

# **TOWN OF LUSELAND**

**Auditor's Report**

**Financial Statements**

**December 31, 2020**

## MANAGEMENT'S RESPONSIBILITY

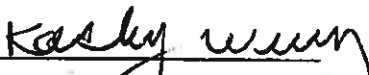
To the Ratepayers of  
**Town of Luseland :**

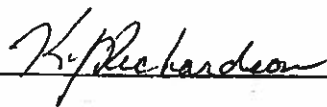
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. The preparation of the statements necessarily includes selecting 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



CHARTERED PROFESSIONAL ACCOUNTANTS

Bill Jensen, C.P.A. Prof. Corp.  
Jeff Stromberg, C.P.A. Prof. Corp.

## 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, 2020** 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, 2020** 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 16, 2021

  
Chartered Professional Accountants

# TOWN OF LUSELAND

Statement 1

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2020  
with comparative figures for 2019

	<u>2020</u>	<u>2019</u>
<b><u>ASSETS</u></b>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 905,525	621,067
Taxes receivable - Municipal (Note 3)	39,331	62,431
Other accounts receivable (Note 4)	144,166	181,314
Land for re-sale (Note 5)	24,271	24,271
Long-term investments (Note 6)	118,845	119,206
Debt charges recoverable	-	-
Other	-	-
	<u>                    </u>	<u>                    </u>
Total financial assets	1,232,138	1,008,289
<b><u>LIABILITIES</u></b>		
Bank indebtedness	-	-
Accounts payable	29,706	9,105
Accrued liabilities payable	20,146	22,110
Deposits	34,622	32,080
Deferred revenue	27,900	25,640
Accrued landfill costs (Note 7)	266,250	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 8)	1,712,951	1,797,311
Lease obligations	-	-
	<u>                    </u>	<u>                    </u>
Total liabilities	2,091,575	1,886,246
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>(859,437)</b>	<b>(877,957)</b>
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	6,842,597	7,116,999
Prepaid and deferred charges	20,973	13,772
Stock and supplies	2,000	2,000
	<u>                    </u>	<u>                    </u>
Total non-financial assets	6,865,570	7,132,771
Accumulated surplus (Schedule 8)	\$ <u>6,006,133</u>	<u>6,254,814</u>

**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, 2020  
with comparative figures for 2019

		<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>Revenues:</b>				
Taxes and other unconditional revenue	(Schedule 1)	\$ 888,910	923,507	871,961
Fees and charges	(Schedule 4, 5)	574,870	652,939	702,366
Conditional grants	(Schedule 4, 5)	57,780	110,324	115,419
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	-	(2,957)
Land sales - gain (loss)	(Schedule 4, 5)	-	-	-
Investment income and commissions	(Schedule 4, 5)	8,630	6,516	13,375
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	-	<u>248,888</u>	<u>12,056</u>
<b>Total Revenues</b>		<u>1,530,190</u>	<u>1,942,174</u>	<u>1,712,220</u>
<b>Expenditures:</b>				
General government services	(Schedule 3)	282,640	351,884	258,638
Protective services	(Schedule 3)	129,630	174,075	210,582
Transportation services	(Schedule 3)	415,790	485,889	290,293
Environmental and public health services	(Schedule 3)	127,150	406,019	147,357
Planning and development services	(Schedule 3)	67,122	244,351	157,446
Recreation and cultural services	(Schedule 3)	224,830	355,534	277,220
Utility services	(Schedule 3)	298,230	355,249	377,950
Restructurings	(Schedule 3)	-	-	-
<b>Total Expenditures</b>		<u>1,545,392</u>	<u>2,373,001</u>	<u>1,719,486</u>
<b>Surplus (deficit) of revenues over expenditures before other capital contributions</b>		<u>(15,202)</u>	<u>(430,827)</u>	<u>(7,266)</u>
<b>Provincial/Federal capital grants and contributions</b>	(Schedule 4, 5)	<u>141,710</u>	<u>182,146</u>	<u>456,847</u>
<b>Surplus (deficit) of revenues over expenditures</b>		126,508	(248,681)	449,581
<b>Accumulated surplus (deficit), beginning of year</b>		<u>6,254,814</u>	<u>6,254,814</u>	<u>5,805,233</u>
<b>Accumulated surplus (deficit), end of year</b>		<u>\$ 6,381,322</u>	<u>6,006,133</u>	<u>6,254,814</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, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>Surplus (deficit)</b>	\$ 126,508	(248,681)	449,581
(Acquisition) of tangible capital assets	(41,000)	(47,747)	(1,260,524)
Amortization of tangible capital assets	109,330	322,149	278,632
Proceeds on disposal of tangible capital assets	-	-	13,817
Loss (gain) on disposal of tangible capital assets	-	-	2,957
Transfer of assets/liabilities in restructuring transactions	-	-	-
<b>Surplus (deficit) of capital expenses over expenditures</b>	<u>68,330</u>	<u>274,402</u>	<u>(965,118)</u>
(Acquisition) of supplies inventories	-	2	(276)
(Acquisition) of prepaid expenses	-	(11,945)	(13,772)
Consumption of supplies inventories	-	-	-
Use of prepaid expenses	-	4,742	5,133
<b>Surplus (deficit) of expenses of other non-financial over expenditures</b>	<u>68,330</u>	<u>(7,201)</u>	<u>(8,915)</u>
<b>Increase (decrease) in Net Financial Assets</b>	263,168	18,520	(524,452)
<b>Net Financial Assets (Debt) - Beginning of the year</b>	<u>(877,957)</u>	<u>(877,957)</u>	<u>(353,505)</u>
<b>Net Financial Assets (Debt)- End of year</b>	<u>\$ (614,789)</u>	<u>(859,437)</u>	<u>(877,957)</u>

