

Town of Birch Hills
Consolidated Financial Statements
December 31, 2018

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Management's Responsibility

To the Ratepayers of the Town of Birch Hills:

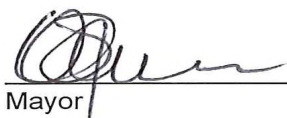
Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Council is composed of elected officials who are not employees of the Town. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by the administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.

June 12, 2019



Mayor

Independent Auditor's Report

To the Mayor and Council of the Town of Birch Hills:

Opinion

We have audited the consolidated financial statements of the Town of Birch Hills (the "Town"), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of operations, changes in net financial assets (debt), cash flows and related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2018, and the results of its consolidated operations and its consolidated 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 the Mayor and Council for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Town'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 Town or to cease operations, or has no realistic alternative but to do so.

The Mayor and Council are responsible for overseeing the Town's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 these consolidated 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 consolidated 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 Town'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 Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Town to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Mayor and Council 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.

Prince Albert, Saskatchewan

June 12, 2019

MNP LLP

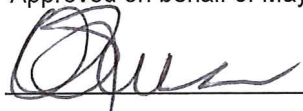
Chartered Professional Accountants

Town of Birch Hills
Consolidated Statement of Financial Position
As at December 31, 2018


Statement 1

	2018	2017
ASSETS		
Financial Assets		
Cash and Temporary Investments (Note 2)	1,103,421	691,126
Taxes Receivable - Municipal (Note 3)	543,505	104,568
Other Accounts Receivable (Note 4)	154,962	198,331
Land for Resale (Note 5)	440,686	396,690
Long-Term Investments (Note 6)	20,000	20,000
Debt Charges Recoverable	-	-
Other (Specify)	-	-
Total Financial Assets	2,262,574	1,410,715
LIABILITIES		
Bank Indebtedness (Note 7)	-	-
Accounts Payable	92,245	114,753
Accrued Liabilities Payable	23,619	27,052
Deposits	42,735	42,120
Deferred Revenue (Note 8)	34,722	6,438
Accrued Landfill Costs (Note 9)	7,129	7,129
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Long-Term Debt (Note 10)	1,460,598	1,716,227
Lease Obligations (Note 11)	39,265	14,294
Total Liabilities	1,700,313	1,928,013
NET FINANCIAL ASSETS (DEBT)	562,261	(517,298)
Non-Financial Assets		
Tangible Capital Assets (Schedule 6, 7)	8,256,646	8,096,443
Prepayments and Deferred Charges	66,684	61,247
Stock and Supplies	29,196	23,092
Other	-	-
Total Non-Financial Assets	8,352,526	8,180,782
Accumulated Surplus (Schedule 8)	8,914,787	7,663,484

Approved on behalf of Mayor and Council



 Mayor



 Councillor

Town of Birch Hills
Consolidated Statement of Operations
As at December 31, 2018

Statement 2

	2018 Budget (Note 1)	2018	2017
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	1,562,445	2,093,263	1,153,719
Fees and Charges (Schedule 4, 5)	839,325	860,345	902,964
Conditional Grants (Schedule 4, 5)	50,650	35,713	76,543
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	4,881
Land Sales - Gain (Schedule 4, 5)	88,000	-	28,527
Investment Income and Commissions (Schedule 4, 5)	-	-	152
Other Revenues (Schedule 4, 5)	269,855	542,090	357,403
Total Revenues	2,810,275	3,531,411	2,524,189
Expenses			
General Government Services (Schedule 3)	666,200	434,275	426,429
Protective Services (Schedule 3)	111,600	89,815	112,579
Transportation Services (Schedule 3)	451,460	477,679	382,187
Environmental and Public Health Services (Schedule 3)	101,200	113,714	113,762
Planning and Development Services (Schedule 3)	-	2,116	-
Recreation and Cultural Services (Schedule 3)	645,540	772,438	754,039
Utility Services (Schedule 3)	377,340	455,081	471,191
Total Expenses	2,353,340	2,345,118	2,260,187
Surplus of Revenues over Expenses before Other Capital Contributions	456,935	1,186,293	264,002
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	63,415	65,010	64,691
Surplus of Revenues over Expenses	520,350	1,251,303	328,693
Accumulated Surplus, Beginning of Year	7,663,484	7,663,484	7,334,791
Accumulated Surplus, End of Year	8,183,834	8,914,787	7,663,484

See accompanying notes

Town of Birch Hills

Consolidated Statement of Changes in Net Financial Assets (Debt)

