

District of Barriere

REPORT TO COUNCIL

Memorandum

Date: July 21, 2025	File: 530.20/Rpts
To: Council	From: Chief Administrative Officer
Re: Financial Update – Q2 2025	

Purpose

To provide Council with a Financial Update for Q2 2025.

Background

The attached financial reports are based on available information up until June 30, 2025, or July 3, 2025, respectively. 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 April 2025.

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

Operating Revenue Highlights:

- Although the District sent invoices for all property taxes in May, there are still roughly \$428,293 in **Taxes** outstanding:
 - \$227,040 outstanding for 2025 taxes (Current)
 - \$128,892 outstanding for 2024 taxes (Arrears)
 - \$72,361 outstanding for 2023 and prior taxes (Delinquent)

District Staff have been working on the Delinquent category with various residents. We are also preparing for the statutory tax sale deadlines (last Monday in September). This step generally encourages several parties to come forward and pay at least their delinquent tax share at that time.

- Revenue from Own Sources** is below budget by roughly 10%. Ridge Gym Rentals are performing below expectations at this point; however, the fall is generally when this picks up. In addition, we are currently renewing leases with the BBC tenants and as such this revenue item is behind schedule.

- **Revenue from Other Government** is below budget as the audit is not complete and as such the Community Works Fund has not been fully issued to the District, only \$143,000 was received for the completed 2023 audit so far. Also, the Small Communities Grant (\$425,000) is still outstanding, as is the TNRD's portion of the fire service (\$50,500). Wildfire support revenue will also be included in this category, which is higher than budgeted; however, there will be an offsetting amount at roughly 50% in the expense category.

Operating Expense Highlights:

- Generally, all departments are within an acceptable percentage for expenses to this time of the year. Some anomalies are further discussed below.
- **Facilities** – the full amount of insurance has been charged in the first half of the year which skews the year to date (YTD) performance in this category. This budget also currently includes the phone system upgrade that was performed in January. Vandalism would also fall into this category.
- **Recreation** is below budget due to the maternity leave of staff.
- The **Fire Service** budgets will show higher than expected expense amounts for the remainder of the year, due to the additional expenses for wildfire support calls which will have a corresponding revenue item (as mentioned above).
- **Fleet and Equipment** is slightly above budget due to additional repairs required on our vehicles.
- **Development-Planning/Zoning** budgets are trending lower so far this year. This is due to a decrease in development activity for the first part of this year.
- **Cemeteries** is ahead of budgeted expenses due to an increase in funerals in the first two quarters.
- **Taxes Paid to Other Governments** – at present, taxation revenue has only been collected, and the District will begin issuing payments to other taxing authorities in the coming months. If these other taxing authority payments are removed along with the corresponding revenue, the expenses to date would be closer to 52% across the organization instead of the listed 32%.

Utilities Revenue and Expenses Highlights

- 2 out of 4 utility billing periods are complete, as such, the billed amounts are on budget; however, as outlined below, not every customer is paying on time:
- For Utility Bills, the District issues invoices at the beginning of each quarter. The average amount for the billing cycle is roughly \$220,000 to \$240,000. Out of two billing cycles for 2025, roughly \$59,046 is outstanding:
 - \$36,934 outstanding for second quarter
 - \$22,112 outstanding for first quarter

Any unpaid Utility Billing amounts will roll over to taxes at the end of the year.

- The expenses for Water are slightly below budget. We are working on reclassifying the wages of the Public Works Manager to the various utilities and public works functions, this will also shift some of the Administration expenses to these Utility categories.
- At this point, there are no concerns regarding the Utilities budgets.

Capital Projects and Grant Funded Operational Projects

- In the past, the District displayed Capital and other Grant Funded Operational projects within the day-to-day operational budgets which had the potential to drastically skew those dollar amounts. Staff are still working on separating some of those items within the system; however, since the budget was approved, considerable progress has been made and as such, we are able to break these project expenses out more clearly now.
- Most Capital Projects are substantially complete or on track for completion within the next quarter. Below are some additional details:
 - Hall Road – awaiting CN Rail work – will most likely require some additional funds to cover the paving needs in that area.
 - Roads Program shows \$8,000 over budget, this was needed to account for the purchase of the dump truck from Simpcw FN.
 - Garbage Dumpsters shows \$1,250 higher than anticipated. The costs were slightly higher for the 5 dumpsters and delivery.
 - Wastewater Treatment Plant – will not be complete until the end of 2026
 - Emergency Repairs – this budget will only be used for emergencies.
- Several Grant Funded Operating Projects are now complete, while others are progressing as expected. A few of them also require public engagement components which further make the progress challenging as we try to align times and dates with key stakeholders. We also added the CEPF Emergency Operations Center (EOC) project which was awarded to the District just after the budget was approved.

