

ANNUAL FINANCIAL STATEMENTS

DECEMBER 31, 2023



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MANAGEMENT'S REPORT

The accompanying Consolidated Financial Statements and all other information contained in this report are the responsibility of management. The Consolidated Financial Statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS). The preparation of the statements necessarily includes some amounts which are based on the best estimates and judgements of management.

To assist in its responsibility, management maintains accounting, budget, and other 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 reliable for the for the presentation of the financial statements.

The Council of the City of Swift Current comprises seven elected officials who are not employees of the City. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with external auditors.

MNP LLP, the City's appointed external auditors, have audited the Consolidated Financial Statements. Their report to the Mayor and City Council, stating the scope of their examination and opinion on the Consolidated Financial Statements, follows.



Jim Jones
Chief Administrative Officer



Kari Cobler
Executive Director, Strategic Operations

September 3, 2024

Independent Auditor's Report

To the Mayor and Council members of City of Swift Current:

Qualified Opinion

We have audited the financial statements of City of Swift Current (the "Municipality"), which comprise the statement of financial position as at December 31, 2023, and the consolidated statements of operations and accumulated operating surplus, remeasurement gains and losses, changes in net debts and cash flows for the year then ended, and notes and schedules 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, 2023, and the results of its operations, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Public Sector Accounting Standards require recognition for all known future asset retirement obligations. At the time of the audit we could not ensure that all potential asset retirement obligations were identified. It is currently not known what adjustments might be necessary to tangible capital assets, asset retirement obligations, accretion expense, excess (shortfall) of revenue and expenses, accumulated surplus and cashflows from operations as at December 31, 2023.

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

Other Matter

Without modifying our opinion, we draw attention to Note 19 Property Reserve Closure, which indicates that land sales are not recognized as revenue until all units in the development are sold and all costs have been settled. As a result of this approach, included in property held for resale, is one development (two in 2022) that has an excess of deposits above current expenditures totaling \$359,496 (\$1,323,227 in 2022).

Responsibilities of Management and Those Charged with Governance for the Consolidated 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 related 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.

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Municipality to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Swift Current, Saskatchewan

September 3, 2024

The logo for MNP LLP, featuring the letters 'MNP' in a large, bold, black font, followed by 'LLP' in a smaller, black font.

Chartered Professional Accountants

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2023

	2023	2022 (Restated)
Financial Assets		
Cash and cash equivalents (Note 2)	\$ 1,431,251	\$ 9,186,387
Taxes receivable (Note 3)	1,071,481	1,175,080
Accounts receivable (Note 4)	6,250,893	6,105,863
Long-term receivables (Note 5)	7,253,131	8,150,626
Portfolio investments (Note 6)	12,492,897	10,670,787
Land inventory for resale (Note 8)	14,766,611	12,539,415
	43,266,264	47,828,158
Financial Liabilities		
Accounts payable and accrued liabilities (Note 10)	6,708,784	6,393,985
Taxes payable to school boards (Note 11)	350,202	346,913
Deposits (Note 12)	1,767,235	1,725,125
Deferred revenues (Note 13)	3,012,287	3,728,311
Employee benefit obligations (Note 14)	2,233,746	2,582,518
Asset retirement obligations (Note 15)	5,508,387	5,327,775
Long-term debt (Note 17)	87,879,258	95,384,344
	107,459,899	115,488,971
Net Debt	(64,193,635)	(67,660,813)
Non-Financial Assets		
Tangible capital assets (Note 18)	183,217,729	182,313,878
Intangible assets (Note 19)	11,069,864	8,217,214
Inventory of materials and supplies	4,023,776	3,602,540
Prepaid expenses (Note 20)	157,426	107,920
Other assets (Note 21)	53,034	50,864
	198,521,829	194,292,416
Accumulated Operating Surplus	\$ 134,328,194	\$ 126,631,603
Accumulated operating surplus is comprised of:		
Accumulated operating surplus (Note 22)	\$ 132,979,331	\$ 126,631,603
Accumulated remeasurement gains and losses	1,348,863	-
	\$ 134,328,194	\$ 126,631,603

Contractual Obligations (Note 29), Contingent Liabilities (Note 30)

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED OPERATING SURPLUS

For the year ended December 31, 2023

	Budget 2023	Actual 2023	Actual 2022 (Restated)
Revenues			
Taxation (Note 24)	\$ 21,627,200	\$ 21,553,566	\$ 21,108,563
Government transfers (Note 25)	4,253,155	5,657,214	3,810,081
Fees and charges	44,270,555	44,526,847	40,747,972
Conditional grants	208,332	263,114	315,445
Interest and penalties	155,000	337,273	261,804
Interest on investments	420,000	405,586	275,837
Other revenues	36,945	69,602	124,942
Licenses, permits, and fines	396,425	397,122	383,696
Property rentals and leases	89,320	97,055	99,329
Gain (loss) on disposal of assets	(171,175)	(171,175)	77,918
	71,285,757	73,136,204	67,205,587
Expenses			
Arts, culture, and events	1,976,540	1,838,172	2,230,611
Community and recreation services	11,365,944	11,197,676	11,210,062
Corporate asset management	772,114	718,857	693,831
Corporate governance and administration	1,026,255	1,037,029	1,019,959
Corporate services	3,890,701	4,148,386	4,394,861
Fire protection	3,209,016	3,226,076	3,141,120
Light and power utility	19,891,927	19,552,224	17,456,238
Long-term care	327,450	327,450	327,450
Police protection	4,577,275	4,158,390	4,314,427
Rural water utility	287,762	263,584	239,369
Solid waste utility	3,602,664	3,535,797	3,398,400
Transportation	8,217,480	8,343,935	8,692,586
Urban planning and development	1,237,472	1,409,470	1,389,713
Water and sewer utility	8,748,804	8,742,286	8,830,932
	69,131,404	68,499,332	67,339,559
Surplus (Deficit) of Revenues Over Expenses Before Other	2,154,353	4,636,872	(133,972)
Other			
Capital revenue	1,050,619	918,923	2,195,721
Gain (loss) on property reserve closure (Note 26)	-	626,436	-
Property sales dividend (Note 27)	-	165,497	-
	1,050,619	1,710,856	2,195,721
Surplus (Deficit) of Revenues Over Expenses	3,204,972	6,347,728	2,061,749
Accumulated operating surplus, beginning of year, as previously stated	126,724,242	126,724,242	124,875,122
Prior period adjustments (Note 1(R))	(92,639)	(92,639)	(305,268)
Accumulated operating surplus, beginning of year, as restated	126,631,603	126,631,603	124,569,854
Accumulated Operating Surplus, End of Year	\$ 129,836,575	\$ 132,979,331	\$ 126,631,603

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the year ended December 31, 2023

	2023
Accumulated remeasurement gains (losses), beginning of year	\$ 560,813
Net unrealized gains (losses) attributable to:	
Foreign exchange - portfolio investments	266,714
Portfolio investments	752,770
Realized gains (losses) reclassified to statement of operations:	
Foreign exchange - portfolio investments	(119,501)
Portfolio investments	(111,933)
Net Remeasurement Gains (Losses)	788,050
Accumulated Remeasurement Gains (Losses), End of Year	\$ 1,348,863

Accumulated remeasurement gains (losses), end of year is comprised of:

Foreign exchange - portfolio investments	\$ 266,714
Portfolio investments	1,082,149
	\$ 1,348,863

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the year ended December 31, 2023

	Budget 2023	Actual 2023	Actual 2022 (Restated)
Surplus (Deficit) of Revenues Over Expenses	\$ 3,204,972	\$ 6,347,728	\$ 2,061,749
Change in Tangible Capital Assets			
Acquisition of tangible capital assets	(12,211,582)	(12,211,582)	(12,198,154)
Amortization of tangible capital assets	10,980,486	10,980,486	11,024,112
Proceeds on disposal of tangible capital assets	-	156,069	80,694
(Gain) loss on disposal of tangible capital assets	171,175	171,175	(77,918)
	(1,059,921)	(903,852)	(1,171,266)
Change in Non-Financial Assets			
Acquisition of intangible assets	-	(2,852,650)	(8,217,214)
Net acquisition of inventory of materials and supplies	-	(421,236)	(122,391)
Net change in prepaid expenses	-	(49,506)	28,965
Net change in other assets	-	(2,170)	(50,864)
Net remeasurement gains	-	1,348,863	-
	-	(1,976,699)	(8,361,504)
Decrease (Increase) in Net Debt	2,145,050	3,467,178	(7,471,021)
Net debt, beginning of year	(60,189,792)	(67,660,813)	(60,189,792)
Net Debt, End of Year	\$ (58,044,742)	\$ (64,193,635)	\$ (67,660,813)

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOW

For the year ended December 31, 2023

	2023	2022 (Restated)
Net inflow (outflow) of cash and cash equivalents:		
Operating Activities		
Surplus (deficit) of revenues over expenses	\$ 6,347,728	\$ 2,061,749
(Deduct) Add Items Not Affecting Cash and Cash Equivalents:		
Amortization of tangible capital assets	10,980,486	11,024,112
Loss (gain) on disposal of tangible capital assets	171,175	(77,918)
Net Change in Working Capital Balances:		
Decrease (increase) in taxes receivable	103,599	(97,547)
Decrease (increase) in accounts receivable	(145,030)	(307,784)
Decrease (increase) in long-term receivables	897,495	609,506
Decrease (increase) in land inventory for resale	(2,227,196)	(2,523,518)
Increase (decrease) in accounts payable and accrued liabilities	314,799	(1,477,773)
Increase (decrease) in taxes payable to school boards	3,289	(20,514)
Increase (decrease) in deposits	42,110	44,909
Increase (decrease) in deferred revenues	(716,025)	(93,807)
Increase (decrease) in employee benefit obligations	(348,772)	414,710
Increase (decrease) in asset retirement obligations	180,612	174,690
Decrease (increase) in inventory of materials and supplies	(421,236)	(122,391)
Decrease (increase) in prepaid expenses	(49,506)	28,964
Decrease (increase) in other assets	(2,170)	780
	15,131,358	9,638,168
Capital Activities		
Acquisition of tangible capital assets	(12,211,582)	(12,198,154)
Net change in intangible assets	(2,852,650)	(8,217,214)
Proceeds on disposal of tangible capital assets	156,069	80,694
	(14,908,163)	(20,334,674)
Investing Activities		
Net (increase) decrease in portfolio investments	(473,245)	(332,961)
	(473,245)	(332,961)
Financing Activities		
Long-term debt issued	-	21,902,942
Repayment of long-term debt	(7,505,086)	(6,304,640)
	(7,505,086)	15,598,302
Increase (Decrease) in Cash and Cash Equivalents	(7,755,136)	4,568,835
Cash and cash equivalents, beginning of year	9,186,387	4,617,552
Cash and Cash Equivalents, End of Year	\$ 1,431,251	\$ 9,186,387

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

The City of Swift Current (the “City”) is a municipality in the Province of Saskatchewan, incorporated in 1914 as a city and operates under the provisions of *The Cities Act* effective January 1, 2003.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the City are the representations of management prepared 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 City are as follows:

A. BASIS OF CONSOLIDATION

i. Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenue, expenses, and accumulated operating surplus of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to the City and which are owned or controlled by the City, namely:

- **General Government Fund** – Accounts for the City’s general operations and is funded by a variety of sources and balanced by property tax revenue.
- **Property Sales Fund** – Accounts for the development of residential, commercial, and industrial properties and is funded by land sales.
- **Light & Power Utility Fund** – Accounts for the City’s electrical utility operations and is funded by user fees charged to City subscribers.
- **Water & Sewer Utility Fund** – Accounts for the City’s water and sewer utility operations and is funded by user fees charged to City subscribers.
- **Rural Water Utility Fund** – Accounts for the rural water operations and is funded by user fees and surcharges charged to rural subscribers.
- **Solid Waste Utility Fund** – Accounts for the City’s residential and industrial landfill disposal sites, as well as residential waste collection and recycling operations, and is funded by user fees.
- **Long-Term Care Fund** – Accounts for the municipal share of the construction of the long-term care facility and is funded by a special levy.

ii. Trust Funds

Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the municipality. Trust fund activities administered by the City are disclosed in Note 28.

