

TOWN OF LUSELAND

Auditor's Report

Consolidated Financial Statements

December 31, 2022

MANAGEMENT'S RESPONSIBILITY

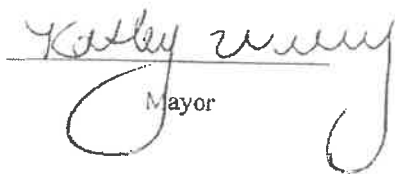
To the Ratepayers of
Town of Luseland :

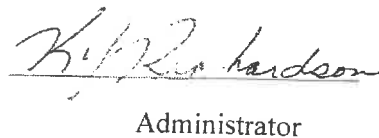
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. The preparation of the statements necessarily includes selecting 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 Consolidated financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the Consolidated financial statements.

The Council is composed of elected officials who are not employees of the Town. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by 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 **Town of Luseland**

Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Town of Luseland**, which comprise the consolidated statement of financial position as at **December 31, 2022** and the consolidated statements of financial activities, changes in net financial assets, and changes in financial position for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements, present fairly, in all material respects, the financial position of the Town as at **December 31, 2022** 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 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 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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
March 14, 2023


Chartered Professional Accountants

TOWN OF LUSELAND

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Statement 1

December 31, 2022
with comparative figures for 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 763,982	602,316
Taxes receivable - Municipal (Note 3)	72,012	46,316
Other accounts receivable (Note 4)	198,023	193,574
Assets held for sale (Note 5)	22,178	29,258
Long-term investments (Note 6)	118,615	118,845
Debt charges recoverable	-	-
Other	-	-
Total financial assets	1,174,810	990,309
<u>LIABILITIES</u>		
Bank indebtedness (Note 7)	-	-
Accounts payable	25,549	135,763
Accrued liabilities payable	20,129	19,178
Deposits	34,132	33,682
Deferred revenue	88,340	68,408
Accrued landfill costs (Note 8)	266,250	266,250
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 9)	1,238,259	1,597,307
Lease obligations	-	-
Total liabilities	1,672,659	2,120,588
NET FINANCIAL ASSETS (DEBT)	(497,849)	(1,130,279)
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	6,414,537	6,698,140
Prepaid and deferred charges	33,330	38,908
Stock and supplies	2,000	2,000
Total non-financial assets	6,449,867	6,739,048
Accumulated surplus (Schedule 8)	\$ 5,952,018	5,608,769

APPROVED ON BEHALF OF COUNCIL:

_____ Mayor
_____ Councillor

See accompanying notes to the financial statements.

TOWN OF LUSELAND

Statement 2

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2022
with comparative figures for 2021

		<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 1,092,300	1,077,879	932,877
Fees and charges	(Schedule 4, 5)	558,650	639,290	664,204
Conditional grants	(Schedule 4, 5)	130,100	307,198	192,705
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	-	(1,913)
Land sales - gain (loss)	(Schedule 4, 5)	12,000	7,390	-
Investment income and commissions	(Schedule 4, 5)	2,420	6,925	4,808
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	4,500	34,030	292,017
Total Revenues		<u>1,799,970</u>	<u>2,072,712</u>	<u>2,084,698</u>
Expenditures:				
General government services	(Schedule 3)	313,350	296,096	270,336
Protective services	(Schedule 3)	186,830	187,176	194,728
Transportation services	(Schedule 3)	233,315	255,251	528,399
Environmental and public health services	(Schedule 3)	142,855	205,639	411,630
Planning and development services	(Schedule 3)	54,760	153,293	172,878
Recreation and cultural services	(Schedule 3)	262,470	418,398	737,502
Utility services	(Schedule 3)	316,357	334,349	430,606
Restructurings	(Schedule 3)	-	-	11,229
Total Expenditures		<u>1,509,937</u>	<u>1,850,202</u>	<u>2,757,308</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>290,033</u>	<u>222,510</u>	<u>(672,610)</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>158,090</u>	<u>120,739</u>	<u>275,248</u>
Surplus (deficit) of revenues over expenditures		448,123	343,249	(397,362)
Accumulated surplus (deficit), beginning of year		<u>5,608,769</u>	<u>5,608,769</u>	<u>6,006,131</u>
Accumulated surplus (deficit), end of year		<u>\$ 6,056,892</u>	<u>5,952,018</u>	<u>5,608,769</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND

