

TOWN OF ABERDEEN

Auditor's Report

Financial Statements

December 31, 2023

MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
Town of Aberdeen:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. 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 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 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 Town's external auditors.

Jensen Stromberg Chartered Professional Accountants, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the 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.


Mayor
Administrator

INDEPENDENT AUDITOR'S REPORT

To the **Mayor** and Council of the **Town of Aberdeen**

Report on the Financial Statements

Opinion

We have audited the financial statements of the **Town of Aberdeen**, which comprise the statement of financial position as at **December 31, 2023** and the statements of financial activities, changes in net financial assets, changes in financial position, and remeasurement gains and losses for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Town as at **December 31, 2023** and its financial performance and 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 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 financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and the use of the going concern basis of accounting unless management either intends to liquidate the Town or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 financial statements, including the disclosures, and whether the 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.

Saskatoon, Saskatchewan
June 18, 2024


Chartered Professional Accountants

TOWN OF ABERDEEN



Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2023
with comparative figures for 2022

	<u>2023</u>	<u>2022</u> (Restated) (Note 13)
<u>ASSETS</u>		
Financial assets:		
Cash and cash equivalents (Note 2)	\$ 491,337	465,622
Investments (Note 3)	673,909	413,451
Taxes receivable - Municipal (Note 4)	64,315	74,111
Other accounts receivable (Note 5)	204,309	157,612
Assets held for sale (Note 6)	10,728	10,728
Long-term receivables	-	-
Debt charges recoverable	-	-
Other	-	-
	<hr/>	<hr/>
Total financial assets	1,444,598	1,121,524
<u>LIABILITIES</u>		
Bank indebtedness (Note 7)	-	-
Accounts payable	121,315	67,309
Accrued liabilities payable	-	-
Deposits	1,200	1,800
Deferred revenue	-	-
Asset retirement obligations (Note 8)	165,191	150,000
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 10)	-	35,651
Lease obligations	-	-
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Total liabilities	287,706	254,760
NET FINANCIAL ASSETS (DEBT)	1,156,892	866,764
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	5,982,254	6,132,681
Prepaid and deferred charges	8,206	8,220
Stock and supplies	33,400	32,232
	<hr/>	<hr/>
Total non-financial assets	6,023,860	6,173,133
Accumulated surplus (deficit)	\$ 7,180,752	7,039,897
Accumulated surplus (deficit) is comprised of:		
Accumulated surplus (deficit) excluding remeasurement gains (losses) (Schedule 8)	7,180,752	7,039,897
Accumulated remeasurement gains (losses) (Statement 5)	-	-

APPROVED ON BEHALF OF COUNCIL:

 Mayor
 Councillor

See accompanying notes to the financial statements.

TOWN OF ABERDEEN

Statement 2

STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2023
with comparative figures for 2022

		<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u> (Restated) (Note 13)
Revenues:				
Tax revenue	(Schedule 1)	\$ 780,000	784,132	832,302
Other unconditional revenue	(Schedule 1)	224,700	247,560	222,231
Fees and charges	(Schedule 4, 5)	642,100	666,584	623,990
Conditional grants	(Schedule 4, 5)	19,900	71,894	145,076
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	-	-
Land sales - gain	(Schedule 4, 5)	-	-	-
Investment income (Note 3)	(Schedule 4, 5)	1,320	22,090	4,173
Commissions	(Schedule 4, 5)	-	-	-
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	36,100	50,888	43,088
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	21,000	45,091	20,672
Total Revenues		<u>1,725,120</u>	<u>1,888,239</u>	<u>1,891,532</u>
Expenditures:				
General government services	(Schedule 3)	389,505	391,965	394,130
Protective services	(Schedule 3)	137,568	135,400	128,722
Transportation services	(Schedule 3)	385,348	479,161	474,611
Environmental and public health services	(Schedule 3)	120,750	118,331	106,551
Planning and development services	(Schedule 3)	-	1,500	2,590
Recreation and cultural services	(Schedule 3)	72,552	82,931	68,823
Utility services	(Schedule 3)	499,558	538,096	465,855
Restructurings	(Schedule 3)	-	-	-
Total Expenditures		<u>1,605,281</u>	<u>1,747,384</u>	<u>1,641,282</u>
Surplus (deficit) of revenues over expenditures		119,839	140,855	250,250
Accumulated surplus (deficit) excluding remeasurement gains (losses), beginning of year		<u>7,039,897</u>	<u>7,039,897</u>	<u>6,789,647</u>
Accumulated surplus (deficit) excluding remeasurement gains (losses), end of year		<u>\$ 7,159,736</u>	<u>7,180,752</u>	<u>7,039,897</u>

See accompanying notes to the financial statements.