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF CONSOLIDATION (continued)

iii. Collection of Funds for School Boards

Collection of funds by the City for school boards are collected and remitted in accordance with relevant legislation. The taxation and other revenues, expenses, assets, and liabilities with respect to the operations of the school boards, are not reflected in the City's financial statements. Amounts due to and due from school boards are reported on the Consolidated Statement of Financial Position.

B. BASIS OF ACCOUNTING

The consolidated financial statements are prepared using the accrual basis of accounting. Revenues are accounted for in the period in which they are earned and measurable. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the specified purpose.

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 as at the period ended. Inventories of materials and supplies are expensed when consumed.

C. USE OF ESTIMATES

The preparation of consolidated financial statements in accordance with PSAS 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have an impact on future periods.

Management has used estimates to determine employee benefit obligations, valuation of certain financial instruments, asset retirement obligations, accrued liabilities including estimates for contaminated site remediation, useful lives of tangible capital assets, the value of contributed tangible capital assets, as well as allowances for receivables or any provision for impairment of investment values and tangible capital assets.

These estimates and assumptions are reviewed periodically, and changes will occur based on the passage of time and the occurrence of certain future events. The changes will be reported in earnings in the period in which they become known.

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

D. FOREIGN CURRENCY TRANSLATION

The City's functional currency is the Canadian dollar. Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates in effect on the transaction dates.

Carrying values of monetary assets and liabilities and non-monetary items included in the fair value category reflect the exchange rates in effect at the consolidated financial statement date. Unrealized foreign exchange gains and losses are recognized in the Consolidated Statement of Remeasurement Gains and Losses. In the period of settlement, unrealized foreign exchange gains and losses are reclassified to the Consolidated Statement of Operations and Accumulated Operating Surplus, and the cumulative amount of remeasurement gains and losses is reversed in the Consolidated Statement of Remeasurement Gains and Losses.

E. PROPERTY TAX REVENUE

Property tax revenue is based on property assessments determined in accordance with Saskatchewan legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Municipal tax rates are established each year by City Council in accordance with legislation and are set to raise the property tax revenue required to meet the City's budget requirements. Property tax revenues are recorded at the time tax billings are issued. Property assessments are subject to appeal and property tax revenue is recorded net of a provision for potential losses on outstanding assessment appeals and uncollected taxes. By their nature, these provisions are subject to measurement uncertainty and the impact on the consolidated financial statements of future periods may be significant. Penalties on overdue taxes are recorded in the period levied.

The City also bills and collects education tax on behalf of the Chinook School Division and the Holy Trinity Catholic School Division. Public education tax rates are established by the Province of Saskatchewan on behalf of the Chinook School Division and separate education tax rates are established by the Holy Trinity Catholic School Division. Education taxes are remitted to the Province and the Holy Trinity Catholic School Division when collected and are excluded from revenues and expenses in the Consolidated Statement of Operations and Accumulated Operating Surplus.

F. GOVERNMENT TRANSFERS

Government transfers are the transfer of monetary assets from other orders of government that are not the result of an exchange transaction and for which there is no expectation of repayment or direct financial return to the transferor in the future. The City receives government transfers from the Federal and Provincial governments to fund operating and capital expenditures.

Government transfers are recognized in the consolidated financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met, and reasonable estimates can be made. Government transfers, where funding has been received, that have not met the requirements of relevant stipulations, if any, are recorded as deferred revenue in the Consolidated Statement of Financial Position and are recognized as revenue when the stipulations are met.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

F. GOVERNMENT TRANSFERS (continued)

Authorized transfers from the City to other organizations or individuals are recorded as an expense when the transfer has been authorized and the eligibility criteria, if any, have been met by the recipient. The majority of transfers made by the City are in the form of grants, sponsorships, and donations. From time to time, the City may transfer tangible capital assets.

G. LOCAL IMPROVEMENTS

When a service or improvement is deemed a benefit to a specific area, rather than the City as a whole, the project may be classified as a local improvement to be paid in whole or in part by the property owner. The property owner's share of the improvement is recognized as revenue, and established as a receivable, in the period that the project expenditures are incurred.

H. FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES

Financial assets and financial liabilities have been presented separately from the non-financial assets of the City on the Consolidated Statement of Financial Position.

A financial asset is defined as an asset that can be used to discharge existing liabilities or finance future operations and is not for consumption in the normal course of operations. A financial liability is a contractual obligation to deliver cash or another financial asset to another entity. Net financial assets (debt) at the end of the accounting period are the net amount of financial assets less liabilities outstanding.

Non-financial assets are those that are normally used to provide services in future periods and have useful lives extending beyond the current year. These assets do not normally provide measures to discharge the liabilities of the City unless they are sold.

I. FINANCIAL INSTRUMENTS

Financial instruments are any contracts that give rise to a financial asset of one entity and a financial liability or equity instrument to another entity.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the Consolidated Statement of Remeasurement Gains and Losses. Upon settlement, the realized gains and losses are reclassified to the Consolidated Statement of Operations and Accumulated Operating Surplus. Interest and dividends attributable to financial instruments are reported in the Consolidated Statement of Operations and Accumulated Operating Surplus when realized.

All financial assets are tested annually for impairment. Impairment losses are recorded in the Consolidated Statement of Operations and Accumulated Operating Surplus when there is other than a temporary decline in value. A write-down of a Level 3 portfolio investment to reflect a loss in value that is other than temporary is not reversed for a subsequent increase in value.

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

I. FINANCIAL INSTRUMENTS (continued)

Financial instruments are classified as Level 1, 2 or 3 for the purposes of describing the basis of the inputs used to measure the fair values of financial instruments in the fair value measurement category, as described below:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Market-based inputs other than quoted prices that are observable for the asset or liability either directly or indirectly.

Level 3 – Inputs for the asset or liability that are not based on observable market data. Assumptions are based on the best internal and external information available and that are most suitable based on the type of financial instrument being valued to establish what the transaction price would have been on the measurement date in an arm’s length transaction.

Fair value measurements are classified in the lowest level that is significant to that fair value measurement. This assessment requires judgement, considering factors specific to an investment that may affect its placement within these levels.

Financial Instrument	Measurement
Cash and cash equivalents	Cost
Receivables	Cost and Amortized Cost
Portfolio investments	Fair Value, Cost, and Amortized Cost
Accounts payable and accrued liabilities	Cost
Deposits	Cost
Long-term debt	Amortized Cost

J. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, balances with financial institutions, and other cash equivalents. These cash equivalents generally mature within ninety days from the date of purchase, are capable of prompt liquidation and may be used to manage the City’s cash position throughout the year.

K. PORTFOLIO INVESTMENTS AND INVESTMENT EARNINGS

The City has externally managed investment portfolios consisting of short and long-term investments including fixed income securities, equities, pooled funds, and money market securities. Management has elected to record all portfolio investments at fair value as they are managed and evaluated on a fair value basis. Unrealized gains or losses reflected in the Consolidated Statement of Remeasurement Gains and Losses. When an investment gain or loss is realized, the accumulated remeasurement gain or loss is

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

K. PORTFOLIO INVESTMENTS AND INVESTMENT EARNINGS (continued)

reclassified to the Consolidated Statement of Operations and Accumulated Operating Surplus. Where there has been a loss in value on a Level 3 portfolio investment that is other than a temporary decline, the respective investment is written down to recognize the loss. Investment earnings are reported in the period earned.

L. LAND INVENTORY FOR RESALE

The City is one of the primary property developers in the municipality. Land inventory for resale is recorded at the lower of cost and net realizable value. Cost includes amounts for land acquisition and improvements to prepare the land for sale or servicing. Land inventory is held for sale in the normal course of City business operations. As land inventory is sold, the funds are collected but not recognized as revenue until the development is complete.

Property acquired through tax enforcement and temporarily held is recorded at a cost equal to the outstanding taxes including any applicable penalties up to the date of acquisition, plus any costs necessary to maintain the property after acquisition.

M. DEPOSITS

Deposits are held for the purposes of securing the compliance of a third-party to contractual stipulations. These deposits are returned when compliance with contractual stipulations is determined. The City applies deposits to accounts receivable, or records as revenue if there is no receivable outstanding, when a third-party defaults on the contractual stipulations that the deposits were securing against.

N. EMPLOYEE BENEFIT OBLIGATIONS

The costs of post-employment benefits, compensated absences and termination benefits are recorded as an expense when the event that gives rise to the obligation occurs.

i. Vested Sick Leave

Sick leave is earned by permanent City employees through a monthly allotment. Unused sick leave accumulates and vests with the employee to a maximum of one hundred, fifty-six (156) working days. Any permanent employee who retires to collect pension shall be entitled to receive payment at their rate of pay in the amount of twenty-five (25) percent of all unused accumulated sick leave time remaining to their credit at the date of retirement. In the case an employee dies during their employment, payment of twenty-five (25) percent of unused accumulated sick leave shall be made to their heirs, executors, or administrators. The value of the vested sick leave reflects the future value of employee earnings combined with the present value of this future liability. The liability has been determined on an actuarial basis.