Statement 3

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Surplus (deficit)	\$ 448,123	343,249	(397,362)
(Acquisition) of tangible capital assets	(74,990)	(49,515)	(198,091)
Amortization of tangible capital assets	171,370	333,120	329,214
Proceeds on disposal of tangible capital assets	-	-	190
Loss (gain) on disposal of tangible capital assets	-	-	1,913
Transfer of assets/liabilities in restructuring transactions	-	-	11,229
Surplus (deficit) of capital expenses over expenditures	<u>96,380</u>	<u>283,605</u>	<u>144,455</u>
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expenses	-	(11,119)	(22,356)
Consumption of supplies inventories	-	-	-
Use of prepaid expenses	-	16,695	4,421
Surplus (deficit) of expenses of other non-financial over expenditures	<u>96,380</u>	<u>5,576</u>	<u>(17,935)</u>
Increase (decrease) in Net Financial Assets	640,883	632,430	(270,842)
Net Financial Assets (Debt) - Beginning of the year	<u>(1,130,279)</u>	<u>(1,130,279)</u>	<u>(859,437)</u>
Net Financial Assets (Debt)- End of year	<u>\$ (489,396)</u>	<u>(497,849)</u>	<u>(1,130,279)</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND

Statement 4

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u>	<u>2021</u>
Cash provided by (used in) the following activities:		
Operating:		
Surplus (deficit)	\$ 343,249	(397,362)
Amortization	333,119	329,216
Loss (gain) on disposal of tangible capital assets	-	1,913
Restructuring (surplus) deficit	-	11,229
	<u>676,368</u>	<u>(55,004)</u>
Change in assets/liabilities		
Taxes receivable - Municipal	(25,696)	(6,985)
Other accounts receivable	(4,449)	(49,407)
Assets held for sale	7,079	(4,987)
Other financial assets	-	-
Accounts and accrued liabilities payable	(109,333)	105,086
Deposits	595	(940)
Deferred revenue	19,932	40,508
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	(75)	-
Stock and supplies	-	-
Prepayments and deferred charges	5,578	(17,935)
Other	-	-
Net cash from operations	<u>569,999</u>	<u>10,336</u>
Capital:		
Cash used to acquire tangible capital assets	(49,515)	(198,091)
Proceeds on sale of tangible capital assets	-	190
Other capital	-	-
Net cash used for capital	<u>(49,515)</u>	<u>(197,901)</u>
Investing:		
Proceeds on disposal of investments	230	-
Acquisition in investment	-	-
Net cash from investing	<u>230</u>	<u>-</u>
Financing activities:		
Debt charges recovered	-	-
Proceeds from debt issues	2,775	200,000
Debt repayment	(361,823)	(315,644)
Other financing	-	-
Net cash used for financing	<u>(359,048)</u>	<u>(115,644)</u>
Increase (decrease) in cash resources	161,666	(303,209)
Cash and temporary investments, beginning of year	<u>602,316</u>	<u>905,525</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 763,982</u>	<u>602,316</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the municipality 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.

Entities included in these financial statements are as follows:

Entity
Luseland Recreational Board
Luseland & District Museum Board
Luseland Community Motel

All inter-organizational transactions and balances have been eliminated.

Partnerships

A partnership represents a contractual arrangement between the municipality 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 municipality 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 3.

(d) Government Transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as 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 municipality 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.

TOWN OF LUSELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Deferred Revenue - Fees and Charges

Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.

(g) Local Improvement Charges

Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.

(h) Net-Financial Assets

Net-financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

(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) Investments

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment.

Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

(m) Inventories

Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price of the inventory in the ordinary course of business.

TOWN OF LUSELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 to 30 years
Buildings	25 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.

(o) Landfill liability

The Town of Luseland maintains a waste disposal site. The Town is in the process of determining closure and post-closure costs. An amount has been accrued relating to management's best estimate, see Note 8.

TOWN OF LUSELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
- d) it is expected that future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

(q) Employee benefit plans

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

(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. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

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

The 'Opening asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets.

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

TOWN OF LUSELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

(t) **Assets held for sale**

The municipality 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 reasonable anticipated to be completed within one year of the financial statement date.

2. CASH AND TEMPORARY INVESTMENTS

	<u>2022</u>	<u>2021</u>
Cash	\$ 763,982	602,316
Temporary investments	<u>-</u>	<u>-</u>
	<u>\$ 763,982</u>	<u>602,316</u>

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less.

TOWN OF LUSELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2022

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2022</u>	<u>2021</u>
Municipal: - Current	\$ 61,365	43,040
- Arrears	<u>10,647</u>	<u>3,276</u>
	72,012	46,316
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>72,012</u>	<u>46,316</u>
School: - Current	11,969	11,072
- Arrears	<u>2,389</u>	<u>590</u>
Total school taxes receivable	<u>14,358</u>	<u>11,662</u>
Other: - Current	-	-
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>-</u>	<u>-</u>
Total taxes and grants in lieu receivable	86,370	57,978
Deduct taxes receivable to be collected on behalf of other organizations	<u>(14,357)</u>	<u>(11,662)</u>
Total taxes receivable - Municipal	<u>\$ 72,012</u>	<u>46,316</u>

