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# Financial statements of City of Warman

December 31, 2021

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## Management's Responsibility

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Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

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

Deloitte LLP, an independent firm of Chartered Professional Accountants, is appointed by the council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.

[Signed by elected official]

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Councilor/Reeve/Mayor

[Signed by executive management]

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CFO/Administrator

## Independent Auditor's Report

To His Worship the Mayor and City Council of  
City of Warman

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of City of Warman (the "City"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2021, and the results of its financial activities, changes in net financial assets and changes in financial position for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Matter - Unaudited Supplementary Information

We draw attention to the fact that the supplementary information included in Schedules 1 to 8 does not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, 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 City'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 City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City'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 GAAS 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 GAAS, 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 City'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 City'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 City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Deloitte LLP*

Chartered Professional Accountants  
August 22, 2022

**The City of Warman**  
**Statement of Financial Position**  
**As at December 31, 2021**

Statement 1

	2021	2020
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash (Note 2)	33,131,176	24,787,713
Taxes Receivable (Note 3)	352,290	469,820
Other Accounts Receivable (Note 4)	6,890,386	9,899,349
Investments (Note 5)	5,200,000	7,803,931
Other	10	10
<b>Total Financial Assets</b>	<b>45,573,862</b>	<b>42,960,823</b>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities (Note 6)	5,210,831	2,778,237
Deposits	538,838	536,329
Deferred Revenue (Note 7)	1,458,433	2,200,013
Long-Term Debt (Note 8)	978,395	1,954,755
<b>Total Liabilities</b>	<b>8,186,497</b>	<b>7,469,334</b>
<b>NET FINANCIAL ASSETS</b>	<b>37,387,365</b>	<b>35,491,489</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 9)	186,004,427	180,392,094
Prepayments and Deferred Charges	204,717	205,681
<b>Total Non-Financial Assets</b>	<b>186,209,144</b>	<b>180,597,775</b>
<b>Accumulated Surplus (Schedule 6)</b>	<b>223,596,509</b>	<b>216,089,265</b>

The attached notes comprise an important part of these financial statements.

**The City of Warman**  
**Statement of Operations**  
**As at December 31, 2021**

Statement 2

	2021 Budget	2021	2020
<b>Revenues</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	13,730,438	13,845,534	13,884,739
Fees and Charges (Schedule 4,5)	7,193,805	9,562,283	7,531,136
Conditional Grants (Schedule 4,5)	174,858	230,449	215,732
Tangible Capital Asset Sales - Gain (Schedule 4,5)	-	91,657	19,196
Investment Income and Commissions (Schedule 4,5)	300,000	487,186	452,906
<b>Total Revenues</b>	<b>21,399,101</b>	<b>24,217,109</b>	<b>22,103,709</b>
<b>Expenses</b>			
General Government Services (Schedule 3)	1,978,761	7,459,603	1,720,108
Protective Services (Schedule 3)	1,967,177	1,810,104	1,943,864
Transportation Services (Schedule 3)	3,709,530	4,981,273	5,767,606
Environmental and Public Health Services (Schedule 3)	1,207,015	1,143,097	1,127,310
Planning and Development Services (Schedule 3)	739,284	733,296	601,370
Recreation and Cultural Services (Schedule 3)	4,544,939	4,752,013	4,377,588
Utility Services (Schedule 3)	4,956,566	5,776,771	5,561,964
<b>Total Expenses</b>	<b>19,103,272</b>	<b>26,656,157</b>	<b>21,099,810</b>
<b>Surplus of Revenues over Expenses before Other Capital Contributions</b>	<b>2,295,829</b>	<b>(2,439,048)</b>	<b>1,003,899</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5, Note 9)	731,080	9,946,292	3,404,737
<b>Surplus of Revenues over Expenses</b>	<b>3,026,909</b>	<b>7,507,244</b>	<b>4,408,636</b>
<b>Accumulated Surplus, Beginning of Year</b>	<b>216,089,265</b>	<b>216,089,265</b>	<b>211,680,629</b>
<b>Accumulated Surplus, End of Year</b>	<b>219,116,174</b>	<b>223,596,509</b>	<b>216,089,265</b>

The attached notes comprise an important part of these financial statements.

The City of Warman

Statement of Change in Net Financial Assets

As at December 31, 2021

Statement 3

	2021 Budget	2021	2020
<b>Surplus of Revenues over Expenses</b>	3,026,909	7,507,244	4,408,636
Acquisition of tangible capital assets	(1,909,804)	(11,701,485)	(1,545,495)
Amortization of tangible capital assets	2,929,365	6,075,517	6,070,990
Proceeds on disposal of tangible capital assets	-	105,293	26,206
Gain on the disposal of tangible capital assets	-	(91,657)	(19,196)
<b>(Deficit) Excess of capital expenses over expenditures</b>	<b>1,019,561</b>	<b>(5,612,332)</b>	<b>4,532,505</b>
Prepayments and deferred charges	-	(204,717)	(205,681)
Use of prepayments and deferred charges	-	205,681	73,479
<b>Deficit of expenses of other non-financial over expenditures</b>	<b>-</b>	<b>964</b>	<b>(132,202)</b>
<b>Change in Net Financial Assets</b>	<b>4,046,470</b>	<b>1,895,876</b>	<b>8,808,939</b>
<b>Net Financial Assets - Beginning of Year</b>	<b>35,491,489</b>	<b>35,491,489</b>	<b>26,682,550</b>
<b>Net Financial Assets - End of Year</b>	<b>39,537,959</b>	<b>37,387,365</b>	<b>35,491,489</b>

The attached notes comprise an important part of these financial statements.

