

Town of Birch Hills

Consolidated Financial Statements

For the year ended December 31, 2023

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Management's Responsibility

To the Ratepayers of the Town of Birch Hills (the "Town"):

The Town's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.

In discharging its responsibilities for the integrity and fair presentation of the consolidated financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the 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 management and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Town's external auditors.

HSA Chartered Professional Accountants 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 management to discuss their audit findings.

May 22, 2024


Mayor
Chief Administrative Officer

Independent Auditor's Report

To the Mayor and Councillors of the Town of Birch Hills (the "Town"):

Opinion

We have audited the consolidated financial statements of Town of Birch Hills and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2023, the consolidated statements of operations, changes in net financial assets, cash flows, and remeasurement gains and losses for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town of Birch Hills as at December 31, 2023, and the results of consolidated operations, changes in net financial assets, cash flows, and remeasurement gains and losses 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 Group 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 Those Charged with Governance 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group'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:

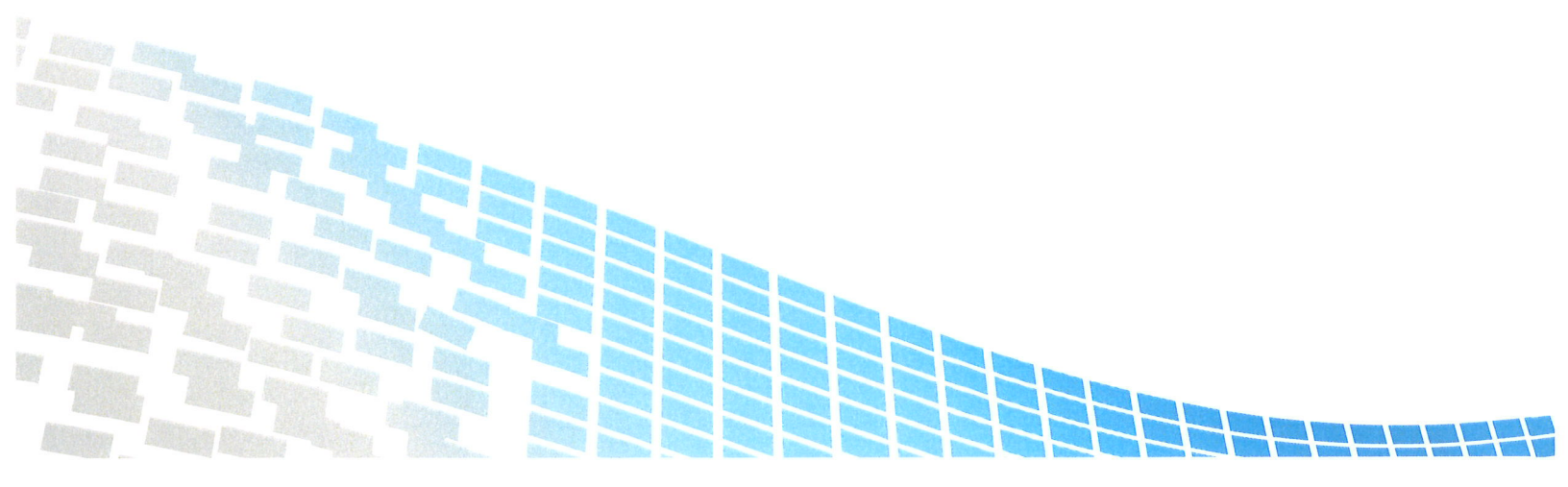
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of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

We 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.

H&A LLP

Chartered Professional Accountants
Humboldt, Saskatchewan

June 13, 2024



Town of Birch Hills

Consolidated Statement of Financial Position

As at December 31, 2023

Statement 1

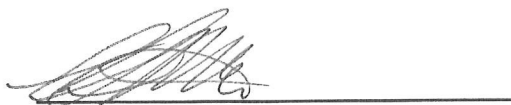
	2023	2022
FINANCIAL ASSETS		
Cash and Cash Equivalents (note 2)	1,018,850	1,635,059
Investments (note 3)	295,115	288,216
Taxes Receivable - Municipal (note 4)	286,640	342,796
Other Accounts Receivable (note 5)	272,335	156,920
Assets Held for Sale (note 6)	393,259	440,476
Total Financial Assets	2,266,199	2,863,467
LIABILITIES		
Accounts and Accrued Liabilities Payable	333,325	324,290
Deposits	45,221	43,971
Deferred Revenue (note 8)	281,955	474,587
Asset Retirement Obligation (note 9)	7,129	7,129
Long-Term Debt (note 10)	1,317,024	1,398,064
Lease Obligations (note 11)	201,338	210,733
Total Liabilities	2,185,992	2,458,774
NET FINANCIAL ASSETS	80,207	404,693
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	13,357,767	11,127,446
Prepayments and Deferred Charges	9,792	123,532
Stock and Supplies	21,339	35,176
Total Non-Financial Assets	13,388,898	11,286,154
ACCUMULATED SURPLUS (Schedule 8)	13,469,105	11,690,847

Contingent Liabilities (note 12)

Approved on behalf of Council:



Mayor



Councillor

Town of Birch Hills
Consolidated Statement of Operations
For the year ended December 31, 2023