As at December 31, 2018

Statement 3

	2018 Budget (Note 1)	2018	2017
Surplus	520,350	1,251,303	328,693
(Acquisition) of tangible capital assets	(478,170)	(531,589)	(1,729,586)
Amortization of tangible capital assets	-	371,386	318,696
Proceeds on disposal of tangible capital assets	-	-	4,881
Loss (gain) on the disposal of tangible capital assets	-	-	(4,881)
Deficit of capital expenses over expenditures	(478,170)	(160,203)	(1,410,890)
(Acquisition) of supplies inventories	-	(29,196)	(23,092)
(Acquisition) of prepaid expense	-	(66,684)	(61,247)
Consumption of supplies inventory	-	23,092	6,156
Use of prepaid expense	-	61,247	1,369
Surplus (Deficit) of expenses of other non-financial over expenditure	-	(11,541)	(76,814)
Increase (Decrease) in Net Financial Assets	42,180	1,079,558	(1,159,011)
Net Financial Asset (Debt) - Beginning of Year	(517,298)	(517,298)	641,713
Net Financial Assets (Debt) - End of Year	(475,118)	562,261	(517,298)

See accompanying notes

Town of Birch Hills
Consolidated Statement of Cash Flow
As at December 31, 2018

Statement 4

	2018	2017
Cash provided by (used for) the following activities		
Operating:		
Surplus	1,251,303	328,693
Amortization	371,386	318,696
Loss (gain) on disposal of tangible capital assets	-	(4,881)
Scoreclock donation	-	(8,170)
	<u>1,622,689</u>	<u>634,338</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	(438,937)	(5,074)
Other Receivables	43,369	(54,727)
Land for Resale	(43,996)	6,473
Other Financial Assets	-	-
Accounts and accrued liabilities payable	(25,940)	666
Deposits	615	(954)
Deferred Revenue	28,284	(2,250)
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and supplies for use	(6,104)	(16,936)
Prepayments and Deferred Charges	(5,437)	(59,878)
Other (specify)	-	-
Cash provided by operating transactions	1,174,543	501,658
Capital:		
Acquisition of capital assets	(531,589)	(1,721,416)
Proceeds from the disposal of capital assets	-	4,881
Other capital	-	-
Cash applied to capital transactions	(531,589)	(1,716,535)
Investing:		
Long-term investments	-	55,697
Other investments	-	-
Cash provided by investing transactions	-	55,697
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	1,200,000
Long-term debt repaid	(255,629)	(102,683)
Other financing	24,971	(6,333)
Cash provided by (applied to) financing transactions	(230,658)	1,090,984
Change in Cash and Temporary Investments during the year	412,296	(68,196)
Cash and Temporary Investments - Beginning of Year	691,126	759,321
Cash and Temporary Investments - End of Year	1,103,421	691,126

See accompanying notes

Town of Birch Hills
Notes to the Consolidated Financial Statements
As at December 31, 2018

1. Significant accounting policies

The consolidated financial statements of the town are prepared by management in accordance with the Canadian public sector accounting standards established by the Public Sector Accounting Board of the Accounting Standards Oversight Council. Significant aspects of the accounting policies are as follows:

- a) **Basis of accounting:** The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognized revenue as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.
- b) **Reporting Entity:** The financial statements consolidates the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these financial statements are as follows:

<u>Entity</u>	<u>Basis of Reporting</u>
Birch Hills and District Recreation Board	100% Consolidation for capital 100% Consolidation for operating

All inter-organizational transactions and balances have been eliminated.

- c) **Collection of funds for other authorities:** Collection of funds by the municipality for the school board, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in note 3.
- d) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
 - a) the transfer is authorized;
 - b) eligibility criteria have been met by the recipient; and,
 - c) a reasonable estimate of the amount can be made.

Unearned government transfer amounts received, with stipulations, but not earned will be recorded as deferred revenue. Earned government transfer amounts not received will be recorded as an amount receivable.

- e) **Land Inventory Held for Resale:** Land Inventory, comprising land held for future development and resale, is valued at the lower of cost and net realizable value. Cost includes amounts for land acquisition and improvements to prepare the land for sale or service. Revenue from the land sales is recognized when the title is transferred to the buyer.
- f) **Revenue:** Fees and charges: Certain user charges and fees are collected for which the related services have yet to be performed. Fees and charges revenue, as well as other revenue is recognized in the period when the related expenses are incurred or services performed.
- g) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- h) **Net-Financial Assets:** Net-Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- i) **Non-financial assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- j) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.

Town of Birch Hills
Notes to the Consolidated Financial Statements
As at December 31, 2018

1. Significant accounting policies - continued

- k) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by Council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- l) **Cash and Cash Equivalents:** Cash consists of cash on hand and balances with banks. Temporary investments consist of term deposits and guaranteed income certificates and are recorded at cost which approximates their fair value due to their short-term maturity (one year or less). Cash and cash equivalents are held for the purpose of meeting short-term operating cash commitments rather than for investing purposes.
- m) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.
- n) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business. Inventory as it relates to the operations of the Birch Hills and District Recreation Board is valued at the lower of cost and net realizable value. Cost is determined by the first in, first out method.
- o) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	5 to 20 Yrs
Buildings	10 to 50 Yrs
Vehicles & Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 10 Yrs
Infrastructure Assets	
Infrastructure Assets	
Water & Sewer	40 Yrs
Road Network Asset:	40 Yrs

Government contributions: Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

Works of Art: Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

Capitalization of Interest: The municipality does not capitalize interest incurred while a tangible capital asset is under construction.