See accompanying notes to the financial statements.

# TOWN OF LUSELAND

Statement 4

## CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2020  
with comparative figures for 2019

<b>Cash provided by (used in) the following activities:</b>	<b><u>2020</u></b>	<b><u>2019</u></b>
<b>Operating:</b>		
Surplus (deficit)	\$ (248,681)	449,581
Amortization	322,149	278,632
Loss (gain) on disposal of tangible capital assets	<u>-</u>	<u>2,957</u>
	73,468	731,170
<b>Change in assets/liabilities</b>		
Taxes receivable - Municipal	23,100	(14,973)
Other accounts receivable	37,147	10,675
Land for re-sale	-	(9,143)
Other financial assets	-	-
Accounts and accrued liabilities payable	18,637	(118,748)
Deposits	2,543	400
Deferred revenue	2,260	3,748
Accrued landfill costs	266,250	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	-	(276)
Prepayments and deferred charges	(7,202)	(8,639)
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>416,203</u>	<u>594,214</u>
<b>Capital:</b>		
Acquisition of capital assets	(47,747)	(1,260,524)
Proceeds from the disposal of capital assets	-	13,817
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(47,747)</u>	<u>(1,246,707)</u>
<b>Investing:</b>		
Long-term investments	362	(964)
Other investments	<u>-</u>	<u>-</u>
Net cash from (used for) investing	<u>362</u>	<u>(964)</u>
<b>Financing activities:</b>		
Debt charges recovered	-	-
Long-term debt issued	192,221	300,000
Long-term debt repaid	(276,581)	(201,465)
Other financing	<u>-</u>	<u>-</u>
Net cash from (used for) financing	<u>(84,360)</u>	<u>98,535</u>
Increase (decrease) in cash resources	284,458	(554,922)
Cash and temporary investments, beginning of year	<u>621,067</u>	<u>1,175,989</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 905,525</u>	<u>621,067</u>

See accompanying notes to the financial statements.



# TOWN OF LUSELAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020

### 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

*Luselamd Recreational Board*

*Luseland & District Museum Board*

*Luseland Community Motel*

All inter-organizational transactions and balances have been eliminated.

**(c) Collection of funds for other authorities**

Collection of funds by the municipality for the school board 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) 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.

**(f) Local Improvement Charges**

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

# TOWN OF LUSELAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

**(g) 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.

**(h) 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.

**(i) 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.

**(j) 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.

**(k) 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.

**(l) 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, 2020

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (m) **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.

#### (n) **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 7.

# TOWN OF LUSELAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (o) **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.

#### (p) **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.

#### (q) **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.

#### (r) **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.

# TOWN OF LUSELAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

### 2. CASH AND TEMPORARY INVESTMENTS

	<u>2020</u>	<u>2019</u>
Cash	\$ 905,525	621,067
Temporary investments	<u>-</u>	<u>-</u>
	<u>\$ 905,525</u>	<u>621,067</u>

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

### 3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2020</u>	<u>2019</u>
Municipal: - Current	\$ 31,374	44,722
- Arrears	<u>7,957</u>	<u>17,709</u>
	39,331	62,431
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>39,331</u>	<u>62,431</u>
School: - Current	4,045	12,581
- Arrears	<u>740</u>	<u>3,564</u>
Total school taxes receivable	<u>4,785</u>	<u>16,145</u>
Other: - Current	-	-
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>-</u>	<u>-</u>
Total taxes and grants in lieu receivable	44,116	78,576
Deduct taxes receivable to be collected on behalf of other organizations	<u>(4,784)</u>	<u>(16,145)</u>
Total taxes receivable - Municipal	<u>\$ 39,331</u>	<u>62,431</u>

