

TOWN OF LANIGAN
Financial Statements
Year Ended December 31, 2021

TOWN OF LANIGAN
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Year Ended December 31, 2021

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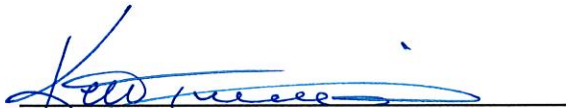
Management's Responsibility

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

In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Council is composed of elected officials who are not employees of the municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the municipality's external auditors.

Grant Thornton LLP, 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 management to discuss their audit findings.


Kelli Timmerman, Chief Administrative Officer


Mr Tony Mycock, Mayor

Lanigan, SK

Date: Oct. 24, 2022

INDEPENDENT AUDITOR'S REPORT

To the Council of the Town of Lanigan

Qualified Opinion

We have audited the financial statements of the Town of Lanigan (the Municipality), which comprise the statement of financial position as at December 31, 2021, and the statements of operations and accumulated surplus and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The Municipality has not assessed the scope of the government reporting entity by determining if it has shared control over an association, which constitutes a departure from Canadian public sector accounting standards. If the Municipality had completed this assessment and determined that in fact, the Municipality has shared control over this association in accordance to the definition in Canadian public sector accounting standards, this association would be proportionately consolidated in the Municipality's financial statements. The impact from this departure from Canadian public sector accounting standards has not been determined and therefore, we were unable to determine if any adjustments might be necessary to the surplus of revenue over expenditures for the year ending December 31, 2021 and net assets, accumulated surplus and cash flows for the year then ended.

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 Municipality 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Emphasis of Matter

We draw attention to Note 14 to the financial statements, which explains that certain comparative information presented for the year ended December 31, 2020 has been restated. Our opinion is not modified in respect to this matter.

Other Matters

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. Schedules 1, 2, 3, 7 and 10 are presented for purposes of additional information and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

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

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

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

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

(continues)

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality'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 Municipality'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 Municipality 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, Canada
October 24, 2022

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants

TOWN OF LANIGAN
Statement of Financial Position
As at December 31, 2021
Statement 1

| | 2021 | 2020 (Restated - see Note 14) |
|---|----------------------|-------------------------------------|
| FINANCIAL ASSETS | | |
| Cash and Temporary Investments (Note 2) | \$ 4,785,948 | \$ 4,797,020 |
| Taxes Receivable - Municipal (Note 3) | 70,923 | 87,220 |
| Other Accounts Receivable (Note 4) | 65,039 | 69,129 |
| Long-Term Investments (Note 6) | 1,009,484 | 557,143 |
| Debt Charges Recoverable | - | - |
| Other | - | - |
| Total financial assets | 5,931,394 | 5,510,512 |
| LIABILITIES | | |
| Bank indebtedness (Note 7) | - | - |
| Accounts Payable | 71,652 | 21,025 |
| Accrued Liabilities Payable | 14,730 | 16,586 |
| Deposits | 75,080 | 73,300 |
| Deferred Revenue (Note 8) | 307,207 | 217,384 |
| Accrued Landfill Costs | - | - |
| Liability for Contaminated Sites (Note 9) | - | - |
| Other Liabilities | - | - |
| Long-Term Debt (Note 10) | 1,009,937 | 1,137,136 |
| Lease Obligations | - | - |
| Total liabilities | 1,478,606 | 1,465,431 |
| NET FINANCIAL ASSETS | 4,452,788 | 4,045,081 |
| NON-FINANCIAL ASSETS | | |
| Tangible Capital Assets (Schedule 6, 7) | 16,212,053 | 15,859,740 |
| Prepayments and Deferred Charges | 964 | 49,956 |
| Stock and Supplies | - | - |
| Other | - | - |
| Total Non-Financial Assets | 16,213,017 | 15,909,696 |
| ACCUMULATED SURPLUS (Schedule 8) | \$ 20,665,804 | \$ 19,954,777 |

See notes to financial statements

TOWN OF LANIGAN

Statement of Operations and Accumulated Surplus

As at December 31, 2021

Statement 2

| | Budget | | 2020 (Restated - see Note 14) |
|---|----------------------|----------------------|-------------------------------------|
| | 2021 | 2021 | |
| REVENUES OTHER THAN PROVINCIAL/FEDERAL CAPITAL GRANTS AND CONTRIBUTIONS | | | |
| Taxes and Other Unconditional Revenue (Schedule 1) | \$ 1,677,858 | \$ 1,678,444 | \$ 1,778,670 |
| Fees and Charges (Schedule 4, 5) | 987,650 | 1,009,668 | 960,593 |
| Conditional Grants (Schedule 4, 5) | 36,071 | 161,861 | 102,669 |
| Tangible Capital Assets Sales - Gain (Loss) (Schedule 4, 5) | - | (25,231) | 16,317 |
| Land Sales - Gain (Loss) (Schedule 4, 5) | - | - | - |
| Investment Income and Commissions (Schedule 4, 5) | 30,000 | 33,246 | 44,977 |
| Restructuring (Schedule 4, 5) | - | - | - |
| Other Revenues (Schedule 4, 5) | 756,000 | 534,987 | 249,400 |
| Total Revenues other than Provincial/Federal Capital Grants and Contributions | 3,487,579 | 3,392,975 | 3,152,626 |
| EXPENSES | | | |
| General Government Services (Schedule 3) | 384,701 | 436,290 | 397,020 |
| Protective Services (Schedule 3) | 231,895 | 262,888 | 256,117 |
| Transportation Services (Schedule 3) | 705,665 | 714,823 | 572,731 |
| Environmental and Public Health Services (Schedule 3) | 109,265 | 138,501 | 138,858 |
| Planning and Development Services (Schedule 3) | 57,320 | 79,407 | 38,624 |
| Recreation and Cultural Services (Schedule 3) | 443,678 | 434,494 | 377,430 |
| Utility Services (Schedule 3) | 973,273 | 702,062 | 759,469 |
| Restructuring (Schedule 3) | - | - | - |
| Total Expenses | 2,905,797 | 2,768,465 | 2,540,249 |
| Surplus (Deficit) of Revenues over Expenses before Provincial/Federal Capital Grants and Contributions | 581,782 | 624,510 | 612,377 |
| Provincial/Federal Capital Grants and Contributions (Schedule 4, 5) | 86,485 | 86,517 | 147,653 |
| Surplus (Deficit) of Revenues over Expenses | 617,689 | 711,027 | 760,030 |
| Accumulated Surplus (Deficit), Beginning of Year | 20,092,496 | 20,092,496 | 19,210,600 |
| Prior Period Adjustment (<i>Note 14</i>) | (137,719) | (137,719) | (15,853) |
| Accumulated Surplus (Deficit), Beginning of Year, As Restated | 19,954,777 | 19,954,777 | 19,194,747 |
| ACCUMULATED SURPLUS - END OF YEAR | \$ 20,572,466 | \$ 20,665,804 | \$ 19,954,777 |