TOWN OF ABERDEEN

Statement 3

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u> (Restated) (Note 13)
Surplus (deficit)	\$ 119,839	140,855	250,250
(Acquisition) of tangible capital assets	(108,246)	(151,244)	(122,922)
Amortization of tangible capital assets	-	301,671	315,196
Proceeds on disposal of tangible capital assets	-	-	-
Loss (gain) on disposal of tangible capital assets	-	-	-
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (deficit) of capital expenses over expenditures	<u>(108,246)</u>	<u>150,427</u>	<u>192,274</u>
(Acquisition) of supplies inventories	-	(33,400)	(32,232)
(Acquisition) of prepaid expenses	-	(8,207)	(8,221)
Consumption of supplies inventories	-	32,232	31,109
Use of prepaid expenses	-	8,221	5,313
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>(1,154)</u>	<u>(4,031)</u>
Unrealized remeasurement gains (losses)	-	-	-
Increase (decrease) in Net Financial Assets	11,593	290,128	438,493
Net Financial Assets (Debt) - Beginning of the year	<u>866,764</u>	<u>866,764</u>	<u>428,271</u>
Net Financial Assets (Debt) - End of year	\$ <u>878,357</u>	<u>1,156,892</u>	<u>866,764</u>

See accompanying notes to the financial statements.

TOWN OF ABERDEEN

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u>	<u>2022</u> (Restated) (Note 13)
Cash provided by (used in) the following activities:		
Operating:		
Surplus (deficit)	\$ 140,855	250,250
Amortization	301,671	315,196
Loss (gain) on disposal of tangible capital assets	-	-
	<u>442,526</u>	<u>565,446</u>
Change in assets/liabilities		
Taxes receivable - Municipal	9,795	8,249
Other accounts receivable	(46,698)	(8,344)
Assets held for sale	-	-
Other financial assets	-	-
Accounts and accrued liabilities payable	54,009	(19,716)
Deposits	(600)	900
Deferred revenue	-	-
Asset retirement obligations	15,191	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	(1,169)	(1,123)
Prepayments and deferred charges	14	(2,908)
Other	-	-
Net cash from operations	<u>473,068</u>	<u>542,504</u>
Capital:		
Cash used to acquire tangible capital assets	(151,244)	(122,922)
Proceeds on disposal of tangible capital assets	-	-
Other capital	-	-
Net cash used for capital	<u>(151,244)</u>	<u>(122,922)</u>
Investing:		
Decrease (increase) in restricted cash	-	-
Proceeds on disposal of investments	-	-
Decrease (increase) in investments	(260,458)	(291,042)
Net cash used for investing	<u>(260,458)</u>	<u>(291,042)</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	(35,651)	(28,633)
Other financing	-	-
Net cash used for financing	<u>(35,651)</u>	<u>(28,633)</u>
Change in cash and cash equivalents during the year	25,715	99,907
Cash and cash equivalents, beginning of year	<u>465,622</u>	<u>365,715</u>
Cash and cash equivalents, end of year (Note 2)	<u>\$ 491,337</u>	<u>465,622</u>
See accompanying notes to the financial statements.		

TOWN OF ABERDEEN

STATEMENT OF REMEASUREMENT GAINS AND LOSSES

Statement 5

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Accumulated remeasurement gains (losses), beginning of year	\$ -	-
Unrealized gains (losses)		
Derivatives	-	-
Equity investments measured at fair value	-	-
Foreign exchange	-	-
	-	-
Reclassified to the Statement of Financial Activities		
Derivatives	-	-
Equity investments measured at fair value	-	-
Foreign exchange	-	-
	-	-
Net remeasurement gains (losses)	-	-
Accumulated remeasurement gains (losses), end of year	\$ -	-

See accompanying notes to the financial statements.

TOWN OF ABERDEEN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board. 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 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 financial statements consolidate the assets, liabilities and flow of resources of the Town. The entity is comprised of all organizations owned or controlled by the Town and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

Partnerships

A partnership represents a contractual arrangement between the Town and a party or parties outside the reporting entity. The partners have significant, clearly defined common goals, make a financial investment in the partnership, share control of decision making, and share, on an equitable basis, the significant risks and benefits associated with the operations of the partnership.

(c) Collection of Funds for Other Authorities

Collection of funds by the Town for the school board and conservation and development authorities are collected and remitted in accordance with the relevant legislation. The amounts collected are disclosed in Note 4.

(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 either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as:

- 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 but not earned will be recorded as deferred revenue. Earned government transfer amounts not received will be 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 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.

TOWN OF ABERDEEN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 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 or 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 financial activities when there is an other than temporary decline in value.

Interest and dividends attributable to financial instruments are reported in the statement of financial activities. 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 financial activities.

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.

Long-term receivables: Receivables with terms longer than one year have been classified as other long-term receivables.

Measurement of Financial Instruments:

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

Cash and cash equivalents	Cost and amortized cost
Investments	Fair value and cost/amortized cost
Other accounts receivable	Cost and amortized cost
Long-term receivables	Amortized cost
Debt charges recoverable	Amortized cost
Bank indebtedness	Amortized cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Long-term debt	Amortized cost

TOWN OF ABERDEEN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 of the inventory in the ordinary course of business.

