



2025

LLOYD MINSTER



**CITY OF LLOYDMINSTER
2025 ANNUAL REPORT**

Year ended December 31, 2025
Lloydminster, AB/SK, Canada
Prepared and produced by:
Communications and Finance



INTRODUCTION

PURPOSE

The City of Lloydminster's 2025 Annual Report provides a comprehensive overview of the city's progress, accomplishments, and key initiatives over the past year. Designed to offer transparency and insight, this report serves residents, businesses, and stakeholders by detailing the City's operations, budget, and strategic priorities.

The report encourages community engagement and aims to foster a deeper understanding of how the City is working to support a thriving, inclusive, and sustainable future.

A digital version of this report is available at [Lloydminster.ca/Reports](https://lloydminster.ca/Reports).

The City of Lloydminster acknowledges that it's located on Treaty 6 territory and respects the histories, languages, and cultures of First Nations, Métis, Inuit, and all First Peoples of Canada, whose presence continues to enrich our vibrant community.



VISION

One connected city, two strong provinces thriving, welcoming, and ready for growth.

VALUES

We lead with **accountability**

We take responsibility for our decisions and follow through on our commitments.

We foster **innovation**

We welcome new ideas, take informed risks, and adapt to do things better.

We act with **transparency**

We share information openly so people understand what we're doing and why.

We show **respect**

We listen with openness, treat everyone with dignity, and embrace diversity.

We demonstrate **fiscal responsibility**

We find practical, efficient solutions that make the best use of public funds.

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Message from the Mayor



Strong communities are built through the everyday work of people coming together to support one another and invest in the places they call home. In Lloydminster, that commitment is reflected in the services we provide, the spaces we create, and the decisions made with the long-term well-being of residents and our community in mind. Looking back on 2025, it was a year marked by steady progress, meaningful investment, and continued focus on strengthening our community.

In 2025, City Council adopted the 2025–2029 Strategic Plan, establishing a clear direction for Lloydminster’s future. The plan focuses on five key priorities: Organizational Excellence, Governance Excellence, Economic Strength, Community Safety and Well-Being, and Quality of Life and Amenities. These priorities guide our work and help ensure the services we provide remain efficient, transparent, and responsive to the needs of our community.

One of the most significant milestones this year was the opening of Cenovus Energy Hub. After years of planning and construction, the facility officially welcomed the public and quickly became a central gathering place for recreation, culture, and major events. Seeing residents, families, and visitors come together in this space was a proud moment for our city and a reminder of the importance of investing in infrastructure that supports both community pride and long-term opportunity.

Throughout the year, the City also continued important work to maintain and improve infrastructure, strengthen community programs, and support services residents rely on every day. These efforts are made possible through the dedication of City staff, the collaboration of community partners, and the engagement of residents who care deeply about the future of Lloydminster.

As our community continues to grow, Council remains focused on building a resilient and thriving Lloydminster while ensuring residents continue to receive the services they depend on. The progress highlighted in this report reflects the dedication and work taking place across the organization each day.

Thank you for taking the time to read this report and for your continued contributions that help make Lloydminster the community we are proud to call home.

Gerald S. Aalbers
Mayor, City of Lloydminster

Mayor & Council



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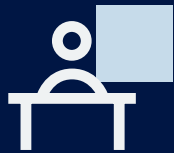
2025-2029 Strategic Plan

The City of Lloydminster’s 2025–2029 Strategic Plan provides a roadmap to guide decision-making, planning, and service delivery over the next five years. Developed by City Council, the plan outlines a shared vision for the community and identifies the priorities that will shape municipal initiatives, investments, and policies.

The Strategic Plan helps ensure that Council, Administration, and the community remain aligned on long-term goals while providing a framework to

measure progress and adapt to changing needs. It focuses on five key priorities: Organizational Excellence, Governance Excellence, Economic Strength, Community Safety and Well-Being, and Quality of Life and Amenities.

These priorities guide how the City strengthens internal operations, supports economic development, enhances community safety, invests in infrastructure and services, and continues to build a vibrant and connected community.



Organizational Excellence

- Support organizational capacity
- Deliver service excellence
- Ensure infrastructure reliability and innovation
- Demonstrate environmental awareness and leadership



Governance Excellence

- Communicate with residents
- Navigate bi-provincial identity
- Advocate community priorities
- Cultivate regional partnerships



Economic Strength

- Support and retain existing businesses
- Attract diverse business and industry
- Revitalize downtown
- Leverage airport economic potential



Community Safety and Well-Being

- Enhance protective services
- Lead in emergency preparedness
- Grow connected transportation networks
- Advocate with community partners



Quality of Life and Amenities

- Enrich parks and outdoor spaces
- Provide recreational facilities and programming
- Support community events and vibrancy
- Celebrate and promote diversity and inclusion
- Provide direction for housing needs

Message from the City Manager



The past year brought important milestones, new initiatives, and continued progress across the City of Lloydminster. Guided by City Council's direction and supported by the efforts of staff across the organization, we continued to advance key projects, strengthen services, and plan for the future of our community. This report highlights the work completed in 2025 and the foundation it creates for the years ahead.

This year saw meaningful progress across many areas of municipal service. Key infrastructure investments included the opening of the Aurora Spray Park, upgrades to the outdoor pool, and major transportation improvements such as the 40 Avenue road upgrades and continued road construction across the city. We also completed renovations to important community facilities and continued planning efforts that will guide future growth and development.

Our commitment to community safety also continued to evolve. The creation of a Municipal Policing Committee strengthened collaboration with the RCMP, while community initiatives such as the Positive Ticketing Program and Fire Prevention Week helped build stronger relationships between protective services and the public.

In recreation, culture, and community engagement, 2025 was a particularly exciting year. Cenovus Energy Hub officially opened its doors to the public, marking a major milestone for our city's recreation and event capacity. The Lloydminster Public Library achieved municipal status, and community events – from Winterfest and Canada Day to Heritage Day and Fall Fest – continued to bring residents together throughout the year.

Behind each of these accomplishments is a strong commitment to teamwork. Municipal government is complex work that requires departments to collaborate, communicate, and support one another to deliver results. The successes highlighted in this report reflect the efforts of many people working together toward a shared goal: building a vibrant, safe, and prosperous community.

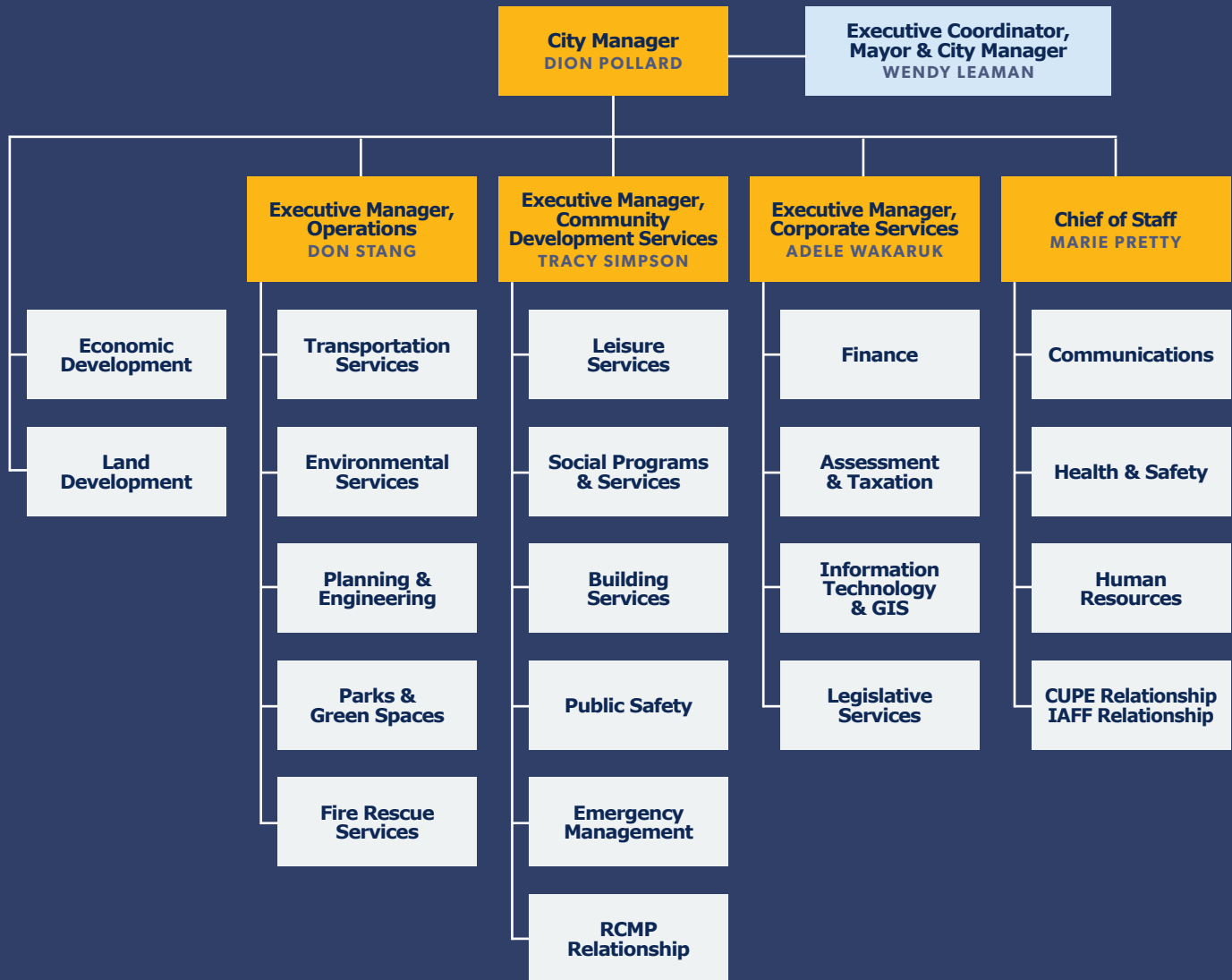
As we move ahead – guided by Council's Strategic Plan – the City will continue to focus on long-term financial sustainability, responsible infrastructure investment, and high-quality service delivery. While the challenges facing municipalities continue to grow, I remain confident in the strength of our organization and the dedication of the people who serve our community.

I would also like to recognize the memory of longtime City employee Jim Ambrus, who dedicated more than 33 years of service to the City of Lloydminster. Sadly, Jim passed in 2025 but his contributions and commitment to our community will not be forgotten.

And finally, thank you to City Council, our employees, and the residents of Lloydminster for your continued support and partnership as we work together to build an even stronger future.

Dion Pollard
City Manager, City of Lloydminster

Organizational Chart



AT A GLANCE





POPULATION

33,165

STATS CANADA

MEDIAN AGE

35.5

STATS CANADA

POPULATION GROWTH

1.98%

STATS CANADA

AVERAGE HOUSEHOLD SIZE

2.6 people

STATS CANADA, CENSUS PROFILE 2023



MEDIAN INDIVIDUAL INCOME

\$47.2k

STATS CANADA

MEDIAN HOUSEHOLD INCOME

\$92.8k

STATS CANADA



UNEMPLOYMENT RATE

7%

STATS CANADA

LABOUR FORCE PARTICIPATION

68.9%

STATS CANADA



COMMERCIAL CONSTRUCTION VALUE

\$38.02M

CITY OF LLOYDMINSTER. BUILDING PERMIT REPORT. DECEMBER 31, 2025

BUILDING PERMITS ISSUED

205

CITY OF LLOYDMINSTER. BUILDING PERMIT REPORT. DECEMBER 31, 2025



CITY AREA

58.68 km²

CITY OF LLOYDMINSTER GIS

PST EXEMPTION

AS A BI-PROVINCIAL COMMUNITY, LLOYDMINSTER IS PST EXEMPT WITHIN MUNICIPAL BOUNDARIES (FEW EXCEPTIONS APPLY)



GENERAL GOVERNMENT

City Council

How City Council Works

City Council is the governing body responsible for setting the direction of the City of Lloydminster. Comprised of the Mayor and six Councillors, Council works together to make decisions that shape the future of the community.

Council's primary role is to establish policies, approve budgets, and provide oversight to ensure the effective delivery of municipal services. Council meetings are held regularly and are open to the public, offering residents the opportunity to stay informed and engaged in the decision-making process.

Through strategic planning, collaboration, and community input, City Council helps guide Lloydminster's growth, sustainability, and overall quality of life.

Understanding Council Meetings

Regular Council Meetings and Governance and Priorities Committee (GPC) Meetings serve different but complementary purposes in the City of Lloydminster's decision-making process.

Regular Council Meetings

These are formal, decision-making meetings where Council votes on bylaws, policies, and resolutions. Regular meetings are governed by procedure and include public participation opportunities such as public hearings. Decisions made during these meetings are binding and become part of the City's official record.

Governance and Priorities Committee (GPC) Meetings

GPC meetings are less formal and are used for discussion, information sharing, and early-stage review of topics that may later appear at a Regular Council Meeting. No binding decisions are made at GPC meetings. Instead, they provide Council members with the opportunity to ask questions, request further information, and discuss complex issues in a more exploratory setting.

Office of the City Manager

The City Manager provides organizational leadership and strategic direction, overseeing the day-to-day administration of the City of Lloydminster.

Appointed by City Council, the City Manager is responsible for delivering municipal services and implementing Council's decisions. The office works collaboratively with all departments to align City operations with Council's priorities and the evolving needs of the community.

Serving as the key link between Council and Administration, the City Manager ensures decisions are executed efficiently, transparently, and in the best interest of Lloydminster residents.



Assessment & Taxation

Assessment

Conducting in-house assessment services provides an enhanced service level to City ratepayers through exceptional communication and customer service that fosters positive relationships with residents and business owners. The in-house transition allows for better control over assessment data and ensures assessments are fair and equitable to property owners. The Assessment and Taxation team provides ratepayers with equal and transparent means to share the cost of civic services essential to a vibrant and growing city.

Taxes

Providing sustainable services for the City of Lloydminster and the residents who reside within the community, Taxation is responsible for annual tax levy collection and abides by provincial policies and procedures.

Highlights

- Expanded customer communication through reminder emails for past-due accounts.
- Introduced an electronic notice campaign to support digital correspondence.
- Completed the Multi-Family and Hotel/Motel Request for Information (RFI) for future online use.

By The Numbers

- 3,988 property owners registered for electronic notices (102% increase).
- 1,235 Pre-Authorized Debit (PAD) accounts, representing 9.5% of all accounts.
- 91.43% of the 2024 tax levy collected by the due date.
- 96.13% of the 2025 tax levy collected as of December 31.

Communications and Public Engagement

The City of Lloydminster's Communications department manages public messaging, media relations, marketing, and community engagement to keep residents informed about municipal initiatives, services, and decisions. It develops and distributes content across various channels, including social media, websites, news releases, and marketing campaigns to maintain transparency, promote programs, and foster public trust.

Additionally, the team supports crisis communications, event promotions, and corporate branding to enhance the municipality's reputation and strengthen connections with the community.

Major Projects

- Developed and delivered marketing, engagement, and communications campaigns supporting fundraising initiatives and community awareness for Cenovus Energy Hub.
- Supported the transition to Lloydminster Fire Rescue, delivering a full department rebrand including updates to the name, visual identity, apparatus markings, and public communications to better reflect the services provided by the department.
- Hosted the Wheels at Work budget engagement event, showcasing more than 14 municipal vehicles and equipment to engage residents in learning about City operations and services.
- Launched the Positive Ticketing Program in partnership with Municipal Enforcement, Lloydminster Fire Rescue, the RCMP, and participating businesses to build positive relationships between youth and first responders.
- Marketing of City recreation and culture programming, including the publication of quarterly recreation guides promoting more than 250 recreation and culture initiatives throughout the year.

By The Numbers

- 250+ news releases and public notices issued.
- 170+ media interviews coordinated.
- 1,550+ social media posts shared across City channels.
- 9 public engagement campaigns delivered.
- 432 contributions received through the Budget Engagement Survey.
- 302 contributions received through the Let's Talk Policing Survey.
- 4 seasonal recreation and culture program guides published.

SOCIAL MEDIA

The City uses Facebook, Instagram, X (previously Twitter), LinkedIn, and YouTube as its primary social media and networking sites.

f Facebook:

@CityofLloydminster
@LloydminsterMuseumArchives
@LloydGolfandCurling
@ServusSportsCentre
@BiocleanAquaticCentre
@LloydVotes
@ThinkLloydFirst
@DowntownLloydminster
@CenovusEnergyHub
@LloydminsterFireRescue
@COLLandDivision

@ Instagram:

@CityofLloydminster
@Your_LMA
@ThinkLloydFirst
@DowntownLloydminster
@CenovusEnergyHub
@COL_Land_Division

X:

@CityofLloyd
@LloydGCC
@LloydVotes
@DowntownLloyd
@CenovusHub

in LinkedIn:

@CityofLloydminster
@Lloydminster-Economic-Development-Corporation
@COL-Land-Division

▶ YouTube:

@CityofLloydminster

SOCIAL MEDIA (MAIN CITY ACCOUNTS)

f Facebook

12,912 followers
↑ 8.1% (2024)

X (previously Twitter)

4,067 followers
↓ 1.14% (2024)

@ Instagram

3,862 followers
↑ 10.4% (2024)

▶ YouTube

946 subscribers
↑ 2% (2024)

in LinkedIn

3,360 followers
↑ 48.8% (2024)

LLOYDMINSTER.CA

1,347,757 page views
↑ 26% (2024)

Top 5 web pages (by page views):

1. Bioclean Aquatic Centre – 63,569
2. Events – 44,329
3. Servus Sports Centre – 43,963
4. Careers – 31,201
5. Arenas – 25,874

YOURVOICELLOYD.CA

5,251 visits (April 30 to December 31, 2025)

Top 3 Surveys:

1. Archie Miller Survey - 1887 responses
2. 2026 Budget Survey - 436 responses
3. Let's Talk Policing - 302 responses

Financial Planning and Accounting

The Finance team is responsible for establishing strong financial policies and procedures, preparing timely and valuable financial reports, and leading a fiscally responsible budget process.

Through collaboration with other departments, the team applies Lean principles to improve business processes and enhance efficiency. The department provides expert financial advice to all City departments, the City Manager, and Council while prudently managing the City's financial assets. It also ensures timely and accurate payments to vendors and delivers exceptional support to customers in processing payments on their accounts.

Major Projects

- Received the Canadian Award for Financial Reporting for the 2024 Annual Report, recognizing excellence in municipal financial reporting.
- Council approved the 2026 Operating and Capital Budget, including a 4.08% increase to the municipal tax levy and a 3.50% increase in assessment growth to maintain service levels and address inflationary pressures.
- Completed the 2026–2035 Capital Infrastructure Plan, outlining \$695 million in long-term infrastructure needs to replace, rehabilitate, acquire, or construct City assets. Of this amount, \$221 million has identified funding, with the 2026 capital budget set at \$29.9 million.

By The Numbers

- 1,941 active business licences maintained.
- 16,000 payments processed.
- 40,000 accounting transactions completed.
- 11,397 utility billing accounts maintained.
- 14,000 calls received by front-end cashiers at City Hall.
- 3,430 tangible capital assets tracked and maintained.
- 1,375 active vendors maintained.
- 40 grant applications processed.

Information Technology

The Information Technology (IT) department provides technology solutions to City staff and City Council. The core functions include implementing and supporting desktop computing environments and peripherals, infrastructure and application servers, data storage, enterprise backups, networking and firewall devices, business applications, and cybersecurity.

Major Projects

- Partnered with the Cenovus Energy Hub project team to configure and implement technology equipment throughout the facility.
- Collaborated with Engineering Services on the construction of fibre optic infrastructure to enhance security and connectivity performance at Fire Station 1, the Lloydminster Museum + Archives, and Weaver Heritage Park.
- Replaced end-of-life hardware and updated software maintenance levels to ensure City staff have access to current and reliable technology.
- Continued implementation of significant cybersecurity enhancements to strengthen protection of staff systems and technology resources.

By The Numbers

- 4,662 internal service requests received and addressed.
- 300+ computers modernized through automated major software updates and Windows 10 upgrades.
- 4,000+ users accessed public Wi-Fi across City facilities.

Geographic Information Systems

The Geographic Information Systems (GIS) department provides mapping and spatial data solutions to support City staff and external stakeholders. GIS plays a vital role in data analysis, visualization, and decision-making by maintaining one of the City's most comprehensive information repositories.

Core responsibilities include GIS data updates, aerial imagery capture, map production (both interactive and static), and app development. These services enable efficient operations, informed planning, and enhanced community engagement.

Major Projects

- Implemented new Parcel Fabric and Water Utility Network data models, improving data accuracy and supporting planning and infrastructure management.
- Upgraded the Enterprise Geodatabase, modernizing GIS technology and ensuring compatibility with current and future systems.
- Maintained the City's two-year aerial imagery update cycle, with new imagery captured in the fall to support planning, mapping, and asset management.
- Joined the Alberta Municipal Data Sharing Partnership, providing standardized street and address data to support emergency services, government agencies, and Next Generation 9-1-1 requirements.
- Implemented a Vegetation Inventory Tool to improve tracking and management of City-owned trees, including condition monitoring, maintenance history, and photo documentation.

By The Numbers

- 21 web maps and apps used more than 21,974 times by City staff and the public.
 - 6 web maps and apps publicly available
 - 4,425 accesses to the City Map.
- 1,500 trees photographed and catalogued using the Vegetation Inventory Tool.
- 646 requests for mapping data received.

Health & Safety

The City of Lloydminster's Health and Safety function supports all departments by promoting safe work practices, legislative compliance, and both physical and psychological well-being. Through training, policy development, and oversight, the program helps ensure employees, volunteers, and contractors can work safely while fostering a consistent and positive safety culture across City operations.

Certificate of Recognition (COR) Status

The City maintains a Certificate of Recognition (COR), confirming that its Physical and Psychological Safety Management System meets provincial standards and industry best practices. COR status verifies regular audits, legislative compliance, and a continued commitment to workplace safety and continuous improvement.

Major Projects

- Continued integration of the Learning Management System (LMS) to track training certifications, competencies, inspections, orientations, and WHMIS recertification, improving record management.
- Delivered the 9th annual Mind on Safety & Health (MOSH) Week, featuring 25+ virtual and in-person sessions focused on strengthening physical and psychological safety awareness across the organization.
- Provided health and safety oversight for the development and opening of Cenovus Energy Hub, including testing the facility's fire evacuation plan during its first major event to support emergency preparedness.

Legislative Services

Legislative Services' primary function is to ensure proper legislative process is being followed by the City and Council, and is responsible for:

- Appeal boards and committees
- Contracts/agreements
- Council meetings
- Elections
- Governance document management
- Insurance and risk management
- LAFOIP/privacy matters
- Legal services
- Procurement
- Property leasing
- Records and document management

Major Projects

The Legislative Services team successfully managed the Catholic School Board by-election held on September 8, 2025, overseeing all legislative, administrative, and logistical requirements to ensure the process was conducted in accordance with applicable legislation and procedures.

By The Numbers

- Posted 67 public procurements on Bids & Tenders site.
- Maintained 117 existing property leases.
- Captured 412 council motions over a total of 32 Council/Governance Committee Meetings.

The Lloydminster Charter

The Lloydminster Charter is the governing document of the City of Lloydminster, adopted by both the provinces of Alberta and Saskatchewan to recognize Lloydminster's unique challenges of being bi-provincial. In 2022, Administration worked with both the Province of Alberta and the Province of Saskatchewan to complete a review of the governance portions of

the *Charter*. The *Cities Act* (Saskatchewan municipal legislation) and the *Municipal Government Act* (Alberta municipal legislation) have completed amendments in recent years. This legislative review and update of the *Charter* will ensure alignment with provincial legislative changes. Amendments include, but are not limited to:

- The addition of a review clause to review the *Charter* on a routine basis
- The requirement of Council disclosure forms
- Additional clarification on taxation and assessment legislation to align with the *Municipal Government Act*
- Updated requirements for the *Procedure Bylaw*
- The requirement of a *Public Participation Policy*

Governance

Throughout the year, Legislative Services worked collaboratively with all departments to review and update bylaws, policies, and processes, ensuring legislative compliance, and organizational accuracy.

Some key governance documents brought forward were:

- *Land Use Bylaw*
- *Procedure Bylaw*
- *Oil and Gas Development Policy*

Legislative Services follows the Governance Document Review Schedule outlined in the Records Management Bylaw, ensuring all governance documents are reviewed and updated regularly to maintain legislative compliance.

Leasing

Leasing provides the City of Lloydminster with a window of opportunity to develop partnerships and working relationships with individuals in the community. All lease agreements are executed at market value in accordance with *The Lloydminster Charter*, ensuring all lessees are treated fairly.

The City of Lloydminster actively leases or licenses spaces not currently required for civic purposes.

Current leasing opportunities are available in:

- Farmland
- Bare land
- Airport terminal space
- Airport hangar land
- Facility space
- Billboards
- Downtown parking



Building Services

Building Services is a multifunctional team that supports all City departments and facilities by delivering essential maintenance, custodial, plumbing, and electrical services. Building Services maintains a wide range of infrastructure, from administrative offices and emergency services buildings to recreational centres and public venues. Whether providing preventive maintenance, responding to urgent facility needs, or facilitating complex project rollouts, the team is integral to keeping the City's physical assets functioning efficiently and safely. Additionally, the team supports community events through logistical setup and takedown services, contributing to the experiences of both staff and residents.

Major Projects

- Completed renovations of the Co-op Community Outdoor Pool change rooms and administrative area.
- Worked collaboratively with the Arenas team to support the opening of Cenovus Energy Hub.
- Oversaw the replacement of the roof at the Lloydminster Golf & Curling Centre.
- Constructed new sleeping quarters for the Fire Department at Fire Station 2.
- Completed multiple LED lighting upgrades across City facilities to improve efficiency and reduce energy consumption.
- Rewired and replaced the electrical service at the Weaver Park Log Church.

By The Numbers

- 542,461 square feet of City-owned buildings maintained, including the addition of Cenovus Energy Hub.
- 831 purchase orders activated and completed for maintenance activities.
- 548 building safety inspections conducted.





