

Financial Statements of

**DISTRICT OF BARRIERE**

And Independent Auditors' Report thereon

Year ended December 31, 2021

Pending final approval

# DISTRICT OF BARRIERE

## Financial Statements

Year ended December 31, 2021

### Financial Statements

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Pending final approval

## **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.

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*Chief Administrative Officer*

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*Finance Officer*



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## 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, 2021
- 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, 2021, 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.

Chartered Professional Accountants

Kamloops, Canada

May 9, 2022

# DISTRICT OF BARRIERE

## Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
<b>Financial assets:</b>		
Cash and investments (note 2)	\$ 3,775,238	\$ 3,577,633
Accounts receivable (note 3)	581,687	501,613
Land held for resale	-	215,976
	<u>4,356,925</u>	<u>4,295,222</u>
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	428,108	393,306
Deferred revenue (note 4)	485,018	719,936
	<u>913,126</u>	<u>1,113,242</u>
Net financial assets	3,443,799	3,181,980
<b>Non-financial assets:</b>		
Inventory of supplies	33,833	24,183
Prepaid expenses and deposits	2,260	137,685
Tangible capital assets (note 5)	27,071,797	26,640,005
	<u>27,107,890</u>	<u>26,801,873</u>
Commitments (note 7)		
Trust funds (note 14)		
<b>Accumulated surplus (note 6)</b>	<b>\$ 30,551,689</b>	<b>\$ 29,983,853</b>

See accompanying notes to financial statements.

# DISTRICT OF BARRIERE

## Statement of Operations and Accumulated Surplus

Year ended December 31, 2021, with comparative information for 2020

	Budget (note 12)	2021	2020
Revenue:			
Tax requisition (note 8)	\$ 916,807	\$ 920,847	\$ 874,662
Service revenue	925,079	1,411,070	929,975
Government transfers (note 9)	531,121	1,120,385	1,256,795
Grants in lieu of taxes	36,268	40,230	37,984
Other income	28,000	752,950	319,036
Total revenue	2,437,275	4,245,482	3,418,452
Expenses:			
General government	715,511	861,104	663,374
Protective services	166,033	339,847	178,366
Transportation services	441,291	606,658	546,724
Environmental services	146,700	193,243	171,769
Development services	36,018	59,230	34,701
Parks and recreation	153,276	347,683	175,717
Water utility	389,824	834,210	741,792
Sewer utility	263,051	435,671	371,628
Total expenses	2,311,704	3,677,646	2,884,071
Annual surplus	125,571	567,836	534,381
Accumulated surplus, beginning of year	29,983,853	29,983,853	29,449,472
Accumulated surplus, end of year	\$ 30,109,424	\$ 30,551,689	\$ 29,983,853

See accompanying notes to financial statements.



# DISTRICT OF BARRIERE

## Statement of Change in Net Financial Assets

Year ended December 31, 2021, with comparative information for 2020

	Budget (note 12)	2021	2020
Annual surplus	\$ 125,571	\$ 567,836	\$ 534,381
Acquisition of tangible capital assets	(285,677)	(1,066,274)	(614,824)
Amortization of tangible capital assets	-	634,482	601,133
	(285,677)	(431,792)	(13,691)
Acquisition of prepaid expenses	-	(2,260)	(137,685)
Acquisition of inventories	-	(33,833)	(24,183)
Use of prepaid expenses	-	137,685	8,449
Use of inventories	-	24,183	22,672
	-	125,775	(130,747)
Net change in net financial assets	(160,106)	261,819	389,943
Net financial assets, beginning of year	3,181,980	3,181,980	2,792,037
Net financial assets, end of year	\$ 3,021,874	\$ 3,443,799	\$ 3,181,980

See accompanying notes to financial statements.