The City of Warman  
Statement of Cash Flow  
As at December 31, 2021

Statement 4

	2021	2020
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus	7,507,244	4,408,636
Amortization	6,075,517	6,070,990
Developer contributed tangible capital assets	(2,003,776)	(673,153)
Gain on disposal of tangible capital assets	(91,657)	(19,196)
	11,487,328	9,787,277
Change in non-cash working capital		
Taxes Receivable	117,530	159,211
Other Accounts Receivable	3,008,963	1,171,928
Accounts Payable and Accrued Liabilities	(481,125)	699,131
Deposits	2,509	1,406
Deferred Revenue	(741,580)	560,545
Prepayments and Deferred Charges	964	(132,202)
<b>Net cash from operations</b>	<b>13,394,589</b>	<b>12,247,293</b>
<b>Capital:</b>		
Acquisition of capital assets	(6,783,990)	(850,089)
Proceeds from the disposal of capital assets	105,293	26,206
<b>Net cash used for capital</b>	<b>(6,678,697)</b>	<b>(823,883)</b>
<b>Investing:</b>		
Acquisition of investments	-	(1,747,568)
Disposal of investments	2,603,931	-
<b>Net cash investing</b>	<b>2,603,931</b>	<b>(1,747,568)</b>
<b>Financing:</b>		
Long-term debt repaid	(976,360)	(1,062,554)
<b>Net cash used for financing</b>	<b>(976,360)</b>	<b>(1,062,554)</b>
<b>Increase in cash</b>	<b>8,343,464</b>	<b>8,613,288</b>
<b>Cash - Beginning of Year</b>	<b>24,787,713</b>	<b>16,174,425</b>
<b>Cash - End of Year</b>	<b>33,131,176</b>	<b>24,787,713</b>

The attached notes comprise an important part of these financial statements.



**The City of Warman**  
**Notes to the Financial Statements**  
**As at December 31, 2021**

**1. Significant accounting policies**

The financial statements of the City of Warman (the "City") are prepared by management in accordance with 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:

**Basis of accounting:** The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

- a) **Reporting Entity:** The financial statements includes the assets, liabilities and flow of resources of the City. The City does not own or control any other organizations.
- b) **Revenue and Expense Recognition:** Revenues are recorded using the accrual basis of accounting whereby revenues are recognized as they are earned and are measurable. Funds from external parties and earnings that are restricted by agreements or legislation are accounted for as deferred revenue until used for the purpose specified. Expenses are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due.

Property tax revenue is based on assessments determined in accordance with Provincial legislation and the formulas, principles and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually. Taxation revenues are 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 financial statements of future periods could be material. Penalties on overdue taxes are recorded in the period levied.

Land sales are recognized in the financial statements as revenues in the period in which the contract is signed and the deposit is received.

- c) **Collection of funds for other authorities:** Collection of funds by the City for the school board are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 3 and are not recorded in these financial statements.
- d) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
- a) the transfers are authorized
  - b) any eligibility criteria have been met; and
  - c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue.

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

- e) **Deferred Revenue** - Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations.
- h) **Non-financial assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

The City of Warman

Notes to the Financial Statements

As at December 31, 2021

1. Significant accounting policies - continued

- i) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 6.
- j) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- k) **Investments:** Portfolio investments are valued at amortized cost using the effective interest method, less any provisions for other than temporary impairment.
- l) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The City's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<b>General Assets</b>	
Land	Indefinite
Land Improvements	10 to 45 Years
Buildings	25 to 50 Years
<b>Vehicles &amp; Equipment</b>	
Vehicles	10 to 25 Years
Machinery and Equipment	10 to 20 Years
<b>Infrastructure Assets</b>	
<b>Infrastructure Assets</b>	
Water & Sewer	45 to 75 Years
Road Network Assets	5 to 65 Years

**Developer Contributed Assets:** Developer contributed assets consist of tangible capital assets acquired/constructed and paid for by certain developers, with ownership and responsibility for ongoing maintenance transferring to the City upon completion of the respective development. These assets typically consist of road/street, and water and sewer infrastructure, and the value of these contributions are recorded by the City as a tangible capital asset and capital revenue in the year the assets are completed and transferred to the City based on the fair value of the asset contributed.

**Government Contributions:** Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

**Works of Art:** Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

**Capitalization of Interest:** The City does not capitalize interest incurred while a tangible capital asset is under construction.

- m) **Leases:** All leases are recorded on the financial statement as either a capital or operating lease. Any lease that transfers the majority of benefits and risk associated with the leased asset is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a straight line basis, over their estimated useful lives (lease term). Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

## The City of Warman

### Notes to the Financial Statements

As at December 31, 2021

#### 1. Significant accounting policies - continued

- n) **Measurement Uncertainty:** The preparation of financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Key estimates include the collectability of accounts receivable, estimate of accrued liabilities, the useful lives of tangible capital assets, contaminated sites and environmental assessments, contingent liabilities and commitments.

Certain amounts of grant funding recognized as receivable and revenue in the year are based on management's best estimates as to the extent of the eligibility of various expenditures under the various funding programs for which the City has been approved. Final determination as to the actual amount of funding provided to the City under certain of these funding programs are made by government based on their evaluation of reports/claims provided to them by the City. It is possible, under certain funding programs for there to be differences between the amount of management's estimated funding earned under the programs and the actual funding received.

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

- o) **Basis of Segmentation/Segment Report:** Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

The segments (functions) are as follows:

General Government: The general government segment provides for the administration of the City.

Protective Services: Protective services is comprised of expenses for police and fire protection.

Transportation Services: The transportation services segment is responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

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

Planning and Development: The planning and development segment provides for neighborhood development and sustainability.

Recreation and Culture: The recreation and culture segment provides for community services through the provision of recreation and leisure services.

Utility Services: The utility services segment provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

- p) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
- i. an environmental standard exists;
  - ii. contamination exceeds the environmental standard;
  - iii. The City is directly responsible, or accepts responsibility for the contamination;
  - iv. it is expected that future economic benefits will be given up; and
  - v. a reasonable estimate of the expense can be made.