Statement 2

	2023 Budget	2023	2022
	(unaudited)		
REVENUES			
Tax Revenue (Schedule 1)	1,272,672	1,159,517	1,047,529
Other Unconditional Revenue (Schedule 1)	259,500	259,574	228,762
Fees and Charges (Schedule 4, 5)	931,080	1,376,313	1,276,716
Conditional Grants (Schedule 4, 5)	300	70,269	101,190
Tangible Capital Asset Sales - (Loss) (Schedule 4, 5)	-	39,492	-
Land Sales - Gain (Loss) (Schedule 4, 5)	-	(39,618)	-
Investment Income (note 3) (Schedule 4, 5)	4,500	50,116	74,170
Donations (Schedule 4, 5)	-	149,103	85,018
Other Revenues (Schedule 4, 5)	-	656,816	220,637
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	1,601,000	1,123,446	67,002
Total Revenues	4,069,052	4,845,028	3,101,024
EXPENSES			
General Government Services (Schedule 3)	552,200	569,610	619,697
Protective Services (Schedule 3)	342,650	115,897	113,845
Transportation Services (Schedule 3)	663,800	566,716	546,453
Environmental and Public Health Services (Schedule 3)	107,500	133,815	140,672
Planning and Development Services (Schedule 3)	-	-	-
Recreation and Cultural Services (Schedule 3)	259,700	1,069,195	909,983
Utility Services (Schedule 3)	359,200	611,537	444,327
Total Expenses	2,285,050	3,066,770	2,774,977
Surplus of Revenues over Expenses	1,784,002	1,778,258	326,047
Accumulated Surplus, Beginning of Year	11,690,847	11,690,847	11,364,800
Accumulated Surplus, End of Year	13,474,849	13,469,105	11,690,847

Town of Birch Hills

Consolidated Statement of Changes in Net Financial Assets

For the year ended December 31, 2023

Statement 3

	2023 Budget	2023	2022
	<i>(unaudited)</i>		
Annual Surplus	1,784,002	1,778,258	326,047
Acquisition of tangible capital assets	(1,386,600)	(2,669,453)	(813,537)
Amortization of tangible capital assets	-	474,513	407,133
Adjustment to tangible capital assets	-	(35,381)	83,454
Proceeds on disposal of tangible capital assets	-	39,492	-
Loss (gain) on the disposal of tangible capital assets	-	(39,492)	-
Deficit of capital expenses over expenditures	(1,386,600)	(2,230,321)	(322,950)
(Acquisition) of supplies inventories	-	(21,339)	(35,176)
(Acquisition) of prepaid expenses	-	(9,792)	(123,532)
Consumption of supplies inventory	-	35,176	56,225
Use of prepaid expense	-	123,532	17,632
Surplus (Deficit) of expenses of other non-financial over expenditures	-	127,577	(84,851)
Unrealized remeasurement gains (losses)	-	-	-
Decrease in Net Financial Assets	397,402	(324,486)	(81,754)
Net Financial Assets - Beginning of Year	404,693	404,693	486,447
Net Financial Assets - End of Year	802,095	80,207	404,693

Town of Birch Hills
Consolidated Statement of Cash Flows
For the year ended December 31, 2023

Statement 4

	2023	2022
Cash provided by (used for) the following activities		
Operating:		
Surplus	1,778,258	326,047
Amortization	474,513	407,133
Loss (gain) on disposal of tangible capital assets	(39,492)	-
	2,213,279	733,180
Change in assets/liabilities		
Taxes Receivable - Municipal	56,156	34,368
Other Accounts Receivable	(115,415)	48,939
Assets Held for Sale	47,217	-
Accounts Payable	9,035	20,613
Deposits	1,250	(5,516)
Deferred Revenue	(192,632)	21,014
Stock and Supplies	13,837	21,050
Prepayments and Deferred Charges	113,740	(105,901)
Cash provided by operating transactions	2,146,467	767,747
Capital:		
Cash used to acquire tangible capital assets	(2,669,453)	(582,573)
Proceeds on sale of tangible capital assets	39,492	-
Cash applied to capital transactions	(2,629,961)	(582,573)
Investing:		
Proceeds from disposal of investments	275,211	422,654
Decrease (increase) in investments	(275,115)	(464,202)
Cash applied to investing transactions	96	(41,548)
Financing:		
Proceeds from debt issues	247,545	1,100,000
Debt repayment	(328,585)	(347,161)
Other financing (capital lease repayments)	(51,771)	(32,573)
Cash provided by (applied to) financing transactions	(132,811)	720,266
Change in Cash and Cash Equivalents during the year	(616,209)	863,892
Cash and Cash Equivalents - Beginning of Year	1,635,059	771,167
Cash and Cash Equivalents - End of Year	1,018,850	1,635,059

Town of Birch Hills
Consolidated Statement of Remeasurement Gains and Losses
For the year ended December 31, 2023