See notes to financial statements

TOWN OF LANIGAN

Statement of Change in Net Financial Assets

As at December 31, 2021

Statement 3

| | Budget | | 2020 (Restated - see Note 14) |
|---|---------------------|---------------------|-------------------------------------|
| | 2021 | 2021 | |
| Surplus (Deficit) | \$ - | \$ 711,027 | \$ 760,030 |
| (Acquisition) of tangible capital assets | - | (1,020,921) | (1,097,581) |
| Amortization of tangible capital assets | - | 643,378 | 615,967 |
| Proceeds on disposal of tangible capital assets | - | - | 18,667 |
| Loss (gain) on the disposal of tangible capital assets | - | 25,230 | (16,315) |
| | - | - | - |
| Surplus (Deficit) of capital expenses over expenditures | - | (352,313) | (479,262) |
| (Acquisition) of supplies inventories | - | - | - |
| (Acquisition) of prepaid expense | - | (963) | (49,956) |
| Consumption of supplies inventory | - | - | - |
| Use of prepaid expense | - | 49,956 | 2,484 |
| Surplus (Deficit) of expenses of other non-financial over expenditures | - | 48,993 | (47,472) |
| Increase/Decrease in Net Financial Assets | - | 407,707 | 233,296 |
| Net Financial Assets (Debt) - Beginning of Year | 4,045,081 | 4,045,081 | 3,811,785 |
| Net Financial Assets (Debt) - End of Year | \$ 4,045,081 | \$ 4,452,788 | \$ 4,045,081 |

TOWN OF LANIGAN
Statement of Cash Flows
As at December 31, 2021
Statement 4

Cash provided by (used for) the following activities

| | 2021 | 2020 (Restated - see Note 14) |
|---|---------------------|-------------------------------------|
| Operating: | | |
| Surplus (Deficit) | \$ 711,027 | \$ 760,030 |
| Amortization | 643,378 | 615,967 |
| Loss (gain) on disposal of tangible capital assets | 25,230 | (16,315) |
| | <u>1,379,635</u> | <u>1,359,682</u> |
| Change in assets/liabilities | | |
| Taxes Receivable - Municipal | 16,297 | (23,040) |
| Other Receivables | 4,090 | (50,521) |
| Land for Resale | - | 620,927 |
| Accounts Payable | 50,627 | 6,258 |
| Accrued Liabilities Payable | (1,856) | (1,798) |
| Deposits | 1,780 | 4,870 |
| Deferred Revenue | 89,823 | 200,404 |
| Prepayments and Deferred Charges | 48,992 | (47,472) |
| | <u>209,753</u> | <u>709,628</u> |
| Cash provided by operating transactions | <u>1,589,388</u> | <u>2,069,310</u> |
| Capital: | | |
| Acquisition of capital assets | (1,020,921) | (1,097,581) |
| Proceeds from the disposal of capital assets | - | 18,667 |
| | <u>(1,020,921)</u> | <u>(1,078,914)</u> |
| Cash applied to capital transactions | <u>(1,020,921)</u> | <u>(1,078,914)</u> |
| Investing: | | |
| Long-Term Investments | (452,341) | (261,820) |
| | <u>(452,341)</u> | <u>(261,820)</u> |
| Cash provided by (applied to) investing transactions | <u>(452,341)</u> | <u>(261,820)</u> |
| Financing: | | |
| Long-term debt repaid | (127,199) | (162,671) |
| | <u>(127,199)</u> | <u>(162,671)</u> |
| Cash provided by (applied to) financing transactions | <u>(127,199)</u> | <u>(162,671)</u> |
| Change in Cash and Temporary Investments during the year | <u>(11,073)</u> | 565,905 |
| Cash and Temporary Investments - Beginning of Year | <u>4,797,020</u> | 4,231,115 |
| Cash and Temporary Investments - End of Year (Note 2) | <u>\$ 4,785,947</u> | <u>\$ 4,797,020</u> |

See notes to financial statements

TOWN OF LANIGAN

Notes to Financial Statements

As at December 31, 2021

1. Significant accounting policies

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

Basis of accounting: The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable and 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.

(a) **Reporting Entity:**

The financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. There are no external entities consolidated into this municipality.

(b) **Collection of funds for other authorities:**

Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.

(c) **Government Transfers:**

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:

- a) the transfers are authorized
- b) any eligibility criteria and stipulations have been met; and
- c) reasonable estimates of the amounts can be made.

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

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

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

(d) **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. Resources restricted by agreement with an external party are recognized as revenue in the municipality's financial statements in the period in which the resources are used for the purpose or purposes specified. An externally restricted inflow received before this criterion has been met is recorded as a liability until the resources are used for the purpose or purposes specified.

(e) **Local Improvement Charges:**

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

(f) **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.

(g) **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.

(h) **Appropriated Reserves:**

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.

(continues)

TOWN OF LANIGAN

Notes to Financial Statements

As at December 31, 2021

1. Significant accounting policies (continued)

(i) 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, provided the revenues are expected to be collected. Requisitions operate as a flow through and are excluded from municipal revenue.

(j) Investments:

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms of 91 days to one year have been classified as other short-term investments and investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

(k) 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 in the ordinary course of business.

(l) Tangible Capital Assets:

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

| <u>Asset</u> | <u>Useful Life</u> |
|---------------------------------|--------------------|
| General Assets | |
| Land | Indefinite |
| Land Improvements | 5 to 20 Years |
| Buildings | 10 to 50 Years |
| Vehicles & Equipment | |
| Vehicles | 5 to 10 Years |
| Machinery and Equipment | 5 to 10 Years |
| Infrastructure Assets | |
| Infrastructure Assets | 30 to 75 Years |
| Water & Sewer | 30 to 75 Years |
| Road Network Assets | 30 to 75 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 Unrecognised 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 municipality 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 substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as a tangible capital asset. 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 lease 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.

(continues)

TOWN OF LANIGAN

Notes to Financial Statements

As at December 31, 2021

1. Significant accounting policies *(continued)*

(m) **Trust Funds:**

Funds held in trust for others, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the municipality.

(n) **Employee benefit plans:**

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

(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.

Any revisions to an amount previously recognized are accounted for in the period in which the revisions are made.

(p) **Measurement Uncertainty:**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and 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 periods in which they become known.

(q) **Basis of segmentation/Segment report:**

The municipality follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

Protective Services: Comprised of expenses for Police and Fire protection.

Transportation Services: Responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

Environmental and Public Health: The environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the municipality.

Planning and Development: Provides for neighbourhood development and sustainability.

Recreation and Culture: Provides for community services through the provision of recreation and leisure services.

Utility Services: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

(continues)

TOWN OF LANIGAN

Notes to Financial Statements

As at December 31, 2021

1. Significant accounting policies (continued)

(r) **Budget Information:**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 10, 2021.

(s) **New Accounting Standards:**

Effective January 1, 2019, the municipality adopted the following standard to comply with Canadian public sector accounting standards (PSAS). This standard applies to all public sector entities for years beginning on or after April 1, 2018. Adoption of this standard requires all public sector entities to assess information using definitions, criteria and exceptions provided in the standards and apply professional judgment to comply with the disclosure requirements of each standard.

PS 3430 Restructuring Transactions provides guidance on how to account for and report restructuring transactions by transferors and recipients of assets and/or liabilities. The new standard has been adopted on a prospective basis.