PROTECTIVE SERVICES

Lloydminster Fire Rescue

Lloydminster Fire Rescue enhances community safety and livability by protecting life, property, and the environment for residents, businesses, and visitors in Lloydminster.

Lloydminster Fire Rescue is a composite department made up of full-time and part-time staff operating out of Fire Stations 1 and 2. The department includes one fire chief, two assistant fire chiefs, one administrative assistant, nine full-time fire captains, eight full-time firefighters, and 40 part-time or paid-on-call firefighters. Each on-duty shift includes a chief officer on call and four firefighters per station, with additional staff available for call-back as required.

Major Projects

- The department rebranded from Lloydminster Fire Department to Lloydminster Fire Rescue to better reflect its all-hazards emergency services, including fire response, collisions, rescues, hazardous incidents, and medical support.
- Full-time staffing doubled from 8 to 16 members, allowing 24/7 coverage across two stations and improving response capacity and service delivery.
- The medical co-response program expanded with Alberta Health Services, supporting ambulance services on critical calls and improving patient care and response times.
- Continued partnerships with Cenovus include shared equipment, joint training, and collaboration during community events like the Lloydminster Exhibition Parade.

By The Numbers

- 700 estimated visitors attended the Fire Prevention Open House on October 8, engaging with Lloydminster Fire Rescue at Fire Station 1.
- 30+ submissions received for the first Fire Prevention Week Colouring Contest, generating 1,400+ community votes.
- 261 building inspections completed.
- 32 lock boxes installed.

Lloydminster RCMP Detachment

The Lloydminster RCMP Detachment provides municipal policing services through a range of specialized units focused on public safety. These include General Duty and Traffic members, the Crime Reduction Unit, the General Investigation Section, School Resource Officers who work closely with both the Public and Catholic school divisions, Police Dog Services, and the Forensic Identification Section.

Policing operations are supported by administrative staff who manage day-to-day functions. The detachment also works in partnership with Midwest Victim Services, a non-profit organization that provides support to individuals affected by crime and trauma.

Major Projects

- School Resource Officers attended more than 50 community events throughout the year
- Delivered the Coffee with a Cop program to strengthen connections between the public and front-line officers
- Conducted joint operations to address prolific offenders, execute warrants, and reduce community crime trends
- Supported community fundraising initiatives, including Kickoff to Christmas, Battle of the Badges, and the Stuff a Cruiser campaign, benefiting local charities
- Established the Lloydminster Municipal Police Committee to strengthen public representation in policing decisions

By The Numbers

- 17,463 RCMP files in 2025 (6.1% decrease from 2024).
- 2,354 criminal record checks conducted.
- 45 RCMP officers serving Lloydminster.
- 30 municipal support staff.
- 661 vehicle collision reports completed.

Emergency Management

The City of Lloydminster's Emergency Management Department works to strengthen community resilience through an all-hazards approach to emergency planning and preparedness. Over the past year, the focus has been on ensuring the City, its partners, and the broader community are well-prepared to respond to a wide range of potential emergencies.

This work has included internal training and exercises to support staff readiness, public education through school presentations and social media, and collaboration with local partners to share resources and expertise. The City also supports regional preparedness across Alberta and Saskatchewan through participation in the Regional Emergency Management Collective.

Major Projects

- Secured the Alberta Community Partnership Grant to develop a Regional Emergency Management Plan for the City of Lloydminster and other municipal members of the Regional Emergency Management Collective (REMC).
- Served as a host community for wildfire evacuees throughout the summer, supporting more than 1,100 evacuees between May and August.
- Hosted the Bordering on Disaster Conference, welcoming a record-high attendance of more than 200 participants for a two-day event focused on strengthening emergency management practices across Western Canada.
- Developed community emergency preparedness resources to support residents in preparing for and responding to emergencies.

By The Numbers

- 5 internal and regional emergency management training sessions delivered
- 12 emergency planning meetings held with local, industry, and provincial and federal partners
- 15 school emergency preparedness presentations delivered
- 7 municipal and regional events supported through monitoring and coordination
- 40-person internal Incident Management Team maintained



Municipal Enforcement

Municipal Enforcement includes Community Peace Officers and Bylaw Enforcement Officers. Community Peace Officers are authorized to enforce provincial statutes, including the Traffic Safety Act, Gaming and Liquor Act, Trespass Acts, and Animal Protection Act, and are appointed through the Alberta Public Safety and Emergency Services Peace Officer Program.

Community Peace Officers conduct enforcement related to speeding, seatbelt use, dangerous goods, commercial vehicles, and traffic control device violations, and support enforcement of City bylaws, including the Traffic Bylaw, Fire Bylaw, and Community Standards Bylaw.

Bylaw Enforcement Officers are appointed by the City of Lloydminster and proactively respond to bylaw concerns related to public safety and community standards, including parking violations, unsightly premises, animals at large, and support for snow removal operations.

Major Projects

- Restructured department to better utilize Bylaw Enforcement Officers.
- Implemented a Traffic Services Unit.
- Integrated onto the RCMP/AFRRCS Radio System.
- Creation and delivery of the Positive Ticketing Program.

By The Numbers

- 1,632 enforcement files.
- 1,631 violation tickets issued.
- 171 warnings provided.
- 278 unsightly property files addressed.
- 171 animals at large files responded to.
- 309 parking violations enforced.
- 104 positive tickets issued between August and December.

Lloydminster Operational Communications Centre (LOCC)

The Lloydminster Operational Communications Centre (LOCC), located at the Lloydminster RCMP Detachment, serves as the City's Public Safety Answering Point (PSAP). The LOCC provides call-taking and radio communications for Lloydminster Municipal Enforcement, Lloydminster Fire Rescue, and the Lloydminster RCMP, and answers all 911 calls for the community.

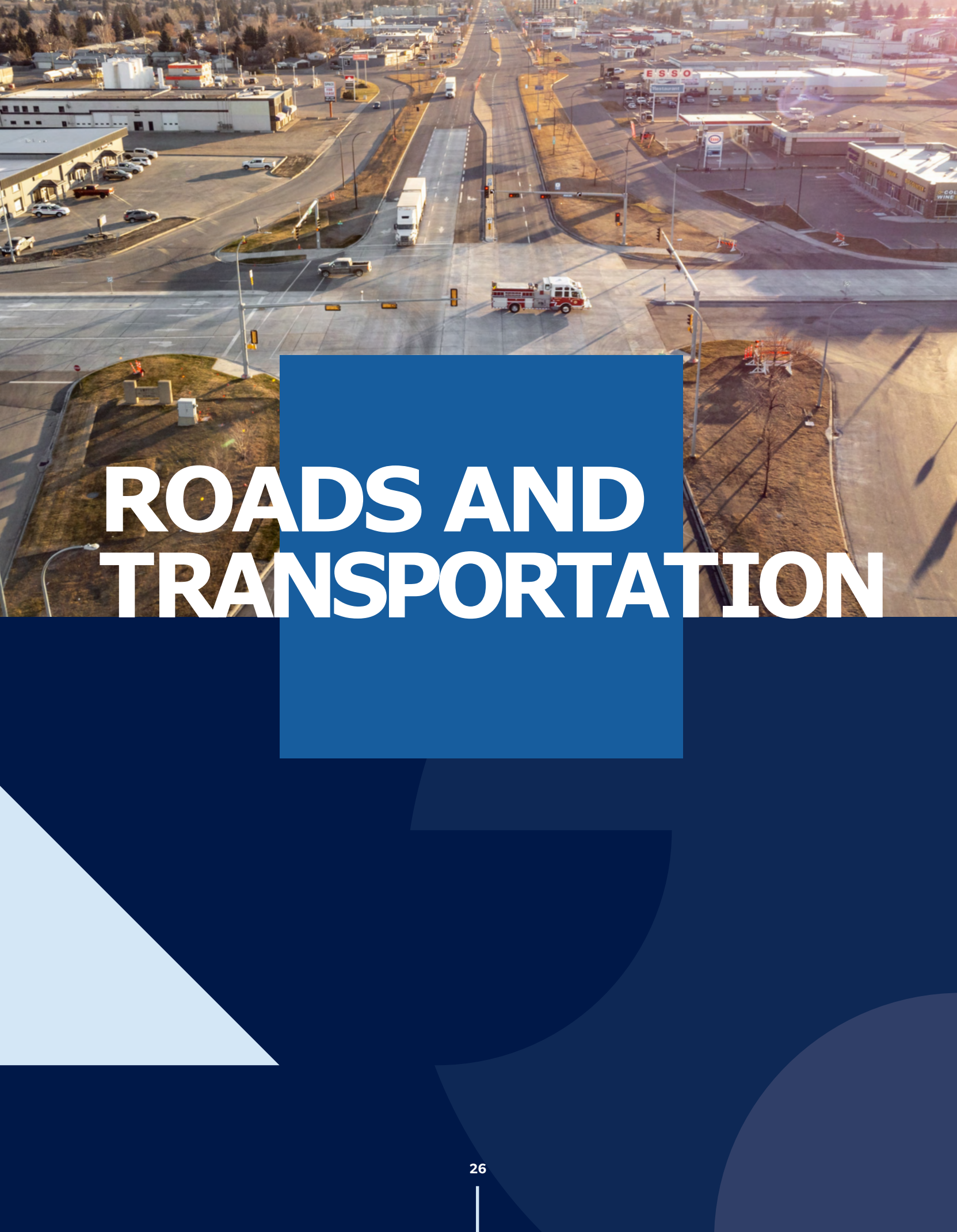
Having this critical service located in Lloydminster supports timely, coordinated emergency response, reduces wait times, and ensures residents have reliable, immediate access to emergency assistance when it is needed.

Major Projects

The Lloydminster Operational Communications Centre is preparing for the implementation of Next Generation 911 (NG911), a major advancement in emergency communications. NG911 will allow the public to share text messages, images, video, and more precise location data with call takers, improving situational awareness, supporting faster decision-making, and enhancing accessibility for individuals unable to place a voice call. This transition will strengthen emergency response and ensure the LOCC remains aligned with modern public safety standards.

By The Numbers / Call Numbers

- 8,222 911 calls.
- 1,507 Fire Rescue calls.
- 1,286 Municipal Enforcement calls.
- 39,571 RCMP calls.
- 50,586 calls in total.



ROADS AND TRANSPORTATION

Roads and Transportation

Transportation Services is a multifunctional team consisting of three departments that provide essential services to ensure the safety, efficiency, and maintenance of Lloydminster's transportation network.

Roadway Services

Roadway Services is responsible for the year-round maintenance of all roadways within the city. The team preserves roadway assets through a wide range of activities, including:

- Asphalt lane maintenance and grading
- Pothole patching and spray patching
- Street sweeping and crack filling
- Line painting
- Gravel laneway grading, dust control, and structural repairs
- Winter snow and ice operations (sanding, plowing, and removal)
- Traffic signs and signals maintenance, repairs, new installations, and cleaning

Major Projects

- Completed full residential snow removal across the city.
- Constructed two new sidewalks to improve connectivity within the trail network.
- Launched a cold crack filling program to extend the lifespan of residential roadways.
- Completed 2025 street improvement projects at the following locations:
 - 49 Avenue, 12 Street to 15 Street
 - 51 Avenue, 26 Street to 29 Street
 - 40 Avenue, 36 Street to 44 Street
 - 12 Street and 75 Avenue intersection
- Installed new traffic signals on 40 Avenue at 36 Street and 41 Street to enhance traffic safety and flow.

By The Numbers

- 90 m³ of concrete used for sidewalk replacement.
- 182,000 cubic yards of snow hauled from residential areas, downtown, and highways.
- 230 cubic yards of road salt applied.
- 25,000 metres of hot crack filling completed on Priority 1 roadways.
- 10,000 litres of cold crack filling applied on residential roads.
- 130 tonnes of buckshot and 18,000 litres of tack oil used for spray patching.
- 500 kilometers of roadway maintained across the city.



Fleet Services

Fleet Services is responsible for the maintenance and repair of approximately 330 pieces of equipment supporting City operations. This inventory ranges from small tools, such as string trimmers and generators, to specialized equipment including sidewalk plows, street sweepers, and heavy-duty vehicles such as fire apparatus.

The department is committed to a proactive and efficient maintenance program, supported by strong internal customer service, to ensure all City departments remain equipped, reliable, and operational.

Capital Purchases

- 3 Street Sweepers
- 1 Tandem Dump Truck
- 1 Slip In Sander
- 1 Public Safety SUV
- 1 Fire Command SUV
- 6 ¾ Ton Trucks
- 1 Tree Chipper
- 2 Zambonis
- 15 Golf Carts
- 1 Toro 3250D Greensmaster
- 1 Toro 3420D Triflex Greensmaster
- 1 Toro 4700 Groundsmaster
- 1 Utility Cart

By The Numbers

- 1,250 work orders completed for equipment repair and maintenance.
- Approximately \$500,000 spent on fuel to support City operations.



Lloydminster Airport

The Lloydminster Airport is committed to providing a safe, reliable, and high-quality travel experience for all users. Airport operations focus on maintaining runways, taxiways, fuel systems, and surrounding green spaces to ensure safe and efficient aircraft movement and passenger access.

Runway and fuel services are available at all times, with airport staff able to provide full fuel service, baggage handling, food services, and parking support upon request.

The Lloydminster Airport operates under a Safety Management System (SMS) that complies with Transport Canada regulations and supports ongoing certification and safe airport operations.

Major Projects

- Added a new barrier-free washroom within the passenger security area to improve accessibility for travellers.
- Installed two powered access gates to enhance operations and emergency response, including Gate G for airport equipment access and Gate A for ambulance and emergency service vehicles.

By The Numbers

- 12,690 charter passengers served.
- 2,566 local aircraft movements.
- 6,326 domestic aircraft movements (aircraft not registered at Lloydminster Airport).
- 403 medevac aircraft movements.
- 9,295 total aircraft movements at CYLL.
- 343,515.3 litres of total aviation fuel sold.





SOCIAL PROGRAMS AND SERVICES

Social Programs and Services

The Social Programs and Services department strengthens community connection, resiliency, and capacity in Lloydminster through direct programming, grant funding, and partnerships with volunteers, service providers, and residents. The department supports the social well-being of the community by improving access to resources, reducing barriers to participation, and encouraging local engagement.

Key Services

- Workshops and Events – Programs that connect and inform residents on topics such as youth life skills, seniors' issues, and volunteer appreciation.
- Information and Referral – One-on-one support, community directories, and newsletters that help residents access local services and resources.
- Recreation Access Program (RAP) – Financial assistance that reduces barriers to City-operated recreation and cultural facilities.
- Neighbourhood Programs – Neighbourhood grants, volunteer support, and Block Party resources that foster local connection and engagement.
- Seniors Taxi Program – Subsidized one-way local taxi vouchers for residents aged 65 and older.
- Grant Funding – Funding opportunities for local non-profit organizations delivering community-based services.
- Research and Community Engagement – Ongoing work to understand local social needs and support collaborative responses to emerging issues.

Major Projects

Social Policy Framework

Established two new working groups, the Mental Health Working Group and the Access to Health and Social Services Working Group, to address emerging community needs. The Housing Working Group hosted a Housing and Homelessness Symposium, developed a shelter best-practices guide, and began an action plan to improve partner project readiness.

Intergenerational Block Parties

In partnership with youth volunteers from the Lloydminster Community Youth Centre, hosted three two-hour community block parties featuring outdoor games and barbecues. Events promoted social connection for seniors while encouraging teamwork and empathy among youth.

Mobile Warming Centre Program

Launched a warming van program in partnership with Lloydminster and Vermilion for Equity to support residents experiencing homelessness during extreme cold. The program activated at -30°C windchill and operated for 46 days in 2025.

FCSS Directors Network Conference

Hosted Lloydminster's first Family and Community Support Services Directors Conference from April 30 to May 2, welcoming 78 directors from across Alberta for professional development, networking, and regional collaboration.

By The Numbers

- 48 grant agreements managed, directing \$823,981 in municipal, provincial, and federal funding to local non-profit organizations.
- 43,447 senior taxi vouchers used by residents.
- 858 Recreation Access Cards issued, supporting 4,372 drop-in visits and 241 discounted facility memberships.
- 18 resident-led block parties hosted, with 1,443 neighbours in attendance.
- 226 instances of residents receiving assistance connecting to local social supports.
- 17 workshops and events delivered, with total attendance of 1,482 residents.



ECONOMIC DEVELOPMENT, PLANNING, AND GROWTH

Economic Development

The Economic Development team delivers timely and effective services to attract, secure, and retain business investment in Lloydminster. Through partnerships, strategies, and programs, the team supports economic vitality, growth, and long-term development.

Working collaboratively across the organization and with community partners, Economic Development enhances and strengthens the local business climate, supporting both new investment and the growth of existing businesses.

This work contributes to a resilient local economy through business and investment attraction, business retention and expansion, and support for entrepreneurs, startups, and scaling businesses.

| | 2023 | 2024 | 2025 |
|--|-------|-------|-------|
| New Business Licences | 215 | 214 | 240 |
| Hotel Occupancy | 51.4% | 58.8% | 58.3% |
| Houses Sold (Total Residential) | 363 | 579 | 592 |

Investment Attraction: Grow With Us

The Grow With Us publication showcases Lloydminster’s investment opportunities. Key highlights include:

- Population: 32,200
- Growth rate (Y/Y): 1.98%
- Average age: 34–36
- Average house price: \$330,085
- Average household income: \$129,450
- Retail sales productivity: \$341/square feet
- Retail space: 2.6 million square feet
- PST exemption: Within City limits

Trade Area and Market Overview

- Primary Trade Area: 136,492 people, growing to 147,374 by 2035
- Secondary Trade Area: 51,762 people, growing to 53,587 by 2035
- Total Trade Area: 188,254 people, growing to 200,961 by 2035

Average Household Income (2025)

- Primary Trade Area: \$117,446
- Secondary Trade Area: \$98,827

Retail Spending (2025)

Primary Trade Area:

- \$2.46 billion total
- \$1.76 billion (excluding auto and health care)

Secondary Trade Area:

- \$749.0 million total
- \$535.1 million (excluding auto and health care)

Total Trade Area:

- \$3.05 billion total
- \$2.23 billion (excluding auto and health care)

Top 5 Retail Spending Categories (excluding auto)

- Grocery, Convenience and Specialty Foods – \$662.5 million
- Home Improvement and Gardening – \$235.6 million
- Restaurants and Pubs – \$167.8 million
- Fashion and Footwear – \$160.9 million
- Quick Service Food and Beverage – \$149.8 million

Downtown Highlights

- \$55,375 in grants through the Façade and Building Improvement Program
- \$125,345 total private investment through Façade and Building Improvement Program
- 5 downtown events hosted
- 2 large-scale murals installed

The City of Lloydminster received the Economic Developers Alberta (EDA) Award for Economic Development Renewal Project of the Year for its Central Business District Rehabilitation Project.

This award recognizes projects that transform vacant or underutilized properties into key economic, social, and cultural activity drivers. The Downtown Area Redevelopment Plan (DARP) has supported revitalization of the downtown core, creating new opportunities for businesses, residents, and visitors.

Key elements of the project include:

- Upgraded utilities and surface work
- Wider sidewalks, improved lighting, and landscaping
- Community input through the Façade and Building Improvement Program
- Focus on accessibility and environmentally friendly practices

Economic Development Breakfast – November 28, 2025

The Economic Development team hosted the Economic Development Breakfast, featuring guest speaker Doug Griffiths, who presented on regional economic development and the importance of collaboration.

More than 200 attendees had the opportunity to connect with City representatives and explore business-focused services and programs, including:

- Economic Development
- Land Division
- Leasing and Procurement
- Family and Community Support Services (FCSS)
- Taxation
- Transportation Services
- Planning Services
- Public Safety
- Environmental Services (Pollution Prevention)
- Fire Rescue Services

Community partners were also onsite, including the Lloydminster Chamber of Commerce, Startup Lloydminster, Community Futures Lloydminster and Region, and the Lloydminster Construction Association.

New Business Statistics

Provided by Startup Lloydminster

- 431 unique clients served
- 62 new clients onboarded
- 75 community and partner engagements
- 7 out of 10 clients are based in Lloydminster



Development and Growth

Planning

Planning Services regulates development throughout the city with the goal of strengthening the connection between people and their environment and shaping how communities are experienced through purposeful land use.

The Planning Services team is comprised of Development Officers, Planners, and a Development Coordinator. The team is responsible for drafting planning bylaws and policies, processing development applications, and preparing plans that guide the orderly growth and development of land in Lloydminster.

Major Projects

- Adopted the City's new Land Use Bylaw No. 05-2025 to support development flexibility and reduce administrative barriers.
- Revamped the Planning Services webpage to improve customer experience and ease of access to information.
- Implemented an online application portal to enable digital submission of development applications.
- Launched the Planning Primer to provide community education on the planning process, the role of planners, what to expect when submitting an application, and how to get involved.

By The Numbers

- 820+ permits processed.
- 13 planning application requests processed, including subdivisions, redistrictings, and consolidations.
- \$89,340,344 total building construction value.
- 34 single-detached dwelling permits issued, representing \$20,036,000 in construction value
- 46 new dwellings permitted overall — 33 in Alberta and 13 in Saskatchewan.
- 50 solar panel permits issued.
- 2× increase in overall construction value compared to 2024.

Engineering

The Engineering department is responsible for the assessment, design, construction, and implementation of municipal system upgrades. This includes water, sanitary sewer, storm sewer, transportation, and drainage channel infrastructure. The department also maintains and regularly updates the City's master plans, which guide system improvements and support future growth and development.

Capital Projects

2025 Street Improvement Program

- Complete roadway rehabilitation and miscellaneous concrete rehabilitation
 - Roadway Rehabilitation – 4,284 + 6,201 + 5,103 square metres
 - Concrete Sidewalk Replacements – 226 + 522 lineal metres
 - Curb and Gutter Replacements – 511 lineal metres

75 Avenue Roadway Improvements

- Roadway Widening and Overlay + Traffic Signals
 - Roadway Rehabilitation – 13,915 square metres
 - Roadway Widening – 660 square metres
 - Traffic Signals – 2 intersections (12 Street and 75 Avenue & 19 Street and 75 Avenue)

75 Avenue Drainage Improvements

- 75 Avenue east ditch drainage improvements
 - Landscaped Area – 39,971 square metres

Fibre Optic Infrastructure Installation

- Installation of the necessary infrastructure to extend the fibre optic network between City Hall and Fire Station #1.
 - Fibre Optic Cable Installation – 777 lineal metres

BMASP – Asphalt Trail Replacements

- Rehabilitation of existing asphalt concrete pavement walking trails.
 - 3.0m Wide Asphalt Concrete Pavement Walking Trail Rehabilitation – 495 square metres

2025 Water and Sewer Replacement Program

- Complete roadway rehabilitation including complete underground services removal and replacement.
 - Roadway Rehabilitation – 5,080 square metres
 - Concrete Sidewalk Replacements – 422 lineal metres
 - Curb and Gutter Replacements – 794 lineal metres
 - Water Main Replacements – 332 lineal metres
 - Sanitary Sewer Replacements – 440 lineal metres
 - Individual Lot Servicing Replacements – 33 each

Master Plans

- Transportation Master Plan
- 12 Street Functional Plan
- 75 Avenue Functional Plan

RV Sanitary Dump Station

- Development of a new RV Sanitary Dump Station at the Bulk Water Fill Station.

Cenovus Energy Hub Offsite Infrastructure Projects

- Traffic Signals at 36 Street and 40 Avenue
- Traffic Signals at 41 Street and 40 Avenue
- Development of 36 Street between 39 Avenue and 40 Avenue - 2,205 square metres

Land Division

Land Division is responsible for developing, maintaining, and selling City-owned land assets. The division supports community growth by maintaining and marketing properties while serving as a leading local developer. Its work contributes to building a strong sense of community pride and belonging among residents.

Looking ahead, Land Division will continue to invest in the community through strategic land acquisitions and the development of high-quality neighbourhoods and projects.

Major Projects

- Continued industrial growth and land sales, supporting ongoing development and investment.
- Achieved a 300% increase in residential lot sales in 2025 compared to 2024.
- Generated \$2,164,350 in land sale revenue in 2025.

By The Numbers

- 73 residential lots available for sale.
- 26 industrial lots available for sale.
- 8 commercial lots available for sale, including 6 Cenovus Energy Hub CRU sites, 1 Cenovus Energy Hub hotel site, and the Heritage Building.





PARKS, RECREATION, AND CULTURE

Parks and Green Spaces

The City of Lloydminster facilitates healthy living through access to attractive and functional recreational and cultural spaces. Each facility and public park are inclusive spaces and welcome people of all ages, backgrounds, and abilities to support an active community.

Parks and Green Spaces

Parks Services is responsible for the maintenance and operation of the City's outdoor leisure spaces and recreational facilities. This includes Bud Miller All Seasons Park, the Lloydminster Golf & Curling Centre, Weaver Park Campground, the Lloydminster Cemetery, and outdoor sports facilities such as the ball diamonds at Driven Energy Ball Park and the VLA Soccer Fields.

The department also maintains grass, trees, shrub beds, and floral displays across City parks, boulevards, facilities, and open spaces, contributing to safe, attractive, and accessible public environments.

During the winter months, Parks Services transitions from summer maintenance to seasonal operations, including the maintenance of outdoor skating surfaces in parks and schoolyards, the Bud Miller All Seasons Park lake, and the speed skating oval. Winter responsibilities also include snow removal at downtown City facilities and the installation and removal of seasonal light displays at City facilities and throughout downtown.

- 35 parks
- 27 playgrounds
- 26 ball diamonds
- 100+ shrub beds
- 10,500 annual flowers
- 800+ acres of maintained green space
- 9 outdoor boarded skating surfaces
- 6 acres of lake ice for recreational skating
- 1 speedskating oval
- 8 kilometres of ski trails

Major Projects

- Completed enhancements at Ken Baker Park, including renovations to the ball diamond to improve field quality and usability.
- Supported the installation of the St. Joseph's School playground, assisting with site preparation and coordination to enhance recreational opportunities for students and the surrounding community.

By The Numbers

- 71 staff members during peak summer operations.
- 25 large and small ride-on lawn mowers in the Parks Services fleet.



