

August 14, 2023
Confidential

Town of Nipawin
PO Box 2134
Nipawin SK S0E 1E0

Attention: Michele Sorensen, Interim CAO and Sheldon Chornawka, Acting Mayor

Dear Michele and Sheldon:

Re: Town of Nipawin

We would like to thank you for once again allowing us to serve your Town as your Auditor for the 2022 fiscal year. We have completed our audit of the consolidated financial statements and our auditors' report will provide an unqualified opinion to the ratepayers of the Town.

During the course of our audit of Town of Nipawin for the year ended December 31, 2022, we identified matters that may be of interest to management. The objective of an audit is to obtain reasonable assurance whether the financial statements are free of material misstatement and it is not designed to identify matters that may be of interest to management. Accordingly, an audit would not usually identify all such matters.

The matters identified were as follows:

BARWA

The financial statements include the municipalities proportionate share of BARWA's assets, liabilities, revenues and expenses. This consolidation is required for government partnerships under Public Sector Accounting Standards.

Accounting Software Conversion

During the course of our audit, we performed certain procedures to verify the validity of data converted from the previous accounting software to the current software. We did not identify any issues with the conversion and all previous data was appropriately converted to the new software; however, the way in which the data was presented provided minimal details on prior transactions and that, coupled with the staffing changes throughout the year provided some challenges in obtaining source documents to verify certain revenue and expense items. The Town's staff was incredibly helpful in locating and providing all required information despite these difficulties and we would like to express our gratitude for their work on this.

Wages and Benefits

During the year, there was also a conversion of payroll software. We also assessed an increased risk in this area due to the following:

1. Turnover of key personnel involved in the payroll function
2. Conversion of payroll software
3. Number of non-standard payroll transactions including severance pay, disability pay etc.

As a result, additional testing was required of the payroll liabilities and expenses. The following summarizes testing performed

- a) Selected a sample of standard payroll transactions from the payroll software and confirmed that wages were paid appropriately based on approved rates, hours (if applicable). Verified source documents to data in the payroll software. Increased sample size utilized given increased risk assessment relative to previous years.
- b) Performed analytical procedures to assess the appropriateness of benefits calculations.
- c) Reconciled payroll software information to T4 filings to ensure accuracy of information filed with CRA.
- d) Verified with CRA documentation the balance of payroll remittance liabilities as at December 31, 2023.
- e) Reconciled payroll software data to amounts reported in the accounting software.

The only error identified through our audit procedures was the failure to accrue wages for December 25-31. Given pay periods are bi-weekly, with the wages being recorded at the end of the pay period, this final week of 2022 was included in the first pay period of 2023 and as such, the related expenses were not reported until 2023. This error, estimated at a \$50,000 understatement of expenses is not material, represents a timing difference (reported in 2023 as opposed to 2022) and would take considerable work to adjust due to the nature of the departmental reporting of expenses. For these reasons, management has decided not to adjust this error. This unadjusted error has had no impact on our audit report.

The other difficulty we encountered was verifying the classification of wages amongst departments. Through the procedures noted above, we were able to gain confidence that wages were paid appropriately, liabilities have been recorded appropriately (except as noted above regarding the December 25-31 period), and the total expense reported in the financial statements corresponds to the actual total wages and benefits expense occurred in the year (again, except as noted above). We were not; however, able to substantively test that wages were appropriately characterized amongst departments. Given lump data transfers from the payroll software, various adjustments due to remittance issues and the quantity of expense classifications, we determined there was no efficient way to do so. As this is merely a classification issue amongst expense items, and we obtained sufficient evidence to support that the total wages and benefits were reported without material error, it is our determination that any potential classification errors would be trivial.

Accrued Sick Leave

The current policy pertaining to sick leave benefits of employees creates both vested and non-vested benefits liabilities for the Town. In accordance with PS 3255, the Town reports the expense and related liability for vested sick leave benefits, but not for non-vested benefits. In order to estimate vested benefit allocation, actuarial services are required.

No actuarial report was done for 2022, and as such, 2021 actuarial information was utilized to estimate the vested benefits. It is not necessary to obtain an actuarial report annually; however, we would recommend obtaining one every 3-5 years or when there has been a substantial change to one or more of the underlying assumptions used for the actuarial calculations, those being:

1. Discount rate
2. Salary escalation
3. Accumulation of sick leave days
4. Mortality rates
5. Termination rates
6. Retirement rates

Synopsis

When your synopsis is prepared (if applicable) please forward a copy to us and we will review and confirm, in writing, the synopsis is an accurate reproduction of the financial statement information. Canadian Auditing Standards require that we read any other information containing information from the audited financial statements in order to ensure there are no material inconsistencies.

Signatures

Please sign and return the following items, which have been enclosed:

1. Financial statements
2. Representation letter
3. Adjusting journal entries

If you have any questions, please do not hesitate to call our office.

Yours truly,



Shane Janke CPA, CA
Partner


Management's Responsibility

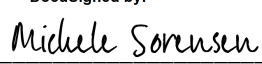
The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods,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

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

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

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

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Mayor

DocuSigned by:

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Administrator

August 14, 2023



INDEPENDENT AUDITOR'S REPORT

**To the Mayor and Council of the
Town of Nipawin**

Opinion

We have audited the financial statements of Town of Nipawin, (the Municipality) which comprise of the Statement of Financial Position as at December 31, 2022, 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2022, and the results of its operations and its cash flow 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards (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 Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Tisdale, Saskatchewan
August 14, 2023



Chartered Professional Accountants

Municipality of **Town of Nipawin**
Statement of Financial Position
As at December 31, 2022

Statement 1

	2022	2021
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	6,553,273	7,857,827
Taxes Receivable - Municipal (Note 3)	291,024	194,075
Other Accounts Receivable (Note 4)	2,325,570	1,569,501
Assets Held for Sale (Note 5)	323,580	320,881
Long-Term Investments (Note 6)	-	25,100
Total Financial Assets	9,493,447	9,967,384
LIABILITIES		
Bank Indebtedness (Note 8)	-	-
Accounts Payable	878,746	914,922
Wages and vacaion payable	124,809	163,600
Employee future benefits payable	137,600	137,600
Deferred Revenue (Note 9)	4,439	9,097
Accrued Landfill Costs (Note 10)	1,555,972	1,470,123
Liability for Contaminated Sites (Note 11)	-	-
Utility deposits	194,264	190,771
Long-Term Debt (Note 12)	301,229	774,070
Lease Obligations (Note 13)	-	-
Total Liabilities	3,197,059	3,660,183
NET FINANCIAL ASSETS (DEBT)	6,296,388	6,307,201
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	45,561,475	44,558,607
Prepayments and Deferred Charges	249,724	222,362
Stock and Supplies	241,339	204,260
Total Non-Financial Assets	46,052,538	44,985,229
ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	52,348,926	51,292,430

The accompanying notes and schedules are an integral part of these statements.

Municipality of Town of Nipawin
Statement of Operations
As at December 31, 2022

Statement 2

	2022 Budget	2022	2021
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	6,341,994	6,431,409	6,216,643
Fees and Charges (Schedule 4, 5)	3,906,336	3,602,579	3,897,421
Conditional Grants (Schedule 4, 5)	135,653	169,315	165,473
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	(21,724)
Land Sales - Gain (Schedule 4, 5)	-	(2,678)	1,679
Investment Income and Commissions (Schedule 4, 5)	60,000	124,780	60,203
Other Revenues (Schedule 4, 5)	7,701	84,182	73,486
Total Revenues	10,451,684	10,409,587	10,393,181
EXPENSES			
General Government Services (Schedule 3)	1,082,469	1,827,212	1,053,158
Protective Services (Schedule 3)	1,045,714	1,066,789	998,222
Transportation Services (Schedule 3)	1,679,825	2,675,866	2,057,436
Environmental and Public Health Services (Schedule 3)	1,274,728	1,433,689	1,917,203
Planning and Development Services (Schedule 3)	333,032	158,218	283,078
Recreation and Cultural Services (Schedule 3)	1,821,231	1,934,401	2,417,631
Utility Services (Schedule 3)	1,548,858	1,433,645	1,696,430
Total Expenses	8,785,857	10,529,820	10,423,158
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	1,665,827	(120,233)	(29,977)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	4,497,897	1,176,729	2,147,837
Surplus (Deficit) of Revenues over Expenses	6,163,724	1,056,496	2,117,860
Accumulated Surplus (Deficit), Beginning of Year	51,292,430	51,292,430	49,174,570
Accumulated Surplus (Deficit), End of Year	57,456,154	52,348,926	51,292,430

The accompanying notes and schedules are an integral part of these statements.

