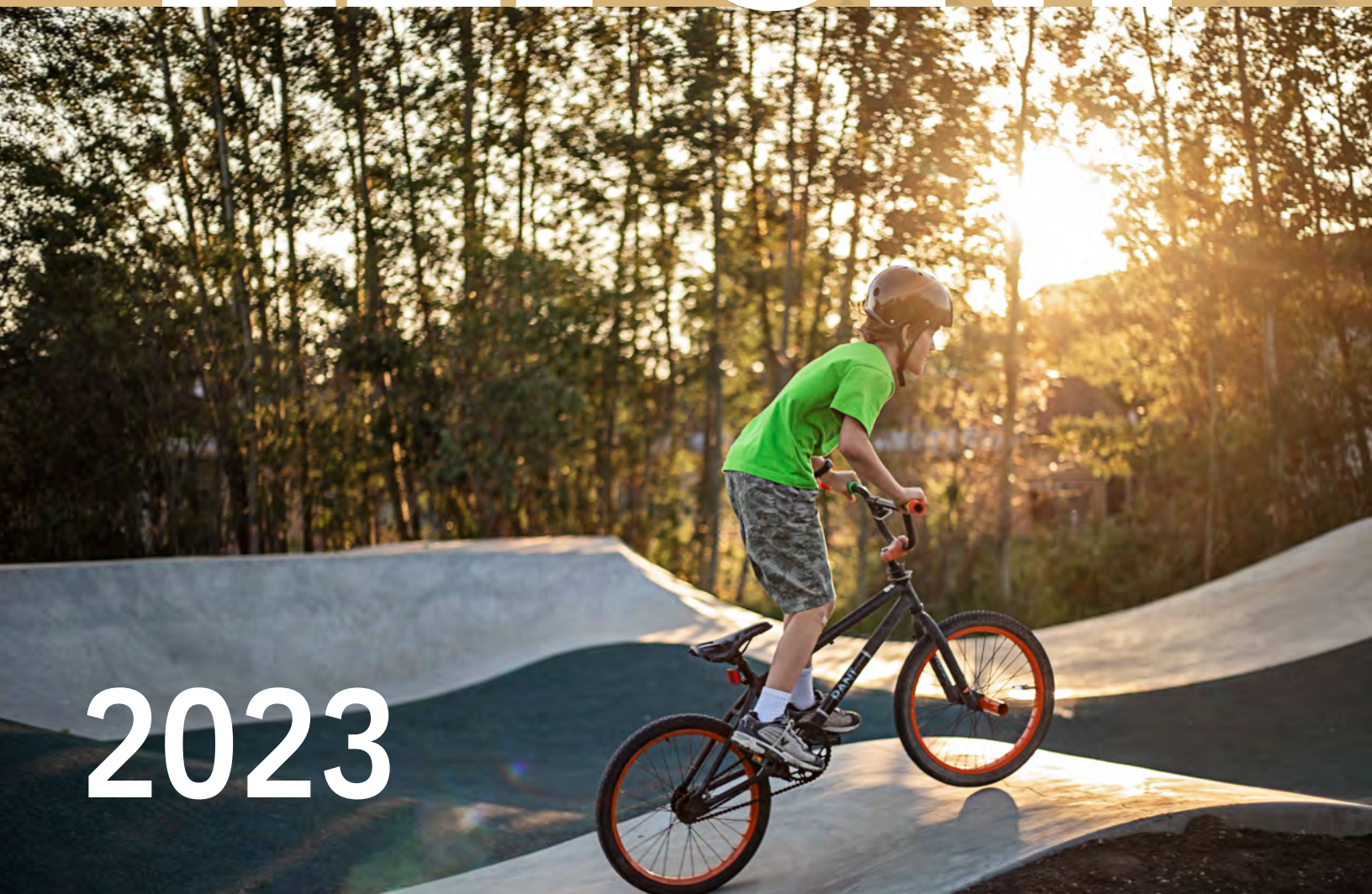


TOWN OF  
**BARRHEAD**  
ALBERTA

# ANNUAL REPORT

2023



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## MAYOR'S MESSAGE

As we reflect on 2023, it's with a sense of pride and accomplishment that I address the residents and stakeholders of Barrhead in this year's annual report. This year was marked by significant milestones and achievements that have not only enriched our community but have set a precedent for the years to come.

The grand opening of our All-Wheel Park was a resounding success, quickly becoming a hub of activity and joy for our youth and families alike. This project, along with numerous others such as the Comedy Night, Artist Showcase, and extensive Public Works and Parks & Recreation initiatives, including Sewage Lagoon Upgrades, the 53 Avenue Road reconstruction, arena ice plant retrofit, and the introduction of Labyrinth Park and installation of the Musical Playground, showcase our commitment to enhancing Barrhead's livability and vibrancy.

These accomplishments underscore our dedication to building a community where residents can thrive—working, raising families, and enjoying the wealth of recreational amenities at their doorstep. The success of these projects and events is a testament to the strength of our community spirit, the hard work of our local groups, volunteers, and the resilience and passion of the people of Barrhead.

Moving forward, we are dedicated to promoting regional growth, improving community services, and maintaining Barrhead as a hub of opportunity, enjoyment, and inclusivity, and I encourage everyone to keep engaging with us, sharing their ideas and visions, as we collectively strive to shape a Barrhead that mirrors our shared aspirations and values.

- Dave McKenzie, Mayor



**Top row from left to right:** Councillor Anthony Oswald, Councillor Dave Sawatzky, Councillor Ty Assaf, Councillor Rod Klumph

**Bottom row from left to right:** Councillor Dausen Kluin, Mayor David McKenzie, Councillor Don Smith



TOWN OF  
**BARRHEAD**  
ALBERTA

FOR THE YEAR ENDED  
**DECEMBER 31, 2023**

Report of the Chief Administrative Officer or Designated Officer

The information contained in this municipal Financial Statement presents fairly, to the best of my knowledge, the information requested.

(original signed)  
\_\_\_\_\_  
Signature

Jennifer Mantay, Dir. of Corporate Services  
\_\_\_\_\_  
Name

February 22, 2024  
\_\_\_\_\_  
Dated

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management of the Town of Barrhead is responsible for the preparation, accuracy, objectivity and integrity of the accompanying consolidated financial statements and all other information contained within this Financial Report. Management believes that the consolidated financial statements present fairly the Town's financial position as at December 31, 2023 and the results of its operations for the year then ended

The consolidated financial statements have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards (PSAS). The consolidated financial statements include certain amounts based on estimates and judgments. Such amounts have been determined on a reasonable basis in order to ensure the consolidated financial statements are presented fairly in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintains a system of internal controls to produce reliable information and to meet reporting requirements on a timely basis. The system is designed to provide management with reasonable assurance that transactions are properly authorized and assets are properly accounted for and safeguarded.

These systems are monitored and evaluated by management and reliable financial information is available for preparation of the consolidated financial statements.

The Town Council carries out its responsibilities for review of the consolidated financial statements principally through its Audit Committee (represented by the Town Council Committee of the Whole). This committee meets regularly with management and external auditors to discuss the results of audit examinations and financial reporting matters.

The external auditors have full access to the Audit Committee with and without the presence of management. The Town Council has approved the consolidated financial statements.

The consolidated financial statements have been audited by Ellerington LLP, Chartered Professional Accountants, independent external auditors appointed by the Town. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.