For more information refer to Note 21.

Future Accounting 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. 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.

PS 3041 Portfolio Investments, replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of, portfolio investments. Effective in the period PS 3450, PS 2601 and PS 1201 are adopted.

PS 3450 Financial Instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives.

PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of a liability for retirement of a tangible capital asset. 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.

Effective On or After April 1, 2023:

PS 3400, Revenue, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of revenue.

The extent of the impact on adoption of these future standards is not known at this time.

2. Cash and Temporary Investments

| | <u>2021</u> | <u>2020</u> |
|---|---------------------|---------------------|
| Cash | \$ 4,228,188 | \$ 4,797,020 |
| Temporary Investments | 557,760 | - |
| Restricted Cash | - | - |
| Total Cash and Temporary Investments | \$ 4,785,948 | \$ 4,797,020 |

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for other than specific current purposes is included in restricted cash.

TOWN OF LANIGAN

Notes to Financial Statements

As at December 31, 2021

3. Taxes Receivable - Municipal

| | <u>2021</u> | <u>2020</u> |
|--|-------------------------|-------------------------|
| <u>Municipal</u> | | |
| - Current | \$ 67,557 | \$ 62,732 |
| - Arrears | 46,841 | 45,473 |
| | <u>114,398</u> | <u>108,205</u> |
| Less - allowance for uncollectibles | (43,475) | (20,985) |
| Total municipal taxes receivable | <u>70,923</u> | <u>87,220</u> |
| <u>School</u> | | |
| - Current | 19,655 | 16,152 |
| - Arrears | 10,418 | 10,259 |
| Total school taxes receivable | <u>30,073</u> | <u>26,411</u> |
| Other | - | - |
| Total taxes and grants in lieu receivable | <u>100,996</u> | <u>113,631</u> |
| Deduct taxes receivable to be collected on behalf of other organizations | (30,073) | (26,411) |
| Total Taxes Receivable - Municipal | <u>\$ 70,923</u> | <u>\$ 87,220</u> |

4. Other Accounts Receivable

| | <u>2021</u> | <u>2020</u> |
|--------------------------------------|-------------------------|-------------------------|
| Federal Government | \$ 12,939 | \$ 15,050 |
| Provincial Government | - | 1,585 |
| Local Government | - | - |
| Utility | 3,465 | 12,133 |
| Trade | 48,635 | 40,361 |
| Other | - | - |
| Total Other Accounts Receivable | <u>65,039</u> | <u>69,129</u> |
| Less: allowance for uncollectibles | - | - |
| Net Other Accounts Receivable | <u>\$ 65,039</u> | <u>\$ 69,129</u> |

5. Land for Resale

| | <u>2021</u> | <u>2020</u> |
|---------------------------------------|--------------------|--------------------|
| Tax Title Property | \$ 10,504 | \$ 8,746 |
| Allowance for market value adjustment | (10,504) | (8,746) |
| Net Tax Title Property | <u>-</u> | <u>-</u> |
| Other Land | - | - |
| Allowance for market value adjustment | - | - |
| Net Other Land | <u>-</u> | <u>-</u> |
| Total Land for Resale | <u>\$ -</u> | <u>\$ -</u> |

During the 2021 year end the municipality reassessed the assets included in land held for resale and determined they did not meet the criterion to be classified as financial assets. As a result amounts previously included in land held for resale were reclassified to tangible capital assets as at December 31, 2021.

TOWN OF LANIGAN

Notes to Financial Statements

As at December 31, 2021

6. Investments

| | <u>2021</u> | <u>2020</u> |
|--------------------------|---------------------|-------------------|
| Conexus CU GIC | \$ 1,000,000 | \$ 529,965 |
| Accrued Interest | 9,484 | 27,178 |
| Total Investments | \$ 1,009,484 | \$ 557,143 |

The long term investments in the term deposits are valued at fair market value.

7. Bank Indebtedness

Credit Arrangements

At December 31, 2021, the municipality had lines of credit totaling \$250,000, none of which were drawn. The following has been collateralized in connection with this line of credit:

-- General security agreement

8. Deferred Revenue

| | <u>2021</u> | <u>2020</u> |
|--|-------------------|-------------------|
| <u>Rental income</u> | | |
| Balance - Beginning of Year | \$ 1,190 | \$ 1,125 |
| Additions during the year | 1,700 | 1,190 |
| Reductions during the year | <u>(1,190)</u> | <u>(1,125)</u> |
| Balance - End of Year | <u>1,700</u> | <u>1,190</u> |
| <u>Municipal Economic Enhancement Program (MEEP)</u> | | |
| Balance - Beginning of Year | 78,475 | - |
| Additions during the year | - | 197,914 |
| Reductions during the year | <u>(78,475)</u> | <u>(119,439)</u> |
| Balance - End of Year | <u>-</u> | <u>78,475</u> |
| <u>Federal Gas Tax Fund Program</u> | | |
| Balance - Beginning of Year | 137,719 | 15,854 |
| Additions during the year | 167,788 | 121,865 |
| Reductions during the year | <u>-</u> | <u>-</u> |
| Balance - End of Year | <u>305,507</u> | <u>137,719</u> |
| Grand total | \$ 307,207 | \$ 217,384 |

MEEP funding is to be used towards the completion of the sewer line asset management plan project.

9. Liability for Contaminated Sites

The municipality does not currently have a liability for any contaminated sites in the community. All properties that have environmentally risky histories are still under the ownership of the corporation or individual that operated on the property and all property tax and/or other liabilities to the municipality are current. There is currently no risk that any of these properties will become the responsibility of the municipality.

TOWN OF LANIGAN

Notes to Financial Statements

As at December 31, 2021

10. Long-term Debt

The debt limit of the municipality is \$2,371,172. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (The Municipalities Act Section 161(1)).

Debenture debt is repayable at annual payments principal and interest of \$163,019 at a rate of 3.15% per annum. The debenture is schedule to mature on July 15, 2028.

Future principal and interest payments are as follows:

| | Principal | Interest | 2021 | 2020 |
|------------|------------------|----------------|------------------|------------|
| Year | | | | |
| 2021 | \$ - | \$ - | \$ - | \$ 163,019 |
| 2022 | 131,206 | 31,813 | 163,019 | 163,019 |
| 2023 | 135,339 | 27,680 | 163,019 | 163,019 |
| 2024 | 139,602 | 23,417 | 163,019 | 163,019 |
| 2025 | 144,000 | 19,019 | 163,019 | 163,019 |
| 2026 | 148,536 | 14,483 | 163,019 | 163,019 |
| Thereafter | 311,254 | 14,784 | 326,038 | 326,038 |
| Balance | 1,009,937 | 131,196 | 1,141,133 | 1,304,152 |

11. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2020 was \$45,635. 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.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for the plan are not recognized in these financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

| | 2021 | 2020 |
|---|-------|-----------------------|
| <u>Details of MEPP</u> | | |
| Number of active members | 10 | 10 |
| Member contribution rates (percentage of salary): | | |
| Employee contribution - general members | 9.00% | 9.00% |
| Employer contribution - general members | 9.00% | 9.00% |
| Member contributions for the year | - | 45,635 |
| Employer contributions for the year | - | 45,635 |
| Financial position of the plan: | | |
| Plan assets | - | 3,221,426,000 |
| Plan liabilities | - | 2,382,526,000 |
| Accounting pension surplus | \$ - | <u>\$ 838,900,000</u> |

2021 year's maximum pensionable amount (YMPE) \$58,700.