Statement 5

	2023	2022
Accumulated remeasurement gains (losses) at the beginning of the year:	-	-
Unrealized gains (losses) attributable to:		
Derivatives	-	-
Equity Investments measured at fair value	-	-
Foreign exchange (if applicable)	-	-
	-	-
Amounts reclassified to the Statement of Operations:		
Derivatives	-	-
Derivative liabilities	-	-
Equity Investments measured at fair value	-	-
Foreign exchange (if applicable)	-	-
	-	-
Net remeasurement gains (losses) for the year	-	-
Accumulated remeasurement gains(losses) at end of year	-	-

Town of Birch Hills
Notes to the Consolidated Financial Statements
For the year ended December 31, 2023

1. Significant accounting policies

The consolidated financial statements of the Town are prepared by management in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the Town are as follows:

- a) **Basis of accounting:** The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues 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 consolidated financial statements consolidates the assets, liabilities and flow of resources of the Town. The entity is comprised of all of the organizations that are owned or controlled by the Town and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these consolidated financial statements are as follows:

<u>Entity</u>	
Birch Hills and District Recreation Board	100%
North Central Saskatchewan Waste Management Corporation	2.58%

All inter-organizational transactions and balances have been eliminated.

- c) **Collection of funds for other authorities:** Collection of funds by the Town for the school boards are collected and remitted in accordance with relevant legislation.
- 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 occurred, as long as:
 - a) the transfers are authorized;
 - b) any eligibility criteria have been met; and
 - c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue until eligibility criteria or stipulations are met.

Government transfer amounts received but not earned are recorded as deferred revenue.

Earned government transfer amounts not received are recorded as an amount receivable.

- e) **Other (non-government transfer) contributions:** Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the Town if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.
- f) **Deferred revenue - Fees and charges:** Certain user charges and fees are collected for which the related services have yet to be performed. 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.

1. Significant accounting policies - continued

- i) **Non-financial assets:** Tangible capital and other non-financial assets are accounted for as assets by the Town because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Town 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.
- 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) **Financial instruments:** Derivative and equity instruments that are quoted in an active market are carried at fair value. All other financial instruments are measured at cost/amortized cost; financial assets measured at amortized cost are recognized initially net of transaction costs with interest income recognized using the effective interest rate method. Impairment losses are recognized in the statement of operations when there is an other than temporary decline in value.

Interest and dividends attributable to financial instruments are reported in the statement of operations. Unrealized gains and losses are recognized in the statement of remeasurement gains and losses. When the investment is disposed of the accumulated gains or losses are reclassified to the statement of operations.

Long-term debt: Long-term debt is initially recognized net of premiums, discounts, and transaction costs and is measured at amortized cost with interest expense recognized using the effective interest rate method.

Measurement of Financial Instruments:

The Town's financial assets and liabilities are measured as follows:

<u>Financial Statement line item</u>	<u>Measurement</u>
Cash and Cash Equivalents	Cost and amortized cost
Investments	Cost and amortized cost
Other Accounts Receivable	Cost and amortized cost
Accounts Payable and Accrued Liabilities	Cost
Deposits	Cost
Long-Term Debt	Amortized cost

- m) **Inventories:** Inventories of materials and supplies expected to be used by the Town 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.
- n) **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 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 tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The Town's tangible capital asset useful lives are estimated as follows:

Town of Birch Hills
Notes to the Consolidated Financial Statements
For the year ended December 31, 2023

1. Significant accounting policies - continued

<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
Leased Capital Assets	Lease term
Infrastructure Assets	
Infrastructure Assets	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 and other unrecognized assets: 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 Town does not capitalize interest incurred while a tangible capital asset is under construction.

Leases: All leases are recorded on the consolidated financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital leases and recorded as tangible capital assets. 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 an operating lease and rental payments are expensed as incurred.

- o) **Trust funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the Town. Trust fund activities administered by the Town are disclosed in note 15.
- p) **Employee benefit plans:** Contributions to the Town's defined benefit plan are expensed when contributions are made. Under the defined benefit plan, the Town's obligations are limited to their contributions.
- q) **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 Town:
 - 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.

1. Significant accounting policies - continued

- r) **Measurement uncertainty:** The preparation of consolidated financial statements in conformity with Canadian public sector accounting 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 consolidated financial statements, and the reported amounts of revenue and expenditures during the period.

Measurement uncertainty impacts the following consolidated financial statement areas:

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.

The liability associated with asset retirement obligations are measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date, the discount rate, and inflation.

Measurement of financial instruments at fair value and recognition and measurement of impairment of financial instruments requires the use of significant management estimates.

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.

- s) **Basis of segmentation/Segment report:** The Town follows the 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 Town.

Protective Services: Comprises 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 Town.

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.

- t) **Budget information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 24, 2023.
- u) **Assets held for sale:** the Town is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset and the sale is reasonably anticipated to be completed within one year of the financial statement date.
- v) **Asset retirement obligation:** Asset Retirement Obligations represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development, or normal use. The tangible capital assets include but are not limited to assets in productive use, assets no longer in productive use, leased tangible capital assets.

1. Significant accounting policies - continued

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the municipality to incur costs in relation to a specific TCA, when the past transaction or event causing the liability has already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using a present value technique.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates.