Municipality of Town of Nipawin
Statement of Change in Net Financial Assets
As at December 31, 2022

Statement 3

	2022 Budget	2022	2021
Surplus (Deficit)	6,163,724	1,056,496	2,117,860
(Acquisition) of tangible capital assets	(6,212,342)	(2,876,877)	(2,641,552)
Amortization of tangible capital assets	-	1,793,449	1,793,353
Proceeds on disposal of tangible capital assets	-	-	52,389
Loss (gain) on the disposal of tangible capital assets	-	-	21,724
Net change in BARWA capital assets	-	80,560	82,611
Surplus (Deficit) of capital expenses over expenditures	(6,212,342)	(1,002,868)	(691,475)
Use (acquisition) of supplies inventory	-	(27,362)	(38,839)
Use (acquisition) of prepaid expense	-	(37,079)	(1,957)
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(64,441)	(40,796)
Increase/Decrease in Net Financial Assets	(48,618)	(10,813)	1,385,589
Net Financial Assets (Debt) - Beginning of Year	6,307,201	6,307,201	4,921,612
Net Financial Assets (Debt) - End of Year	6,258,583	6,296,388	6,307,201

The accompanying notes and schedules are an integral part of these statements.

Municipality of Town of Nipawin
Statement of Cash Flow
As at December 31, 2022

Statement 4

	2022	2021
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	1,056,496	2,117,860
Amortization	1,793,449	1,793,353
Loss (gain) on disposal of tangible capital assets	-	21,724
	2,849,945	3,932,937
Change in assets/liabilities		
Taxes Receivable - Municipal	(96,949)	(39,106)
Other Receivables	(756,069)	(313,633)
Assets Held for Sale	(2,699)	12,203
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(74,967)	16,928
Deposits	-	(12,400)
Deferred Revenue	(4,658)	(673,401)
Accrued Landfill Costs	85,849	432,622
Liability for Contaminated Sites	-	-
Other Liabilities	3,493	3,876
Stock and Supplies	(37,079)	(1,957)
Prepayments and Deferred Charges	(27,362)	(38,839)
Other (Specify)	-	-
Cash provided by operating transactions	1,939,504	3,319,230
Capital:		
Cash used to acquire tangible capital assets	(2,876,877)	(2,641,552)
Proceeds on sale of tangible capital assets	-	52,389
Net change in BARWA capital assets	80,560	82,611
Cash applied to capital transactions	(2,796,317)	(2,506,552)
Investing:		
Proceeds on disposal of investments	25,100	-
Acquisition in investment	-	-
Cash provided by (applied to) investing transactions	25,100	-
Financing:		
Debt charges recovered	-	-
Proceeds from debt issues	-	-
Debt repayment	(472,841)	(583,791)
Other financing (please specify)	-	-
Cash provided by (applied to) financing transactions	(472,841)	(583,791)
Change in Cash and Temporary Investments during the year	(1,304,554)	228,887
Cash and Temporary Investments - Beginning of Year	7,857,827	7,628,940
Cash and Temporary Investments - End of Year	6,553,273	7,857,827

The accompanying notes and schedules are an integral part of these statements.

Municipality of Town of Nipawin
Notes to the Financial Statements
 As at December 31, 2022

1. Significant Accounting Policies

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

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

- a) **Reporting Entity:** The consolidated financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these consolidated financial statements are as follows:

Entity

Boreal Area Regional Waste Authority "BARWA" (*partnership - see below*)

Partnerships: A partnership represents a contractual arrangement between the municipality and a party or parties outside the reporting entity. The partners have significant, clearly defined common goals, make a financial investment in the partnership, share control of decision making, and share, on an equitable basis, the significant risks and benefits associated with the operations of the partnership. These consolidated financial statements contain the following partnerships:

BARWA (consolidated 76.76%) (2022 – consolidated 74.85%) - proportionate consolidation method.

All inter-organizational transactions and balances have been eliminated.

- b) **Collection of funds for other authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.
- c) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
- the transfers are authorized
 - any eligibility criteria have been met; and
 - 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.

- d) **Other (Non-Government Transfer) Contributions:** Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the municipality if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.
- e) **Deferred Revenue - Fees and charges:** Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- h) **Non-financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- i) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- j) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- k) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long term investments in the Saskatchewan Association of Rural Municipalities - Self insurance fund are accounted for on the equity basis.

Municipality of Town of Nipawin
Notes to the Financial Statements
 As at December 31, 2022

1. Significant Accounting Policies - continued

- l) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- m) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land Improvements	15 to 72 Yrs
Buildings	25 to 50 Yrs
Vehicles & Equipment	
Vehicles	10 Yrs
Machinery and Equipment	3 to 25 Yrs
Leased capital assets	3 to 25 years
<i>Infrastructure Assets</i>	
Infrastructure Assets	
Water & Sewer	40 to 60 Yrs
Road Network Assets	20 to 40 Yrs

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

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

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

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

- n) **Landfill Liability:**
- The Town of Nipawin is a member of a government partnership, Boreal Area Regional Waste Authority "BARWA" which maintains a solid waste landfill site. The annual provision is reported as an expense and the accumulated provision on the Consolidated Statement of Financial Position. Recommended disclosure provided in Note 10.
- o) **Trust Funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the municipality. Trust fund activities administered by the municipality are disclosed in Note 18.
- p) **Employee Benefit Plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- q) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
- a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) the municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.

Municipality of Town of Nipawin
 Notes to the Financial Statements
 As at December 31, 2022

1. Significant Accounting Policies - continued

- r) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality.
 The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available.
 Amortization is based on the estimated useful lives of tangible capital assets.

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

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

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

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

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

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

Planning and Development: Provides for neighbourhood development and sustainability.

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

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

- t) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on February 14, 2022.

- u) **Assets Held for Sale:** The municipality is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset and the sale is reasonably anticipated to be completed within one year of the financial statement date.

- v) **New Standards and Amendments to Standards:
 Effective for Fiscal Years Beginning On or After April 1, 2022:**

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

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

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

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

PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of a liability for retirement of a tangible capital asset. As this standard includes solid waste landfill sites active and post-closing obligations upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn. The Municipality has elected in a prior year to early adopt PS 3280.

Effective for Fiscal Years Beginning On or After April 1, 2023:

PS 3400, Revenue, a new standard establishing guidance on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payer.

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

Municipality of Town of Nipawin
Notes to the Financial Statements
As at December 31, 2022

2. Cash and Temporary Investments

	2022	2021
Cash	6,185,302	7,620,990
Temporary Investments	-	-
Restricted Cash	367,971	236,837
Total Cash and Temporary Investments	6,553,273	7,857,827

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

3. Taxes Receivable - Municipal

	2022	2021
Municipal - Current	289,800	200,382
- Arrears	73,306	41,044
	363,106	241,426
- Less Allowance for Uncollectible	(72,082)	(47,351)
Total municipal taxes receivable	291,024	194,075
School - Current	70,595	87,092
- Arrears	10,567	17,843
Total school taxes receivable	81,162	104,935
Other	-	-
Total taxes and grants in lieu receivable	372,186	299,010
Deduct taxes receivable to be collected on behalf of other organizations	(81,162)	(104,935)
Total Taxes Receivable - Municipal	291,024	194,075

Municipality of Town of Nipawin
Notes to the Financial Statements
As at December 31, 2022

4. Other Accounts Receivable

	2022	2021
Federal Government	303,431	263,839
Provincial Government	1,544,479	756,904
Local Government	132,251	167,346
Utility	184,863	177,913
Trade	179,267	211,862
Other	-	-
Total Other Accounts Receivable	2,344,291	1,577,864
Less: Allowance for Uncollectible	(18,721)	(8,363)
Net Other Accounts Receivable	2,325,570	1,569,501

5. Assets Held for Sale

	2022	2021
Tax Title Property	164,036	161,336
Allowance for market value adjustment	(43,480)	(43,479)
Net Tax Title Property	120,556	117,857
Other Land	208,409	208,409
Allowance for market value adjustment	(5,385)	(5,385)
Net Other Land	203,024	203,024
Total Assets Held for Sale	323,580	320,881

6. Long-Term Investments

	2022	2021
Torch River Rail Inc.	-	25,000
Co-op Equity	-	100
Total Long-Term Investments	-	25,100

Long term investments are recorded at cost less impairment as there is no quoted market value.

7. Debt Charges Recoverable

Current debt charges recoverable	-	-
Non-current debt charges recoverable	-	-
Total Debt Charges Recoverable	-	-

The municipality has no debt charges recoverable.

Municipality of Town of Nipawin**Notes to the Financial Statements****As at December 31, 2022****8. Bank Indebtedness**

As at December 31, 2022, the Municipality has no authorized lines of credit or authorized overdrafts (2021 - none).