# TOWN OF LUSELAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020

### 4. OTHER ACCOUNTS RECEIVABLE

	<u>2020</u>	<u>2019</u>
Federal government	\$ 51,982	85,252
Provincial government	-	-
Local government	-	-
Utility	85,315	94,634
Trade	6,869	1,428
Other	-	-
	144,166	181,314
Total other accounts receivable	144,166	181,314
Less: allowance for uncollectibles	-	-
	144,166	181,314
Net other accounts receivable	\$ 144,166	181,314

### 5. LAND FOR RESALE

	<u>2020</u>	<u>2019</u>
Tax title property	\$ 25,809	25,809
Less: - allowance for market value adjustment	(1,000)	(1,000)
- due to other taxing authorities	(538)	(538)
	24,271	24,271
Net tax title Property	24,271	24,271
Other land	-	-
Less: - allowance for market value adjustment	-	-
	-	-
Net other land	-	-
Total land for resale	\$ 24,271	24,271

### 6. LONG-TERM INVESTMENTS

	<u>2020</u>	<u>2019</u>
Equity in co-operatives	\$ 12,613	\$ 12,974
Nursing Home shares	4,231	4,231
Credit Union shares	10	10
Luseland Credit Union term deposit	101,991	101,991
	118,845	119,206
Total long term investments	\$ 118,845	119,206

# TOWN OF LUSELAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020

### 7. ACCRUED LANDFILL COSTS

	<u>2020</u>	<u>2019</u>
Accrued landfill costs	\$ <u>266,250</u>	\$ <u>-</u>

In 2020 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.

### 8. LONG-TERM DEBT

a) The authorized debt limit for the Town is \$1,241,569. 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>2020</u>	<u>2019</u>
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.	\$ 338,341	415,329
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.	582,849	668,524
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>367,433</u>	<u>413,458</u>
	<u>\$ 1,288,623</u>	<u>1,497,311</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total
2021	\$ 216,130	\$ 45,598	\$ 261,728
2022	223,881	37,846	261,727
2023	231,910	29,817	261,727
2024	240,230	21,498	261,728
2025	156,078	12,879	168,957
Thereafter	<u>220,394</u>	<u>9,362</u>	<u>229,756</u>
Balance	<u>\$ 1,288,623</u>	<u>\$ 157,000</u>	<u>\$ 1,445,623</u>

# TOWN OF LUSELAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020

### 8. LONG-TERM DEBT (CONTINUED)

c)Bank loans:

	<u>2020</u>	<u>2019</u>
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 2023.	\$ 265,328	300,000
Luseland Credit Union loan for asphalt repairs, payments are \$35,666 annually, starting August 30, 2021 (final payment is \$27,835), bearing interest at 2.45%, maturing in 2023.	<u>159,000</u>	<u>-</u>
	<u>\$ 424,328</u>	<u>300,000</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total
2021	\$ 100,017	3,848	103,865
2022	100,731	3,135	103,866
2023	101,532	2,333	103,865
2024	94,882	1,512	96,394
2025	27,166	670	27,836
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>
Balance	<u>\$ 424,328</u>	<u>11,498</u>	<u>435,826</u>



# TOWN OF LUSELAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020

### 9. SUBSEQUENT EVENTS

During the 2019 year, a hailstorm caused damage to several Town owned buildings. At year-end, the Town is in the process of settling the insurance claim. During the 2020 year there was \$223,379 of insurance proceeds received with corresponding repair expenditures incurred. There is still an estimated \$250,000 to \$300,000 of insurance proceeds expected to be received for the remaining repairs. No assets or liabilities have been recorded as a result of this claim.

### 10. BUDGET

The Financial Plan (Budget) adopted by Council on May 12, 2020 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>2020</u>
Budget net surplus	\$ 9,420
Add: Investment in tangible capital assets	41,000
Long-term debt repaid (principal portion)	276,888
Less: Transfer from reserves	(800)
Long-term debt issued	<u>(200,000)</u>
Budget surplus per statement of operations	\$ <u>126,508</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 \$27,568 (2019 - \$30,593). 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.

Based on the latest information available (December 31, 2019 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$658,468,000. This is based on the most recent actuarial valuation, completed December 31, 2018. The Town's portion of this is not readily determinable.