At remediation, the Town derecognizes the liability that was established. In some circumstances, gains or losses may be incurred upon settlement related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the consolidated statement of operations.

w) **New accounting policies adopted during the year:**

PS 3450 Financial Instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. The standard requires fair value measurement of derivatives and equity instrument that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

These measurements are to be applied prospectively with any difference between the fair value and the prior carrying value being recognized as an adjustment to accumulated remeasurement gains and losses at the beginning of the fiscal year. This standard was adopted in conjunction with PS 1201 - Financial Statement Presentation, PS 2601 - Foreign Currency Translation and PS 3041 - Portfolio Investments.

PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the accounting and reporting of legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use. As this standard includes solid waste landfill sites active and post-closing obligations, upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn.

2. Cash and Cash Equivalents

	2023	2022
Cash	1,018,850	1,635,059
Short-term investments - amortized cost	-	-
Total Cash and Cash Equivalents	1,018,850	1,635,059

Cash and cash equivalents includes balances with banks and short-term deposits with maturities of three months or less.

Town of Birch Hills

Notes to the Consolidated Financial Statements

For the year ended December 31, 2023

3. Investments

	2023	2022
Investments carried at amortized cost:		
Short-term notes and deposits	243,796	237,192
Investment in Northern Lights Railway	20,000	20,000
Government/government guaranteed bonds	31,319	31,024
Total Investments	295,115	288,216

Short-term notes and deposits have effective interest rates of 3.35% - 4.85% (2022 - 0.95% - 1.35%) and mature in less than one year.

Investment income		
Interest	6,898	1,780
Total Investment Income	6,898	1,780

4. Taxes Receivable - Municipal

	2023	2022
Municipal - Current	79,523	67,023
- Arrears	99,059	112,652
	178,582	179,675
- Less Allowance for Uncollectibles	-	-
Total Municipal Taxes Receivable	178,582	179,675
School - Current	17,320	14,319
- Arrears	14,911	13,872
Total Taxes to be Collected on Behalf of School Divisions	32,231	28,191
Local improvement - Current	55,064	55,064
- Arrears	52,994	108,057
Total Local Improvement Receivable	108,058	163,121
Total Taxes and Grants In Lieu Receivable or to be Collected on Behalf of Others	318,871	370,987
Deduct Taxes Receivable to be Collected on Behalf of Other Organizations	(32,231)	(28,191)
Total Taxes Receivable - Municipal	286,640	342,796

5. Other Accounts Receivable

	2023	2022
Federal Government	170,550	57,613
Provincial Government	-	-
Utility	14,044	9,357
Trade	116,279	98,031
Total Other Accounts Receivable	300,873	165,001
Less: Allowance for Uncollectibles	(28,538)	(8,081)
Net Other Accounts Receivable	272,335	156,920

Town of Birch Hills
Notes to the Consolidated Financial Statements
For the year ended December 31, 2023

6. Assets Held for Sale

	2023	2022
Tax Title Property	-	48,274
Allowance for Market Value Adjustment	-	-
Deduct: portion due to other tax authority (school)	-	(1,057)
Net Tax Title Property	-	47,217
Other Land	393,259	393,259
Allowance for Market Value Adjustment	-	-
Net Other Land	393,259	393,259
Total Assets Held for Sale	393,259	440,476

7. Bank Indebtedness

The Town has an authorized line of credit in the amount of \$250,000 (2022 - \$250,000) with Affinity Credit Union. Interest is at bank prime rate and the line is secured by assignment of grants and receivables. The Town has utilized \$nil (2022 - \$nil) of this line of credit at December 31, 2023.

8. Deferred Revenue	2022	Externally Restricted Inflows	Revenue Earned	2023
Golf Course Memberships	1,122	0	(1,122)	-
Golf Course Club House Project	66,429	5,000	-	71,429
Arena Project - Farm Grow Project	210,526	-	-	210,526
Arena Project - Hesje Funds	196,510	-	(196,510)	-
Total Deferred Revenue	474,587			281,955

9. Asset Retirement Obligation

	2023	2022
Balance, beginning of the year	7,129	7,129
Liabilities incurred	-	-
Liabilities settled	-	-
Accretion expense	-	-
Changes in estimated cash flows	-	-
Total Accrued Landfill Costs	7,129	7,129

Landfill

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 water, 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.

10. Long-Term Debt

The debt limit of the Municipality is \$1,856,777. 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(1)). 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.

Transportation activities: Affinity Credit Union demand loan repayable in monthly installments of \$16,013 including interest at 3.29%, secured by first charge general security agreement, first charge specific security agreement over existing grants and taxes and a promissory note, due December 30, 2024.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2023	-	-	-	192,155
2024	190,006	2,149	192,155	193,440
Balance	190,006	2,149	192,155	385,595

Utilities activities: Affinity Credit Union demand loan repayable in monthly installments of \$10,566 including interest at 2.89%, secured by first charge general security agreement, first charge specific security agreement over existing grants and taxes and a promissory note, due May 21, 2026.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2023	-	-	-	126,792
2024	101,584	25,208	126,792	126,792
2025	104,559	22,233	126,792	126,792
2026	720,814	8,128	728,942	728,942
Balance	926,957	55,569	982,526	1,109,318

Transportation activities: Affinity Credit Union demand loan repayable in monthly installments of \$8,833 including interest at 5.34%, secured by a grader with a net book value of \$247,545, and general assignment of property taxes receivable, due December 2025.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2024	97,681	8,314	105,995	-
2025	102,380	2,902	105,282	-
Balance	200,061	11,216	211,277	-

Town of Birch Hills**Notes to the Consolidated Financial Statements****For the year ended December 31, 2023****11. Lease Obligations**

CWB National Leasing capital lease obligation for four 2023 Yamaha AFI Golf Cars with related components, having a combined net book value of \$42,376, payable at \$1,695 per month plus taxes, six times a year including interest at 0.00%, due October 2027 with a purchase option at the end of the lease of \$1.