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

N. EMPLOYEE BENEFIT OBLIGATIONS (continued)

ii. Defined Benefit Pension Plan

The City participates in a multi-employer defined benefit pension plan administered by a third party, wherein, contributions for current and past pension benefits are recorded as expenses in the year in which they become due. Under the defined benefit plan, the City's obligations are limited to their contributions.

iii. Vacation Pay and Banked Overtime

The obligations for accrued vacation pay and banked overtime have been accounted for at an undiscounted value at the current rate of pay.

O. ASSET RETIREMENT OBLIGATIONS

A liability for an asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur incremental retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

Asset retirement obligations are initially measured as of the date the legal obligation is incurred, based on the City's best estimate of all costs directly attributable to asset retirement activities. These estimates are subsequently remeasured considering any new information and the appropriateness of assumptions used. A present value technique is used to determine the amount of the obligation when the cash flows required to settle or extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, the corresponding asset retirement cost is capitalized and is amortized over the useful life of the related asset.

At each financial reporting date, the City reviews the carrying value of the liability. The City recognizes annual changes to the liability due to the passage of time as an accretion expense. Changes to the liability arising from revisions to the timing of the asset retirement obligation, the amount of the estimate, or the discount rate used in the present value calculation, are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The City continues to recognize the liability on the Consolidated Statement of Financial Position until it is settled or extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

P. LIABILITY FOR CONTAMINATED SITES

The Environmental Management and Protection Act (Saskatchewan) sets out the regulatory requirements related to contamination. Under this Act, there is a requirement for persons or organizations responsible to address the contamination that is causing or has caused an adverse effect.

A liability is recorded for sites where contamination exists, being introduced into air, soil, water, or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard, and the City must be legally responsible or has accepted responsibility for the contamination, future economic benefits are expected to be given up and a reasonable estimate for the provision can be made.

The liability reflects the City's best estimate based on available information, as of financial reporting date, of the amount required to remediate non-productive sites to the current minimum standard of use prior to contamination. Where possible, provisions for remediation are based on environmental assessments.

For those sites where an assessment has not been completed, estimates of the remediation are completed using information available for the site and by extrapolating from the cost to clean up similar sites.

The liability is recorded net of any estimated recoveries from third parties. When cash flows are expected to occur over extended future periods, the City will measure costs directly attributable to the remediation activities required using present value techniques.

Q. NON-FINANCIAL ASSETS

Non-financial assets are not available to discharge liabilities and are held for use in the provision of services with expected useful lives extending beyond the current year and are not intended for sale in the normal course of operations. Non-financial assets include tangible capital assets, intangible assets, inventory of materials and supplies, prepaid expenses, and other assets.

i. Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development, or betterment of the asset. Interest costs directly attributable to the acquisition, construction and development of tangible capital assets are not capitalized. Assets under construction are recorded as work in progress and are not amortized until the asset is available for productive use. Donated and contributed tangible capital assets are recorded at fair value at the date of receipt. Fair value is determined based on an estimate of the cost to acquire the contributed asset or appraised values. Government contributions for the acquisition of tangible capital assets are reported as capital revenue and do not reduce the cost of the related asset.

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. NON-FINANCIAL ASSETS (continued)

The cost, less residual value of the tangible capital assets, if any, is amortized on a straight-line basis over the estimated useful life as follows:

Asset	Useful Life
General Assets	
Land	Indefinite
Land improvements	15 to 50 years
Buildings	20 to 45 years
Building improvements	15 to 25 years
Operating equipment	5 to 25 years
Heavy equipment	7 to 25 years
Office furniture & equipment	5 to 20 years
Vehicles	10 years
Computer software	10 years
Computer hardware	3 years
Infrastructure Assets	
Roads	15 to 30 years
Bridges & other structures	35 to 60 years
Water infrastructure	10 to 50 years
Sewer infrastructure	20 to 60 years
Storm & drainage infrastructure	30 to 50 years
Light & power infrastructure	20 to 40 years

Amortization will begin in the year following the year of acquisition and every year after until the asset is fully amortized or disposed. A full year of amortization is recorded in the disposal year.

ii. Intangible Assets

An intangible asset is recognized separately from goodwill and currently the intangibles held by the City are not subject to amortization. An intangible asset is recorded at cost, less any provision for permanent impairment. Impairment is tested if events or changes in circumstances indicate that the asset may be impaired.

iii. Leases

All leases are recorded on the consolidated financial statements as either a capital or operating lease. Any lease that transfers substantially all the benefits and risk associated with the lease asset is classified as a capital lease and recorded as a tangible capital asset. At the inception of the 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. A lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. NON-FINANCIAL ASSETS (continued)

iv. Inventory of Materials and Supplies

Inventories of materials and supplies expected to be used by the City 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 and are recorded as financial assets. Cost is measured using an average cost method. Net realizable value is the estimated selling price in the ordinary course of business.

v. Prepaid Expenses

Prepaid expenses include prepaid insurance, prepaid postage, as well as prepaid software expenses, memberships, advertising, and other expenditures to be recorded in a future period.

vi. Cultural and Historical Assets, and Works of Art

The City manages and controls various works of art and non-operational historical and cultural assets including buildings, artifacts, paintings, and sculptures located at City sites and public display areas. The assets are not recorded as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made. All costs are expensed when the purchase is made.

R. ADOPTION OF NEW ACCOUNTING STANDARDS

Effective January 1, 2023, the City adopted the following accounting standards to comply with Public Sector Accounting Standards. Adoption of these standards require all public sector entities to assess information using the definitions, criteria, and exceptions provided in the standards and apply professional judgement to comply with disclosure requirements of each standard. Comparative information is presented in accordance with the accounting policies by the City immediately preceding its adoptions of these new standards.

i. PS 3280, Asset Retirement Obligations

Asset Retirement Obligations established standards on when to recognize, and how to account for and report a liability for asset retirement obligations associated with tangible capital assets controlled by the City. This standard covers the City's legal obligations established by agreement, contract, or legislation, including obligations created by a promissory estoppel for tangible assets controlled by the City that are in productive use and that are no longer in productive use. This standard includes obligations for solid waste landfill sites and post-closure obligations and has been adopted on a modified retroactive basis.

Amounts are measured using information, assumptions, and discount rates, where applicable, that are current at the beginning of the fiscal year in which the standard is in effect. The amount recognized as an asset retirement cost is determined as of the date the asset retirement obligation was incurred. Accumulated amortization is measured for the period from the date the liability would have been recognized as if the provisions of this standard had been in effect at the time the obligation was incurred.

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

R. ADOPTION OF NEW ACCOUNTING STANDARDS (continued)

The impact of the adoption of this standard on the prior year financial statements is noted in the table below:

	Previously Recorded	Asset Retirement Obligations	Restated
Consolidated Statement of Financial Position			
Landfill closure	\$ 4,030,287	\$ (4,030,287)	\$ -
Asset retirement obligations	-	5,327,775	5,327,775
Net debt	(66,363,325)	(1,297,488)	(67,660,813)
Non-financial assets	193,087,567	1,204,849	194,292,416
Accumulated surplus	126,724,242	(92,639)	126,631,603
Consolidated Statement of Operations and Accumulated Operating Surplus			
Expenses	67,552,188	(212,629)	67,339,559
Surplus (deficit) of revenues over expenses before other	(346,601)	212,629	(133,972)
Surplus (deficit) of revenues over expenses	1,849,120	212,629	2,061,749
Accumulated operating surplus, beginning of year	124,875,122	(305,268)	124,569,854
Accumulated operating surplus, end of year	126,724,242	(92,639)	126,631,603
Consolidated Statement of Changes in Net Debt			
Surplus (deficit) of revenues over expenses	1,849,120	212,629	2,061,749
Amortization of tangible capital assets	10,941,974	82,138	11,024,112
Decrease (increase) in net debt	(7,765,788)	294,767	(7,471,021)
Net debt, beginning of year	(58,597,537)	(1,592,255)	(60,189,792)
Net debt, end of year	(66,363,325)	(1,297,488)	(67,660,813)
Consolidated Statement of Cash Flows			
Increase (decrease) in landfill closure	4,030,287	(4,030,287)	-
Surplus (deficit) of revenues over expenses	1,849,120	212,629	2,061,749
Amortization of tangible capital assets	10,941,974	82,138	11,024,112

ii. PS 3450, Financial Instruments

Financial Instruments establishes recognition, measurement, and disclosure requirements for derivative and non-derivative financial instruments. The standard requires fair value measurement of derivatives and equity instruments that are quoted in an active market; all other financial instruments can be measured at cost, amortized cost, or fair value at the election of the City. Unrealized gains and losses are presented on the new Consolidated Statement of Remeasurement Gains and Losses. The City added new disclosures regarding the nature and extent of risks arising from financial instruments in Note 7.

On January 1, 2023, the City adopted the standard prospectively. Under PS 3450, all financial instruments, including derivatives, if any, are included on the Consolidated Statement of Financial

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

R. ADOPTION OF NEW ACCOUNTING STANDARDS (continued)

Position and are measured either at fair value, cost or amortized cost based on the characteristics of the instrument and the City's accounting policy choices.

Upon the adoption of PS 3450, the opening balance of \$560,813 in the Consolidated Statement of Remeasurement Gains and Losses consisted of the following:

- Unrealized foreign exchange on portfolio investments in the amount of \$119,501; and
- Unrealized gains on portfolio investments in the amount of \$441,312.

iii. PS 1201, Financial Statement Presentation

Financial Statement Presentation was amended to conform to PS 3450, Financial Instruments and requires a new Consolidated Statement of Remeasurement Gains and Losses separate from the Consolidated Statement of Operations and Accumulated Operating Surplus. Included in this new statement are the unrealized gains and losses arising from the remeasurement of financial instruments and items denominated in foreign currencies.

Effective January 1, 2023, the City prospectively adopted the standard and included the new Consolidated Statement of Remeasurement Gains and Losses as part of the financial statements.

iv. PS 3041, Portfolio Investments

Portfolio Investments has removed the distinction between temporary and portfolio investments. This standard was amended to conform to PS 3450, Financial Instruments and now includes pooled investments in its scope. Upon adoption of PS 3450, Financial Instruments and PS 3041, Portfolio Investments, PS 3030, Temporary Investments will no longer apply. These amendments resulted in disclosure changes for the City, mainly to conform to PS 3450, Financial Instruments.