(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 the contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The costs 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 Town's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land improvements	15 years
Buildings	40 years
Vehicles and equipment	
Vehicles	10 years
Machinery & Equipment	10 to 20 years
<i>Infrastructure Assets</i>	
Infrastructure assets	15 to 40 Years

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 financial statements 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 an operating lease and rental payments are expensed as incurred.

TOWN OF ABERDEEN
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Asset Retirement Obligations

Asset retirement obligations represent the legal obligations associated with the retirement of a tangible capital asset that results 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, and leased tangible capital assets.

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 Town to incur costs in relation to a specific tangible capital asset, 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 the present value method.

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 statement of financial activities.

(p) 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.

The Town does not have any contaminated sites.

(q) Employee Benefit Plans

Contributions to the Town's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the Town's obligations are limited to its contributions.

TOWN OF ABERDEEN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Measurement Uncertainty

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts 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.

Measurement uncertainty impacts the following financial statement areas:

- a) Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.
- b) The measurement of materials and supplies are based on estimates of volume and quality.
- c) The 'Opening asset costs' of tangible capital assets have been estimated where actual costs were not available.
- d) Amortization is based on the estimated useful lives of tangible capital assets.
- e) 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.
- f) 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 period 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. Town 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 borrowing.

These segments (functions) are as follows:

General Government: The general government segment provides for the administration of the Town.

Protective Services: Protective services is comprised of expenses for police and fire protection.

Transportation Services: The transportation services segment is 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: The planning and development segment provides for neighbourhood development and sustainability.

Recreation and Culture: The recreation and culture segment provides for community services through the provision of recreation and leisure services.

Utility Services: The utility services segment provides for the delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

TOWN OF ABERDEEN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Assets Held for Sale

The Town records assets held for sale when 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.

(u) Loan Guarantees

Loan guarantees provided by the Town for various organizations are not consolidated as part of the Town's financial statements. As the guarantees represent potential financial commitments for the Town, these amounts are considered contingent liabilities and are not formally recognized as liabilities until the Town considers it likely for the borrower to default on its obligation and the amount of the liability can be estimated. The Town monitors the status of the organizations annually and in the event that payment by the Town is likely to occur, a provision will be recognized in the financial statements.

(v) New Standards and Amendments to Standards: effective for fiscal years beginning on or after April 1, 2023

PS 3160, Public Private Partnerships, a new standard establishing guidance on how to account for and report on partnerships between public and private sector entities. Specifically those in which the entity in the public sector procures infrastructure in conjunction with a private sector entity. In these scenarios the private sector entity must have obligations to design, build, acquire or improve existing infrastructure. Furthermore they must also finance the transaction past the point in which the asset is initially ready for use along with operating and/or maintaining such on an ongoing basis. The standard applies to fiscal years beginning on or after April 1, 2023.

PS 3400, Revenue, a new standard establishing guidance on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payer. The standard is mandatory for fiscal years beginning on or after April 1, 2023. Earlier adoption is permitted. The standard may be adopted retroactively or prospectively.

PSG-8, Purchased Intangibles, provides guidance on accounting for and reporting on purchased intangibles. It provides clarity on the recognition criteria, along with instances of assets that would not meet the definition of such. The standard may be adopted retroactively or prospectively.

TOWN OF ABERDEEN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 instruments 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 remeasurement 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.

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.

The Town has chosen to adopt this standard using the following method:

Prospective application: During the year, the Town adopted this new accounting standard using the prospective application method. Prior to this, the Town recognized an estimated liability for lagoon remediation but did not recognize a liability for asbestos removal and abatement.

Adoption of this new accounting standard did not have any effect on the comparative figures in these financial statements.

2. CASH AND CASH EQUIVALENTS

	<u>2023</u>	<u>2022</u>
Cash	\$ 491,337	465,622
Short-term investments	-	-
Restricted cash	-	-
	<u>\$ 491,337</u>	<u>465,622</u>

Cash and cash equivalents include balances with banks, less outstanding cheques and plus outstanding deposits, and short-term deposits with maturities of three months or less.

TOWN OF ABERDEEN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

3. INVESTMENTS

	<u>2023</u>	<u>2022</u>
Investments carried at fair value:		
Equity investments quoted in an active market	\$ -	-
Portfolio investments	-	-
Investments carried at amortized cost:		
Term notes and deposits	673,909	413,451
Government/government guaranteed bonds	<u>-</u>	<u>-</u>
Total investments	\$ <u>673,909</u>	<u>413,451</u>

Term notes and deposits have effective interest rates of 1.15% to 4% (2022: 0.50% to 3.15%) with maturity dates from March 2024 to April 2027.