9. Deferred Revenue

	2022	2021
Curling fees	-	-
Rental deposits	3,750	6,500
Taxpayer deposits	40	1,580
Grant revenue	-	-
Water & sewer prepayments	649	1,017
Total Deferred Revenue	4,439	9,097

10. Accrued Landfill Costs

	2022	2021
Environmental Liabilities	1,555,972	1,470,123

Under Provincial legislation, the Authority (BARWA) has a liability for closure and post-closure care costs for its landfill site. The Authority estimates that the landfill will continue to be used until close in approximately 2090. The present operating plan anticipates the eventual opening and closing of eight cells within the landfill site in addition to previously closed cells. As at December 31, 2022 one cell was in operation and was approximately 55% full with an estimated useful life of 4 remaining years. A group of cells is full and currently undergoing closure and post-closure procedures.

Costs for closure and post-closure care of each cell are based on managements best estimates. The present value of these costs has been calculated using a discount rate equivalent to the Authority's average long-term borrowing rate of 4.0% and inflation rate of 2.0%. Estimated post-closure care includes groundwater monitoring estimated at \$55,000 per year indefinitely, for a present value of \$916,667. Estimated closure costs for the current operating cell are \$1,440,000 upon closure of the cell, for a present value of \$1,110,384. The total present value of \$2,027,050, of which the Municipality's share is \$1,555,972 (2020 - \$1,470,123) has been accrued in the Consolidated Statement of Financial Position.

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, monitoring ground and surface water, treatment and monitoring of leachates, ongoing environmental monitoring site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to future events using the best information available to management. Actual results may vary significantly from these estimates and any variances will be recognized prospectively as a change in estimate when applicable.

11. Liability for Contaminated Sites

The municipality has not identified any contaminated sites under their control and as such, no amount has been recorded as a liability for contaminated sites.

Municipality of Town of Nipawin

Notes to the Financial Statements

As at December 31, 2022

12. Long-Term Debt

The debt limit of the municipality is \$8,662,669. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)).

Bank loans terms are as follows:

	<u>2022</u>	<u>2021</u>
Diamond North Credit Union loan bearing interest at 2.75% per annum, repayable in blended annual payments of \$239,061. The purpose of the loan is for the construction of a swimming pool. The loan was repaid in full in the current year.	-	170,406
Diamond North Credit Union loan bearing interest at 2.75% per annum, repayable in blended annual payments of \$69,976. The purpose of the loan is for subdivision costs. The loan matures on March 31, 2025 and is secured by a general assignment of property taxes receivable.	197,081	259,910
Diamond North Credit Union loan bearing interest at 2.75% per annum, repayable in blended annual payments of \$36,979. The purpose of the loan is for the purchase of a fire truck. The loan matures on March 31, 2025 and is secured by a general assignment of property taxes receivable.	104,148	137,351
Proportionate share of BARWA long-term debt*	-	206,403
	<u>301,229</u>	<u>774,070</u>

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2023	98,855	8,100	106,955	114,336
2024	101,655	5,300	106,955	106,684
2025	100,719	2,200	102,919	103,374
2026	-	-	-	-
2027	-	-	-	-
Thereafter	-	-	-	-
Balance	301,229	15,600	316,829	324,394

13. Lease Obligations

There are no outstanding lease obligations.

Municipality of Town of Nipawin
Notes to the Financial Statements
As at December 31, 2022

14. Other Non-financial Assets

The municipality does not have any other non-financial assets.

15. Contingent Liabilities

The municipality has not identified any existing contingent liabilities.

16. Pension Plan

The municipality is an employer member of the Municipal Employee 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 municipality's pension expense in 2022 was \$237,861, (2021 - \$253,955). The benefits accrued to the municipality's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

At December 31, 2022, the MEPP disclosed an actuarial deficiency/surplus of \$312,928,000

For further information of the amount of MEPP deficiency/surplus information see:
<https://mepp.peba.ca/fund-information/plan-reporting>

17. Comparative Figures

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

18. Trusts Administered by the Municipality

The municipality does not administer any trust funds.

Municipality of Town of Nipawin

Notes to the Financial Statements

As at December 31, 2022

19. Related Parties

The consolidated financial statements include transactions with related parties.

Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

The municipality provides certain services to BARWA in regards to the operations of the waste disposal site. The municipality received \$315,286 in compensation for these services provided during the 2022 fiscal year (2021 - \$329,782).

BARWA provides the municipality with the use of a waste disposal site. The municipality paid BARWA \$613,823 in compensation for these services during the 2022 fiscal year (2021 - \$583,800).

20. Contingent Assets

Contingent assets are not recorded in the financial statements.

21. 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. The municipality has no significant contractual rights.

22. Contractual Obligations and Commitments

The municipality has entered into a commitment to fund a new water treatment plant for an expected amount of \$20,800,000 (costs incurred to December 31, 2022 - \$22,727,899 (2021 - \$21,722,849)). The municipality has received confirmation from the Governments of Canada and Saskatchewan that they will each contribute up to \$6.8 million toward the water treatment plant through the Provincial-Territorial Infrastructure Component National Regional Projects program.

23. Subsequent Events

Subsequent to the year end, the Mayor of the Municipality resigned.

Municipality of Town of Nipawin
 Schedule of Taxes and Other Unconditional Revenue
 As at December 31, 2022

Schedule 1

	2022 Budget	2022	2021
TAXES			
General municipal tax levy	4,950,000	4,963,968	4,768,475
Abatements and adjustments	-	(2,059)	-
Discount on current year taxes	(32,500)	(33,587)	(31,522)
Net Municipal Taxes	4,917,500	4,928,322	4,736,953
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	51,500	47,536	50,072
Special tax levy	-	-	-
Other (<i>Specify</i>)	-	-	-
Total Taxes	4,969,000	4,975,858	4,787,025
UNCONDITIONAL GRANTS			
Revenue Sharing	940,314	974,059	989,391
(Organized Hamlet)	-	-	-
(Organized Hamlet)	-	-	-
Other (<i>Specify</i>)	-	-	-
Total Unconditional Grants	940,314	974,059	989,391
GRANTS IN LIEU OF TAXES			
Federal	38,230	40,455	38,229
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	3,110	3,109	3,112
TransGas	-	-	-
Central Services	-	-	-
SaskTel	10,580	10,879	10,580
Other - Liquor board, property management etc.	28,760	34,210	28,735
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other (<i>Specify</i>)	-	-	-
Other Government Transfers			
S.P.C. Surcharge	249,000	260,679	254,767
Sask Energy Surcharge	103,000	132,160	104,804
Other (<i>Specify</i>)	-	-	-
Total Grants in Lieu of Taxes	432,680	481,492	440,227
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	6,341,994	6,431,409	6,216,643

Municipality of Town of Nipawin
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2022

Schedule 2 - 1

	2022 Budget	2022	2021
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Sales of supplies	35	-	1
- General Office Services	15,150	8,166	14,375
- Licenses and Permits	68,130	62,686	61,943
Total Fees and Charges	83,315	70,852	76,319
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	(2,678)	1,679
- Investment income and commissions	60,000	124,780	60,203
- Other (<i>Specify</i>)	-	-	-
Total Other Segmented Revenue	143,315	192,954	138,201
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	143,315	192,954	138,201
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Capital	-	-	-
Restructuring Revenue (<i>Specify, if any</i>)	-	-	-
Total General Government Services	143,315	192,954	138,201

PROTECTIVE SERVICES**Operating**

Other Segmented Revenue			
Fees and Charges			
- Policing and fire	338,177	289,397	300,219
- Criminal Record Checks	-	5,320	5,180
Total Fees and Charges	338,177	294,717	305,399
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Other Segmented Revenue	338,177	294,717	305,399
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	338,177	294,717	305,399

Capital

Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Capital	-	-	-
Restructuring Revenue (<i>Specify, if any</i>)	-	-	-
Total Protective Services	338,177	294,717	305,399

Municipality of Town of Nipawin
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2022

Schedule 2 - 2

	2022 Budget	2022	2021
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	132,831	28,155	138,119
- Sales of supplies	-	-	-
- Road Maintenance and Restoration Agreements	-	-	-
- Frontage	-	-	-
- Other (<i>airport rentals</i>)	12,400	15,745	-
Total Fees and Charges	145,231	43,900	138,119
- Tangible capital asset sales - gain (loss)	-	-	(21,724)
- Other (<i>Specify</i>)	-	-	-
Total Other Segmented Revenue	145,231	43,900	116,395
Conditional Grants			
- RIRG (CTP)	-	-	-
- Student Employment	-	-	-
- MEEP	-	-	-
- Other - Public Works, Highways operating grant	13,173	31,027	58,173
Total Conditional Grants	13,173	31,027	58,173
Total Operating	158,404	74,927	174,568
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- RIRG (CTP, Bridge and Large Culvert, Road Const.)	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other (<i>Specify</i>)	2,611,408	-	-
Total Capital	2,611,408	-	-
Restructuring Revenue (<i>Specify, if any</i>)	-	-	-
Total Transportation Services	2,769,812	74,927	174,568
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	614,373	487,606	589,692
- Rentals	22,940	24,750	22,361
- Cemetery Fees	37,000	33,440	41,034
- Transit Bus Fares	8,000	24,150	7,925
Total Fees and Charges	682,313	569,946	661,012
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Other Segmented Revenue	682,313	569,946	661,012
Conditional Grants			
- Student Employment	-	-	-
- Provincial - Transit for the Disabled	3,432	4,099	3,432
- Provincial (MMSW)	59,000	76,308	-
- MEEP	-	-	-
- Other - Donations	-	-	24,332
Total Conditional Grants	62,432	80,407	27,764
Total Operating	744,745	650,353	688,776
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Capital	-	-	-
Restructuring Revenue (<i>Specify, if any</i>)	-	-	-
Total Environmental and Public Health Services	744,745	650,353	688,776