Effective January 1, 2023, the City prospectively applied the standard. In accordance with the provisions of this standard, the City reflected the following adjustments on January 1, 2023:

- An increase of \$441,312 to portfolio investments and accumulated remeasurement gains (losses) due to unrealized gains on the City's investments being recognized on a fair value basis.

v. PS 2601, Foreign Currency Translation

Foreign Currency Translation 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 recognized in the Consolidated Statement of Remeasurement Gains and Losses. In the period of settlement, foreign exchange gains and losses are to be reclassified to the Consolidated Statement of Operations and Accumulated Operating Surplus and the cumulative remeasurement gains and losses are reversed in the Consolidated Statement of Remeasurement Gains and Losses.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

R. ADOPTION OF NEW ACCOUNTING STANDARDS (continued)

Effective January 1, 2023, the City prospectively applied the standard and did not choose the irrevocable election to recognize the exchange gains and losses directly in the Consolidated Statement of Operations and Accumulated Operating Surplus. In accordance with the provisions of this standard, the City reflected the following adjustments on January 1, 2023:

- An increase of \$119,501 to portfolio investments and accumulated remeasurement gains (losses) due to unrealized foreign exchange on the City's investments held in a currency other than Canadian currency.

S. FUTURE ACCOUNTING STANDARD PRONOUNCEMENTS

The City continues to assess the impact and prepare for the adoption of the following standards:

i. Standards effective for the City's fiscal year ending December 31, 2024

PS 3160, Public Private Partnerships

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

PS 3400, Revenue

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.

ii. Standards effective for the City's fiscal year ending December 31, 2027

The Conceptual Frameworks for Financial Reporting

The conceptual framework is the foundation for principles-based standards. It is a set of interrelated objectives and fundamentals leading to consistent standards or application of consistent standards in the absence of specific standards.

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

S. FUTURE ACCOUNTING STANDARD PRONOUNCEMENTS (continued)

PS 1202, Financial Statement Presentation

This standard will replace PS 1201, Financial Statement Presentation and sets out the general and specific requirements of the presentation of financial information and is based on the concepts in the conceptual framework.

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

2. CASH AND CASH EQUIVALENTS

	2023	2022
General Government Fund	\$ 465,680	\$ 8,320,708
Rural Water Utility Fund	864,088	786,917
Long-Term Care Fund	101,483	78,762
Total Cash and Cash Equivalents	\$ 1,431,251	\$ 9,186,387

Cash equivalents have interest rates of 1.50% to 2.90% (2022 – 0.05% to 1.40%).

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

3. TAXES RECEIVABLE

	2023	2022
Municipal	\$ 1,039,016	\$ 1,147,336
Total Municipal Taxes Receivable	1,039,016	1,147,336
School:		
Public School	541,945	507,876
Separate School	116,719	98,348
Total School Taxes Receivable	658,664	606,224
Special:		
Long-Term Care	32,465	27,800
Total Special Taxes Receivable	32,465	27,800
Total Taxes Receivable	1,730,145	1,781,360
Less:		
Public School	(541,945)	(507,932)
Separate School	(116,719)	(98,348)
Total School Taxes Receivable	(658,664)	(606,280)
Net Taxes Receivable	\$ 1,071,481	\$ 1,175,080

It is the normal practice of the City to review its taxes receivable on a regular basis and pursue, under *The Tax Enforcement Act*, any accounts which are considered uncollectible. A general allowance of nil (2022 – nil) for uncollectible taxes is included in the balance of taxes receivable since all property taxes owing are assumed to be recoverable through the acquisition and disposal of tax title property.

School taxes receivable is not included in the total taxes receivable by the City.

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

4. ACCOUNTS RECEIVABLE

	2023	2022
Trade and Other Receivables	\$ 2,602,035	\$ 2,301,317
Utility Receivables	2,711,456	2,614,266
Total Accounts Receivables	5,313,491	4,915,583
Federal Government	993,654	1,236,457
Provincial Government	108,046	102,157
Total Government Receivables	1,101,700	1,338,614
Future Levy Recoveries:		
2017 Local Improvements	46,018	56,126
2016 Local Improvements	18,835	24,500
2015 Local Improvements	5,376	7,864
2015 Waterworks	36,661	53,767
2014 Local Improvements	4,182	8,154
2013 Local Improvements	-	11,821
Total Future Levy Recoveries	111,072	162,232
Less:		
Allowance for Uncollectible Accounts	(275,370)	(310,566)
Total Allowance for Uncollectible Accounts	(275,370)	(310,566)
Net Accounts Receivable	\$ 6,250,893	\$ 6,105,863

The City provides interim financing for certain local capital projects and improvements, which are later recovered from property owners through future levy recoveries.

5. LONG-TERM RECEIVABLES

	2023	2022
Property Sales Fund		
Receivable, non-interest bearing, repaid as lots are sold	\$ 3,622,198	\$ 3,934,652
Receivable, term, interest rate of 4.35%, annual payments	2,540,708	2,593,262
Receivable, non-interest bearing, repaid as lots are sold	1,090,225	1,188,522
Receivable, interest rate of prime plus 1.00%, repaid as lots are sold	-	434,190
Long-Term Receivables	\$ 7,253,131	\$ 8,150,626

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

6. PORTFOLIO INVESTMENTS

	2023		2022	
	Market Value	Carrying Value	Market Value	Carrying Value
Investments carried at fair value:				
Equity Instruments	\$ 3,224,375	\$ 2,454,777	\$ 2,912,618	\$ 2,269,014
Fixed Income Funds	3,425,950	3,595,476	2,847,626	3,186,650
Pooled Funds	4,662,881	4,102,988	5,163,293	4,959,216
Foreign Instruments	25,956	23,405	48,569	47,207
Investments carried at cost:				
Cash	1,153,735	1,153,735	-	-
Other	-	-	208,700	208,700
Total Portfolio Investments	\$ 12,492,897	\$ 11,330,381	\$ 11,180,806	\$ 10,670,787

All portfolio investments carried at fair value are valued at level 2. Refer to Note 1(I) for a description of levels 1, 2, and 3. During the year, there were no transfers between levels of fair value hierarchy.

The investments are managed by an external investment manager in holdings of which may include equities, government and corporate bonds, commercial mortgages, and Canadian Real Estate. Fixed income funds consist of government bonds, corporate bonds, and other debentures that will mature between 2025 and 2077, with interest rates of 1.75% to 5.85% (2022 – 1.75% to 5.85%).

Interest earned on portfolio investments throughout the year is shown on a comparable basis in the table below:

	2023	2022
Investment Income:		
Interest	\$ 197,736	\$ 129,975
Dividends	75,546	74,730
Realized gains (losses) on disposal	132,304	71,132
Total Investment Income	\$ 405,586	\$ 275,837

7. FINANCIAL RISK MANAGEMENT

The City is exposed to a variety of financial risks associated with financial instruments. These financial risks include market risk, credit risk, and liquidity risk. The City's risk management processes have not changed from the prior year.

A. MARKET RISK

All investments held by the City must comply with the City's Investment Policy. The objective of the City Council approved investment policy is capital protection with long-term returns above inflation within an

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

7. FINANCIAL RISK MANAGEMENT (continued)

A. MARKET RISK (continued)

acceptable and prudent level of risk. Asset mix targets are determined based on investment earnings objectives, investment time horizon, and level of risk tolerance.

Market risk consists of three (3) types of risk: price risk, interest rate risk, and foreign currency risk.

i. Price Risk

The City is exposed to market price risk, the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. Fluctuations may be caused by specific factors specific to the individual security, its issuer or general market factors affecting all securities. To manage this risk, the City has established an investment policy with a target asset mix that is diversified by asset class and is designated to achieve a long-term rate of return with an acceptable level of risk.

The carrying value of equity instruments carried at fair value is \$3,224,375 (2022 – \$2,269,014) and comprise 25.8% (2022 – 21.3%) of the City’s total portfolio investments. As at December 31, 2023, if equity prices increased or decreased by 1%, with all other factors remaining constant, the City’s fair value of portfolio investments and accumulated remeasurement gains and losses would have increased or decreased by approximately \$32,244 (2022 - \$22,690).

ii. Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate due to volatility of market interest rates. The City is exposed to interest rate risk through its investments in fixed income securities and manages this risk by adjusting portfolio durations. If interest rates increased or decreased by 1% as at December 31, 2023, with all other variables remaining constant, the fair value of portfolio investments would increase or decrease by \$34,260 (2022 - \$31,867).

Interest rate risk on the City’s long-term debt is managed through fixed-rate agreements, thereby mitigating interest rate risk from rate fluctuations over the term of the outstanding debt.

iii. Foreign Currency Risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The City is exposed to foreign currency risk on equity instruments that are denominated in a foreign currency other than the Canadian dollar. To manage this risk, currency risk exposure is limited within the allowable asset mix within the City’s Investment Policy.

At December 31, 2023, the total fair value of equity instruments denominated in the US dollars is \$876,133 (2022 - \$611,395) or 7.01% (2022 – 5.73%) of total portfolio investments. A 1% strengthening or weakening of the Canadian dollar versus the US dollar, with all other variables remaining constant, would have decreased or increased the portfolio investment fair value and accumulated remeasurement gains and losses by \$8,761 (2022 - \$8,744).

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

7. FINANCIAL RISK MANAGEMENT (continued)

B. CREDIT RISK

Credit risk is the risk of loss arising from the failure of a counterparty to fully honour its contractual obligations. The credit quality of financial assets is generally assessed by reference to external credit ratings. Credit risk can also lead to losses when issuers and debtors are downgraded by credit rating agencies. The carrying amount of the City’s cash and cash equivalents, receivables, and portfolio investments are exposed to credit risk.

Accounts receivable primarily consists of trade and utility receivables, local improvements, taxes, and government transfers. The City periodically reviews the collectability of its accounts receivable and establishes an allowance based on its estimate of potentially uncollectible amounts. Cash and cash equivalents, when invested, are invested in high interest savings or guaranteed investment certificates. The City’s investment policy restricts the types and proportions of eligible portfolio investments to ensure that fixed income fund portion of the portfolio must have a minimum weighted average bond rating of A, with no more than 20% of the total bond portfolio being rated at BBB.

C. LIQUIDITY RISK

Liquidity risk is the risk that the City will encounter difficulty under both normal and stressed conditions in meeting obligations associated with financial liabilities that are settled by delivery of cash and cash equivalents or another financial asset. The City managed liquidity risk by regularly monitoring its working capital to determine the optimal mix of short-term and long-term investments and ensures it has sufficient liquidity while also maximizing returns. The City has access to an operating line of credit in the amount of \$2,000,000 to meet current and forecasted financial requirements.

8. LAND INVENTORY FOR RESALE

Land inventory for resale includes serviced industrial and residential lots, as well as bare land available for sale or future development. As of December 31, 2023, the City did not have any property acquired through the tax enforcement process available for sale (2022 – nil).