(Original Signed)

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**Chief Administrative Officer**

Dated: February 5, 2024

(Original Signed)

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**Director of Corporate Services**

Dated: February 5, 2024

# INDEPENDENT AUDITOR'S REPORT

**To the Members of Council:**

## OPINION

We have audited the consolidated financial statements of Town of Barrhead (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2023,
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in its net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended; and
- notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town of Barrhead as at December 31, 2023, and its consolidated results of its operations, its consolidated changes in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## BASIS FOR OPINION

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Entity 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.

## OTHER INFORMATION

Management is responsible for the other information. Other information comprises the information, other than the financial statements and the auditor's report thereon, included in the "Annual Report".

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report therein, included in the "Annual Report", as the date of this auditor's report.

If based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

### **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these 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 financial statements, management is responsible for assessing the Entity'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 cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### **AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED 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 Entity'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 Entity'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 Entity 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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

(Original Signed)

Barrhead, Alberta

Ellerington LLP

February 22, 2024

Chartered Professional Accountants

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

	<u>2023</u> \$	<u>2022</u> \$
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	7,420,960	6,050,595
Receivables (Note 3)		
Taxes and Grants In Lieu of Taxes	164,823	153,952
Trade and Other Receivables	2,048,683	2,604,966
Land for Resale Inventory	-	-
Investments	-	-
Debt Charges Recoverable	-	-
Other Current/Long Term Assets	30,354	29,971
	<u>9,664,820</u>	<u>8,839,484</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	199,998	400,153
Deposit Liabilities	37,915	39,420
Deferred Revenue (Note 4)	267,018	216,020
Employee Benefits Obligation (Note 5)	276,325	262,666
Asset Retirement Obligation (Note 6)	608,874	-
Other Current Liabilities	-	-
Provision for landfill closure and post-closing costs	-	365,100
Long Term Debt (Note 8)	3,885,212	4,049,388
	<u>5,275,342</u>	<u>5,332,747</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<u>4,389,478</u>	<u>3,506,737</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets	69,200,495	68,549,012
Inventory for Consumption	48,394	48,394
Prepaid Expenses	103,910	34,181
	<u>69,352,799</u>	<u>68,631,587</u>
<b>ACCUMULATED SURPLUS</b> (Schedule 1 and Note 11)	<u>73,742,277</u>	<u>72,138,324</u>

Contingencies - See Note 16

# CONSOLIDATED STATEMENT OF OPERATIONS

## FOR THE YEAR ENDED DECEMBER 31, 2023

REVENUES	Budget (Unaudited)	2023 \$	2022 \$
Net Municipal Taxes (Schedule 3)	5,340,660	<b>5,344,534</b>	5,130,658
Sales, User Charges, Franchise & Rentals	5,872,280	<b>6,299,616</b>	5,554,047
Government Transfers for Operating (Schedule 4)	1,950,800	<b>1,957,226</b>	1,878,166
Investment Income	190,000	<b>424,097</b>	196,439
Penalties and Costs on Taxes	35,000	<b>48,892</b>	46,263
Development Levies	10,000	<b>3,150</b>	6,515
Licenses, Permits and Fines	71,100	<b>82,129</b>	106,883
Other Revenues	211,400	<b>420,556</b>	309,293
<b>TOTAL REVENUE</b>	<u>13,681,240</u>	<u><b>14,580,200</b></u>	<u>13,228,264</u>
<b>EXPENDITURES</b>			
Council and Other Legislative	279,520	<b>277,766</b>	262,248
General Administration	1,023,820	<b>973,135</b>	998,413
RCMP	226,150	<b>221,377</b>	178,413
Fire	1,402,990	<b>1,756,006</b>	1,343,432
Disaster and Emergency Measures	1,500	<b>4,720</b>	-
Bylaw Enforcement	152,390	<b>155,289</b>	187,726
Safety	74,110	<b>55,523</b>	37,789
Common Services	514,710	<b>441,667</b>	416,385
Roads, Streets, Walks, Lighting	1,319,720	<b>1,124,771</b>	1,179,508
Airport	17,010	<b>5,360</b>	13,316
Storm Sewers and Drainage	27,160	<b>11,150</b>	14,075
Water Supply and Distribution	2,489,260	<b>2,634,660</b>	2,691,100
Wastewater Treatment and Disposal	326,620	<b>363,566</b>	303,307
Waste Management	738,470	<b>349,511</b>	695,342
Family and Community Support	466,420	<b>477,068</b>	459,023
Cemeteries	31,240	<b>20,248</b>	11,974
Other Public Health and Welfare	21,830	<b>11,189</b>	2,014
Land Use, Planning, Zoning and Development	136,230	<b>121,480</b>	100,563
Economic Development	168,470	<b>131,551</b>	133,474
Subdivision Land and Development	-	<b>-</b>	-
Parks and Recreation	2,827,300	<b>2,681,421</b>	2,492,438
Culture: Libraries, Museums, Halls	290,130	<b>237,020</b>	212,202
Amortization Expenditures	2,052,800	<b>1,957,257</b>	1,966,616
Loss (Gain) On Disposal of Capital Assets	-	<b>102,215</b>	37,509
Other Expenditures	-	<b>15,468</b>	43,225
<b>TOTAL EXPENSES</b>	<u>14,587,850</u>	<u><b>14,129,418</b></u>	<u>13,780,092</u>
<b>EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES - BEFORE OTHER</b>	<u>(906,610)</u>	<u><b>450,782</b></u>	<u>(551,828)</u>
<b>OTHER</b>			
Government Transfers for Capital (Schedule 4)	1,288,450	<b>1,153,171</b>	3,937,852
Unrestricted Fund Transfers	-	<b>-</b>	-
	<u>1,288,450</u>	<u><b>1,153,171</b></u>	<u>3,937,852</u>
<b>EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES</b>	<u>381,840</u>	<u><b>1,603,953</b></u>	<u>3,386,024</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u>72,138,324</u>	<u><b>72,138,324</b></u>	<u>68,752,300</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u>72,520,164</u>	<u><b>73,742,277</b></u>	<u>72,138,324</u>

# CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (DEBT)

FOR THE YEAR ENDED DECEMBER 31, 2023

	Budget (Unaudited)	2023 \$	2022 \$
<b>EXCESS (SHORTFALL) OF REVENUES OVER EXPENSES</b>	381,840	<b>1,603,953</b>	3,386,024
Acquisition of Tangible Capital Assets	(2,600,400)	<b>(2,738,709)</b>	(5,463,036)
Proceeds on Disposal of Tangible Capital Assets	38,900	<b>27,755</b>	57,450
Amortization of Tangible Capital Assets	2,052,800	<b>1,957,257</b>	1,966,617
(Gain) Loss on Sale of Tangible Capital Assets	-	<b>102,215</b>	37,509
	<u>(508,700)</u>	<u><b>(651,482)</b></u>	<u>(3,401,460)</u>
Acquisition of Prepaid Assets	-	<b>(69,729)</b>	22,535
Use of Prepaid Assets	-	-	-
	<u>-</u>	<u><b>(69,729)</b></u>	<u>22,535</u>
<b>(INCREASE) DECREASE IN NET DEBT</b>	<u>(126,860)</u>	<u><b>882,742</b></u>	<u>7,099</u>
<b>NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR</b>	<u>3,506,737</u>	<u><b>3,506,737</b></u>	<u>3,499,638</u>
<b>NET FINANCIAL ASSETS (DEBT), END OF YEAR</b>	<u><u>3,379,877</u></u>	<u><u><b>4,389,479</b></u></u>	<u><u>3,506,737</u></u>