4. OTHER ACCOUNTS RECEIVABLE

	<u>2022</u>	<u>2021</u>
Federal government	\$ 58,471	63,544
Provincial government	-	47,699
Local government	12,000	-
Utility	98,075	78,072
Trade	29,477	4,259
Other	<u>-</u>	<u>-</u>
Total other accounts receivable	198,023	193,574
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 198,023</u>	<u>193,574</u>

5. ASSETS HELD FOR SALE

	<u>2022</u>	<u>2021</u>
Tax title property	\$ 23,580	31,166
Less: - allowance for market value adjustment	(1,000)	(1,000)
- due to other taxing authorities	<u>(402)</u>	<u>(908)</u>
Net tax title Property	<u>22,178</u>	<u>29,258</u>
Other land	-	-
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net other land	<u>-</u>	<u>-</u>
Total land for resale	<u>\$ 22,178</u>	<u>29,258</u>

TOWN OF LUSELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2022

6. LONG-TERM INVESTMENTS

	<u>2022</u>	<u>2021</u>
Equity in co-operatives	\$ 12,375	12,613
Nursing Home shares	4,231	4,231
Credit Union shares	10	10
Luseland Credit Union term deposit	<u>101,999</u>	<u>101,991</u>
Total long term investments	<u>\$ 118,615</u>	<u>118,845</u>

7. BANK INDEBTEDNESS

Credit Arrangements

At December 31, 2022, the Town had a line of credit totaling \$350,000, none of which was drawn.

8. ACCRUED LANDFILL COSTS

	<u>2022</u>	<u>2021</u>
Accrued landfill costs	<u>\$ 266,250</u>	<u>266,250</u>

The Town has accrued an overall liability for environmental matters which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

The Town has been accepted into the Investing in Canada's Infrastructure Program relating to the landfill decommissioning project to help finance the decommissioning of the landfill.

TOWN OF LUSELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2022

9. LONG-TERM DEBT

a) The authorized debt limit for the Town is \$1,377,298. 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.

b) Debenture debt:

	<u>2022</u>	<u>2021</u>
Debenture for construction of new water treatment plant building, installation of nanofiltration system and the drilling of two new wells, bearing interest of 3.60% per annum, payments of \$109,742 annually, inclusive of interest, for 15 years. The money for the payments of debt and interest shall be raised annually.	\$ 402,135	494,090
Debenture for Motel renovations and purchase of land, repayable in annual payments of \$92,770 including interest at 3.80%; matures in 2023. To be repaid by Luseland Community Motel Ltd.	175,477	258,427
Debenture for installation of a sewage pumping station and related construction to replace the existing lift station, bearing interest of 3.20% per annum, payments of \$59,215 annually, inclusive of interest, for 10 years. The money for the payments of debt and interest shall be raised annually.	<u>270,917</u>	<u>319,935</u>
	<u>\$ 848,529</u>	<u>1,072,452</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total
2023	\$ 231,913	29,815	261,728
2024	240,233	21,495	261,728
2025	156,080	12,877	168,957
2026	161,482	7,474	168,956
2027	58,821	1,882	60,703
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>
Balance	<u>\$ 848,529</u>	<u>73,543</u>	<u>922,072</u>

TOWN OF LUSELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2022

8. LONG-TERM DEBT (CONTINUED)

c) Bank loans:

	<u>2022</u>	<u>2021</u>
Luseland Credit Union loan for Western Regional Landfill Inc., payments are \$42,978 annually, starting October, 2022 (final payment is \$43,034), bearing interest at variable rate of 6.45%, maturing in 2026.	\$ 162,105	200,000
Luseland Credit Union loan for completion of swimming pool, payments are \$68,200 annually, starting December 31, 2021 (final payment is \$60,728), with no interest being charged, maturing in 2024.	131,703	197,128
Luseland Credit Union loan for asphalt repairs, payments are \$35,666 annually, starting August 30, 2021 (final payment is \$37,337), bearing interest at variable rate of 6.45%, maturing in 2025.	<u>95,922</u>	<u>127,727</u>
	<u>\$ 389,730</u>	<u>524,855</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total
2023	\$ 130,522	12,569	143,091
2024	129,325	9,999	139,324
2025	71,805	6,897	78,702
2026	58,078	3,805	61,883
2027	-	-	-
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>
Balance	<u>\$ 389,730</u>	<u>33,270</u>	<u>423,000</u>

TOWN OF LUSELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2022

10. BUDGET

The Financial Plan (Budget) adopted by Council on May 10, 2022 does not include the Luseland Motel, Luseland Recreation Board, and Luseland & District Museum Board. The budget 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 budget expensed all tangible capital expenditures rather than including full amortization expense. In addition, the budget expensed the full amount of loan payments, rather than only the interest component. As a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<u>2022</u>
Budget net surplus	\$ 11,310
Add: Investment in tangible capital assets	74,990
Long-term debt repaid (principal portion)	<u>361,823</u>
Budget surplus per statement of operations	<u>\$ 448,123</u>

11. PENSION PLAN

Employees of the Town participate in 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. During the year, Police contributed 12.5% to the plan, and all other members contributed at 9%. The Town matches all employees' contributions to the plan.