	2023	2022
Land Available for Sale		
Industrial	\$ 1,932,876	\$ 1,906,853
Residential	7,827,463	6,658,230
Other	5,006,272	3,974,332
Total Land Inventory for Resale	\$ 14,766,611	\$ 12,539,415

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

9. BANK INDEBTEDNESS

The City maintains an overdraft limit of \$2,000,000 and is secured with a general security agreement with Innovation Federal Credit Union. As of December 31, 2023, no funds were drawn against the City’s overdraft limit (2022 – nil).

A revolving line of credit is also maintained by the City in the amount of \$3,710,000 for use when land is developed for resale. The interest rate on the revolving line of credit is prime less 0.50%, with interest payments due monthly. As of December 31, 2023, no funds related to the revolving line of credit were drawn (2022 - \$21,634,159). In 2023, the prior year balance in the revolving line of credit was transferred to term debt, as shown in Note 17.

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2023	2022
Trade Accounts Payable	\$ 5,646,902	\$ 5,114,372
Payroll and Remittances	861,237	916,637
Prepaid Property Taxes	200,645	362,976
Total Accounts Payable and Accrued Liabilities	\$ 6,708,784	\$ 6,393,985

11. TAXES PAYABLE TO SCHOOL BOARDS

	2023	2022
Chinook School Division	\$ 234,809	\$ 229,880
Holy Trinity Catholic School Division	115,393	117,033
Total Taxes Payable to School Boards	\$ 350,202	\$ 346,913

12. DEPOSITS

	2023	2022
Utility Deposits	\$ 1,681,057	\$ 1,635,248
Facility Deposits	40,546	43,860
Construction Deposits	44,407	44,792
Septic Access Deposits	725	725
Bulk Water Access Deposits	500	500
Total Deposits	\$ 1,767,235	\$ 1,725,125

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

13. DEFERRED REVENUE

	2023	2022
Operating:		
Chinook Golf Course Gift Certificates	\$ 142,913	\$ 76,307
Facility Rentals	946,281	718,309
Licenses and Permits	-	403
Swift Transit Passes and Subsidy	7,092	6,487
Heritage Grant	-	104,955
Community Programs	16,691	10,616
Saskatchewan Arts Board	28,700	-
Saskatchewan Culture	25,000	-
Community Initiatives Fund	12,000	-
Total Operating	1,178,677	917,077
Capital:		
Rural Water Prepaid Connections	112,500	112,500
Future Capital Improvements	170,300	161,400
Canada Community Building Fund	1,306,379	2,382,782
South Saskatchewan Community Foundation	30,000	-
All Weather Track	40,000	40,000
U17 Legacy Funds for Future Capital Improvements	72,844	72,844
Utility Servicing	101,587	41,708
Total Capital	1,833,610	2,811,234
Total Deferred Revenue	\$ 3,012,287	\$ 3,728,311

14. EMPLOYEE BENEFIT OBLIGATIONS

	2023	2022
Accrued Vacation	\$ 1,594,530	\$ 1,678,483
Post-Employment Benefits	226,744	492,783
Banked Overtime	15,780	14,560
Vested Sick Leave	396,692	396,692
Total Employee Benefit Obligations	\$ 2,233,746	\$ 2,582,518

The value of the obligation for vested sick leave is determined on an actuarial basis. An actuarial accounting extrapolation reported for vested sick leave was completed in 2022. The most significant assumption is the assumed real rate of return of 2.90%, which represents the excess of investment returns over salary inflation.

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

14. EMPLOYEE BENEFIT OBLIGATIONS (continued)

Employees of the City participate in the Municipal Employees Pension Plan which is a multi-employer defined benefit plan, and contributions are a percentage of salary. Firefighters contribute 12.5% of salary and all other members contribute 9.0% of salary to the plan, with the City matching all employee contributions. In 2023, the City’s contribution totaled \$1,453,819 (2022 - \$1,504,203).

Based on the latest information available in the December 31, 2023, Audited Financial Statements, the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$1,161,337,000 with the most recent actuarial valuation completed on December 31, 2022. The City’s portion of the plans net assets is not readily available.

15. ASSET RETIREMENT OBLIGATIONS

	2023	2022
Balance, Beginning of Year	\$ 5,327,775	\$ -
Adjustment on Transition	-	5,153,085
Net Change :		
Accretion Expense	180,612	174,690
Net Change for the Year	180,612	174,690
Total Asset Retirement Obligation	\$ 5,508,387	\$ 5,327,775

A. LANDFILL OBLIGATION

The Environmental Management and Protection Act of Saskatchewan sets out regulatory requirements to properly close and maintain all active and inactive landfill sites. Pursuant to the legislation, the City is required to fund the closure of its landfill sites and provide for post-closure care of the facilities. This requirement is being provided for over the estimated remaining life of the landfill sites and is funded through tipping fees. The annual provision is reported as an accretion expense in the Solid Waste Utility in the Consolidated Statement of Operations and Accumulated Operating Surplus.

Included in asset retirement obligations are liabilities for landfill closure and post-closure care of \$5,508,386 (2022 - \$5,327,775) and is subject to measurement uncertainty. The asset retirement obligation was calculated at a discount rate of 3.39% over the remaining estimated useful lives of the East and West Landfills.

B. ASBESTOS OBLIGATION

The Occupational Health and Safety Regulations, 1986 outlines the legal obligation for the City to remove asbestos within its facilities which represents a health hazard upon demolition or renovation. At this time, there are no known facilities that the City owns and operates that contain asbestos; however, the City will continue to monitor the presence of asbestos in its facilities and account for asset retirement obligations as necessary.

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

16. LIABILITY FOR CONTAMINATED SITES

As of December 31, 2023, there are no liabilities or provisions required for disclosure from contaminated sites (2022 – nil).

17. LONG-TERM DEBT

Below is summarized disclosure of the City’s long-term debt payable.

A. DEBT PAYABLE

Debt payable includes the following amounts, segregated by fund:

	2023	2022
General Government Fund	\$ 30,046,107	\$ 33,505,237
Property Sales Fund	23,401,960	24,170,598
Light and Power Utility Fund	13,731,000	14,347,000
Water and Sewer Utility Fund	18,555,040	20,998,916
Rural Water Utility Fund	810,105	868,235
Solid Waste Utility Fund	1,335,046	1,494,358
Total Long-Term Debt	\$ 87,879,258	\$ 95,384,344

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

17. LONG-TERM DEBT (continued)

A. DEBT PAYABLE (continued)

Principal and interest payments on long-term debt for the next five years and thereafter are as follows:

Year	Principal	Interest	Total
2024:			
General Government Fund	\$ 3,265,648	\$ 924,706	\$ 4,190,354
Property Sales Fund	33,484	108,939	142,423
Light and Power Utility Fund	628,000	399,970	1,027,970
Water and Sewer Utility Fund	2,228,692	673,356	2,902,048
Rural Water Utility Fund	58,989	21,415	80,404
Solid Waste Utility Fund	163,163	41,566	204,729
	6,377,976	2,169,952	8,547,928
2025:			
General Government Fund	2,773,801	810,372	3,584,173
Property Sales Fund	34,941	107,483	142,424
Light and Power Utility Fund	641,000	378,136	1,019,136
Water and Sewer Utility Fund	1,363,108	595,032	1,958,140
Rural Water Utility Fund	61,447	19,441	80,888
Solid Waste Utility Fund	150,025	36,672	186,697
	5,024,322	1,947,136	6,971,458
2026:			
General Government Fund	2,827,875	711,246	3,539,121
Property Sales Fund	36,460	105,963	142,423
Light and Power Utility Fund	654,000	359,150	1,013,150
Water and Sewer Utility Fund	1,418,364	539,716	1,958,080
Rural Water Utility Fund	62,894	17,644	80,538
Solid Waste Utility Fund	148,491	31,968	180,459
	5,148,084	1,765,687	6,913,771
2027:			
General Government Fund	2,829,869	608,476	3,438,345
Property Sales Fund	38,047	104,377	142,424
Light and Power Utility Fund	667,000	339,774	1,006,774
Water and Sewer Utility Fund	1,475,435	481,610	1,957,045
Rural Water Utility Fund	64,859	15,720	80,579
Solid Waste Utility Fund	149,373	27,357	176,730
	5,224,583	1,577,314	6,801,897

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

17. LONG-TERM DEBT (continued)

A. DEBT PAYABLE (continued)

Year	Principal	Interest	Total
2028:			
General Government Fund	2,492,434	517,428	3,009,862
Property Sales Fund	39,702	102,722	142,424
Light and Power Utility Fund	681,000	319,186	1,000,186
Water and Sewer Utility Fund	1,499,674	423,258	1,922,932
Rural Water Utility Fund	67,342	13,754	81,096
Solid Waste Utility Fund	83,630	23,434	107,064
	4,863,782	1,399,782	6,263,564
Thereafter:			
General Government Fund	15,856,480	1,880,840	17,737,320
Property Sales Fund	23,219,326	1,519,638	24,738,964
Light and Power Utility Fund	10,460,000	2,168,491	12,628,491
Water and Sewer Utility Fund	10,569,767	1,922,242	12,492,009
Rural Water Utility Fund	494,574	50,413	544,987
Solid Waste Utility Fund	640,364	83,612	723,976
	61,240,511	7,625,236	68,865,747
Total Long-Term Debt	\$ 87,879,258	\$ 16,485,107	\$ 104,364,365

B. DEBT LIMIT

The Saskatchewan Municipal Board has approved a debt limit for the City in the amount of \$110,000,000, which will remain in effect until such time that the City makes an application to amend its debt limit.

C. MATURITIES AND INTEREST RATES

Existing long-term debt matures in annual amounts in years noted below, with interest payable at rates indicated:

General Government Fund – Long-term debt matures in years 2024 through 2040 and interest is payable at rates ranging from 1.875% to 5.47% (2022 – 1.875% to 5.47%).

Property Sales Fund – Long-term debt matures in years 2024 through 2047 and interest is payable at rates ranging from 4.35% to 6.10% for term debt and prime less 0.50% for line of credit (2022 – 4.35% for term debt, Prime less 0.50% for line of credit).

Light and Power Utility Fund – Long-term debt matures in 2042, and interest is payable at 2.94% (2022 – 2.94%).

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

17. LONG-TERM DEBT (continued)

C. MATURITIES AND INTEREST RATES (continued)

Water and Sewer Utility Fund – Long-term debt matures in years 2024 through 2042 and interest is payable at rates ranging from 1.875% to 5.215% (2022 – 1.875% to 5.215%).

Rural Water Utility Fund – Long-term debt matures in years 2032 through 2040 and interest is payable at rates ranging from 1.875% to 3.68% (2022 – 1.875% to 3.68%).

Solid Waste Utility Fund – Long-term debt matures in years 2025 through 2038 and interest is payable at rates ranging from 1.99% to 3.88% (2022 – 1.99% to 3.88%).