Municipality of **Town of Nipawin**
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2022

Schedule 2 - 3

	2022 Budget	2022	2021
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	-	475	-
- Other - Advertising Partnerships, Misc.	5,000	2,052	10,111
Total Fees and Charges	5,000	2,527	10,111
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Other Segmented Revenue	5,000	2,527	10,111
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other - Tourism website grant	-	-	11,988
Total Conditional Grants	-	-	11,988
Total Operating	5,000	2,527	22,099
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Capital	-	-	-
Restructuring Revenue (<i>Specify, if any</i>)	-	-	-
Total Planning and Development Services	5,000	2,527	22,099

RECREATION AND CULTURAL SERVICES**Operating**

Other Segmented Revenue			
Fees and Charges			
- Recreation Fees	443,210	437,225	455,209
Total Fees and Charges	443,210	437,225	455,209
- Nipawin Evergreen Centre - Restaurant	-	47,331	47,684
- Other - Insurance proceeds, advertising, misc.	7,701	36,851	25,802
Total Other Segmented Revenue	450,911	521,407	528,695
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other - Other operating grants	60,048	57,881	67,548
Total Conditional Grants	60,048	57,881	67,548
Total Operating	510,959	579,288	596,243

Capital

Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	135,991	536,262
- ICIP	1,499,180	887,631	-
- Local government	-	-	-
- Provincial grants	-	-	-
- MEEP	-	-	-
- Donations	-	-	-
Total Capital	1,499,180	1,023,622	536,262
Restructuring Revenue (<i>Specify, if any</i>)	-	-	-
Total Recreation and Cultural Services	2,010,139	1,602,910	1,132,505

Municipality of Town of Nipawin
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2022

Schedule 2 - 4

	2022 Budget	2022	2021
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water & sewer	1,547,800	1,572,165	1,580,812
- Sewer	-	-	-
- Other utility charges	661,290	611,247	670,440
Total Fees and Charges	2,209,090	2,183,412	2,251,252
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Other Segmented Revenue	2,209,090	2,183,412	2,251,252
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other (<i>Provincial</i>)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	2,209,090	2,183,412	2,251,252
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- New Building Canada Fund (SCF, NRP)	387,309	153,107	979,026
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	632,549
- Other (<i>Specify</i>)	-	-	-
Total Capital	387,309	153,107	1,611,575
Restructuring Revenue (<i>Specify, if any</i>)	-	-	-
Total Utility Services	2,596,399	2,336,519	3,862,827
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	8,607,587	5,154,907	6,324,375

SUMMARY

Total Other Segmented Revenue	3,974,037	3,808,863	4,011,065
Total Conditional Grants	135,653	169,315	165,473
Total Capital Grants and Contributions	4,497,897	1,176,729	2,147,837
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	8,607,587	5,154,907	6,324,375

Municipality of Town of Nipawin

Total Expenses by Function

As at December 31, 2022

Schedule 3 - 1

	2022 Budget	2022	2021
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	158,516	119,099	131,967
Wages and benefits	475,954	948,711	451,563
Professional/Contractual services	345,607	594,772	263,608
Utilities	23,842	34,093	26,347
Maintenance, materials and supplies	48,550	47,192	89,555
Grants and contributions - operating	30,000	6,000	54,000
- capital	-	-	-
Amortization	-	37,496	36,118
Interest	-	4,759	-
Allowance for uncollectible	-	35,090	-
Other (<i>Specify</i>)	-	-	-
General Government Services	1,082,469	1,827,212	1,053,158
Restructuring (<i>Specify, if any</i>)	-	-	-
Total General Government Services	1,082,469	1,827,212	1,053,158

PROTECTIVE SERVICES**Police protection**

Wages and benefits	80,781	80,932	55,931
Professional/Contractual services	396,725	435,938	354,168
Utilities	3,000	2,793	5,582
Maintenance, material and supplies	6,400	5,893	2,139
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other (<i>Specify</i>)	-	-	-

Fire protection

Wages and benefits	368,403	271,367	291,891
Professional/Contractual services	92,425	88,143	58,559
Utilities	25,350	18,087	15,576
Maintenance, material and supplies	68,828	43,936	93,724
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	115,923	115,962
Interest	3,802	3,777	4,690
Other (<i>Specify</i>)	-	-	-

Protective Services	1,045,714	1,066,789	998,222
Restructuring (<i>Specify, if any</i>)	-	-	-
Total Protective Services	1,045,714	1,066,789	998,222

TRANSPORTATION SERVICES

Wages and benefits	950,105	998,788	605,063
Professional/Contractual Services	219,447	210,209	53,010
Utilities	281,942	139,075	118,645
Maintenance, materials, and supplies	200,136	325,799	329,945
Gravel	21,000	62,119	23,996
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	932,728	917,902
Interest	7,195	7,148	8,875
Other (<i>Specify</i>)	-	-	-

Transportation Services	1,679,825	2,675,866	2,057,436
Restructuring (<i>Specify, if any</i>)	-	-	-
Total Transportation Services	1,679,825	2,675,866	2,057,436

Municipality of Town of Nipawin

Total Expenses by Function

As at December 31, 2022

Schedule 3 - 2

	2022 Budget	2022	2021
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	361,608	241,823	293,709
Professional/Contractual services	813,233	967,660	1,388,662
Utilities	5,100	1,602	1,578
Maintenance, materials and supplies	46,123	13,458	43,293
Grants and contributions - operating			
o Waste disposal	-	-	-
o Public Health	-	-	-
- capital			
o Waste disposal	-	-	-
o Public Health	-	-	-
Amortization	-	162,917	159,888
Interest	7,682	-	-
Other - Animal Control	40,982	46,229	30,073
Environmental and Public Health Services	1,274,728	1,433,689	1,917,203
Restructuring (Specify, if any)	-	-	-
Total Environmental and Public Health Services	1,274,728	1,433,689	1,917,203

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits	227,154	93,662	168,672
Professional/Contractual Services	77,685	35,851	67,285
Utilities	12,593	12,625	11,439
Maintenance, materials and supplies	15,600	5,320	10,910
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	10,760	24,772
Interest	-	-	-
Other (<i>Specify</i>)	-	-	-
Planning and Development Services	333,032	158,218	283,078
Restructuring (Specify, if any)	-	-	-
Total Planning and Development Services	333,032	158,218	283,078

RECREATION AND CULTURAL SERVICES

Wages and benefits	978,830	706,436	1,199,776
Professional/Contractual services	213,051	207,838	160,073
Utilities	269,828	350,791	242,329
Maintenance, materials and supplies	163,704	148,836	279,877
Grants and contributions - operating	39,000	23,600	28,209
- capital	-	-	-
Amortization	-	349,101	347,900
Interest	4,686	4,725	10,854
Allowance for uncollectible	-	-	-
Other - Library	152,132	143,074	148,613
Recreation and Cultural Services	1,821,231	1,934,401	2,417,631
Restructuring (Specify, if any)	-	-	-
Total Recreation and Cultural Services	1,821,231	1,934,401	2,417,631

Municipality of Town of Nipawin**Total Expenses by Function**

As at December 31, 2022

Schedule 3 - 3

	2022 Budget	2022	2021
UTILITY SERVICES			
Wages and benefits	780,717	526,921	765,317
Professional/Contractual services	373,550	120,932	246,031
Utilities	142,838	165,966	145,571
Maintenance, materials and supplies	251,753	312,645	229,074
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	307,181	310,437
Interest	-	-	-
Allowance for Uncollectible	-	-	-
Other (<i>Specify</i>)	-	-	-
Utility Services	1,548,858	1,433,645	1,696,430
Restructuring (Specify, if any)	-	-	-
Total Utility Services	1,548,858	1,433,645	1,696,430
TOTAL EXPENSES BY FUNCTION	8,785,857	10,529,820	10,423,158

Municipality of Town of Nipawin
 Schedule of Segment Disclosure by Function
 As at December 31, 2022