Investments

- As per Policy 53FI – Investment of District Funds, staff is providing a summary on the investment activities of the District. For 2024, the District had an investment portfolio of roughly \$2.8 Million, distributed across Credit Union Term Deposits (4x \$500,000), and two separate wealth investment firms (3x \$100,000; and 1x \$300,000 + 1x \$200,000).
- 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 May of 2025, one \$500,000 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 2025 for the same reason.
- Due to a rather drastic change in the market over the past two years, some accounts were originally established at 5.9% interest, but when the renewal dates came, they could only be renewed as low as 2.85% (e.g. 1x May 2025 renewal).

- At present, the interest rate spread for the term deposits is between 2.85% and 4.00% for our accounts.
- The District also maintains a High Interest Savings Account (HISA) with the Credit Union that provides a reasonable interest rate for having cash readily available compared to the locked in term deposits.
- In total, the above listed accounts created roughly \$120,000 in interest in 2024.
- In past years, the District withdrew the earned interest at the renewal date to use the funds as a source of operating revenue instead of reinvesting the funds back into the market. As previously discussed with Council in 2024 and as part of the 2025 budget process, Staff have slowly changed this strategy and have re-invested the interest on some accounts. Within the next 2 years, the interest in all accounts will be re-invested unless there are extenuating circumstances.

Surplus and Reserve Update

- A more holistic update regarding Surplus and Reserve accounts is intended to be presented to Council in the coming months. At this stage, some budget entries into our financial software have not occurred yet and as such a report on these items today would not be beneficial as inaccurate amounts would be displayed.

Attachments

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

Prepared by:
D. Drexler, Chief Administrative Officer

District of Barriere - Financial Summary

03-Jul-25

Revenue				
	Approved Budget	Actuals	Variance	% of Budget
Taxes	\$ 2,557,810	\$ 2,552,617	-\$ 5,193	100%
Grants in Lieu of Taxes	\$ 39,500	\$ 35,629	-\$ 3,871	90%
Sales of Service	\$ 323,000	\$ 166,590	-\$ 156,410	52%
Revenue from Own Source	\$ 200,850	\$ 79,717	-\$ 121,133	40%
Transfer from Other Gov't	\$ 709,000	\$ 143,779	-\$ 565,221	20%
Contract with Other Gov't	\$ 57,780	\$ 85,120	\$ 27,340	147%
	\$ 3,887,940	\$ 3,063,451	-\$ 824,489	79%

Expenses				
	Approved Budget	Actual	Variance	% of Budget
Legislative	\$ 121,900	\$ 51,700	\$ 70,200	42%
General Govt	\$ 765,900	\$ 417,919	\$ 347,981	55%
Facilities	\$ 140,050	\$ 97,634	\$ 42,416	70%
Recreation	\$ 66,650	\$ 11,057	\$ 55,593	17%
Highway Rescue	\$ 6,250	\$ 2,579	\$ 3,671	41%
Fire Services	\$ 243,750	\$ 144,422	\$ 99,328	59%
Fleet & Equipment	\$ 58,100	\$ 33,890	\$ 24,210	58%
Roads Services	\$ 487,750	\$ 233,714	\$ 254,036	48%
Solid Waste Services	\$ 178,450	\$ 88,755	\$ 89,695	50%
Development-Building	\$ 27,850	\$ 13,845	\$ 14,005	50%
Development-Planning Zoning	\$ 14,000	\$ 3,004	\$ 14,000	21%
Parks	\$ 166,150	\$ 93,459	\$ 72,691	56%
Cemetery	\$ 6,500	\$ 6,198	\$ 302	95%
Taxes Paid to Other Gov't	\$ 1,401,319	\$ 83	\$ 1,401,236	0%
	\$ 3,562,719	\$ 1,146,561	\$ 2,419,162	32%