Leases: All leases are recorded on the financial statement as either a capital or operating lease. Any lease that transfers the majority of benefits and risk associated with the leased asset is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a straight line basis, over their estimated useful lives (lease term). Any other lease not meeting the before mentioned criteria is classified as a operating lease and rental payments are expensed as incurred.

- p) **Landfill liability:** The municipality does not maintain a waste disposal site. Any municipality that has recorded a landfill liability in past or has incurred a liability during the year should disclose in accordance with PS 3270.21 of the Public Sector Accounting Board's handbook. See Note 9.

1. Significant accounting policies (continued)

- q) **Trust Funds:** Funds held in trust for others are neither included in the municipality's assets or equity. They are disclosed in Note 15.
- r) **Employee benefit plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- s) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
 - a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) The municipality:
 - i. is directly responsible; or,
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and,
 - e) a reasonable estimate of the amount can be made.

- t) **Measurement Uncertainty:** The preparation of financial statements in conformity with Public Sector Accounting Board standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality.

The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available.

Amortization is based on the estimated useful lives of tangible capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

- u) **Basis of segmentation/Segment report:** The Municipality has adopted the new Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

The segments (functions) are as follows:

General Government: Provides for the administration of the Village.

Protective Services: Comprised of expenses for Police and Fire protection.

Transportation services: Responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

Environmental and Public Health: The environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the Village.

Planning and Development: Provides for neighbourhood development and sustainability.

Recreation and Culture: Provides for community services through the provision of recreation and leisure services.

Utility Services: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

- v) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 11, 2018.

Town of Birch Hills
Notes to the Consolidated Financial Statements
As at December 31, 2018

1. Significant accounting policies (continued)

- w) **New Accounting Standards:** Effective January 1, 2018, the municipality adopted the following Canadian public sector accounting standards. The description of these changes and their impact on the consolidated financial statements is summarized:

PS 2200 Related Party Disclosures defines a related party and establishes disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the consolidated financial statements.

The adoption of this standard has not resulted in any disclosure change.

PS 3210 Assets provides additional guidance for applying the definition of assets and establishing disclosure requirements for assets. Disclosure about the major categories of assets that are not recognized is required. When an asset is not recognized because a reasonable estimate cannot be made, the reason(s) for this should be disclosed. The adoption of this standard has no impact on the consolidated financial statements.

PS 3320 Contingent Assets defines and establishes disclosure standards on the reporting and disclosure of possible assets that may arise from existing conditions or situations involving uncertainty. Disclosure is required when the occurrence of the confirming future event is likely.

The municipality does not have any reportable contingent assets.

PS 3380 Contractual Rights defines and establishes disclosure standards on contractual rights. Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.

The municipality does not have any reportable contractual rights.

PS 3420 Inter-Entity Transactions establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

This standard has no impact on the consolidated financial statements.

2. Cash and temporary investments

	2018	2017
Cash	950,740	539,904
Temporary Investments - GICs	152,681	151,222
Total Cash and temporary investments	1,103,421	691,126

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Town of Birch Hills
Notes to the Consolidated Financial Statements
As at December 31, 2018

3. Taxes and grants in lieu receivable

	2018	2017
Municipal		
- Current	67,648	58,846
- Arrears	50,901	50,655
	118,549	109,501
- Less Allowance for Uncollectibles	(4,933)	(4,933)
Total municipal taxes receivable	113,616	104,568
School		
- Current	13,493	14,434
- Arrears	9,971	9,057
Total school taxes receivable	23,464	23,491
Local improvement		
- Current	57,991	-
- Long term	371,898	-
Total local improvement receivable	429,889	-
Total taxes and grants in lieu receivable	566,969	128,059
Deduct taxes receivable to be collected on behalf of other organizations	(23,464)	(23,491)
Municipal and grants in lieu taxes receivable	543,505	104,568

4. Other Accounts Receivable

	2017	2016
Federal government	43,445	112,418
Provincial government	-	-
Local government	-	-
Utility	14,242	13,429
Trade	98,574	78,079
Other (specify)	-	-
Total Other Accounts Receivable	156,261	203,926
Less: Allowance for Uncollectibles	(1,299)	(5,595)
Net Other Accounts Receivable	154,962	198,331

5. Land for Resale

	2017	2016
Tax Title Property	31,427	3,431
Allowance for market value adjustment	-	-
Net Tax Title Property	31,427	3,431
Other Land	409,259	393,259
Allowance for market value adjustment	-	-
Net Other Land	409,259	393,259
Total Land for Resale	440,686	396,690

Town of Birch Hills

Notes to the Consolidated Financial Statements

As at December 31, 2018

6. Long term investments

	2018	2017
Investment in Railway	20,000	20,000
Total long term investments	20,000	20,000

7. Bank indebtedness

Credit Arrangements

The Town has an authorized line of credit in the amount of \$250,000 (2017 - \$250,000) with the Affinity Credit Union. Interest is at prime and the line is secured by assignment of grants and receivables. The Town has utilized \$nil (2017 - \$nil) of this line of credit at December 31, 2018.