	<u>2023</u>	<u>2022</u>
Investment income:		
Interest	\$ 22,090	4,173
Dividends	-	-
Realized gains (losses) previously recognized in the statement of remeasurement	-	-
Realized gains (losses) on disposal	-	-
Impairment charges	-	-
Net settlement on derivative financial instruments	-	-
Income from portfolio investments	<u>-</u>	<u>-</u>
	\$ <u>22,090</u>	<u>4,173</u>

TOWN OF ABERDEEN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

4. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2023</u>	<u>2022</u>
Municipal: - Current	\$ 38,042	55,099
- Arrears	<u>246,198</u>	<u>213,156</u>
	284,240	268,255
Less: allowance for uncollectibles	<u>(219,925)</u>	<u>(194,144)</u>
Total municipal taxes receivable	<u>64,315</u>	<u>74,111</u>
School: - Current	11,510	15,902
- Arrears	<u>25,363</u>	<u>21,144</u>
Total taxes to be collected on behalf of School Divisions	<u>36,873</u>	<u>37,046</u>
Other: - Current	-	-
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>-</u>	<u>-</u>
Total taxes and grants in lieu receivable or to be collected on behalf of other organizations	101,188	111,157
Deduct taxes receivable to be collected on behalf of other organizations	<u>(36,873)</u>	<u>(37,046)</u>
Total taxes receivable - Municipal	\$ <u>64,315</u>	<u>74,111</u>

5. OTHER ACCOUNTS RECEIVABLE

	<u>2023</u>	<u>2022</u>
Federal government	\$ 44,526	40,221
Provincial government	38,238	19,928
Local government	71,819	37,762
Utility	49,726	51,496
Trade	-	-
Other	<u>-</u>	<u>8,205</u>
Total other accounts receivable	204,309	157,612
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	\$ <u>204,309</u>	<u>157,612</u>

TOWN OF ABERDEEN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

6. ASSETS HELD FOR SALE

	<u>2023</u>	<u>2022</u>
Tax title property	\$ -	-
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net tax title property	<u>-</u>	<u>-</u>
Other land	10,728	10,728
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net other land	<u>10,728</u>	<u>10,728</u>
Total land for resale	\$ <u>10,728</u>	<u>10,728</u>

7. BANK INDEBTEDNESS

Credit Arrangements

At December 31, 2023, the Town had a line of credit totaling \$65,000, none of which was drawn.

8. ASSET RETIREMENT OBLIGATIONS

	<u>2023</u>	<u>2022</u>
Balance, beginning of the year	\$ 150,000	150,000
Liabilities incurred	<u>15,191</u>	<u>-</u>
Estimated total liability	\$ <u>165,191</u>	<u>150,000</u>

Asbestos - The Town owns buildings which contains asbestos, and therefore, the Town is legally required to perform abatement activities upon renovation or demolition of this asset. Abatement activities include handling and disposing of the asbestos in a prescribed manner when it is disturbed. Undiscounted future cash flows expected are an abatement cost in year 2043 of \$59,789. The estimated total liability is based on the sum of discounted future cash flows for abatement activities using a discount rate of 7.20%.

Lagoon remediation - During 2020 the Town undertook a study of costs to remediate the site of the Town's former lagoon. Based on the study, the Town planned to undertake the remediation with an estimated total cost of \$150,000. There has been no definite timeline established to complete the remediation work.

TOWN OF ABERDEEN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

9. PENSION PLAN

The Town is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer 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's pension expense in 2023 was \$24,440 (2022 - \$24,061). 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. The Town matches its employee's contributions of 9.0% for general members and 12.5% for designated police officers and firefighters

Total current service contributions by the Town to MEPP in 2023 were \$24,440 (2022 - \$24,061). Total current service contributions by the employees of the Town to MEPP in 2023 were \$24,440 (2022 - \$24,061).

Based on the latest information available (December 31, 2023 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$1,161,337,000. This is based on the most recent actuarial valuation, completed December 31, 2022. The Town's portion of this is not readily determinable.

10. LONG-TERM DEBT

The authorized debt limit for the Town is \$1,418,706. The authorized debt limit for a Town is the total amount of the Town's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the Municipalities Act is approved by the Saskatchewan Municipal Board.

11. BUDGET

The Financial Plan (Budget) adopted by Council on February 21, 2023 was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budgeted surplus does not include amounts budgeted for capital purchases. As a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<u>2023</u>
Budget net surplus	\$ 11,593
Add: Investment in tangible capital assets	<u>108,246</u>
Budget surplus per statement of financial activities	<u>\$ 119,839</u>

TOWN OF ABERDEEN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

12. RISK MANAGEMENT

Through its financial assets and liabilities, the Town is exposed to various risks.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge their responsibilities with respect to the financial instrument, and in doing so, cause a loss for the other party. The Town is mainly exposed to credit risk with respect to its cash and taxes and other accounts receivable. It is management's opinion that the Town is not exposed to significant credit risk as its cash is held by financial institutions with high credit ratings, and a significant portion of its taxes and other accounts receivable can be collected through tax enforcement procedures.