12. Budget Data

The reconciliation of the approved amended budget for the current year to the budget figures reported in these financial statements is as follows:

| | |
|--|-------------------------------|
| Budget surplus per Statement of Operations | <u>2021</u> 617,689 |
| Per approved municipal budget | <u>\$ 617,689</u> |

TOWN OF LANIGAN

Notes to Financial Statements

As at December 31, 2021

13. Impacts of COVID-19

The outbreak of a novel strain of coronavirus (“COVID-19”) was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

14. Prior Period Adjustment

During 2021 it was determined that Gas Tax Program funding recognized as revenue from the Province of Saskatchewan in 2020 had not met all criteria to be recognized as a government transfer and should have been recorded as deferred revenue. It was also determined that an adjustment from land for resale to tangible capital assets and to long-term investments was not represented in the 2020 Statement of Cash Flows. As a result, the previously recorded revenues and cash flows required adjustment. The Municipality has treated this adjustment as an error. As a result the municipality has restated its 2020 comparative figures to reflect this correction as follows:

| | 2020 | | |
|--|------------------------|-------------|---------------|
| | Previously Reported | Adjustments | 2020 Restated |
| Statement of Financial Position | | | |
| Deferred Revenue | \$ 79,665 | \$ 137,719 | \$ 217,384 |
| Total Liabilities | 1,327,712 | 137,719 | 1,465,431 |
| Net Financial Assets | 4,182,800 | (137,719) | 4,045,081 |
| Accumulated Surplus | 20,092,496 | (137,719) | 19,954,777 |
| Statement of Operations | | | |
| Provincial/Federal Capital Grants and Contributions | 269,518 | (121,865) | 147,653 |
| Surplus of Revenues over Expenses | 881,895 | (121,865) | 760,030 |
| Accumulated Surplus - End of Year | 20,092,496 | (137,719) | 19,954,777 |
| Statement of Changes in Net Financial Assets | | | |
| Surplus (Deficit) | 867,429 | (107,399) | 760,030 |
| Increase/Decrease in Net Financial Assets | 340,695 | (107,399) | 233,296 |
| Net Financial Assets (Debt) - Beginning of Year | 3,827,640 | (15,855) | 3,811,785 |
| Net Financial Assets (Debt) - End of Year | 4,168,335 | (123,254) | 4,045,081 |
| Statement of Cash Flows | | | |
| Surplus (Deficit) | 881,895 | (121,865) | 760,030 |
| Land for Resale | - | 620,927 | 620,927 |
| Deferred Revenue | 78,539 | 121,865 | 200,404 |
| Cash provided by operating transactions | 1,448,383 | 620,927 | 2,069,310 |
| Acquisition of capital assets | (476,654) | (620,927) | (1,097,581) |
| Cash applied to capital transactions | (457,987) | (620,927) | (1,078,914) |
| Long-Term Investments | (247,353) | (14,467) | (261,820) |
| Cash provided by (applied to) investing transactions | (247,353) | (14,467) | (261,820) |
| Change in Cash and Temporary Investments during the year | 580,372 | (14,467) | 565,905 |
| Cash and Temporary Investments - End of Year | 4,811,487 | (14,467) | 4,797,020 |

TOWN OF LANIGAN

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2021

Schedule 1

| | Budget 2021 | 2021 | 2020 |
|--|---------------------|---------------------|---------------------|
| TAXES | | | |
| General municipal tax levy | \$ 1,140,000 | \$ 1,139,816 | \$ 1,145,092 |
| Abatements and adjustments | (11,250) | (17,501) | (10,109) |
| Discount on current year taxes | (45,000) | (41,473) | (44,988) |
| Net Municipal Taxes | 1,083,750 | 1,080,842 | 1,089,995 |
| Potash tax share | 149,000 | 148,745 | 154,805 |
| Trailer license fees | 11,600 | 10,426 | 11,628 |
| Penalties on tax arrears | 10,500 | 15,201 | 13,798 |
| Special tax levy | - | - | - |
| Other | - | - | - |
| Total Taxes | 1,254,850 | 1,255,214 | 1,270,226 |
| UNCONDITIONAL GRANTS | | | |
| Equalization (Revenue Sharing) | 310,955 | 310,955 | 313,771 |
| Organized Hamlet | - | - | - |
| Other (Safe Restart Program) | - | - | 82,144 |
| Total Unconditional Grants | 310,955 | 310,955 | 395,915 |
| GRANTS IN LIEU OF TAXES | | | |
| Federal | 1,800 | 1,795 | 1,669 |
| Provincial | | | |
| S.P.C. Electrical | - | - | - |
| SaskEnergy Gas | 34,000 | 32,132 | 33,988 |
| Transgas | - | - | - |
| Central Services | 2,668 | 2,725 | 2,668 |
| SaskTel | 2,585 | 2,585 | 2,494 |
| Other | - | - | - |
| Local/Other | | | |
| Housing Authority | - | - | - |
| C.P.R. Mainline | - | - | - |
| Treaty land Entitlement | - | - | - |
| Other | - | - | - |
| Other Government Transfers | | | |
| S.P.C. Surcharge | 71,000 | 73,038 | 71,710 |
| SaskEnergy Surcharge | - | - | - |
| Other | - | - | - |
| Total Grants in Lieu of Taxes | 112,053 | 112,275 | 112,529 |
| TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE | \$ 1,677,858 | \$ 1,678,444 | \$ 1,778,670 |

TOWN OF LANIGAN

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 1

| | Budget 2021 | 2021 | 2020 |
|---|-------------------|-------------------|-------------------|
| GENERAL GOVERNMENT SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and charges | \$ 7,550 | \$ 9,146 | \$ 7,880 |
| - Custom work | - | - | - |
| - Sales of supplies | - | - | - |
| - Other (Rental) | 48,500 | 53,466 | 48,662 |
| Total Fees and Charges | 56,050 | 62,612 | 56,542 |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Land sales - gain (loss) | - | - | - |
| - Investment income and commissions | 30,000 | 33,246 | 44,977 |
| - Other (Donations) | - | 14,827 | 5,725 |
| Total Other Segmented Revenue | 86,050 | 110,685 | 107,244 |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | 86,050 | 110,685 | 107,244 |
| Capital | | | |
| Conditional Grants | | | |
| Federal Gas Tax | - | - | - |
| - Canada/Sask Municipal Rural Infrastructure Fund | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - Other | - | - | - |
| Total Capital | - | - | - |
| Total General Government Services | 86,050 | 110,685 | 107,244 |
| PROTECTIVE SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and charges | - | - | 2,433 |
| - Other | - | - | - |
| Total Fees and Charges | - | - | 2,433 |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Other (Donations) | 756,000 | 518,588 | 243,675 |
| Total Other Segmented Revenue | 756,000 | 518,588 | 246,108 |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - Local government | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | 756,000 | 518,588 | 246,108 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - Local government | - | - | - |
| - Other - Donations | - | - | - |
| Total Capital | - | - | - |
| Total Protective Services | \$ 756,000 | \$ 518,588 | \$ 246,108 |