Future minimum lease payments under the capital leases together with the balance of the obligation due under the capital leases are as follows:

Year	Payment Amount
2024	10,170
2025	10,170
2026	10,170
2027	10,170
Total future minimum lease payments	40,680
Imputed interest	-
Capital Lease Liability	40,680

Wells Fargo capital lease obligation for a 2017 Doosan loader with bucket and pallet forks having a net book value of \$190,799, payable at \$3,497 per month plus taxes, including interest at 1.90%, due May 2027 with a purchase option at the end of the lease of \$1.

Future minimum lease payments under the capital leases together with the balance of the obligation due under the capital leases are as follows:

Year	Payment Amount
2024	46,577
2025	46,577
2026	46,577
2027	19,407
Total future minimum lease payments	159,138
Imputed interest	(12,108)
Capital Lease Liability	147,030

Town of Birch Hills**Notes to the Consolidated Financial Statements****For the year ended December 31, 2023****11. Lease Obligations - continued**

Kubota Canada capital lease obligation for a 6-way blade having a net book value of \$17,070, payable at \$351 per month plus taxes, including interest at 6.66%, due May 2027 with a purchase option at the end of the lease of \$1.

Future minimum lease payments under the capital leases together with the balance of the obligation due under the capital leases are as follows:

Year	Payment Amount
2024	4,681
2025	4,681
2026	4,681
2027	1,951
Total future minimum lease payments	15,994
Imputed interest	(2,366)
Capital Lease Liability	13,628

Tangible capital assets include assets under capital lease with a gross cost of \$273,343 (2022 - \$272,126), and accumulated amortization of \$23,097 (2022 - \$37,044).

12. Contingent Liabilities**Legal Matters**

The Town has been named a defendant in legal action in which damages have been sought in the amount of \$110,000. Management believes there is merit in the defendant's position to an amount of \$110,000 and has accrued this amount.

13. Pension Plan

The Town is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. 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 Town pension expense in 2023 was \$81,044 (2022 - \$74,494). The benefits accrued to the Town's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

Total current service contributions by the Town to the MEPP in 2023 were \$40,522 (2022 - \$37,247). Total current service contributions by the employees of the Town to the MEPP in 2023 were \$40,522 (2022 - \$37,247).

At December 31, 2022, the MEPP disclosed an actuarial surplus of \$704,877,000.

14. Comparative Figures

Cash and cash equivalents, investments, tax and other unconditional revenues have been restated to conform to the current year's presentation.

Town of Birch Hills
Notes to the Consolidated Financial Statements
For the year ended December 31, 2023

15. Trust Administered by the Town

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

Cemetery Trust Fund:

	2023	2022
Balance - Beginning of Year	86,349	79,356
Revenue	2,550	5,315
Interest revenue	1,423	2,167
Expenditure	(6,825)	(489)
Balance - End of Year	83,497	86,349

16. Risk Management

It is managements opinion that the Town is not exposed to significant risks arising from financial instruments.

Town of Birch Hills

Consolidated Schedule of Taxes and Other Unconditional Revenue

For the year ended December 31, 2023

Schedule 1

	2023 Budget	2023	2022
	<i>(unaudited)</i>		
TAXES			
General municipal tax levy	1,150,062	1,114,309	978,759
Abatements and adjustments	-	(32,139)	(2,475)
Discount on current year taxes	(37,890)	(41,071)	(37,082)
Net Municipal Taxes	1,112,172	1,041,099	939,202
Penalties on tax arrears	24,500	30,427	27,133
Special tax levy	61,500	-	-
Total Taxes	1,198,172	1,071,526	966,335
GRANTS IN LIEU OF TAXES			
Federal	1,500	1,689	1,475
Provincial			
Sasktel	3,000	3,690	3,408
Other	-	1,298	425
Other Government Transfers			
S.P.C. Surcharge	70,000	81,314	75,886
Total Grants in Lieu of Taxes	74,500	87,991	81,194
Total Tax Revenue	1,272,672	1,159,517	1,047,529
UNCONDITIONAL GRANTS			
Revenue Sharing	259,500	259,574	228,762
Total Unconditional Grants	259,500	259,574	228,762
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	1,532,172	1,419,091	1,276,291

