

District of Barriere

REPORT TO COUNCIL

Memorandum

Date: October 26th, 2026	File: 530.20/Rpts
To: Council	From: Chief Financial Officer
Re: Financial Update – Q3 2026	

Purpose

To provide Council with a Financial Update for Q3 2026. – *Report submitted for information.*

Background

The attached financial reports are based on available information up until Oct 8th, 2026. The package consists of operating revenues and expenditures for General Operations and the Utilities, a summary of the Capital Projects progress, as well as a summary of Special Operating Grant related projects.

The timing of receipts or invoices may be a factor in whether certain revenues and expenses have been captured to date. The budget amounts used in these reports are those of the approved budget adopted by Council as part of the Financial Plan Bylaw in March 2026.

The following summary includes some highlights and additional information regarding the financial results.

Operating Revenue Highlights:

- Tax notices were mailed out in mid-May. As of October 8th, 2026, the following tax amounts are outstanding.
 - \$201,958.59 outstanding for current taxes
 - \$102,169.93 outstanding for 2025 taxes (Arrears)
 - \$63,096.89 outstanding for 2024 and prior taxes (Delinquent)
- The above totals do not include preauthorized payments that some residents are making towards the 2027 tax levy.
- No municipal tax sale was held because all at-risk property owners paid their delinquent balances by the deadline. Staff continue to develop contact strategies and send reminder notices about outstanding tax balances and the annual homeowner grant application process for eligible residents. As we approach the end of 2026, the window is closing for residents to claim retro homeowner grants for 2025.

- **Revenue from all sources** is reported at 100% including tax amounts billed for all taxing authorities. When results are broken down to Municipal taxes, without the other taxing authorities, the overall revenue result from all sources is 98% of budget. It should be noted that although taxes are showing at 100% that is what was billed not necessarily what has been collected. Given the outstanding amount reported above, we have collected approx. 93% of the 2026 amounts levied.
- **Revenue from own sources** includes cemetery services, business licences, building and planning services, deposit interest, tax penalties, and revenue from District-owned facilities. As previously reported, business licence fees, building permits, and building information requests have met their annual targets, while cemetery revenue remains on target. Return on investments is ahead of budget as a result of interest being paid on the anniversary dates of our term deposits; however, deposit interest is below budget due to tighter cash flow and large expenditures that have reduced savings account balances. Additional information on the District's investments appear later in this report.
- **Grants in Lieu of Taxes** are reporting at 95%, Our payment from BC Hydro this year was slightly less than budgeted due to the decrease in BC assessed value after an appeal was approved dating back to 2023 for one of their properties.
- **Transfer from Other Government** has been captured at 83% at this time. As mentioned previously, the Small Communities Grant payment was \$5000 less than anticipated and we have no control over the amount we receive. We are still awaiting our 2026 Community Works Fund payment of approximately \$143,000. Once our 2025 audit is complete, payment should be received shortly after financial statements are submitted to the province.
- **Contract with Other Governments** is reporting at 392% however this is a result of the revenue earned by our Fire Department for Wildfire Deployments and Highway Rescue calls. As of the end of September, the additional revenue because of Wildfire Deployments has been received and totals approximately \$267,000. Approximately 50% of this is captured as expenses in the Fire Department budget lines below. Also contributing to this section is our service agreement with the TNRD for Fire Protection and our Cemetery. We will be invoicing the TNRD once our audit is complete for 2026 payments.

Operating Expense Highlights:

- Overall expenses are reported at 93%, however if taxes paid to other governments are removed from the results, operating expenses are 89%. Contributing to the results, the wildfire expenses incurred while our Fire Department team members supported provincial wildfire fighting efforts in the summer months. As reimbursement is provided by the provincial government for these expenses, if they are removed from the results our operating expenses are tracking at 83%
- After adjustments, expenses are tracking ahead of budget, compared with the 75% target for this point in the year. Annual expenses incurred early in the year continue to contribute slightly to the variance, while the remainder is largely due to unforeseen costs. Because our annual budget is very lean, it leaves little flexibility for one-time expenses, additional maintenance on our aging fleet, and higher fuel and utility costs. Together, these unbudgeted pressures have caused expenses to exceed the target. Specific departments are highlighted below.

- **General Government** is reported at 97%, in addition to front loading annual vacation entitlement and paying annual insurance cost early in the year, the main contributors to the higher results are audit expenses, mileage, freight and postage expenses and payments for annual IT subscriptions including our finance software and website support services. For the 2027 budget, Staff is working on separating Finance, Administration, and Information Technology into individual categories which in return will provide a cleaner look on the various budget items.
- **Fire Services** are reporting at 125%, however this includes the expenses incurred because of the wildfire deployments this year. With these expenses excluded from the results the Fire Services department reports at 80%. The annual insurance costs for fire vehicles, front-loaded vacation expenses and increased fuel prices are contributing to the slightly higher than budget results for Q3.
- **Fleet and Equipment** are slightly ahead of target at 79% the main contributors are the increasing cost for fuel and insurance coverage. A couple of our vehicles have required some maintenance which was more than originally budgeted for.
- **Parks** are above budget at 88%. Mileage expenses exceed the budget along with insurance costs. Most expenses for our parks have been incurred by this point in the year. The budget should remain on target by the end of the year.
- **Taxes Paid to Other Governments** – All remittances to the other taxing authorities were completed in the month of July. As a reminder, it should be noted that full remittances are required by the other taxing authorities regardless of the amount collected by the district. Thus, if taxes remain unpaid, those other taxing authority amounts are remitted from district funds.