8. Deferred revenue

	2018	2017
Sask Lotteries		
Opening deferred revenue	6,438	8,688
Grant distributions	15,744	16,151
Eligible costs	(14,951)	(18,401)
	7,231	6,438
Gas tax - New Deal for Cities and Communities		
Opening deferred revenue	-	-
Grant distributions	65,010	64,691
Eligible costs	(65,010)	(64,691)
	-	-
Hesje Fund Donation (Arena Project)		
Opening deferred revenue	-	-
Grant distributions	250,000	-
Eligible costs	(222,509)	-
	27,491	-
Total deferred revenue	34,722	6,438

9. Accrued landfill costs

	2018	2017
Environmental liabilities	7,129	7,129

Landfill closure and post-closure care requirements have been defined in accordance with the Environmental Act and include final covering and landscaping of the landfill, pumping of ground, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 100-year period using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable. The landfill closed in 2011; therefore, the remaining liability is for post-closure costs.

Town of Birch Hills
Notes to the Consolidated Financial Statements
As at December 31, 2018

10. Long-term debt

a) The debt limit of the municipality is \$1,508,588. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the Municipalities Act section 161). The Saskatchewan Municipal Board approved Bylaw No. 11/17 to incur debt pursuant to subsection 163(4) of The Municipalities Act on December 22, 2017.

Utilities: Affinity Credit Union loans are repayable in monthly installments of \$9,763 including interest at 4.14%, secured by a general assignment of property taxes receivable, due October 2022.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2018	-	-	-	117,151
2019	101,905	15,246	117,151	117,151
2020	106,205	10,946	117,151	117,151
2021	110,687	6,464	117,151	117,151
2022	95,807	1,828	97,635	97,635
2023	-	-	-	-
Thereafter	-	-	-	-
Balance	414,604	34,484	449,088	566,239

Transportation: Affinity Credit Union loans are repayable in monthly installments of \$16,013 including interest at 3.29%, secured by 1st charge general security agreement, 1st charge specific security agreement over existing grants and taxes and a promissory note, due December 2022.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2018	-	-	-	192,159
2019	160,218	31,941	192,159	192,159
2020	165,570	26,589	192,159	192,159
2021	171,100	21,059	192,159	192,159
2022	549,106	15,344	564,450	564,450
2023	-	-	-	-
Thereafter	-	-	-	-
Balance	1,045,994	94,933	1,140,927	1,333,086

Town of Birch Hills
Notes to the Consolidated Financial Statements
As at December 31, 2018

11. Lease obligation

CWB National Leasing capital lease obligation for a Greens King Gas Plus Mower having a net book value of \$37,044, payable at \$1,187 per month plus GST, six times a year including interest at 7.154%, due May 2023 with a purchase option at the end of the lease of \$1.00

Golf Lease Inc. capital lease obligation for six golf carts having a net book value of \$20,573, payable at \$1,302 per month plus tax, six times a year including interest at 8.019%, due October 2019 with a purchase option at the end of the lease of \$1.05.

Future minimum lease payments related to the obligation under capital lease are as follows:

Year	Principal	Interest	Current Total
2019	13,645	1,291	14,936
2020	6,394	729	7,123
2021	6,589	534	7,123
2022	6,799	324	7,123
2023	5,838	98	5,936
Thereafter	-	-	-
Balance	39,265	2,976	42,241

Tangible capital assets includes assets under capital lease with a gross cost of \$78,210 (2017 - \$31,650), and accumulated amortization of \$15,194 (2017 - \$7,913).

12. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined contribution pension plan under which both the municipality and employees make contributions of 8.15% (2017 - 8.15%). The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2018 was \$64,995 (2017 - \$62,058). The benefits accrued to the municipality's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

13. Comparative figures

Certain comparative figures have been reclassified to conform with the current year presentation.

14. Trusts Administered by the Municipality

A summary of trust fund activity by the municipality during the year is as follows:

Cemetery Trust Fund:

	2018	2017
Balance - Beginning of Year	50,990	47,367
Revenue	3,435	8,019
Interest revenue	253	238
Expenditure	(9,445)	(4,634)
Balance - End of Year	45,233	50,990

Town of Birch Hills
Notes to the Consolidated Financial Statements
As at December 31, 2018

16. Contractual Obligations and Commitments

The municipality has entered into multiple-year contracts for the delivery of services. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Significant contractual obligations and commitments of the municipality include:

Contractual Obligations and Commitments Type¹	Describe Nature Time and Extent	2018	2019	2020	2021	2022	Current Year Total	Prior Year Total
Struthers Lake Regional Park ²	Annual	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Success Office Systems ³	Annual	\$ 3,028	\$ 3,028	\$ 3,028	\$ -	\$ -	\$ 3,028	\$ 3,028
Total		\$ 4,028	\$ 4,028	\$ 4,028	\$ 1,000	\$ 1,000	\$ 4,028	\$ 4,028

¹ See Note 11 for Capital Lease obligations and Note 13 for Pension commitment obligations.