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	70,852	294,717	43,900	569,946	2,527	437,225	2,183,412	3,602,579
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	(2,678)							(2,678)
Investment Income and Commissions	124,780							124,780
Other Revenues	-	-	-	-	-	84,182	-	84,182
Grants - Conditional	-	-	31,027	80,407	-	57,881	-	169,315
- Capital	-	-	-	-	-	1,023,622	153,107	1,176,729
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	192,954	294,717	74,927	650,353	2,527	1,602,910	2,336,519	5,154,907
Expenses (Schedule 3)								
Wages & Benefits	1,067,810	352,299	998,788	241,823	93,662	706,436	526,921	3,987,739
Professional/ Contractual Services	594,772	524,081	210,209	967,660	35,851	207,838	120,932	2,661,343
Utilities	34,093	20,880	139,075	1,602	12,625	350,791	165,966	725,032
Maintenance Materials and Supplies	47,192	49,829	387,918	13,458	5,320	148,836	312,645	965,198
Grants and Contributions	6,000	-	-	-	-	23,600	-	29,600
Amortization	37,496	115,923	932,728	162,917	10,760	349,101	307,181	1,916,106
Interest	4,759	3,777	7,148	-	-	4,725	-	20,409
Allowance for Uncollectible	35,090							35,090
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	46,229	-	143,074	-	189,303
Total Expenses	1,827,212	1,066,789	2,675,866	1,433,689	158,218	1,934,401	1,433,645	10,529,820
Surplus (Deficit) by Function	(1,634,258)	(772,072)	(2,600,939)	(783,336)	(155,691)	(331,491)	902,874	(5,374,913)

Taxes and other unconditional revenue (Schedule 1)

6,431,409

Net Surplus (Deficit)**1,056,496**

Municipality of Town of Nipawin
 Schedule of Segment Disclosure by Function
 As at December 31, 2021

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	76,319	305,399	138,119	661,012	10,111	455,209	2,251,252	3,897,421
Tangible Capital Asset Sales - Gain	-	-	(21,724)	-	-	-	-	(21,724)
Land Sales - Gain	1,679							1,679
Investment Income and Commissions	60,203							60,203
Other Revenues	-	-	-	-	-	73,486	-	73,486
Grants - Conditional	-	-	58,173	27,764	11,988	67,548	-	165,473
- Capital	-	-	-	-	-	536,262	1,611,575	2,147,837
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	138,201	305,399	174,568	688,776	22,099	1,132,505	3,862,827	6,324,375
Expenses (Schedule 3)								
Wages & Benefits	583,530	347,822	605,063	293,709	168,672	1,199,776	765,317	3,963,889
Professional/ Contractual Services	263,608	412,727	53,010	1,388,662	67,285	160,073	246,031	2,591,396
Utilities	26,347	21,158	118,645	1,578	11,439	242,329	145,571	567,067
Maintenance Materials and Supplies	89,555	95,863	353,941	43,293	10,910	279,877	229,074	1,102,513
Grants and Contributions	54,000	-	-	-	-	28,209	-	82,209
Amortization	36,118	115,962	917,902	159,888	24,772	347,900	310,437	1,912,979
Interest	-	4,690	8,875	-	-	10,854	-	24,419
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	30,073	-	148,613	-	178,686
Total Expenses	1,053,158	998,222	2,057,436	1,917,203	283,078	2,417,631	1,696,430	10,423,158
Surplus (Deficit) by Function	(914,957)	(692,823)	(1,882,868)	(1,228,427)	(260,979)	(1,285,126)	2,166,397	(4,098,783)

Taxes and other unconditional revenue (Schedule 1)

6,216,643

Net Surplus (Deficit)**2,117,860**

Municipality of Town of Nipawin
 Schedule of Tangible Capital Assets by Object
 As at December 31, 2022

Schedule 6

		2022						2021		
		General Assets					Infrastructure Assets	General/ Infrastructure Assets Under Construction	Total	Total
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets			
Assets	Asset cost									
	Opening Asset costs	1,575,252	1,188,321	17,115,895	1,996,440	5,239,029	30,169,231	22,478,068	79,762,236	77,504,863
	Additions during the year	-	-	-	44,393	180,885	120,409	2,531,190	2,876,877	2,641,552
	Disposals and write-downs during the year	-	-	-	-	-	-	-	-	(384,179)
	Transfers (from) assets under construction	-	-	911,287	-	41,404	-	(952,691)	-	-
	Closing Asset Costs	1,575,252	1,188,321	18,027,182	2,040,833	5,461,318	30,289,640	24,056,567	82,639,113	79,762,236
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	-	826,246	8,028,064	1,282,862	3,434,735	23,277,430	-	36,849,337	35,366,050
	Add: Amortization taken	-	69,134	355,104	123,497	259,050	986,664	-	1,793,449	1,793,353
	Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(310,066)
		Closing Accumulated	-	895,380	8,383,168	1,406,359	3,693,785	24,264,094	-	38,642,786
	BARWA Capital Assets							1,565,148	1,645,708	
	Net Book Value	1,575,252	292,941	9,644,014	634,474	1,767,533	6,025,546	24,056,567	45,561,475	44,558,607

Municipality of Town of Nipawin
 Schedule of Tangible Capital Assets by Function
 As at December 31, 2022

Schedule 7

		2022							2021	
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Assets	Asset cost									
	Opening Asset costs	854,830	2,178,777	24,819,704	870,895	379,137	14,098,680	36,560,213	79,762,236	77,504,863
	Additions during the year	11,938	56,019	154,927	-	-	1,388,706	1,265,287	2,876,877	2,641,552
	Disposals and write-downs during the year	-	-	-	-	-	-	-	-	(384,179)
	Closing Asset Costs	866,768	2,234,796	24,974,631	870,895	379,137	15,487,386	37,825,500	82,639,113	79,762,236
Amortization	Accumulated									
	Opening Accumulated Amortization Costs	548,135	1,540,573	20,704,079	313,911	127,571	6,313,392	7,301,676	36,849,337	35,366,050
	Add: Amortization taken	37,496	115,923	932,728	40,262	10,760	349,100	307,180	1,793,449	1,793,353
	Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(310,066)
	Closing Accumulated Amortization Costs	585,631	1,656,496	21,636,807	354,173	138,331	6,662,492	7,608,856	38,642,786	36,849,337
	BARWA Capital Assets							1,565,148	1,645,708	
	Net Book Value	281,137	578,300	3,337,824	516,722	240,806	8,824,894	30,216,644	45,561,475	44,558,607

Municipality of Town of Nipawin
 Schedule of Accumulated Surplus
 As at December 31, 2022

Schedule 8

	2021	Changes	2022
UNAPPROPRIATED SURPLUS	1,339,105	524,928	1,864,033
APPROPRIATED RESERVES			
General Government Services	1,127,840	(646,913)	480,927
Protective Services	186,991	331,898	518,889
Transportation Services	1,338,319	84,310	1,422,629
Environment & Public Health Services	765,082	244,906	1,009,988
Planning & Development Services	30,477	(4,024)	26,453
Recreation & Culture Services	457,731	(63,252)	394,479
Utility Services	2,262,348	(891,066)	1,371,282
Total Appropriated	6,168,788	(944,141)	5,224,647
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	44,558,607	1,002,868	45,561,475
Less: Related debt	(774,070)	472,841	(301,229)
Net Investment in Tangible Capital Assets	43,784,537	1,475,709	45,260,246
Total Accumulated Surplus	51,292,430	1,056,496	52,348,926

Municipality of **Town of Nipawin**
 Schedule of Mill Rates and Assessments
 As at December 31, 2022

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	365,640	173,593,985	31,246,320		50,355,598		255,561,543
Regional Park Assessment							
Total Assessment							255,561,543
Mill Rate Factor(s)	0.76	0.92	0.92	-	2.68		
Total Base/Minimum Tax (generated for each property class)	3,210	2,127,588	168,204		379,800		2,678,802
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	5,172	3,255,073	371,155		1,332,568		4,963,968

MILL RATES:	MILLS
Average Municipal*	19.42
Average School*	4.99
Potash Mill Rate	-
Uniform Municipal Mill Rate	7.06

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

Municipality of **Town of Nipawin**
Schedule of Council Remuneration
As at December 31, 2022

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Rennie Harper	30,100	840	30,940
Councillor	Geoff Stewart	15,920	-	15,920
Councillor	Jan Boughen	15,280	16	15,296
Councillor	Sheldon Chornawka	15,160	-	15,160
Councillor	Stacey Vik	5,150	-	5,150
Councillor	Bruce Pihowich	16,160	1,699	17,859
Councillor	Sheila Seiferling	15,120	-	15,120
Total		112,890	2,555	115,445