Investments

- As per Policy 53FI – Investment of District Funds, staff is providing a summary on the investment activities of the District. For 2026, the District had an investment portfolio of roughly \$1.945 Million, distributed across Credit Union Term Deposits, and a separate wealth investment firm.
- The renewals for the various accounts are staggered throughout the year to allow the possibility of closing out (instead of renewing) some of the accounts if needed to cover capital expenditures.
- In September 2026, one \$520,000 term deposit was not renewed to allow for cash to be available for the Wastewater Treatment project. Further, at least one more term deposit will most likely not be renewed in the later part of 2026 for the same reason.
- At present, the interest rate spread for the term deposits is between 2.5% and 3.6% for our accounts.
- The District also maintains a High Interest Savings Account (HISA) with the Credit Union that provides a reasonable interest rate (1.8%) for having cash readily available compared to the locked in term deposits.

- Interest is paid upon term maturity, in total, the district will realize approx. \$52,300 in interest from the investments which have come due in 2026. There are currently 5, 18-month terms, in which the accrued interest will be paid in 2027. As of now, there is approximately \$55,450 which will be realized in 2027, if no prior changes are made.

Utilities Revenue and Expenses Highlights

- 3 out of 4 utility billing periods have been completed. As such, the billed amounts are on budget; however, as outlined below, not every customer has paid their bill.
- For Utility Bills, the District issues invoices at the beginning of each quarter. Q3 billing was issued on October 6th, 2026. As of the time of writing this report, the following amounts are outstanding.
 - \$169,183 current billing, penalties will apply after November 9th.
 - \$39,979 Q2 2026 billing.
 - \$21,475 Q1 2026 billing.
 - \$15,548 Q4 2025 billing.
- Water and wastewater utility expenses are generally on track. However, higher insurance, plant utility, and vehicle fuel costs, along with pumping and effluent-trucking costs that continue to exceed budget, have slightly increased overall wastewater utility expenses. A significant repair to a utility department vehicle also exceeded the anticipated maintenance estimate.

Capital Projects and Grant Funded Operational Projects

- Capital projects have been selected through the 2026 budget process. It has been a busy year with only 1 quarter remaining, many projects have been completed, and work continues with those remaining. In some cases, work has been started or completed but invoicing has not been received yet. This results in a variance between project complete and budget used percentages.
 - Winter Roads Equipment – Required winter roads equipment has been purchased. The construction of the sand storage shed is well underway and is expected to be completed by early November at the latest.
 - Hall Road – Both parties are working through a settlement and release document for the amended invoice.
 - Wastewater Treatment Plant – Process equipment has been received; Construction of the facility is underway.
 - Emergency Repairs – There has been no need to utilize this budget. However, we may need to access funds for well rehabilitation work.
 - Turnout Gear- 2 sets of Turnout Gear have been ordered but not yet received. No invoice has been received yet.
- The other projects are progressing as expected.

Attachments

- Budget /Actual report items:
 - General Operating Summary
 - Utilities Summary
 - Capital Projects Summary
 - Operating Grant Projects

Prepared by:
K. Abel, Chief Financial Officer

District of Barriere - Financial Summary

07-Oct-26

Revenue				
	Approved Budget	Actuals	Variance	% of Budget
Taxes*	\$ 2,890,948	\$ 2,890,846	\$ 102	100%
Grants in Lieu of Taxes	\$ 42,500	\$ 40,389	\$ 2,111	95%
Sales of Service	\$ 274,369	\$ 213,020	\$ 61,349	78%
Revenue from Own Source	\$ 177,749	\$ 199,700	\$ 21,951	81%
Transfer from Other Gov't	\$ 855,000	\$ 709,779	\$ 145,221	83%
Contract with Other Gov't	\$ 70,405	\$ 275,880	\$ 205,475	392%
	\$ 4,310,971	\$ 4,329,614	\$ 436,209	100%