Bud Miller All Seasons Park

Sitting on 200 acres of land, Bud Miller All Seasons Park is the perfect backdrop for any occasion, especially the annual Canada Day celebrations, bringing in an estimated 10,000-plus attendees from across the region.

Amenities

- 2 playgrounds
- 6 tennis courts
- 87 garden plots
- 2 slow-pitch ball diamonds
- 6 horseshoe pits
- 18-hole minigolf
- Basketball courts
- 3 volleyball courts
- 540 sq. m spray park
- 15+ km of multi-use and seasonal trails
- 200-plus seat Amphitheatre
- 6 acres of lake ice for recreational skating (with lighting)

Major Projects

- Completed the replacement of the pedestrian bridge to improve safety and accessibility.
- Completed various trail enhancements across the city to improve connectivity, usability, and overall user experience.

By The Numbers

- 200+ acres of parkland.
- 6 acres of lake ice maintained for public skating.
- 540 m² splash park.
- 18-hole mini-golf course.
- 87 community garden plots.
- 15+ km of multi-use and seasonal trails.
- 200+ seats in the park amphitheatre.
- 38 large-scale events hosted.

Weaver Heritage Park

Weaver Heritage Park offers visitors a glimpse into the past through collections of antiques, heritage buildings, and hands-on, experiential programs. As a living history site, the park encourages guests to explore the early days of Lloydminster and connect with the stories that shaped the community.

Visitors can tour Rendell House to learn about the Barr Colonists and one of Lloydminster's original settler families. The site also highlights the region's agricultural roots and features cultural programming that explores the histories of the peoples who have inhabited the heart of Treaty 6 territory for thousands of years.

Major Projects

- Volunteers constructed a covered storage area at Weaver Heritage Park to house tractors and agricultural implements, increasing capacity to safely store and preserve antique equipment.

By The Numbers

- 2,378 admissions.
- 610 attendees at Weaver Park After Dark.

Weaver Heritage Park acknowledges the generous support of the Friends of Weaver Heritage Park for their fundraising efforts to preserve and restore heritage buildings. Their ongoing commitment supports the long-term preservation of built heritage at the site. The City also recognizes the Barr Colony Heritage Society for its dedication to restoring and maintaining agricultural implements at Weaver Heritage Park.

Arenas, Recreation & Culture, and Aquatics

Centennial Civic Centre

The Centennial Civic Centre is a 1,700-seat multi-purpose arena that has hosted Junior A and Junior B hockey, lacrosse, ball hockey, and a variety of community sporting events. 2025 marked the final year of City operations in the facility, as the building reached the end of its serviceable life.

By The Numbers

- 2,285 hours of booked ice time.
- 211 hours of shinny sessions.
- 188 hours of public skating sessions.
- 209 hours of dry floor use.



Cenovus Energy Hub

Cenovus Energy Hub began regular operations in October 2025 as a new multi-use facility designed to support recreation, sport, entertainment, and large community events. The venue provides year-round programming space for residents while also accommodating regional tournaments, performances, and cultural activities that contribute to local economic activity.

Key features of the facility include:

- A primary arena with seating for 2,500, expandable to approximately 4,500 with floor seating
- A second full-size indoor ice surface with permanent seating for 500
- An outdoor ice surface located adjacent to the building

The surrounding site forms part of Lloydminster's broader Entertainment District vision which includes walking trails, six slo-pitch diamonds, an outdoor pavilion, powered camping stalls, commercial retail units, and space designated for future hospitality development. The facility now serves as a central gathering space for residents and visitors, supporting sport, culture, and community connection throughout the year.

By The Numbers

- 2,538 hours of booked ice time.
- 182 hours of shinny sessions.
- 78 hours of public skating sessions.

Cenovus Energy Hub Grand Opening

Cenovus Energy Hub welcomed the public for the first time on October 1, 2025, with a Grand Opening Ceremony attended by hundreds of residents and visitors. The event marked the facility's first large-scale community gathering.

Activities throughout the day included a complimentary barbecue serving approximately 1,000 attendees, free public skating in the event arena, a skills competition in the Co-op Community Arena, a colouring contest, and other family-friendly activities. CBC conducted live interviews from the lobby for a special broadcast aired on October 3, which also featured a performance by Jordyn Pollard.

Construction of the facility was completed by PCL Construction Inc., with the building formally turned over to the City in August 2025.

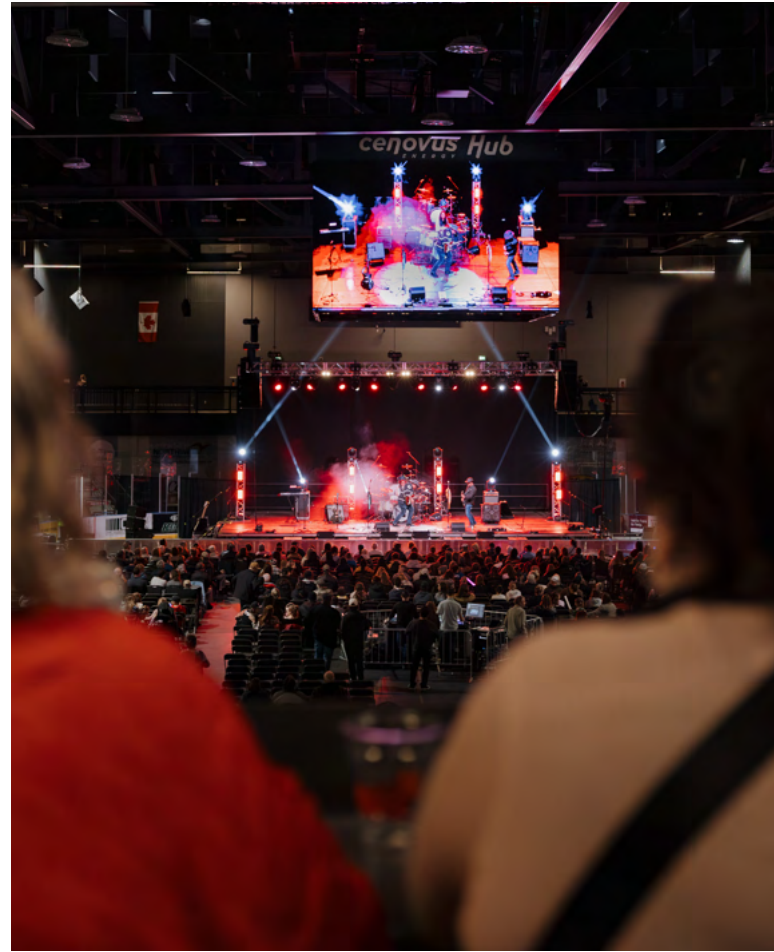


Soundcheck

Cenovus Energy Hub hosted its first live musical performances on December 4, 2025, during the free community concert, Soundcheck. The event welcomed residents for an evening of live entertainment featuring Dylan Hansen and the Rough Cuts and Jordyn Pollard and the Dirt Rich Band. Internet personality Leroy and Leroy helped open the event and welcomed the bands to the stage. Staff worked alongside volunteers, contractors, and event organizers to coordinate the arena conversion, event logistics, and facility operations required to support the concert. The event marked the first concert held at Cenovus Energy Hub.

By The Numbers

- 1,750 attendees checked into the free Soundcheck concert.
- 37 volunteers supported the event.
- 532 ice cover sheets were installed and removed during the venue conversion.



Russ Robertson Arena

The Russ Robertson Arena is available for bookings year-round for hockey, lacrosse, ball hockey and figure skating.

Major Projects

Upgrades to the Russ Robertson Arena were completed to improve safety, functionality, and the overall experience for users. The project included a new concrete ice pad, structural improvements beneath the ice pad to support the arena's long-term operation, new boards, glass and netting, relocated player benches and officials' box, and additional spectator seating repurposed from the Centennial Civic Centre. The project was completed at a cost of approximately \$1.94 million.

By The Numbers

- 1,472 hours of booked ice time.
 - 207 shinny sessions.
 - 112 public skating sessions.
 - 72 hours of dry floor use.

Archie Miller Arena

Built in 1966, this 24,000 square-foot arena is the epitome of your hometown's rustic arena with its exposed beam ceiling.

By The Numbers

- 1,173 hours of booked ice time.
 - 39 hours of shinny sessions.
 - 26 hours of public skating sessions.



Lloydminster Golf & Curling Centre

The Lloydminster Golf & Curling Centre is home to one of Saskatchewan's premier public golf courses and driving range facilities. The 18-hole championship course features well-maintained fairways, smooth rolling greens, and a variety of tee box options that provide an engaging experience for seasoned golfers while remaining accessible to those new to the game.

The facility is also recognized for its PGA of Canada-registered golf professionals and high-quality practice amenities, supporting player development and enjoyment at all skill levels.

At A Glimpse

- 18-hole public golf course
- Driving range
- 8-sheet curling rink
- Event centre

Events

- Golf Saskatchewan Provincial Junior Championship
- Maple Leaf Junior Tour Championship
- PGA of Saskatchewan Zone Championship
- Sask Curling Tour – Women's

By The Numbers

- 32,500 rounds played.
- 7,000+ range buckets sold.
- 42 sand bunkers on course.
- 9 ponds integrated throughout the course.
- 6 acres of naturalized areas
- 3 acres of bentgrass putting surfaces.
- 160 acres total property size.
- 17 special events hosted, including competitive tournaments, charity events, and corporate outings.
- Over 1,465 attendees participated in curling events throughout the year.

Servus Sports Centre

Lloydminster's largest multi-sport and event-hosting facility, Servus Sports Centre, provides visitors of every age, skill level and ability an opportunity to work out, compete, and play under one roof.

Learn more at Lloydminster.ca/SSC.

Major Projects

- Resurfacing of Mike's Fieldhouse: new floor color and new sport line directions.
- Replacement of tables and chairs for major indoor and outdoor events.

By The Numbers

- 4,712 membership holders checked in 85,398 times.
- 1,968 hours of field house bookings.
- 1,244 multi-facility membership holders checked in 31,705 times.
- 1,824 Walk Across Canada check-ins, recording 4,415 kilometers walked.
- 35,848 drop-in passes sold.
- 873 Fun Zone drop-ins.
- 2,609 shinny drop-ins.
- 7,135 field house drop-ins.
- 10,730 fitness pass drop-ins.
- 218 private skating lesson participants.
- 692 personal training sessions delivered.
- 7,680 hours of booked ice time.

Lloydminster Museum + Archives

The Lloydminster Museum + Archives (LMA) is a diverse recreational facility providing extra-curricular arts and cultural programming to the community, research services for local history, develops informative cultural and historical exhibitions and displays, and offers curriculum-based educational programs to schools. The facility also hosts cultural events that showcase Lloydminster's diversity and celebrate art and culture. The LMA houses a large museum of artifacts and an archival record collection documenting the historical development of Lloydminster and the region from settlement to present day.

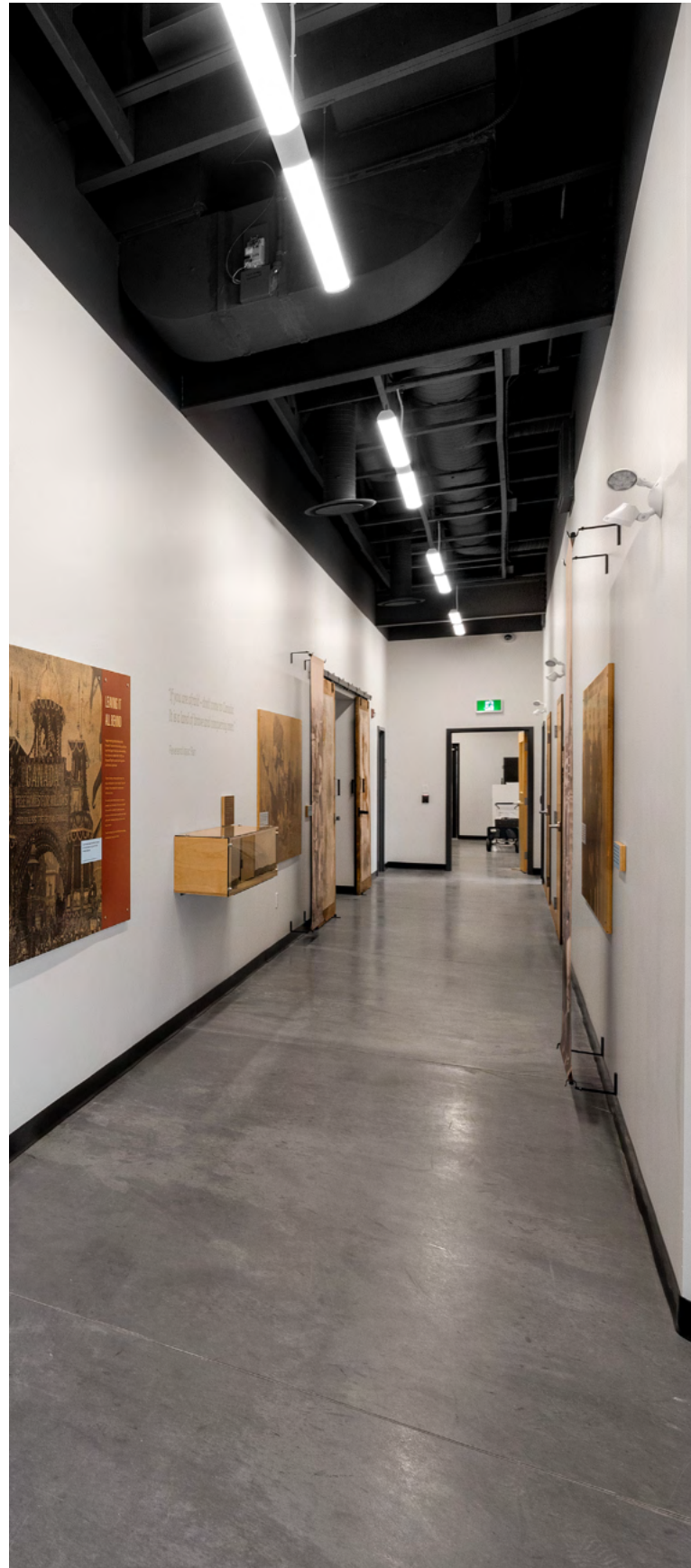
By The Numbers

- 2,040 admissions recorded.
- 802 students and teachers attended school programs and field trips.

Exhibits

- Holocaust – Youth Literature / Witnesses to History
- Money in 10 Questions
- Art of Oliver Holtby
- Bison (Kauffman Museum)
- Juried Fine Art Show (AWOB)
- Edwardian Era (Lacombe Museum)

The Lloydminster Museum + Archives acknowledges the generous support of the Friends of the Lloydminster Regional Archives for their continued contributions to preserving, sharing, and improving access to the community's history through various projects and funding. The LMA also recognizes Arts Without Borders for its support of fine arts programming and its partnership in hosting the Juried Fine Art Show.



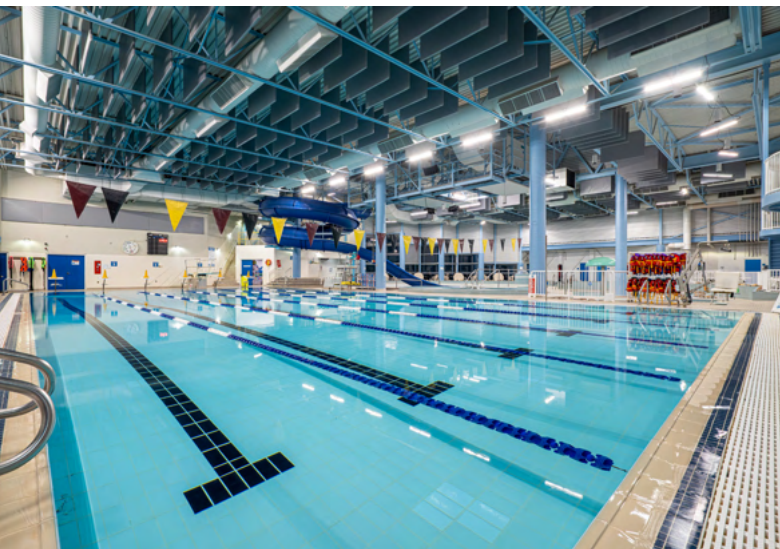
Bioclean Aquatic Centre

Featuring a six-lane, 25-metre pool complete with a 150-foot slide and wave pool, the Bioclean Aquatic Centre provides a safe, family-friendly atmosphere that includes public swimming times, swimming lessons, day camps, birthday parties, and water aerobics.

Learn more at Lloydminster.ca/BAC.

By The Numbers

- 47,277 drop-in admissions.
- 9,530 membership check ins.
- 413 private swim lesson registrations.



Co-op Community Outdoor Pool

Three metres deep, 25 metres in length and featuring two waterslides, the Outdoor Pool has been a great way to beat the summer heat for generations.

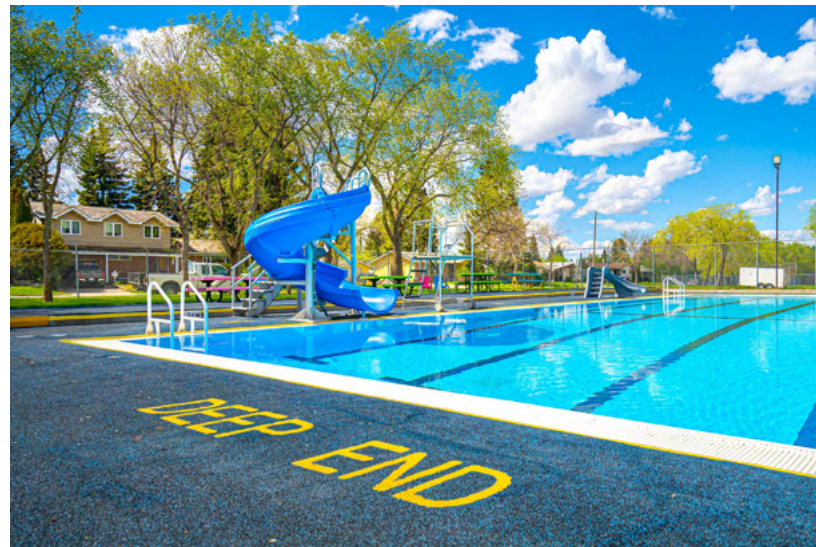
Major Projects

In 2025, \$101,000 in renovations and upgrades to the Co-op Community Outdoor Pool were completed to improve accessibility, safety, and visitor comfort.

The project included washroom and change room renovations, plumbing and electrical upgrades, flooring repairs, structural improvements, and updated fixtures. Additional work included new doors, fresh interior and exterior paint, and exterior site improvements such as lighting and concrete replacement.

By The Numbers

- 70 membership holders checked in 606 times.
- 9,612 general admission entries recorded.
- 45 full facility rentals hosted.



Lloydminster Public Library

The Lloydminster Public Library provides accessible learning, information, and community space for residents of all ages. In addition to a welcoming physical environment, the library offers free programming, public computer access, and low-cost printing and meeting spaces.

The library maintains a physical collection of more than 70,000 items and provides access to over three million resources through its provincial network, ensuring a wide range of materials and services for the community.

Residents can use the SILS app, a provincial library catalogue app that allows users to search collections, place holds, and renew items from a mobile device, and the Libby app to borrow and read digital books and audiobooks.

Major Projects

With the support of the City of Lloydminster, the Lloydminster Public Library began 2025 as a municipal library. While this transition resulted in minimal visible change for patrons, it represented a significant operational shift behind the scenes. Changes to funding structures, shipping processes, and provincial representation have supported more targeted programming, increased communication, and responsible allocation of resources.

By The Numbers

- 106,000+ library visits.
- 500+ programs delivered.
- 13,000+ program participants.
- 117,000+ physical items circulated.
- 59,000+ digital resource circulations.

Vic Juba Community Theatre

Vic Juba Community Theatre serves as a central venue for community arts and live performance in Lloydminster, hosting local concerts, dance showcases, school productions, and touring performances. Supported by the City of Lloydminster, the theatre continues to provide accessible cultural programming and opportunities for community engagement.

The theatre works closely with the Lloydminster Regional Theatre Foundation to promote local arts and culture throughout the year, helping ensure continued accessibility and long-term sustainability. In 2026, programming will expand through a new partnership to host select concerts at Cenovus Energy Hub.

Major Projects

- Completed several facility improvements, including new countertops, installation of two additional spotlights, and a permanent scaffold above the smoke doors to improve safety and functionality.
- Replaced 20 automated stage lights through combined funding of \$75,000 from a private donor and \$75,000 from the Canadian Heritage Cultural Spaces Grant.
- Hosted four sold-out performances as part of the Dr. H.A. McDonald Season.

By The Numbers

- 51,558 total attendance.
- 168 events hosted.
- 32 school division bookings.
- 17 Dr. H.A. McDonald Season performances.
- \$4,176,198 estimated economic impact in Lloydminster.



ENVIRONMENTAL SERVICES

Environmental Services

The City of Lloydminster formed the Environmental Services department by merging Waste Services and Water Services. This integration supports improved service delivery through shared resources, stronger collaboration, and operational efficiency. With unified leadership, the department aims to enhance both internal and external customer service.

Residents continue to receive uninterrupted service in waste and recycling, wastewater collection and treatment, and water treatment and distribution.



Waste and Recycling

Curbside Collection

- 5,605 tonnes of garbage collected.
- 1,935 tonnes of organics collected.
- 535 tonnes of blue bag recycling collected.
- 261 tonnes of contaminated organics recorded. (619 tonnes from 2024)

Diversion Rates

Diversion rate represents the portion of collected waste redirected from landfill disposal through recycling and organics programs.

- 40% average diversion rate achieved from July to August (60% landfilled / 40% diverted).
- 30% overall residential diversion rate achieved through organic and recycling programs.

Landfill

A total of 66,091 tonnes of material was received at the Lloydminster landfill:

- 25,203 tonnes landfilled
Includes general garbage and non-recoverable waste materials
- 22,015.7 tonnes diverted
Includes small and large items redirected from landfill disposal
- 16,561.3 tonnes recycled
Includes recyclable materials processed through approved programs
- 2,311 tonnes treated
Includes materials requiring specialized treatment prior to disposal

Community Cleanup

The annual Community Clean-Up event in 2025 provided residents of Lloydminster and surrounding areas with an opportunity to safely dispose of household hazardous materials. Supported by community partners and volunteers, the event successfully diverted 39 drums of hazardous waste from the landfill.

Distribution and Collection

The Distribution and Collection Team operates, maintains, and protects the City of Lloydminster's underground utility infrastructure, including potable water, sanitary sewer, and stormwater systems that support public health, environmental protection, fire services, and daily community operations.

The team manages key assets such as hydrants, valves, meters, storm ponds, drainage channels, catch basins, lift stations, and the Neale Edmunds Storm Water Complex, as well as the raw water intake and treated effluent pipelines. Responsibilities include maintaining drinking water quality through flushing and disinfection programs and responding to water quality concerns in accordance with regulatory standards.

The team also serves as first responders to water, sewer, and stormwater emergencies, helping protect property, maintain fire flow capacity, and minimize service disruptions.

Major Projects

- Continued proactive resident notifications regarding elevated water consumption caused by leaks such as running toilets and dripping taps.
- Ongoing replacement of aging underground infrastructure in coordination with Engineering Services and external contractors.
- Advanced strategic asset replacement planning based on pipe material, repair history, asset age, and system redundancy.
- In partnership with Engineering Services, completed construction of a new RV sanitary dump station at 5925 – 49 Avenue.

By The Numbers

- 2,000+ infrastructure inspections completed, including hydrants, valves, and vaults.
- 100+ underground repairs to water, sanitary, and stormwater systems.
- 107 sanitary service augering and camera inspections completed.
- 50% leak resolution success rate following resident notifications.
- 15 individual lot service replacements completed.

Did You Know?

- Over 50% of residents take immediate action after leak notifications, reducing water loss and extending infrastructure lifespan.
- The team works annually with Engineering Services and contractors to replace high-risk underground infrastructure based on asset age, repair history, material type, and system redundancy.
- Approximately 9 km of cast iron water main remains and is being systematically replaced to reduce service disruptions and support water quality.

Wastewater Treatment

The Wastewater Treatment team is responsible for treating all sanitary wastewater from the community before it is safely returned to the North Saskatchewan River. The department also manages the City's Source Control and Pollution Prevention Program and oversees the 35-kilometre treated effluent pipeline to the river.

Major Projects and Achievements

- Maintained 100% analytical compliance under the Water Security Agency Permit to Operate.
- Achieved 99.4% annual Biochemical Oxygen Demand (BOD) removal and 99.9% Total Suspended Solids (TSS) removal, supporting high effluent treatment performance.
- Installed a new 24-hour septic receiving station to improve service access and operational efficiency.
- Operators achieved advanced wastewater treatment certifications, strengthening operational expertise.
- Secured a new five-year Permit to Operate a Sewage Works agreement from the Water Security Agency.

By The Numbers

Treatment System

- 10 process blowers supporting lagoon, bioreactor, and membrane systems.
- 3 compressors operated and maintained.
- 26 pumps and associated electric motors maintained.
- 4 screening systems operated (6 mm bar screens and 2 mm band screens).
- 1,300 diffuser assemblies maintained.
- 3 clarifiers operated and maintained.
- 3 bioreactors operated and maintained.
- 18 ZeeWeed membrane cassettes maintained.

Operations

- 150+ regular maintenance tasks completed each month by Wastewater Treatment Facility staff.
- 3.7 million m³ of wastewater treated.
- 3.4 million m³ of treated effluent returned to the environment.
- 100% compliance with environmental discharge requirements.

Chemical Usage

- 20.3 m³ of sodium hypochlorite used.
- 16.0 m³ of citric acid used.
- 232 m³ of aluminum sulphate used.



Water Treatment

The Water Treatment team is responsible for the operation and maintenance of the river pump house, west end treated storage reservoir, and the Lloydminster Water Treatment Plant. The team also oversees contracted water supply services to the Cenovus Upgrader Booster Station (UBS), Alberta Central East (ACE) Water Corporation, and SaskWater's Prairie North Potable Water Supply System.

Ongoing facility upgrades and operational improvements ensure the delivery of safe, high-quality drinking water to Lloydminster residents and neighbouring communities.