Pension expense for the year included the Salaries, Wages and Benefits expenses was \$31,827 (2021 - \$31,088). The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Total current service contributions by the municipality to MEPP in 2022 were \$31,827 (2021 - \$31,088). Total current service contributions by the employees of the municipality to MEPP in 2022 were \$31,827 (2021 - \$31,088).

Based on the latest information available (December 31, 2021 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$1,444,386,000. This is based on the most recent actuarial valuation, completed December 31, 2020. The Town's portion of this is not readily determinable.

TOWN OF LUSELAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022

12. RECENT ACCOUNTING PRONOUNCEMENTS

A number of new and amended standards have been issued that may impact the Town:

Standards effective on or after April 1, 2022:

PS 1201 Financial Statement Presentation replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Requires a new statement of re-measurement gains and losses separate from the statement of operations arising from the re-measurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. Effective in the period PS 3450 and PS 2601 are adopted.

PS 2601 Foreign Currency Translation replaces PS 2600 with revised guidance on the recognition, presentation and disclosure of transactions that are denominated in a foreign currency. Requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in a foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the statement of re-measurement gains and losses.

PS 3041 Portfolio Investments replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of portfolio investments. Removes the distinction between temporary and portfolio investments. Upon adoption of PS 3450 and PS 3041, PS 3030, Temporary Investments, will no longer apply. Effective in the period PS 3450, PS 2601 and PS 1201 are adopted.

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

PS 3280 Asset Retirement Obligations is 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.

Standards effective on or after April 1, 2023:

PS 3400 Revenue is 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 Town continues to assess the impacts of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.

TOWN OF LUSELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2022

13. RESTRUCTURING TRANSACTIONS

On January 1, 2021 the Town transferred Protective services fire machinery and equipment and the responsibility for the ongoing operation of the assets to The Luseland and District Fire Protection Board. The Town of Luseland retained the fire hall, and is currently leasing the premise to The Luseland and District Fire Protection Board. The transfer was due to intention of separating the fire activities from the Town of Luseland, to be shared by the participating municipalities. The carrying amount of assets transferred of \$11,229 is recorded as an expense in the prior year comparative figures.