Town of Nipawin
Reserve Summary
For Year Ended December 31, 2022

	Opening Balance	Per Budget		Motions		Ending	
		Added	Used	Added	Used		
General Government							
200 Office	65,146.84	25,000.00				90,146.84	65,146.84
202 Future General Capital	369,280.05	89,931.95	(349,280.08)			109,931.92	369,280.05
203 Strategic Planning	17,700.00		(10,000.00)			7,700.00	17,700.00
204 Stabilization	675,713.50		(250,000.00)		(152,565.16)	273,148.34	523,148.34
Total General Government	1,127,840.39	114,931.95	(609,280.08)	-	(152,565.16)	480,927.10	975,275.23
Protective Services							
300 Fire Department	111,476.28		(53,648.76)			57,827.52	111,476.28
301 Fire Dept Operating	10,000.00			86,000.00	(10,000.00)	86,000.00	86,000.00
302 Fire Rescue Truck	50,000.00		(50,000.00)	359,547.00		359,547.00	409,547.00
303 First Responders Scholars	6,032.85					6,032.85	6,032.85
304 Criminal Record Check Fee	1,000.00					1,000.00	1,000.00
305 Subsidized Spay/Neuter Program	8,481.44					8,481.44	8,481.44
Total Protective Services	186,990.57	-	(103,648.76)	445,547.00	(10,000.00)	518,888.81	622,537.57
Transportation							
400 Public Parking	10,019.00		(10,019.00)			-	10,019.00
401 Town Shop	16,838.00					16,838.00	16,838.00
402 10-Year Machinery	548,836.81	63,619.60	(59,253.00)		(1,392.80)	551,810.61	547,444.01
403 Pavement	96,931.66		(6,360.00)			90,571.66	96,931.66
404 Airport	23,040.04					23,040.04	23,040.04
405 Future Civil Works	11,000.00					11,000.00	11,000.00
406 Entrance Sign	23,872.87					23,872.87	23,872.87
407 Capital Trust Fund	607,780.76	132,585.88	(19,871.14)		(15,000.00)	705,495.50	592,780.76
Total Transportation	1,338,319.14	196,205.48	(95,503.14)	-	(16,392.80)	1,422,628.68	1,321,926.34
E&H							
500 Long Term Care Home	125,597.33					125,597.33	125,597.33
501 Disposal Site Containment	46,387.18					46,387.18	46,387.18
502 Cemetery	59,029.70	3,200.00				62,229.70	59,029.70
508 Doctors Duplex	21,000.00	12,000.00				33,000.00	21,000.00
509 Landfill	263,636.05					263,636.05	263,636.05
510 Landfill Decommissioning	154,235.10	225,705.85				379,940.95	154,235.10
511 Heliport Pad	99,196.74			4,000.00		99,196.74	99,196.74
Total E&H	765,082.10	240,905.85	-	4,000.00	-	1,009,987.95	769,082.10
P&D							
600 Public Reserves	6,847.90		(5,524.00)			1,323.90	6,847.90
601 Dedicated Lands	17,048.00			5,000.00		22,048.00	22,048.00
602 Industrial Subdivision	6.32					6.32	6.32
603 Economic Development	3,500.00		(3,500.00)			-	3,500.00
605 Urban Development	3,074.85					3,074.85	3,074.85
Total P&D	30,477.07	-	(9,024.00)	5,000.00	-	26,453.07	35,477.07
R&C							
700 Regional Park Access Road	6,340.00					6,340.00	6,340.00
701 Central Park	79,912.86	15,000.00				94,912.86	79,912.86
702 Dam Crossing	21,988.99					21,988.99	21,988.99
703 Evergreen	64,395.46		(19,395.46)	66,730.00		111,730.00	131,125.46
704 Arena	41,137.24	10,000.00				51,137.24	41,137.24
705 Library/Multi-purpose Facility	4,981.97					4,981.97	4,981.97
707 Swimming Pool	126,149.97		(126,149.97)			-	126,149.97
709 Library - H. Lutz Estate	78,717.91	Note 1	(10,000.00)	563.44		69,281.35	79,281.35
710 Recreation	8,502.09					8,502.09	8,502.09
712 Downtown Revitalization	25,604.85					25,604.85	25,604.85
Total R&C	457,731.34	25,000.00	(155,545.43)	67,293.44	-	394,479.35	525,024.78
W&S							
800 Future LIP	22,820.72					22,820.72	22,820.72
802 Future Capital	1,598,729.90		(898,113.00)		(2,451.50)	698,165.40	1,596,278.40
803 Profit on Land Sales	640,796.36		(60,000.00)		(5,000.00)	575,796.36	635,796.36
804 Highway 35 Sewer Main	-			65,000.00		65,000.00	65,000.00
805 3rd Street North Lift Station	-			9,500.00		9,500.00	9,500.00
Total W&S	2,262,346.98	-	(958,113.00)	74,500.00	(7,451.50)	1,371,282.48	2,329,395.48
Totals	6,168,787.59	577,043.28	(1,931,114.41)	596,340.44	(186,409.46)	5,224,647.44	6,578,718.57

Note 1 Budgetted for \$696 of interest, actual interest of \$563.44 reported

Reserve Transfers approved by minutes

Meeting Date	Reserve	Details
02/14/2022	Various	2022-155 approves \$2,451.50 use of Utility future capital reserve for trench cage
02/14/2022	CTF	Approval of transfers (retroactive to 2021, no impact on 2022 reserves)
04/01/2022	Stabiliation reserve	Use of \$446,330 for dressing room on interim basis. Internal borrowing, no net impact on reserve
04/11/2022	10 year machinery	2022-183 approves use of stabilization reserve for CAO recruitment services of \$30,000 + tax
04/25/2022	Stabiliation reserve	2022-198 approves \$1,392.80 from the 10-year machinery reserve for portion of half ton purchase
05/24/2022	CTF	2022-217 approves \$549.54 from stabilization reserve for portion of pool circulation system
05/27/2022	Stabiliation reserve	2022-262 approves further \$15,000 from CTF for additional costs of fire truck purchase
05/27/2022	Stabiliation reserve	2022-285 approves \$50,000 use of stabilization reserve for operations review by BLOOM
06/07/2022	Various	2022-286 approves \$63,105 (\$52,605 + 10,500) use of stabilization reserve for Munisoft & conversion
08/08/2022	UT Profit on Land & Dedicated Lands	2022-293 approves various transfers retroactive to 2021, no impact on 2022 reserves
11/14/2022	WS - Highway 35 Sewer Main	2022-455 approves transfer of \$5,000 from Utility pfoit on lands reserve to Dedicated lands reserve
11/14/2022	WS - 3rd Street North Lift Sastation	2022-626 approves \$65,000 transfer to new reserve for unexpended costs to be used in 2023
12/12/2022	Evergeen	2022-627 approves \$9,500 transfer to new reserve for unexpended costs to be used in 2023
12/12/2022	Fire operating & Stabilization	2022-679 approves \$66,730 transfer of unused budget to Evergree reserve to be used for future boiler replacement
12/12/2022	Fire rescue truck	2022-682 approves \$10,000 usage of fire operating reserve and \$8,910.62 of stabilization reserve for repairs to Tanker 1
12/12/2022	Fire operating reserve	2022-683 approves \$359,547 of unused capital budget be transferred to fire rescue truck reserve for use in 2023
12/12/2022	Fire operating reserve	2022-684 approves \$70,000 of unused capital budget be transferred to fire operating reserve for use in 2023 for hydraulic rescue tools
12/12/2022	Fire operating reserve	2022-685 approves \$16,000 of unused funds be transferred to fire operating reserve for new Scott SCBA packs in 2023
	Heliport donation	\$4,000 donated for heliport
	H. Lutz library reserve	Total interest earned of \$563.44