Town of Birch Hills

Consolidated Schedule of Operating and Capital Revenue by Function

For the year ended December 31, 2023

Schedule 2 - 1

	2023 Budget	2023	2022
GENERAL GOVERNMENT SERVICES	<i>(unaudited)</i>		
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	1,000	2,300	800
- Sales of supplies	1,000	845	43
- Other (Misc. fees)	9,990	15,340	14,270
Total Fees and Charges	11,990	18,485	15,113
- Investment income and commissions	4,500	50,116	74,170
- Other	-	-	4,170
- Land sales - loss	-	(39,618)	-
Total Other Segmented Revenue	16,490	28,983	93,453
Total Operating	16,490	28,983	93,453
Total General Government Services	16,490	28,983	93,453

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Policing & fire fees, fines)	22,500	22,244	27,679
Total Fees and Charges	22,500	22,244	27,679
- Donations	-	570	(266)
Total Other Segmented Revenue	22,500	22,814	27,413
Total Operating	22,500	22,814	27,413
Total Protective Services	22,500	22,814	27,413

Town of Birch Hills

Consolidated Schedule of Operating and Capital Revenue by Function

For the year ended December 31, 2023

Schedule 2 - 2

	2023 Budget	2023	2022
	(unaudited)		
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Airport Fuel)	55,000	72,906	48,673
Total Fees and Charges	55,000	72,906	48,673
- Tangible capital asset sales - gain	-	27,460	-
Total Other Segmented Revenue	55,000	100,366	48,673
Total Operating	55,000	100,366	48,673
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	37,705	-
- MAMP Grant	1,601,000	-	3,163
- Other (MoH, NBCF)	-	1,085,741	-
Total Capital	1,601,000	1,123,446	3,163
Total Transportation Services	1,656,000	1,223,812	51,836

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	17,500	14,735	20,904
Total Fees and Charges	17,500	14,735	20,904
- Other (NCSWMC)	-	5,175	4,818
Total Other Segmented Revenue	17,500	19,910	25,722
Conditional Grants			
- NCSWMC Grant	-	19,674	18,780
- TAPD	300	135	420
Total Conditional Grants	300	19,809	19,200
Total Operating	17,800	39,719	44,922
Total Environmental and Public Health Services	17,800	39,719	44,922

Town of Birch Hills

Consolidated Schedule of Operating and Capital Revenue by Function

For the year ended December 31, 2023

Schedule 2 - 3

	2023 Budget	2023	2022
RECREATION AND CULTURAL SERVICES	<i>(unaudited)</i>		
Operating			
Other Segmented Revenue			
Fees and Charges			
- Recreation Board fees	13,000	409,531	336,445
Total Fees and Charges	13,000	409,531	336,445
- Tangible capital asset sales - gain	-	12,032	-
- Recreation Board other income	-	651,641	211,915
- Donations - facilities	-	148,533	85,018
Total Other Segmented Revenue	13,000	1,221,737	633,378
Conditional Grants			
- Other (Rec Board)	-	50,460	81,990
Total Conditional Grants	-	50,460	81,990
Total Operating	13,000	1,272,197	715,368
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	63,839
Total Capital	-	-	63,839
Total Recreation and Cultural Services	13,000	1,272,197	779,207

Town of Birch Hills

Consolidated Schedule of Operating and Capital Revenue by Function

For the year ended December 31, 2023

Schedule 2 - 4

	2023 Budget	2023	2022
UTILITY SERVICES	<i>(unaudited)</i>		
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water and Sewer	750,000	782,725	770,240
- Infrastructure fees	60,000	54,177	56,772
- Other (sale of supplies, etc.)	1,090	1,510	890
Total Fees and Charges	811,090	838,412	827,902
Total Other Segmented Revenue	811,090	838,412	827,902
Total Operating	811,090	838,412	827,902
Total Utility Services	811,090	838,412	827,902
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	2,536,880	3,425,937	1,824,733

SUMMARY

Total Other Segmented Revenue	935,580	2,232,222	1,656,541
Total Conditional Grants	300	70,269	101,190
Total Capital Grants and Contributions	1,601,000	1,123,446	67,002
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	2,536,880	3,425,937	1,824,733

Town of Birch Hills

Consolidated Total Expenses by Function

For the year ended December 31, 2023

Schedule 3 - 1

	2023 Budget	2023	2022
GENERAL GOVERNMENT SERVICES	<i>(unaudited)</i>		
Council remuneration and travel	85,000	72,358	68,246
Wages and benefits	217,500	183,999	169,142
Professional/Contractual services	168,000	183,891	168,104
Utilities	2,500	3,987	2,426
Maintenance, materials and supplies	55,550	48,827	27,384
Grants and contributions - operating	1,650	1,050	1,436
Amortization	-	44,648	45,231
Interest and bank charges	20,000	1,360	11,615
Other - miscellaneous	2,000	29,490	126,113
Total Government Services	552,200	569,610	619,697

PROTECTIVE SERVICES

Police protection

Wages and benefits	62,700	61,390	57,483
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Fire protection

Wages and benefits	11,000	9,519	6,642
Professional/Contractual services	33,800	30,252	22,009
Utilities	6,900	4,821	4,048
Maintenance, material and supplies	228,250	5,478	17,500
Amortization	-	4,437	6,163

Total Protective Services

342,650	115,897	113,845
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TRANSPORTATION SERVICES