Liquidity Risk

Liquidity risk is the risk that the Town will encounter difficulty in meeting financial obligations as they fall due. The Town undertakes regular cash flow analyses to ensure that there are sufficient cash resources to meet all obligations. The Town is mainly exposed to liquidity risk with respect to its accounts payable and accrued liabilities.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and other price risk.

- Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The financial instruments that potentially subject the Town to interest rate risk include investments.
- Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. The Town is not subject to significant currency risk.
- Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in the fair value of equity investments. The Town is not subject to significant other price risk.

13. CORRECTION OF AN ERROR

During the year, the Town identified that the accumulated amortization of its capital assets was overstated.

This error has been corrected and the comparative figures have been restated. Prior years accumulated amortization of capital assets decreased by \$57,671, accumulated surplus increased by \$57,671, amortization expense decreased by \$40,920, and the surplus of revenues over expenditures increased by \$40,920.

TOWN OF ABERDEEN

SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ 745,000	743,614	858,127
Abatements and adjustments	(5,000)	(1,614)	(65,186)
Discount on current year taxes	<u>(23,000)</u>	<u>(23,025)</u>	<u>(23,722)</u>
Net municipal taxes	717,000	718,975	769,219
Potash tax share	22,000	22,043	21,324
Trailer license fees	-	-	-
Penalties on tax arrears	41,000	43,114	41,759
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	<u>780,000</u>	<u>784,132</u>	<u>832,302</u>
UNCONDITIONAL GRANTS			
Revenue sharing	155,000	175,013	154,317
Organized Hamlet	-	-	-
Other	-	-	-
Total Unconditional Grants	<u>155,000</u>	<u>175,013</u>	<u>154,317</u>
GRANTS IN LIEU OF TAXES			
Federal	3,300	3,577	2,520
Provincial			
S.P.C. Electrical	-	-	-
Sask. Energy Gas	17,000	17,463	17,162
TransGas	-	-	-
Central Services	-	-	-
Sasktel	4,700	4,607	4,667
Other	-	-	-
Local/Other			
Housing Authority	8,700	6,781	8,623
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	36,000	40,119	34,942
Sask Energy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	<u>69,700</u>	<u>72,547</u>	<u>67,914</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 1,004,700</u>	<u>1,031,692</u>	<u>1,054,533</u>

See accompanying notes to the financial statements.

TOWN OF ABERDEEN

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	-
Sales of supplies	-	-	-
Other (licenses and permits, rentals)	25,700	22,279	28,527
Total Fees and Charges	25,700	22,279	28,527
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain	-	-	-
Investment income	1,320	22,090	4,173
Commissions	-	-	-
Other Segmented Revenue (insurance claim, recoveries)	-	-	3,445
Total other segmented revenue	27,020	44,369	36,145
Conditional Grants			
Student Employment	-	-	-
Other (FCM grant, Affinity grant)	-	3,000	43,280
Total Conditional Grants	-	3,000	43,280
Total Operating	<u>27,020</u>	<u>47,369</u>	<u>79,425</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>27,020</u>	<u>47,369</u>	<u>79,425</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue (recoveries)	36,100	50,888	39,643
Total other segmented revenue	36,100	50,888	39,643
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>36,100</u>	<u>50,888</u>	<u>39,643</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Local Government	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>36,100</u>	<u>50,888</u>	<u>39,643</u>

See accompanying notes to the financial statements.

TOWN OF ABERDEEN

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2023

with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 7,500	7,245	10,130
Sale of gravel and supplies	2,000	1,273	2,689
Road maintenance and restoration agreements	-	-	-
Other	-	-	-
Total Fees and Charges	9,500	8,518	12,819
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue	-	-	-
Total other segmented revenue	9,500	8,518	12,819
Conditional Grants			
Primary Weight Corridor	-	-	-
Student Employment	-	-	-
Other (traffic safety grant)	-	4,000	37,707
Total Conditional Grants	-	4,000	37,707
Total Operating	9,500	12,518	50,526
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	21,000	45,091	20,672
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	21,000	45,091	20,672
Restructuring Revenue	-	-	-
Total Transportation Services	30,500	57,609	71,198
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Charges	82,600	81,174	68,832
Other (compost)	4,500	4,852	3,292
Total Fees and Charges	87,100	86,026	72,124
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue	-	-	-
Total other segmented revenue	87,100	86,026	72,124
Conditional Grants			
Student Employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other (MMSW)	11,000	13,738	10,663
Total Conditional Grants	11,000	13,738	10,663
Total Operating	98,100	99,764	82,787
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Environmental and Public Health Services Services	98,100	99,764	82,787

See accompanying notes to the financial statements.