# TOWN OF LUSELAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020

### 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

## SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>TAXES</b>			
General municipal tax levy	\$ 708,420	710,503	713,201
Abatements and adjustments	(17,000)	(12,568)	(17,815)
Discount on current year taxes	(12,000)	(33,584)	(31,004)
<b>Net municipal taxes</b>	<u>679,420</u>	<u>664,351</u>	<u>664,382</u>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	3,560	4,276	3,453
Special tax levy	-	-	4
Other	-	-	-
<b>Total Taxes</b>	<u>682,980</u>	<u>668,627</u>	<u>667,839</u>
<b>UNCONDITIONAL GRANTS</b>			
Revenue sharing	129,140	143,069	129,141
Organized Hamlet	-	-	-
Other (Safe Restart)	-	37,164	-
<b>Total Unconditional Grants</b>	<u>129,140</u>	<u>180,233</u>	<u>129,141</u>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	18,800	17,801	18,250
TransGas	-	-	-
Central Services	-	-	-
Sasktel	2,920	2,743	2,743
Other	-	-	-
Local/Other			
Housing Authority	18,170	17,081	17,081
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	36,900	37,022	36,907
Sask Energy Surcharge	-	-	-
Other	-	-	-
<b>Total Grants in Lieu of Taxes</b>	<u>76,790</u>	<u>74,647</u>	<u>74,981</u>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<u>\$ 888,910</u>	<u>923,507</u>	<u>871,961</u>

See accompanying notes to the financial statements.

## TOWN OF LUSELAND

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	341	-
Sales of supplies	10	292	1,425
Other (Rentals, licenses)	57,790	70,262	63,842
Total Fees and Charges	57,800	70,895	65,267
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	-	-
Investment income and commissions	8,630	6,516	13,375
Other (Insurance proceeds)	-	166,969	-
Total other segmented revenue	66,430	244,380	78,642
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	66,430	244,380	78,642
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total General Government Services</b>	66,430	244,380	78,642
<b>PROTECTIVE SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Other (Fire and policing fees)	29,630	47,934	46,572
Total Fees and Charges	29,630	47,934	46,572
Tangible capital asset sales - gain (loss)	-	-	-
Other (Insurance proceeds)	-	24,709	-
Total other segmented revenue	29,630	72,643	46,572
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other (Donations)	-	500	8,150
Total Conditional Grants	-	500	8,150
<b>Total Operating</b>	29,630	73,143	54,722
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Protective Services</b>	29,630	73,143	54,722

See accompanying notes to the financial statements.

## TOWN OF LUSELAND

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 4,200	5,060	4,243
Sales of supplies	120	752	119
Road Maintenance and Restoration Agreements	-	-	-
Other	-	-	-
Total Fees and Charges	<u>4,320</u>	<u>5,812</u>	<u>4,362</u>
Tangible capital asset sales - gain (loss)	-	-	3,900
Other (Insurance proceeds)	-	31,600	-
Total other segmented revenue	<u>4,320</u>	<u>37,412</u>	<u>8,262</u>
Conditional Grants			
Primary Weight Corridor	-	-	-
Student employment	-	-	-
Other (airport)	610	618	1,223
Total Conditional Grants	<u>610</u>	<u>618</u>	<u>1,223</u>
<b>Total Operating</b>	<u>4,930</u>	<u>38,030</u>	<u>9,485</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	73,510	55,136	72,092
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial Disaster Assistance	-	-	-
Other (MEEP)	-	89,543	-
<b>Total Capital</b>	<u>73,510</u>	<u>144,679</u>	<u>72,092</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Transportation Services</b>	<u>78,440</u>	<u>182,709</u>	<u>81,577</u>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	61,190	65,507	61,192
Other	2,300	3,900	2,300
Total Fees and Charges	<u>63,490</u>	<u>69,407</u>	<u>63,492</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>63,490</u>	<u>69,407</u>	<u>63,492</u>
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	2,000	2,000	3,000
Other (Donations)	1,000	2,750	2,040
Total Conditional Grants	<u>3,000</u>	<u>4,750</u>	<u>5,040</u>
<b>Total Operating</b>	<u>66,490</u>	<u>74,157</u>	<u>68,532</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Environmental and Public Health Services Services</b>	<u>66,490</u>	<u>74,157</u>	<u>68,532</u>

See accompanying notes to the financial statements.

## TOWN OF LUSELAND

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ -	-	-
Other (Motel rentals)	-	64,623	104,578
Total Fees and Charges	-	64,623	104,578
Tangible capital asset sales - gain (loss)	-	-	9,917
Other	-	-	-
Total other segmented revenue	-	64,623	114,495
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	64,623	114,495
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Planning and Development Services</b>	-	64,623	114,495
<b>RECREATION AND CULTURAL SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Recreation fees	72,260	57,700	70,379
Other	-	-	-
Total Fees and Charges	72,260	57,700	70,379
Tangible capital asset sales - gain (loss)	-	-	(16,774)
Other (Sask Lotteries)	-	25,610	12,056
Total other segmented revenue	72,260	83,310	65,661
Conditional Grants			
Student employment	1,590	2,343	1,548
Local government	49,530	50,073	50,271
Donations	3,050	52,040	49,187
Other	-	-	-
Total Conditional Grants	54,170	104,456	101,006
<b>Total Operating</b>	126,430	187,766	166,667
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other (Donations)	68,200	37,467	342,755
<b>Total Capital</b>	68,200	37,467	342,755
<b>Restructuring Revenue</b>	-	-	-
<b>Total Recreation and Cultural Services</b>	194,630	225,233	509,422

See accompanying notes to the financial statements.