The City has re-assessed the liability for contaminated sites resulting in a change in estimated remediation costs in the current period. Future development of the landfill site could result in additional remediation costs; however, future development plans are indeterminable at this time and remediation costs are uncertain, therefore no liability has been recorded. See Note 6.

- q) **Employee Benefit Plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.

- r) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on January 25, 2021.

**The City of Warman**

**Notes to the Financial Statements**

**As at December 31, 2021**

**1. Significant accounting policies - continued**

- s) **Future Accounting Standards:** The following new accounting standards were issued by the Public Sector Accounting Board (PSAB). The City continues to assess the impacts of the standards and the impact of these standards on the City's financial statements is unknown:

**Effective for fiscal years beginning on or after April 1, 2022**

**PS 1201 - Financial Statement Presentation** establishes general reporting principles and standards for the disclosure of information in government financial statements.

**PS 2601 - Foreign Currency Translation** establishes standards on how to account for and report transactions that are denominated in a foreign currency in government financial statements.

**PS 3041 - Portfolio investments** establishes standards on how to account for and report portfolio investments in government financial statements.

**PS 3280 - Asset Retirement Obligations** establishes standards on how to account for and report a liability for asset retirement obligations.

**PS 3450 - Financial Instruments** establishes standards on how to account for and report all types of financial instruments including derivatives.

**Effective for fiscal years beginning on or after April 1, 2023**

**PS 3400 - Revenue** provides guidance on the recognition of revenue that distinguishes between revenue that arises from transactions that include performance obligations and from transactions that do not have performance obligations.

The City of Warman  
Notes to the Financial Statements  
As at December 31, 2021

2. Cash	2021	2020
Cash	33,131,176	24,787,713
<b>Total Cash</b>	<b>33,131,176</b>	<b>24,787,713</b>

The City has an approved line of credit facility arranged with its financial institution with a maximum credit available of \$1,000,000, secured by a general security agreement. At December 31, 2021, \$nil was drawn on this line of credit (2020 - \$nil).

3. Taxes Receivable	2021	2020
Municipal - Current	329,590	122,975
- Arrears	22,700	346,845
- Less Allowance for Uncollectibles	-	-
Total municipal taxes receivable	352,290	469,820
School - Current	189,461	48,115
- Arrears	11,317	203,320
Total school taxes receivable	200,778	251,435
Total taxes and grants in lieu receivable	553,068	721,255
Deduct taxes receivable to be collected on behalf of schools	(200,778)	(251,435)
<b>Municipal and grants in lieu taxes receivable</b>	<b>352,290</b>	<b>469,820</b>

4. Other Accounts Receivable	2021	2020
Federal government	327,316	108,399
Provincial government	5,470,336	7,549
Utility	444,383	488,395
Trade	309,858	216,327
KH Developments - Off Site Development Fees	-	8,471,929
Allowance for uncollectables	-	-
Multi-Material Stewardship Western (MMSW) revenue	30,604	-
Sask Energy Municipal Surcharge	25,451	-
Accrued interest and other	282,438	606,750
<b>Total Other Accounts Receivable</b>	<b>6,890,386</b>	<b>9,899,349</b>

During the year ending December 31, 2021, the City reduced the KH Developments Off-Site Development Fees accounts receivable relating to long-term development agreements with a local developer in the Statement of Financial Position by \$5,691,284. During the 2021 year, payments of \$2,780,645 were received and applied to the receivable, leaving \$5,691,284 left to be cancelled. This change better represents the timing of amounts that will be collected in future periods, as well as recognizes changes in the economy that have, in the past, resulted in the extension of agreements as well as in one circumstance, the write off of an agreement, and the subsequent accounts receivable.

5. Investments	2021	2020
2 Year GIC maturing January 17th, 2022 at 2.45% annual interest	1,000,000	1,000,000
5 Year GIC maturing July 9th, 2021 at 2.08% annual interest	-	600,000
1 Year Flex Term maturing April 20, 2021 at 1.75% annual interest	-	2,003,931
5 Year GIC maturing July 9th, 2022 at 2.20% annual interest	600,000	600,000
5 Year GIC maturing July 9th, 2024 at 2.45% annual interest	600,000	600,000
3 Year GIC maturing January 17th, 2023 at 2.50% annual interest	3,000,000	3,000,000
<b>Total Investments</b>	<b>5,200,000</b>	<b>7,803,931</b>

**The City of Warman**

**Notes to the Financial Statements**

**As at December 31, 2021**

**6. Accounts Payable and Accrued Liabilities**

	2021	2020
Accrued Salaries and Benefits	190,909	227,138
Trade Payables	4,583,405	1,527,278
RM of Corman Park Payable	436,517	523,821
Liability for Contaminated Sites	-	500,000
<b>Total Accounts Payable and Accrued Liabilities</b>	<b>5,210,831</b>	<b>2,778,237</b>

**RM of Corman Park Agreement**

The municipality recognizes a liability for the agreement entered into with Rural Municipality of Corman Park 344 for a cost sharing portion of paving Township Road 384. The final project share to the City was \$611,125, to be paid in seven equal interest free increments of \$87,304, with the first payment made in the 2020 fiscal year. The final payment will be made in 2027.

**7. Deferred Revenue**

	2021	2020
Government of Saskatchewan - School Connections Grant	754,875	777,750
Canada Community Building (CCB) Funding	661,751	-
Municipal Economic Enhancement Program Funding	-	1,382,111
Other	41,807	40,152
<b>Total Deferred Revenue</b>	<b>1,458,433</b>	<b>2,200,013</b>

Amounts deferred under the Government of Saskatchewan - School Connections Grant relate to an upfront payment received whereby the City is required to provide services over a period of 40 years. \$22,875 is amortized on a straight-line basis each year into capital revenue until the year 2054.