# DISTRICT OF BARRIERE

## Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
<b>Operating activities:</b>		
Annual surplus	\$ 567,836	\$ 534,381
Items not involving cash:		
Amortization of tangible capital assets	634,482	601,133
Change in non-cash operating assets and liabilities:		
Accounts receivable	(80,074)	(22,504)
Inventory	(9,650)	(1,511)
Land held for resale	215,976	-
Prepaid expenses	135,425	(129,236)
Accounts payable and accrued liabilities	34,803	(215,758)
Deferred revenue	(234,918)	99,968
	1,263,880	866,473
<b>Capital activities:</b>		
Acquisition of tangible capital assets	(1,066,274)	(614,824)
<b>Investing activities:</b>		
Decrease (increase) in investments	20,022	(448,145)
Increase (decrease) in cash	217,626	(196,496)
Cash, beginning of year	49,332	245,828
Cash, end of year	\$ 266,959	\$ 49,332
Supplemental cash flow information:		
Cash received from interest	\$ 1,413	\$ 2,911

See accompanying notes to financial statements.

# DISTRICT OF BARRIERE

## Notes to Financial Statements

Year ended December 31, 2021

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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, 2021

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## 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

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, 2021

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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. 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, 2021

## 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:

	2021	2020
Cash	\$ 266,959	\$ 49,332
Investments	3,508,279	3,528,301
	<u>\$ 3,775,238</u>	<u>\$ 3,577,633</u>

Investments include term deposits and savings accounts bearing interest at rates between 0.40% to 2.75%.

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2021

### 3. Accounts receivable:

Accounts receivable consists of amounts receivables for the following sources:

	2021	2020
Government transfers	\$ 39,416	\$ 7,088
Property taxes	241,763	226,790
Goods and services tax	119,609	100,900
Other	180,899	166,835
	<u>\$ 581,687</u>	<u>\$ 501,613</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.

	2021	2020
Deferred gas tax:		
Opening balance	\$ 566,987	\$ 505,540
Net change in the year	(310,702)	61,447
	<u>256,285</u>	<u>566,987</u>
Prepaid property taxes	40,080	31,900
Other prepaid deposits	9,222	40,711
Restricted funds	113,117	46,524
Development cost charges	66,314	33,814
	<u>\$ 485,018</u>	<u>\$ 719,936</u>

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2021

## 5. Tangible capital assets:

2021	Land	Roads and bridges	Buildings	Equipment	Vehicles	Wastewater infrastructure	Waterworks infrastructure	Total 2021
<b>Cost:</b>								
Balance, beginning of year	\$ 4,945,629	\$ 7,050,748	\$ 1,280,376	\$ 1,005,112	\$ 955,526	\$ 8,746,379	\$ 9,566,815	\$ 33,550,585
Additions	-	-	-	153,713	416,374	-	496,187	1,066,274
Balance, end of year	\$ 4,945,629	\$ 7,050,748	\$ 1,280,376	\$ 1,158,825	\$ 1,371,900	\$ 8,746,379	\$ 10,063,002	\$ 34,616,859
<b>Accumulated amortization:</b>								
Balance, beginning of year	\$ -	\$ 3,036,803	\$ 370,586	\$ 679,730	\$ 728,957	\$ 572,681	1,521,823	\$ 6,910,580
Amortization	-	185,076	28,820	8,713	97,879	138,410	175,584	634,482
Balance, end of year	-	3,221,879	399,406	688,443	826,836	711,091	1,697,407	7,545,062
Net book value, end of year	\$ 4,945,629	\$ 3,828,869	\$ 880,970	\$ 470,382	\$ 545,064	\$ 8,035,288	\$ 8,365,595	\$ 27,071,797



# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2021

## 5. Tangible capital assets (continued):

2020	Land	Roads and bridges	Buildings	Equipment	Vehicles	Wastewater infrastructure	Waterworks infrastructure	Total 2020
<b>Cost:</b>								
Balance, beginning of year	\$ 4,945,629	\$ 7,050,748	\$ 1,280,376	\$ 975,389	\$ 951,109	\$ 8,746,379	\$ 8,986,131	\$ 32,935,761
Additions	-	-	-	29,723	4,417	-	580,684	614,824
Balance, end of year	\$ 4,945,629	\$ 7,050,748	\$ 1,280,376	\$ 1,005,112	\$ 955,526	\$ 8,746,379	\$ 9,566,815	\$ 33,550,585
<b>Accumulated amortization:</b>								
Balance, beginning of year	\$ -	\$ 2,850,328	\$ 341,766	\$ 671,017	\$ 657,691	\$ 434,271	\$ 1,354,374	\$ 6,309,447
Amortization expense	-	186,475	28,820	8,713	71,266	138,410	167,449	601,133
Balance, end of year	-	3,036,803	370,586	679,730	728,957	572,681	1,521,823	6,910,580
Net book value, end of year	\$ 4,945,629	\$ 4,013,945	\$ 909,790	\$ 325,382	\$ 226,569	\$ 8,173,698	\$ 8,044,992	\$ 26,640,005