Wages and benefits	332,700	272,055	247,224
Professional/Contractual Services	11,900	9,150	8,144
Utilities	32,500	32,103	29,431
Maintenance, materials, and supplies	188,700	60,091	93,959
Street maintenance and gravel	98,000	41,255	46,059
Amortization	-	146,549	121,636
Interest	-	5,513	-

Total Transportation Services

663,800	566,716	546,453
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Town of Birch Hills

Consolidated Total Expenses by Function

For the year ended December 31, 2023

Schedule 3 - 2

	2023 Budget	2023	2022
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES	<i>(unaudited)</i>		
Wages and benefits	-	-	-
Professional/Contractual services	107,500	107,610	107,350
Amortization	-	320	9,002
Other (NCSWM)	-	25,885	24,320
Total Environmental and Public Health Services	107,500	133,815	140,672

RECREATION AND CULTURAL SERVICES			
Wages and benefits	90,200	88,482	88,286
Professional/Contractual services	22,500	8,806	20,456
Utilities	28,000	20,923	23,658
Maintenance, materials and supplies	119,000	219,315	110,533
Grants and contributions - operating	-	-	-
Amortization	-	70,139	69,802
Interest	-	-	-
Other (Recreation Board expenses)	-	661,530	597,248
Total Recreation and Cultural Services	259,700	1,069,195	909,983

Town of Birch Hills
Consolidated Total Expenses by Function
For the year ended December 31, 2023

Schedule 3 - 3

	2023 Budget	2023	2022
UTILITY SERVICES	(unaudited)		
Wages and benefits	-	-	50,000
Professional/Contractual services	5,100	6,504	8,786
Utilities	44,000	49,427	37,842
Maintenance, materials and supplies	274,100	305,082	153,529
Amortization	-	208,420	155,299
Interest	36,000	42,104	38,871
Total Utility Services	359,200	611,537	444,327
TOTAL EXPENSES BY FUNCTION	2,285,050	3,066,770	2,774,977

Town of Birch Hills
Consolidated Schedule of Segment Disclosure by Function
For the year ended December 31, 2023

Schedule 4

Revenues (Schedule 2)							
General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
18,485	22,244	72,906	14,735	-	409,531	838,412	1,376,313
-	-	27,460	-	-	12,032	-	39,492
(39,618)	-	-	-	-	-	-	(39,618)
50,116	-	-	-	-	-	-	50,116
-	-	-	-	-	-	-	-
-	570	-	-	-	148,533	-	149,103
-	-	-	5,175	-	651,641	-	656,816
-	-	-	19,809	-	50,460	-	70,269
-	-	1,123,446	-	-	-	-	1,123,446
28,983	22,814	1,223,812	39,719	-	1,272,197	838,412	3,425,937
Expenses (Schedule 3)							
256,357	70,909	272,055	-	-	88,482	-	687,803
183,891	30,252	9,150	107,610	-	8,806	6,504	346,213
3,987	4,821	32,103	-	-	20,923	49,427	111,261
48,827	5,478	101,346	-	-	219,315	305,082	680,048
1,050	-	-	-	-	-	-	1,050
44,648	4,437	146,549	320	-	70,139	208,420	474,513
1,360	-	5,513	-	-	-	42,104	48,977
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
29,490	-	-	25,885	-	661,530	-	716,905
569,610	115,897	566,716	133,815	-	1,069,195	611,537	3,066,770
(540,627)	(93,083)	657,096	(94,096)	-	203,002	226,875	359,167
Surplus (Deficit) by Function							

Town of Birch Hills
Consolidated Schedule of Segment Disclosure by Function
For the year ended December 31, 2022

Schedule 5

Revenues (Schedule 2)							
General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
15,113	27,679	48,673	20,904	-	336,445	827,902	1,276,716
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
74,170	-	-	-	-	-	-	74,170
-	-	-	-	-	-	-	-
-	-	-	-	-	85,018	-	85,018
4,170	(266)	-	4,818	-	211,915	-	220,637
-	-	-	19,200	-	81,990	-	101,190
-	-	3,163	-	-	63,839	-	67,002
93,453	27,413	51,836	44,922	-	779,207	827,902	1,824,733
Expenses (Schedule 3)							
237,388	64,125	247,224	-	-	88,286	50,000	687,023
168,104	22,009	8,144	107,350	-	20,456	8,786	334,849
2,426	4,048	29,431	-	-	23,658	37,842	97,405
27,384	17,500	140,018	-	-	110,533	153,529	448,964
1,436	-	-	-	-	-	-	1,436
45,231	6,163	121,636	9,002	-	69,802	155,299	407,133
11,615	-	-	-	-	-	38,871	50,486
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
126,113	-	-	24,320	-	597,248	-	747,681
619,697	113,845	546,453	140,672	-	909,983	444,327	2,774,977
(526,244)	(86,432)	(494,617)	(95,750)	-	(130,776)	383,575	(950,244)
Surplus (Deficit) by Function							

Town of Birch Hills
Consolidated Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2023