Town of Nipawin

Year End: December 31, 2022

Adjusting journal entries

Date: 01/01/2022 To 12/31/2022

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
1	12/31/2022	Sick Time Accrual	210-200-450			434,021.06			
1	12/31/2022	Sick Time Accrual	210-200-450				137,600.00		
1	12/31/2022	GG - Salaries - Out of Scope	510-110-230				54,207.84		
1	12/31/2022	GG - Salaries - In Scope	510-110-235				11,852.52		
1	12/31/2022	PS - Fire - Salaries - Fire Fighters	525-110-130				30,081.61		
1	12/31/2022	TS - PW - Maint - Salaries - Labourers	530-110-130				78,459.14		
1	12/31/2022	EH - Landfill - Salaries	542-110-110				18,719.49		
1	12/31/2022	PD - Planning - Salaries	560-110-110				7,152.82		
1	12/31/2022	RC - Program - Salaries	570-110-110				54,783.87		
1	12/31/2022	UT - Water - Salaries - Operators	580-111-110				41,163.77		
		To adjust sick leave balance to estimated vested benefits. No actuarial report conducted for the current year, used prior year report as best estimate of vested benefits.							
2	12/31/2022	Land - Cost	170-100-100	U. 1		11,677.89			
2	12/31/2022	Land Improvements - Cost	170-100-110	U. 1		43,025.19			
2	12/31/2022	Land Improvements - Accum Amort	170-100-120	U. 1		73,345.80			
2	12/31/2022	Buildings - Cost	170-100-200	U. 1		26,825.74			
2	12/31/2022	Buildings - Cost	170-100-200	U. 1		38,774.74			
2	12/31/2022	Buildings - Accum Amortization	170-100-210	U. 1			24,632.48		
2	12/31/2022	Operating Fund - Surplus	390-900-900	U. 1			93,477.82		
2	12/31/2022	GG - Amort - Bldgs/Impr & Eng Structures	510-600-299	U. 1			1,458.49		
2	12/31/2022	PS - Fire - Amort - Bldgs/Impr&Eng Str	525-800-220	U. 1			213.21		
2	12/31/2022	TS - PW - Maint - Amort - Land Improveme	530-600-200	U. 1			13,392.18		
2	12/31/2022	TS - PW - Maint - Amort - Machinery & Eq	530-600-220	U. 1			1,277.89		
2	12/31/2022	TS - PW - Maint - Amort - Infrastructure	530-600-240	U. 1			1,449.83		
2	12/31/2022	EH - Housing - Amort - Bldgs/Improv & En	540-600-220	U. 1			3,648.18		
2	12/31/2022	PD - Ec Dev - Amort - Land Improvements	565-600-205	U. 1			2,988.87		
2	12/31/2022	RC - Amort - Land Improvements	570-600-200	U. 1			21,294.06		
2	12/31/2022	UT - Water - Maint - Supplies - Building	580-410-110	U. 1		7,294.78			
2	12/31/2022	UT - Water - Pur of Cap Assets - Buildg	580-600-120	U. 1			7,294.78		
2	12/31/2022	UT - Water - Amort - Land Improvements	580-600-200	U. 1			30,351.86		
2	12/31/2022	UT - Water - Amort - Bldgs/Impr&EngStr	580-600-210	U. 1		535.51			
		To adjust 2022 amortization to agree with TCA schedule and reclassify to conform with TCA schedule.							
3	12/31/2022	Reserve - GG - Stabilization	310-100-204				10,000.00		
3	12/31/2022	Reserve - GG - Stabilization	310-100-204			8,910.62			
3	12/31/2022	Reserve - PS - Fire Dept Operating	310-100-301			10,000.00			
3	12/31/2022	Reserve - WS - Future Capital	310-100-802			74,500.00			
3	12/31/2022	Reserve - WS - Profit on Land Sales	310-100-803			5,000.00			
3	12/31/2022	Reserve - WS - Highway 35 Sewer Main	310-100-804				65,000.00		
3	12/31/2022	Reserve - WS - 3rd Street North Lift Station	310-100-805				9,500.00		
3	12/31/2022	Transfer from Reserves - GG - Operating	490-100-105			1,089.38			
3	12/31/2022	Transfer from Reserves - PS - Fire - Cap	490-100-110				10,000.00		
3	12/31/2022	Transfer from Reserves - UT - Capital	490-100-160				5,000.00		
		To adjust reserve adjustments per motions to actual.							
4	12/31/2022	Reserve - GG - Office	310-100-200				25,000.00		
4	12/31/2022	Reserve - GG - Future General Capital	310-100-202				89,931.95		
4	12/31/2022	Reserve - GG - Future General Capital	310-100-202			349,280.08			
4	12/31/2022	Reserve - GG - Strategic Planning	310-100-203			10,000.00			
4	12/31/2022	Reserve - GG - Stabilization	310-100-204			250,000.00			
4	12/31/2022	Reserve - PS - Fire Department	310-100-300			53,648.76			
4	12/31/2022	Reserve - PS - Fire Rescue Truck	310-100-302			50,000.00			
4	12/31/2022	Reserve - TS - Public Parking	310-100-400			10,019.00			
4	12/31/2022	Reserve - TS - 10-year Machinery	310-100-402				63,619.60		
4	12/31/2022	Reserve - TS - 10-year Machinery	310-100-402			59,253.00			
4	12/31/2022	Reserve - TS - Pavement	310-100-403			6,360.00			
4	12/31/2022	Reserve - TS - Capital Trust Fund	310-100-407				132,585.88		
4	12/31/2022	Reserve - TS - Capital Trust Fund	310-100-407			19,871.14			
4	12/31/2022	Reserve - EH - Cemetery (20% of revenue)	310-100-502				3,200.00		
4	12/31/2022	Reserve - EH - Doctors Duplex	310-100-508				12,000.00		
4	12/31/2022	Reserve - EH - Landfill Decommissioning	310-100-510				225,705.85		
4	12/31/2022	Reserve - PD - Public Reserves	310-100-600			5,524.00			
4	12/31/2022	Reserve - PD - Economic Development	310-100-603			3,500.00			
4	12/31/2022	Reserve - RC - Central Park	310-100-701				15,000.00		
4	12/31/2022	Reserve - RC - Evergreen	310-100-703			19,395.46			
4	12/31/2022	Reserve - RC - Arena	310-100-704				10,000.00		

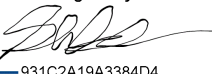
Town of Nipawin

Year End: December 31, 2022

Adjusting journal entries

Date: 01/01/2022 To 12/31/2022

Number	Date	Name	Account No	Reference Annotation	Debit	Credit	Recurrence	Misstatement
4	12/31/2022	Reserve - RC - Swimming Pool	310-100-707		126,149.97			
4	12/31/2022	Reserve - RC - Library - H. Lutz Estate	310-100-709		10,000.00			
4	12/31/2022	Reserve - WS - Future Capital	310-100-802		898,113.00			
4	12/31/2022	Reserve - WS - Profit on Land Sales	310-100-803		60,000.00			
4	12/31/2022	Transfer from Reserves - GG - Operating	490-100-105			609,280.08		
4	12/31/2022	Transfer from Reserves - GG - Operating	490-100-105			9,024.00		
4	12/31/2022	Transfer from Reserves - PS - Fire - Cap	490-100-110			103,648.76		
4	12/31/2022	Transfer from Reserves - TS - Capital	490-100-120			95,503.14		
4	12/31/2022	Transfer from Reserves - RC - Capital	490-100-150			155,545.43		
4	12/31/2022	Transfer from Reserves - UT - Capital	490-100-160			958,113.00		
4	12/31/2022	Transfer to Reserves - GG - Capital	590-100-100		114,931.95			
4	12/31/2022	Transfer to Reserves - GG - Capital	590-100-100		196,205.48			
4	12/31/2022	Transfer to Reserves - GG - Capital	590-100-100		240,905.85			
4	12/31/2022	Transfer to Reserves - RC - Capital	590-100-150		25,000.00			
To record reserve additions and usage per budget.								
					3,243,158.40	3,243,158.40		
Net Income (Loss)			826,180.20					

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Approved

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Approved

TOWN OF NIPAWIN

PO Box 2134
Nipawin, SK
S0E 1E0

August 14, 2023

Confidential

Janke LLP
PO Box 1930
Tisdale Saskatchewan S0E 1T0

Attention: Shane Janke CPA, CA

Dear Sir:

This representation letter is provided in connection with your audit of the financial statements of Town of Nipawin for the year ended December 31, 2022, for the purpose of you expressing an opinion as to whether the financial statements is presented fairly, in all material respects, in accordance with Canadian public sector accounting standards

In making the representations outlined below, we took the time necessary to appropriately inform ourselves on the subject matter through inquiries of entity personnel with relevant knowledge and experience, and, where appropriate, by inspecting supporting documentation.

We confirm that (to the best of our knowledge and belief):

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated December 9, 2022 for:

- a. Preparing and fairly presenting the financial statements in accordance with Canadian public sector accounting standards;
- b. Providing you with:
 - i. Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as:
 - A. Accounting records, supporting data and other relevant documentation,
 - B. Minutes of meetings (such as council and audit committee) or summaries of actions taken for which minutes have not yet been prepared, and
 - C. Information on any other matters, of which we are aware, that is relevant to the preparation of the financial statements;
 - ii. Additional information that you have requested from us for the purpose of the audit; and
 - iii. Unrestricted access to persons within the entity from whom you determine it necessary to obtain audit evidence.
- c. Ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements; and
- d. Designing and implementing such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We have also communicated to you any deficiencies in the design and implementation or the maintenance of internal control over financial reporting of which management is aware.