² Commencing in 2018, the Town has entered an agreement with the Struthers Lake Regional Park for the purpose of further developing and maintaining the regional park. The agreement involves an annual contribution to Struthers Lake Regional Park of \$1,000 per year until 2022.

³ In June 2017, the Town entered into a 3 year lease agreement to pay \$757 per quarter, including \$75 tax, to Success Office Systems to lease a photocopier until 2020.

Town of Birch Hills
 Schedule of Taxes and Other Unconditional Revenue
 As at December 31, 2018

Schedule 1

	2018 Budget (Note 1)	2018	2017
TAXES			
General municipal tax levy	950,446	949,194	890,811
Abatements and adjustments	(17,000)	(6,573)	(18,100)
Discount on current year taxes	(34,000)	(35,236)	(33,395)
Net Municipal Taxes	899,446	907,385	839,316
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	20,000	19,247	19,730
Special tax levy	-	-	-
Other (Local improvement tax levy)	350,000	893,830	-
Total Taxes	1,269,446	1,820,462	859,046
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	221,779	206,825	221,779
Organized Hamlet	-	-	-
Total Unconditional Grants	221,779	206,825	221,779
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	1,863	1,390	1,494
SaskEnergy Gas	-	-	-
TransGas	-	-	-
SPMC - Municipal Share	-	-	-
SaskTel	3,357	3,766	5,220
Other (Specify)	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other (Specify)	-	-	-
Other Government Transfers			
S.P.C. Surcharge	66,000	60,820	66,180
Sask Energy Surcharge	-	-	-
Other (Specify)	-	-	-
Total Grants in Lieu of Taxes	71,220	65,976	72,894
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	1,562,445	2,093,263	1,153,719

Town of Birch Hills
 Consolidated Schedule of Operating and Capital Revenue by Function
 As at December 31, 2018

Schedule 2 - 1

	2018 Budget (Note 1)	2018	2017
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	-	-	-
- Custom work	-	-	-
- Sales of supplies	700	156	5,565
- Other (Misc. fees)	7,350	3,437	17,998
Total Fees and Charges	8,050	3,593	23,563
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	88,000	-	28,527
- Investment income and commissions	-	-	152
- Other	41,200	20,643	41,750
Total Other Segmented Revenue	137,250	24,236	93,992
Conditional Grants			
- Student Employment	-	-	-
- Saskatchewan Infrastructure Growth Initiative	-	-	-
Total Conditional Grants	-	-	-
Total Operating	137,250	24,236	93,992
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (Specify)	-	-	-
Total Capital	-	-	-
Total General Government Services	137,250	24,236	93,992

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges	-	-	-
- Other (Fire protection and dog tag fees)	30,500	15,616	44,309
Total Fees and Charges	30,500	15,616	44,309
- Tangible capital asset sales - gain (loss)	-	-	-
- Donations	-	6,941	3,706
Total Other Segmented Revenue	30,500	22,557	48,015
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other (Specify)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	30,500	22,557	48,015
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- Other (Specify)	-	-	-
Total Capital	-	-	-
Total Protective Services	30,500	22,557	48,015

Town of Birch Hills
 Consolidated Schedule of Operating and Capital Revenue by Function
 As at December 31, 2018

Schedule 2 - 2

	2018 Budget (Note 1)	2018	2017
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	-	-	-
- Sales of supplies	-	-	-
- Road Maintenance and Restoration Agreements	-	-	-
- Frontage	-	-	-
- Other (Airport Fuel, Interest)	15,000	44,564	-
Total Fees and Charges	15,000	44,564	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (Specify)	-	-	-
Total Other Segmented Revenue	15,000	44,564	-
Conditional Grants			
- Primary Weight Corridor	-	-	-
- Student Employment	-	-	-
- Other (Specify)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	15,000	44,564	-
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Heavy Haul	-	-	-
- Designated Municipal Roads and Bridges	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (Specify)	-	-	-
Total Capital	-	-	-
Total Transportation Services	15,000	44,564	-

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	5,000	5,763	5,658
- Other (Specify)	-	-	-
Total Fees and Charges	5,000	5,763	5,658
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (Specify)	-	-	-
Total Other Segmented Revenue	5,000	5,763	5,658
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Transit Assistance	150	-	-
Total Conditional Grants	150	-	-
Total Operating	5,150	5,763	5,658
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Transit for Disabled	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (Specify)	-	-	-
Total Capital	-	-	-
Total Environmental and Public Health Services	5,150	5,763	5,658