TOWN OF ABERDEEN

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2023

with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and development charges	\$ -	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Planning and Development Services	-	-	-
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other (joint use)	1,500	14,459	1,500
Total Fees and Charges	1,500	14,459	1,500
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue (fundraising & donations)	-	-	-
Total other segmented revenue	1,500	14,459	1,500
Conditional Grants			
Student Employment	8,900	7,588	7,473
Local government	-	-	-
Donations	-	43,568	45,953
Other	-	-	-
Total Conditional Grants	8,900	51,156	53,426
Total Operating	10,400	65,615	54,926
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Local Government	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Recreation and Cultural Services	10,400	65,615	54,926

See accompanying notes to the financial statements.

TOWN OF ABERDEEN

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2023

with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 446,100	461,286	438,278
Sewer	72,200	74,016	70,742
Other	-	-	-
Total Fees and Charges	518,300	535,302	509,020
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue	-	-	-
Total other segmented revenue	518,300	535,302	509,020
Conditional Grants			
Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>518,300</u>	<u>535,302</u>	<u>509,020</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>518,300</u>	<u>535,302</u>	<u>509,020</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 720,420</u>	<u>856,547</u>	<u>836,999</u>
SUMMARY			
Total Other Segmented Revenue	\$ 679,520	739,562	671,251
Total Conditional Grants	19,900	71,894	145,076
Total Capital Grants and Contributions	21,000	45,091	20,672
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	<u>\$ 720,420</u>	<u>856,547</u>	<u>836,999</u>

See accompanying notes to the financial statements.

TOWN OF ABERDEEN

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2023

with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 14,400	14,756	14,000
Wages and benefits	197,355	192,379	189,714
Professional/Contractual services	89,300	90,358	111,954
Utilities	13,050	12,406	12,363
Maintenance, materials, and supplies	74,300	23,403	22,377
Grants and contributions			
-operating	1,100	23,213	21,202
-capital	-	-	-
Amortization	-	9,540	9,451
Accretion of asset retirement obligations	-	109	-
Interest	-	-	-
Allowance for uncollectibles	-	25,781	12,386
Other (tax enforcement)	-	20	683
General Government Services	<u>389,505</u>	<u>391,965</u>	<u>394,130</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>389,505</u>	<u>391,965</u>	<u>394,130</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	38,000	41,167	37,878
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Other	-	-	-
Fire protection			
Wages and benefits	-	-	-
Professional/Contractual services	66,718	59,945	58,059
Utilities	13,500	13,490	12,981
Maintenance, materials, and supplies	19,350	17,371	16,377
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	-	3,427	3,427
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Other	-	-	-
Protective Services	<u>137,568</u>	<u>135,400</u>	<u>128,722</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>137,568</u>	<u>135,400</u>	<u>128,722</u>

See accompanying notes to the financial statements.

TOWN OF ABERDEEN

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Wages and benefits	\$ 188,237	188,598	184,472
Professional/Contractual services	64,300	69,495	66,656
Utilities	23,800	24,124	23,226
Maintenance, materials, and supplies	86,111	49,842	53,952
Gravel	20,000	16,164	15,764
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	130,620	128,474
Accretion of asset retirement obligations	-	-	-
Interest	2,900	318	2,067
Other	-	-	-
Transportation Services	<u>385,348</u>	<u>479,161</u>	<u>474,611</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>385,348</u>	<u>479,161</u>	<u>474,611</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	-	-	-
Contractual services	115,550	116,273	106,230
Utilities	-	-	-
Maintenance, materials, and supplies	5,200	424	203
Grants and contributions	-	-	-
-operating	-	-	-
Waste disposal	-	-	-
Public health	-	759	(757)
-capital	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
Amortization	-	875	875
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	<u>120,750</u>	<u>118,331</u>	<u>106,551</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services	<u>120,750</u>	<u>118,331</u>	<u>106,551</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Contractual services	-	1,500	2,590
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Other	-	-	-
Planning and Development Services	<u>-</u>	<u>1,500</u>	<u>2,590</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>-</u>	<u>1,500</u>	<u>2,590</u>

See accompanying notes to the financial statements.

TOWN OF ABERDEEN

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2023

with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ -	-	-
Contractual services	9,350	20,684	3,621
Utilities	-	14,291	-
Maintenance, materials, and supplies	24,000	72	-
Grants and contributions	-	-	-
-operating	39,202	39,657	42,202
-capital	-	-	-
Amortization	-	7,316	23,000
Accretion of asset retirement obligations	-	911	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	<u>72,552</u>	<u>82,931</u>	<u>68,823</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>72,552</u>	<u>82,931</u>	<u>68,823</u>
UTILITY SERVICES			
Wages and benefits	-	-	-
Contractual services	473,958	359,774	288,805
Utilities	24,100	24,011	23,220
Maintenance, materials, and supplies	1,500	4,418	3,862
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	149,893	149,968
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Utility Services	<u>499,558</u>	<u>538,096</u>	<u>465,855</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>499,558</u>	<u>538,096</u>	<u>465,855</u>
TOTAL EXPENDITURES BY FUNCTION	<u>\$ 1,605,281</u>	<u>1,747,384</u>	<u>1,641,282</u>

See accompanying notes to the financial statements.