# CONSOLIDATED STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED DECEMBER 31, 2023

**NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>OPERATING</b>		
Excess (shortfall) of revenues over expenses	1,603,953	3,386,024
Non-cash items included in excess (shortfall) of revenues over expenses:		
Amortization of tangible capital assets	1,957,257	1,966,617
Loss (Gain) on disposal of tangible capital assets	102,215	37,509
Non-cash charges to operations (net change)		
Decrease (increase) in taxes and grants-in-lieu receivable	(10,871)	43,519
Decrease (increase) in trade and other receivables	556,283	(1,481,511)
Decrease (increase) in prepaid expenses	(69,729)	22,536
Decrease (increase) in current/long term assets	(383)	45,731
Increase (decrease) in accounts payable and accrued liabilities	(186,496)	176,617
Increase (decrease) in deposit liabilities	(1,505)	1,291
Increase (decrease) in deferred revenue	50,998	(2,359,443)
Increase (decrease) in provision for landfill closure/post-closure	(365,100)	30,425
Increase (decrease) in Asset Retirement Obligation	608,874	-
Cash provided by operating transactions	<u>4,245,496</u>	<u>1,869,315</u>
<b>CAPITAL</b>		
Acquisition of tangible capital assets	(2,738,709)	(5,463,036)
Sale of tangible capital assets	<u>27,755</u>	<u>57,450</u>
Cash applied to capital transactions	<u>(2,710,954)</u>	<u>(5,405,586)</u>
<b>INVESTING</b>		
Decrease (increase) in restricted cash or equivalents	<u>(68,255)</u>	<u>2,353,810</u>
Cash provided by (applied to) investing transactions	<u>(68,255)</u>	<u>2,353,810</u>
<b>FINANCING</b>		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	<u>(164,176)</u>	<u>(159,119)</u>
Cash provided by (applied to) financing transactions	<u>(164,176)</u>	<u>(159,119)</u>
<b>CHANGE IN CASH AND EQUIVALENTS DURING YEAR</b>	<b>1,302,111</b>	<b>(1,341,580)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u><b>5,866,534</b></u>	<u><b>7,208,114</b></u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><b>7,168,645</b></u>	<u><b>5,866,534</b></u>
<b>Cash and cash equivalents is made up of:</b>		
Cash and temporary investments (Note 2)	7,420,960	6,050,595
Less: restricted portion of cash and temporary investments (Note 2)	<u>(252,315)</u>	<u>(184,061)</u>
	<u><b>7,168,645</b></u>	<u><b>5,866,534</b></u>

# SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS

## FOR THE YEAR ENDED DECEMBER 31, 2023 - SCHEDULE 1

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2023 \$	2022 \$ \$
<b>BALANCE, BEGINNING OF YEAR</b>	<b>286,519</b>	<b>7,352,181</b>	<b>64,499,624</b>	<b>72,138,324</b>	<b>68,752,300</b>
Excess (deficiency) of revenues over expenses	1,603,953	-	-	<b>1,603,953</b>	-
Unrestricted funds designated for future use	(2,324,224)	2,324,224	-	-	3,386,024
Restricted funds used for operations	4,337	(4,337)	-	-	-
Restricted funds used for tangible capital assets	-	(941,763)	941,763	-	-
Current year funds used for tangible capital assets	(1,188,072)	-	1,188,072	-	-
Contributed tangible capital assets	-	-	-	-	-
Disposal of tangible capital assets	129,969	-	(129,969)	-	-
Annual amortization expense	1,957,257	-	(1,957,257)	-	-
Long term debt issued	-	-	-	-	-
Long term debt repaid	(164,176)	-	164,176	-	-
Capital debt used for TCA	-	-	-	-	-
Unrestricted fund transfers	-	-	-	-	-
Other Adjustments	-	-	-	-	-
Change in Accumulated Surplus	19,044	1,378,124	206,785	1,603,953	3,386,024
<b>BALANCE, END OF YEAR</b>	<b>305,563</b>	<b>8,730,305</b>	<b>64,706,409</b>	<b>73,742,277</b>	<b>72,138,324</b>

# SCHEDULE OF TANGIBLE CAPITAL ASSETS

## FOR THE YEAR ENDED DECEMBER 31, 2023 - SCHEDULE 2

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	2023	2022
							\$	\$
<b>COST:</b>								
BALANCE, BEGINNING OF YEAR	1,389,850	2,732,220	27,868,844	78,110,675	12,091,894	4,238,212	<b>126,431,696</b>	121,179,135
Acquisition of tangible capital assets	-	213,259	238,921	886,425	1,110,159	179,726	<b>2,628,490</b>	1,466,958
Construction-in-progress	-	7,035	-	83,818	19,366	-	<b>110,219</b>	220,438
Disposal of tangible capital assets	-	(89,489)	-	-	(19,990)	(262,240)	<b>(371,719)</b>	(210,475)
Write down of tangible capital assets	-	-	-	-	-	-	<b>-</b>	-
BALANCE, END OF YEAR	<u>1,389,850</u>	<u>2,863,025</u>	<u>28,107,765</u>	<u>79,080,918</u>	<u>13,201,429</u>	<u>4,155,698</u>	<b><u>128,798,686</u></b>	<u>122,656,056</u>
<b>ACCUMULATED AMORTIZATION:</b>								
BALANCE, BEGINNING OF YEAR	-	1,235,782	6,515,784	44,555,530	3,843,905	1,731,683	<b>57,882,684</b>	56,031,583
Annual amortization	-	61,015	591,058	637,701	478,271	189,213	<b>1,957,258</b>	1,966,617
Accumulated amortization on disposals	-	(63,395)	-	-	(8,995)	(169,361)	<b>(241,751)</b>	(115,516)
BALANCE, END OF YEAR	<u>-</u>	<u>1,233,402</u>	<u>7,106,842</u>	<u>45,193,231</u>	<u>4,313,181</u>	<u>1,751,535</u>	<b><u>59,598,191</u></b>	<u>57,882,684</u>
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<u>1,389,850</u>	<u>1,629,623</u>	<u>21,000,923</u>	<u>33,887,687</u>	<u>8,888,248</u>	<u>2,404,163</u>	<b><u>69,200,495</u></b>	<u>68,549,012</u>
2022 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>1,389,850</u>	<u>1,496,438</u>	<u>21,353,060</u>	<u>33,555,145</u>	<u>8,247,989</u>	<u>2,506,529</u>	<b><u>68,549,012</u></b>	

## SCHEDULE OF PROPERTY AND OTHER TAXES

### FOR THE YEAR ENDED DECEMBER 31, 2023 - SCHEDULE 3

<b>TAXATION</b>	Budget (Unaudited)	<b>2023</b> \$	2022 \$
Real Property Taxes	6,657,630	<b>6,634,415</b>	6,472,863
Linear Property Taxes	132,480	<b>131,615</b>	130,724
Government Grants In Lieu of Property Taxes	93,870	<b>49,773</b>	48,477
Special Assessment and Local Improvement Taxes	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL TAXATION</b>	<u>6,883,980</u>	<u><b>6,815,803</b></u>	<u>6,652,064</u>
 <b>REQUISITIONS</b>			
Alberta School Foundation	1,478,170	<b>1,410,188</b>	1,457,739
Barrhead & District Social Housing	62,120	<b>60,450</b>	61,295
Designated Industrial Properties	530	-	-
Requisitions - Previous Year Underlevy	<u>2,500</u>	<u><b>631</b></u>	<u>2,372</u>
<b>TOTAL REQUISITIONS</b>	<u>1,543,320</u>	<u><b>1,471,269</b></u>	<u>1,521,406</u>
 <b>NET MUNICIPAL TAXES</b>	 <u>5,340,660</u>	 <u><b>5,344,534</b></u>	 <u>5,130,658</u>