Amounts deferred under the Canada Community Building Fund (formerly the Municipal Gas Tax Funding) Agreement and the Municipal Economic Enhancement Program are required to be spent on eligible project and eligible project costs outlined by the funding agreement. Amounts received in excess of eligible project costs incurred are deferred, and subsequently recognized when eligible project costs are incurred and the government transfer recognition criteria have been met.

**8. Long-term Debt**

The City's authorized debt limit is \$20,000,000.

Long Term Debt Consists of the following:

	2021	2020
5.67% fixed rate loan, repayable in equal monthly instalments of \$33,045 including interest, maturing on August 31, 2024 related to construction of the City's Legends Recreational Complex	978,395	1,309,288
3.42% fixed note loan repayable in equal monthly instalments of \$65,514 including interest, matured on October 27th, 2021 related to construction of the City's Legends Recreational Complex	-	645,467
	<b>978,395</b>	<b>1,954,755</b>

Future principal and interest payments are as follows:

Year	Principal	Interest	Total
2022	350,024	46,520	396,544
2023	370,394	26,150	396,544
2024	257,977	6,396	264,373
Balance	<b>978,395</b>	<b>79,066</b>	<b>1,057,461</b>

The City of Warman  
Schedule of Tangible Capital Assets by Object  
As at December 31, 2021

9. Tangible Capital Assets

		2021					2020		
	General Assets					Infrastructure Assets	General/Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets			
<b>Asset cost</b>									
Opening Asset costs	3,843,672	13,923,367	31,417,951	5,702,422	3,825,891	185,690,069	704,825	245,108,197	243,608,642
Additions during the year	-	2,112,190	123,719	859,905	356,214	1,431	8,248,026	11,701,485	1,545,495
Disposals and write-downs during the year	-	-	-	(123,217)	(132,523)	-	-	(255,740)	(45,940)
Transfers (from) assets under construction	-	-	-	84,641	-	-	(84,641)	-	-
<b>Closing Asset Costs</b>	<b>3,843,672</b>	<b>16,035,557</b>	<b>31,541,670</b>	<b>6,523,751</b>	<b>4,049,582</b>	<b>185,691,500</b>	<b>8,868,210</b>	<b>256,553,942</b>	<b>245,108,197</b>
<b>Accumulated Amortization Cost</b>									
Opening Accumulated Amortization Costs	-	3,655,480	6,402,464	2,780,839	1,844,855	50,032,465	-	64,716,103	58,684,040
Add: Amortization taken	-	572,411	648,426	391,241	310,153	4,153,287	-	6,075,518	6,070,990
Less: Accumulated amortization on disposals	-	-	-	(120,505)	(121,601)	-	-	(242,106)	(38,927)
<b>Closing Accumulated Amortization Costs</b>	<b>-</b>	<b>4,227,891</b>	<b>7,050,890</b>	<b>3,051,575</b>	<b>2,033,407</b>	<b>54,185,752</b>	<b>-</b>	<b>70,549,515</b>	<b>64,716,103</b>
<b>Net Book Value</b>	<b>3,843,672</b>	<b>11,807,666</b>	<b>24,490,780</b>	<b>3,472,176</b>	<b>2,016,175</b>	<b>131,505,748</b>	<b>8,868,210</b>	<b>186,004,427</b>	<b>180,392,094</b>

Contributed assets totaled \$2,003,776 (2020 - \$673,153) comprised of infrastructure contributed by developers and were capitalized at their fair value at time of receipt. The value of these contributed assets are included in Provincial/Federal Capital Grants and Contributions in the Statement of Operations.

The City of Warman  
 Schedule of Tangible Capital Assets by Function  
 As at December 31, 2021

9. Tangible Capital Assets

		2021							2020	
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
<b>Asset cost</b>										
Assets	Opening Asset costs	2,452,960	4,750,592	105,917,364	1,559,061	268,203	45,185,739	84,974,278	245,108,197	243,608,643
	Additions during the year	-	358,915	569,645	-	-	2,524,900	8,248,025	11,701,485	1,545,494
	Disposals and write-downs during the year	-	(3,500)	(119,717)	-	-	(132,523)	-	(255,740)	(45,940)
<b>Closing Asset Costs</b>		<b>2,452,960</b>	<b>5,106,007</b>	<b>106,367,292</b>	<b>1,559,061</b>	<b>268,203</b>	<b>47,578,116</b>	<b>93,222,303</b>	<b>256,553,942</b>	<b>245,108,197</b>
<b>Accumulated Amortization Cost</b>										
Amortization	Opening Accumulated Amortization Costs	835,324	1,318,343	37,653,595	418,682	218,131	9,614,939	14,657,087	64,716,103	58,684,040
	Add: Amortization taken	46,120	184,353	2,982,575	35,561	10,123	1,344,884	1,471,903	6,075,518	6,070,990
	Less: Accumulated amortization on disposals	-	(788)	(119,717)	-	-	(121,601)	-	(242,106)	(38,927)
<b>Closing Accumulated Amortization Costs</b>		<b>881,444</b>	<b>1,501,908</b>	<b>40,516,453</b>	<b>454,243</b>	<b>228,254</b>	<b>10,838,222</b>	<b>16,128,990</b>	<b>70,549,515</b>	<b>64,716,103</b>
<b>Net Book Value</b>		<b>1,571,516</b>	<b>3,604,099</b>	<b>65,850,839</b>	<b>1,104,818</b>	<b>39,949</b>	<b>36,739,894</b>	<b>77,093,313</b>	<b>186,004,427</b>	<b>180,392,094</b>



#### 10. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. Significant contractual rights of the municipality are as follows:

Contractual Rights Type	Describe Nature Time and Extent	2022	2023	2024	2025	Thereafter	Current Year Total	Prior Year Total
Future Lease Revenue	Lease revenue for agreements with tenants at the Legend Centre	\$ 154,516	\$ 127,612	\$ 125,260	\$ 104,390	\$ 184,066	\$ 139,595	\$ 100,363
Future Lease Revenue	Lease revenue for agreements with tenants at other locations	\$ 10,349	\$ 2,587	\$ -	\$ -	\$ -	\$ 10,349	\$ 10,339
<b>Total</b>		<b>\$ 164,865</b>	<b>\$ 130,199</b>	<b>\$ 125,260</b>	<b>\$ 104,390</b>	<b>\$ 184,066</b>	<b>\$ 149,944</b>	<b>\$ 110,702</b>

Significant contractual rights of the Municipality for the Canadian Community Building Fund (CCB) allocation are as follows:

Year	Per Capita	Estimated CCB Funding Allocation
2021-22	61.80	\$ 681,036
2022-23	61.80	\$ 681,036
2023-24	64.20	\$ 707,484
<b>Total</b>		<b>\$ 2,069,556</b>

Significant contractual rights of the Municipality from KH Developments related to Off Site Development Agreements are listed below. The agreements allow the municipality to collect for the future development of arterial roads, district parks, lagoon expansion and works, water reservoir expansion and works, and recreation required to support continued growth of the City. Current drop dead dates on all outstanding amounts is currently set by resolution of Council for December 31, 2023.

Agreement	Total Agreement Amount	Payments Received up to Dec 31, 2021	Remaining Receivable Under Agreement
Southlands Industrial Stage 1	3,765,600	1,070,880	2,694,720
Southlands Stage 5	1,163,532	325,232	838,300
Centennial Blvd Commercial West	397,440	50,000	347,440
<b>Total</b>	<b>5,326,572</b>	<b>1,446,112</b>	<b>3,880,460</b>

#### 11. Pension plan

The City is an employer member of the Municipal Employees Pension Plan ("MEPP"), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits.

The City is required to make current service contributions to the MEPP of 9.0% of pensionable payroll. Employees of the City are required to make current service contributions of 9.0% of pensionable salary. Contributions for current services are recorded as expenditures in the year in which they become due.

Total current service contributions were \$324,615 (\$299,436 in 2020). Total current service contributions by the employee to the MEPP would be equal to those contributions made by the City.

#### 12. Future Capital Projects and Contractual Obligations

The City annually budgets for future capital projects. Significant capital projects budgeted for 2022 include:

City Yards Land Acquisition	750,000
Lift Station #3	3,521,000
Traffic Signals	200,000
Legends Centre LED Sign Replacement	90,000
Additional Flat Bed Truck	90,000
	<u>4,651,000</u>

The City's total capital budget for 2022 is \$5,059,734. Funding for the above projects is anticipated to be from the City's own municipal resources (including fees and charges).

**The City of Warman**  
**Notes to the Financial Statements**  
**As at December 31, 2021**

**12. Future Capital Projects and Contractual Obligations - continued**

During 2020, the City entered into an agreement with AECOM to provide Consulting Engineering Services for the Sewage Lagoon Upgrade Project. The value of the engineering services for the project is \$903,000, of which \$797,715 has been incurred by 2021 year end. The anticipated completion date is December 31st, 2022.

During 2020, the City entered into an agreement with PME Inc. to provide Sewage Lagoon Upgrades, including Sludge Removal and Cell #1 Adjustments for a total cost of \$1,948,065, of which the holdback of \$30,000 is outstanding at 2021 year end .

During 2021, the City entered into an agreement with Con-Tech General Contractors Ltd. to provide services for the Sewage Lagoon Upgrade project including lagoon aeration, the SAGR system and blower building and associated works, for a total cost of \$11,514,655 of which \$3,761,175 has been incurred at 2021 year end. The anticipated completion date is December 31, 2022.

During 2021, the City entered into an agreement with DC Trenching Ltd. to provide services for the Sewage Lagoon Upgrade project including the gravity discharge pipeline, for a total cost of \$6,436,999 of which \$2,301,005 has been incurred at 2021 year end. The anticipated completion date for the pipeline is August 31, 2022.

**13. Covid-19**

During the fiscal year, on March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus (“COVID-19”) as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial results and condition of the City in future periods.

The City of Warman

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2021

Schedule 1

Unaudited

		2021 Budget	2021	2020
<b>TAXES</b>				
	General municipal tax levy	10,689,847	10,642,802	10,513,281
	Abatements and adjustments	(200,000)	(180,931)	(150,858)
	<b>Net Municipal Taxes</b>	<b>10,489,847</b>	<b>10,461,871</b>	<b>10,362,423</b>
	Penalties on tax arrears	50,000	52,042	49,449
<b>Total Taxes</b>		<b>10,539,847</b>	<b>10,513,913</b>	<b>10,411,872</b>
<b>UNCONDITIONAL GRANTS</b>				
	Equalization (Revenue Sharing)	2,375,791	2,393,672	2,418,296
<b>Total Unconditional Grants</b>		<b>2,375,791</b>	<b>2,393,672</b>	<b>2,418,296</b>
<b>GRANTS IN LIEU OF TAXES</b>				
	Federal	4,800	3,925	4,880
	Provincial			
	SaskTel	10,000	7,164	10,789
	Other Government Transfers			
	SaskPower Corporation Surcharge	800,000	926,860	1,038,902
<b>Total Grants in Lieu of Taxes</b>		<b>814,800</b>	<b>937,949</b>	<b>1,054,571</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>		<b>13,730,438</b>	<b>13,845,534</b>	<b>13,884,739</b>

The City of Warman  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2021  
 Unaudited