TOWN OF LUSELAND

SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ 922,900	922,904	768,935
Abatements and adjustments	9,900	(9,899)	(16,120)
Discount on current year taxes	<u>(40,000)</u>	<u>(42,911)</u>	<u>(35,542)</u>
Net municipal taxes	892,800	870,094	717,273
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	-	2,936	3,120
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	<u>892,800</u>	<u>873,030</u>	<u>720,393</u>
UNCONDITIONAL GRANTS			
Revenue sharing	120,930	120,924	141,795
Organized Hamlet	-	-	-
Other	-	-	-
Total Unconditional Grants	<u>120,930</u>	<u>120,924</u>	<u>141,795</u>
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	17,000	18,917	16,355
TransGas	-	-	-
Central Services	-	-	-
Sasktel	3,440	3,230	2,720
Other	-	-	-
Local/Other			
Housing Authority	22,590	21,236	17,764
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	35,540	40,542	33,850
Sask Energy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	<u>78,570</u>	<u>83,925</u>	<u>70,689</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 1,092,300</u>	<u>1,077,879</u>	<u>932,877</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	2
Sales of supplies	-	1,264	3,697
Other (Rentals, licenses)	74,140	76,728	69,797
Total Fees and Charges	<u>74,140</u>	<u>77,992</u>	<u>73,496</u>
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	12,000	7,390	-
Investment income and commissions	2,420	6,925	4,808
Other	-	-	-
Total other segmented revenue	<u>88,560</u>	<u>92,307</u>	<u>78,304</u>
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>88,560</u>	<u>92,307</u>	<u>78,304</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>88,560</u>	<u>92,307</u>	<u>78,304</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other (Fire and policing fees)	4,800	7,023	5,510
Total Fees and Charges	<u>4,800</u>	<u>7,023</u>	<u>5,510</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>4,800</u>	<u>7,023</u>	<u>5,510</u>
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>4,800</u>	<u>7,023</u>	<u>5,510</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>4,800</u>	<u>7,023</u>	<u>5,510</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 6,000	6,860	4,580
Sales of supplies	100	504	184
Road Maintenance and Restoration Agreements	-	-	-
Other	-	-	-
Total Fees and Charges	<u>6,100</u>	<u>7,364</u>	<u>4,764</u>
Tangible capital asset sales - gain (loss)	-	-	190
Other	-	-	-
Total other segmented revenue	<u>6,100</u>	<u>7,364</u>	<u>4,954</u>
Conditional Grants			
Primary Weight Corridor	-	-	-
Student employment	-	-	-
Other (airport)	-	-	47,699
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>47,699</u>
Total Operating	<u>6,100</u>	<u>7,364</u>	<u>52,653</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	38,500	19,251	75,913
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>38,500</u>	<u>19,251</u>	<u>75,913</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>44,600</u>	<u>26,615</u>	<u>128,566</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	50,080	48,322	49,970
Other (Cemetery fees)	1,000	1,500	3,500
Total Fees and Charges	<u>51,080</u>	<u>49,822</u>	<u>53,470</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other (MMSW)	4,500	16,767	4,479
Total other segmented revenue	<u>55,580</u>	<u>66,589</u>	<u>57,949</u>
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	10,040	10,107	5,350
Other (Donations)	-	830	1,650
Total Conditional Grants	<u>10,040</u>	<u>10,937</u>	<u>7,000</u>
Total Operating	<u>65,620</u>	<u>77,526</u>	<u>64,949</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other (ICIP - landfill decommissioning)	26,390	34,990	-
Total Capital	<u>26,390</u>	<u>34,990</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services Services	<u>92,010</u>	<u>112,516</u>	<u>64,949</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ -	-	-
Other (Motel rentals)	-	86,754	113,033
Total Fees and Charges	-	86,754	113,033
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	86,754	113,033
Conditional Grants			
Student employment	-	-	-
Other (FCM - Capital asset management)	29,250	23,405	-
Total Conditional Grants	29,250	23,405	-
Total Operating	<u>29,250</u>	<u>110,159</u>	<u>113,033</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	25,000	25,000	-
Total Capital	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Restructuring Revenue	-	-	-
Total Planning and Development Services	<u>54,250</u>	<u>135,159</u>	<u>113,033</u>
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Recreation fees	79,450	74,001	71,624
Other	-	-	-
Total Fees and Charges	79,450	74,001	71,624
Tangible capital asset sales - gain (loss)	-	-	(2,103)
Other (Insurance proceeds, Sask Lotteries)	-	17,263	287,538
Total other segmented revenue	79,450	91,264	357,059
Conditional Grants			
Student employment	3,310	3,310	5,077
Local government	69,330	64,328	46,892
Donations	18,170	205,218	86,037
Other	-	-	-
Total Conditional Grants	90,810	272,856	138,006
Total Operating	<u>170,260</u>	<u>364,120</u>	<u>495,065</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other (Donations)	68,200	41,498	199,335
Total Capital	<u>68,200</u>	<u>41,498</u>	<u>199,335</u>
Restructuring Revenue	-	-	-
Total Recreation and Cultural Services	<u>238,460</u>	<u>405,618</u>	<u>694,400</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 282.030	275.958	281.258
Sewer	61.050	60.376	61.049
Other	-	-	-
Total Fees and Charges	<u>343.080</u>	<u>336.334</u>	<u>342.307</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>343.080</u>	<u>336.334</u>	<u>342.307</u>
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>343.080</u>	<u>336.334</u>	<u>342.307</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund (CWWF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>343.080</u>	<u>336.334</u>	<u>342.307</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 865.760</u>	<u>1,115.572</u>	<u>1,427.069</u>
SUMMARY			
Total Other Segmented Revenue	\$ 577.570	687.635	959,116
Total Conditional Grants	130.100	307.198	192.705
Total Capital Grants and Contributions	158.090	120,739	275.248
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	<u>\$ 865.760</u>	<u>1,115.572</u>	<u>1,427.069</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 42,080	37,456	40,961
Wages and benefits	151,250	149,887	137,529
Professional/Contractual services	80,620	75,806	62,196
Utilities	3,400	2,623	3,381
Maintenance, materials, and supplies	32,000	27,550	21,131
Grants and contributions	500	300	160
	-	-	-
Amortization	-	-	-
Interest	3,500	2,474	3,072
Allowance for uncollectibles	-	-	1,906
General Government Services	<u>313,350</u>	<u>296,096</u>	<u>270,336</u>
Restructuring	-	-	-
Total General Government Services	<u>313,350</u>	<u>296,096</u>	<u>270,336</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	102,680	107,658	88,948
Professional/Contractual services	23,580	15,235	24,539
Utilities	6,660	6,445	6,329
Maintenance, materials, and supplies	17,200	15,837	12,371
Grants and contributions	-	-	-
	-	-	-
Amortization	2,200	7,719	2,199
Interest	-	-	-
Other	-	-	-
Fire protection			
Wages and benefits	-	-	-
Professional/Contractual services	940	(38)	779
Utilities	3,410	4,156	4,201
Maintenance, materials, and supplies	-	-	-
Grants and contributions	15,080	15,082	15,082
	-	-	-
Amortization	15,080	15,082	40,280
Interest	-	-	-
Other	-	-	-
Protective Services	<u>186,830</u>	<u>187,176</u>	<u>194,728</u>
Restructuring	-	-	11,229
Total Protective Services	<u>186,830</u>	<u>187,176</u>	<u>205,957</u>
TRANSPORTATION SERVICES			
Wages and benefits	86,110	84,688	108,318
Professional/Contractual services	31,060	18,724	229,530
Utilities	28,370	38,077	27,105
Maintenance, materials, and supplies	27,610	25,743	27,156
Gravel	1,000	-	1,643
Grants and contributions	5,000	5,000	52,699
	-	-	-
Amortization	50,310	77,877	77,877
Interest	3,855	5,142	4,071
Other	-	-	-
Transportation Services	<u>233,315</u>	<u>255,251</u>	<u>528,399</u>
Restructuring	-	-	-
Total Transportation Services	<u>233,315</u>	<u>255,251</u>	<u>528,399</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ 19,600	33,734	27,828
Professional/Contractual services	87,190	90,131	101,665
Utilities	2,020	2,450	1,946
Maintenance, materials, and supplies	6,820	8,382	4,116
Grants and contributions			
-operating			
Waste disposal	-	-	-
Public health	18,510	19,869	18,000
-capital			
Waste disposal	-	-	-
Public health	-	-	-
Amortization	3,630	7,317	7,317
Interest	5,085	8,660	3,155
Other (Western Regional Landfill Inc.)	-	35,096	247,603
Other (Landfill decommissioning)	-	-	-
Environmental and Public Health Services	<u>142,855</u>	<u>205,639</u>	<u>411,630</u>
Restructuring	-	-	-
Total Environmental and Public Health Services	<u>142,855</u>	<u>205,639</u>	<u>411,630</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	18,120	42,486	68,024
Utilities	9,300	35,712	32,417
Maintenance, materials, and supplies	1,030	36,960	29,732
Grants and contributions			
-operating	350	300	375
-capital	-	-	-
Amortization	16,140	30,899	32,287
Interest	9,820	6,936	10,043
Other	-	-	-
Planning and Development Services	<u>54,760</u>	<u>153,293</u>	<u>172,878</u>
Restructuring	-	-	-
Total Planning and Development Services	<u>54,760</u>	<u>153,293</u>	<u>172,878</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	70,850	63,566	65,349
Professional/Contractual services	60,830	128,402	425,181
Utilities	52,500	71,743	45,885
Maintenance, materials, and supplies	28,630	26,719	30,456
Grants and contributions			
-operating	5,630	41,649	82,561
-capital	-	-	-
Amortization	44,030	86,319	88,070
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	<u>262,470</u>	<u>418,398</u>	<u>737,502</u>
Restructuring	-	-	-
Total Recreation and Cultural Services	<u>262,470</u>	<u>418,398</u>	<u>737,502</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
UTILITY SERVICES			
Wages and benefits	\$ 59,610	60,506	66,756
Professional/Contractual services	91,610	30,327	141,184
Utilities	31,310	35,315	29,802
Maintenance, materials, and supplies	56,900	56,432	39,688
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	48,940	122,989	121,464
Interest	27,987	26,961	31,712
Allowance for uncollectibles	-	1,819	-
Other	-	-	-
Utility Services	<u>316,357</u>	<u>334,349</u>	<u>430,606</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>316,357</u>	<u>334,349</u>	<u>430,606</u>
TOTAL EXPENDITURES BY FUNCTION	<u>\$ 1,509,937</u>	<u>1,850,202</u>	<u>2,757,308</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND

Schedule 4

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

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	\$ 77,992	7,023	7,364	49,822	86,754	74,001	336,334	639,290
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	7,390	-	-	-	-	-	-	7,390
Investment income and commissions	6,925	-	-	-	-	-	-	6,925
Other revenues	-	-	-	16,767	-	17,263	-	34,030
Grants - Conditional	-	-	-	10,937	23,405	272,856	-	307,198
Grants - Capital	-	-	19,251	34,990	25,000	41,498	-	120,739
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>92,307</u>	<u>7,023</u>	<u>26,615</u>	<u>112,516</u>	<u>135,159</u>	<u>405,618</u>	<u>336,334</u>	<u>1,115,572</u>
Expenses (Schedule 3)								
Wages & Benefits	187,343	107,658	84,688	33,734	-	63,566	60,506	537,495
Professional/Contractual Services	75,806	15,197	18,724	90,131	42,486	128,402	30,327	401,073
Utilities	2,623	10,601	38,077	2,450	35,712	71,743	35,315	196,521
Maintenance, materials and supplies	27,550	15,837	25,743	8,382	36,960	26,719	56,432	197,623
Grants and contributions	300	30,164	5,000	19,869	300	41,649	-	97,282
Amortization	-	7,719	77,877	7,317	30,899	86,319	122,989	333,120
Interest	2,474	-	5,142	8,660	6,936	-	26,961	50,173
Allowance for uncollectibles.	-	-	-	-	-	-	1,819	1,819
Other	-	-	-	35,096	-	-	-	35,096
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>296,096</u>	<u>187,176</u>	<u>255,251</u>	<u>205,639</u>	<u>153,293</u>	<u>418,398</u>	<u>334,349</u>	<u>1,850,202</u>
Surplus (deficit) by function	(203,789)	(180,153)	(228,636)	(93,123)	(18,134)	(12,780)	1,985	(734,630)
Taxation and other unconditional revenue (Schedule 1)								1,077,879
Net Surplus (Deficit)								<u>\$ 343,249</u>