## SCHEDULE OF GOVERNMENT TRANSFERS

### FOR THE YEAR ENDED DECEMBER 31, 2023 - SCHEDULE 4

	<u>Budget (Unaudited)</u>	<u>2023 \$</u>	<u>2022 \$</u>
<b>TRANSFERS FOR OPERATING:</b>			
Provincial Government	492,470	<b>497,839</b>	563,959
Federal Government	2,500	<b>2,880</b>	6,720
Other Local Government	<u>1,455,830</u>	<u><b>1,456,507</b></u>	<u>1,307,487</u>
	<u>1,950,800</u>	<u><b>1,957,226</b></u>	<u>1,878,166</u>
<b>TRANSFERS FOR CAPITAL:</b>			
Provincial Government	777,500	<b>749,953</b>	1,952,310
Federal Government	100,000	<b>19,366</b>	1,956,794
Other Local Government	<u>410,950</u>	<u><b>383,852</b></u>	<u>28,748</u>
	<u>1,288,450</u>	<u><b>1,153,171</b></u>	<u>3,937,852</u>
<b>TOTAL GOVERNMENT TRANSFERS</b>	<u><u>3,239,250</u></u>	<u><u><b>3,110,397</b></u></u>	<u><u>5,816,018</u></u>

## SCHEDULE OF CONSOLIDATED EXPENSES BY OBJECT

FOR THE YEAR ENDED DECEMBER 31, 2023 - SCHEDULE 5

CONSOLIDATED EXPENSES BY OBJECT	Budget (Unaudited)	<b>2023</b> \$	2022 \$
Salaries, Wages and Benefits	5,519,790	<b>5,436,343</b>	5,029,815
Contracted and General Services	3,697,160	<b>3,604,560</b>	3,392,538
Purchases from Other Governments	500	<b>252</b>	136,455
Materials, Goods, Supplies and Utilities	2,139,910	<b>2,085,050</b>	2,069,765
Provision for Allowances	2,600	<b>798</b>	1,369
Transfers to Other Governments	403,230	<b>527,039</b>	339,167
Transfers to Local Boards and Agencies	589,040	<b>599,689</b>	576,074
Transfers to Individuals and Organizations	20,300	<b>14,060</b>	19,060
Bank Charges and Short Term Interest	5,700	<b>7,614</b>	6,624
Interest on Long Term Debt	126,390	<b>126,393</b>	131,450
Other Expenditures	30,430	<b>(349,632)</b>	73,650
Amortization of Tangible Capital Assets	2,052,800	<b>1,957,257</b>	1,966,616
Loss on Disposal of Tangible Capital Assets	-	<b>102,215</b>	37,509
Accretion of Asset Retirement Obligation	-	<b>17,780</b>	-
<b>TOTAL EXPENDITURES</b>	<u>14,587,850</u>	<u><b>14,129,418</b></u>	<u>13,780,092</u>

# SCHEDULE OF SEGMENTED DISCLOSURE

## FOR THE YEAR ENDED DECEMBER 31, 2023 - SCHEDULE 6

REVENUE	General Government	Protective Services	Transportation Services	Planning & Development	Recreation & Culture	Environmental Services	Other	2023
								\$
Net Municipal Taxes	5,344,534							5,344,534
Sales, User Charges, Franchise & Rentals	961,430	636,733	9,255	1,360	621,710	4,041,278	27,850	6,299,616
Government Transfers		1,015,784	445,316		536,864	710,865	401,568	3,110,397
Investment Income	140,000		23,559		33,027	178,920	48,591	424,097
Penalties and Costs on Taxes	48,892							48,892
Development Levies	37,843	41,436		2,850			3,150	3,150
Licenses, Permits and Fines	6,734	331	-	16,884	163,698	227,104	5,805	82,129
Other Revenues	6,539,433	1,694,284	478,130	21,094	1,355,299	5,158,167	486,964	420,556
								15,733,371
<b>EXPENSES</b>								
Salaries, Wages and Benefits	946,331	1,013,894	839,314	186,816	1,499,686	941,450	8,852	5,436,343
Contracted and General Services	252,031	482,569	254,669	45,775	496,362	2,066,563	6,591	3,604,560
Purchases from Other Governments	252							252
Materials, Goods, Supplies and Utilities	49,026	183,865	483,605	20,439	652,405	690,905	4,805	2,085,050
Transfers to Other Governments		521,679	5,360					527,039
Transfers to Local Boards and Agencies		1,000			122,620		477,069	599,689
Transfers to Individuals and Organizations					13,060			14,060
Interest on Long Term Debt					126,393			126,393
Accretion Expense		1,098			3,953	12,729		17,780
Other Expenditures	3,261	15,468	86,747	-	3,960	(363,909)	15,468	(239,005)
	1,250,901	2,219,573	1,669,695	253,030	2,918,439	3,347,738	512,785	12,172,161
<b>NET REVENUE, BEFORE AMORTIZATION</b>	5,288,532	(525,289)	(1,191,565)	(231,936)	(1,563,140)	1,810,429	(25,821)	3,561,210
Amortization Expense	(61,943)	(169,094)	(493,361)	(760)	(660,999)	(569,425)	(1,675)	(1,957,257)
<b>NET REVENUE</b>	5,226,589	(694,383)	(1,684,926)	(232,696)	(2,224,139)	1,241,004	(27,496)	1,603,953

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2023

The Town of Barrhead is a municipality in the Province of Alberta and operates under the provisions of the Municipal Government Act R.S.A. 2000, c. M-26, as amended (MGA).

### 1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Town of Barrhead are the representations of management and are prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board and as published by the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Town of Barrhead are as follows:

#### *a) Reporting entity*

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, changes in fund balances and change in financial position of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Town and are, therefore, accountable to the Town Council for the administration of their financial affairs and resources.

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity.

The statements exclude trust assets that are administered for the benefit of external parties. Interdepartmental and organizational transactions and balances are eliminated.

#### *b) Basis of Accounting*

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed or goods have yet to be provided. Revenue is recognized in the period when the related expenses are incurred, services performed/goods provided or the tangible capital assets are acquired.

#### *c) Use of Estimates*

The preparation of 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 financial statements, and the reported amounts of revenue and expenditure during the period. Where measurement uncertainty exists, the financial

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2023

statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

### *d) Investments*

Investments in derivatives and equity instruments quoted in an active market are carried at fair value with transactions costs expensed upon initial recognition. Unrealized changes in fair value 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. Investments in interest bearing securities are recorded at amortized cost. Investment premiums and discounts are amortized on the net present value basis over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

### *e) Debt Charges Recoverable*

Debt charges recoverable consist of amounts that are recoverable from municipal agencies or other local governments with respect to outstanding debentures or other long-term debt pursuant to annexation orders or joint capital undertakings. These recoveries are recorded at a value that equals the offsetting portion of the un-matured long-term debt, less actuarial requirements for the retirement of any sinking fund debentures.

### *f) Long Term Debt*

Long-term debt is initially recognized net of any premiums, discounts, fees and transactions costs, with interest expense recognized using the effective interest method. Long-term debt is subsequently measured at amortized cost.

### *g) Requisition Over-levy and Under-levy*

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

### *h) Inventories for Resale*

Land held for resale is recorded at the lower of cost or net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping and leveling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks and street lighting are recorded as physical assets under their respective function.

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2023

***i) Tax Revenue***

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.

***j) Asset Retirement***

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset at the financial statement date when there is a legal obligation for the Town to incur retirement costs, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset. The asset retirement cost is amortized over the useful life of the related asset. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period.