Schedule 2 - 1

	2021 Budget	2021	2020
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other	48,780	990,383	73,589
Total Fees and Charges	48,780	990,383	73,589
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain			
- Investment income and commissions	300,000	487,186	452,906
Total Other Segmented Revenue	348,780	1,477,569	526,495
Total Conditional Grants	-	-	-
<b>Total Operating Capital</b>	<b>348,780</b>	<b>1,477,569</b>	<b>526,495</b>
Conditional Grants			
- Other	-	1,422,486	892,038
<b>Total Capital</b>	<b>-</b>	<b>1,422,486</b>	<b>892,038</b>
<b>Total General Government Services</b>	<b>348,780</b>	<b>2,900,055</b>	<b>1,418,533</b>

**PROTECTIVE SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other	97,000	244,364	154,379
Total Fees and Charges	97,000	244,364	154,379
- Tangible capital asset sales - gain (loss)	-	8,235	-
Total Other Segmented Revenue	97,000	252,599	154,379
Total Conditional Grants	-	-	-
<b>Total Operating Capital</b>	<b>97,000</b>	<b>252,599</b>	<b>154,379</b>
Conditional Grants			
- Local government	80,000	80,000	80,000
- Other		4,810	-
<b>Total Capital</b>	<b>80,000</b>	<b>84,810</b>	<b>80,000</b>
<b>Total Protective Services</b>	<b>177,000</b>	<b>337,409</b>	<b>234,379</b>

The City of Warman  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2021  
 Unaudited

Schedule 2 - 2

	2021 Budget	2021	2020
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	1,000	1,538	550
- Sales of supplies	-	2,366	599
- Other	-	227	-
Total Fees and Charges	1,000	4,131	1,149
- Tangible capital asset sales - gain (loss)	-	58,359	17,320
- <b>Other (Specify)</b>			
Total Other Segmented Revenue	1,000	62,490	18,469
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>1,000</b>	<b>62,490</b>	<b>18,469</b>
<b>Capital</b>			
Conditional Grants			
- Gas Tax	650,180	681,036	1,759,403
- Other	-	-	673,153
<b>Total Capital</b>	<b>650,180</b>	<b>681,036</b>	<b>2,432,556</b>
<b>Total Transportation Services</b>	<b>651,180</b>	<b>743,526</b>	<b>2,451,025</b>

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	307,400	326,394	313,635
- Other	38,200	96,180	62,322
Total Fees and Charges	345,600	422,574	375,957
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	345,600	422,574	375,957
Conditional Grants			
- Other	50,000	122,417	104,121
Total Conditional Grants	50,000	122,417	104,121
<b>Total Operating</b>	<b>395,600</b>	<b>544,991</b>	<b>480,078</b>
<b>Capital</b>			
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Environmental and Public Health Services</b>	<b>395,600</b>	<b>544,991</b>	<b>480,078</b>

The City of Warman  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2021

Schedule 2 - 3

Unaudited

	2021 Budget	2021	2020
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	-	-	-
- Other	158,600	279,259	189,379
Total Fees and Charges	158,600	279,259	189,379
- Other	-	-	-
Total Other Segmented Revenue	158,600	279,259	189,379
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>158,600</b>	<b>279,259</b>	<b>189,379</b>
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Planning and Development Services</b>	<b>158,600</b>	<b>279,259</b>	<b>189,379</b>

**RECREATION AND CULTURAL SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other	1,423,325	1,400,034	1,059,937
Total Fees and Charges	1,423,325	1,400,034	1,059,937
- Tangible capital asset sales - gain (loss)	-	25,063	1,876
- Other			
Total Other Segmented Revenue	1,423,325	1,425,097	1,061,813
Conditional Grants			
- Local government	2,900	2,944	2,944
- Other	121,958	105,088	108,667
Total Conditional Grants	124,858	108,032	111,611
<b>Total Operating</b>	<b>1,548,183</b>	<b>1,533,129</b>	<b>1,173,424</b>
<b>Capital</b>			
Conditional Grants			
- Saskatchewan Infrastructure Growth Initiative	-	-	-
- Other (Capital Donations)	900	2,003,776	143
<b>Total Capital</b>	<b>900</b>	<b>2,003,776</b>	<b>143</b>
<b>Total Recreation and Cultural Services</b>	<b>1,549,083</b>	<b>3,536,905</b>	<b>1,173,567</b>

The City of Warman  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2021

Schedule 2 - 4

Unaudited

	2021 Budget	2021	2020
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water	4,183,500	5,114,464	4,676,598
- Sewer	924,000	1,089,454	990,868
- <b>Other (Specify)</b>	12,000	17,620	9,280
Total Other Segmented Revenue	5,119,500	6,221,538	5,676,746
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>5,119,500</b>	<b>6,221,538</b>	<b>5,676,746</b>
<b>Capital</b>			
Conditional Grants			
- Investing in Canada Infrastructure Program	-	5,754,184	-
- <b>Other (Capital Contributions - Developers)</b>	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>5,754,184</b>	<b>-</b>
<b>Total Utility Services</b>	<b>5,119,500</b>	<b>11,975,722</b>	<b>5,676,746</b>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>8,399,743</b>	<b>20,317,867</b>	<b>11,623,707</b>

**SUMMARY**

Total Other Segmented Revenue	7,493,805	10,141,126	8,003,238
Total Conditional Grants	174,858	230,449	215,732
Total Capital Grants and Contributions	731,080	9,946,292	3,404,737
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>8,399,743</b>	<b>20,317,867</b>	<b>11,623,707</b>

The City of Warman

Total Expenses by Function

As at December 31, 2021

Unaudited

Schedule 3 - 1

	2021 Budget	2021	2020
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	252,873	208,717	215,785
Wages and benefits	1,064,034	994,014	911,671
Professional/Contractual services	482,830	427,166	418,343
Utilities	38,080	38,061	37,030
Maintenance, materials and supplies	84,750	44,227	83,734
Grants and contributions - operating	22,000	9,910	10,750
Write down of Receivable	-	5,691,284	-
Amortization	33,694	46,120	42,775
Interest	500	104	20
<b>Total Government Services</b>	<b>1,978,761</b>	<b>7,459,603</b>	<b>1,720,108</b>