Fraud and Non Compliance

We have disclosed to you:

- a. All of our knowledge in relation to actual, alleged or suspected fraud affecting the entity's financial statements involving:

(continued)

- i. Management;
- ii. Employees who have significant roles in internal control; or
- iii. Others where the fraud could have a material effect on the financial statements;
- b. All of our knowledge in relation to allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others;
- c. All known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements that should be considered when preparing the financial statements;
- d. All known, actual, or possible litigation and claims that should be considered when preparing the financial statements; and
- e. The results of our risk assessments regarding possible fraud or error in the financial statements.

Related Parties

We have disclosed to you the identity of all of the municipality's related-party relationships and transactions of which we are aware. This includes sales, purchases, loans, transfers of assets, liabilities and services, leasing agreements, guarantees, non-monetary transactions, and transactions for no consideration for the period ended as well as related balances due to or from such parties at the period end.

All related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian public sector accounting standards.

Estimates

We acknowledge our responsibility for determining the accounting estimates required for the preparation of the financial statements in accordance with Canadian public sector accounting standards. Those estimates reflect our judgment based on our knowledge and experience of past and current events, and on our assumptions about conditions we expect to exist and courses of action we expect to take. We confirm that the significant assumptions and measurement methods used by us in making accounting estimates, including those measured at fair value, are reasonable.

Subsequent Events

All events subsequent to the date of the financial statements and for which Canadian public sector accounting standards requires adjustment or disclosure have been adjusted or disclosed.

Commitments and Contingencies

There are no commitments, contingent liabilities/assets or guarantees (written or oral) that should be disclosed in the financial statements. This includes liabilities arising from contract terms, illegal acts or possible illegal acts, and environmental matters that would have an impact on the financial statements.

Adjustments

We have reviewed, approved and recorded all of your proposed adjustments to our accounting records. This includes journal entries, changes to account coding, classification of certain transactions and preparation of, or changes to, certain accounting records.

Misstatements

The effects of uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements, including the reasons why they were not corrected, is attached to this letter.

Accounting policies

All significant accounting policies are disclosed in the financial statements and are consistent with those used in the previous period.

Contractual compliance

We have complied with the terms and conditions of all contractual agreements that could have a material effect, in the event of non-compliance, on the financial statements.

(continued)

Direct liabilities

We have recorded in the accounts all known liabilities of our municipality as at December 31, 2022 except for trivial amounts.

Inventories

The inventories of raw material, work in progress, finished goods and supplies as at December 31, 2022 were the property of our entity and were determined by actual count, weight or measurement. They do not include any items billed to customers but not shipped, any items returned by customers for which credits have not been recorded, any items on consignment, bill-and-hold arrangements, or other arrangements either owned by us or by our suppliers.

Inventories were measured at the lower of actual cost and net realizable value. Cost is determined by the average cost method.

In pricing the inventories, due allowance was made for slow-moving, obsolete, unsaleable or unusable items.

Inventories were measured on the same basis and were determined in the same manner as inventories at the end of the preceding period.

Impairment of long-lived assets

We have evaluated long-lived assets for recoverability whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. Management acknowledges that when the long-lived asset is not recoverable, an impairment loss is recognized in earnings at the amount by which the carrying amount exceeds its fair value.

Journal entries

We have approved all journal entries and other adjustments proposed by you, and they have been included in our financial statements.

Liabilities and contingencies

All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.

Long-term investments

All long-term investments owned by our municipality are recorded in the accounts. The long-term investments are valued using the equity method, and an appropriate impairment loss has been recognized in earnings when a significant adverse change in the expected timing or amount of future cash flows from investments has been identified. When the extent of such an impairment has decreased, a reversal of the previously recognized impairment loss has been recognized in earnings.

All income earned for the period ended December 31, 2022 on those long-term investments has been recorded in the accounts.

Material measurement uncertainties

The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.

Tangible Capital Assets

Tangible capital assets are recorded at cost. We have good and valid title to all items of property and equipment reflected in the accounts relating thereto, and there are no liens or encumbrances on our assets. During the period ended December 31, 2022, no material amounts relating to additions or improvements of property, plant and equipment were charged to expense. The provision for amortization is based on the cost and expected economic useful lives of the property using the straight-line method.

The property, leasehold improvement and equipment accounts, and the related allowances for amortization have been adjusted for all important items of such assets that were idle, obsolete, sold, dismantled, abandoned or otherwise disposed of for the period ended December 31, 2022 and for all prior periods.

We have evaluated property, plant and equipment for recoverability in accordance with the provisions of the CPA Canada Handbook – Accounting, Part II, Section 3063 (Impairment of Long-Lived Assets). Impairment losses have been recognized in earnings when required.

(continued)

Receivables

The accounts receivable reflected in the accounts constitute valid claims against customers and other debtors.

Receivables known to be uncollectible have been written off, and adequate provision has been made for anticipated adjustments or losses in connection with the collection of receivables.

Regulatory compliance

We are up to date with all corporate filings and annual returns. This includes all Canada Revenue Agency and HST/GST/PST returns.

Revenue recognition

We have recorded all revenue that met the following criteria:

- a. Persuasive evidence of an arrangement exists;
- b. Delivery has occurred, or services have been rendered;
- c. Price is fixed or determinable; and
- d. Collectability is reasonably assured.

Subsequent events

There have been no events between the balance sheet date and the date of this letter that would require recognition or disclosure in the financial statements.

There have been no events subsequent to the balance sheet date of the comparative financial statements that would require adjustment or disclosure in the current financial statements.

None of the councillors were in debt to the company


None of the councillors were in debt to the municipality, other than in the ordinary course of business at the period-end or at any time during the period.

Acknowledged and agreed on behalf of Town of Nipawin by:

DocuSigned by:

60FCFC4374F2450
Michele Sorensen, Interim CAO

August 14, 2023
Date signed

DocuSigned by:

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Sheldon Chornawka, Acting Mayor

August 14, 2023
Date signed

Town of Nipawin

Year End: December 31, 2022

Worksheet - Summary of identified misstatements (Core)

Objectives:

To document misstatements identified during the audit and to evaluate:

- The effect of identified misstatements on the audit.
- The effect of uncorrected misstatements if any, on the financial statements.

Performance materiality \$ 375,000 Trivial misstatements under \$ 12,500 need not be recorded below.

Round To: 1's

Description	Over (under) misstatement in the financial statements				Corrected?	W/P ref.
	Assets	Liabilities	Equity	Profit and Loss		
Total corrected adjusting journal entries	169,017	(296,421)	93,478	371,960	Yes	335.14 335.15
Unrecorded misstatements - factual	-	50,000	-	(50,000)	No	335.11
Unrecorded misstatements - projected	-	-	-	-	No	335.12
Unrecorded misstatements - judgmental	-	-	-	-	No	335.13
Total uncorrected misstatements	-	50,000	-	(50,000)		335.10
Effect of uncorrected misstatements from prior periods	-	-	-	-		
Uncorrected misstatements to be carried forward	-	50,000	-	(50,000)		

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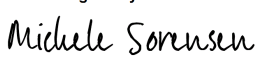
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Prepared by	Reviewed by	Reviewed by

Town of Nipawin
Year End: December 31, 2022
Uncorrected misstatements - all

Refno	Description	Assets	Liabilities	Equity	Income	Expenses	Annotation
Unrecorded - factual							
UR1	Wages payable (Dec 25-31)	0.00	(50,000.00)	0.00	0.00	50,000.00	
		<u>0.00</u>	<u>(50,000.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>50,000.00</u>	
	Understated/(Overstated)	<u>0.00</u>	<u>(50,000.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>50,000.00</u>	

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JANKE^{LLP}

PROFESSIONAL ACCOUNTANTS

Invoice

Town of Nipawin
PO Box 2134
NIPAWIN SK S0E 1E0
CANADA

Invoice Date

3 Aug 2023

Invoice Number

JANKE INV-1449

GST

831424577RT0001

PO Box 1930

Tisdale, SK S0E 1T0

306-873-4575

admin@janke.ca

Description	Tax	Amount CAD
2022-12-31 Annual financial statements, related services (CAS Audit, PSAS) - including disbursements	11%	17,150.00
Audit of the MEEP final expenditure report	11%	1,250.00
Audit of the CCBF annual expenditure report	11%	1,250.00
Audit services required relating to the 2022 fiscal period extending outside the scope of general audit services:		
- Additional audit procedures pertaining to accounting software conversion	11%	2,000.00
- Additional audit procedures pertaining to payroll software conversion	11%	3,500.00
- Additional audit procedures pertaining to severance pay, and increased payroll testing due to increased risk assessment	11%	1,500.00
	Subtotal	26,650.00
	TOTAL GST 5%	1,332.50
	TOTAL PST 6%	1,599.00
	TOTAL CAD	29,581.50

Due Date: 25 Sep 2023

Payment may be made by:

(1) e-transfer to admin@janke.ca

(2) cheque mailed to PO Box 1930, Tisdale SK, S0E 1T0

(3) debit card or cheque in-person at our office