## TOWN OF LUSELAND

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 286,370	275,628	286,712
Sewer	61,000	60,940	61,004
Other	-	-	-
Total Fees and Charges	<u>347,370</u>	<u>336,568</u>	<u>347,716</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>347,370</u>	<u>336,568</u>	<u>347,716</u>
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Operating</b>	<u>347,370</u>	<u>336,568</u>	<u>347,716</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund (CWWF)	-	-	42,000
Provincial Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>42,000</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Utility Services</b>	<u>347,370</u>	<u>336,568</u>	<u>389,716</u>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<u>\$ 782,990</u>	<u>1,200,813</u>	<u>1,297,106</u>
<b>SUMMARY</b>			
Total Other Segmented Revenue	\$ 583,500	908,343	724,840
Total Conditional Grants	57,780	110,324	115,419
Total Capital Grants and Contributions	141,710	182,146	456,847
Restructuring Revenue	-	-	-
<b>TOTAL REVENUE BY FUNCTION</b>	<u>\$ 782,990</u>	<u>1,200,813</u>	<u>1,297,106</u>

See accompanying notes to the financial statements.

## TOWN OF LUSELAND

## TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 45,950	35,291	44,846
Wages and benefits	132,310	132,727	121,934
Professional/Contractual services	67,080	159,678	61,474
Utilities	2,590	2,642	2,518
Maintenance, materials, and supplies	27,700	15,728	20,974
Grants and contributions	-	220	-
	-operating		
	-capital		
Amortization	-	-	-
Interest	7,010	5,598	6,892
Allowance for uncollectibles	-	-	-
<b>General Government Services</b>	<u>282,640</u>	<u>351,884</u>	<u>258,638</u>
<b>Restructuring</b>	-	-	-
<b>Total General Government Services</b>	<u>282,640</u>	<u>351,884</u>	<u>258,638</u>
<b>PROTECTIVE SERVICES</b>			
<b>Police protection</b>			
Wages and benefits	34,010	30,941	111,694
Professional/Contractual services	56,230	52,328	23,670
Utilities	4,860	5,822	6,929
Maintenance, materials, and supplies	6,150	9,862	8,098
Grants and contributions	-	-	-
	-operating		
	-capital		
Amortization	3,860	7,719	7,719
Interest	-	-	-
Other	-	-	-
<b>Fire protection</b>			
Wages and benefits	-	-	-
Professional/Contractual services	12,860	40,423	15,261
Utilities	6,930	7,817	6,169
Maintenance, materials, and supplies	2,230	14,120	19,199
Grants and contributions	-	-	-
	-operating		
	-capital		
Amortization	2,500	5,013	11,813
Interest	-	-	-
Other	-	30	30
<b>Protective Services</b>	<u>129,630</u>	<u>174,075</u>	<u>210,582</u>
<b>Restructuring</b>	-	-	-
<b>Total Protective Services</b>	<u>129,630</u>	<u>174,075</u>	<u>210,582</u>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	124,070	124,134	95,306
Professional/Contractual services	174,280	194,073	45,477
Utilities	32,590	36,176	33,100
Maintenance, materials, and supplies	36,610	44,042	23,731
Gravel	2,500	2,954	6,181
Grants and contributions	5,000	5,000	5,000
	-operating		
	-capital		
Amortization	40,740	77,877	81,498
Interest	-	1,633	-
Other	-	-	-
<b>Transportation Services</b>	<u>415,790</u>	<u>485,889</u>	<u>290,293</u>
<b>Restructuring</b>	-	-	-
<b>Total Transportation Services</b>	<u>415,790</u>	<u>485,889</u>	<u>290,293</u>

See accompanying notes to the financial statements.