See accompanying notes to the financial statements.



TOWN OF LUSELAND

Schedule 5

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2021

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 73,496	5,510	4,764	53,470	113,033	71,624	342,307	664,204
Tangible capital asset sales - Gain (loss)	-	-	190	-	-	(2,103)	-	(1,913)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	4,808	-	-	-	-	-	-	4,808
Other revenues	-	-	-	4,479	-	287,538	-	292,017
Grants - Conditional	-	-	47,699	7,000	-	138,006	-	192,705
Grants - Capital	-	-	75,913	-	-	199,335	-	275,248
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>78,304</u>	<u>5,510</u>	<u>128,566</u>	<u>64,949</u>	<u>113,033</u>	<u>694,400</u>	<u>342,307</u>	<u>1,427,069</u>
Expenses (Schedule 3)								
Wages & Benefits	178,490	88,948	108,318	27,828	-	65,349	66,756	535,689
Professional/Contractual Services	62,196	25,318	229,530	101,665	68,024	425,181	141,184	1,053,098
Utilities	3,381	10,530	27,105	1,946	32,417	45,885	29,802	151,066
Maintenance, materials and supplies	21,131	12,371	28,799	4,116	29,732	30,456	39,688	166,293
Grants and contributions	160	55,362	52,699	18,000	375	82,561	-	209,157
Amortization	-	2,199	77,877	7,317	32,287	88,070	121,464	329,214
Interest	3,072	-	4,071	3,155	10,043	-	31,712	52,053
Allowance for uncollectibles	1,906	-	-	-	-	-	-	1,906
Other	-	-	-	247,603	-	-	-	247,603
Restructurings	-	11,229	-	-	-	-	-	11,229
Total expenses	<u>270,336</u>	<u>205,957</u>	<u>528,399</u>	<u>411,630</u>	<u>172,878</u>	<u>737,502</u>	<u>430,606</u>	<u>2,757,308</u>
Surplus (deficit) by function	(192,032)	(200,447)	(399,833)	(346,681)	(59,845)	(43,102)	(88,299)	(1,330,239)
Taxation and other unconditional revenue (Schedule 1)								932,877
Net Surplus (Deficit)								<u>\$ (397,362)</u>

See accompanying notes to the financial statements.



TOWN OF LUSELAND

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2022
with comparative figures for 2021

	2022						2021	
	General Assets			Infrastructure Assets		General / Infrastructure Assets Under Construction	Total	
	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset cost								
Opening asset costs	\$ 873,374	1,783,459	4,638,963	1,007,001	2,932,232	254,452	11,591,516	11,754,555
Additions during the year	-	28,758	-	-	-	20,757	49,515	198,091
Disposals and write-downs during the year	-	-	-	-	-	-	-	(21,031)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	(340,101)
Closing asset costs	<u>873,374</u>	<u>1,812,217</u>	<u>4,638,963</u>	<u>1,007,001</u>	<u>2,932,232</u>	<u>275,209</u>	<u>11,641,031</u>	<u>11,591,514</u>
Accumulated amortization cost								
Opening accumulated amortization costs	-	137,597	2,292,053	709,119	1,685,121	-	4,893,374	4,911,960
Add: Amortization taken	-	62,154	136,468	53,913	71,300	-	333,120	329,214
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	(18,928)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	(328,872)
Closing accumulated amortization costs	<u>-</u>	<u>199,751</u>	<u>2,428,521</u>	<u>763,032</u>	<u>1,756,421</u>	<u>-</u>	<u>5,226,494</u>	<u>4,893,374</u>
Net book value	<u>\$ 873,374</u>	<u>1,612,466</u>	<u>2,210,442</u>	<u>243,969</u>	<u>1,175,811</u>	<u>275,209</u>	<u>6,414,537</u>	<u>6,698,140</u>

1. Total contributed/donated assets received in 2022: \$ -

2. List of assets recognized at nominal value in 2022 are:

-Infrastructure Assets

-Vehicles

-Machinery and Equipment

3. Amount of interest capitalized in 2022:

See accompanying notes to the financial statements.

