in 2022.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2019

## 12. Budget:

The Financial Plan (Budget) bylaw adopted by Council on May 6, 2019 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 May 6, 2019 with adjustments as follows:

	2019
Annual surplus - statement of operations	\$ 137,808
Adjust for budgeted cash items not included in statement of operations:	
Acquisition of tangible capital assets	(131,000)
Transfer to reserves	(6,808)
Total adjustments	(137,808)
Financial plan balance	\$ -

## 13. 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, Bylaw enforcement services and any other functions categorized as non-departmental.

### (b) Protective services:

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

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2019

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## 13. 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, 2019

## 13. Segmented information (continued):

2019	Protective services	Transportation services	Environmental services	Development services	Parks and recreation	Water utility	Sewer utility	General government	Total
<b>Revenue:</b>									
Tax requisition	\$ 83,911	\$ 247,701	\$ 74,968	\$ 17,010	\$ 65,849	\$ -	\$ -	\$ 387,378	\$ 876,817
Grants in lieu	-	-	-	-	-	-	-	39,532	39,532
Sales of services	56,632	50,053	147,812	36,630	12,667	367,193	98,986	88,569	858,542
Government transfers	-	-	-	-	-	4,050	15,078	454,475	473,603
Other	-	-	-	597,125	14,027	3,754	-	45,032	659,938
Total revenue	140,543	297,754	222,780	650,765	92,543	374,997	114,064	1,014,986	2,908,432
<b>Expenses:</b>									
Operating	144,585	379,417	69,004	252,001	63,405	489,010	151,377	230,369	1,779,168
Salaries and benefits	38,812	53,812	62,345	13,502	55,638	162,422	85,732	410,396	882,659
Amortization	41,981	253,389	23,332	-	34,159	170,556	138,409	48,773	710,599
Total expenses	225,378	686,618	154,681	265,503	153,202	821,988	375,518	689,538	3,372,426
Annual surplus (deficit)	\$ (84,835)	\$ (388,864)	\$ 68,099	\$ 385,262	\$ (60,659)	\$ (446,991)	\$ (261,454)	\$ 325,448	\$ (463,994)

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2019

## 13. Segmented information (continued):

2018	Protective services	Transportation services	Environmental services	Development services	Parks and recreation	Water utility	Sewer utility	General government	Total
<b>Revenue:</b>									
Tax requisition	\$ 101,075	\$ 189,038	\$ 71,200	\$ 16,514	\$ 61,657	\$ -	\$ -	\$ 390,357	\$ 829,841
Grants in lieu	-	-	-	-	-	-	-	38,762	38,762
Sales of services	122,359	49,428	133,982	44,720	16,410	381,321	73,392	70,990	892,602
Government transfers	-	-	-	-	-	314,911	33,056	432,162	780,129
Other	-	-	-	239,000	9,689	-	-	33,074	281,763
Total revenue	223,433	238,466	205,182	300,234	87,756	696,232	106,448	965,345	2,823,097
<b>Expenses:</b>									
Operating	142,313	281,327	69,778	81,632	55,855	126,501	134,898	263,192	1,155,496
Salaries and benefits	35,937	39,059	65,881	12,049	60,189	123,717	104,875	429,022	870,729
Amortization	41,981	253,889	22,831	-	33,646	79,234	137,897	48,772	618,250
Total expenses	220,231	574,275	158,490	93,681	149,690	329,452	377,670	740,986	2,644,475
Annual surplus (deficit)	\$ 3,202	\$ (335,809)	\$ 46,692	\$ 206,553	\$ (61,934)	\$ 366,780	\$ (271,222)	\$ 224,359	\$ 178,622

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2019

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## **14. 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, 2019, the District held \$16,956 (2018 - \$15,920) in trust.

## **15. Subsequent event:**

Subsequent to December 31, 2019 the COVID-19 outbreak was declared a pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the District is not known at this time. These impacts could include an impact on our ability to obtain financing, impairment of investments, impairments in the value of our long-lived assets, or potential future decreases in revenue.