Major Projects

- Collaborated with ISL Engineering to complete a Water Treatment Plant Assessment Report evaluating the condition, capacity, and future requirements of the City's water treatment infrastructure to support long-term planning.
- Partnered with Stantec Consulting to complete engineering, detailed design, and construction management for the Clarifier Rehabilitation Project, including mechanical system upgrades, structural and concrete repairs, and electrical and instrumentation improvements.
- Contributed to Phase 1 of the City of Lloydminster Asset Management Plan by compiling asset inventories, lifecycle information, and replacement values to support long-term capital planning.
- Completed the detailed engineering design, equipment selection, and installation of a modern flow-through travelling water screen at the River Pump House.

- Upgraded facility lighting by replacing existing fluorescent fixtures with energy-efficient LED lighting to improve illumination and reduce maintenance and energy consumption.
- Replaced existing flow meters at the West End Treated Storage Reservoir to improve measurement accuracy and support more effective monitoring and process control.

By The Numbers

- 4,084,424 m³ of treated water produced.
- 321,324 m³ of treated water supplied to neighbouring communities.
- 5,204,057 m³ of raw water pumped to the Cenovus Upgrader.
- 11,190 m³ average daily flow.
- 17,646 m³ peak daily flow.
- 10,000+ water tests completed across 75 parameters.
- 5 facilities operated and maintained.
- 7 full-time staff certified in Water Treatment (Class 1-4) and 1 Laboratory Technician.

Did You Know?

- The City of Lloydminster Water Treatment Plant was commissioned in 1983, when the community's population was 15,031. Today, the facility continues to provide reliable water service to a population of 36,946, including surrounding communities.
- In addition to Lloydminster, the Water Treatment Plant supplies treated water to Blackfoot, Kitscoty, Islay, Marwayne, Dewberry, Clandonald, Paradise Valley, Marshall, and Lashburn.





FINANCIAL DISCUSSION AND ANALYSIS



INTRODUCTION

The Annual Report explains important items, transactions, and events presented in the City of Lloydminster's financial statements. By comparing the 2025 financial data with past performance and budgeted figures, this report assesses the trends and factors that have impacted the City. Additionally, the report covers the City's key policies, practices, and methods for financial management and control. Readers can use this report to understand how the City manages its financial resources to provide services to Lloydminster.

Included in this report are the City's 2025 consolidated financial statements and notes, which have been prepared in accordance with the Canadian Public Sector Accounting Standards (PSAS). The City's auditor, WLS LLP, has audited the consolidated financial statements and provided the accompanying Independent Auditor's Report. The financial statement discussion and analysis in this report should be read in conjunction with the financial statements and notes. Management is responsible for the preparation of both the consolidated financial statements and the financial discussion and analysis.

Consolidated Statement of Financial Position

This statement reports on the City's financial assets, liabilities, non-financial assets, and accumulated surplus. This statement can be used to analyze the City's ability to finance future activities and fulfill past commitments.

Consolidated Statement of Operations and Accumulated Surplus

This statement reports the revenues earned and expenses incurred in the year, and the overall annual surplus or deficit for the year. It also summarizes the change in the accumulated surplus.

Consolidated Statement of Cash Flows

This statement reports the cash used and generated by operating, capital, investing, and financing activities. This statement can be used to understand the net change in cash and cash equivalents in the year.

Consolidated Statement of Changes in Net Financial Assets

This statement reports the changes in net financial assets at year-end and is a reconciliation between the surplus or deficit in the year to the change in net financial assets. The change in net financial assets is an indicator of whether revenues raised in the year were sufficient to cover the spending in the year.

FINANCIAL HIGHLIGHTS

The City's statement of financial position as of December 31, 2025, highlights its current financial state, investment decisions, and ability to sustain future operations. Net liabilities totaled \$2.5 million, reflecting a 163 percent decline (\$6.6 million) from 2024. This is due to increased investments in capital assets such as the Cenovus Energy Hub, which is using debt funding. The City's investment into capital assets also resulted in non-financial assets, which primarily consist of tangible capital assets, growing by 3 percent (\$21.6 million). The accumulated surplus grew similarly in 2025, largely due to the increase in tangible capital assets. Overall, the accumulated surplus is 89 percent comprised of equity in tangible capital assets, which leaves 11 percent of unrestricted surplus and reserves to fund future operations.

In 2025, over \$33 million of operational cash flow was generated. However, the overall cash balance decreased by \$27.9 million due to significant capital spending. The City did not take on any new debt in 2025 and continued making scheduled debt payments, leading to a decrease in long term debt of \$3.7 million. With the completion of Cenovus Energy Hub in 2025, the City's ongoing capital projects at year end were \$4.5 million, reflecting a 93 percent decrease (\$63.5 million) from 2024. The City remains focused on long-term capital asset development but faces liquidity risk, requiring careful cash flow management.

In 2025, total revenues surpassed budget expectations by 13 percent, driven primarily by higher user fees and sponsorships. Capital grants were significantly lower compared to 2024, particularly due to the receipt of one-time grants for the Cenovus Energy Hub in 2024. Operating expenses rose by 4 percent compared to 2024 due to inflation and rising costs of goods and services, collective agreement impacts, and the implementation of the new fire model.



FINANCIAL POSITION

| | 2022* | 2023* | 2024 | 2025 |
|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Financial Assets | \$ 136,434,970 | \$ 125,649,124 | \$ 110,837,316 | \$ 95,965,709 |
| Liabilities | (104,092,828) | (99,503,087) | (106,793,186) | (98,513,911) |
| Net Assets (Liabilities) | \$ 32,342,142 | \$ 26,146,037 | \$ 4,044,130 | \$ (2,548,202) |
| Non-Financial Assets | \$ 562,037,614 | \$ 585,974,591 | \$ 642,297,573 | \$ 663,932,884 |
| Accumulated Surplus | \$ 594,379,756 | \$ 612,120,628 | \$ 646,341,703 | \$ 661,384,682 |

*amounts have been restated for current year accounting policies, specifically the recognition of offsite assets and obligations on the statement of financial position. These figures have not been audited.

The statement of financial position shows the City's assets and liabilities as of specific point in time (December 31). This information shows the results of past decisions, such as where funds were invested and what debts were owed. It also helps demonstrate the City's ability to operate currently and provide services in the future. Three main components that tell this story are net assets, non-financial assets, and accumulated surplus.

Net Financial Assets

Net assets are the difference between the City's financial assets and liabilities. In simple terms, it is the amount of resources the City would have left after settling all obligations. This figure helps show how well the City can continue operating and providing services in the future. As of 2025, the City has \$2.5 million in net liabilities available for future operations. Since 2022, net assets have been decreasing primarily because the City has been investing in tangible capital assets (such as the Wastewater Treatment Plant and Cenovus Energy Hub) and taking on more debt to fund those investments. From 2024 to 2025, net assets decreased by \$6.6 million, meaning the funds the City generated in 2025 were less than the combined operating and capital spending.

Non-Financial Assets

Non-financial assets are not readily convertible to cash and do not generate cash. They are assets used by the City to provide municipal services to the community. Non-financial assets consist primarily of Tangible Capital Assets, such as roadways, utility infrastructure, recreation facilities, and other amenities. Non-financial assets have steadily increased since 2022, and from 2024 to 2025 the balance increased 3% or \$21.6 million. The City is prioritizing investing in capital assets to reduce the risk of asset failure, a challenge many municipalities are dealing with. Significant investment into tangible capital assets is required to keep pace with the deterioration of assets, otherwise the City would not be able to maintain its current service levels. As the cost of tangible capital assets continues to rise, delaying investment risks higher future costs and potential asset failure or inoperability.

Accumulated Surplus

Accumulated surplus is the total value of resources the City has invested over time. It is not a savings account but reflects how the City has used funds from previous years. This includes amounts set aside in reserves, as outlined in Schedule 1. Most of the accumulated surplus reflects the City's investment in tangible capital assets, such as buildings and infrastructure. Since 2022, the surplus has steadily grown as the City continues to invest surpluses in capital assets to support community services.

Cash

Cash is comprised of cash on hand and short-term investments with maturities of one year or less. Because the City uses accrual accounting, the annual surplus doesn't show how much cash was actually brought in during the year. The statement of cash flows helps explain this by showing the real movement of cash, and how it was generated and invested in the year.

In 2025, cash decreased \$30.6 million. 2025 operations generated over \$33 million of cash, largely due to a decrease in capital grants received compared to 2024. This helped fund the investment of \$49.8 million of cash into tangible capital assets, however prior year funds were required to supplement. This is the main reason for the decrease in cash. To ensure that the City has sufficient liquidity to maintain operations, administration monitors cash activities through budgeting and forecasting. Further, the City has access to a \$5 million demand operating credit facility that can be drawn upon if unexpected cash outflows arise.

Figure 1: Cash Flow (reported in thousands)

| | 2024 | 2025 |
|--|-------------------|-------------------|
| Opening Cash Balance | \$78,315 | \$58,536 |
| Cash Generated by Operations | 57,711 | 32,966 |
| Cash Invested in Capital | (79,021) | (49,762) |
| Cash Applied to Investing | (3,865) | (7,384) |
| Cash Generated by Financing | 6,512 | (3,739) |
| Increase (Decrease) in Restricted Cash | (1,116) | (2,693) |
| Ending Cash Balance | \$58,536 | \$27,925 |
| Total (Decrease) in Cash | (\$19,779) | (\$30,612) |

Receivables

Receivables are amounts the City is owed, which include taxes, grants, and other payments. The balance of tax receivable has been increasing as municipal tax revenue grows. The City has significant legislative power to enforce tax collections and believes all tax amounts owed will eventually be collected. In 2025, the City collected 95 percent of current year taxes within the year. Trade and other receivables include utility bills, grants the City is waiting to receive, and interest receivable on investments. These amounts can fluctuate between

years depending on when grants are paid or when services are provided. The City follows established processes to collect these payments and considers the risk of not getting paid for trade receivables to be low.

The stormwater offsite levy reserve shows as a receivable because the City paid for projects ahead of receiving money from developers. As the City receives these funds in the future, this receivable amount will decrease. Reference Note 12 to the financial statements for further offsite discussion.

Land and Inventories for Resale

The City's land and inventory for resale is made up of residential, industrial, and commercial land available for sale, as well as a minimal amount of other inventory for resale. Raw land and land that has not yet been developed for sale has been classified separately as Land for Development. Activity in 2025 included multiple lot sales and further development of the Commercial Retail Units (CRUs) at Cenovus Energy Hub site.

Investments

There is often a gap between when the City receives money and when it is spent on its intended use. This can include money in reserves, grant funds, capital funding, and operating surpluses. During this time, the City takes the opportunity to invest the money and earn a return. These returns (investment income) are an additional funding source for operations, except in some limited instances where investment income is restricted for specific purposes.

The City holds temporary investments, which mature in less than one year, and long-term investments which mature greater than one year. Total investments increased by 5 percent in 2025, with \$20 million invested and \$18 million maturing during the year. The return on these investments was 4.5 percent in 2025. Currently, investments are primarily in guaranteed investment certificates (GICs), chosen for their low risk. This aligns with the City's investment policy, which prioritizes protecting the principal.

To maintain flexibility, investments are made to mature at regular intervals. This prevents too much cash from being locked up at any one time. No investment is allowed to have maturity longer than five years. Liquidity is a key consideration in every investment decision. The City ensures it always has enough cash to meet both short- and long-term needs by relying on forecasting, budgeting, and scenario analysis. In 2025, the City had limited funds available for investment due to the high cash flow requirements for the construction of Cenovus Energy Hub. Additionally, with interest rates declining through the year, the returns on investment became less attractive.

Figure 2: Investments (reported in thousands)

| | 2024 | 2025 |
|--------------------------|-----------------|-----------------|
| Long Term Investments | \$23,129 | \$33,206 |
| Temporary Investments | 18,068 | 10,071 |
| Total Investments | \$41,197 | \$43,277 |

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consist of unpaid amounts due to vendors and other entities, such as the RCMP contract, and accrued debenture interest owing. In 2025, trade payables decreased by 39 percent due to the payment of contract holdbacks related to capital work ongoing at Cenovus Energy Hub. The City follows the Prompt Payment rules in Alberta and Saskatchewan, when they apply. These rules make sure contractors are paid on time, and that any required holdbacks (money held to protect contractors and subcontractors) are kept and released at the right time.

The City contracts the RCMP to provide police services to the community. The cost of these services has increased each year due to higher costs per officer and the addition of more officers. As of December 31, 2025, the City estimated retro pay costs of \$121 thousand, which will be confirmed in 2026.

Deferred Revenue

Deferred revenue represents funds received for services that the City has not yet performed, or government grant funds received with stipulations that the City has not yet met. Deferred revenue increased in 2025 largely due to an increased balance in property tax prepayments.

Deferred Offsites

The City collects offsites from developers to help fund the cost of infrastructure that is required to be constructed to service new development. When the City builds eligible infrastructure, offsite funds can help cover the cost completely or partially, and the funds are then recognized as revenue. The balance of offsites changes depending on the level of development and the infrastructure projects being worked on. Deferred offsites increased nominally in 2025 (\$51 thousand) due to contributions from developers. Reference Note 12 to the financial statements for further offsite discussion.

Asset Retirement Obligations

Asset Retirement Obligations are legal obligations associated with the retirement of tangible capital assets. The City has recognized obligations related to the closure of current and historic landfills, building and engineered structure demolitions, and asbestos remediation. In 2025, the obligation increased \$236 thousand largely due to accretion expense. More information regarding Asset Retirement Obligations can be found in Note 17 of the financial statements.

Long-Term Debt

When an asset will benefit the residents of Lloydminster for many years, it is equitable for the community to pay for it over time. Using long-term debt allows the City to spread the cost of the asset over 20-30 years, so residents share the payment across generations. This approach ensures the residents who pay for the assets are also the ones who benefit from it, while also reducing the immediate cost on current residents when the asset is first purchased or built. Without using debt, the City could only invest in infrastructure when it had enough cash saved up, which would slow development and be an inefficient way to manage finances. However, high debt servicing costs (the amount of annual debt and interest payments the City owes) can reduce the City's ability to operate effectively or respond to emergent situations. For this reason, both the debt limit and debt service limit are closely monitored to minimize the impact to residents.

The City has two categories of debt:

- 1. Tax Supported** – debt issued for capital expenditures that will be repaid in whole from tax revenues.
- 2. Utility Supported** – debt issued for utility related (water, wastewater, stormwater, or landfill) capital expenditures that will be repaid in whole from utility related user fees.

In 2025, the City's tax supported debt decreased by \$2.4 million. This was the result of scheduled debt payments. Previous projects funded by tax-supported debt include City buildings (such as the RCMP building, Fire Hall, and Operations Centre) and recreation facilities like the Russ Robertson Expansion and Cenovus Energy Hub.

Utility supported debt decreased \$1.3 million due to scheduled principal payments. Utility supported debt outstanding is primarily related to the construction of the new Wastewater Treatment Plant.

Figure 3: Long Term Debt (reported in thousands)

| | Tax Supported | Utility Supported | Total Debt |
|--------------------|-----------------|-------------------|-----------------|
| Opening | \$30,896 | \$31,509 | \$62,405 |
| Additions | - | - | - |
| Principal Payments | (2,436) | (1,303) | (3,739) |
| Ending | \$28,460 | \$30,206 | \$58,666 |

The City is limited on how much debt can be taken out by section 185(1) of *The Lloydminster Charter*. There are two separate limits: the debt limit and the debt service limit.

Debt Limit: The City's total debt cannot exceed 1.5 times the consolidated annual revenue (excluding capital grants and contributed assets)

Debt Service Limit: The City's annual debt payments cannot exceed 0.25 times the consolidated annual revenue (excluding capital grants and contributed assets)

Figure 4: Debt Limit (reported in thousands)

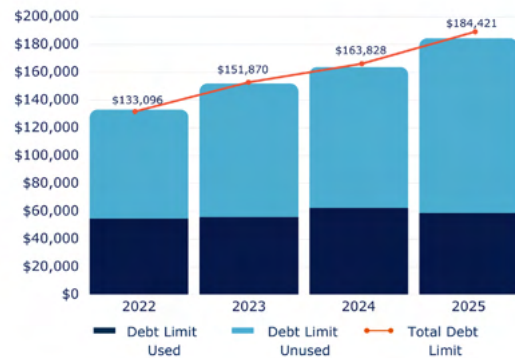
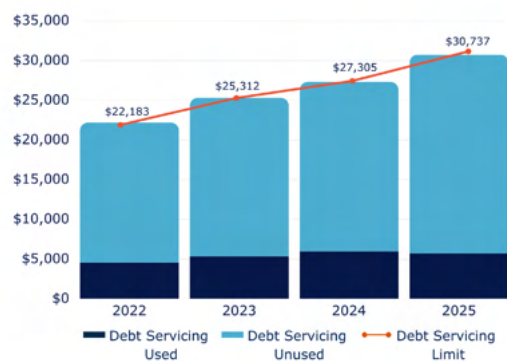


Figure 5: Debt Servicing Limit (reported in thousands)



Although the City's debt and debt servicing have increased since 2022, both remain well within the limits established by *The Lloydminster Charter*.

Tangible Capital Assets

Tangible capital assets are first recorded at the cost to buy or construct them. Since these assets are used for many years (sometimes decades), the full cost isn't recorded as an expense when purchased. Instead, each year, a portion of the asset's value is recorded as an expense (called amortization). The net book value of the asset is calculated by subtracting the total amount of amortization recorded from its original cost. This gives an estimate of how much value is left in the asset.

In 2025, the net book value of the City's tangible capital assets increased by \$20.6 million. This means the City invested more into tangible capital assets than what was consumed through service delivery or disposed of in the year.

Figure 6: Net Book Value of Tangible Capital Assets (reported in thousands)

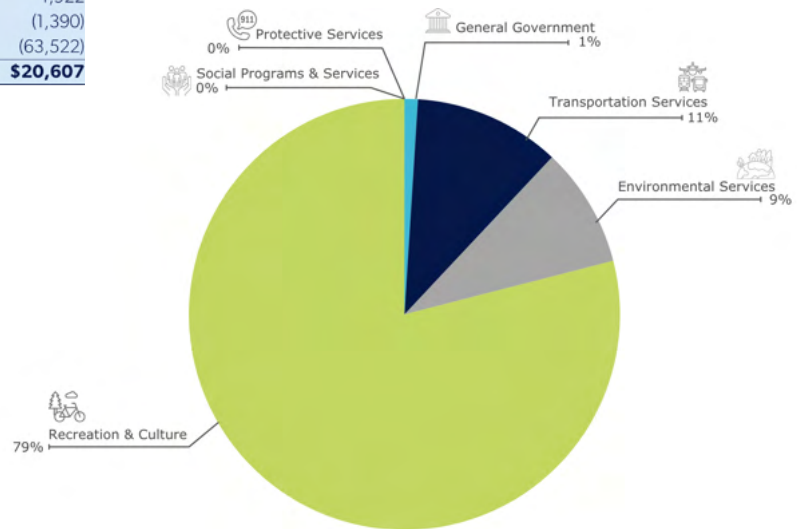
| | 2024 | 2025 | Increase/ (Decrease) |
|--------------------------|------------------|------------------|----------------------|
| Land | \$32,570 | \$33,652 | \$1,081 |
| Land Improvements | 23,833 | 30,859 | 7,026 |
| Buildings | 93,975 | 169,465 | 75,490 |
| Machinery & Equipment | 17,999 | 19,920 | 1,922 |
| Engineering Structures | 394,077 | 392,687 | (1,390) |
| Construction in Progress | 68,075 | 4,553 | (63,522) |
| | \$630,529 | \$651,136 | \$20,607 |

In 2025, the City spent \$46 million on projects completed in the year and \$4 million on projects that are ongoing as of December 31, 2025. Additionally, \$67 million worth of work from previous years was finished and put into use. Some major completed projects included:

- \$97.4 million for Cenovus Energy Hub
- \$3.1 million for street improvements
- \$2.6 million for wastewater collection improvements
- \$1.9 million for building repairs at the Russ Robertson arena
- \$1.8 million for storm drainage improvements

The capital work completed in 2025, and those still in progress at the end of the year, supported the various City service areas as shown in Figure 7.

Figure 7: 2025 Additions to Tangible Capital Assets



By the end of 2025, the City had \$4.5 million in ongoing capital projects (Construction in Progress), mostly related to street improvements throughout the City.

Reserves

Reserves are funds that municipalities set aside from their revenues to pay for future operating and capital expenditures. All reserve transactions are approved by Council who ultimately decides how much money to save and for what purposes (with some limits for restricted reserves). The City uses reserves to save for large capital asset projects, maintain assets over time, and support municipal programs and services. Reserves also help manage changes in operating costs and drops in revenue, which can help keep property taxes stable and predictable.

In 2025, reserves increased by \$14.4 million. Funds contributed to reserves for future use totaled \$38.7 million while \$21.2 million of reserve funds were used to fund capital projects, and \$3.1 million of reserve funds were used to fund operations.

Figure 8: Reserves (reported in thousands)

| | 2024 | 2025 |
|-----------------------|-----------------|-----------------|
| Restricted Reserves | \$910 | \$591 |
| Unrestricted Reserves | 58,432 | 73,147 |
| Total Reserves | \$59,342 | \$73,738 |

The City organizes its unrestricted reserves into two categories: operating reserves and capital reserves. Operating reserves are predominantly used to mitigate the impact of fluctuations in operating costs or revenues and help to eliminate fluctuating tax rates. Capital reserves are used to fund capital projects and are key to funding future projects and long-term financial planning. Other reserves exist for specific purposes such as the Resiliency Reserve which is held for unforeseen or extraordinary events. The City Manager Contingency Reserve is for time sensitive and emergent expenditures and does not require Council approval to utilize, however periodic reporting is prepared for Council.

In a general sense, reserves are comprised of the City’s cash and investments that are reported on the Statement of Financial Position. The reserves are not in addition to the cash and investment balance. Since cash and investments are necessary to run day-to-day operations and generate investment income, it is prudent that the City maintains an adequate level of reserves to accomplish those goals. Should reserve levels get too low, the City may not generate enough investment income or have enough cash on hand for day-to-day operations.

A schedule of the activity in reserves has been provided in Note 21 to the financial statements.

FINANCIAL OPERATIONS

| | 2022 | 2023 | 2024 | 2025 |
|------------------------------------|-----------------------|----------------------|----------------------|----------------------|
| Revenue | \$ 89,092,283 | \$ 101,654,498 | \$ 109,443,077 | \$ 123,258,816 |
| Expenses | (97,426,826) | (102,363,430) | (109,664,245) | (114,512,444) |
| Capital Revenues | 26,226,709 | 18,459,856 | 34,442,243 | 6,158,930 |
| Surplus | \$ 17,892,166 | \$ 17,750,924 | \$ 34,221,075 | \$ 14,905,302 |
| Less: Capital Revenues | \$ (26,226,709) | \$ (18,459,856) | \$ (34,442,243) | \$ (6,158,930) |
| Operating Surplus (Deficit) | \$ (8,334,543) | \$ (708,932) | \$ (221,168) | \$ 8,746,372 |

The Consolidated Statement of Operations and Accumulated Surplus includes operating revenues and expenses, as well as capital revenues, but excludes capital expenses. This is because funds spent on purchasing and building tangible capital assets are added to the asset's value, not recorded as expenses. While the City has had surpluses since 2022, much of this is due to capital revenues, which were invested in tangible capital assets rather than used for daily operations. When you remove capital revenues, the City's operations sometimes run at a deficit depending on the level of capital revenues received. To cover this gap and stabilize tax rates and user fees, the City transfers funds from reserves to support its operations.

The annual surplus does not represent cash available to the City, nor does it indicate that the City has overcharged property taxes. It is just one piece of the puzzle and must be considered alongside other information, such as the Statement of Cash Flows, for a complete understanding.

2025 was a strong year with revenues surpassing budget expectations and expenses remaining on target. Operating revenues grew by 13 percent compared to 2024, driven by increases in franchise fees, user fees and sales of goods and municipal property taxes. Operating expenses rose by 4 percent compared to 2024 due to inflation and rising costs of goods and services, collective agreement impacts, new fire model being implemented, and the start-up of Cenovus Energy Hub operations.

Capital revenues come from government grants and contributed assets. These revenues are recorded only when the related capital expenditures occur. As a result, capital revenues can change from year to year, depending on the timing of capital projects and when the capital costs are made. The City has received significant capital grant funding from the Alberta, Saskatchewan, and Federal government for the new Wastewater Treatment Facility (2021-2023), and from the Saskatchewan and Federal government for the new Cenovus Energy Hub (2023-2024). Capital revenues in 2025 were predominantly from capital grants the City receives on an annual basis with no large one-time grants being recognized in the year.

Revenues – Comparison of Budget to Actuals

| | 2025 Budget | 2025 Actuals | Budget to Actual Variance |
|------------------------------------|-----------------------|-----------------------|---------------------------|
| Revenue | | | |
| Net Municipal Taxes | \$ 49,991,536 | \$ 50,020,846 | 0% |
| User Fees and Sales of Goods | 38,027,148 | 55,354,539 | 46% |
| Government Transfers for Operating | 5,036,935 | 5,455,887 | 8% |
| Investment Income | 3,030,000 | 2,856,300 | (6%) |
| Penalties and Costs of Taxes | 858,400 | 1,016,199 | 18% |
| Fine Revenue | 485,000 | 529,393 | 9% |
| Development Levies | - | 1,226,597 | 0% |
| Licenses and Permits | 1,133,323 | 1,363,724 | 20% |
| Franchise and Concession Contracts | 8,522,218 | 8,508,563 | (0%) |
| Gain (Loss) on Asset Disposal | - | (3,591,477) | 0% |
| Other Income | 75,000 | 518,245 | 591% |
| | \$ 107,159,560 | \$ 123,258,816 | 15% |
| Other | | | |
| Contributed Assets | \$ - | \$ 261,645 | - |
| Government Transfers for Capital | 7,608,961 | 5,897,285 | (22%) |
| | \$ 7,608,961 | \$ 6,158,930 | (19%) |
| Total Revenue | \$ 114,768,521 | \$ 129,417,746 | 13% |

Total revenues surpassed budget expectations by 13 percent for 2025, largely due to the following:

User fees and Sales of Goods exceeded the budget by \$17.3 million.