TOWN OF LUSELAND

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	2022						2021	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Asset cost								
Opening asset costs	\$ 283,567	486,193	2,183,743	107,276	1,535,377	2,180,300	4,815,060	11,591,516
Additions during the year	-	-	-	-	9,712	28,758	11,045	49,515
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing asset costs	<u>283,567</u>	<u>486,193</u>	<u>2,183,743</u>	<u>107,276</u>	<u>1,545,089</u>	<u>2,209,058</u>	<u>4,826,105</u>	<u>11,641,031</u>
Accumulated amortization cost								
Opening accumulated amortization costs	-	450,927	1,278,956	58,570	600,895	520,230	1,983,796	4,911,960
Add: Amortization taken	-	7,719	77,877	7,317	30,899	86,319	122,989	329,214
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	(18,928)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>-</u>	<u>458,646</u>	<u>1,356,833</u>	<u>65,887</u>	<u>631,794</u>	<u>606,549</u>	<u>2,106,785</u>	<u>5,226,494</u>
Net book value	<u>\$ 283,567</u>	<u>27,547</u>	<u>826,910</u>	<u>41,389</u>	<u>913,295</u>	<u>1,602,509</u>	<u>2,719,320</u>	<u>6,414,537</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND

CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2022

	<u>2021</u>	<u>Changes</u>	<u>2022</u>
UNAPPROPRIATED SURPLUS	\$ <u>(4,562)</u>	<u>98,949</u>	<u>94,387</u>
APPROPRIATED RESERVES			
Machinery and equipment	-	-	-
Public reserve	-	-	-
Capital trust	8,320	54	8,374
Utility	87,151	49,582	136,733
Other:			
Swimming pool	27,862	28,233	56,095
Fire	60,535	399	60,934
Cemetery	5,485	36	5,521
Theatre	6,414	42	6,456
Rink	88,649	11,609	100,258
Environmental and public health	19,456	3,764	23,220
Land	21,877	145	22,022
Economic development	18	-	18
Planning and development	37,803	16,411	54,214
Police	39,678	2,464	42,142
Transportation services	87,443	50,956	138,399
Recreation and culture	4,921	5,049	9,970
Hospital levy	15,670	103	15,773
New pool fundraiser	1,216	8	1,224
Total Appropriated	<u>512,498</u>	<u>168,855</u>	<u>681,353</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	6,698,140	(283,603)	6,414,537
Less: Related debt	<u>(1,597,307)</u>	<u>359,048</u>	<u>(1,238,259)</u>
Net Investment in Tangible Capital Assets	<u>5,100,833</u>	<u>75,445</u>	<u>5,176,278</u>
Total Accumulated Surplus	<u>\$ 5,608,769</u>	<u>343,249</u>	<u>5,952,018</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND
SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2022
 with comparative figures for 2021

	PROPERTY CLASS					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	
Taxable Assessment	\$ 61,270	30,929,820	-	-	13,446,745	\$ 44,437,835
Regional Park Assessment						
Total Assessment	1.0000	1.0000	1.0000	1.0000	1.5100	\$ 44,437,835
Mill Rate Factor(s)	452	388.682	-	-	72.114	461,248
Total Base/Minimum Tax (generated for each property class)	\$ 1,003	667,046	-	-	254,855	922,904

MILL RATES:

Average Municipal*	20.768
Average School*	5.238
Potash Mill Rate	-
Uniform Municipal Mill Rate	9.000

* 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 LUSELAND

SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2022
with comparative figures for 2021

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Kathy Wurz	\$ 8,300	139	8,439
Councillor	Krystal Bazylnski	4,925	-	4,925
Councillor	Charles Boser	4,000	-	4,000
Councillor	Bobbi Elliott	4,000	-	4,000
Councillor	Edie Gillis	5,550	-	5,550
Councillor	Neil Kennedy	3,800	-	3,800
Councillor	Candice Kraft	4,000	-	4,000
Total		<u>\$ 34,575</u>	<u>139</u>	<u>34,714</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND
SCHEDULE OF RESTRUCTURING
Year ended December 31, 2022

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

Cash and temporary investments	\$ -
Taxes Receivable - Municipal	-
Other accounts receivable	-
Assets held for sale	-
Long-term investments	-
Debt charges recoverable	-
Bank indebtedness	-
Accounts payable	-
Accrued liabilities payable	-
Deposits	-
Deferred revenue	-
Accrued landfill costs	-
Liability for contaminated sites	-
Other liabilities	-
Long-term debt	-
Lease obligations	-
Tangible capital assets	-
Prepayments and deferred charges	-
Stock and supplies	-
Other	-
	<hr/>
Total Net Carrying Amount Received (Transferred)	\$ <u>-</u>

See accompanying notes to the financial statements.