Town of Birch Hills
 Consolidated Schedule of Operating and Capital Revenue by Function
 As at December 31, 2018

Schedule 2 - 3

	2018 Budget (Note 1)	2018	2017
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	-	-	-
- Other (Specify)	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (Specify)	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Other (Specify)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (Specify)	-	-	-
Total Capital	-	-	-
Total Planning and Development Services	-	-	-

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Rec Board fees	222,275	240,338	275,391
Total Fees and Charges	222,275	240,338	275,391
- Tangible capital asset sales - gain (loss)	-	-	4,881
- Rec Board other income	228,655	487,927	289,647
- Donations - facilities	-	26,579	18,844
Total Other Segmented Revenue	450,930	754,844	588,763
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Donations	-	-	-
- Other (Rec Board)	50,500	35,713	76,543
Total Conditional Grants	50,500	35,713	76,543
Total Operating	501,430	790,557	665,306
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (Specify)	-	-	-
Total Capital	-	-	-
Total Recreation and Cultural Services	501,430	790,557	665,306

Town of Birch Hills
 Consolidated Schedule of Operating and Capital Revenue by Function
 As at December 31, 2018

Schedule 2 - 4

	2018 Budget (Note 1)	2018	2017
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	556,000	548,171	551,793
- Sewer	-	-	-
- Other	2,500	2,300	2,250
Total Fees and Charges	558,500	550,471	554,043
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (Insurance Proceeds)	-	-	3,456
Total Other Segmented Revenue	558,500	550,471	557,499
Conditional Grants			
- Student Employment	-	-	-
- Other (Specify)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	558,500	550,471	557,499
Capital			
Conditional Grants			
- Federal Gas Tax	63,415	65,010	64,691
- Sask Water Corp.	-	-	-
- Provincial Disaster Assistance	-	-	-
- Saskatchewan Infrastructure Growth Initiative	-	-	-
Total Capital	63,415	65,010	64,691
Total Utility Services	621,915	615,481	622,190
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	1,311,245	1,503,158	1,435,161
SUMMARY			
Total Other Segmented Revenue	1,197,180	1,402,435	1,293,927
Total Conditional Grants	50,650	35,713	76,543
Total Capital Grants and Contributions	63,415	65,010	64,691
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	1,311,245	1,503,158	1,435,161

Town of Birch Hills
Consolidated Schedule of Total Expenses by Function
As at December 31, 2018

Schedule 3 - 1

	2018 Budget (Note 1)	2018	2017
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	72,000	77,311	71,393
Wages and benefits	162,400	157,987	161,755
Professional/Contractual services	385,800	146,395	144,771
Utilities	2,500	2,340	2,443
Maintenance, materials and supplies	38,500	39,148	29,824
Grants and contributions - operating	5,000	3,737	2,141
- capital	-	-	-
Amortization	-	7,469	9,596
Interest	-	-	1,594
Allowance for uncollectibles (recovery)	-	(112)	2,912
Other - Election	-	-	-
Total Government Services	666,200	434,275	426,429

PROTECTIVE SERVICES

Police protection

Wages and benefits	46,200	47,546	47,774
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, material and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other (Specify)	-	-	-

Fire protections

Wages and benefits	25,000	8,561	14,857
Professional/Contractual services	8,500	7,102	11,354
Utilities	9,900	4,682	9,056
Maintenance, material and supplies	18,000	10,977	17,712
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	9,547	8,756
Interest	-	-	-
Other - travel and convention	4,000	1,400	3,070

Total Protective Services	111,600	89,815	112,579
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TRANSPORTATION SERVICES

Wages and benefits	194,000	195,075	185,197
Professional/Contractual Services	26,200	23,164	27,330
Utilities	32,200	29,128	28,906
Maintenance, materials, and supplies	105,200	48,434	49,945
Street Maintenance and gravel	60,000	27,335	16,825
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	116,390	73,984
Interest	33,860	38,153	-
Other (Specify)	-	-	-

Total Transportation Services	451,460	477,679	382,187
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Town of Birch Hills
 Consolidated Schedule of Total Expenses by Function
 As at December 31, 2018

Schedule 3 - 2

	2018 Budget (Note 1)	2018	2017
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	101,000	103,220	102,248
Utilities	-	-	-
Maintenance, materials and supplies	200	156	1,176
Grants and contributions - operating	-	-	-
o Waste disposal	-	-	-
o Public Health	-	-	-
- capital	-	-	-
o Waste disposal	-	-	-
o Public Health	-	-	-
Amortization	-	10,338	10,338
Interest	-	-	-
Other (Specify)	-	-	-
Total Environmental and Public Health Services	101,200	113,714	113,762

PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual Services	-	2,116	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other (Specify)	-	-	-
Total Planning and Development Services	-	2,116	-

RECREATION AND CULTURAL SERVICES			
Wages and benefits	311,850	303,298	306,453
Professional/Contractual services	8,800	1,839	2,721
Utilities	47,300	66,150	67,827
Maintenance, materials and supplies	182,690	185,563	212,138
Grants and contributions - operating	38,000	53,024	28,447
- capital	-	-	-
Amortization	-	75,234	63,814
Interest	4,000	5,805	5,596
Allowance for uncollectibles	-	-	-
Other (Recreation Board expenses)	52,900	81,525	67,043
Total Recreation and Cultural Services	645,540	772,438	754,039

Town of Birch Hills
 Consolidated Schedule of Total Expenses by Function
 As at December 31, 2018

Schedule 3 - 3

	2018 Budget (Note 1)	2018	2017
UTILITY SERVICES			
Wages and benefits	50,000	50,000	50,000
Professional/Contractual services	11,200	9,886	5,674
Utilities	47,000	43,322	42,450
Maintenance, materials and supplies	250,000	180,095	187,193
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	152,410	152,207
Interest	19,140	19,368	23,769
Allowance for uncollectibles	-	-	-
Other (Bad debt)	-	-	9,898
Total Utility Services	377,340	455,081	471,191
TOTAL EXPENSES BY FUNCTION	2,353,340	2,345,118	2,260,187

Town of Birch Hills
Consolidated Schedule of Current Year Segment Disclosure by Function
As at December 31, 2018

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	3,593	15,616	44,564	5,763	-	240,338	550,471	860,345
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	-	-	-	-	-	-	-	-
Other Revenues	20,643	6,941	-	-	-	514,506	-	542,090
Grants - Conditional	-	-	-	-	-	35,713	-	35,713
- Capital	-	-	-	-	-	-	65,010	65,010
Total revenues	24,236	22,557	44,564	5,763	-	790,557	615,481	1,503,158
Expenses (Schedule 3)								
Wages & Benefits	235,298	56,107	195,075	-	-	303,298	50,000	839,778
Professional/ Contractual Services	146,395	7,102	23,164	103,220	2,116	1,839	9,886	293,722
Utilities	2,340	4,682	29,128	-	-	66,150	43,322	145,622
Maintenance Materials and Supplies	39,148	10,977	75,769	156	-	185,563	180,095	491,708
Grants and Contributions	3,737	-	-	-	-	53,024	-	56,761
Amortization	7,469	9,547	116,390	10,338	-	75,234	152,410	371,388
Interest	-	-	38,153	-	-	5,805	19,368	63,326
Allowance for Uncollectibles	(112)	-	-	-	-	-	-	(112)
Other	-	1,400	-	-	-	81,525	-	82,925
Total expenses	434,275	89,815	477,679	113,714	2,116	772,438	455,081	2,345,118
Surplus (Deficit) by Function	(410,039)	(67,258)	(433,115)	(107,951)	(2,116)	18,119	160,400	(841,960)

Taxation and other unconditional revenue (Schedule 1)

2,093,263

Net Surplus (Deficit)

1,251,303

Town of Birch Hills
Consolidated Schedule of Prior Year Segment Disclosure by Function
As at December 31, 2017

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	23,563	44,309	-	5,658	-	275,391	554,043	902,964
Tangible Capital Asset Sales - Gain	-	-	-	-	-	4,881	-	4,881
Land Sales - Gain	28,527	-	-	-	-	-	-	28,527
Investment Income and Commissions	152	-	-	-	-	-	-	152
Other Revenues	41,750	3,706	-	-	-	308,491	3,456	357,403
Grants - Conditional	-	-	-	-	-	76,543	-	76,543
- Capital	-	-	-	-	-	-	64,691	64,691
Total revenues	93,992	48,015	-	5,658	-	665,306	622,190	1,435,161
Expenses (Schedule 3)								
Wages & Benefits	233,148	62,631	185,197	-	-	306,453	50,000	837,429
Professional/ Contractual Services	144,771	11,354	27,330	102,248	-	2,721	5,674	294,098
Utilities	2,443	9,056	28,906	-	-	67,827	42,450	150,682
Maintenance Materials and Supplies	29,824	17,712	66,770	1,176	-	212,138	187,193	514,813
Grants and Contributions	2,141	-	-	-	-	28,447	-	30,588
Amortization	9,596	8,756	73,984	10,338	-	63,814	152,207	318,695
Interest	1,594	-	-	-	-	5,596	23,769	30,959
Allowance for Uncollectibles	2,912	-	-	-	-	-	-	2,912
Other	-	3,070	-	-	-	67,043	9,898	80,011
Total expenses	426,429	112,579	382,187	113,762	-	754,039	471,191	2,260,187
Surplus (Deficit) by Function	(332,437)	(64,564)	(382,187)	(108,104)	-	(88,733)	150,999	(825,026)