- \$14.5 million increased utility revenue, including a one-time payment related to an industrial utility contract.
- \$1.3 million in extra revenue came from the Land Division, due to increased lot sales.
- \$0.6 million in additional revenue due to increased recreation facility use.

Investment Income was nearly \$0.2 million under budget as a result of lower interest rates in both the City's bank account and investments. The 2025 budget assumed interest rates would decline and that less cash would be available for investment. Rates did decrease in 2025, however the impact was more significant than expected.

Penalties and Cost of Taxes exceeded expectations by \$0.1 million as penalties on taxes, both current and arrears, were higher than anticipated. The City imposes penalties on outstanding taxes as per its Tax Penalty Bylaw with penalties being imposed multiple times per year, ranging from 3 percent to 5 percent on each penalty date.

Other Income is largely unbudgeted due to its unpredictable nature and inconsistency year over year, which resulted in a \$0.4 million positive variance. Other revenue sources included donations, fundraising, and cost recoveries.

Revenues – Comparison of Prior Year to Current Year Actuals

| | 2024 Actuals | 2025 Actuals | Year over Year Variance |
|------------------------------------|-----------------------|-----------------------|-------------------------|
| Revenue | | | |
| Net Municipal Taxes | \$ 46,267,528 | \$ 50,020,846 | 8% |
| User Fees and Sales of Goods | 41,993,386 | 55,354,539 | 32% |
| Government Transfers for Operating | 5,223,732 | 5,455,887 | 4% |
| Investment Income | 4,610,965 | 2,856,300 | (38%) |
| Penalties and Costs of Taxes | 875,558 | 1,016,199 | 16% |
| Fine Revenue | 573,512 | 529,393 | (8%) |
| Development Levies | - | 1,226,597 | 0% |
| Licenses and Permits | 1,001,216 | 1,363,724 | 36% |
| Franchise and Concession Contracts | 7,623,209 | 8,508,563 | 12% |
| Gain (Loss) on Asset Disposal | 288,664 | (3,591,477) | - |
| Other Income | 985,307 | 518,245 | -47% |
| | \$ 109,443,077 | \$ 123,258,816 | 13% |
| Other | | | |
| Contributed Assets | \$ 1,353,720 | \$ 261,645 | (81%) |
| Government Transfers for Capital | 33,088,523 | 5,897,285 | (82%) |
| | \$ 34,442,243 | \$ 6,158,930 | (82%) |
| Total Revenue | \$ 143,885,320 | \$ 129,417,746 | (10%) |

Total revenues in 2025 were 10 percent lower than the previous year, largely due to the following:

Net Municipal Taxes were \$3.7 million higher than 2024. This is due to a combination of increased mill rates and increased taxable assessment.

User Fees and Sales of Goods increased nearly \$13.4 million from 2024.

- \$15 million increase from 2024 for utility revenue, including a one-time payment related to an industrial utility contract.
- \$1.2 million was received from the RCMP to support 2024 renovations for the Saskatchewan Crime Reduction Unit. This was a one-time payment and was not received in 2025.
- \$1.8 million less in sponsorships for Cenovus Energy Hub compared to 2024.
- \$0.4 million increase in land sales.
- \$0.4 million increase related to recreation facility use.

Investment Income decreased \$1.7 million from 2024, primarily due to fewer funds available for

investment. In 2024 and 2025, significant construction on Cenovus Energy Hub utilized a large portion of the City's available cash. Additionally, declining interest rates impacted the City's earnings on both its bank accounts and potential future investments.

Other Income is unpredictable and varies from year to year. In 2024, a significant \$0.5 million contribution from a neighboring municipality toward the Cenovus Energy Hub project accounted for nearly all the negative variances.

Franchise and Concession Contracts increased \$0.9 million from 2024. This increase is due to a combination of increased rates on electricity and natural gas as well as higher utility usage throughout the City.

Government Transfers for Capital show a negative variance of \$27 million below grant funds utilized in 2024. The City has been fortunate to receive substantial capital grants in recent years to support the Cenovus Energy Hub. In 2025, construction of Cenovus Hub began to wind down, accounting for nearly all of the reduction in grant funding received in 2025.

Expenses – Comparison of Budget to Actuals

| | 2025 Budget | 2025 Actuals | Budget to Actual Variance |
|-------------------------|-----------------------|-----------------------|---------------------------|
| General Government | \$ 18,368,227 | \$ 17,699,596 | (4%) |
| Protective Services | 23,121,912 | 21,980,973 | (5%) |
| Transportation Services | 20,751,732 | 20,777,700 | 0% |
| Environmental Services | 22,984,975 | 24,851,070 | 8% |
| Social Services | 1,887,783 | 2,185,308 | 16% |
| Planning & Development | 3,145,910 | 3,673,204 | 17% |
| Recreation & Culture | 24,284,755 | 23,344,593 | (4%) |
| Total Expenses | \$ 114,545,294 | \$ 114,512,444 | (0%) |

Overall, expenses for 2025 were on budget. However, certain divisions had variances.

General Government was under budget by \$0.7 million, primarily due to turnover and vacancies and contracted service expenses. Finance, Legislative Services, and IT experienced staff vacancies throughout the year. IT, Employee Relations, and GIS, spent less than budgeted on contracted services, in part due to unexpected issues that delayed project work.

Protective Services was under budget by \$1.1 million, primarily due to lower RCMP contracted service expenses. These lower RCMP costs are due to vacancies in RCMP which in turn results in lower costs being passed onto the City.

Environmental Services' actual expenses exceeded the budget by \$1.9 million, primarily due to higher-than-expected amortization. The new Wastewater Treatment Facility capitalization classes – and expected useful lives - varied from initial budget estimates which resulted in a difference of annual amortization.

Social Services was over budget by \$0.3 million, which represents 16 percent of their overall budget. The Senior Taxi Program was utilized higher than anticipated and a portion of these costs are offset by increased revenue. The City was also successful in securing unbudgeted grant funds which get transferred to third parties as part of the grant agreement.

Planning & Development's actual expenses exceeded the budget by \$0.5 million. This was due to unbudgeted land sales resulting in higher cost of sales expense in 2025. The City offers a variety of lots for sale, including residential, industrial, and commercial. The cost of sales reflects the investment made to prepare these lots for the market and varies by development.

Recreation & Culture was under budget by \$0.9 million. As part of the City's cash management strategy, it deferred the second debenture draw for Cenovus Energy Hub which resulted in lower interest expenses incurred in the year.

Expenses – Comparison of Prior Year to Current Year Actuals

| | 2024 Actuals | 2025 Actuals | Year over Year Variance |
|---------------------------------------|-----------------------|-----------------------|-------------------------|
| Expenses before Amortization | | | |
| Salaries, Wages and Benefits | \$ 39,964,023 | \$ 42,310,794 | 6% |
| Contracted and General Services | 27,990,212 | 27,928,951 | (0%) |
| Utilities | 6,928,251 | 7,022,653 | 1% |
| Materials and Goods | 4,771,407 | 5,539,103 | 16% |
| Transfers to Local Boards or Agencies | 1,640,409 | 1,746,249 | 6% |
| Other | 1,985,740 | 1,927,738 | (3%) |
| Interest on Long Term Debt | 1,843,187 | 2,211,590 | 20% |
| | \$ 85,123,229 | \$ 88,687,078 | 4% |
| Other | | | |
| Amortization | \$ 24,541,016 | \$ 25,825,366 | 5% |
| Total Expenses | \$ 109,664,245 | \$ 114,512,444 | 4% |

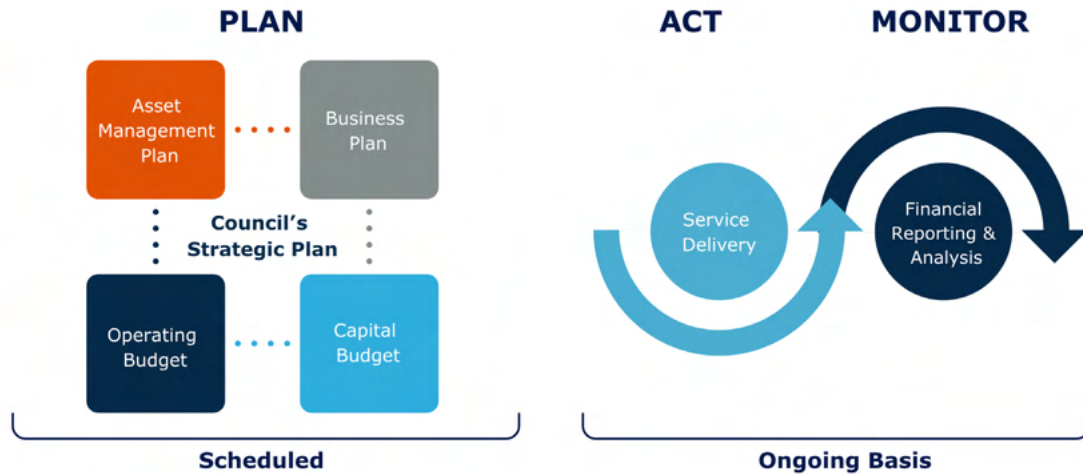
Total expenses in 2025 were 4 percent higher than in 2024, largely due to the following:

Salaries, Wages and Benefits increased \$2.3 million compared to 2024. The City's workforce includes employees from two unions, CUPE and IAFF, as well as non-unionized staff. In 2025, most employees received a contractual rate and benefit contribution adjustment. Additionally, benefit costs rose due to inflation.

Materials and Goods had \$0.7 million more expenses than 2024. This was driven by inflation which saw prices increase for various departments throughout the City as well as increased protective clothing for the Lloydminster Fire Rescue. Additionally, chemical usage rose at the new wastewater treatment facility which can vary year to year based on weather conditions.

Interest on Long Term Debt was higher compared to 2024 by \$0.4 million as the first debenture draw for Cenovus Energy Hub was drawn in late 2024.

SUMMARY OF FISCAL PRINCIPLES, PRACTICES, AND POLICIES



Planning and Budgeting

City Council created a strategic plan for 2025-2029 that focuses on smart decisions that support our economy, environment, and quality of life. This strategic plan sets the course that Council and Administration will work toward achieving.

Each year, managers create business plans and budgets for their departments. These plans focus on how each department will help achieve Council’s strategic plan, and managers are challenged to work within limited resources to achieve these goals. These business plans and budgets are also influenced by input from the community, which is gathered through an engagement process which includes surveys, online platforms, and consultations. By the end of August, each manager has completed business plan, along with proposed operating and capital budget.

In September, the Executive Leadership Team (ELT) carefully review these plans and budgets, making adjustments where necessary. After their review, a proposed budget is finalized, which is then presented to the Council for approval in October. It is imperative that the City has an approved budget before the

beginning of the year to ensure there is proper governance in place for spending. The 2025 budget was approved on November 25, 2024.

The City follows the legislative budget requirements set out in *The Lloydminster Charter*. It specifies the timelines for budget preparation and the procedures for their adoption. Additionally, it provides clear guidelines on the types of revenues, expenses, and transfers that must be included in the budget.

The City uses a modified cash flow budgeting method. This means that money saved (through transfers to reserves) is treated as an expense. Further, if there is a shortfall in operational or capital funding, the City can use reserve funds to make up the difference (through transfers from reserves). This approach is different from how these items are accounted for in the annual audited financial statements, which follow Public Sector Accounting Standards. Because of these differences, the budget in the audited financial statements does not match the budget approved by the Council. These differences are explained and reconciled in Note 27 to the financial statements.

Accounting Process and Financial Reporting

The City is divided into various departments, each responsible for managing its own services. However, all accounting and financial reporting is centralized within a single system maintained by the Finance department. This centralization ensures better oversight and consistency in transactions, resulting in more reliable financial reports.

Managers review budget-to-actual financial reports for their departments each month. Every quarter, the Finance department consolidates all financial results into a report for Council's information. This report is prepared using the same modified cash basis as the operating budget, making it easy for Council and other users to compare the approved budget with the actual financial results. This report also includes an update on the status of all approved capital projects, including how much has been spent to date.

Auditing

Pursuant to *The Lloydminster Charter*, the City must appoint an auditor for the municipality. In June 2025, Council appointed WLS LLP to perform the audit of the City's 2025 consolidated financial statement.

The role of the external auditor is to express an opinion as to whether the consolidated financial statements present fairly, in all material respects, the consolidated statement of financial position, consolidated statements of operations and accumulated surplus, change in net financial assets (debt) and cash flows in accordance with Canadian public sector accounting standards. The City is required by *The Lloydminster Charter* to prepare annual financial statements by May 1, for the preceding year.

Fiduciary Duty

The City of Lloydminster, through both Council and Administration, holds a fiduciary responsibility to effectively manage its assets on behalf of residents. To uphold this duty, the City has established a framework of principles, practices, and policies that guide ethical conduct, promote transparency, and support sound governance. Like any large organization, the City faces potential risks such as misappropriation of funds, conflicts of interest, and lack of accountability. To mitigate these risks, internal controls and regular audits are in place. Additionally, targeted policies have been developed to provide clear, consistent guidance in specific areas. These policies eliminate ambiguity and increase accountability.

Capital Asset Management

The City has made major investments in capital assets to provide services to the community, resulting in a large amount of infrastructure that needs regular maintenance and eventual replacement. Keeping up with the required maintenance and replacements is difficult due to limited funding, changing provincial and federal grants, and rising costs; however, if the City doesn't invest enough in its assets, it can lead to overuse, service interruptions, and more urgent maintenance needs. Over time, this can result in higher costs, as emergency repairs and replacements are often more expensive than regular, planned maintenance and upgrades. The current funding isn't enough to meet the capital asset needs of a growing City, which creates a risk to long-term sustainability.

To address these challenges, the following policies have been put in place to provide clear and consistent practices.

Asset Management Policy: This policy promotes effective, collaborative asset management by balancing community needs, costs, risks, and asset performance while ensuring transparency, compliance, and long-term sustainability.

Tangible Capital Asset Policy: This policy ensures consistent accounting for tangible capital assets in line with Public Sector Accounting Standards, supporting stewardship, cost tracking, and transparency in municipal service delivery.

Asset Disposal Policy: This policy provides guidance to Administration on how to dispose of assets in the best manner, considering financial return to the City, the City's need for the asset, and administrative efficiency.

Treasury Management

The City has limited financial resources and must carefully manage its funds to get the best financial return while making sure there is enough money for its day-to-day operations. Treasury management plays a key role in this process. It involves keeping track of cash flow, managing investments, and ensuring there's enough money available to cover both short-term and long-term expenses. Without good treasury management, the City could face a liquidity risk, meaning it might struggle to meet its financial obligations due to a lack of available funds. By using proper treasury practices, the City works to keep its finances stable and ensure it has the money needed when necessary.

Financial Administration Bylaw: This bylaw, as required by *The Lloydminster Charter*, designates financial institutions for City accounts, establishes authorized positions for account management, and enforces dual authorization and City-held accounts to ensure strong financial controls.

Investment Policy: This policy, in line with *The Lloydminster Charter*, guides the City's prudent investment practices by prioritizing capital preservation, liquidity, optimal returns, and risk management through diversification and investment limits.

Reserves Policy: This policy ensures effective oversight of reserves to support financial sustainability, requiring Council authorization for reserve changes and transactions, and distinguishing between legislated Restricted Reserves and Council-directed Unrestricted Reserves.

Debt Management for Capital Expenditure Policy: This policy outlines responsible debt use to support the City's long-term capital plan when other funding is insufficient, future income or savings can repay the debt, or costs should be shared over time, while adhering to debt limits set by *The Lloydminster Charter*.

Financial Operations

In its daily operations, the City faces different risks, which are managed and reduced through various strategies. One of these risks is credit risk, which happens if taxpayers or organizations the City provides services to face financial problems and can't pay what they owe. Another risk is regulatory risk, which occurs if the City fails to follow rules and laws, like those related to procurement or issuing donation receipts. The City has established policies in place to help mitigate these risks.

Accounts Receivable Policy: This policy establishes clear, consistent rules for managing customer accounts, invoicing, payments, and collections to ensure fairness, accuracy, and efficient processing.

Donation Policy: The purpose of this policy is to ensure fair and transparent treatment of donations received or disbursed by the City while maintaining compliance with all relevant regulations and legislation.

Procurement and Purchasing Policy: This policy outlines the City's ethical, legal, and competitive procurement practices to ensure fairness, transparency, best value, and the avoidance of conflicts of interest.

Purchasing Card Policy: This policy defines approved purchasing card use, sets usage limits, outlines administrative responsibilities, and ensures oversight through monthly audits and quarterly reviews by the Executive Leadership Team.

Signing Authority Policy: This policy clarifies roles and responsibilities by identifying individuals authorized to execute, approve, and sign contracts and other documents on behalf of the City, while establishing transparent limits on their authority.

Tax Arrears Agreement Policy: This policy ensures a consistent, fair approach to tax arrears agreements, offering equitable solutions tailored to individual taxpayers' circumstances.

CONCLUSION

In 2025, the City successfully completed the construction of the Cenovus Energy Hub, another major capital project that positions Lloydminster as an event destination and further enhances recreation opportunities for the region.

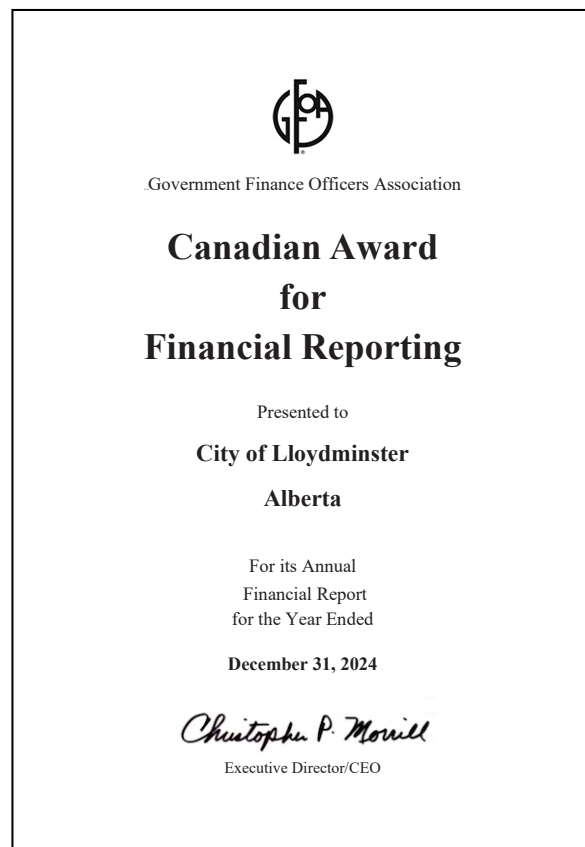
Like other major capital projects, such as the Wastewater Treatment Facility and Fire Hall 1, a portion of the costs were financed by long-term debt alongside other sources, such as grants, and fundraising proceeds. The costs and benefits of these public services will be equitably distributed across current and future generations.

A sound long-term financial plan is essential to building a strong and sustainable future for Lloydminster. This year, we continued to take a disciplined and strategic approach to managing the City's finances, ensuring that today's decisions support tomorrow's opportunities. By responsibly leveraging financing tools, we can invest in critical improvements while balancing affordability and long-term financial stability.

Our commitment remains focused on transparency, fiscal responsibility, and creating lasting value. Through careful planning and strategic investments, we are positioned to be resilient, adaptable, and prepared for the future.



Adèle Wakaruk, CPA
Executive Manager, Corporate Services
May 25, 2026





CONSOLIDATED FINANCIAL STATEMENTS

Year Ended Decemeber 31, 2025

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management of the City of Lloydminster is responsible for the preparation, accuracy, objectivity and integrity of the accompanying consolidated financial statements and all other information contained within this Financial Report. Management believes that the consolidated financial statements present fairly the City of Lloydminster's financial position as at December 31, 2025 and the results of its operations for the year then ended.

The consolidated financial statements have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards (PSAS).

The consolidated financial statements include certain amounts based on estimates and judgments. Such amounts have been determined on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly in all material respects.

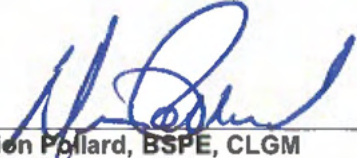
In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintains a system of internal controls to produce reliable information and to meet reporting requirements on a timely basis. The system is designed to provide management with reasonable assurance that transactions are properly authorized, and assets are properly accounted for and safeguarded.

These systems are monitored and evaluated by management and reliable financial information is available for preparation of the consolidated financial statements.

The City of Lloydminster council carries out its responsibilities for review of the consolidated financial statements principally through its council as a whole. Council meets annually with management and external auditors to discuss the results of audit examinations and financial reporting matters.

The external auditors have full access to council with and without the presence of management. The City of Lloydminster council has approved the consolidated financial statements.

The consolidated financial statements have been audited by WLS LLP, Chartered Professional Accountants, independent external auditors appointed by the City of Lloydminster. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the City of Lloydminster's consolidated financial statements.



Dion Pollard, BSPE, CLGM
City Manager

April 20, 2026



Ryan Hill, CPA, CA
Manager, Financial Planning & Analysis

April 20, 2026



CHARTERED PROFESSIONAL ACCOUNTANTS

780.875.9144 780.875.6056 wlsca.com
6305 43rd Street Lloydminster, AB T9V 2W9

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Councillors of the City of Lloydminster

Opinion

We have audited the consolidated financial statements of the City of Lloydminster, which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City of Lloydminster as at December 31, 2025, and the consolidated results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of our report. We are independent of the City of Lloydminster in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

Those charged with governance are responsible for overseeing the City of Lloydminster's financial reporting process.

Auditor's Responsibility for the Audit of Consolidated 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 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 judgement and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Lloydminster's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City of Lloydminster's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City of Lloydminster to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including 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.

April 20, 2026
Lloydminster, Alberta

WLS LLP

Chartered Professional Accountants

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2025

| | | 2025 | (restated) 2024 |
|--|------------|-----------------------|-----------------------|
| Financial Assets | | | |
| Cash and Temporary Investments | Note 3 | \$27,924,784 | \$58,536,450 |
| Receivables | | | |
| Taxes Receivable and Grants in Lieu | Note 4 | 4,834,337 | 3,990,513 |
| Trade and Other Receivable | Note 5 | 22,298,012 | 16,160,179 |
| Offsite Receivable | Note 12 | 2,780,844 | 2,897,007 |
| Land and Inventories for resale | Note 6 | 4,922,062 | 6,124,380 |
| Investments | Note 8 | 33,205,670 | 23,128,787 |
| Total Financial Assets | | \$ 95,965,709 | \$ 110,837,316 |
| Liabilities | | | |
| Accounts Payable and Accrued Liabilities | Note 9 | \$ 10,073,214 | \$ 15,578,730 |
| Deposit Liabilities | Note 10 | 753,074 | 1,007,680 |
| Deferred Revenue | Note 11 | 7,526,005 | 6,708,709 |
| Deferred Offsites | Note 12 | 11,821,506 | 11,770,209 |
| Employee Benefit Obligations | Note 13 | 3,730,464 | 3,615,249 |
| Asset Retirement Obligations | Note 17 | 5,696,396 | 5,460,548 |
| Contaminated Sites | Note 18 | 246,892 | 246,892 |
| Long Term Debt | Note 19 | 58,666,360 | 62,405,169 |
| Total Liabilities | | \$ 98,513,911 | \$ 106,793,186 |
| Net Financial Assets (Liabilities) | | \$ (2,548,202) | \$ 4,044,130 |
| Non-Financial Assets | | | |
| Inventory for consumption | | \$ 1,012,587 | \$ 1,165,477 |
| Prepaid Expenses | | 1,799,782 | 618,687 |
| Land for Development | Note 7 | 9,984,278 | 9,984,278 |
| Tangible capital assets | Schedule 2 | 651,136,237 | 630,529,131 |
| Total Non-Financial Assets | | \$ 663,932,884 | \$ 642,297,573 |
| Accumulated Surplus | | \$ 661,384,682 | \$ 646,341,703 |
| <i>Commitments</i> | Note 22 | | |
| <i>Contingent Liabilities</i> | Note 23 | | |
| <i>Contractual Obligations under Operating Lease</i> | Note 24 | | |
| <i>Contractual Rights</i> | Note 25 | | |