## TOWN OF LUSELAND

## TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	\$ 32,840	27,436	50,133
Professional/Contractual services	64,210	73,764	65,671
Utilities	2,160	1,935	1,145
Maintenance, materials, and supplies	4,580	10,860	5,315
Grants and contributions			
-operating			
Waste disposal	-	-	-
Public health	20,000	19,042	18,361
-capital			
Waste disposal	-	-	-
Public health	-	-	-
Amortization	3,360	6,732	6,732
Interest	-	-	-
Other (Landfill decommissioning)	-	266,250	-
<b>Environmental and Public Health Services</b>	<u>127,150</u>	<u>406,019</u>	<u>147,357</u>
<b>Restructuring</b>	-	-	-
<b>Total Environmental and Public Health Services</b>	<u>127,150</u>	<u>406,019</u>	<u>147,357</u>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	22,020	139,397	50,077
Utilities	11,200	34,132	35,102
Maintenance, materials, and supplies	700	23,576	21,339
Grants and contributions			
-operating	300	300	767
-capital	-	-	-
Amortization	17,120	33,805	34,139
Interest	15,782	13,141	16,022
Other	-	-	-
<b>Planning and Development Services</b>	<u>67,122</u>	<u>244,351</u>	<u>157,446</u>
<b>Restructuring</b>	-	-	-
<b>Total Planning and Development Services</b>	<u>67,122</u>	<u>244,351</u>	<u>157,446</u>
<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	46,700	56,364	47,225
Professional/Contractual services	71,360	72,105	85,560
Utilities	61,350	76,719	47,578
Maintenance, materials, and supplies	22,020	22,244	22,515
Grants and contributions			
-operating	5,450	37,929	38,444
-capital	-	-	-
Amortization	17,950	90,173	35,898
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
<b>Recreation and Cultural Services</b>	<u>224,830</u>	<u>355,534</u>	<u>277,220</u>
<b>Restructuring</b>	-	-	-
<b>Total Recreation and Cultural Services</b>	<u>224,830</u>	<u>355,534</u>	<u>277,220</u>

See accompanying notes to the financial statements.

**TOWN OF LUSELAND**  
**TOTAL EXPENSES BY FUNCTION**

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>UTILITY SERVICES</b>			
Wages and benefits	\$ 61,050	63,088	59,277
Professional/Contractual services	40,810	48,993	54,445
Utilities	42,840	39,840	41,085
Maintenance, materials, and supplies	92,470	66,195	81,573
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	23,800	100,831	100,831
Interest	37,260	36,302	40,739
Allowance for uncollectibles	-	-	-
Other	-	-	-
<b>Utility Services</b>	<u>298,230</u>	<u>355,249</u>	<u>377,950</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Utility Services</b>	<u>298,230</u>	<u>355,249</u>	<u>377,950</u>
<b>TOTAL EXPENDITURES BY FUNCTION</b>	<u>\$ 1,545,392</u>	<u>2,373,001</u>	<u>1,719,486</u>

See accompanying notes to the financial statements.

**CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**

**Year ended December 31, 2020**

	<b>General Government</b>	<b>Protective Services</b>	<b>Transportation Services</b>	<b>Environmental &amp; Public Health</b>	<b>Planning and Development</b>	<b>Recreation and Culture</b>	<b>Utility Services</b>	<b>Total</b>
<b>Revenues (Schedule 2)</b>								
Fees and charges	\$ 70,895	47,934	5,812	69,407	64,623	57,700	336,568	652,939
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	6,516	-	-	-	-	-	-	6,516
Other revenues	166,969	24,709	31,600	-	-	25,610	-	248,888
Grants - Conditional	-	500	618	4,750	-	104,456	-	110,324
Grants - Capital	-	-	144,679	-	-	37,467	-	182,146
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>244,380</b>	<b>73,143</b>	<b>182,709</b>	<b>74,157</b>	<b>64,623</b>	<b>225,233</b>	<b>336,568</b>	<b>1,200,813</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	168,018	30,941	124,134	27,436	-	56,364	63,088	469,981
Professional/Contractual Services	159,678	92,751	194,073	73,764	139,397	72,105	48,993	780,761
Utilities	2,642	13,639	36,176	1,935	34,132	76,719	39,840	205,083
Maintenance, materials and supplies	15,728	23,982	46,996	10,860	23,576	22,244	66,195	209,581
Grants and contributions	220	-	5,000	19,042	300	37,929	-	62,491
Amortization	-	12,732	77,877	6,732	33,805	90,173	100,831	322,150
Interest	5,598	-	1,633	-	13,141	-	36,302	56,674
Allowance for uncollectibles.	-	-	-	-	-	-	-	-
Other	-	30	-	266,250	-	-	-	266,280
Restructurings	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>351,884</b>	<b>174,075</b>	<b>485,889</b>	<b>406,019</b>	<b>244,351</b>	<b>355,534</b>	<b>355,249</b>	<b>2,373,001</b>
<b>Surplus (deficit) by function</b>	<b>(107,504)</b>	<b>(100,932)</b>	<b>(303,180)</b>	<b>(331,862)</b>	<b>(179,728)</b>	<b>(130,301)</b>	<b>(18,681)</b>	<b>(1,172,188)</b>
Taxation and other unconditional revenue (Schedule 1)								<u>923,507</u>
<b>Net Surplus (Deficit)</b>								<b>\$ (248,681)</b>

See accompanying notes to the financial statements.

**CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**

Year ended December 31, 2019

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and charges	\$ 65,267	46,572	4,362	63,492	104,578	70,379	347,716	702,366
Tangible capital asset sales - Gain (loss)	-	-	3,900	-	9,917	(16,774)	-	(2,957)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	13,375	-	-	-	-	-	-	13,375
Other revenues	-	-	-	-	-	12,056	-	12,056
Grants - Conditional	-	8,150	1,223	5,040	-	101,006	-	115,419
Grants - Capital	-	-	72,092	-	-	342,755	42,000	456,847
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>78,642</u>	<u>54,722</u>	<u>81,577</u>	<u>68,532</u>	<u>114,495</u>	<u>509,422</u>	<u>389,716</u>	<u>1,297,106</u>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	166,780	111,694	95,306	50,133	-	47,225	59,277	530,415
Professional/Contractual Services	61,474	38,931	45,477	65,671	50,077	85,560	54,445	401,635
Utilities	2,518	13,098	33,100	1,145	35,102	47,578	41,085	173,626
Maintenance, materials and supplies	20,974	27,297	29,912	5,315	21,339	22,515	81,573	208,925
Grants and contributions	-	-	5,000	18,361	767	38,444	-	62,572
Amortization	-	19,532	81,498	6,732	34,139	35,898	100,831	278,630
Interest	6,892	-	-	-	16,022	-	40,739	63,653
Allowance for uncollectibles.	-	-	-	-	-	-	-	-
Other	-	30	-	-	-	-	-	30
Restructurings	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<u>258,638</u>	<u>210,582</u>	<u>290,293</u>	<u>147,357</u>	<u>157,446</u>	<u>277,220</u>	<u>377,950</u>	<u>1,719,486</u>
<b>Surplus (deficit) by function</b>	(179,996)	(155,860)	(208,716)	(78,825)	(42,951)	232,202	11,766	(422,380)
Taxation and other unconditional revenue (Schedule 1)								<u>871,961</u>
<b>Net Surplus (Deficit)</b>								<u>\$ 449,581</u>

See accompanying notes to the financial statements.

TOWN OF LUSELAND

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2020  
with comparative figures for 2019

	2020							2019	
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
<b>Asset cost</b>									
Opening asset costs	\$ 873,374	1,648,926	4,638,963	102,035	1,316,575	2,919,716	207,220	11,706,809	10,495,682
Additions during the year	-	29,381	-	-	5,849	12,517	-	47,747	1,260,524
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	(49,397)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing asset costs</b>	<u>873,374</u>	<u>1,678,307</u>	<u>4,638,963</u>	<u>102,035</u>	<u>1,322,424</u>	<u>2,932,233</u>	<u>207,220</u>	<u>11,754,556</u>	<u>11,706,809</u>
<b>Accumulated amortization cost</b>									
Opening accumulated amortization costs	-	23,637	2,016,040	56,433	930,546	1,563,154	-	4,589,810	4,343,800
Add: Amortization taken	-	57,009	138,533	9,285	66,655	50,667	-	322,149	278,632
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(32,622)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing accumulated amortization costs</b>	<u>-</u>	<u>80,646</u>	<u>2,154,573</u>	<u>65,718</u>	<u>997,201</u>	<u>1,613,821</u>	<u>-</u>	<u>4,911,959</u>	<u>4,589,810</u>
<b>Net book value</b>	<u>\$ 873,374</u>	<u>1,597,661</u>	<u>2,484,390</u>	<u>36,317</u>	<u>325,223</u>	<u>1,318,412</u>	<u>207,220</u>	<u>6,842,597</u>	<u>7,116,999</u>
1. Total contributed/donated assets received in 2020:			\$ -						
2. List of assets recognized at nominal value in 2020 are:			\$ -						
-Infrastructure Assets			\$ -						
-Vehicles			\$ -						
-Machinery and Equipment			\$ -						
3. Amount of interest capitalized in 2020:			\$ -						

See accompanying notes to the financial statements.

# TOWN OF LUSELAND

## CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	2020							2019	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
<b>Asset cost</b>									
Opening asset costs	\$ 283,567	826,294	2,183,743	101,427	1,488,145	2,015,260	4,808,373	11,706,809	10,495,682
Additions during the year	-	-	-	5,849	-	29,381	12,517	47,747	1,260,524
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	(49,397)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing asset costs</b>	<u>283,567</u>	<u>826,294</u>	<u>2,183,743</u>	<u>107,276</u>	<u>1,488,145</u>	<u>2,044,641</u>	<u>4,820,890</u>	<u>11,754,556</u>	<u>11,706,809</u>
<b>Accumulated amortization cost</b>									
Opening accumulated amortization costs	-	764,868	1,123,201	44,521	534,804	360,915	1,761,501	4,589,810	4,343,800
Add: Amortization taken	-	12,733	77,875	6,732	33,805	90,173	100,831	322,149	278,632
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(32,622)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing accumulated amortization costs</b>	<u>-</u>	<u>777,601</u>	<u>1,201,076</u>	<u>51,253</u>	<u>568,609</u>	<u>451,088</u>	<u>1,862,332</u>	<u>4,911,959</u>	<u>4,589,810</u>
<b>Net book value</b>	<u>\$ 283,567</u>	<u>48,693</u>	<u>982,667</u>	<u>56,023</u>	<u>919,536</u>	<u>1,593,553</u>	<u>2,958,558</u>	<u>6,842,597</u>	<u>7,116,999</u>

See accompanying notes to the financial statements.