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2021

## 5. Tangible capital assets (continued):

### (a) 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.

### (b) 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:

	2021	2020
Unrestricted surplus	\$ 1,270,709	\$ 1,866,869
Equity in tangible capital assets	27,071,797	26,640,005
<b>Reserve funds:</b>		
Roads	378,237	507,369
Fire protection	19,641	85,514
Water	103,732	147,291
Louis Creek Industrial Site	460,912	-
Municipal hall	277,890	252,259
Environmental	123,126	99,904
Land sales	44,490	44,379
Highway signs	8,383	26,516
Community hall	13,388	10,354
First responders	192	192
Highway rescue	9,112	3,357
Wildfires	-	55,344
Parks	143,037	244,500
COVID Relief Funds	561,453	-
Parkland Reserve	65,590	-
Total reserve funds	2,209,183	1,476,979
	<b>\$ 30,551,689</b>	<b>\$ 29,983,853</b>

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2021

## 7. Commitments:

The District has entered into contracts for premises and snow removal with annual minimum payments for the next year for \$157,337.

## 8. Taxation and grants in lieu:

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

	2021	2020
Municipal and school property taxes levied	\$ 1,974,905	\$ 1,848,868
Less collections on behalf of other government entities:		
Province of B.C. - School taxes	557,434	475,839
Thompson-Nicola Regional District ("TNRD")	280,751	274,881
Thompson Regional Hospital District	124,502	117,744
Police taxes	76,060	91,036
B.C. Assessment Authority	13,988	13,331
Payment in lieu of taxes	1,263	1,320
Municipal Finance Authority	60	55
	1,054,058	974,206
	\$ 920,847	\$ 874,662

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2021

## 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:

	2021	2020
Small community grant	\$ 452,000	\$ 452,154
Other grants and transfers	68,412	4,029
Wildfire monument relocation grant	24,950	-
20 year master plan grant	10,000	-
Highway 5 & BTR re-greening grant	10,000	-
Rural dividend grant	7,521	572
LNTCS rescue grant	7,000	-
North EV network grant	5,000	-
Risk management grant	3,143	-
COVID-19 restart grant	-	730,000
Gas tax funding	571,238	62,037
Housing needs report	-	8,003
	\$ 1,120,385	\$ 1,256,795

## 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, 2021

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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, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors from local governments.

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

The most recent 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 \$55,221 (2020 - \$44,741) for employer contributions while employees contributed \$48,864 (2020 - \$38,996) to the plan in fiscal 2020.

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, 2021

## 12. Budget:

The Financial Plan (Budget) bylaw adopted by Council on May 3, 2021 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 3, 2021 with adjustments as follows:

	2021
Annual surplus - statement of operations	\$ 125,571
Adjust for budgeted cash items not included in statement of operations:	
Acquisition of tangible capital assets	(285,677)
Transfer from reserves	160,106
Total adjustments	(125,571)
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, 2021

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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, 2021

## 13. Segmented information (continued):

2021	Protective services	Transportation services	Environmental services	Development services	Parks and recreation	Water utility	Sewer utility	General government	Total
<b>Revenue:</b>									
Tax requisition	\$ 92,168	\$ 244,969	\$ 81,436	\$ 19,994	\$ 85,086	\$ -	\$ -	\$ 397,194	\$ 920,847
Grants in lieu	-	-	-	-	-	-	-	40,230	40,230
Sales of services	454,219	49,814	183,652	57,383	14,546	430,135	109,259	112,062	1,411,070
Government transfers	-	-	-	-	-	-	72,385	1,048,000	1,120,385
Other	-	-	-	717,582	4,093	-	-	31,275	752,950
<b>Total revenue</b>	<b>546,387</b>	<b>294,783</b>	<b>265,088</b>	<b>794,959</b>	<b>103,725</b>	<b>430,135</b>	<b>181,644</b>	<b>1,628,761</b>	<b>4,245,482</b>
<b>Expenses:</b>									
Operating	251,340	340,049	88,767	33,620	224,128	457,795	195,554	314,420	1,905,672
Salaries and benefits	32,524	75,861	90,255	25,610	96,016	197,654	101,708	517,864	1,137,492
Amortization	55,983	190,748	14,221	-	27,539	178,761	138,409	28,820	634,482
<b>Total expenses</b>	<b>339,847</b>	<b>606,658</b>	<b>193,243</b>	<b>59,230</b>	<b>347,683</b>	<b>834,210</b>	<b>435,671</b>	<b>861,104</b>	<b>3,677,646</b>
<b>Annual surplus (deficit)</b>	<b>\$ 206,540</b>	<b>\$ (311,875)</b>	<b>\$ 71,845</b>	<b>\$ 735,729</b>	<b>\$ (243,958)</b>	<b>\$ (404,075)</b>	<b>\$ (254,027)</b>	<b>\$ 767,657</b>	<b>\$ 567,836</b>



# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2021

## 13. Segmented information (continued):

2020	Protective services	Transportation services	Environmental services	Development services	Parks and recreation	Water utility	Sewer utility	General government	Total
<b>Revenue:</b>									
Tax requisition	\$ 89,390	\$ 222,339	\$ 86,417	\$ 16,881	\$ 88,341	\$ -	\$ -	\$ 371,294	\$ 874,662
Grants in lieu	-	-	-	-	-	-	-	37,984	37,984
Sales of services	81,949	50,082	191,733	53,826	7,308	394,359	101,075	49,643	929,975
Government transfers	-	-	-	-	-	53,713	8,897	1,194,185	1,256,795
Other	-	-	-	-	290,914	-	-	28,122	319,036
<b>Total revenue</b>	<b>171,339</b>	<b>272,421</b>	<b>278,150</b>	<b>70,707</b>	<b>386,563</b>	<b>448,072</b>	<b>109,972</b>	<b>1,681,228</b>	<b>3,418,452</b>
<b>Expenses:</b>									
Operating	102,406	293,234	84,010	8,624	65,562	384,030	150,484	173,616	1,261,966
Salaries and benefits	40,796	65,821	74,313	26,077	82,616	187,676	82,735	460,938	1,020,972
Amortization	35,164	187,669	13,446	-	27,539	170,086	138,409	28,820	601,133
<b>Total expenses</b>	<b>178,366</b>	<b>546,724</b>	<b>171,769</b>	<b>34,701</b>	<b>175,717</b>	<b>741,792</b>	<b>371,628</b>	<b>663,374</b>	<b>2,884,071</b>
<b>Annual surplus (deficit)</b>	<b>\$ (7,027)</b>	<b>\$ (274,303)</b>	<b>\$ 106,381</b>	<b>\$ 36,006</b>	<b>\$ 210,846</b>	<b>\$ (293,720)</b>	<b>\$ (261,656)</b>	<b>\$ 1,017,854</b>	<b>\$ 534,381</b>

# DISTRICT OF BARRIERE

Notes to Financial Statements (continued)

Year ended December 31, 2021

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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, 2021, the District held \$18,223 (2020 - \$17,345) in trust.

## 15. COVID-19 Pandemic:

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This resulted in governments worldwide, including the Canadian and provincial governments, enacting emergency measures to combat the spread of the virus. The District continues to manage liquidity risk by forecasting and assessing cash flow requirements on an ongoing basis. Although the COVID-19 situation remains dynamic, there has been minimal disruption to the District's operations and as at May 9, 2022, the District continues to meet its contractual obligations within normal payment terms.

Pending financial approval

# DISTRICT OF BARRIERE

Schedule 1 - unaudited  
COVID-19 Safe Restart Grant

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Balance, beginning of year	\$ 627,796	\$ -
Provincial COVID-19 Safe Restart Grant	-	730,000
Revenue shortfall	-	(102,204)
Multipurpose court	(37,008)	-
Audiovisual system	(10,664)	-
Playground crusher chips	(6,255)	-
Park lighting	(4,247)	-
Pickleball court netting	(4,229)	-
North Thompson Activity Centre funding	(2,000)	-
Pickleball lines	(1,940)	-
Balance, end of year	\$ 561,453	\$ 627,796

Pending final approval