At each financial reporting date, the Town reviews the carrying amount of the liability. The Town recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. The Town continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

***k) Contaminated Sites Liability***

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 a contaminated site is recognized when the Town is either directly responsible or accepts responsibility and is management's estimate of the cost of post-remediation including operation, maintenance and monitoring.

***l) 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.

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2023

Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

### **m) Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated Change in Net Financial Assets for the year.

#### **i. Tangible Capital Assets**

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	<u>Years</u>
Land Improvements	15 - 20
Buildings	25 - 50
Engineered structures	
Water and Wastewater System	35 - 65
Other Engineered Structures	15 - 40
Machinery and equipment	5 - 20
Vehicles	3 - 20

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

#### **ii. Contributions of Tangible Capital Assets**

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and are recorded as revenue.

#### **iii. Leases**

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

#### **iv. Inventories**

Inventories held for consumption are recorded at the lower of cost and replacement cost.

#### **v. Cultural and Historical Tangible Capital Assets**

Works of art for display are not recorded as tangible capital assets but are disclosed.

# NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

***n) Deferred Revenues***

Deferred revenues represent government transfers, donations and other amounts which have been collected, but for which the related services have yet to be performed or agreement stipulations have not been met. These amounts will be recognized as revenues when revenue recognition criteria have been met. Interest earned on deferred revenues, reserves and offsite levies are calculated using an average investment earnings monthly.



## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2023

#### 2. CASH AND TEMPORARY INVESTMENTS

	<b>2023 \$</b>	<b>2022 \$</b>
Cash	3,949,089.46	6,089,304.10
Temporary Investments	<u>3,461,290.61</u>	<u>(38,709.39)</u>
	<u><u>7,410,380.07</u></u>	<u><u>6,050,594.71</u></u>

Temporary investments are short-term deposits with original maturities of 1 year or less.

Included in temporary investments are restricted amounts received and held for specific **capital** projects:

	<b>2023 \$</b>	<b>2022 \$</b>
FGTF_– Arena Retrofit	91,140.95	105,556.40
Alberta Blue Cross – Musical Playground	<u>0.00</u>	<u>50,000.00</u>
	<u><u>91,140.95</u></u>	<u><u>155,556.40</u></u>

Included in temporary investments are restricted amounts received and held for specific **operating** projects.

	<b>2023 \$</b>	<b>2022 \$</b>
Alberta Health Services_- 2019 Public Health Grant	2,753.84	13,943.18
Municipal Sustainability Initiative Operating Grant	152,920.00	0.00
Alberta Community Partnership – BRWC Grant	0.00	7,661.35
Yellowhead East Covid Support Grant	<u>5,500.00</u>	<u>7,500.00</u>
	<u><u>161,173.84</u></u>	<u><u>29,104.53</u></u>

#### 3. RECEIVABLES

	<b>2023 \$</b>	<b>2022 \$</b>
Property Taxes		
Current Taxes and Grants in Place of Taxes	102,310.05	137,698.19
Arrears Taxes	<u>62,512.98</u>	<u>16,253.63</u>
	<u><u>164,823.03</u></u>	<u><u>153,951.82</u></u>
Less Allowance for Doubtful Accounts	<u>(0.00)</u>	<u>(0.00)</u>
	<u><u>164,823.03</u></u>	<u><u>153,951.82</u></u>
Other		
Trade Accounts	1,959,131.87	2,483,813.19
GST	<u>100,131.82</u>	<u>121,153.14</u>
	<u><u>2,059,263.69</u></u>	<u><u>2,604,966.33</u></u>
	<u><u><b>2,224,086.72</b></u></u>	<u><u><b>2,758,918.15</b></u></u>

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2023

#### 4. DEFERRED REVENUE

	2023 \$	2022 \$
Agrena – Future Advertising Sign Rental	0.00	1,012.50
Prepaid Taxes	14,703.39	30,346.39
Public Health – AHS Community Grant- Operating	2,753.84	13,943.18
Yellowhead East Covid Support Grant	5,500.00	7,500.00
2020 ACP Grant – BRWC - Operating	0.00	7,661.35
Alberta Blue Cross – Musical Playground Grant	0.00	50,000.00
Municipal Sustainability Initiative Operating Grant	152,920.00	0.00
Federal Gas Tax Fund Grant (Arena Retrofit)- Capital	<u>91,140.95</u>	<u>105,556.40</u>
	<u><b>267,018.18</b></u>	<u><b>216,019.82</b></u>

Businesses may enter into a 3 year contract for advertising signs that are placed in the Agrena.

Prepaid taxes are recorded as credit balances on the tax roll.

Operating and Capital Grants provide funding for specific projects for future years.

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#### 5. EMPLOYEE BENEFITS OBLIGATIONS

	2023 \$	2022 \$
Vacation and overtime accrued	276,325.45	262,665.81

The Vacation and Overtime liability is comprised of vacation and overtime that employees are deferring to future years. Employees have either earned (and are vested) or are entitled to these benefits and earnings within the next budgetary year.

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#### 6. ASSET RETIREMENT OBLIGATION

##### Landfill

The Town operates a landfill site and is legally required to perform closure and post-closure activities upon retirement of this site. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control and visual inspection. A liability for the total obligation, which was incurred when the site started accepting waste, irrespective of volume of waste accepted has been accrued. The Town estimates that no obligation is incurred incrementally due to the volume of waste accepted, therefore, no further obligation is being accrued based on volume of waste accepted. Undiscounted future cash flows expected are a closure cost in the year 2030 of \$620,520.00 with annual post-closure activities starting in 2031 of \$12,633.00 per year, increasing at an annual inflation rate of 3.3% for 25 years to year 2055.

##### Asbestos Abatement

The Town owns three buildings which contain asbestos and therefore the Town is legally required to perform asbestos abatement activities upon renovation or demolition of these buildings. Abatement activities include handling and disposing of the asbestos in a prescribed

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2023

manner when it is disturbed. Undiscounted future cash flows expected are an abatement cost in the following years:

2040 – Abatement Cost of \$193,162  
2048 – Abatement Cost of \$65,159  
2050 – Abatement Cost of \$87,693

The estimated total liability is based on the sum of discounted future cash flows for abatement activities and assuming annual inflation of 2.5%.

#### Total Asset Retirement Obligations

	<b>2023</b>
Balance, Beginning of Year	591,093.93
Accretion Expense	17,780.05
<b>Estimated Total Liability</b>	<b>608,873.98</b>

#### 7. CONTAMINATED SITES LIABILITY

On January 1, 2015, the Town adopted PS 3260 Liability for Contaminated Sites. The standard was applied on a retroactive basis and did not result in any adjustments to the financial liabilities, tangible capital assets or accumulated surplus of the Town.

#### 8. LONG-TERM DEBT

	<b>2023 \$</b>	<b>2022 \$</b>
Tax supported debentures	3,885,211.82	4,049,387.62
Bank loans	0.00	0.00
	<u>3,885,211.82</u>	<u>4,049,387.62</u>

The current portion of the long-term debt amounts to \$ 164,175.80 (2022 - \$159,119.23).

Interest on long-term debt amounted to \$ 126,393.20 (2022 - \$ 131,449.77).