## TOWN OF LUSELAND

## CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2020

	<u>2019</u>	<u>Changes</u>	<u>2020</u>
<b>UNAPPROPRIATED SURPLUS</b>	\$ <u>272,382</u>	<u>(301,428)</u>	<u>(29,046)</u>
<b>APPROPRIATED RESERVES</b>			
Machinery and equipment	-	-	-
Public reserve	-	-	-
Capital trust	8,265	34	8,299
Utility	118,289	16,392	134,681
Other:			
Swimming pool	13,508	55	13,563
Fire	92,739	378	93,117
Cemetery	7,441	(1,970)	5,471
Theatre	7,170	(772)	6,398
Rink	85,544	18,158	103,702
Environmental and public health	14,304	3,418	17,722
Land	77,427	315	77,742
Economic development	18	-	18
Planning and development	59,369	52,384	111,753
Police	33,656	3,997	37,653
Transportation services	126,061	150,183	276,244
Recreation and culture	2,178	148	2,326
Hospital levy	15,567	64	15,631
New pool fundraiser	<u>1,208</u>	<u>5</u>	<u>1,213</u>
<b>Total Appropriated</b>	<u>662,744</u>	<u>242,789</u>	<u>905,533</u>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	7,116,999	(274,402)	6,842,597
Less: Related debt	<u>(1,797,311)</u>	<u>84,360</u>	<u>(1,712,951)</u>
<b>Net Investment in Tangible Capital Assets</b>	<u>5,319,688</u>	<u>(190,042)</u>	<u>5,129,646</u>
<b>Total Accumulated Surplus</b>	\$ <u>6,254,814</u>	<u>(248,681)</u>	<u>6,006,133</u>

See accompanying notes to the financial statements.

# TOWN OF LUSELAND

## SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2020  
with comparative figures for 2019

	<u>PROPERTY CLASS</u>						<u>Total</u>
	<u>Agriculture</u>	<u>Residential</u>	<u>Residential Condominium</u>	<u>Seasonal Residential</u>	<u>Commercial &amp; Industrial</u>	<u>Potash Mine(s)</u>	
<b>Taxable Assessment</b>	\$ 49,005	31,870,800	-	-	11,957,400	-	\$ 43,877,205
<b>Regional Park Assessment</b>							-
<b>Total Assessment</b>							\$ 43,877,205
<b>Mill Rate Factor(s)</b>	1.0000	0.9000	1.0000	1.0000	1.5100		
<b>Total Base/Minimum Tax (generated for each property class)</b>	<u>292</u>	<u>342,249</u>	<u>-</u>	<u>-</u>	<u>63,837</u>		
<b>Total Municipal Tax Levy (include base and/or minimum tax and special levies)</b>	<u>\$ 611</u>	<u>528,693</u>	<u>-</u>	<u>-</u>	<u>181,199</u>		

<u>MILL RATES:</u>	<u>MILLS</u>
Average Municipal*	16.193
Average School*	4.703
Potash Mill Rate	-
Uniform Municipal Mill Rate	6.500

\* 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, 2020**  
with comparative figures for 2019

<b>Position</b>	<b>Name</b>	<b><u>Remuneration</u></b>	<b><u>Reimbursed Costs</u></b>	<b><u>Total</u></b>
Mayor	Kathy Wurz	\$ 5,062	137	5,199
Past Mayor	Len Schlosser	6,621	1,832	8,453
Councillor	Krystal Bazylnski	517	-	517
Councillor	Bobbi Elliott	3,625	-	3,625
Councillor	Edie Gillis	3,625	-	3,625
Councillor	Neil Kennedy	3,625	-	3,625
Councillor	Candice Kraft	3,625	447	4,072
Councillor	Clarence Obrigewitch	4,800	948	5,748
Total		<u>\$ 31,500</u>	<u>3,364</u>	<u>34,864</u>

See accompanying notes to the financial statements.

**TOWN OF LUSELAND**  
**SCHEDULE OF RESTRUCTURING**  
**Year ended December 31, 2020**

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

Cash and temporary investments	\$ -
Taxes Receivable - Municipal	-
Other accounts receivable	-
Land for resale	-
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/>
<b>Total Net Carrying Amount Received (Transferred)</b>	<b>\$ -</b>

See accompanying notes to the financial statements.