See notes to financial statements

TOWN OF LANIGAN

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 2

| | Budget 2021 | 2021 | 2020 |
|---|------------------|------------------|------------------|
| TRANSPORTATION SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | \$ - | \$ - | \$ - |
| - Custom work | 12,500 | 14,907 | 2,118 |
| - Sales of supplies | - | - | - |
| - Road Maintenance and Restoration | | | |
| Agreements | 1,000 | 917 | 258 |
| - Frontage | - | - | - |
| - Other | - | - | - |
| Total Fees and Charges | 13,500 | 15,824 | 2,376 |
| - Tangible capital asset sales - gain (loss) | - | (25,231) | 16,317 |
| - Other | - | - | - |
| Total Other Segmented Revenue | 13,500 | (9,407) | 18,693 |
| Conditional Grants | | | |
| - MREP (CTP) | - | - | - |
| - Student Employment | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | 13,500 | (9,407) | 18,693 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | - | - | - |
| - MREP (Heavy Haul, CTP, Municipal Bridges) | - | - | - |
| - Heavy Haul | - | - | - |
| - Designated Municipal Roads and Bridges | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - Other (MEEP) | - | 78,475 | 119,439 |
| Total Capital | - | 78,475 | 119,439 |
| Total Transportation Services | 13,500 | 69,068 | 138,132 |
| ENVIRONMENTAL AND PUBLIC HEALTH SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | - | - | - |
| - Waste and Disposal Fees | 5,000 | 7,732 | 4,770 |
| - Other - Mobility and Cemetery | 2,900 | 1,392 | 2,994 |
| Total Fees and Charges | 7,900 | 9,124 | 7,764 |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Other - Housing surplus | - | 1,572 | - |
| Total Other Segmented Revenue | 7,900 | 10,696 | 7,764 |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - Local government | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | 7,900 | 10,696 | 7,764 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | - | - | - |
| - TAPD | - | - | - |
| - Transit for Disabled | 2,742 | 2,742 | 1,363 |
| - Provincial Disaster Assistance | - | - | - |
| - Other - Land Use Planning | - | 300 | 26,851 |
| Total Capital | 2,742 | 3,042 | 28,214 |
| Total Environmental and Public Health Services | \$ 10,642 | \$ 13,738 | \$ 35,978 |

See notes to financial statements

TOWN OF LANIGAN

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 3

| | Budget 2021 | 2021 | 2020 |
|--|----------------|------------|------------|
| PLANNING AND DEVELOPMENT SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | \$ - | \$ - | \$ - |
| - Maintenance and Development Charges | - | - | - |
| - Other | - | - | - |
| Total Fees and Charges | - | - | - |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Other | - | - | - |
| Total Other Segmented Revenue | - | - | - |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | - | - | - |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - Other | - | - | - |
| Total Capital | - | - | - |
| Total Planning and Development Services | - | - | - |
| RECREATION AND CULTURAL SERVICES | | | |
| Operating | | | |
| Other Segmented Revenues | | | |
| Fees and Charges | 76,900 | 79,114 | 65,085 |
| - Other | - | - | - |
| Total Fees and Charges | 76,900 | 79,114 | 65,085 |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Other (Donations) | - | - | - |
| Total Other Segmented Revenue | 76,900 | 79,114 | 65,085 |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - Local Government | 13,200 | 13,181 | 1,700 |
| - Donations | - | 128,809 | 72,015 |
| - Other - Sask Lotto and other provincial | 19,871 | 19,871 | 19,846 |
| Total Conditional Grants | 33,071 | 161,861 | 93,561 |
| Total Operating | 109,971 | 240,975 | 158,646 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | - | - | - |
| - Local government | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - Other (RINC) | 2,500 | 5,000 | - |
| Total Capital | 2,500 | 5,000 | - |
| Total Recreation and Cultural Services | \$ 112,471 | \$ 245,975 | \$ 158,646 |

TOWN OF LANIGAN

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 4

| | Budget 2021 | 2021 | 2020 |
|--|---------------------|---------------------|---------------------|
| UTILITY SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | \$ - | \$ - | \$ - |
| - Water | 478,300 | 485,812 | 473,655 |
| - Sewer | 120,000 | 119,098 | 117,894 |
| - Other - infrastructure charge | 235,000 | 238,084 | 234,844 |
| Total Fees and Charges | 833,300 | 842,994 | 826,393 |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Other | - | - | - |
| Total Other Segmented Revenue | 833,300 | 842,994 | 826,393 |
| Conditional Grants | | | |
| - Student Employment | 3,000 | - | 9,108 |
| - Other | - | - | - |
| Total Conditional Grants | 3,000 | - | 9,108 |
| Total Operating | 836,300 | 842,994 | 835,501 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | 81,243 | - | - |
| - New Building Canada Fund (SCF, NRP) | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - Other | - | - | - |
| Total Capital | 81,243 | - | - |
| Total Utility Services | 917,543 | 842,994 | 835,501 |
| TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION | \$ 1,896,206 | \$ 1,801,048 | \$ 1,521,609 |

SUMMARY

| | | | |
|--|---------------------|---------------------|---------------------|
| Total Other Segmented Revenue | \$ 1,773,650 | \$ 1,552,670 | \$ 1,271,287 |
| Total Conditional Grants | 36,071 | 161,861 | 102,669 |
| Total Capital Grants and Contributions | 86,485 | 86,517 | 147,653 |
| Restructuring Revenue | - | - | - |
| TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION | \$ 1,896,206 | \$ 1,801,048 | \$ 1,521,609 |