Approved on Behalf of Council

Gerald Aalbers
Mayor
April 20, 2026



Michele Charles Gustafson
Deputy Mayor
April 20, 2026



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

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

Year Ended December 31, 2025

| | | (unaudited) Budget | 2025 | (restated) 2024 |
|--|------------|-----------------------|-----------------------|-----------------------|
| Revenue | | | | |
| Net Municipal Taxes | Schedule 3 | \$ 49,991,536 | \$ 50,020,846 | \$ 46,267,528 |
| User Fees and Sales of Goods | | 38,027,148 | 55,354,539 | 41,993,386 |
| Government Transfers for operating | Schedule 4 | 5,036,935 | 5,455,887 | 5,223,732 |
| Investment Income | | 3,030,000 | 2,856,300 | 4,610,965 |
| Penalties and Costs of Taxes | | 858,400 | 1,016,199 | 875,558 |
| Fine Revenue | | 485,000 | 529,393 | 573,512 |
| Development Levies | | - | 1,226,597 | - |
| Licenses and Permits | | 1,133,323 | 1,363,724 | 1,001,216 |
| Franchise Fees and Concession Contracts | Note 26 | 8,522,218 | 8,508,563 | 7,623,209 |
| Gain (Loss) on Asset Disposal | | - | (3,591,477) | 288,664 |
| Other Income | | 75,000 | 518,245 | 985,307 |
| Total Revenue | | \$ 107,159,560 | \$ 123,258,816 | \$ 109,443,077 |
| Expense | | | | |
| Council and Other Legislative | | \$ 1,444,166 | \$ 1,349,015 | \$ 1,497,850 |
| Administration | | 16,924,061 | 16,350,582 | 15,609,697 |
| Police | | 15,049,382 | 13,936,719 | 13,601,467 |
| Fire | | 6,473,984 | 6,437,937 | 5,385,701 |
| Disaster and Emergency Measures | | 228,099 | 325,440 | 219,635 |
| Bylaw Enforcement | | 1,370,447 | 1,280,877 | 1,276,073 |
| Road Services | | 15,527,248 | 15,429,728 | 14,603,400 |
| Fleet Services | | 3,270,822 | 3,425,132 | 3,346,257 |
| Airport | | 1,953,662 | 1,922,840 | 1,924,628 |
| Storm Drainage | | 2,343,466 | 2,458,220 | 2,298,331 |
| Water Supply and Distribution | | 9,069,707 | 9,229,940 | 9,153,659 |
| Wastewater Treatment and Disposal | | 7,821,917 | 8,958,738 | 9,169,353 |
| Waste Management | | 3,749,885 | 4,204,172 | 3,429,106 |
| Family and Community Support | | 1,697,961 | 2,037,927 | 1,670,261 |
| Cemetery and Crematoriums | | 189,822 | 147,381 | 122,808 |
| Land use Planning, Zoning and Development | | 1,475,276 | 1,540,208 | 1,503,308 |
| Economic Development | | 882,322 | 629,198 | 806,953 |
| Subdivision Land and Development | | 788,312 | 1,503,797 | 1,861,318 |
| Parks and Recreation | | 20,606,990 | 19,809,822 | 18,199,143 |
| Culture, Libraries, Museums, Halls | | 3,677,765 | 3,534,771 | 3,985,297 |
| Total Expenses | | \$ 114,545,294 | \$ 114,512,444 | \$ 109,664,245 |
| Surplus (Deficit) of Revenues over Expenses | | \$ (7,385,734) | \$ 8,746,372 | \$ (221,168) |
| Other | | | | |
| Contributed Assets | | \$ - | \$ 261,645 | \$ 1,353,720 |
| Government Transfers for Capital | Schedule 4 | 7,608,961 | 5,897,285 | 33,088,523 |
| Total Other | | \$ 7,608,961 | \$ 6,158,930 | \$ 34,442,243 |
| Excess (Deficit) of Revenue over Expenditures | | \$ 223,227 | \$ 14,905,302 | \$ 34,221,075 |
| Accumulated Surplus - Beginning of Year (restated) | | \$ 646,341,703 | \$ 646,341,703 | \$ 612,120,628 |
| Library Accumulated Surplus Adjustment | Note 21 | - | 137,677 | - |
| Accumulated Surplus - End of Year | Note 21 | \$ 646,564,930 | \$ 661,384,682 | \$ 646,341,703 |

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended December 31, 2025

| | | (restated) |
|--|------------------------|------------------------|
| | 2025 | 2024 |
| Net Inflow (Outflow) of Cash Related to the Following Activities: | | |
| Operating Activities | | |
| Surplus (Deficit) of Revenues over Expenses | \$ 14,905,302 | \$ 34,221,075 |
| Non-cash Items | | |
| Amortization of Tangible Capital Assets | 25,825,366 | 24,541,016 |
| (Gain) Loss on Asset Disposal | 3,591,477 | (288,664) |
| Contributed Tangible Capital Assets | (261,645) | (1,353,720) |
| Library Accumulated Surplus Adjustment | 137,677 | - |
| | Note 21 | |
| Changes to Financial Assets | | |
| Decrease (Increase) in Taxes and Grants in Place of Taxes Receivable | (843,824) | (18,230) |
| Decrease (Increase) in Trade and Other Receivables | (6,137,833) | 64,666 |
| Decrease (Increase) in Receivable Offsites | 116,163 | 16,325 |
| Decrease (Increase) in Land and Inventory Held for Resale | 1,202,318 | (48,275) |
| Changes to Non-Financial Assets | | |
| Decrease (Increase) in Inventory for Consumption | 152,890 | (17,827) |
| Decrease (Increase) in Prepaid Expenses | (1,181,095) | (183,105) |
| Changes to Liabilities | | |
| Increase (Decrease) in Accounts Payable and Accrued Liabilities | (5,505,516) | 969,179 |
| Increase (Decrease) in Deposit Liabilities | (254,606) | 68,770 |
| Increase (Decrease) in Deferred Revenue | 817,296 | (1,518,832) |
| Increase (Decrease) in Deferred Offsites | 51,297 | 173,580 |
| Increase (Decrease) in Employee Benefit Obligations | 115,215 | 305,651 |
| Increase (Decrease) in Asset Retirement Obligations | 235,848 | 802,318 |
| Increase (Decrease) in Liability for Contaminated Sites | - | (22,695) |
| Total Cash Provided by Operating | \$ 32,966,330 | \$ 57,711,232 |
| Capital Activities | | |
| Acquisition of Tangible Capital Assets | \$ (50,383,695) | \$ (79,329,691) |
| Proceeds on Disposal of Tangible Capital Assets | 621,391 | 309,009 |
| Total Cash Applied to Capital | \$ (49,762,304) | \$ (79,020,682) |
| Investing Activities | | |
| Decrease (Increase) in Restricted Cash or Cash Equivalents | \$ 2,693,089 | \$ 1,116,374 |
| Decrease (Increase) in Investments | (10,076,883) | (4,981,445) |
| Total Cash Applied to Investing | \$ (7,383,794) | \$ (3,865,071) |
| Financing Activities | | |
| Long-Term Debt Repaid | \$ (3,738,809) | \$ (3,487,872) |
| Long-Term Debt Issued | - | 10,000,000 |
| Total Cash Provided by Financing | \$ (3,738,809) | \$ 6,512,128 |
| Change in Cash and Cash Equivalents During the Year | \$ (27,918,577) | \$ (18,662,393) |
| Cash and Cash Equivalents - Beginning of Year (restated) | \$ 41,633,369 | \$ 60,295,762 |
| Cash and Cash Equivalents - End of Year | \$ 13,714,792 | \$ 41,633,369 |
| Cash and Cash Equivalents - Comprised Of | | |
| Cash and Cash Equivalents | \$ 27,924,784 | \$ 58,536,450 |
| Less: Restricted Portion of Cash | (14,209,992) | (16,903,081) |
| | Note 3 | |
| | Note 3 | |
| | \$ 13,714,792 | \$ 41,633,369 |

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

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (LIABILITIES)

Year Ended December 31, 2025

| | (unaudited) Budget | 2025 | (restated) 2024 |
|--|------------------------|------------------------|------------------------|
| Surplus (Deficit) of Revenues over Expenses | \$ 223,227 | \$ 14,905,302 | \$ 34,221,075 |
| Changes Related to Tangible Capital Assets | | | |
| Acquisition of Tangible Capital Assets | \$ (92,328,202) | \$ (50,383,695) | \$ (79,329,691) |
| Contributed Tangible Capital Assets | - | (261,645) | (1,353,720) |
| Proceeds on Disposal of Tangible Capital Assets | - | 621,391 | 309,009 |
| Amortization of Tangible Capital Assets | 22,671,679 | 25,825,366 | 24,541,016 |
| Loss (Gain) on Disposal of Tangible Capital Assets | - | 3,591,477 | (288,664) |
| Total Changes in Tangible Capital Assets | \$ (69,656,523) | \$ (20,607,106) | \$ (56,122,050) |
| Change Related to Other Non-Financial Assets | | | |
| Use (Acquisition) of Inventories | \$ - | \$ 152,890 | \$ (17,827) |
| Use (Acquisition) of Prepaid Expenses | - | (1,181,095) | (183,105) |
| Total Changes in Other Non-Financial Assets | \$ - | \$ (1,028,205) | \$ (200,932) |
| Decrease in Net Financial Assets | \$ (69,433,296) | \$ (6,730,009) | \$ (22,101,907) |
| Net Financial Assets - Beginning of Year (restated) | \$ 4,044,130 | \$ 4,044,130 | \$ 26,146,037 |
| Library Accumulated Surplus Adjustment (Note 21) | | 137,677 | |
| Net Financial Assets (Liabilities) - End of Year | \$ (65,389,166) | \$ (2,548,202) | \$ 4,044,130 |

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

CONSOLIDATED SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS

Year Ended December 31, 2025

Schedule 1

| | Unrestricted | Restricted | Unrestricted | Equity in | <i>(restated)</i> | |
|---|-------------------|-------------------|----------------------|-----------------------|-----------------------|-----------------------|
| | Surplus | Reserves | Reserves | TCA | 2025 | 2024 |
| Balance - Beginning of Year <i>(restated)</i> | \$ 24,336,467 | \$ 909,846 | \$ 58,431,976 | \$ 562,663,414 | \$ 646,341,703 | \$ 612,120,628 |
| Surplus (Deficit) of Revenues over Expenses | 14,905,302 | - | - | - | 14,905,302 | 34,221,075 |
| Unrestricted Funds Designated for Future Use | (38,677,965) | 301,249 | 38,376,716 | - | - | - |
| Reserve Funds Used for Operations | 3,071,044 | - | (3,071,044) | - | - | - |
| Reserve Funds Used for Tangible Capital Assets | - | (620,545) | (20,590,158) | 21,210,703 | - | - |
| Current Year Funds Used for Tangible Capital Assets | (29,172,992) | - | - | 29,172,992 | - | - |
| Reclassification of Reserve Funds | - | - | - | - | - | - |
| Contributed Tangible Capital Assets | (261,645) | - | - | 261,645 | - | - |
| Disposal of Tangible Capital Assets | 4,212,868 | - | - | (4,212,868) | - | - |
| Annual Amortization Expense | 25,825,366 | - | - | (25,825,366) | - | - |
| Asset Retirement Obligations Recorded in Current Year | - | - | - | - | - | - |
| Asset Retirement Obligation Settled | (10,461) | - | - | 10,461 | - | - |
| Asset Retirement Obligation Accretion Expense | 246,309 | - | - | (246,309) | - | - |
| Long-Term Debt Repaid | (3,738,809) | - | - | 3,738,809 | - | - |
| Long-Term Debt Issued | - | - | - | - | - | - |
| Library Accumulated Surplus Adjustment (Note 21) | 137,677 | - | - | - | 137,677 | - |
| Balance - End of Year | \$ 873,161 | \$ 590,550 | \$ 73,147,490 | \$ 586,773,481 | \$ 661,384,682 | \$ 646,341,703 |

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

Year Ended December 31, 2025

Schedule 2

| | | | | | | | <i>(restated)</i> | |
|---|----------------------|----------------------|-----------------------|-----------------------|------------------------|--------------------------|-------------------------|-------------------------|
| | Land | Land Improvements | Buildings | Machinery & Equipment | Engineering Structures | Construction in Progress | Total 2025 | Total 2024 |
| Cost | | | | | | | | |
| Balance - Beginning of Year (restated) | \$ 32,570,448 | \$ 37,804,470 | \$ 150,824,781 | \$ 51,564,736 | \$ 666,745,080 | \$ 68,074,839 | \$ 1,007,584,354 | \$ 933,208,939 |
| Additions | 455,203 | 3,932,285 | 24,974,019 | 5,740,793 | 11,453,625 | 4,116,188 | 50,672,113 | 81,135,094 |
| Transfers | 649,714 | 5,390,746 | 55,368,544 | 462,093 | 5,740,081 | (67,611,178) | - | - |
| Adjustments to Construction in Progress | - | - | - | - | - | (26,773) | (26,773) | (451,683) |
| Disposals | (23,596) | (1,000,782) | (1,097,895) | (16,733,876) | (2,345,961) | - | (21,202,110) | (6,307,996) |
| Balance - End of Year | \$ 33,651,769 | \$ 46,126,719 | \$ 230,069,449 | \$ 41,033,746 | \$ 681,592,825 | \$ 4,553,076 | \$ 1,037,027,584 | \$ 1,007,584,354 |
| Accumulated Amortization | | | | | | | | |
| Balance - Beginning of Year (restated) | \$ - | \$ 13,971,525 | \$ 56,849,348 | \$ 33,566,208 | \$ 272,668,142 | \$ - | \$ 377,055,223 | \$ 358,801,858 |
| Amortization | - | 1,876,151 | 4,230,300 | 2,631,028 | 17,087,887 | - | 25,825,366 | 24,541,016 |
| Accumulated Amortization on Disposals | - | (579,795) | (475,158) | (15,083,779) | (850,510) | - | (16,989,242) | (6,287,651) |
| Balance - End of Year | \$ - | \$ 15,267,881 | \$ 60,604,490 | \$ 21,113,457 | \$ 288,905,519 | \$ - | \$ 385,891,347 | \$ 377,055,223 |
| Net Book Value of | | | | | | | | |
| Tangible Capital Assets | \$ 33,651,769 | \$ 30,858,838 | \$ 169,464,959 | \$ 19,920,289 | \$ 392,687,306 | \$ 4,553,076 | \$ 651,136,237 | \$ 630,529,131 |

CONSOLIDATED SCHEDULE OF PROPERTY AND OTHER TAXES

Year Ended December 31, 2025

Schedule 3

| | <i>(unaudited)</i> | | |
|--|----------------------|----------------------|----------------------|
| | Budget | 2025 | 2024 |
| Taxation | | | |
| Real property taxes | | | |
| Residential | \$ 35,153,147 | \$ 35,184,394 | \$ 32,991,599 |
| Non-residential | 24,867,573 | 24,769,121 | 22,781,849 |
| Machinery and equipment | 792,247 | 839,146 | 783,654 |
| Farmland | 13,281 | 13,282 | 12,302 |
| Linear property taxes | 1,336,761 | 1,335,526 | 1,260,407 |
| Designated Industrial Property | 3,304,050 | 3,375,803 | 2,668,208 |
| Total Real Property Taxes | \$ 65,467,059 | \$ 65,517,272 | \$ 60,498,019 |
| Government grants in place of property taxes | | | |
| Federal | \$ 18,913 | \$ 18,914 | \$ 19,135 |
| Provincial - Alberta | 36,318 | 27,238 | 19,245 |
| Provincial - Saskatchewan | 94,862 | 94,863 | 86,166 |
| Total Government Grants in Place of Taxes | \$ 150,093 | \$ 141,015 | \$ 124,546 |
| Local Improvement Taxes | | | |
| Local Improvement | \$ 28,730 | \$ 28,730 | \$ 28,730 |
| Local Improvement Taxes | \$ 28,730 | \$ 28,730 | \$ 28,730 |
| Total Taxation | \$ 65,645,882 | \$ 65,687,017 | \$ 60,651,295 |
| Requisitions | | | |
| Education | | | |
| Lloydminster Public School Division | \$ 12,949,829 | \$ 12,736,404 | \$ 11,696,430 |
| Lloydminster Catholic School Division | 1,353,756 | 1,577,942 | 1,370,719 |
| Total Education | \$ 14,303,585 | \$ 14,314,346 | \$ 13,067,149 |
| Seamless | | | |
| Lloydminster Public School Division | \$ 791,316 | \$ 766,659 | \$ 767,157 |
| Lloydminster Catholic School Division | 537,900 | 563,663 | 530,658 |
| Total Seamless | \$ 1,329,216 | \$ 1,330,322 | \$ 1,297,815 |
| Other | | | |
| Designated Industrial Property | \$ 21,545 | \$ 21,503 | \$ 18,803 |
| Total Other | \$ 21,545 | \$ 21,503 | \$ 18,803 |
| Total Requisitions | \$ 15,654,346 | \$ 15,666,171 | \$ 14,383,767 |
| Net Municipal Taxes | \$ 49,991,536 | \$ 50,020,846 | \$ 46,267,528 |

CONSOLIDATED SCHEDULE OF GOVERNMENT TRANSFERS

Year Ended December 31, 2025

Schedule 4

| | <i>(unaudited)</i> | | |
|---|----------------------|----------------------|----------------------|
| | Budget | 2025 | 2024 |
| Transfers for Operating Conditional Grants | | | |
| Federal | \$ 42,600 | \$ 241,007 | \$ 246,142 |
| Alberta | 1,795,198 | 1,974,542 | 1,863,824 |
| Saskatchewan | 3,152,068 | 3,235,438 | 3,004,766 |
| Local | 36,569 | - | 200 |
| Other | 10,500 | 4,900 | 108,800 |
| Total Transfers for Operating Conditional Grants | \$ 5,036,935 | \$ 5,455,887 | \$ 5,223,732 |
| Transfers for Capital Conditional Grants | | | |
| Federal | \$ - | \$ - | \$ 13,967,747 |
| Alberta | 6,041,846 | 5,180,992 | 4,351,149 |
| Saskatchewan | 1,537,115 | 701,293 | 14,769,627 |
| Other | 30,000 | 15,000 | - |
| Total Transfers for Capital Conditional Grants | \$ 7,608,961 | \$ 5,897,285 | \$ 33,088,523 |
| Total Government Transfers | \$ 12,645,896 | \$ 11,353,172 | \$ 38,312,255 |

CONSOLIDATED SCHEDULE OF SEGMENTED DISCLOSURES

Year Ended December 31, 2025

Schedule 5

| | | | | | | | | (restated) | |
|---|-----------------------|------------------------|----------------------------|---------------------------|---------------------|---------------------------|-------------------------|-----------------------|-----------------------|
| | General Government | Protective Services | Transportation Services | Environmental Services | Social Services | Planning & Development | Recreation & Culture | Total 2025 | Total 2024 |
| Revenue | | | | | | | | | |
| Net Municipal Taxes | \$ 50,020,846 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 50,020,846 | \$ 46,267,528 |
| User Fess and Sales of Goods | 59,008 | 613,276 | 1,007,604 | 44,547,262 | 416,673 | 2,537,131 | 6,173,585 | 55,354,539 | 41,993,386 |
| Government Transfers for Operating | 2,959,104 | 1,017,731 | 63,422 | - | 810,187 | 41,333 | 564,110 | 5,455,887 | 5,223,732 |
| Investment Income | 2,829,882 | - | - | - | - | - | 26,418 | 2,856,300 | 4,610,965 |
| Penalties and Costs of Taxes | 917,469 | - | - | 98,730 | - | - | - | 1,016,199 | 875,558 |
| Fine Revenue | 16,421 | 512,972 | - | - | - | - | - | 529,393 | 573,512 |
| Development Levies | - | - | 817,274 | 409,323 | - | - | - | 1,226,597 | - |
| Licenses and Permits | 554,175 | 54,243 | 81,291 | - | 43,525 | 630,490 | - | 1,363,724 | 1,001,216 |
| Franchise & Concession Contracts | 8,508,563 | - | - | - | - | - | - | 8,508,563 | 7,623,209 |
| Gain (loss) on Disposal of Capital Assets | (314,227) | (143,795) | (307,291) | (1,702,282) | (43,651) | (209,419) | (870,812) | (3,591,477) | 288,664 |
| Other | 43,753 | 575 | 4,900 | 49,648 | 1,000 | 37,565 | 380,804 | 518,245 | 985,307 |
| Total Revenue | \$ 65,594,994 | \$ 2,055,002 | \$ 1,667,200 | \$ 43,402,681 | \$ 1,227,734 | \$ 3,037,100 | \$ 6,274,105 | \$ 123,258,816 | \$ 109,443,077 |
| Expenses | | | | | | | | | |
| Salaries, Wages and Benefits | \$ 11,760,579 | \$ 9,037,361 | \$ 3,726,050 | \$ 4,708,475 | \$ 445,673 | \$ 1,315,729 | \$ 11,316,927 | \$ 42,310,794 | \$ 39,964,023 |
| Contracted and General Services | 2,595,327 | 10,950,540 | 3,411,222 | 5,002,960 | 755,384 | 1,047,520 | 4,165,998 | 27,928,951 | 27,990,212 |
| Cost of Sales | - | - | 400,395 | 9,181 | - | 1,045,028 | 30,835 | 1,485,439 | 1,675,945 |
| Materials and Goods | 435,714 | 554,974 | 1,493,155 | 1,302,852 | 53,182 | 16,122 | 1,683,104 | 5,539,103 | 4,771,407 |
| Transfers to Local Boards or Agencies | 305,780 | 81,182 | - | - | 889,155 | 158,880 | 311,252 | 1,746,249 | 1,640,409 |
| Utilities | 533,661 | 120,603 | 1,979,867 | 2,253,981 | 5,111 | 6,685 | 2,122,745 | 7,022,653 | 6,928,251 |
| Bank Charges | 7,145 | 1,713 | 9,624 | 50,619 | 299 | 10,449 | 95,044 | 174,893 | 148,489 |
| Interest on Long Term Debt | 381,216 | 106,513 | 90,792 | 1,140,914 | - | - | 492,155 | 2,211,590 | 1,843,187 |
| Accretion Expense | - | - | - | 218,155 | - | - | 28,154 | 246,309 | 111,761 |
| Bad Debts (Recovered) | (1,345) | 9,908 | 145 | 11,571 | - | - | 818 | 21,097 | 49,545 |
| Amortization | 1,681,519 | 1,118,179 | 9,666,450 | 10,152,362 | 36,504 | 72,791 | 3,097,561 | 25,825,366 | 24,541,016 |
| Total Expenses | \$ 17,699,596 | \$ 21,980,973 | \$ 20,777,700 | \$ 24,851,070 | \$ 2,185,308 | \$ 3,673,204 | \$ 23,344,593 | \$ 114,512,444 | \$ 109,664,245 |
| Surplus(Deficit) | \$ 47,895,398 | \$ (19,925,971) | \$ (19,110,500) | \$ 18,551,611 | \$ (957,574) | \$ (636,104) | \$ (17,070,488) | \$ 8,746,372 | \$ (221,168) |
| Other | | | | | | | | | |
| Contributed Assets | \$ - | \$ - | \$ - | \$ 215,852 | \$ - | \$ - | \$ 45,793 | \$ 261,645 | \$ 1,353,720 |
| Government Transfers for Capital | - | - | 3,262,532 | 480,698 | - | - | 2,154,055 | 5,897,285 | 33,088,523 |
| Total Other | \$ - | \$ - | \$ 3,262,532 | \$ 696,550 | \$ - | \$ - | \$ 2,199,848 | \$ 6,158,930 | \$ 34,442,243 |
| Surplus(Deficit) | \$ 47,895,398 | \$ (19,925,971) | \$ (15,847,968) | \$ 19,248,161 | \$ (957,574) | \$ (636,104) | \$ (14,870,640) | \$ 14,905,302 | \$ 34,221,075 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2025

1. Significant Accounting Policies

The consolidated financial statements of the City of Lloydminster (the “City”) are the representations of management prepared in accordance with the Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the City are as follows:

a) Reporting Entity

The consolidated financial statements include the assets, liabilities, revenues, expenses, changes in accumulated surplus, change in net financial assets (liabilities), and cash flows of the reporting entity. This entity is comprised of the municipal operations plus all the organizations that are owned or controlled by the City and are accountable to the City Council for the administration of their financial affairs and resources. Included with the municipality are the following:

Lloydminster Public Library
Lloydminster Family and Community Support Services

The schedule of taxes levied includes requisitions for education that are not part of the municipal reporting entity. Interdepartmental and organization transactions and balances are eliminated.

b) Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods and services and/or legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

c) Budget Figures

The 2025 budget is reported in the consolidated financial statements. The figures are representative of both the operating and capital budgets prepared in accordance with the Lloydminster Charter, adjusted for certain items to present in accordance with PSAS accounting.

These amounts have not been audited.

d) Use of Estimates and Measurement Uncertainty

In accordance with Canadian accounting rules, management is required to make estimates and assumptions when preparing financial statements. These estimates affect the reported values of assets, liabilities, and the disclosure of any potential assets or liabilities. They also impact the reported revenue and expenses for the period. If there is uncertainty in these estimates, the financial statements are prepared within reasonable limits. Actual results could differ from estimates and may have an impact on future periods.

The amounts recorded for the useful lives and value of tangible capital assets, amortization of tangible capital assets, accrued liabilities, employee benefit obligations, asset retirement obligations, liability for contaminated sites, and contingent liabilities are where management makes significant estimates and assumptions in determining the amounts to be recorded in the consolidated financial statements.

1. Significant Accounting Policies (continued)

e) Revenue Recognition

Revenues are recorded using the accrual basis of accounting whereby revenues are recognized as they are earned and measurable. Funds from external parties and, where indicated, earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Revenue from transactions where there is no specific performance obligation is recorded when the City has the right to claim or retain the revenue and can link it to a past event or transaction.

Revenues from transactions with a performance obligation are recorded as the obligation is satisfied and the goods or services are provided to the payor.

- i) User fee revenues are recorded over the period they are used by the payor.
- ii) Sale of goods revenues are recorded when the goods are delivered, and control of the goods has passed to the payor.
- iii) Fine and penalty revenues are recorded when received or receivable, as there is no related performance obligation.
- iv) Development levies, also known as Offsite Levies, are recognized as revenue when the related development expenditures, per the Offsite Levy Bylaw, are incurred.
- v) License and permit revenues are recorded on issuance if there is a single performance obligation. If there are multiple performance obligations, revenue is recognized proportionately as the obligations are satisfied.
- vi) Franchise and concession contract revenues are recognized in the period the fees were collected from users under the relevant utility franchise agreement.

f) Tax Revenue

Property tax revenue is based on market value assessments determined in accordance with The Lloydminster Charter and tax rates established annually by City Council. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred.

Assessments may change due to appeal or as a result of adjustments made by assessors to correct errors or omissions. Gains or losses on assessment changes or appeals are recorded as adjustments to tax revenue and tax receivables when a written decision is received from the authorized board, or a change is generated by authorized assessment staff.

Penalties on taxes are recorded in the period levied.

g) Government Transfers

Government transfers are the transfer of assets from other 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 received are recognized in the financial statements as revenue when the transfers are authorized and any eligibility criteria have been met, unless the transfer creates an obligation that meets the definition of a liability for the City. If such a liability exists, any amounts received, along with restricted interest thereon, are recorded as deferred revenue.

Authorized transfers from the City to other organizations are recognized as an expense when the recipient meets all eligibility requirements, if any.

h) Expenses

Expenses are recognized using the accrual basis of accounting whereby expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or legal obligation to pay.

1. Significant Accounting Policies (continued)

i) Financial Assets and Liabilities

Financial assets represent resources that can discharge existing liabilities or finance future operations. This includes realizable assets which are convertible to cash and not intended for consumption in the normal course of operations. Financial liabilities are contractual obligations to deliver cash or another financial asset to another entity.