*Excluding Other Taxing Authorities, Overall Revenue is 98%

Expenses				
	Approved Budget	Actual	Variance	% of Budget
Legislative	\$ 124,825	\$ 78,793	\$ 46,032	63%
General Govt	\$ 670,846	\$ 648,383	\$ 22,513	97%
Facilities	\$ 143,050	\$ 111,441	\$ 31,609	78%
Recreation	\$ 52,200	\$ 36,941	\$ 15,259	71%
Highway Rescue	\$ 6,250	\$ 3,726	\$ 2,524	60%
Fire Services*	\$ 300,335	\$ 375,710	\$ 75,375	125%
Fleet & Equipment	\$ 66,650	\$ 52,832	\$ 13,818	79%
Roads Services	\$ 419,968	\$ 325,013	\$ 94,955	77%
Solid Waste Services	\$ 237,288	\$ 183,860	\$ 53,428	77%
Development-Building	\$ 35,750	\$ 17,904	\$ 17,846	50%
Development-Planning Zoning	\$ 14,000	\$ 7,003	\$ 9,789	50%
Parks	\$ 232,589	\$ 204,250	\$ 24,028	88%
Cemetery	\$ 18,849	\$ 14,150	\$ 4,699	75%
Taxes Paid to Other Gov't *	\$ 1,504,676	\$ 1,499,435	\$ 5,241	100%
	\$ 3,827,276	\$ 3,559,441	\$ 417,116	93%

*Not a true District expense, if removed overall expenses are 83%

Transfers				
	Approved Budget	Actual	Variance	% of Budget
Trans from Surplus	\$ -	\$ -	\$ -	0%
Trans from Reserves	\$ 1,562,000	\$ 1,320,000	\$ 242,000	85%
Transfer to Reserves	\$ 320,697	\$ 143,779	\$ 176,918	45%

District of Barriere - Utilities Summary**07-Oct-26**

Revenue				
	Approved Budget	Actuals	Variance	% of Budget
WATER	\$ 565,637	\$ 469,425	\$ 96,212	82.99%
WASTEWATER	\$ 152,775	\$ 115,374	\$ 37,401	75.52%
	\$ 718,412	\$ 584,800	\$ 133,613	81.40%

Expenses				
	Approved Budget	Actuals	Variance	% of Budget
WATER	\$ 414,685	\$ 328,398	\$ 86,287	79.19%
WASTEWATER	\$ 279,476	\$ 225,484	\$ 53,992	80.68%
	\$ 694,161	\$ 553,883	\$ 140,278	79.79%



District of Barriere
CAPITAL EXPENDITURES
YTD Ending Oct 7th, 2026

		APPROVED BUDGET 2026	YTD Q3 2026	% OF BUDGET 2026	% OF PROJECT COMPLETE	FUNDING SOURCE
GENERAL OPERATIONS						
Winter Roads Equipment	Roads	150,000	106,183	71%	80%	MFA Loan
Roads Program	Roads	75,000	35,798	48%	100%	Reserve
BBC Storage Rooms - Energy retrofit	Admin	7,500	6,031	80%	100%	Reserve - Climate Action
Bandshell Washrooms Door Locks	Parks	5,000	3,709	74%	100%	Reserve
Traffic Calming	Roads	7,500	7,644	102%	100%	Grant - ICBC
CN - Hall Road	Roads	25,000	-	0%	98%	Reserve
IT Equipment	IT	20,000	14,258	71%	85%	Reserve
Turnout Gear	Fire	25,000	413	2%	50%	Reserve
Pump Replacement	Fire	40,000	35,592	89%	100%	Reserve
Wayfinding Program Study	Admin	20,000	7,750	39%	85%	Reserve
WATER/WASTEWATER						
Wastewater Treatment Plant	Wastewater	4,600,000	1,473,291	32%	20%	Grant / Reserve - GCF
Emergency Repairs	General	100,000	-	0%	0%	Reserve- Water
TOTAL CAPITAL		\$ 5,075,000	\$ 1,690,669	33%		



District of Barriere
OPERATING PROJECT EXPENDITURES
YTD Ending Oct 7th, 2026

		APPROVED BUDGET 2026	YTD Q3	% OF BUDGET 2026	% OF PROJECT COMPLETE	FUNDING SOURCE
2025 Carry Forward Projects						
Indigenous EMCR - Year 2	Corp/Fire	40,282	37,553	93%	100%	Grant
LGHI - Housing Legislation Fund	Planning	54,426	-	0%	100%	Grant
CEPF - Leonie Lake Dam Study	PW	51,962	45,980	88%	100%	Grant
TNRD - Bulk Water Station	TNRD	2,500	-	0%	15%	Grant
E911 - TNRD until 2027	TNRD	21,000	12,000	57%	75%	Grant
Flood Mitigation Plan	PW	38,099	33,197	87%	100%	Grant
CEPF - EOC & Training	Fire	28,399	13,526	48%	85%	Grant
CEPF - Fire Dept Equipment & Training	Fire	12,800	7,834	61%	60%	Grant
Subtotal 2025 Carry Forward Projects		249,468	150,090	60%		
2026 New Projects						
Firesmart Phase 2	Fire	200,000	119,616	60%	60%	Grant
Canada Day	Events	1,200	2,410	201%	100%	Grant
Asset Management Investment Plan	CAO		-	0%	0%	Grant/Reserve
BC Hydro Regreening	Parks	10,000	9,095	91%	100%	Grant
Subtotal 2026 Projects		211,200	131,121	62%		
TOTAL OPERATING PROJECTS						
		\$ 460,668	\$ 281,211	61%		