D. INTEREST ON LONG-TERM DEBT

Total interest paid on long-term debt is as follows:

	2023	2022
General Government Fund	\$ 976,708	\$ 1,340,420
Property Sales Fund	110,335	111,673
Light and Power Utility Fund	410,347	519,164
Water and Sewer Utility Fund	790,031	793,971
Rural Water Utility Fund	24,525	16,986
Solid Waste Utility Fund	75,384	58,636
Total Long-Term Debt	\$ 2,387,330	\$ 2,840,850

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

18. TANGIBLE CAPITAL ASSETS

	2023	2022 (Restated)
General Assets:		
Land	\$ 7,125,292	\$ 7,125,292
Land Improvements	18,157,830	18,994,198
Buildings	13,962,297	15,179,142
Building Improvements	12,268,835	12,101,911
Operating Equipment	7,608,337	7,776,502
Heavy Equipment	6,814,354	7,214,216
Vehicles	848,753	993,237
Computer Software	339,331	443,092
Computer Hardware	1,263,968	1,054,383
Total General Assets	68,388,997	70,881,973
Infrastructure Assets:		
Roads	34,109,649	36,749,869
Bridges & Other Structures	4,971,569	5,113,893
Water Infrastructure	15,917,397	15,846,484
Sewer Infrastructure	12,111,071	12,506,062
Storm & Drainage Infrastructure	11,261,753	11,202,091
Light & Power Infrastructure	14,384,542	12,298,576
Total Infrastructure Assets	92,755,981	93,716,975
Work in Progress:		
Work in Progress	22,072,751	17,714,930
Total Work in Progress	22,072,751	17,714,930
Total Tangible Capital Assets, Net Book Value	\$ 183,217,729	\$ 182,313,878

For additional information on tangible capital assets, see the Consolidated Schedule of Tangible Capital Assets in Schedule 3.

19. INTANGIBLE ASSETS

On August 22, 2022, the City entered into an agreement to purchase the assets and customer area from Saskatchewan Power Corporation within the City's boundary. These areas were split into four tranches, with three tranches purchased in 2022 and the final tranche purchased in 2023. The total purchase price paid to Saskatchewan Power Corporation in 2023 was \$4,884,000 (2022 - \$9,916,000). This amount consisted of assets with the estimated value of \$2,031,350 (2022 - \$1,698,786), which is reflected in Light & Power Utility Fund tangible capital assets. The remaining amount paid in 2023 of \$2,852,650 (2022 - \$8,217,214) has been allocated to an intangible asset with an indefinite life and is related to the customer base acquired by the City.

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

20. PREPAID EXPENSES

	2023	2022
Prepaid Insurance	\$ 42,305	\$ 39,132
Prepaid Postage	9,615	14,615
Prepaid Expenses	105,506	54,173
Total Prepaid Expenses	\$ 157,426	\$ 107,920

21. OTHER ASSETS

	2023	2022
Prepaid Property Development	\$ 19,784	\$ 19,784
Chemical Drum Deposits	23,250	21,080
Innovation Federal Credit Union Equity	10,000	10,000
Total Other Assets	\$ 53,034	\$ 50,864

22. ACCUMULATED OPERATING SURPLUS

Accumulated operating surplus represents the City’s net economic resources. It is an amount by which all assets (financial and non-financial) exceed liabilities. An accumulated operating surplus indicates that the City has net resources that can be used to provide future services. In determining accumulated operating surplus, revenue and expenses are recognized as they are earned and incurred, according to PSAS.

	2023	2022 (Restated)
Unappropriated Fund Surplus:		
General Government Fund	\$ 3,099,858	\$ 3,099,858
Property Sales Fund	6,423,127	5,796,691
Long-Term Care Fund	133,948	106,562
Appropriated Fund Surplus:		
General Government Fund	7,501,541	7,501,541
Water & Sewer Utility Fund	6,192,848	6,192,848
Solid Waste Utility Fund	6,704,173	5,533,982
Equity in Tangible Capital Assets	102,923,836	98,400,121
Total Accumulated Operating Surplus	\$ 132,979,331	\$ 126,631,603

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

23. RESERVES

	2023	2022
Capital Reserves:		
General Government Fund	\$ 6,378,912	\$ 6,378,912
Water & Sewer Utility Fund	5,997,647	5,997,647
Solid Waste Utility Fund	6,704,173	5,533,982
Operating Reserves:		
General Government Fund	1,113,530	1,113,530
Water & Sewer Utility Fund	195,201	195,201
Public Trust Reserve	9,099	9,099
Total Reserves	\$ 20,398,562	\$ 19,228,371

24. TAXATION

	Budget	2023	2022
Municipal Property Tax Levy	\$ 19,726,075	\$ 19,334,586	\$ 18,745,147
Abatements and Adjustments	(15,000)	(26,971)	(14,815)
Discount on Current Year Taxes	(3,000)	(2,970)	(1,208)
	19,708,075	19,304,645	18,729,124
Penalties on Tax Arrears	120,000	138,532	130,168
Special Assessments	8,220	8,219	11,428
Special Tax Levy for Long-Term Care	350,744	350,744	347,266
	478,964	497,495	488,862
Total Municipal Taxation	20,187,039	19,802,140	19,217,986
Grants in Lieu of Taxes			
Federal	57,158	57,158	54,964
Provincial	766,071	1,077,336	1,242,350
Other	616,932	616,932	593,263
Total Grants in Lieu of Taxes	1,440,161	1,751,426	1,890,577
Total Taxation Revenue	\$ 21,627,200	\$ 21,553,566	\$ 21,108,563

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

25. GOVERNMENT TRANSFERS

	Budget	2023	2022
Federal	\$ 1,065,977	\$ 2,215,438	\$ 778,381
Provincial	3,187,178	3,441,776	3,031,700
Total Government Transfers	\$ 4,253,155	\$ 5,657,214	\$ 3,810,081

Government transfers do not include grants in lieu of taxes received from Federal and Provincial governments. These amounts are included with taxation revenue (Note 24).

26. PROPERTY RESERVE CLOSURE

A land development account is designated for each property available for development within the Property Sales Fund. Once that property is complete and all lands are sold through lot sales, the account is closed, and a gain or loss is recorded in the Consolidated Statement of Operations and Accumulated Operating Surplus.

27. PROPERTY SALES DIVIDEND

When the City prepares industrial, commercial, and residential land for sale or servicing, infrastructure costs are incurred and recorded as tangible capital assets for all City owned and controlled assets. As lots are sold, the Property Sales Fund will reimburse the General Government Fund, Water & Sewer Utility Fund, and Light & Power Utility Fund for the cost of the tangible capital assets through an annual dividend. Infrastructure costs are allocated based on servicing costs that are included in lot prices and are as follows:

Residential:	
Water & Sewer Mains	\$13.11 per m ² to \$36.11 per m ²
Surface Costs for Transportation & Drainage	\$35.58 per m ² to \$92.08 per m ²
Electrical	\$7.39 per m ² to \$11.25 per m ²
Commercial:	
Water & Sewer Mains	\$3.65 per m ²
Surface Costs for Transportation & Drainage	\$10.46 per m ²
Electrical	\$1.67 per m ²

28. FUNDS HELD IN TRUST

In 1988, the City passed Bylaw No. 47 to provide for an independent trust fund for post-secondary education and training of players of the Swift Current Bronco Hockey Club. The funds held in trust are for the purpose of providing financial assistance for post-secondary education of former players of the Swift Current Bronco Hockey Club. The Swift Current Bronco Memorial Education Fund is not part of the reporting entity of the City. As of December 31, 2023, the carrying value of the funds held in trust was \$85,299 (2022 - \$84,091) and market value was \$103,867 (2022 - \$93,364).

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

29. CONTRACTUAL OBLIGATIONS

In 2016, the City entered into an agreement with Cypress Health Region to finance the construction of The Meadows Long-Term Care Facility. Annual, non-interest bearing payments of \$327,450 will be made over a thirty (30) year period from 2016 to 2045 inclusive.

30. CONTINGENT LIABILITIES

A provision for unsettled labour negotiations, in the amount of \$120,195 (2022 – nil) has been set up as of December 31, 2023.

31. RELATED PARTY DISCLOSURE

Related Party Disclosure (PS 2200) standard covers disclosure of related parties. Parties are considered related when one party has the ability to exercise control or shared control over the other, it could be an individual or an entity. Key management personnel include member of City Council, administration and their close family members including their spouse and dependents.

Disclosure will include information about the types of related party transactions and the relationship underlying them especially when they have occurred at a value different from that which would have been arrived at if the parties were unrelated; and they have, or could have, a material financial effect on the financial statements.

As of December 31, 2023, there are no material transactions for disclosure from related parties (2022 – nil).

32. SEGMENT DISCLOSURES

The City is a diversified municipal government institution that provides a wide range of services to its citizens. The Consolidated Schedule of Segmented Disclosures has been prepared in accordance with PS 2700, Segmented Disclosures. Segmented Disclosures are intended to enable users to better understand the government reporting entity as well as the major revenue and expense activities of the City.

For management reporting purposes, the City's operations and activities are organized and reported by fund. Funds were created for the purpose of recording activities to attain certain objectives in accordance with special regulations, restrictions, or limitations. The financial activities of the City reported by fund are included in Schedule 1.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

32. SEGMENT DISCLOSURES (continued)

The City's operations and activities are also organized and reported by function disclosed separately in Schedule 2. The functional segments have been selected based on the organizational structure of the City, and a presentation similar to that adopted for the municipal planning and budgeting process. Segments include:

A. Arts, Culture and Events

Provides opportunities for citizen to enjoy the benefits of and to participate in various activities related to arts and culture such as the Art Gallery of Swift Current and the Swift Current Museum. Also included are various community events such as Market Square, Canada Day Celebrations, and Annual Tree Lighting.

B. Community and Recreation Services

Provides opportunities for citizens to enjoy and participate sport and recreation activities, as well as enjoy the benefits of active and passive park facilities.

C. Corporate Asset Management

Provides for planning, development, and implementation of asset management programs for all assets owned and operated by the City.

D. Corporate Governance and Administration

Provides legislative and administrative functions for all aspects of the City.

E. Corporate Services

Provides human resources, information technology and finance support for all departments and functions of the City, as well as internal and external communications.

F. Fire Protection

Provides fire prevention, education, training, and emergency response services, as well as direction and coordination of the City's emergency planning and preparedness.

G. Long-Term Care

Provides for the municipal share of the construction of the long-term care facility.

H. Police Protection

Provides for contracted policing services provided by the Royal Canadian Mounted Police.