Transfers				
	Approved Budget	Actual	Variance	% of Budget
Trans from Surplus	\$ 11,500	\$ -	\$ 11,500	0%
Trans from Reserves	\$ 45,605	\$ -	\$ 45,605	0%
Transfer to Other Funds	\$ 284,000	\$ -	\$ 284,000	0%
	\$ 341,105	\$ -	\$ 341,105	0%

District of Barriere - Utilities Summary

30-Jun-25

Revenue				
	Approved Budget	Actuals	Variance	% of Budget
WATER	\$ 528,675	\$ 259,434	\$ 269,241	49%
WASTEWATER	\$ 146,413	\$ 70,294	\$ 76,119	48%
	\$ 675,088	\$ 329,728	\$ 345,360	49%

Expenses				
	Approved Budget	Actuals	Variance	% of Budget
WATER	\$ 402,425	\$ 149,453	\$ 252,972	37%
WASTEWATER	\$ 205,150	\$ 98,147	\$ 107,003	48%
	\$ 607,575	\$ 247,600	\$ 359,975	41%



District of Barriere
CAPITAL EXPENDITURES
For the Quarter Ending June 30, 2025

	APPROVED BUDGET 2025	YTD Q2 2025	% OF BUDGET 2025	% OF PROJECT COMPLETE	FUNDING SOURCE
GENERAL OPERATIONS					
Hall Road - CN Crossing					
Roads Program	25,000	-	0%		Reserve - Roads
Garbage Dumpsters	100,000	108,000	108%	100%	Reserve - Roads
BBC Energy Retrofit	15,000	16,250	108%	100%	Reserve - Environment
Bush Truck Replacement	120,000	66,061	55%	98%	LGCAP Grant
Turnout Gear	350,000	326,369	93%	95%	Loan / Reserve - Fire
IT Equipment	20,000	-	0%	50%	Grant / Reserve - Fire
	11,000	9,000	82%	85%	Surplus
WATER/WASTEWATER					
Wastewater Treatment Plant	3,750,000	79,803	2%	10%	Grant / Reserve - GCF
SCADA System	110,000	88,566	81%	90%	COVID Grant
Emergency Repairs	50,000	-	0%		Water Reserve
TOTAL CAPITAL	\$ 4,551,000	\$ 694,049	15%		



District of Barriere

OPERATING PROJECT EXPENDITURES

For the Quarter Ending June 30, 2025

		APPROVED BUDGET 2025	YTD Q2 2025	% OF BUDGET 2025	% OF PROJECT COMPLETE	FUNDING SOURCE
2024 Carry Forwards						
Indigenous EMCR	Corp / Fire	38,425	38,425	100%	100%	Grant
FireSmart & Resiliency	Fire	93,950	55,580	59%	75%	Grant
LGHI Housing Legislation Fund	Planning	113,416	30,122	27%	40%	Grant
LGDAP Development Approval Process	Planning	134,340	24,448	18%	25%	Grant
2022 CEPF - Leonie Lake Dam Study	PW	55,245	3,283	6%	75%	Grant
Fire Rescue Training	Fire	2,201	2,201	100%	100%	Grant
TNRD Bulk Water Station	TNRD	2,500		0%		Grant
E911 - TNRD until 2027	TNRD	33,000		0%		Grant
Flood Mitigation Plan	Planning	150,000	46,263	31%		Grant
Flood Plain Mapping	Planning	-			100%	Grant
2025 Projects (New)						
Wayfinding Strategy	EcDev	-	-			Grant / TBD
Canada Day	Events	1,000	1,000	100%	100%	Grant
Asset Management Investment Plan	CAO	-	-			Grant / TBD
CEPF - EOC Training & Equipment	Fire	37,944		0%	15%	Grant
CEPF - Fire Dept Equip and Training	Fire	27,000	7,845	29%	30%	Grant
Community Forest - Regreening (w BC hydro)	Parks	4,661	3,824	82%	100%	Grant
BC Hydro - Regreening	Parks	8,000	8,000	100%	100%	Grant
EMCR - Indigenous Engagement Year 2	Corp / Fire	42,000	946	2%	5%	Grant
TOTAL CAPITAL		\$ 303,605	\$ 67,878	22%		