Taxation and other unconditional revenue (Schedule 1)

1,153,719

Net Surplus (Deficit)

328,693

Town of Birch Hills
 Consolidated Schedule of Tangible Capital Assets by Object
 As at December 31, 2018

Schedule 6

		2018						2017		
		General Assets					Infrastructure Assets			
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	General Infrastructure Assets Under Construction	Total	Total
Assets	Asset cost								-	
	Opening Asset costs	-	555,518	4,580,814	495,186	1,057,060	8,603,032	-	15,291,610	13,583,214
	Additions during the year	-	21,893	112,883	-	54,983	178,655	163,175	531,589	1,729,586
	Disposals and write-downs during the year	-	-	-	-	-	-	-	-	(21,190)
	Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
	Closing Asset Costs	-	577,411	4,693,697	495,186	1,112,043	8,781,687	163,175	15,823,199	15,291,610
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	-	78,951	1,693,883	350,329	713,662	4,358,342	-	7,195,167	6,897,661
	Add: Amortization taken	-	2,375	100,893	30,624	68,633	168,861	-	371,386	318,696
	Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(21,190)
		Closing Accumulated Amortization Costs	-	81,326	1,794,776	380,953	782,295	4,527,203	-	7,566,553
	Net Book Value	-	496,085	2,898,921	114,233	329,748	4,254,484	163,175	8,256,646	8,096,443

1. Total contributed/donated assets received in 2018: \$ -

2. List of assets recognized at nominal value in 2018 are:

- Infrastructure Assets \$ -
- Vehicles \$ -
- Machinery and Equipment \$ -

3. Amount of interest capitalized in 2018 \$ -

Town of Birch Hills
 Consolidated Schedule of Tangible Capital Assets by Function
 As at December 31, 2018

Schedule 7

		2018							2017	
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Assets	Asset cost									
	Opening Asset costs	643,109	171,962	4,281,637	148,487	-	3,186,286	6,860,129	15,291,610	13,583,214
	Additions during the year	43,267	-	189,411	-	-	298,911	-	531,589	1,729,586
	Disposals and write-downs during the year	-	-	-	-	-	-	-	-	(21,190)
	Closing Asset Costs	686,376	171,962	4,471,048	148,487	-	3,485,197	6,860,129	15,823,199	15,291,610
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	187,546	102,551	1,790,365	122,207	-	2,356,450	2,636,048	7,195,167	6,897,661
	Add: Amortization taken	7,469	9,547	116,390	10,338	-	75,232	152,410	371,386	318,696
	Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(21,190)
	Closing Accumulated Amortization Costs	195,015	112,098	1,906,755	132,545	-	2,431,682	2,788,458	7,566,553	7,195,167
	Net Book Value	491,361	59,864	2,564,293	15,942	-	1,053,515	4,071,671	8,256,646	8,096,443

Town of Birch Hills
 Consolidated Schedule of Accumulated Surplus
 As at December 31, 2018

Schedule 8

	2017	Changes	2018
UNAPPROPRIATED SURPLUS	1,363,205	489,151	1,852,356
APPROPRIATED RESERVES			
Recreation Board operations	284,758	(13,408)	271,350
Fire Department Reserve	34,298	-	34,298
Capital Trust	-	-	-
Utility	-	-	-
Other (Specify)	-	-	-
Total Appropriated	319,056	(13,408)	305,648
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	7,697,450	559,196	8,256,646
Less: Related debt	(1,716,227)	216,364	(1,499,863)
Net Investment in Tangible Capital Assets	5,981,223	775,560	6,756,783
Total Accumulated Surplus	7,663,484	1,251,303	8,914,787

Town of Birch Hills
 Schedule of Mill Rates and Assessments
 As at December 31, 2018

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	160,435	61,479,680			6,130,100		67,770,215
Regional Park Assessment							
Total Assessment							67,770,215
Mill Rate Factor(s)	1.00	1.00			2.10		
Total Base/Minimum Tax (generated for each property class)		414,350			29,900		444,250
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,540	812,031			135,623		949,194

MILL RATES:	MILLS
Average Municipal*	14.01
Average School*	3.8669
Potash Mill Rate	
Uniform Municipal Mill Rate	9.6000

* Average Mill Rates (multiple the total tax levy for each taxing authority by 1000 and divide by the total assessment for the taxing authority.

Town of Birch Hills
 Schedule of Council Remuneration
 As at December 31, 2018

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Dale Pratt	9,000	2,985	11,985
Councillor	John Herd	6,000	4,644	10,644
Councillor	Barry Evans	6,000	4,113	10,113
Councillor	Owen Stubbs	6,000	3,369	9,369
Councillor	Graham Tweten	6,000	2,572	8,572
Councillor	Keith Matheson	6,000	3,295	9,295
Councillor	Sharon Rolfes	6,000	1,725	7,725
Total		45,000	22,703	67,703