**PROTECTIVE SERVICES**

**Police protection**

Wages and benefits	248,107	231,749	223,198
Professional/Contractual services	1,118,310	864,875	1,073,745
Utilities	12,820	9,927	10,535
Maintenance, material and supplies	9,000	9,505	13,061
Amortization	5,534	10,543	10,675

**Fire protections**

Wages and benefits	290,673	312,778	274,973
Professional/Contractual services	99,100	90,658	92,029
Utilities	21,200	24,641	23,021
Maintenance, material and supplies	83,700	81,619	64,925
Write off of Equipment	-	-	-
Amortization	78,733	173,809	157,702

<b>Total Protective Services</b>	<b>1,967,177</b>	<b>1,810,104</b>	<b>1,943,864</b>
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**TRANSPORTATION SERVICES**

Wages and benefits	808,259	665,257	616,989
Professional/Contractual Services	907,960	828,421	1,603,516
Utilities	189,600	229,408	243,547
Maintenance, materials, and supplies	303,900	271,421	249,682
Gravel	15,000	4,191	8,698
Write off of Equipment	-	-	-
Amortization	1,484,811	2,982,575	3,045,174

<b>Total Transportation Services</b>	<b>3,709,530</b>	<b>4,981,273</b>	<b>5,767,606</b>
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The City of Warman

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 2

Unaudited

	2021 Budget	2021	2020
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	89,995	51,299	62,120
Professional/Contractual services	1,089,670	1,052,248	1,021,091
Utilities	1,000	496	599
Maintenance, materials and supplies	8,500	3,493	7,939
Write off of equipment	-	-	-
Amortization	17,850	35,561	35,561
<b>Total Environmental and Public Health Services</b>	<b>1,207,015</b>	<b>1,143,097</b>	<b>1,127,310</b>

**PLANNING AND DEVELOPMENT SERVICES**

Wages and benefits	378,414	359,550	321,279
Professional/Contractual Services	336,400	352,786	252,060
Write off of equipment	-	-	-
Amortization	8,870	10,123	17,191
Other	15,600	10,837	10,840
<b>Total Planning and Development Services</b>	<b>739,284</b>	<b>733,296</b>	<b>601,370</b>

**RECREATION AND CULTURAL SERVICES**

Wages and benefits	2,083,946	1,948,885	1,618,234
Professional/Contractual services	678,425	578,941	530,525
Utilities	605,870	464,779	518,246
Maintenance, materials and supplies	375,250	266,865	229,696
Grants and contributions - operating	86,258	71,392	65,050
Write off of equipment	-	-	-
Amortization	567,760	1,344,883	1,294,061
Interest	143,930	75,708	120,154
Allowance for uncollectibles	3,500	560	1,622
<b>Total Recreation and Cultural Services</b>	<b>4,544,939</b>	<b>4,752,013</b>	<b>4,377,588</b>

**The City of Warman**

**Total Expenses by Function**

**As at December 31, 2021**

Schedule 3 - 3

**Unaudited**

	<b>2021 Budget</b>	<b>2021</b>	<b>2020</b>
<b>UTILITY SERVICES</b>			
Wages and benefits	301,790	265,391	275,595
Professional/Contractual services	3,667,700	3,834,750	3,589,219
Utilities	105,910	82,129	85,646
Maintenance, materials and supplies	148,950	122,598	143,653
Amortization	732,216	1,471,903	1,467,851
Interest	-	-	-
<b>Total Utility Services</b>	<b>4,956,566</b>	<b>5,776,771</b>	<b>5,561,964</b>
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>19,103,272</b>	<b>26,656,157</b>	<b>21,099,810</b>

The City of Warman  
Schedule of Segment Disclosure by Function  
As at December 31, 2021  
Unaudited

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	990,383	244,364	4,131	422,574	279,259	1,400,034	6,221,538	9,562,283
Tangible Capital Asset Sales - Gain	-	8,235	58,359	-	-	25,063	-	91,657
Investment Income and Commissions	487,186	-	-	-	-	-	-	487,186
Grants - Conditional	-	-	-	122,417	-	108,032	-	230,449
- Capital	1,422,486	84,810	681,036	-	-	2,003,776	5,754,184	9,946,292
<b>Total revenues</b>	<b>2,900,055</b>	<b>337,409</b>	<b>743,526</b>	<b>544,991</b>	<b>279,259</b>	<b>3,536,905</b>	<b>11,975,722</b>	<b>20,317,867</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	1,202,731	544,527	665,257	51,299	359,550	1,948,885	265,391	5,037,640
Professional/ Contractual Services	427,166	955,533	828,421	1,052,248	352,786	578,941	3,834,750	8,029,845
Utilities	38,061	34,568	229,408	496	-	464,779	82,129	849,441
Maintenance Materials and Supplies	44,227	91,124	275,612	3,493	-	266,865	122,598	803,919
Grants and Contributions	9,910	-	-	-	-	71,392	-	81,302
Amortization	46,120	184,352	2,982,575	35,561	10,123	1,344,883	1,471,903	6,075,517
Interest	104	-	-	-	-	75,708	-	75,812
Allowance for Uncollectibles	-	-	-	-	-	560	-	560
Write Down of Receivables	5,691,284	-	-	-	-	-	-	5,691,284
Other	-	-	-	-	10,837	-	-	10,837
<b>Total expenses</b>	<b>7,459,603</b>	<b>1,810,104</b>	<b>4,981,273</b>	<b>1,143,097</b>	<b>733,296</b>	<b>4,752,013</b>	<b>5,776,771</b>	<b>26,656,157</b>
<b>Surplus (Deficit) by Function</b>	<b>(4,559,548)</b>	<b>(1,472,695)</b>	<b>(4,237,747)</b>	<b>(598,106)</b>	<b>(454,037)</b>	<b>(1,215,108)</b>	<b>6,198,951</b>	<b>(6,338,290)</b>
Taxation and other unconditional revenue (Schedule 1)								13,845,534
<b>Net Surplus</b>								<b>7,507,244</b>