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

32. SEGMENT DISCLOSURES (continued)

I. Taxation and General Revenue

Provides for the property tax levy required to balance the operating budget, which includes growth in the assessment roll over the previous year plus the requirements to fund the current year budget. Other revenues include the City's portion of the Canada Community-Building Fund and Municipal Revenue Sharing Fund.

J. Transportation

Provides for the efficient movement of people, services, and goods throughout the City by way of streets and sidewalks, as well as Swift Transit and Access Transit services. This segment also includes transportation services provided by the Swift Current Airport.

K. Urban Planning and Development

Provides for building services, business development services, as well as planning services within the City. This segment also includes support for Tourism Swift Current as well as other community initiatives.

L. Utilities

Provides for the operation of the Light & Power Utility, Water & Sewer Utility, Rural Water Utility, and Solid Waste Utility.

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2023

33. BUDGET INFORMATION

The annual budget was approved by City Council on March 20, 2023. Budget information is presented on an accrual basis, consistent with principles applied in the consolidated financial statements. Included in the table below are presentation adjustments required to comply with Canadian Public Sector Accounting Standards for inclusion in these consolidated financial statements.

	Budget
Revenues	
Budgeted Revenues as Approved by Council on March 20, 2023	\$ 71,124,188
Tax abatements and adjustments	(15,000)
Tax discounts	(3,000)
Special tax levy for long-term care	350,744
Gain (loss) on disposal of assets	(171,175)
Budgeted Revenues for Financial Statement Purposes	71,285,757
Expenses	
Budgeted Expenses as Approved by Council on March 20, 2023	71,124,188
Tax abatements and adjustments	(15,000)
Tax discounts	(3,000)
Long-term care municipal share	327,450
Amortization of tangible capital assets	10,980,487
Capital maintenance expense	934,383
Debt principal payments	(6,736,194)
Transfer to other funds and reserves	(7,480,910)
Budgeted Expenses for Financial Statement Purposes	69,131,404
Surplus (Deficit) of Revenues Over Expenses Before Other	2,154,353
Other	
Capital revenue	1,050,619
Surplus (Deficit) of Revenues Over Expenses	\$ 3,204,972

34. COMPARATIVE FIGURES

Prior year comparative figures have been restated to conform to the current year's presentation.

SCHEDULE 1 - Consolidated Statement of Operations by Fund

For the year ended December 31, 2023

	Budget 2023	General Government Fund	Light & Power Utility Fund	Water & Sewer Utility Fund	Rural Water Utility Fund	Solid Waste Utility Fund	Long-Term Care Fund	Consolidated Actual 2023	Actual 2022 (Restated)
Revenues									
Taxation (Note 24)	\$ 21,627,200	\$ 21,196,204	\$ -	\$ 2,527	\$ -	\$ -	\$ 354,836	\$ 21,553,566	\$ 21,108,563
Government transfers (Note 25)	4,253,155	5,657,214	-	-	-	-	-	5,657,214	3,810,081
Fees and charges	44,270,555	4,289,572	26,019,874	9,261,351	254,287	4,701,763	-	44,526,847	40,747,972
Conditional grants	208,332	263,114	-	-	-	-	-	263,114	315,445
Interest and penalties	155,000	337,273	-	-	-	-	-	337,273	261,804
Interest on investments	420,000	405,586	-	-	-	-	-	405,586	275,837
Other revenues	36,945	34,560	8,022	27,019	-	-	-	69,602	124,942
Licenses, permits, and fines	396,425	397,122	-	-	-	-	-	397,122	383,696
Property rentals and leases	89,320	41,187	-	51,643	-	4,225	-	97,055	99,329
Gain (loss) on disposal of assets	(171,175)	(170,734)	-	(15,472)	15,031	-	-	(171,175)	77,918
	71,285,757	32,451,098	26,027,896	9,327,068	269,318	4,705,988	354,836	73,136,204	67,205,587
Expenses									
Salaries, wages, and benefits	20,909,456	14,077,448	3,062,090	2,915,327	111,009	318,659	-	20,484,533	21,257,258
Contracted and general services	28,682,840	8,726,056	15,080,179	1,630,582	33,539	2,658,081	327,450	28,455,886	26,554,284
Grants and donations	363,500	355,227	-	-	-	-	-	355,227	516,349
Maintenance, materials, and supplies	3,242,055	1,458,496	111,333	1,139,231	30,052	21,115	-	2,760,227	2,478,634
Fleet	1,256,439	1,318,280	195,690	94,911	10,245	3,505	-	1,622,630	1,515,678
Insurance	524,791	349,114	61,099	111,402	2,294	-	-	523,908	506,203
Financial charges	159,150	142,977	15,756	12,012	-	2,606	-	173,351	156,331
Interest on long-term debt	2,329,473	976,708	410,347	790,031	24,525	75,384	-	2,276,996	2,729,176
Levy allowances	473,213	453,213	29,313	-	-	-	-	482,526	478,119
Exchange (gain) loss	-	202,949	-	-	-	-	-	202,949	(51,275)
Amortization	10,980,487	8,017,524	586,416	2,048,790	51,920	275,836	-	10,980,486	11,024,112
Accretion	210,000	-	-	-	-	180,612	-	180,612	174,690
	69,131,404	36,077,992	19,552,224	8,742,286	263,584	3,535,798	327,450	68,499,332	67,339,559
Surplus (Deficit) of Revenues Over Expenses Before Other	2,154,353	(3,626,894)	6,475,672	584,782	5,734	1,170,190	27,386	4,636,872	(133,972)

SCHEDULE 2 - Consolidated Statement of Operations by Segment

For the year ended December 31, 2023

	Budget 2023	Actual 2023	Actual 2022 (Restated)
ARTS, CULTURE AND EVENTS			
Revenues			
Fees and charges	\$ 108,944	\$ 153,238	\$ 178,363
Conditional grants	184,482	243,497	295,911
Other revenues	-	-	92
Gain (loss) on disposal of assets	(8,764)	(8,764)	-
	284,662	387,971	474,366
Expenses			
Salaries, wages, and benefits	854,059	730,905	974,295
Contracted and general services	311,199	343,308	365,837
Grants and donations	113,000	97,459	159,521
Maintenance, materials, and supplies	148,768	117,195	181,598
Fleet	11,800	9,357	12,856
Insurance	-	2,533	5,486
Financial charges	300	-	-
Levy allowances	453,213	453,213	453,213
Amortization	84,202	84,202	80,806
	1,976,540	1,838,172	2,233,611
Surplus (Deficit) of Revenues Over Expenses Before Other	(1,691,878)	(1,450,202)	(1,759,244)
COMMUNITY AND RECREATION SERVICES			
Revenues			
Fees and charges	3,343,624	3,515,789	3,408,915
Conditional grants	23,850	19,618	19,534
Other revenues	5,300	20,266	9,479
Property rentals and leases	18,000	17,053	16,927
Gain (loss) on disposal of assets	(210,216)	(210,216)	31,800
	3,180,558	3,362,509	3,486,654
Expenses			
Salaries, wages, and benefits	5,575,093	5,371,545	5,414,017
Contracted and general services	1,984,735	2,091,826	2,032,525
Maintenance, materials, and supplies	793,726	693,098	655,569
Fleet	283,428	313,381	332,050
Insurance	209,138	208,901	198,198
Financial charges	36,750	35,850	34,372
Amortization	2,483,074	2,483,074	2,543,332
	11,365,944	11,197,676	11,210,062
Surplus (Deficit) of Revenues Over Expenses Before Other	(8,185,386)	(7,835,167)	(7,723,408)
CORPORATE ASSET MANAGEMENT			
Expenses			
Salaries, wages, and benefits	593,667	534,240	566,042
Contracted and general services	26,200	22,188	15,191
Maintenance, materials, and supplies	8,500	19,487	7,952
Fleet	5,600	5,371	5,255

SCHEDULE 2 - Consolidated Statement of Operations by Segment

For the year ended December 31, 2023

	Budget 2023	Actual 2023	Actual 2022 (Restated)
CORPORATE ASSET MANAGEMENT (continued)			
Expenses (continued)			
Insurance	69,385	68,810	63,979
Amortization	68,762	68,762	35,412
	772,114	718,857	693,831
Surplus (Deficit) of Revenues Over Expenses Before Other	(772,114)	(718,857)	(693,831)
CORPORATE GOVERNANCE AND ADMINISTRATION			
Expenses			
Salaries, wages, and benefits	930,405	917,288	883,697
Contracted and general services	89,550	108,210	116,255
Grants and donations	-	3,808	3,805
Maintenance, materials, and supplies	6,300	7,723	11,481
Amortization	-	-	4,720
	1,026,255	1,037,029	1,019,959
Surplus (Deficit) of Revenues Over Expenses Before Other	(1,026,255)	(1,037,029)	(1,019,959)
CORPORATE SERVICES			
Revenues			
Taxation (Note 24)	515,000	553,065	745,369
Fees and charges	47,125	36,808	32,075
Interest and penalties	155,000	337,273	261,804
Interest on investments	420,000	405,586	275,837
Other revenues	5,500	10,565	14,282
	1,142,625	1,343,297	1,329,367
Expenses			
Salaries, wages, and benefits	904,662	1,046,952	1,348,603
Contracted and general services	1,245,447	1,309,583	1,201,724
Maintenance, materials, and supplies	99,544	98,206	55,546
Fleet	2,420	18,880	4,678
Insurance	61,387	60,306	55,457
Financial charges	94,335	107,126	94,177
Interest on long-term debt	1,155,233	976,708	1,340,420
Exchange (gain) loss	-	202,949	(51,275)
Amortization	327,674	327,674	345,530
	3,890,701	4,148,386	4,394,861
Surplus (Deficit) of Revenues Over Expenses Before Other	(2,748,076)	(2,805,089)	(3,065,494)
FIRE PROTECTION			
Revenues			
Fees and charges	69,100	117,764	190,243
Other revenues	3,000	1,382	1,542
Licenses, permits, and fines	600	-	-
	72,700	119,146	191,786
Expenses			
Salaries, wages, and benefits	2,642,892	2,658,966	2,599,420
Contracted and general services	186,200	178,887	147,415
Maintenance, materials, and supplies	140,546	128,408	172,000