Principal and interest repayments are as follows:

	<b>Principal \$</b>	<b>Interest \$</b>	<b>Total \$</b>
2024	169,393.07	121,175.93	290,569.00
2025	174,776.14	115,792.86	290,569.00
2026	180,330.26	110,238.74	290,569.00
2027	186,060.89	104,508.11	290,569.00
2028	191,973.64	98,595.36	290,569.00
2029-2041	<u>2,982,677.82</u>	<u>649,434.68</u>	<u>3,632,112.50</u>
	3,885,211.82	1,199,745.68	5,084,957.50

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2023

#### 9. DEBT LIMITS AND DEBT SERVICING LIMIT

Section 276(2) of the MGA requires that debt and debt limits as defined by Alberta Regulation 255/00 for the Town of Barrhead are to be disclosed as follows:

	<b>2023 \$</b>	<b>2022 \$</b>
Total Debt Limit	21,870,300.00	19,842,396.00
Total Debt	<u>3,885,212.00</u>	<u>4,049,388.00</u>
Amount of Debt Limit Unused	17,985,088.00	15,793,008.00
Debt Servicing Limit	3,645,050.00	3,307,066.00
Debt Servicing	<u>290,569.00</u>	<u>290,569.00</u>
Amount of Debt Servicing Limit Unused	3,354,481.00	3,016,497.00

#### 10. EQUITY IN TANGIBLE CAPITAL ASSETS

	<b>2023 \$</b>	<b>2022 \$</b>
Tangible Capital Assets (Schedule 2)	128,798,685.68	126,431,695.77
Accumulated Amortization (Schedule 2)	(59,598,190.17)	(57,882,682.49)
Long-term Debt (Note 8)	<u>(3,885,211.82)</u>	<u>(4,049,387.62)</u>
	<u>65,315,283.69</u>	<u>64,499,625.66</u>

#### 11. ACCUMULATED SURPLUS

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets.

	<b>2023 \$</b>	<b>2022 \$</b>
Unrestricted Surplus (Deficit)	305,564	286,519
Restricted Surplus		
Tax Rate Stabilization	921,575	819,006
Roads	918,836	592,172
Water	1,640,237	1,682,203
Sewer	1,907,794	1,552,762
Garbage, Landfill, Recycling	328,816	246,304
Building Replacement & Renovations	983,433	730,825
Land Improvements	1,101,098	1,093,728
General Equipment Replacement	<u>928,514</u>	<u>635,179</u>
	8,730,303	7,352,179
Equity in Tangible Capital Assets	64,706,410	64,499,626
<b>TOTAL ACCUMULATED SURPLUS</b>	<b>73,742,277</b>	<b>72,138,324</b>

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2023

### 12. SEGMENTED DISCLOSURE

The Town of Barrhead provides a range of services to its ratepayers. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

Refer to the Schedule of Segmented Disclosure (Schedule 6).

### 13. TRUST FUNDS

	2023 \$	2022 \$
Columbarium Trust – Perpetual Care	28,884.13	27,714.13
Tax Sale Trust	<u>9,825.26</u>	<u>9,825.26</u>
	<u>38,709.39</u>	<u>37,539.39</u>

The Town of Barrhead has an agreement with Rose Garden Chapels Ltd. to hold, in trust monies paid for perpetual care for the columbarium. Once all blocks have been sold the Town will assume responsibility of the columbarium.

The Town of Barrhead held one tax sale in 2021. The surplus funds from this sale have been put into a tax sale reserve where they will be held until 2031.

### 14. SALARY AND BENEFITS DISCLOSURE

	2023 Salary	2023 Benefits & Allowance	2023 \$	2022 \$
<b><u>Mayor</u></b>				
McKenzie, David	42,636	5,927	<b>48,563</b>	46,703
<b><u>Councillors</u></b>				
Assaf, Ty	32,699	9,808	<b>42,507</b>	41,090
Kluin, Dausen	27,516	1,546	<b>29,062</b>	33,427
Klumph, Rod	29,237	4,227	<b>33,464</b>	33,828
Oswald, Anthony	30,968	9,138	<b>40,106</b>	36,427
Sawatzky, Dave	29,700	8,398	<b>38,098</b>	33,010
Smith, Don	32,981	10,804	<b>43,785</b>	35,580
<b><u>Appointed Officers</u></b>				
Chief Administrative Officer (1)	199,665	28,073	<b>227,738</b>	222,728
Designated Officers (3)	290,232	38,025	<b>328,257</b>	314,323

Salary includes regular base pay, lump sum payments, honoraria and any other direct cash remuneration.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

Employer's share of all employee benefits and contributions or payments made on behalf of employees include pension, health care, dental coverage, vision coverage, group life insurance, accidental death and dismemberment, travel and subsistence and professional development.

### 15. LOCAL AUTHORITIES PENSION PLAN

Employees of the Town of Barrhead participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the Public Sector Pension Plans Act. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP Fund. Contributions for current service are recorded as expenditures in the year in which they become due.

	<b>2023 \$</b>	<b>2022 \$</b>
Current Service Contributions By Employer	250,085.07	242,104.61
Current Service Contributions By Employee	<u>222,895.72</u>	<u>216,263.43</u>
	<b><u>472,980.79</u></b>	<b><u>458,368.04</u></b>

The Town of Barrhead is required to make current service contributions to the Plan of 8.45% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 12.23% on pensionable earnings above this amount. Employees of the Town are required to make current service contributions of 7.45% of pensionable salary up to the year's maximum pensionable salary and 11.23% on pensionable salary above this amount.

### 16. CONTINGENCIES

The Town is a member of the Alberta Municipal Insurance Exchange (MUNIX). Under the terms of the membership, the Town could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

### 17. FINANCIAL INSTRUMENTS

The Town's financial instruments consist of cash and temporary investments, accounts receivable, investments, debt charges recoverable, bank indebtedness, accounts payable and accrued liabilities, deposit liabilities, requisition over-levy, and long-term debt. It is management's opinion that the Town is not exposed to significant interest or currency risks arising from these financial instruments.

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2023

The Town is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Town provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

Unless otherwise noted, the carrying value of the financial instrument approximates fair value.

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### 18. APPROVAL OF FINANCIAL STATEMENTS

Council and Management have approved these financial statements.





# DEPARTMENT STATEMENTS



## FINANCIAL

Due to continuous rising costs while maintaining the quality level of service that our citizens are accustomed to, in 2023 Council increased the municipal portion of the tax rate for both Residential and Non-Residential properties by 1.8%. This slight increase is the first since 2019.

Capital projects were completed with funding from capital reserves, provincial grants, and local government contributions on our joint municipal projects.

**In 2023, the capital project expenses were over \$3.8 million, including the following projects:**

- ✓ Water Reservoir Upgrades
- ✓ All-Wheels Park Completions
- ✓ 49A Street Detailed Design
- ✓ Fencing at Cemetery
- ✓ Bulk Water System Upgrades
- ✓ Walking Trail Solar Lights
- ✓ Heron Island Upgrades
- ✓ Landfill (Joint with County) - New Landfill Loader, Non-Compliance Rehabilitation
- ✓ Fire & Emergency Response Centre (Joint with County) - New Command 2 Truck, AFRACS Radios
- ✓ Arena Ice Plant Retrofit Completion
- ✓ 53 Avenue Road Reconstruction
- ✓ Sewage Lagoon Upgrades, Berm Rehab, Main Lift Station Pump Rebuild
- ✓ Musical Playground
- ✓ Labyrinth Park, new Flat Deck Trailer, New 1/2 Ton Truck, New Zero Turn Mower, Splash Park Module
- ✓ Aquatics Centre Keyless Entry, Circulation Pumps, Floor Scrubber, Water Features

The following grant funding has been or will be received to fund the capital projects as indicated.