TOWN OF LANIGAN

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 1

| | Budget 2021 | 2021 | 2020 |
|--|-------------------|-------------------|-------------------|
| GENERAL GOVERNMENT SERVICES | | | |
| Council remuneration and travel | \$ 38,000 | \$ 46,510 | \$ 48,977 |
| Wages and benefits | 245,175 | 243,866 | 245,251 |
| Professional/Contractual services | 72,450 | 84,487 | 72,723 |
| Utilities | 10,000 | 11,641 | 10,038 |
| Maintenance, materials and supplies | 12,500 | 12,237 | 14,043 |
| Grants and contributions | | | |
| Grants and contributions - operating | - | - | - |
| Grants and Contributions - capital | - | - | - |
| Amortization | 6,576 | 6,205 | 5,988 |
| Interest | - | - | - |
| Allowance For Uncollectibles | - | 31,344 | - |
| Other | - | - | - |
| General Government Services | 384,701 | 436,290 | 397,020 |
| | - | - | - |
| Total General Government Services | 384,701 | 436,290 | 397,020 |
| PROTECTIVE SERVICES | | | |
| Police Protection | | | |
| Wages and benefits | - | - | - |
| Professional/Contractual Services | 109,000 | 110,317 | 108,265 |
| Utilities | - | - | - |
| Maintenance, Materials and Supplies | - | - | - |
| Grants and contributions | | | |
| Grants and Contributions - Operating | 495 | 495 | 495 |
| Grants and Contributions - Capital | - | - | - |
| Other | - | - | - |
| Fire Protection | | | |
| Wages and benefits | 4,130 | 2,158 | 3,841 |
| Professional/Contractual Services | 43,000 | 45,794 | 68,618 |
| Utilities | - | - | - |
| Maintenance, Materials and Supplies | - | 11,000 | - |
| Grants and contributions | | | |
| Grants and Contributions - Operating | - | - | - |
| Grants and Contributions - Capital | - | - | - |
| Amortization | 75,270 | 93,124 | 74,444 |
| Interest | - | - | - |
| Other | - | - | 454 |
| Protective Services | 231,895 | 262,888 | 256,117 |
| | - | - | - |
| Total Protective Services | 231,895 | 262,888 | 256,117 |
| TRANSPORTATION SERVICES | | | |
| Wages and Benefits | 140,165 | 152,523 | 156,495 |
| Professional/Contractual Services | 261,050 | 269,234 | 141,920 |
| Utilities | 43,200 | 44,259 | 43,412 |
| Maintenance, Materials and Supplies | 51,250 | 47,260 | 43,581 |
| Gravel | 50,000 | 34,654 | 27,571 |
| Grants and contributions | | | |
| Grants and Contributions - Operating | - | - | - |
| Grants and Contributions - Capital | - | - | - |
| Amortization | 160,000 | 166,893 | 159,752 |
| Interest | - | - | - |
| Other | - | - | - |
| Transportation Services | 705,665 | 714,823 | 572,731 |
| | - | - | - |
| Total Transportation Services | \$ 705,665 | \$ 714,823 | \$ 572,731 |

TOWN OF LANIGAN

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 2

| | Budget 2021 | 2021 | 2020 |
|---|-------------------|-------------------|-------------------|
| ENVIRONMENTAL AND PUBLIC HEALTH SERVICES | | | |
| Wages and Benefits | \$ 15,815 | \$ 15,643 | \$ 14,067 |
| Professional/Contractual Services | 43,300 | 48,154 | 53,474 |
| Utilities | - | - | - |
| Maintenance, Materials and Supplies | 6,650 | 4,513 | 24,177 |
| Grants and contributions | | | |
| Grants and contributions - operating | 28,000 | 27,779 | 27,779 |
| Grants and contributions - waste disposal | - | - | - |
| Grants and contributions - Public Health | - | - | - |
| Grants and contributions - capital | - | - | - |
| Grants and contributions - waste disposal | - | - | - |
| Grants and contributions - Public Health | 1,000 | 27,969 | 4,918 |
| Amortization | 14,500 | 14,443 | 14,443 |
| Interest | - | - | - |
| Other | - | - | - |
| Environmental and Public Health Services | 109,265 | 138,501 | 138,858 |
| | - | - | - |
| Total Environmental and Public Health Services | 109,265 | 138,501 | 138,858 |
| PLANNING AND DEVELOPMENT SERVICES | | | |
| Wages and Benefits | 3,845 | 3,757 | 7,432 |
| Professional/Contractual Services | 48,335 | 70,709 | 26,334 |
| Grants and contributions | | | |
| Grants and Contributions - Operating | 3,500 | 3,301 | 2,528 |
| Grants and Contributions - Capital | - | - | - |
| Amortization | 1,640 | 1,640 | 1,640 |
| Interest | - | - | 690 |
| Other | - | - | - |
| Planning and Development Services | 57,320 | 79,407 | 38,624 |
| | - | - | - |
| Total Planning and Development Services | 57,320 | 79,407 | 38,624 |
| RECREATION AND CULTURAL SERVICES | | | |
| Wages and Benefits | 105,080 | 107,853 | 84,338 |
| Professional/Contractual Services | 106,670 | 103,491 | 88,930 |
| Utilities | 79,200 | 68,744 | 66,766 |
| Maintenance, Materials, and Supplies | 29,700 | 31,852 | 21,783 |
| Grants and contributions | | | |
| Grants and Contributions - Operating | 32,750 | 33,732 | 25,335 |
| Grants and Contributions - Capital | - | - | - |
| Amortization | 90,278 | 88,822 | 90,278 |
| Interest | - | - | - |
| Allowance For Uncollectibles | - | - | - |
| Other | - | - | - |
| Recreation and Cultural Services | 443,678 | 434,494 | 377,430 |
| | - | - | - |
| Total Recreation and Cultural Services | \$ 443,678 | \$ 434,494 | \$ 377,430 |

TOWN OF LANIGAN

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 3

| | Budget 2021 | 2021 | 2020 |
|--------------------------------------|---------------------|---------------------|---------------------|
| UTILITY SERVICES | | | |
| Wages and Benefits | \$ 141,410 | \$ 149,011 | \$ 134,461 |
| Professional/Contractual Services | 221,750 | 169,425 | 248,845 |
| Utilities | 53,300 | 53,527 | 52,790 |
| Maintenance, Materials and Supplies | 247,683 | 23,884 | 16,045 |
| Grants and contributions | | | |
| Grants and Contributions - Operating | - | - | - |
| Grants and Contributions - Capital | - | - | - |
| Amortization | 269,425 | 272,251 | 269,422 |
| Interest | 39,705 | 33,964 | 37,906 |
| Allowance For Uncollectibles | - | - | - |
| Other | - | - | - |
| Utility Services | 973,273 | 702,062 | 759,469 |
| | - | - | - |
| Total Utility Services | 973,273 | 702,062 | 759,469 |
| TOTAL EXPENSES BY FUNCTION | \$ 2,905,797 | \$ 2,768,465 | \$ 2,540,249 |