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	73,589	154,379	1,149	375,957	189,379	1,059,937	5,676,746	7,531,136
Tangible Capital Asset Sales - Gain	-	-	17,320	-	-	1,876	-	19,196
Investment Income and Commissions	452,906	-	-	-	-	-	-	452,906
Grants - Conditional	-	-	-	104,121	-	111,611	-	215,732
- Capital	892,038	80,000	2,432,556	-	-	143	-	3,404,737
<b>Total revenues</b>	<b>1,418,533</b>	<b>234,379</b>	<b>2,451,025</b>	<b>480,078</b>	<b>189,379</b>	<b>1,173,567</b>	<b>5,676,746</b>	<b>11,623,707</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	1,127,456	498,171	616,989	62,120	321,279	1,618,234	275,595	4,519,844
Professional/ Contractual Services	418,343	1,165,774	1,603,516	1,021,091	252,060	530,525	3,589,219	8,580,528
Utilities	37,030	33,556	243,547	599	-	518,246	85,646	918,624
Maintenance Materials and Supplies	83,734	77,986	258,380	7,939	-	229,696	143,653	801,388
Grants and Contributions	10,750	-	-	-	-	65,050	-	75,800
Amortization	42,775	168,377	3,045,174	35,561	17,191	1,294,061	1,467,851	6,070,990
Interest	20	-	-	-	-	120,154	-	120,174
Allowance for Uncollectibles	-	-	-	-	-	1,622	-	1,622
Other	-	-	-	-	10,840	-	-	10,840
<b>Total expenses</b>	<b>1,720,108</b>	<b>1,943,864</b>	<b>5,767,606</b>	<b>1,127,310</b>	<b>601,370</b>	<b>4,377,588</b>	<b>5,561,964</b>	<b>21,099,810</b>
<b>Surplus (Deficit) by Function</b>	<b>(301,575)</b>	<b>(1,709,485)</b>	<b>(3,316,581)</b>	<b>(647,232)</b>	<b>(411,991)</b>	<b>(3,204,021)</b>	<b>114,782</b>	<b>(9,476,103)</b>
Taxation and other unconditional revenue (Schedule 1)								13,884,739
<b>Net Surplus</b>								<b>4,408,636</b>

**The City of Warman**  
**Schedule of Accumulated Surplus**  
**As at December 31, 2021**

Schedule 6

Unaudited

	2020	Changes	2021
<b>UNAPPROPRIATED SURPLUS</b>	<b>13,404,339</b>	<b>3,967,847</b>	<b>17,372,186</b>
<b>APPROPRIATED RESERVES</b>			
Utility	10,628,066	(1,777,119)	8,850,947
Other	13,619,521	(1,272,177)	12,347,344
<b>Total Appropriated</b>	<b>24,247,587</b>	<b>(3,049,296)</b>	<b>21,198,291</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Note 9)	180,392,094	5,612,333	186,004,427
Less: Related debt	(1,954,755)	976,360	(978,395)
<b>Net Investment in Tangible Capital Assets</b>	<b>178,437,339</b>	<b>6,588,693</b>	<b>185,026,032</b>
<b>Total Accumulated Surplus</b>	<b>216,089,265</b>	<b>7,507,244</b>	<b>223,596,509</b>

The City of Warman  
 Schedule of Mill Rates and Assessments  
 As at December 31, 2021  
 Unaudited

	PROPERTY CLASS						Total
	Agriculture	Residential	Multi Residential	Seasonal Residential	Commercial & Industrial	Railway & Pipelines	
<b>Taxable Assessment</b>	1,838,265	1,099,022,720	122,314,000	-	191,814,590	1,278,230	1,416,267,805
<b>Regional Park Assessment</b>	-	-	-	-	-	-	-
<b>Total Assessment</b>	-	-	-	-	-	-	1,416,267,805
<b>Mill Rate Factor(s)</b>	0.48	-	-	-	0.94	1.18	-
<b>Total Base/Minimum Tax</b> (generated for each property class)	5,800	2,313,620	364,820	-	204,160	2,640	2,888,400
<b>Total Municipal Tax Levy</b> (include base and/or minimum tax and special levies)	10,847	8,366,824	1,064,456	-	1,189,351	11,286	10,642,763

MILL RATES:	MILLS
Average Municipal*	7.51
Average School*	4.77
Uniform Municipal Mill Rate	5.72

\* Average Mill Rates - multiply the total tax levy for each taxing authority by 1000 and divide by the total assessment for the taxing authority.

**The City of Warman**  
**Schedule of Council Remuneration**  
**As at December 31, 2021**  
**Unaudited**

Schedule 8

<b>Position</b>	<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed Costs</b>	<b>Total</b>
<b>Mayor</b>	<b>Philipchuk, Gary</b>	53,339	4,279	57,618
Councillor	Beck, Richard	18,518	-	18,518
Councillor	Peterson, Trevor	17,988	71	18,059
Councillor	Tooley, Kevin	22,390	185	22,575
Councillor	Johnson, Tracy	18,618	631	19,249
Councillor	Ramage, Doug	19,078	185	19,263
Councillor	Seed, Marshall	21,418	185	21,603
<b>Total</b>		<b>171,349</b>	<b>5,536</b>	<b>176,885</b>