**Canada Community Building Fund Grant (CCBF)** provided funding for the following projects:

- ✓ 2023 John Deere Loader - \$304,000
- ✓ 53 Avenue Overlay - \$293,399
- ✓ 49A Street Detailed Design - \$75,456



ALL-WHEEL PARK PUMP TRACK

✓ All-Wheels Park Completion - \$77,096

**Municipal Sustainability Initiative**

**Capital Grant** of \$152,920 assisted with the operational and maintenance costs of the parks, sportsgrounds, sidewalks, and road maintenance.

**Alberta Community Partnership (ACP)**

**Operating Grant** of \$7,661.35 was used towards the completion of the Barrhead Regional Water Commission Infrastructure Plan.

**Canadian Heritage Fund - Celebrate Canada**

**Grant** of \$2,800 was used to offset costs of the Town’s annual Canada Day celebration.

Town Council continually promotes inter-municipal cooperation on a number of levels. The Town of Barrhead and County of Barrhead No. 11 jointly provide, on an equally cost-shared basis, programs and services which are comprised of delivering Fire Protection, Emergency Response Centre operations, the management and operation of the Regional Landfill Site and the Barrhead Johnson Airport and Twinning Operations.

Additional services such as Family and Community Support Services (FCSS) and the Municipal Library (also includes Pembina Hills School Division) receive contributions from the Town and County to provide services to the community. The County of Barrhead continues to provide a portion of funding towards the operations of the Arena, Aquatic Centre and Curling Rink facilities, along with summer programming for children.

Please visit the Town of Barrhead website at [barrhead.ca](http://barrhead.ca) for information on upcoming events. Also visit our Facebook page and our bi-monthly newsletter for important notifications for our residential and business community.



ALL-WHEEL PARK GRAND OPENING



CANADA DAY FIREWORKS



GRANTS ASSIST WITH MAINTENANCE

## PARKS & RECREATION SERVICES

The Parks & Recreation department had a bustling year in 2023!

### BARRHEAD REGIONAL AQUATICS CENTRE

The Barrhead Regional Aquatic Center reopened to full days Monday through Friday in July and was able to continue these hours consistently thanks to new hires and training initiatives.

Staff has worked diligently to bring back a consistent group swim lesson schedule, as well as leadership courses in Bronze Cross, Bronze Medallion, Standard first Aid, National Lifeguard, and Lifesaving Swim Instructor.

Aquatic programming offered a Monday/Wednesday Aqua Fit class, with hugely popular and well-attended Aqua Yoga classes held Friday mornings.

The Aquatic Center installed two new pool pumps with and additional two more to be installed during the maintenance schedule of 2024.

### COMMUNITY PARTNERSHIPS

In partnership with Barrhead & District FCSS and Family Resource Network we provided school aged children an opportunity to play and grow with our “Too Cool for School Day Camps” offered on fourteen (14) PD day breaks from school. Children were provided with crafts, games, education and physical activity.

### SUMMER PROGRAMS

Partnering with the County of Barrhead, we once again ran our annual summer programs. Twenty nine (29) programs were offered with free weekly fun days held each Friday. 2023 Summer programs were a great success and we are looking forward to similar programs offered in 2024.

### PARKS

Parks showed immense growth with the grand opening of our All Wheel's Skate Park. A community effort was made to lay sod. The parks

### GROUP SWIMMING LESSONS



team also put a lot of effort into adding pathways, benches, tables and two porta-potties.

In addition to the All Wheel's Park, we also introduced a "musical playground" for all ages and abilities to our splash park. This park was funded through a grant from Alberta Blue Cross.

The department added several benches, tables and message boards to our green spaces and constructed the new Labyrinth located at Beaverbrook. Solar lights were added along the Blue Heron trail. Purple Martin houses were constructed and utilized with educational signage along Blue Heron trail system.

The cemetery saw ongoing maintenance to seed and fill sodded areas and repair fencing. While the ball diamonds received edging and foul line work.

### CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN

The driving focus for these programs and services is to continue to promote an active lifestyle as well as provide opportunities for residents and visitors to develop connections between each other and the community.





## PLANNING & DEVELOPMENT SERVICES

In 2023, the Development Department issued a total of 35 development permits, summarized as follows:

DESCRIPTION	CONSTRUCTION VALUE
New Single Family/Duplex Dwellings, Mobil-Manufactured Homes	\$632,000
Residential Additions, Sheds, Garages, Decks, Roofs, Fences, Renovations	\$180,500
Commercial Additions, Removals, Renovations	\$2,106,300
Parks & Recreation	\$0
Institutional	\$0
<b>TOTAL</b>	<b>\$2,124,800</b>

The Town saw a slight decrease in residential development in 2023 with three (3) mobile/manufactured home permits and one (1) new home development permit issued.

The total commercial development in 2023 was approximately \$2 million lower than 2023. However, the Town welcomes a new McDonald's in 2024.

The Town development department continues to access the E-site Permitting Program and provides all development information to the Alberta Safety Codes Council on an ongoing basis.

The department continues to update the Town's Land Use, Index, and Street Address Maps on an as-required basis. We also provide mapping and graphics inter-departmentally and to local community groups on an as-needed basis.

The Planning and Development department continues to work with developers on proposed projects throughout the Town.

## ENFORCEMENT SERVICES

In 2023, the Bylaw Enforcement Department created a total of 203 files from January 1st to December 31st.

These calls for service covered a wide range of issues and required varying levels of staff involvement.

The majority of our files were created through Bylaw enforcement. A total of 94 files were created relating to specific Town of Barrhead Bylaw infractions. These were most commonly unsightly lot or failure to remove snow issues.

There were a total of 35 Animal Control matters this year. These cover a wide range of issues, the most common of which were dog/cat at large Bylaw offences.

In addition, enforcement dealt with 63 traffic related files. These offences included common Traffic Safety Violations such as speeding and distracted driving. Traffic violations included Use of the Highway Rules of the Road Regulations which include school zone speeding as well as all parking matters.

We also dealt with 11 files that fall under our Miscellaneous or Other category. These are files that typically Assist RCMP or Barrhead Regional Fire Services, or do not fall under any specific Bylaw Violation category.

In the coming year, the department will continue to review our current Bylaws and the industry's best practices to determine what, if any, changes may be required moving forward.



## LEGISLATIVE SERVICES

Legislative Services continues to create, update, and revise current bylaws and policies and field inquiries on bylaws, business licensing, twinning, etc. Legislative Services is currently updating the Land Use Bylaw.



## COMMUNICATIONS SERVICES

In 2023, the Town of Barrhead's Communications Department achieved significant milestones, enhancing community engagement and transparency. Our successes were marked by innovated campaigns, improved digital presence with the addition of the Barrhead Parks & Recreation Facebook page, and effective crisis communication during the Swan Hills evacuation to Barrhead. However, we also faced challenges, including adapting to rapidly changing technology and ensuring consistent messaging across all platforms.

### ACHIEVEMENTS

#### ENHANCED DIGITAL PRESENCE

Our social media footprint was increased with the addition of a Barrhead Parks & Recreation Facebook page reaching 22,400 more accounts, and having 2,300 interactions in 2023 in addition to the 256,100 reach and 10,500 interactions seen by the Town account. This digital adaptation not only improved our reach but also allowed us to interact with the community more effectively through a channel dedicated solely to recreation programs and events.

#### COMMUNITY ENGAGEMENT INITIATIVES

In 2023, we launched survey initiatives, including the engaging "Take a Peck at our Survey" campaign, to understand community perspectives on recreational initiatives and the interest in urban hen keeping. With the urban hen survey attracting over 500 responses itself, these surveys offered invaluable insights and fostered a sense of inclusion among our community stakeholders, empowering them to play an active role in our decision-making process. Building on the success of our recent community engagement initiatives, we plan to continue strengthening our connection with residents in 2024, ensuring that their voices contribute to our shared vision and informed decision-making.