The City does not have any financial assets or liabilities required to be recorded at fair value, such as certain derivative financial instruments and investments in publicly traded equity instruments. For this reason, the City does not report a Statement of Remeasurement Gains and Losses.

j) Cash and Temporary Investments

Cash consists of cash on hand and balances with banks and brokers available for operations. Temporary investments are short-term deposits with maturities of one year or less. Cash and cash equivalents are recorded at cost.

k) Receivables

Receivables are recorded at the lower of cost and net realizable value.

l) Land and Inventories Held for Resale

Land and inventory held for resale is recorded at the lower of cost or net realizable value.

Land held for resale includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping, and leveling charges. Related development costs incurred to provide infrastructure such as water services, wastewater services, roads and sidewalks are recorded as tangible capital assets under their respective function.

Interest expense is not included in inventory cost.

m) Investments

Investments are recorded at cost. Investments that have maturity dates greater than one year from the financial reporting date are classified as investments. Investment income is recognized as revenue in the period earned.

n) Requisition Over-Levy and Under-Levy

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and property tax revenue is increased.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

o) Deferred Revenue

Deferred revenue are funds that have been received in advance of services rendered or where the use of the funds is subject to external restrictions. Revenue is recognized in the period where the related expenses are incurred, services performed, goods provided, or tangible capital assets are acquired.

1. Significant Accounting Policies (continued)

o) Deferred Revenue (continued)

Funds from external parties and, where indicated, earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified. This includes government transfers, contributions, and other amounts received from third parties, either under legislation, regulation, or agreement, that are designated for specific programs, projects, or the purchase of tangible capital assets. Additionally, it encompasses certain user charges and fees collected for services not yet performed or goods not yet delivered.

p) Employee Benefit Obligations

The cost of employment benefits, pension and retirement benefits, compensated absences, and termination benefits are recorded as an expense at the time the event giving rise to the obligation occurs.

q) Asset Retirement Obligations

A liability for an asset retirement obligation is recognized when, at the financial statement date, there is:

- a) a legal obligation for the City to incur retirement costs, and
- b) the past transaction or event giving rise to the liability has occurred, and
- c) it is expected that future economic benefits will be given up, and
- d) a reasonable estimate of the amount can be made.

A reasonable estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at the financial reporting date. When an asset has a future retirement date, a present value technique is used to measure the liability.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset. The asset retirement cost is amortized over the useful life of the related asset. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period. Asset retirement costs related to unrecognized tangible capital assets or for tangible capital assets no longer in productive use are expensed in the consolidated statement of operations.

The carrying amount of the liability is reviewed annually, and changes to the liability due to the passage of time are recorded as accretion expense. Significant changes to the liability resulting from changes to timing, estimates of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. The City continues to recognize the liability until it is settled or otherwise removed. Payments made to settle the liability are deducted from the liability when they are made.

r) Contaminated Sites Liability

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. A liability for remediation of a contaminated site is recognized when a site is not in productive use and is management's estimate of the cost of post-remediation including operation, maintenance, and monitoring.

s) Long-term Debt

Long-term debt is initially recognized net of any premiums, discounts, fees, and transaction costs. Interest expense is recorded using the effective interest method. Long-term debt is subsequently measured at amortized cost.

1. Significant Accounting Policies (continued)

t) Reserves

Certain amounts, as approved by City Council, are set aside in accumulated surplus for future operating and capital purposes. Transfers to or from reserves are adjustments to the respective reserve when approved.

u) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the consolidated Change in Net Financial Assets (Liabilities) for the year.

i) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development, or betterment of the asset. Interest expense is not capitalized. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

| | |
|-------------------------|---------------|
| Land Improvements | 15-25 years |
| Buildings | 20-50 years |
| Engineering Structures | |
| Road systems | 10-40 years |
| Storm systems | 45-75 years |
| Water systems | 25-75 years |
| Wastewater systems | 30-75 years |
| Machinery and Equipment | 10-25 years |
| Leasehold Improvements | Term of Lease |

Amortization is not charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the City's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value.

Works of art for display are not recorded as tangible capital assets.

ii) Contributions of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are recorded as revenue.

iii) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

iv) Inventory for Consumption

Inventories held for consumption are recorded at the lower of cost and replacement cost.

v) Prepaids

Prepaids are amounts paid for goods and services which will be utilized in future fiscal years, such as software and insurance.

vi) **Land for Development**

Land for development includes land that is intended to be, or is currently being developed for sale, but is not yet in saleable condition. Costs include land acquisition and improvements required to prepare the land for servicing such as clearing, stripping, and leveling. Land for development is recorded at cost.

2. Future Accounting Pronouncements

Upcoming changes to the Public Sector Accounting Standards from the Public Sector Accounting Board (PSAB) will be effective for the 2027 fiscal year. The City will continue to assess the impacts that the adoption of these new standards will have.

Revised Conceptual Framework

Effective for fiscal years beginning on or after April 1, 2026, the revised conceptual framework will replace Section PS 100, Financial Statement Concepts and PS 1100, Financial Statement Objectives. The framework defines the nature, function, and limits of financial accounting and reporting, and serves as a basis for developing standards and applying professional judgement.

PS 1202 – Financial Statement Presentation

Effective for fiscal years beginning on or after April 1, 2026, the new standard will replace Section PS 1201, Financial Statement Presentation. The standard sets out the requirements for the presentation of information in the financial statements and is consistent with concepts presented in the conceptual framework.

3. Cash and Temporary Investments

| | 2025 | 2024 |
|-----------------------|----------------------------|----------------------------|
| Cash | \$17,853,345 | \$40,468,227 |
| Temporary Investments | 10,071,439 | 18,068,223 |
| | <u>\$27,924,784</u> | <u>\$58,536,450</u> |

Cash consists of cash on hand and balances with banks and brokers available for operations. Temporary investments are short-term deposits with maturities of one year or less.

Included in cash and temporary investments are restricted funds totalling \$14,209,992 (2024 - \$16,903,081). Restricted funds are restricted for specific purposes through agreements or legislation. This includes government transfers to be used exclusively for operating and capital projects, as well as offsite funds provided by external developers in accordance with development agreements.

The City has been approved for a demand operating credit facility with a maximum borrowing limit of \$5,000,000 that bears interest at the prime rate minus 0.75% per annum. The balance drawn on the revolving loan at December 31, 2025 was \$0 (2024 - \$0). This credit facility is secured by a letter of guarantee.

4. Taxes Receivable

| | 2025 | 2024 |
|---|---------------------------|---------------------------|
| Municipal Taxes | | |
| Current Taxes and Grants in Place | \$2,773,084 | \$2,355,835 |
| Arrears Taxes Receivable | 1,113,362 | 853,202 |
| | <u>\$3,886,446</u> | <u>\$3,209,037</u> |
| Education Taxes | | |
| Current Taxes and Grants in Place | \$598,778 | \$518,887 |
| (Over)/Under Levy | 88,441 | 28,728 |
| Arrears Taxes Receivable | 182,553 | 155,520 |
| | <u>\$869,772</u> | <u>\$703,135</u> |
| Seamless Taxes | | |
| Current Taxes and Grants in Place | \$57,276 | \$53,239 |
| (Over)/Under Levy | 757 | 1,810 |
| Arrears Taxes Receivable | 19,458 | 23,087 |
| | <u>\$77,491</u> | <u>\$78,136</u> |
| Designated Industrial Property | | |
| Current Taxes Receivable | \$149 | \$184 |
| (Over)/Under Levy | 479 | - |
| Arrears Taxes Receivable | - | 21 |
| | <u>\$628</u> | <u>\$205</u> |
| Taxes and Grants in Place of Taxes | <u><u>\$4,834,337</u></u> | <u><u>\$3,990,513</u></u> |

5. Trade and Other Receivable

| | 2025 | 2024 |
|---------------------------------------|----------------------------|----------------------------|
| Trade Accounts Receivable | | |
| Trade Accounts Receivable | \$15,870,853 | \$1,990,290 |
| Less: Allowance for Doubtful Accounts | (1,500) | (44,235) |
| | <u>\$15,869,353</u> | <u>\$1,946,055</u> |
| Utility Receivable | | |
| Utility Receivable | \$2,377,675 | \$2,400,765 |
| | <u>\$2,377,675</u> | <u>\$2,400,765</u> |
| Other Receivables | | |
| Grant Funds Receivable | \$2,013,562 | \$9,519,669 |
| Accrued Interest Receivable | 1,408,784 | 1,361,886 |
| Sales Tax Receivable | 433,596 | 646,522 |
| Other Receivable | 195,042 | 285,282 |
| | <u>\$4,050,984</u> | <u>\$11,813,359</u> |
| Trade and Other Receivable | <u><u>\$22,298,012</u></u> | <u><u>\$16,160,179</u></u> |

6. Land and Inventories for Resale

| | | <i>(restated)</i> |
|-----------------------------|---------------------------|---------------------------|
| | 2025 | 2024 |
| Residential Land for Resale | \$1,765,856 | \$2,103,276 |
| Industrial Land for Resale | 1,755,649 | 2,461,254 |
| Commercial Land for Resale | 1,347,943 | 1,503,620 |
| Other Inventory for Resale | 52,614 | 56,230 |
| | <u>\$4,922,062</u> | <u>\$6,124,380</u> |

7. Land for Development

| | | <i>(restated)</i> |
|----------------------------------|---------------------------|---------------------------|
| | 2025 | 2024 |
| Residential Land for Development | \$1,648,012 | \$1,648,012 |
| Industrial Land for Development | 2,857,046 | 2,857,046 |
| Commercial Land for Development | 5,479,220 | 5,479,220 |
| | <u>\$9,984,278</u> | <u>\$9,984,278</u> |

8. Investments

| | 2025 | 2024 |
|--------------------|----------------------------|----------------------------|
| Equity Shares | \$49,595 | \$48,787 |
| Notes and Deposits | 33,156,075 | 23,080,000 |
| | <u>\$33,205,670</u> | <u>\$23,128,787</u> |

Notes and deposits have effective interest rates ranging from 1.95% to 5.66%, with maturity dates between February 2027 and July 2029.

9. Accounts Payable

| | 2025 | 2024 |
|-----------------------------------|---------------------|---------------------|
| Trade | | |
| Accounts Payable | \$5,843,078 | \$6,016,949 |
| Contract Holdbacks | 938,966 | 5,171,327 |
| | <u>\$6,782,044</u> | <u>\$11,188,276</u> |
| RCMP Contract¹ | | |
| Retro Pay | \$120,750 | \$871,434 |
| Quarter 4 | 2,481,994 | 2,599,934 |
| | <u>\$2,602,744</u> | <u>\$3,471,368</u> |
| Accrued Debenture Interest | \$433,710 | \$454,290 |
| Payroll | 150,307 | 106,432 |
| Other | 104,409 | 358,364 |
| | <u>\$10,073,214</u> | <u>\$15,578,730</u> |

1. The Government of Canada signed the first collective agreement with the National Police Federation (NPF) on August 6, 2021. The NPF is the sole certified bargaining agent for regular members and reservists of the Royal Canadian Mounted Police (RCMP) below the rank of Inspector.

The collective agreement expired on March 31, 2025 and a new agreement has not yet been finalized. Based on RCMP forecasts, an estimate of \$120,750 has been accrued as payable for the period of April 1 - December 31, 2025.

10. Deposit Liabilities

| | 2025 | 2024 |
|--------------------------|------------------|--------------------|
| Security Deposits | \$126,424 | \$253,740 |
| Utility Account Deposits | 583,198 | 607,534 |
| Land Sale Deposits | 32,184 | 143,406 |
| Facility Rental Deposits | 11,268 | 3,000 |
| | <u>\$753,074</u> | <u>\$1,007,680</u> |

11. Deferred Revenue

Deferred revenue consists of funds received which relate to expenses to be incurred in future periods, as follows:

| | 2025 | 2024 |
|---|---------------------------|---------------------------|
| Operating Grants | \$98,436 | \$69,128 |
| Capital Grants | 1,608,300 | 1,997,317 |
| Customer Prepaid Taxes, Utilities and User Fees | 5,502,977 | 4,306,101 |
| Gift Cards | 133,381 | 123,625 |
| Deferred on Behalf of Other Organizations | 55,711 | 73,338 |
| Contributions for Tangible Capital Assets | 127,200 | 139,200 |
| | <u>\$7,526,005</u> | <u>\$6,708,709</u> |

Government contributions in deferred revenue consist of the following:

| | 2024 Ending Balance | Contributions Received | Revenue Recognized | 2025 Ending Balance |
|-------------------------|----------------------------|-------------------------------|-----------------------------|----------------------------|
| Operating Grants | | | | |
| Federal Government | - | \$241,007 | (\$241,007) | - |
| Alberta Government | 40,018 | 2,024,307 | (1,974,542) | 89,783 |
| Sask. Government | 20,286 | 3,215,152 | (3,235,438) | - |
| Other | 8,824 | 4,729 | (4,900) | 8,653 |
| | <u>\$69,128</u> | <u>\$5,485,195</u> | <u>(\$5,455,887)</u> | <u>\$98,436</u> |
| Capital Grants | | | | |
| Federal Government | \$4,376 | - | - | \$4,376 |
| Alberta Government | 1,999,999 | 4,759,048 | (5,180,992) | 1,578,055 |
| Sask. Government | (27,304) | 746,855 | (701,293) | 18,258 |
| Other | 20,246 | 2,365 | (15,000) | 7,611 |
| | <u>\$1,997,317</u> | <u>\$5,508,268</u> | <u>(\$5,897,285)</u> | <u>\$1,608,300</u> |

12. Offsites

| | Opening | Added | Used | Total Offsites | Internal Funds | Total External Funds |
|--------------------------------|---------------------|--------------------|----------------------|---------------------|-----------------|----------------------|
| Water | \$1,265,938 | \$112,622 | (310,169) | \$1,068,391 | \$27,348 | \$1,041,043 |
| Sanitary | 1,610,815 | 302,642 | (175,197) | 1,738,260 | - | 1,738,260 |
| Transportation | 9,240,100 | 862,631 | (1,060,528) | 9,042,203 | - | 9,042,203 |
| Total Deferred Offsites | \$12,116,853 | \$1,277,895 | (\$1,545,894) | \$11,848,854 | \$27,348 | \$11,821,506 |
| Stormwater (receivable) | (2,864,405) | 116,163 | - | (2,748,242) | 32,602 | (2,780,844) |
| Net Offsite Funds | \$9,252,448 | \$1,394,058 | (\$1,545,894) | \$9,100,612 | \$59,950 | \$9,040,662 |

Council approved Bylaw 25-2021, Offsite Levy Bylaw, on October 2, 2023. Offsite levies help fund the cost of infrastructure that is required to be constructed due to the need to service new development. The levies received support infrastructure on a City-wide basis for all infrastructure types. Offsites received from external developers are deferred until eligible development expenses are incurred. If eligible development expenses are incurred prior to the receipt of funds from external developers, the balance is receivable until collected. Internally committed offsites are those set aside as a result of internal development and are maintained in a restricted reserve.

In 2025, Offsite levy funds were used for the following:

| | |
|--|--------------------|
| Capital Project 2542006 – East West Sanitary Trunk | \$120,545 |
| Capital Project 2532008 – 75 Ave Improvements | 500,000 |
| Developer Oversize Improvements | 925,349 |
| Total | \$1,545,894 |

The types of offsites collected and the related eligible infrastructure projects are listed below:

Water

Infrastructure included under the Water offsite includes upgrades to water treatment & supply infrastructure, as well as distribution and storage infrastructure.

Sanitary

Infrastructure included under the Sanitary offsite includes infrastructure for major offsite sanitary trunk mains which support sanitary collection, and infrastructure for sanitary treatment and disposal.

Stormwater

Infrastructure included under the Stormwater offsite includes upgrades to the existing storm sewer mains, culverts, drainage channels, and capacity improvements for stormwater management facilities or lakes.

The current balance of the Stormwater offsite levy reserve is negative due to previously constructed City-wide projects where offsite levies have not been fully collected and are brought forward to the new offsite levy calculation.

Transportation

Infrastructure included under the Transportation offsite includes the extensions, twinning, and urbanization of major arterial roadways and associated intersection upgrades.

13. Employee Benefit Obligations

| | 2025 | 2024 |
|--------------------------|--------------------|--------------------|
| Regular Payroll | \$1,808,187 | \$1,552,284 |
| Vacation | 481,446 | 645,988 |
| Sick Leave | 856,878 | 808,257 |
| Post-employment benefits | 583,953 | 608,720 |
| | <u>\$3,730,464</u> | <u>\$3,615,249</u> |

Regular payroll

The regular payroll liability is comprised of payroll owed to employees for days worked that will not be paid until the next fiscal year.

Vacation

The vacation liability is comprised of the earned vacation time that employees are deferring to future years.

Sick leave

The City provides a sick leave benefit plan. This plan is based on the accumulation of sick leave credits to a maximum of 120 days.

The City has not obtained an actuarial accounting valuation for the sick leave benefit plan. The maximum accumulated sick leave liability is \$5,844,562 (2024 - \$5,579,320). The City does not expect to have to pay the full amount and has accrued only a portion of the total liability.

Post-employment benefits

If not fully utilized during the term of their employment, the employee is entitled to a cash payment upon retirement based on one-half of their accumulated sick leave, subject to being a minimum of 55 years of age and 10 years of employment with the City.

The City accrues the full liability for employees that meet the criteria.

14. Salary and Benefits Disclosure

The following City Council, City Manager, and Designated Officer salaries and benefits are disclosed as required by the Lloydminster Charter which follows Alberta Regulation 313/2000.

| | Salaries ¹ | Benefits & Allowances ² | 2025 | 2024 |
|--|-----------------------|------------------------------------|--------------------|--------------------|
| Mayor | | | | |
| Gerald Aalbers | \$109,952 | \$27,363 | \$137,315 | \$128,310 |
| Councillors | | | | |
| Michele Charles Gustafson | 57,502 | 9,639 | 67,141 | 7,505 |
| Michael Diachuk | 53,202 | 9,296 | 62,498 | 60,700 |
| Glenn Fagnan | - | - | - | 24,321 |
| David Lopez | 54,302 | 4,712 | 59,014 | 43,233 |
| Lorelee Marin | - | - | - | 46,453 |
| Jim Taylor | 50,502 | 8,828 | 59,330 | 6,018 |
| Jonathan Torresan | - | - | - | 50,805 |
| Justin Vance | 51,802 | 10,359 | 62,161 | 7,399 |
| Jason Whiting | 49,502 | 10,222 | 59,724 | 53,681 |
| Mayor and Council³ | \$426,764 | \$80,419 | \$507,183 | \$428,425 |
| City Manager | | | | |
| Dion Pollard | \$252,276 | \$50,153 | \$302,429 | \$313,361 |
| Designated Officers³ | | | | |
| | 731,304 | 153,711 | 885,015 | 975,918 |
| | \$1,410,344 | \$284,283 | \$1,694,627 | \$1,717,704 |

1. Salaries includes regular base pay, taxable per diems, bonuses, overtime, lump sum payments (excluding severance), gross honoraria, and any other direct cash remuneration. Differences among Councillors is due to committee assignments and meeting requirements.
2. Benefits and allowances include employer's share of all employee benefits and contributions or payments made on behalf of Councillors and employees, including pension, health care, dental coverage, group life insurance, accidental disability and dismemberment insurance, long term disability, and travel allowances.
3. Designated officers include the City Assessor, City Clerk, Executive Manager, Corporate Services, Manager, Planning, and Director, Public Safety as described in Bylaw 11-2025.

15. Defined Contribution Plan

Employees of the City who are members of CUPE 1015 Union participate in the Manulife Financial Pension Plan. The plan is funded by employee contributions at a rate of 7% and employers' contributions at a rate of 10% (2024 – 9%) of the member's earnings. Under the defined contribution plan, the City's obligations are limited to its required contributions.

Details of the Manulife Financial Pension Plan are included below. The amounts reported are only representative of mandatory contributions. Members can make voluntary contributions that are not matched by the City.

| | 2025 | 2024 |
|-----------------------------------|-------------|-------------|
| Number of Active City Members | 244 | 236 |
| Member Contributions for the Year | \$1,046,386 | \$991,886 |
| City Contributions for the Year | \$1,497,433 | \$1,290,308 |

16. Registered Retirement Savings Plan

International Association of Fire Fighters (IAFF) Local 5182 Employees

Employees of the City who are members of the IAFF Local 5182 Union participate in an employee Registered Retirement Savings Plan (RRSP) defined by the City and administered by Manulife. For these members, the plan is funded by member and employer contributions at a rate of 8% of the member's earnings. Under the RRSP plan, the City's obligations are limited to its contributions.

Out of Scope Employees

Out of Scope employees of the City (who are not members of either the IAFF Local 5182 Union or CUPE Local 1015 Union) participate in an employee Registered Retirement Savings Plan (RRSP) defined by the City and administered by Manulife. For these members, the plan is funded by member contributions at rates ranging from 7-9% of member's earnings, and employer contributions at rates ranging from 9-12% of member's earnings. Under the RRSP plan, the City's obligations are limited to its contributions.

If an employee has reached their maximum annual or cumulative RRSP contribution limit set out by CRA, contributions will be deposited to a Tax-Free Savings Account (TFSA) administered by Manulife.

Plan Contributions

Details of the Manulife Financial RRSP are detailed below for both the IAFF 5182 and Out of Scope Employees. The amounts reported are only representative of mandatory contributions. Members can make voluntary contributions that are not matched by the City.

| | 2025 | 2024 |
|---|-------------|-----------|
| Registered Retirement Savings Plan | | |
| Number of Active City Members | 119 | 111 |
| Member Contributions for the Year | \$822,188 | \$785,831 |
| City Contributions for the Year | \$1,143,875 | \$987,529 |
| Tax-Free Savings Plan | | |
| Number of Active City Members | 2 | 2 |
| Member Contributions for the Year | \$15,116 | \$14,122 |
| City Contributions for the Year | \$20,154 | \$17,260 |

17. Asset Retirement Obligation

| | Obligation | | | | | Tangible Capital Asset | | |
|---|--------------------|-----------|-------------------|-------------------|--------------------|------------------------|--------------------------|--------------------|
| | Opening Value | Additions | Accretion Expense | Amount Settled | Ending Value | Cost | Accumulated Amortization | Net Book Value |
| Landfills | \$3,699,889 | - | \$218,155 | - | \$3,918,044 | \$3,191,487 | (\$1,895,864) | \$1,295,623 |
| Building & Engineered Structure Retirements | 1,499,119 | - | 22,923 | (10,461) | 1,511,581 | 1,132,948 | (755,299) | 377,649 |
| Asbestos Remediation | 261,540 | - | 5,231 | - | 266,771 | 253,321 | (112,478) | 140,843 |
| | \$5,460,548 | - | \$246,309 | (\$10,461) | \$5,696,396 | \$4,577,756 | (\$2,763,641) | \$1,814,115 |

The associated capital assets are amortized using the straight-line method over their estimated useful life.

Landfills

The City operates a landfill site and is required to perform closure and post-closure activities upon retirement, in accordance with the Environmental Management and Protections Act of Saskatchewan. Closure and post-closure activities include the final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspections, and maintenance. The City is currently performing post-closure activities including site inspections and maintenance on a historic landfill.

| | Estimated Period of Expenses | Estimated Undiscounted Expenses | Discount Rate |
|---------------------|------------------------------|---------------------------------|---------------|
| Landfill – Current | 2061-2085 | \$15,319,642 | 3.50% |
| Landfill – Historic | 2022-2048 | 326,036 | 3.50% |

Building & Engineered Structure Retirements

The City is responsible for the retirement of buildings and engineered structures that are at the end of their useful life. Retirement activities include demolition of structures, abandonment of utility connections, and rehabilitation of the site.

| | Estimated Period of Expenses | Estimated Undiscounted Expenses | Discount Rate |
|--|------------------------------|---------------------------------|---------------|
| Historic Water Treatment Plant & Reservoir | 2022-2026 | \$805,000 | 0.00% |
| Lloydminster Golf & Curling Centre – Shop | 2028 | 38,137 | 2.00% |
| Centennial Civic Centre | 2026 | 1,154,338 | 2.00% |

The City is actively retiring assets. For this reason, the estimated expenses for these assets have not been discounted.

17. Asset Retirement Obligation (continued)

Asbestos Remediation

The City is responsible for buildings which contain asbestos and is required to perform abatement activities upon renovation or demolition of the buildings. Abatement activities include handling and disposing of the asbestos in a prescribed manner when it is disturbed.

| | Estimated Period of Expenses | Estimated Undiscounted Expenses | Discount Rate |
|--|---|--|--------------------------|
| Lloydminster Golf & Curling Centre – Shop | 2028 | \$25,356 | 2.00% |
| Centennial Civic Centre | 2026 | 100,222 | 2.00% |
| Lloydminster Golf & Curling Centre – Communiplex | 2030 | 158,604 | 2.00% |

Other

The City has identified other assets as potentially requiring an asset retirement obligation for which a reasonable estimate cannot be made of the amount at this time. For this reason, no obligation has been recognized. These assets include City buildings and infrastructure that may have asbestos due to their age and building materials, however no formal testing has been conducted.

18. Liability for Contaminated Sites

The City has recognized a Liability for Contaminated Sites for the following:

| | Opening Value | Additions | Accretion Expense | Amount Settled | Ending Value |
|--------------------|--------------------------|------------------|------------------------------|---------------------------|-------------------------|
| Historic City Shop | \$246,892 | - | - | - | \$246,892 |

The nature of the contamination includes hydrocarbons, chlorides, nitrates, and asbestos. The sources of contamination include fuel handling, vehicle storage and maintenance, salt storage, and construction materials.

The liability is based on environmental site assessments. The expected period of expenses is 2021-2026.

The City is actively remediating the contaminated site. For this reason, the estimated expenses have not been discounted.

Recovery

Due to contractual obligation of a third party, the City expects a recovery of \$150,000. The full amount of the recovery has been recorded and is reported in Trade and Other Receivables (**Note 5**).

19. Long Term Debt

| | 2025 | 2024 |
|------------------------------|----------------------------|----------------------------|
| Tax Supported Debentures | \$28,459,885 | \$30,895,858 |
| Utility Supported Debentures | 30,206,475 | 31,509,311 |
| | <u>\$58,666,360</u> | <u>\$62,405,169</u> |

The current portion of long-term debt amounts to \$3,596,819 (2024 - \$3,738,810).