TOWN OF LANIGAN

Schedule of Segment Disclosure by Function

As at December 31, 2021

Schedule 4

| | General Government | Protective Services | Transportation Services | Environmental & Public Health | Planning and Development | Recreation and Culture | Utility Services | Total |
|--|-------------------------------|--------------------------------|------------------------------------|--|-------------------------------------|-----------------------------------|-----------------------------|-------------------|
| Revenues (Schedule 2) | | | | | | | | |
| Fees and Charges | \$ 62,612 | \$ - | \$ 15,824 | \$ 9,124 | \$ - | \$ 79,114 | \$ 842,994 | \$ 1,009,668 |
| Tangible Capital Asset Sales - Gain (Loss) | - | - | (25,231) | - | - | - | - | (25,231) |
| Land Sales - Gain (Loss) | - | - | - | - | - | - | - | - |
| Investment Income and Commissions | 33,246 | - | - | - | - | - | - | 33,246 |
| Other Revenues | 14,827 | 518,588 | - | 1,572 | - | - | - | 534,987 |
| Grants - Conditional | - | - | - | - | - | 161,861 | - | 161,861 |
| - Capital | - | - | 78,475 | 3,042 | - | 5,000 | - | 86,517 |
| Restructurings | - | - | - | - | - | - | - | - |
| Total Revenues | 110,685 | 518,588 | 69,068 | 13,738 | - | 245,975 | 842,994 | 1,801,048 |
| Expenses (Schedule 3) | | | | | | | | |
| Wages and Benefits | 290,376 | 2,158 | 152,523 | 15,643 | 3,757 | 107,853 | 149,011 | 721,321 |
| Professional/Contractual Services | 84,487 | 156,111 | 269,234 | 48,154 | 70,709 | 103,491 | 169,425 | 901,611 |
| Utilities | 11,641 | - | 44,259 | - | - | 68,744 | 53,527 | 178,171 |
| Maintenance Material and Supplies | 12,237 | 11,000 | 81,914 | 4,513 | - | 31,852 | 23,884 | 165,400 |
| Grants and Contributions | - | 495 | - | 55,748 | 3,301 | 33,732 | - | 93,276 |
| Amortization | 6,205 | 93,124 | 166,893 | 14,443 | 1,640 | 88,822 | 272,251 | 643,378 |
| Interest | - | - | - | - | - | - | 33,964 | 33,964 |
| Allowance for Uncollectibles | 31,344 | - | - | - | - | - | - | 31,344 |
| Restructurings | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Total Expenses | 436,290 | 262,888 | 714,823 | 138,501 | 79,407 | 434,494 | 702,062 | 2,768,465 |
| Surplus (Deficit) by Function | (325,605) | 255,700 | (645,755) | (124,763) | (79,407) | (188,519) | 140,932 | (967,417) |
| Taxes and other unconditional revenue (Schedule 1) | | | | | | | | <u>1,678,444</u> |
| Net Surplus (Deficit) | | | | | | | | <u>\$ 711,027</u> |

See notes to financial statements

TOWN OF LANIGAN

Schedule of Segment Disclosure by Function

As at December 31, 2020

Schedule 5

| | General Government | Protective Services | Transportation Services | Environmental & Public | Planning and Development | Recreation and Culture | Utility Services | Total |
|--|-------------------------------|--------------------------------|------------------------------------|---------------------------------------|-------------------------------------|-----------------------------------|-----------------------------|--------------------|
| Revenues (Schedule 2) | | | | | | | | |
| Fees and Charges | \$ 56,542 | \$ 2,433 | \$ 2,376 | \$ 7,764 | \$ - | \$ 65,085 | \$ 826,393 | \$ 960,593 |
| Tangible Capital Asset Sales - Gain (Loss) | - | - | 16,317 | - | - | - | - | 16,317 |
| Land Sales - Gain (Loss) | - | - | - | - | - | - | - | - |
| Investment Income and Commissions | 44,977 | - | - | - | - | - | - | 44,977 |
| Other Revenues | 5,725 | 243,675 | - | - | - | - | - | 249,400 |
| Grants - Conditional | - | - | - | - | - | 93,561 | 9,108 | 102,669 |
| - Capital | - | - | 119,439 | 28,214 | - | - | - | 147,653 |
| Restructuring | - | - | - | - | - | - | - | - |
| Total Revenues | 107,244 | 246,108 | 138,132 | 35,978 | - | 158,646 | 835,501 | 1,521,609 |
| Expenses (Schedule 3) | | | | | | | | |
| Wages and Benefits | 294,228 | 3,841 | 156,495 | 14,067 | 7,432 | 84,338 | 134,461 | 694,862 |
| Professional/ Contractual Services | 72,723 | 176,883 | 141,920 | 53,474 | 26,334 | 88,930 | 248,845 | 809,109 |
| Utilities | 10,038 | - | 43,412 | - | - | 66,766 | 52,790 | 173,006 |
| Maintenance Material and Supplies | 14,043 | - | 71,152 | 24,177 | - | 21,783 | 16,045 | 147,200 |
| Grants and Contributions | - | 495 | - | 32,697 | 2,528 | 25,335 | - | 61,055 |
| Amortization | 5,988 | 74,444 | 159,752 | 14,443 | 1,640 | 90,278 | 269,422 | 615,967 |
| Interest | - | - | - | - | 690 | - | 37,906 | 38,596 |
| Allowance for Uncollectibles | - | - | - | - | - | - | - | - |
| Restructurings | - | - | - | - | - | - | - | - |
| Other | - | 454 | - | - | - | - | - | 454 |
| Total Expenses | 397,020 | 256,117 | 572,731 | 138,858 | 38,624 | 377,430 | 759,469 | 2,540,249 |
| Surplus (Deficit) by Function | (289,776) | (10,009) | (434,599) | (102,880) | (38,624) | (218,784) | 76,032 | (1,018,640) |
| Taxes and other unconditional revenue (Schedule 1) | | | | | | | | <u>1,778,670</u> |
| Net Surplus (Deficit) | | | | | | | | <u>\$ 760,030</u> |

See notes to financial statements

TOWN OF LANIGAN

Schedule of Tangible Capital Assets by Object

As at December 31, 2021

Schedule 6

| | 2021 | | | | | | | | 2020 Total |
|--|-------------------|----------------------|---------------------|-------------------|--------------------------|--------------------------|------------------------------|----------------------|---------------|
| | General Assets | | | | | Infrastructure Assets | General/ Infrastructure | Total | |
| | Land | Land Improvements | Buildings | Vehicles | Machinery & Equipment | Linear Assets | Assets Under Construction | | |
| Asset cost | | | | | | | | | |
| Opening Asset costs | \$ 753,553 | \$ 142,580 | \$ 14,326,111 | \$ 676,666 | \$ 1,175,315 | \$ 10,041,226 | \$ 67,641 | \$ 27,183,092 | \$ 26,138,386 |
| Additions during the year | - | 108,226 | 169,759 | 46,852 | 13,382 | 186,241 | 496,461 | 1,020,921 | 1,097,581 |
| Disposals and write-downs during the year | - | - | (30,992) | - | - | (17,472) | - | (48,464) | (52,875) |
| Transfers (from) assets under construction | - | - | - | - | - | - | - | - | - |
| Transfer of Capital Assets related to restructuring | - | - | - | - | - | - | - | - | - |
| Closing Asset Costs | 753,553 | 250,806 | 14,464,878 | 723,518 | 1,188,697 | 10,209,995 | 564,102 | 28,155,549 | 27,183,092 |
| Accumulated Amortization Cost | | | | | | | | | |
| Opening Accumulated Amortization Costs | - | 96,087 | 4,655,624 | 108,731 | 514,072 | 5,948,838 | - | 11,323,352 | 10,757,910 |
| Add: Amortization taken | - | 7,055 | 310,573 | 42,314 | 78,538 | 204,897 | - | 643,377 | 615,967 |
| Less: Accumulated amortization on disposals | - | - | (6,198) | - | - | (17,035) | - | (23,233) | (50,525) |
| Transfer of Capital Assets related to restructuring | - | - | - | - | - | - | - | - | - |
| Closing Accumulated Amortization Costs | - | 103,142 | 4,959,999 | 151,045 | 592,610 | 6,136,700 | - | 11,943,496 | 11,323,352 |
| Net Book Value | \$ 753,553 | \$ 147,664 | \$ 9,504,879 | \$ 572,473 | \$ 596,087 | \$ 4,073,295 | \$ 564,102 | \$ 16,212,053 | \$ 15,859,740 |