Schedule 6

2023

2022

	General Assets						Infrastructure Assets		General/ Infrastructure Assets Under Construction	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment		Linear assets			
Assets										
Asset cost										
Opening Asset costs	112,270	573,411	6,014,018	495,186	1,554,057		9,522,136		1,936,234	20,207,312
Additions during the year	-	-	2,116,706	60,650	366,280		-		125,817	2,669,453
Disposals and write-downs during the year	-	-	-	(5,133)	(127,110)		-		-	(132,243)
Transfers (from) assets under construction	-	-	-	-	-		-		-	-
Transfers from reclassification	(4,546)	-	-	(248,983)	28,962		(112,466)		369,756	32,723
Closing Asset Costs	107,724	573,411	8,130,724	301,720	1,822,189		9,409,670		2,431,807	22,777,245
Amortization										
Accumulated Amortization Cost										
Opening Accumulated Amortization Costs	-	108,269	2,255,655	495,186	980,419		5,240,337		-	9,079,866
Add: Amortization taken	-	5,364	202,736	5,661	70,661		190,091		-	474,513
Less: Accumulated amortization on disposals	-	-	-	(5,133)	(127,110)		-		-	(132,243)
Transfers from reclassification	-	(6,566)	59,030	(266,890)	167,329		44,439		-	(2,658)
Closing Accumulated Amortization Costs	-	107,067	2,517,421	228,824	1,091,299		5,474,867		-	9,419,478
Net Book Value	107,724	466,344	5,613,303	72,896	730,890		3,934,803		2,431,807	13,357,767

1. Total contributed/donated assets received in 2023: \$ -

2. List of assets recognized at nominal value in 2023 are:

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

3. Amount of interest capitalized in 2023 \$ -

Town of Birch Hills
Consolidated Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2023

Schedule 7

2023

2022

	2023						2022	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Assets								
Asset cost								Total
Opening Asset costs	1,737,436	238,385	5,407,839	169,470	-	3,816,835	8,837,347	19,477,229
Additions during the year	-	205,898	313,052	-	-	182,139	1,968,364	813,537
Disposals and write-downs during the year	-	-	(113,250)	-	-	(18,993)	-	-
Transfers from reclassification	275,724	(48,156)	(90,765)			(529)	(103,551)	(83,454)
Closing Asset Costs	2,013,160	396,127	5,516,876	169,470	-	3,979,452	10,702,160	20,207,312
								22,777,245
Amortization								
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	285,630	139,219	2,363,910	169,470	-	2,697,408	3,424,229	8,672,733
Add: Amortization taken	44,648	4,437	146,549	-	-	70,139	208,740	407,133
Less: Accumulated amortization on disposals	-	-	(113,250)	-	-	(18,993)	-	-
Transfers from reclassification	43,409	4	28,940			24,375	(99,386)	(2,658)
Closing Accumulated Amortization Costs	373,687	143,660	2,426,149	169,470	-	2,772,929	3,533,583	9,079,866
								9,419,478
Net Book Value	1,639,473	252,467	3,090,727	-	-	1,206,523	7,168,577	11,127,446
								13,357,767

Town of Birch Hills

Consolidated Schedule of Accumulated Surplus

For the year ended December 31, 2023

Schedule 8

	2022	Changes	2023
UNAPPROPRIATED SURPLUS	1,493,386	(611,353)	882,033

APPROPRIATED RESERVES

Recreation Board operations	351,181	67,899	419,080
Fire Department Reserve	122,336	(44,438)	77,898
Capital Building Reserve	-	20,460	20,460
New Shop Building Reserve	-	57,794	57,794
Walking Pathway Reserve	-	25,810	25,810
Sidewalks Reserve	-	5,162	5,162
Pavement Reserve	-	29,579	29,579
North Central Sask Waste Management Corp	30,648	(1,356)	29,292
Utility Infrastructure Reserve	174,647	(92,055)	82,592
Total Appropriated	678,812	68,855	747,667

NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

Tangible capital assets (Schedule 6)	11,127,446	2,230,321	13,357,767
Less: Related debt	(1,608,797)	90,435	(1,518,362)
Net Investment in Tangible Capital Assets	9,518,649	2,320,756	11,839,405

Accumulated Surplus excluding remeasurement gains	11,690,847	1,778,258	13,469,105
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Town of Birch Hills
Schedule of Mill Rates and Assessments
For the year ended December 31, 2023

Schedule 9

	PROPERTY CLASS						
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	Total
Taxable Assessment	169,895	58,161,040	-	-	4,356,760	-	62,687,695
Regional Park Assessment							-
Total Assessment							62,687,695
Mill Rate Factor(s)	1.2000	1.2000	-	-	2.80		
Total Base/Minimum Tax (generated for each property class)	-	383,000	-	-	32,975		415,975
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	2,222	964,555	-	-	147,532		1,114,309

MILL RATES:		MILLS
Average Municipal*		17.7756
Average School*		4.6928
Potash Mill Rate		-
Uniform Municipal Mill Rate		10.9000

* Average Mill Rates (multiply 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
For the year ended December 31, 2023

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Stewart Adams	13,375	1,407	14,782
Councillor	Barry Evans	8,000	-	8,000
Councillor	Lyle Evans	9,900	183	10,083
Councillor	Owen Stubbs	9,525	236	9,761
Councillor	Graham Tweten	9,375	49	9,424
Councillor	Keith Matheson	8,875	191	9,066
Councillor	John Herd	10,700	542	11,242
Total		69,750	2,608	72,358