### CRISIS COMMUNICATIONS

During the Swan Hills wildfire evacuation, our team excelled in managing crisis communications. By swiftly registering evacuees on our BARCC Connect platform, we adopted a proactive and transparent approach that was crucial in maintaining trust. This strategy ensured that consistent and timely information reached all registered individuals, regardless of whether they stayed in Barrhead or sought accommodations elsewhere. Our commitment to clear, accessible communication played a pivotal role in navigating this challenging situation effectively.



Urban Chicken Survey marketing was effective at garnering over 500 survey participants.

### CHALLENGES

#### ADAPTING TO TECHNOLOGICAL CHANGES

The rapid pace of technological advancement presented the challenge of needing to continuously update skills and adapt strategies in the face of changing algorithms on platforms such as Facebook and Google. Understanding how such changes affect our ability to reach our targeted audience takes a considerable amount of time and understanding to ensure we can continue to abide by the rules of such platforms and remain in contact with our audience.



## CONSISTENCY ACROSS PLATFORMS

Maintaining a consistent message across various communication channels proved challenging, especially with the increasing number of digital platforms that takes attention away from those that we are established on. Streamlining our communication efforts to ensure a unified message was a primary focus.



We achieved market saturation of information with ample lead time prior to program registration dates and event dates through cooperation of partner departments.

## RESOURCE LIMITATIONS

Resource constraints, including budgetary and staffing limitations, impacted our ability to execute planned initiatives. Expanding our reach and engagement efforts was often balanced against these constraints.

## LOOKING FORWARD

As we move into 2024, our department is focused on overcoming the challenges of the past year and building on our successes. We aim to further enhance our digital engagement, develop more targeted community outreach programs, and improve our crisis communication protocols. Investing in training for our staff and exploring additional possible funding avenues will assist our efforts.

In conclusion, despite the challenges faced in 2023, the Town of Barrhead Communications Department made significant strides in enhancing community relations and engagement. We remain committed to transparency, responsiveness, and innovation as we continue to serve the residents and businesses of Barrhead.



## PUBLIC WORKS SERVICES

Winter 2023 was another busy season for the Public Works Department. As always, crews toughed the elements of typical Alberta winters. The department moved a substantial amount of snow and at times had to deal with freezing rain, forcing frequent sanding on streets, sidewalks and walking trails. Once the snow started to melt, the department focused on steaming frozen culverts and catch basins to allow for water drainage and minimal flooding.

With warmer weather, Public Works focused on community beautification projects such as seasonal street sweeping and our annual spring clean-up kicked off. Both the spring clean-up and Hazardous Waste Roundup were successes with large population participation.

With the move of the 'community gardens', an access road and ditches were required and clay was hauled in to make a base for the new garden site. The Town flags were all replaced, and the poles needed regular annual maintenance. We provided gravel to assist Parks & Recreation to re-slope the All Wheels Park and to build-up camping spots and the access road at Rotary Park Campground.

In between summer projects, the department began seasonal maintenance on the streets and

alleys throughout town. This always includes crack filling (tarring), repainting lines and filling potholes numerous times during the season. Simultaneously, new sidewalks and pavement patches around town were being completed and the staff participated in a baseline audit, reviewing, and updating all safety documentation.

Outside of town, the sewage lagoon was being cleaned out, with vegetation removed and disposed of.

Other projects completed in summer 2023 included a rebuilt pump motor at the main lift station, rebuilt alleys in Beaver Brook, cold mix laid along 43 Street from 50A Avenue to 53 Avenue, a ramp built at the recycle bins and as always in summer, weed control on our town properties.

With the onset of autumn the annual sewer flushing program began; every manhole was flushed to clean the lines for our annual preventative maintenance.

Each year we have several emergency projects and usually they require excavation and water/sewer line repairs, main/valve/hydrant repairs or cases like installing new clamps on piping in the wet well at the main lift station.



## BARRHEAD REGIONAL FIRE SERVICES

This was our busiest years to date with 483 call outs and 9 deployments that stretched across Alberta and into the North West Territories that totaled 11 weeks.

### DEPLOYMENTS

Deployments to assist the province of Alberta or communities threatened by wildfire was a huge learning curve and a great experience for our members. Nine (9) deployments starting with Drayton Valley for 3 weeks of deployment time to protect the town and assist with fire suppression operations with various partnering fire departments and the military.

Rainbow Lake followed with 1 week of deployment to suppress wildfire and assist with back-burning operations. The Pea Vine Settlement crews were there 1 week and assisted in structural protection

Crews staged in Peace River for a week to be finally deployed to Garde River Settlement where they worked with firefighters from Australia.

We assisted our neighbours with mutual Aid to Lac St Anne and Westlock County to help with wild fire efforts. We ended the Alberta assistance by sending a water tender to High Level to assist with ground fires and suppression.

Deployments to Northwest Territories included Yellowknife and Hay River for 3 weeks, where they worked with other fire departments and the military.

Over the 11 weeks of deployments the department generated over \$500,000. Our crews slept in hotels, arenas, oil camps, tents and even on the ground. The grit of these firefighters demonstrated the importance they place on keeping people safe.

### LOCAL INCIDENTS

Local wildfires had crews busy with over 2 months of non-stop fighting fire every day in various locations around the county. We had some close calls and lucky breaks along the way. Provincial assistance was called for one fire and our good neighbours, Lac St Anne, Fort Assiniboine and Westlock all came to different calls to assist. We want to thank all the farmers and private citizens who came out to help keep the community safe. Without your equipment and efforts some situations would have become dire. Watching the community come together to assist others warmed my heart.

Assisting Alberta Health Services through the Medical First Responders program resulted in our

largest local call volume. We were dispatched to 224 medical assist events in 2023. Members enjoy helping out where they can and they are proud to respond in this capacity.

### TRAINING

Training this year did not take a back seat, we completed our firefighter level 1 and 2 in the Fall. Training in wildland firefighting, hazmat operations and First Aid also took place. The Barrhead Regional Fire Services strives to train competent fire fighters to respond to your emergencies.

### VOLUNTEER ROSTER

Membership is at an all-time high starting the year with 37 responders and ending with 45. Members still enjoyed fundraising events to buy equipment for the department even with the very busy year.

### NEW EQUIPMENT

This year the fire department saw a new Command truck put into service replacing the old Command 2. This truck is equipped with a slip unit that has a water tank and pump to aid in firefighting efforts. We look forward to this truck serving the community for years to come.



The yearly activities of Barrhead Regional Fire Services involved responding to the Barrhead region as well as calls to assist neighbouring communities. The activities are summarized in the following table:

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Members</b>	45	38	40	41	35	25	28	31	25	27
<b>Town Responses</b>	275	202	169	149	128	144	201	199	102	60
<b>County Responses</b>	158	133	161	130	123	145	137	167	113	90
<b>Town Response hrs</b>	731	496	369.5	507	608	735	483	543.5	703.6	258.5
<b>County Response hrs</b>	2431	1600	2135	1554	1282	1136	1273	2413	1829	1315
<b>Local Training hrs</b>	8275	15,580	4740	3949	5275	1950	2043	3738	2024	1494
<b>Other Training hrs</b>	6250	6241	711	956	1375	498	659	499	1242	713
<b>Mutual Aid</b>	11	1	4	2	2	3	18	11	11	6



## NEED SPACE FOR NOTES?

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ALL-WHEEL PARK RIBBON CUTTING

TOWN OF  
**BARRHEAD**  
ALBERTA

**Town of Barrhead Main Office**

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