1. Total contributed donated assets received in 2021:
2. List of assets recognized at nominal value in 2021 are:
 - a) Infrastructure Assets
 - b) Vehicles
 - c) Machinery and Equipment
3. Amount of interest capitalized in 2021:

\$ -
\$ -
\$ -
\$ -
\$ -

See notes to financial statements

TOWN OF LANIGAN

Schedule of Tangible Capital Assets by Function

As at December 31, 2021

Schedule 7

| | 2021 | | | | | | | | 2020 |
|---|--------------------|---------------------|-------------------------|-------------------------------|------------------------|----------------------|---------------------|----------------------|---------------|
| | General Government | Protective Services | Transportation Services | Environmental & Public Health | Planning & Development | Recreation & Culture | Water & Sewer | Total | Total |
| Asset cost | | | | | | | | | |
| Opening Asset costs | \$ 135,604 | \$ 3,187,373 | \$ 6,249,975 | \$ 164,321 | \$ 675,523 | \$ 3,501,316 | \$ 13,268,980 | \$ 27,183,092 | \$ 26,138,386 |
| Additions during the year | 23,743 | 606,073 | 61,162 | - | - | 127,458 | 202,485 | 1,020,921 | 1,097,581 |
| Disposals and write-downs during the year | - | (17,472) | - | - | - | (30,992) | - | (48,464) | (52,875) |
| Transfer of Capital Assets related to restructuring (Schedule 11) | - | - | - | - | - | - | - | - | - |
| Closing Asset Costs | 159,347 | 3,775,974 | 6,311,137 | 164,321 | 675,523 | 3,597,782 | 13,471,465 | 28,155,549 | 27,183,092 |
| Accumulated Amortization Cost | | | | | | | | | |
| Opening Accumulated Amortization Costs | 33,488 | 684,323 | 4,480,617 | 56,023 | 48,032 | 2,041,467 | 3,979,402 | 11,323,352 | 10,757,910 |
| Add: Amortization taken | 6,204 | 93,124 | 166,893 | 14,443 | 1,640 | 88,822 | 272,251 | 643,377 | 615,967 |
| Less: Accumulated amortization on disposals | - | (17,035) | - | - | - | (6,198) | - | (23,233) | (50,525) |
| Transfer of Capital Assets related to restructuring (Schedule 11) | - | - | - | - | - | - | - | - | - |
| Closing Accumulated Amortization Costs | 39,692 | 760,412 | 4,647,510 | 70,466 | 49,672 | 2,124,091 | 4,251,653 | 11,943,496 | 11,323,352 |
| Net Book Value | \$ 119,655 | \$ 3,015,562 | \$ 1,663,627 | \$ 93,855 | \$ 625,851 | \$ 1,473,691 | \$ 9,219,812 | \$ 16,212,053 | \$ 15,859,740 |

See notes to financial statements

TOWN OF LANIGAN

Schedule of Accumulated Surplus

As at December 31, 2021

Schedule 8

| | 2020 | Changes | 2021 |
|--|----------------------|---------------------|----------------------|
| UNAPPROPRIATED SURPLUS | \$ 2,562,299 | \$ (107,159) | \$ 2,455,140 |
| APPROPRIATED RESERVES | | | |
| Shop Reserve | 45,000 | 205,000 | 250,000 |
| Reserve - Dedicated Lands | 1,440 | - | 1,440 |
| Capital Trust Fund Reserve | 165,000 | - | 165,000 |
| Utility Reserve | 962,714 | 29,680 | 992,394 |
| Pavement Reserve | 625,000 | - | 625,000 |
| Residential Lot Development - Pavement Reserve | 144,580 | - | 144,580 |
| Cemetary Reserve | 1,681 | - | 1,681 |
| Waterpark Reserve | 630,359 | 178,094 | 808,453 |
| Recreation Reserve | 15,625 | 4,375 | 20,000 |
| Other (MEEP) | 78,475 | (78,475) | - |
| Total Appropriated | 2,669,874 | 338,674 | 3,008,548 |
| ORGANIZED HAMLETS | | | |
| Organized Hamlet of | - | - | - |
| Total Organized Hamlets | - | - | - |
| NET INVESTMENT IN TANGIBLE CAPITAL ASSETS | | | |
| Tangible capital assets (Schedule 6, 7) | 15,859,740 | 352,313 | 16,212,053 |
| Less: Related debt | (1,137,136) | 127,199 | (1,009,937) |
| Net Investment in Tangible Capital Assets | 14,722,604 | 479,512 | 15,202,116 |
| Total Accumulated Surplus | \$ 19,954,777 | \$ 711,027 | \$ 20,665,804 |

TOWN OF LANIGAN
Schedule of Mill Rates and Assessments
As at December 31, 2021

Schedule 9

| | PROPERTY CLASS | | | | | | Total |
|---|-----------------|---------------------|-------------------------|----------------------|-------------------------|----------------|----------------------|
| | Agriculture | Residential | Residential Condominium | Seasonal Residential | Commercial & Industrial | Potash Mine(s) | |
| Taxable Assessment | \$ 686,095 | \$ 72,586,960 | \$ - | \$ - | \$ 7,052,875 | \$ - | \$ 80,325,930 |
| Regional Park Assessment | - | - | - | - | - | - | - |
| Total Assessment | 686,095 | 72,586,960 | - | - | 7,052,875 | - | 80,325,930 |
| Mill Rate Factor(s) | 6.0300 | 6.0300 | - | - | 6.0300 | - | - |
| Total Base/Minimum Tax (generated for each property class) | - | 589,300 | - | - | 66,150 | - | 655,450 |
| Total Municipal Tax Levy (include base and/or minimum tax and special levies) | \$ 4,137 | \$ 1,026,999 | \$ - | \$ - | \$ 108,679 | \$ - | \$ 1,139,815 |

MILL RATES:

Average Municipal *
Average School
Potash Mill Rate
Uniform Municipal Mill Rate

| MILLS | |
|-----------------------------|---------|
| Average Municipal * | 14.2697 |
| Average School | 4.6346 |
| Potash Mill Rate | 9.7900 |
| Uniform Municipal Mill Rate | 1.0000 |

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

TOWN OF LANIGAN

Schedule of Council Remuneration

As at December 31, 2021

Schedule 10

| | Name | Remuneration | Reimbursed Costs | Total |
|-----------------|----------------|---------------------|-----------------------------|------------------|
| Position | | | | |
| Mayor | Tony Mycock | \$ 11,732 | \$ 450 | \$ 12,182 |
| Councilor | Paul Mamer | 4,710 | 348 | 5,058 |
| Councilor | Wendy Mehrer | 4,748 | 230 | 4,978 |
| Councilor | Velda Daelick | 6,546 | 230 | 6,776 |
| Councilor | James Stephan | 5,167 | 230 | 5,397 |
| Councilor | Kyle Boyko | 5,462 | 375 | 5,837 |
| Councilor | Marilyn Bodner | 6,052 | 230 | 6,282 |
| Total | | \$ 44,417 | \$ 2,093 | \$ 46,510 |