SCHEDULE 2 - Consolidated Statement of Operations by Segment

For the year ended December 31, 2023

	Budget 2023	Actual 2023	Actual 2022 (Restated)
FIRE PROTECTION (continued)			
Expenses (continued)			
Fleet	58,150	78,587	48,609
Insurance	-	-	1,706
Amortization	181,228	181,228	171,971
	3,209,016	3,226,076	3,141,120
Surplus (Deficit) of Revenues Over Expenses Before Other	(3,136,316)	(3,106,930)	(2,949,335)
LONG-TERM CARE			
Revenues			
Taxation (Note 24)	350,744	354,836	350,842
	350,744	354,836	350,842
Expenses			
Contracted and general services	327,450	327,450	327,450
	327,450	327,450	327,450
Surplus (Deficit) of Revenues Over Expenses Before Other	23,294	27,386	23,392
POLICE PROTECTION			
Revenues			
Fees and charges	112,000	142,531	110,784
Gain (loss) on disposal of assets	(37,326)	(37,326)	-
	74,674	105,205	110,784
Expenses			
Salaries, wages, and benefits	595,827	584,449	570,755
Contracted and general services	3,936,311	3,533,883	3,710,625
Maintenance, materials, and supplies	17,488	12,409	5,398
Amortization	27,649	27,649	27,649
	4,577,275	4,158,390	4,314,427
Surplus (Deficit) of Revenues Over Expenses Before Other	(4,502,602)	(4,053,185)	(4,203,643)
TAXATION AND GENERAL REVENUES			
Revenues			
Taxation (Note 24)	20,761,456	20,643,139	20,009,057
Government transfers (Note 25)	4,253,155	5,657,214	3,810,081
	25,014,611	26,300,353	23,819,138
Surplus (Deficit) of Revenues Over Expenses Before Other	25,014,611	26,300,353	23,819,138
TRANSPORTATION			
Revenues			
Fees and charges	280,241	320,572	269,528
Other revenues	-	2,347	41,539
Gain (loss) on disposal of assets	66,964	66,964	40,684
	347,205	389,884	351,752
Expenses			
Salaries, wages, and benefits	1,583,639	1,452,643	1,686,853
Contracted and general services	809,669	953,539	1,103,900
Maintenance, materials, and supplies	472,748	320,493	248,441

SCHEDULE 2 - Consolidated Statement of Operations by Segment

For the year ended December 31, 2023

	Budget 2023	Actual 2023	Actual 2022 (Restated)
TRANSPORTATION (continued)			
Expenses (continued)			
Fleet	619,091	884,364	852,614
Insurance	8,000	8,563	19,928
Amortization	4,724,333	4,724,333	4,780,850
	8,217,480	8,343,935	8,692,588
Surplus (Deficit) of Revenues Over Expenses Before Other	(7,870,275)	(7,954,051)	(8,340,836)
URBAN PLANNING AND DEVELOPMENT			
Revenues			
Fees and charges	1,200	2,870	1,215
Other revenues	400	-	-
Licenses, permits, and fines	395,825	397,122	383,696
Property rentals and leases	17,300	24,134	26,534
Gain (loss) on disposal of assets	18,609	18,609	5,434
	433,334	442,735	416,880
Expenses			
Salaries, wages, and benefits	603,505	780,459	693,952
Contracted and general services	181,761	184,632	173,418
Grants and donations	250,500	253,961	353,023
Maintenance, materials, and supplies	69,804	61,477	38,721
Fleet	11,300	8,340	9,997
Amortization	120,601	120,601	120,601
	1,237,472	1,409,470	1,389,713
Surplus (Deficit) of Revenues Over Expenses Before Other	(804,138)	(966,735)	(972,832)
Tax Supported Surplus (Deficit) of Revenues Over Expenses Before Other	(5,699,135)	(3,599,506)	(6,886,052)
LIGHT AND POWER UTILITY			
Revenues			
Fees and charges	26,160,256	26,019,874	22,802,669
Other revenues	2,500	8,022	2,974
	26,162,756	26,027,896	22,805,644
Expenses			
Salaries, wages, and benefits	3,105,002	3,062,090	2,970,984
Contracted and general services	15,352,393	15,080,179	13,091,119
Maintenance, materials, and supplies	182,718	111,333	104,874
Fleet	152,400	195,690	146,579
Insurance	63,353	61,099	56,573
Financial charges	15,750	15,756	14,700
Interest on long-term debt	413,895	410,347	519,164
Levy allowances	20,000	29,313	24,906
Amortization	586,416	586,416	527,338
	19,891,927	19,552,224	17,456,238
Surplus (Deficit) of Revenues Over Expenses Before Other	6,270,829	6,475,672	5,349,405

SCHEDULE 2 - Consolidated Statement of Operations by Segment

For the year ended December 31, 2023

	Budget 2023	Actual 2023	Actual 2022 (Restated)
WATER AND SEWER UTILITY			
Revenues			
Taxation (Note 24)	-	2,527	3,295
Fees and charges	9,690,065	9,261,351	9,159,220
Other revenues	20,245	27,019	55,033
Property rentals and leases	50,000	51,643	51,643
Gain (loss) on disposal of assets	(15,472)	(15,472)	-
	9,744,838	9,327,068	9,269,191
Expenses			
Salaries, wages, and benefits	3,026,001	2,915,327	3,059,010
Contracted and general services	1,546,325	1,630,582	1,733,609
Maintenance, materials, and supplies	1,221,944	1,139,231	953,252
Fleet	91,350	94,911	89,458
Insurance	111,328	111,402	102,654
Financial charges	12,015	12,012	11,208
Interest on long-term debt	691,051	790,031	793,971
Amortization	2,048,790	2,048,790	2,087,769
	8,748,804	8,742,286	8,830,932
Surplus (Deficit) of Revenues Over Expenses Before Other	996,034	584,782	438,259
RURAL WATER UTILITY			
Revenues			
Fees and charges	250,000	254,287	248,393
Gain (loss) on disposal of assets	15,031	15,031	-
	265,031	269,318	248,393
Expenses			
Salaries, wages, and benefits	103,191	111,009	89,834
Contracted and general services	56,000	33,539	61,847
Maintenance, materials, and supplies	34,989	30,052	22,355
Fleet	16,400	10,245	9,817
Insurance	2,200	2,294	2,223
Interest on long-term debt	23,062	24,525	16,986
Amortization	51,920	51,920	36,307
	287,762	263,584	239,369
Surplus (Deficit) of Revenues Over Expenses Before Other	(22,731)	5,734	9,024
SOLID WASTE UTILITY			
Revenues			
Fees and charges	4,208,000	4,701,763	4,349,566
Property rentals and leases	4,020	4,225	4,225
	4,212,020	4,705,988	4,353,791
Expenses			
Salaries, wages, and benefits	391,515	318,659	399,797
Contracted and general services	2,629,600	2,658,081	2,476,369
Maintenance, materials, and supplies	44,980	21,115	21,445
Fleet	4,500	3,505	3,763
Financial charges	-	2,606	1,875

SCHEDULE 2 - Consolidated Statement of Operations by Segment

For the year ended December 31, 2023

	Budget 2023	Actual 2023	Actual 2022 (Restated)
SOLID WASTE UTILITY (continued)			
Expenses (continued)			
Interest on long-term debt	46,232	75,384	58,636
Amortization	275,836	275,836	261,826
Accretion	210,000	180,612	174,690
	3,602,664	3,535,798	3,398,400
Surplus (Deficit) of Revenues Over Expenses Before Other	609,356	1,170,190	955,391
Utility Supported Surplus (Deficit) of Revenues Over Expenses Before Other	7,853,488	8,236,378	6,752,079
Total Surplus (Deficit) of Revenues Over Expenses Before Other	\$ 2,154,353	\$ 4,636,872	\$ (133,972)

SCHEDULE 3 - Consolidated Schedule of Tangible Capital Assets

For the year ended December 31, 2023

	Land	Land Improvements	Buildings	Building Improvements	Operating Equipment	Heavy Equipment	Vehicles	Computer Software	Computer Hardware
Cost:									
Balance, beginning of year	\$ 7,125,292	\$ 37,563,079	\$ 46,706,990	\$ 22,214,639	\$ 15,634,752	\$ 17,058,761	\$ 2,635,451	\$ 1,149,450	\$ 1,518,497
Acquisition of tangible capital assets	-	401,551	-	1,020,776	399,694	824,599	60,142	-	215,172
Disposal of tangible capital assets	-	(197,932)	-	(235,821)	(251,687)	(514,969)	(94,978)	-	(257,427)
Transfers from work-in-progress	-	98,934	-	272,119	261,872	-	-	-	200,144
Balance, end of year	7,125,292	37,865,632	46,706,990	23,271,713	16,044,631	17,368,391	2,600,615	1,149,450	1,676,386
Accumulated Amortization:									
Balance, beginning of year	-	18,568,881	31,527,848	10,112,728	7,858,250	9,844,545	1,642,214	706,358	464,114
Annual amortization	-	1,238,952	1,216,845	968,429	802,897	1,202,629	204,626	103,761	205,731
Accumulated amortization on disposals	-	(100,031)	-	(78,279)	(224,853)	(493,137)	(94,978)	-	(257,427)
Balance, end of year	-	19,707,802	32,744,693	11,002,878	8,436,294	10,554,037	1,751,862	810,119	412,418
Net Book Value	\$ 7,125,292	\$ 18,157,830	\$ 13,962,297	\$ 12,268,835	\$ 7,608,337	\$ 6,814,354	\$ 848,753	\$ 339,331	\$ 1,263,968

	Roads	Bridges & Other Structures	Water Distribution	Waste Water System	Storm & Drainage System	Light & Power	Work in Progress	2023	2022 (Restated)
Cost:									
Balance, beginning of year	\$ 105,086,111	\$ 7,582,528	\$ 23,007,539	\$ 24,727,790	\$ 15,826,343	\$ 20,809,163	\$ 17,714,930	\$ 366,361,314	\$ 354,732,615
Acquisition of tangible capital assets	292,805	-	355,925	38,003	326,833	2,368,468	5,907,614	12,211,582	12,198,154
Disposal of tangible capital assets	(25,707)	-	-	-	-	(52,574)	-	(1,631,095)	(569,455)
Transfers from work-in-progress	65,822	-	171,636	169,858	122,905	186,503	(1,549,793)	-	-
Balance, end of year	105,419,031	7,582,528	23,535,100	24,935,651	16,276,081	23,311,560	22,072,751	376,941,801	366,361,314
Accumulated Amortization:									
Balance, beginning of year	68,336,242	2,468,635	7,161,055	12,221,728	4,624,252	8,510,587	-	184,047,436	173,590,003
Annual amortization	2,975,711	142,324	456,648	602,852	390,076	469,005	-	10,980,486	11,024,112
Accumulated amortization on disposals	(2,571)	-	-	-	-	(52,574)	-	(1,303,850)	(566,679)
Balance, end of year	71,309,382	2,610,959	7,617,703	12,824,580	5,014,328	8,927,018	-	193,724,072	184,047,436
Net Book Value	\$ 34,109,649	\$ 4,971,569	\$ 15,917,397	\$ 12,111,071	\$ 11,261,753	\$ 14,384,542	\$ 22,072,751	\$ 183,217,729	\$ 182,313,878