TOWN OF ABERDEEN

Schedule 4

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2023

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 22,279	-	8,518	86,026	-	14,459	535,302	666,584
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income	22,090	-	-	-	-	-	-	22,090
Commissions	-	-	-	-	-	-	-	-
Other revenues	-	50,888	-	-	-	-	-	-
Grants - Conditional	3,000	-	4,000	13,738	-	51,156	-	50,888
Grants - Capital	-	-	45,091	-	-	-	-	71,894
Restructurings	-	-	-	-	-	-	-	45,091
Total revenues	<u>47,369</u>	<u>50,888</u>	<u>57,609</u>	<u>99,764</u>	<u>-</u>	<u>65,615</u>	<u>535,302</u>	<u>856,547</u>
Expenses (Schedule 3)								
Wages & Benefits	207,135	-	188,598	-	-	-	-	395,733
Professional/Contractual Services	90,358	101,112	69,495	116,273	1,500	20,684	359,774	759,196
Utilities	12,406	13,490	24,124	-	-	14,291	24,011	88,322
Maintenance, materials and supplies	23,403	17,371	66,006	424	-	72	4,418	111,694
Grants and contributions	23,213	-	-	759	-	39,657	-	63,629
Amortization	9,540	3,427	130,620	875	-	7,316	149,893	301,671
Accretion of asset retirement obligations	109	-	-	-	-	911	-	1,020
Interest	-	-	318	-	-	-	-	318
Allowance for uncollectibles	25,781	-	-	-	-	-	-	25,781
Other	20	-	-	-	-	-	-	20
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>391,965</u>	<u>135,400</u>	<u>479,161</u>	<u>118,331</u>	<u>1,500</u>	<u>82,931</u>	<u>538,096</u>	<u>1,747,384</u>
Surplus (deficit) by function								
Taxation and other unconditional revenue (Schedule 1)	(344,596)	(84,512)	(421,552)	(18,567)	(1,500)	(17,316)	(2,794)	(890,837)
Net surplus (deficit)								<u>\$ 140,855</u>

See accompanying notes to the financial statements.

TOWN OF ABERDEEN

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Schedule 5

Year ended December 31, 2022

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 28,527	-	12,819	72,124	-	1,500	509,020	623,990
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income	4,173	-	-	-	-	-	-	4,173
Commissions	-	-	-	-	-	-	-	-
Other revenues	3,445	39,643	-	-	-	-	-	-
Grants - Conditional	43,280	-	37,707	10,663	-	53,426	-	43,088
Grants - Capital	-	-	20,672	-	-	-	-	145,076
Restructurings	-	-	-	-	-	-	-	20,672
Total revenues	79,425	39,643	71,198	82,787	-	54,926	509,020	836,999
Expenses (Schedule 3)								
Wages & Benefits	203,714	-	184,472	-	-	-	-	388,186
Professional/Contractual Services	111,954	95,937	66,656	106,230	2,590	3,621	288,805	675,793
Utilities	12,363	12,981	23,226	-	-	-	23,220	71,790
Maintenance, materials and supplies	22,377	16,377	69,716	203	-	-	3,862	112,535
Grants and contributions	21,202	-	-	(757)	-	42,202	-	62,647
Amortization	9,451	3,427	128,474	875	-	23,000	149,968	315,195
Accretion of asset retirement obligations	-	-	-	-	-	-	-	-
Interest	-	-	2,067	-	-	-	-	2,067
Allowance for uncollectibles	12,386	-	-	-	-	-	-	12,386
Other	683	-	-	-	-	-	-	683
Restructurings	-	-	-	-	-	-	-	-
Total expenses	394,130	128,722	474,611	106,551	2,590	68,823	465,855	1,641,282
Surplus (deficit) by function	(314,705)	(89,079)	(403,413)	(23,764)	(2,590)	(13,897)	43,165	(804,283)
Taxation and other unconditional revenue (Schedule 1)								1,054,533
Net surplus (deficit)							\$	250,250

See accompanying notes to the financial statements.

TOWN OF ABERDEEN

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2023
with comparative figures for 2022

	2023						2022
	General Assets			Infrastructure Assets		General / Infrastructure Assets Under Construction	Total
	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets		
Asset cost							
Opening asset costs	\$ 88,142	1,748,478	303,220	1,000,601	10,069,792	-	13,117,311
Additions during the year	-	20,584	64,580	55,650	10,430	-	122,922
Disposals and write-downs during the year	-	-	-	-	-	-	(30,000)
Transfers (from) assets under construction	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-
Closing asset costs	<u>88,142</u>	<u>1,769,062</u>	<u>367,800</u>	<u>1,056,251</u>	<u>10,080,222</u>	<u>-</u>	<u>13,210,233</u>
Accumulated amortization cost							
Opening accumulated amortization costs	-	1,182,402	186,051	854,395	4,854,703	-	6,792,356
Add: Amortization taken	-	22,055	13,953	32,159	233,504	-	315,196
Less: Accumulated amortization on disposals	-	-	-	-	-	-	(30,000)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>-</u>	<u>1,204,457</u>	<u>200,004</u>	<u>886,554</u>	<u>5,088,207</u>	<u>-</u>	<u>7,077,552</u>
Net book value	<u>\$ 88,142</u>	<u>564,605</u>	<u>167,796</u>	<u>169,697</u>	<u>4,992,015</u>	<u>-</u>	<u>6,132,681</u>
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:	\$ -	-	-	-	-	-	-

See accompanying notes to the financial statements.

TOWN OF ABERDEEN

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2023
 with comparative figures for 2022

	2023							2022
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Asset cost								
Opening asset costs	\$ 412,436	316,915	4,957,371	35,000	-	1,349,798	6,138,713	13,210,233
Additions during the year	63,579	-	64,580	-	-	12,654	10,431	151,244
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing asset costs	476,015	316,915	5,021,951	35,000	-	1,362,452	6,149,144	13,361,477
Accumulated amortization cost								
Opening accumulated amortization costs	101,349	261,137	3,100,561	32,375	-	1,231,583	2,350,546	7,077,552
Add: Amortization taken	9,540	3,427	130,620	875	-	7,316	149,893	301,671
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	110,889	264,564	3,231,181	33,250	-	1,238,899	2,500,439	7,379,223
Net book value	\$ 365,126	52,351	1,790,770	1,750	-	123,553	3,648,705	5,982,254
								6,132,681

See accompanying notes to the financial statements.

TOWN OF ABERDEEN
SCHEDULE OF ACCUMULATED SURPLUS
Year ended December 31, 2023

	<u>2022</u>	<u>Changes</u>	<u>2023</u>
UNAPPROPRIATED SURPLUS	\$ 476,164	97,274	573,438
APPROPRIATED RESERVES			
Reserve for machinery and equipment	-	-	-
Public reserve	-	-	-
Capital reserves	92,815	-	92,815
Utility reserve	313,760	158,357	472,117
Museum reserve	10,000	-	10,000
Community recreation reserve	50,128	-	50,128
Total Appropriated	<u>466,703</u>	<u>158,357</u>	<u>625,060</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	6,132,681	(150,427)	5,982,254
Less: Related debt	<u>(35,651)</u>	<u>35,651</u>	<u>-</u>
Net Investment in Tangible Capital Assets	<u>6,097,030</u>	<u>(114,776)</u>	<u>5,982,254</u>
Accumulated Surplus excluding remeasurement gains (losses)	\$ <u>7,039,897</u>	<u>140,855</u>	<u>7,180,752</u>

See accompanying notes to the financial statements.

TOWN OF ABERDEEN
SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2023
 with comparative figures for 2022

	PROPERTY CLASS					Potash Mine(s)	Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial		
Taxable Assessment	\$ 335,005	49,284,480	-	-	5,198,685	-	54,818,170
Regional Park Assessment							-
Total Assessment							54,818,170
Mill Rate Factor(s)	1.0000	1.0000	-	-	2.0000		
Total Base/Minimum Tax (generated for each property class)	3.600	311,950	-	-	22,950		338,500
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 5.862	644,620	-	-	93,132		743,614

MILL RATES:	MILLS
Average Municipal*	13.565
Average School*	4.740
Potash Mill Rate	-
Uniform Municipal Mill Rate	6.750

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

See accompanying notes to the financial statements.

TOWN OF ABERDEEN
SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2023
with comparative figures for 2022

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor	Ryan White	\$ 2,285	337	2,622
Councillor	Jacquie Griffiths	2,340	138	2,478
Councillor	Denise Kominetsky	2,000	-	2,000
Councillor	Ben Levesque	2,120	104	2,224
Councillor	Lori Sopotyk	2,815	216	3,031
Councillor	Brian Vandenberg	1,800	-	1,800
Councillor	Floyd Wudrick	1,800	-	1,800
Total		<u>\$ 15,160</u>	<u>795</u>	<u>15,955</u>

See accompanying notes to the financial statements.

TOWN OF ABERDEEN
SCHEDULE OF RESTRUCTURING
Year ended December 31, 2023

Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date

Cash and cash equivalents	\$ -
Investments	-
Taxes receivable - Municipal	-
Other accounts receivable	-
Assets held for sale	-
Long-term receivables	-
Debt charges recoverable	-
Bank indebtedness	-
Accounts payable	-
Accrued liabilities payable	-
Deposits	-
Deferred revenue	-
Asset retirement obligations	-
Liability for contaminated sites	-
Other liabilities	-
Long-term debt	-
Lease obligations	-
Tangible capital assets	-
Prepayments and deferred charges	-
Stock and supplies	-
Other	-
Total Net Carrying Amount Received (Transferred)	\$ -

See accompanying notes to the financial statements.