Principal and interest repayments are as follows:

| | Principal | Interest | Total |
|------------|----------------------------|----------------------------|----------------------------|
| 2026 | \$3,596,819 | \$2,122,176 | \$5,718,995 |
| 2027 | 3,280,665 | 2,016,679 | 5,297,344 |
| 2028 | 3,383,874 | 1,913,470 | 5,297,344 |
| 2029 | 3,490,494 | 1,806,850 | 5,297,344 |
| 2030 | 3,442,286 | 1,696,703 | 5,138,989 |
| Thereafter | 41,472,222 | 18,449,222 | 59,921,444 |
| | <u>\$58,666,360</u> | <u>\$28,005,100</u> | <u>\$86,671,460</u> |

Debenture debt is repayable to Alberta Loans to Local Authorities and bears interest at rates ranging from 1.67% to 4.91% per annum and matures in periods March 2026 to December 2054.

Debenture debt is issued on the credit and security of the City at large.

Principal repaid on long term debt amounts to \$3,738,809 (2024 - \$3,487,872). Interest paid on long term debt amounts to \$2,211,590 (2024 - \$1,843,187).

20. Debt Limits

Section 185(1) of the Lloydminster Charter requires that debt and debt limits follow the regulations of the Alberta Municipal Government Act. Alberta Regulation 255/2000 require the City's debt and debt limit be disclosed as follows:

| | 2025 | 2024 |
|------------------------------|-----------------------------|-----------------------------|
| Total Debt Limit | \$184,420,637 | \$163,827,896 |
| Total Debt | (58,666,360) | (62,405,169) |
| Debt Limit Unused | <u>\$125,754,277</u> | <u>\$101,422,727</u> |
| Debt Servicing Limit | \$30,736,773 | \$27,304,649 |
| Debt Servicing | (5,718,995) | (5,970,979) |
| Debt Servicing Unused | <u>\$25,017,778</u> | <u>\$21,333,670</u> |

The debt limit is calculated at 1.5 times revenue of the City (as defined in Alberta Regulation 255/2000) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the City, rather the financial statements must be interpreted as a whole.

21. Accumulated Surplus

| | <i>(restated)</i> | | | |
|--|----------------------|---------------------|-----------------------|----------------------|
| | 2024 | Additions | Reductions | 2025 |
| Unrestricted Surplus | \$24,336,467 | \$48,398,567 | (\$71,861,873) | \$873,161 |
| Unrestricted Reserves | | | | |
| General Government | \$11,542,475 | \$3,952,499 | (\$6,532,154) | \$8,962,820 |
| Protective Services | 4,110,872 | 920,226 | (152,926) | 4,878,172 |
| Transportation Services | 12,839,076 | 4,286,847 | (3,576,167) | 13,549,756 |
| Environmental Services | 17,851,579 | 22,762,268 | (5,025,923) | 35,587,924 |
| Social Services | 452,752 | 42,274 | (15,000) | 480,026 |
| Planning & Development | 8,394,352 | 2,167,764 | (5,571,642) | 4,990,474 |
| Recreation & Culture | 3,240,870 | 4,244,839 | (2,787,391) | 4,698,318 |
| | \$58,431,976 | \$38,376,717 | (\$23,661,203) | \$73,147,490 |
| Restricted Reserves | | | | |
| Public Municipal Reserve | \$169,186 | - | - | \$169,186 |
| Offsites Reserve | 379,246 | 301,249 | (620,545) | 59,950 |
| Subdivision Prepaid Improvements | - | - | - | - |
| BID (Business Improvement District) | 361,414 | - | - | 361,414 |
| | \$909,846 | \$301,249 | (\$620,545) | \$590,550 |
| Equity in Tangible Capital Assets | | | | |
| Tangible Capital Assets (Schedule 2) | \$1,007,584,354 | \$50,645,340 | (\$21,202,110) | \$1,037,027,584 |
| Accumulated Amortization (Schedule 2) | (377,055,223) | (25,825,366) | 16,989,242 | (385,891,347) |
| Asset Retirement Obligation (Note 17) | (5,460,548) | (246,309) | 10,461 | (5,696,396) |
| Long-Term Debt (Note 19) | (62,405,169) | - | 3,738,809 | (58,666,360) |
| | \$562,663,414 | \$24,573,665 | (\$463,598) | \$586,773,481 |
| Accumulated Surplus | \$646,341,703 | | | \$661,384,682 |

Unrestricted Surplus

The unrestricted surplus represents accumulated surpluses from operations, which have not been designated by City Council for any specific use.

Included in the 2025 unrestricted surplus is a \$137,677 adjustment from the consolidation with the audited financial statements of the Lloydminster Public Library. Effective January 1, 2025, the Library joined the SILS Consortium as a Public Library Member. The Library's financials statements include their consolidated interest in SILS and their share of the annual operating revenue and expenses.

Reserves

The City follows the Reserves Policy 134-04, which was approved by Council on October 27, 2025. The purpose of this policy is to provide a safeguard and assist with long term financial stability and financial planning, which ensures financial resources are available to maintain a viable and sustainable community.

Restricted Reserve Funds are established by provincial or municipal legislation and can only be used for their prescribed purposes. Unrestricted Reserves Funds are established, based on Council's direction to fund current or future expenses for which the City has the authority to spend money or to provide for a specific purpose. Unrestricted Reserve Funds can be further established to assist in funding operational requirements or capital replacements/long term capital programs or for other special purposes.

22. Commitments

Water Supply

On May 16, 2003, the City entered into an agreement to supply raw water to Husky Oil Operations Limited which has since been amalgamated with Cenovus Energy Inc. The agreement is set to expire on December 31, 2029.

On February 27, 2017, Council approved that the City enter into an agreement to supply potable water to the Alberta Central East Water Corporation until January 1, 2038.

On February 16, 2021, Council approved that the City enter into an agreement to supply potable water to the Saskatchewan Water Corporation until December 31, 2041.

Annexation

On January 26, 2022, the Provincial Government of Alberta, through an Order in Council, approved the City's application to annex 23.5 quarter sections of land from the County of Vermilion River. The City is required to pay the County of Vermilion River a percentage of tax revenue from these annexed lands. The City has paid \$75,600 in 2025 and will pay \$37,800 in 2026.

Vendor Agreement

On September 25, 2023, Council approved that the City enter into a 15-year agreement with Veolia Water Technologies & Solutions to provide a quantity of replacement membrane modules for use at the wastewater treatment facility. The City is required to pay \$404,960 plus GST annually.

Capital

Capital commitments are not reflected in the consolidated financial statements. These are uncompleted portions of contracts on major projects and other obligations under various agreements. These commitments were included in capital budgets and will be funded from grants, reserves, debt, and other revenue in future years.

As of December 31, 2025, several capital projects are still ongoing and will be finished in future years. On February 2, 2026, Council approved carrying forward \$34,728,200 to the 2026 budget for these projects. The full carry forward amount does not reflect commitments made, and actual expenses to complete the projects may vary.

Funding & Grants

As approved by Council in various motions, the City supports local non-profit organizations that provide services to the community by providing annual operating funding. Through various multi-year agreements, the City is committed to providing funding to these organizations. The organizations supported include, but are not limited to, the following:

- Border Paws Animal Shelter Society
- Start Up Lloydminster
- Vic Juba Community Theatre
- Olive Tree Community Centre Inc.

The City partners with Family and Community Support Services (FCSS) to administer an annual grant to allocate FCSS funds to non-profit organizations for programs that fall within the scope of the FCSS Act and Regulation. The current agreement expires December 31, 2028. The City is required to provide a financial contribution of no less than twenty percent of the FCSS Services' total cost.

22. Commitments (continued)

Industrial Lease with Option to Purchase

On October 1, 2025 the City's Land Division leased an industrial lot to a third party for a term ending September 30, 2035 with a right to extend for a further five years. The lease includes an option to purchase the leased property at an agreed upon price which the lessee can exercise after certain conditions are met. Rent paid under the lease is not credited to the purchase price.

Vic Juba Concert Agreement

On September 24, 2025, the City entered into a contract with the Vic Juba Community Theatre to facilitate and support the delivery of concerts hosted at Cenovus Energy Hub for a period of 3 years beginning January 1, 2026 and ending December 31, 2028.

23. Contingent Liabilities

The collective agreement between the City and the Lloydminster Fire Fighter's Association Local 5182 of the International Association of Fire Fighter's expired on December 31, 2021. Negotiations are currently ongoing and may result in retrospective compensation for a period starting January 1, 2022, though the exact period remains undetermined.

As of December 31, 2025, various lawsuits and claims are pending by and against the City. No amount has been accrued in the financial statements as it is not possible to estimate the potential outcomes related to the ongoing litigation. It is the opinion of management that it is unlikely there will be a materially adverse impact on the City's financial position. Any eventual settlement of these lawsuits will be recorded in the period when the details are determined.

24. Contractual Obligations Under Operating Lease

The City has entered into a number of operating lease agreements with the last agreement expiring in 2031. Future minimum lease payments under operating leases are as follows:

| | 2025 |
|------------|---------------------------|
| 2026 | \$474,405 |
| 2027 | 478,701 |
| 2028 | 483,039 |
| 2029 | 487,459 |
| Thereafter | 699,896 |
| | <u>\$2,623,500</u> |

25. Contractual Rights

Contractual rights are rights to economic resources that arise from contracts or agreements that will result in future assets and revenues. The City enters into such contracts or agreements through the normal course of business.

The City has entered into several sponsorship agreements with various sponsors for the naming rights of City facilities. Per these contracted payment plans, the City will receive the following:

| Year | Amount |
|--------------|--------------------|
| 2026 | \$150,792 |
| 2027 | 179,984 |
| 2028 | 184,127 |
| 2029 | 178,435 |
| Thereafter | 1,996,662 |
| Total | \$2,690,000 |

The City has entered into property development agreements which will result in the future contribution of infrastructure assets to the City. The timing and extent of these future contributions cannot be reasonably determined, and therefore no amount has been accrued in the financial statements.

26. Franchise Fees

The following utility franchise agreement annual revenues are disclosed as required by Alberta Regulation 313/2000.

| | <i>(unaudited)</i> | | |
|----------------------|--------------------|--------------------|--------------------|
| | Budget | 2025 | 2024 |
| Power Utility | | | |
| ATCO Electric | \$4,870,704 | \$4,762,568 | \$4,185,699 |
| SaskPower | 681,804 | 660,940 | 664,736 |
| | \$5,552,508 | \$5,423,508 | \$4,850,435 |
| Gas Utility | | | |
| ATCO Gas | \$2,969,710 | \$3,085,055 | \$2,772,774 |
| | \$8,522,218 | \$8,508,563 | \$7,623,209 |

27. Budget

Budget data presented in these consolidated financial statements is based upon the 2024 operating and capital budgets as approved by Council. Council approved budgets are prepared in accordance with the Lloydminster Charter, which in some cases is different from budget amounts prepared in accordance with PSAS and reported on the consolidated statement of operations and accumulated surplus. The table below reconciles the Council approved budget to the PSAS budget figures reported in these consolidated financial statements.

| | Revenues | Expenses | Surplus |
|---|----------------------|------------------------|------------------|
| Operating Budget¹ | \$125,604,024 | (\$125,544,712) | \$59,312 |
| Adjustments | | | |
| Lloydminster Public Library Budget | \$1,579,023 | (\$1,371,247) | \$207,776 |
| Remove Inter-entity Grant | (1,401,161) | 1,420,855 | 19,694 |
| Property Tax Requisitions (Sch 3) | (15,654,346) | 15,654,346 | - |
| Government Transfers for Capital (Sch 4) | 7,608,961 | - | 7,608,961 |
| Transfers from Reserves | (2,967,980) | - | (2,967,980) |
| Amortization | - | (22,671,679) | (22,671,679) |
| Transfers to Reserves | - | 13,951,264 | 13,951,264 |
| Principal Debt Payments | - | 4,015,879 | 4,015,879 |
| Statement of Operations Budget | \$114,768,521 | (\$114,545,294) | \$223,227 |

1. The operating budget is inclusive of the budget approved by Council on November 25, 2024, and all subsequent approved amendments.

28. Segmented Disclosures

The Consolidated Schedule of Segmented Disclosures (**Schedule 5**) has been prepared in accordance with PS2700 - Segmented Disclosures. Segmented disclosures are intended to help users of the financial statements identify the resources allocated to support major governments activities and allow users to make more informed judgments regarding the government reporting entity.

The segments are identified based on the functional activities and services provided by the City. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

Segments are comprised as follows:

- General Government**
General Government includes services provided by Council and all other legislative activities, such as property taxes. Also included are services that support City functions, such as information technology, finance and accounting, employee relations, marketing, communications and building services.
- Protective Services**
Protective Services are those that safeguard residents, such as RCMP, bylaw services, fire and rescue, 911 dispatch, and all other disaster and emergency measures.

28. Segmented Disclosures (continued)

- c) **Transportation**
Transportation includes transit services such as the Airport and the maintenance of the road infrastructure. Transportation also includes the operation of the City's internal fleet assets.
- d) **Environmental Services**
Environmental Services include the provision of utility services to residents, including water, wastewater, stormwater, and waste; the latter of which encompasses landfill, recycling, and curbside pickup.
- e) **Social Services**
Social Services include community and family support services, cemetery, and other public health support.
- f) **Planning & Development**
Planning & Development includes land planning and development, and other economic development services.
- g) **Recreation & Culture**
Recreation & Culture includes the maintenance and operation of all City parks, ball diamonds, indoor and outdoor pools, splash parks, arenas, museums, libraries, cultural centers, and public art.

29. Financial Instruments

The City's financial instruments consist of cash and temporary investments, accounts receivable, investments, accounts payable and accrued liabilities, deposit liabilities, employee benefit liabilities and long-term debt. The City is exposed to credit risk and liquidity risk in relation to these financial instruments. It is management's opinion that the City is not exposed to significant currency or market risk. There have been no significant changes to these risks or the objectives, policies, or procedures for managing them in the year.

Credit risk arises from the possibility that taxpayers and entities to which the City provides services may experience financial difficulty and be unable to fulfill their obligations. The City is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. The City mitigates credit risk by conducting regular assessments of its ratepayers and establishing allowances for amounts deemed potentially uncollectible. The large number and diversity of taxpayers and customers minimizes the credit risk.

Liquidity risk is the risk that the City will encounter difficulty meeting obligations as they become due. The City mitigates liquidity risk by monitoring cash activities through budgeting and forecasting. Further, the City has access to a \$5 million demand operating credit facility that can be drawn upon if unexpected cash outflows arise.

30. Comparative Amounts

The following 2024 comparative financial statement figures have been restated to reflect changes in accounting classifications and the correction of errors.

| | 2024 – As Presented | 2024 – Restated | Change | Impact to Accumulated Surplus |
|---------------------------------|---------------------|-----------------|-----------------------|-------------------------------|
| Land and Inventories for Resale | \$17,313,488 | \$6,124,380 | \$11,189,108 decrease | - |
| Land for Development | - | 9,984,278 | 9,984,278 increase | - |
| Tangible Capital Assets | 629,084,133 | 630,529,131 | 1,444,998 increase | - |
| Expenditures | 109,654,193 | 109,664,245 | 10,052 increase | (10,052) |
| Accumulated Surplus - Opening | 611,870,408 | 612,120,628 | 250,220 increase | 250,220 |
| Total Change | | | | \$240,168 |

As a result of these adjustments, the ending accumulate surplus has increased by \$240,168.

Land and Inventories for Resale

Adjustment to reclassify several parcels of land to Tangible Capital Assets or Land for Development to more accurately reflect their intended future use and to correct cost calculations on past land transactions.

Land for Development

Land Inventory that is not yet fully developed and not yet in a condition to be sold has been reclassified as Land for Development.

Tangible Capital Assets

Several parcels of land were reclassified from Land Inventories to Tangible Capital Assets to more accurately reflect their intended future use.

A previously missed contributed asset was capitalized and amortization was recorded from the year of contribution.

Expenditures

Expenditures were adjusted as a result of amortization on assets added in the adjustments to Tangible Capital Assets.

Accumulated Surplus - Opening

The 2024 Opening Accumulated Surplus was adjusted to reflect the impact of the entries made in the prior year.

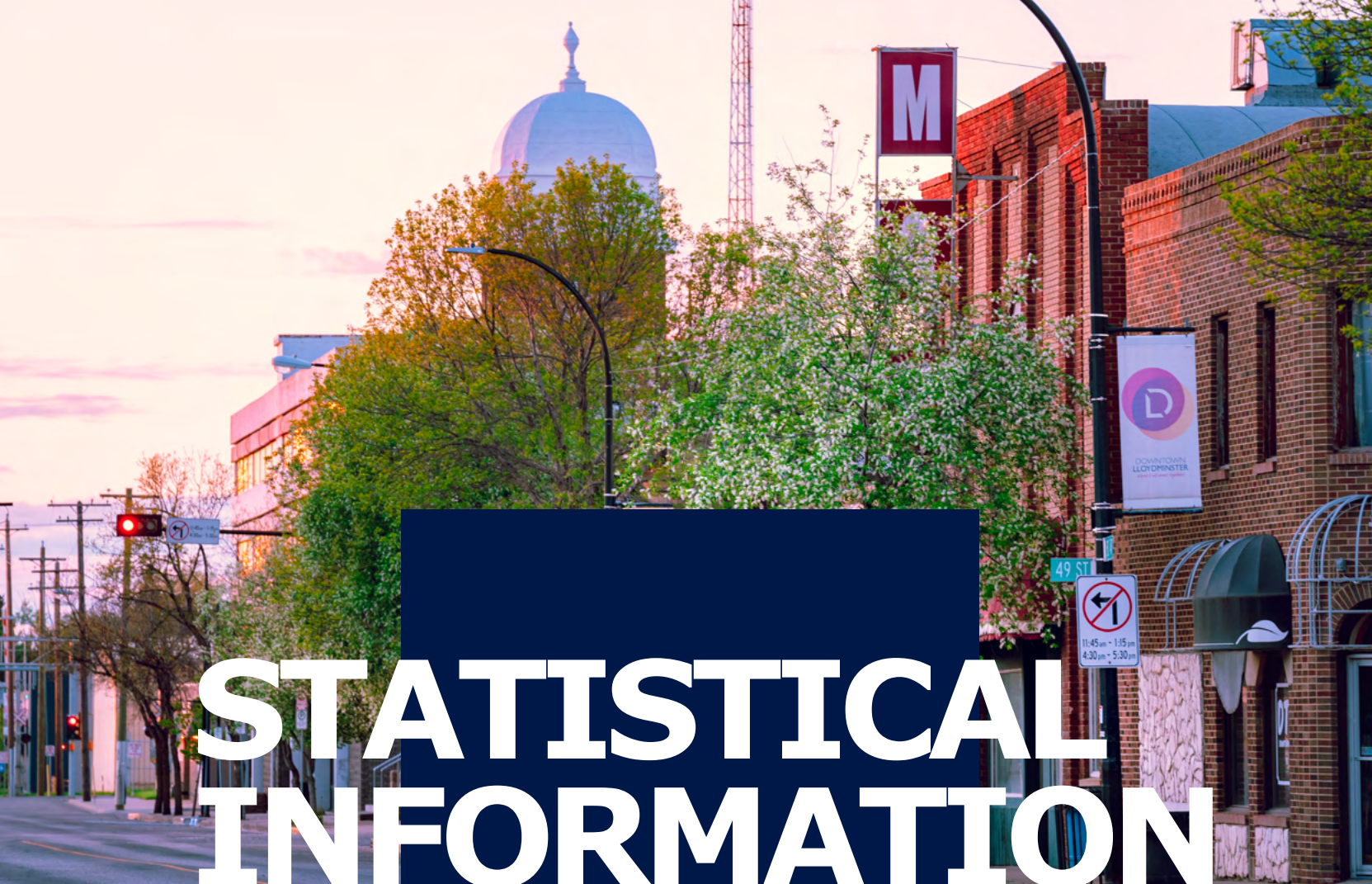
31. Subsequent Events

In January 2026, the City received the disbursement of a \$30.38 million debenture related to the long-term funding of the Cenovus Energy Hub Event Arena. This debenture will be repaid over a 30-year term.

In 2026, the City is expected to receive the disbursement of a \$3.22 million debenture related to the long-term funding of the Mechanical Wastewater Treatment Facility. This debenture will be repaid over a 25-year term.

32. Approval of the Financial Statements

Council and Management have approved these consolidated financial statements.



STATISTICAL INFORMATION

Unaudited

FIVE-YEAR HISTORICAL – STATISTICAL SECTION (Unaudited)

POPULATION AND OTHER STATISTICS

For the years ended December 31, 2021 to 2025

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|-------------------|-------------------|--------------------|-------------------|-------------------|
| Total Full-time Positions | 283 | 291 | 313 | 312 | 326 |
| Population¹ | 31,582 | 31,582 | 31,582 | 31,582 | 31,582 |
| Total Area of Municipality² (in hectares) | 4,345 | 5,871 | 5,871 | 5,868 | 5,868 |
| Number of Dwelling Units³ | 13,715 | 14,015 | 14,044 | 14,087 | 14,137 |
| Building Permits³ (value) | | | | | |
| Residential | 13,687,622 | 30,229,611 | 10,854,383 | 21,599,874 | 24,699,441 |
| Commercial | 25,788,594 | 7,055,071 | 31,643,490 | 8,274,776 | 58,923,297 |
| Industrial | 9,046,394 | 2,100,000 | 311,757 | 10,477,290 | 3,350,000 |
| Institutional | 23,111,080 | 26,180,000 | 77,190,374 | 3,780,524 | 2,367,606 |
| | 71,633,690 | 65,564,682 | 120,000,004 | 44,132,464 | 89,340,344 |
| Number of Building Permits Issued³ | 189 | 170 | 123 | 160 | 205 |
| Miscellaneous³ | | | | | |
| Open Roads Maintained Length (KMs) | 227.04 | 228.70 | 229.50 | 229.50 | 232.39 |
| Water Mains Length (KMs) | 249.24 | 249.71 | 236.33 | 244.82 | 248.36 |
| Wastewater Mains Length (KMs) | 220.96 | 221.31 | 217.39 | 217.26 | 218.10 |
| Storm Drainage Mains Length (KMs) | 160.60 | 161.58 | 157.91 | 158.12 | 158.12 |

Sources: ¹Census data (2016 & 2021) from Statistics Canada ²City of Lloydminster GIS ³City of Lloydminster FIR

VALUATION OF TAXATION AND ASSESSMENT

As per the Mill Rate Bylaws from 2021 to 2025

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Assessed Values | | | | | |
| Residential | \$3,052,497,970 | \$3,077,145,510 | \$3,088,708,420 | \$3,194,470,830 | \$3,298,765,460 |
| Non-Residential | 1,386,486,820 | 1,410,443,480 | 1,550,810,640 | 1,606,972,960 | 1,736,356,360 |
| Annexed | - | 17,640,770 | 18,220,580 | 18,910,720 | 19,750,580 |
| Total Assessed Values | \$4,438,984,790 | \$4,505,229,760 | \$4,657,739,640 | \$4,820,354,510 | \$5,054,872,400 |

TAXES LEVIED

For the years ended December 31, 2021 to 2025

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Taxes Levied | | | | | |
| Municipal | 36,792,699 | 38,778,216 | 42,154,719 | 46,267,528 | 50,020,846 |
| Education | 12,788,602 | 12,896,481 | 12,463,720 | 13,067,149 | 14,314,346 |
| Seamless Education | 2,399,882 | 2,291,321 | 1,712,352 | 1,297,815 | 1,330,322 |
| Designated Industrial Property | - | - | 18,984 | 18,803 | 21,503 |
| Total Taxes Levied | 51,981,183 | 53,966,018 | 56,349,775 | 60,651,295 | 65,687,017 |

2025 TOP 3 TAXABLE PROPERTIES

Cenovus Energy Inc.

ADM Agri-Industries Company

ATCO Electric

Source: City of Lloydminster Assessment and Taxation

CONSOLIDATED STATEMENT OF OPERATIONS

For the years ended December 31, 2021 to 2025

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Revenue | | | | | |
| Net Municipal Taxes | \$36,792,699 | \$38,778,225 | \$42,154,719 | \$46,267,528 | \$50,020,846 |
| User Fees and Sale of Goods | 37,173,756 | 32,546,324 | 38,638,502 | 41,993,386 | 55,354,539 |
| Government Transfers for Operating | 4,402,918 | 4,528,580 | 5,132,178 | 5,223,732 | 5,455,887 |
| Investment Income | 1,046,420 | 2,481,285 | 5,496,877 | 4,610,965 | 2,856,300 |
| Penalties and Costs of Taxes | 614,271 | 796,720 | 815,750 | 875,558 | 1,016,199 |
| Fine Revenue | 586,574 | 539,905 | 620,382 | 573,512 | 529,393 |
| Development Levies | 778,697 | 256,894 | 492,146 | - | 1,226,597 |
| Licenses and Permits | 1,092,753 | 1,110,675 | 1,061,152 | 1,001,216 | 1,363,724 |
| Franchise and Concession Contracts | 5,953,163 | 7,091,729 | 6,673,851 | 7,623,209 | 8,508,563 |
| Gain or (Loss) on Asset Disposal | 169,829 | 809,371 | 42,107 | 288,664 | (3,591,477) |
| Other Income | 782,808 | 152,575 | 526,834 | 985,307 | 518,245 |
| | \$89,393,888 | \$89,092,283 | \$101,654,498 | \$109,443,077 | \$123,258,816 |
| Expenses | | | | | |
| Council and Other Legislative Administration | \$1,124,844 | \$1,168,081 | \$1,193,044 | \$1,497,850 | \$1,349,015 |
| Police | 10,896,644 | 12,648,603 | 15,330,633 | 15,609,697 | 16,350,582 |
| Fire | 11,476,445 | 13,591,125 | 13,467,875 | 13,601,467 | 13,936,719 |
| Disaster and Emergency Measures | 3,723,365 | 4,235,353 | 5,186,619 | 5,385,701 | 6,437,937 |
| Bylaw Enforcement | 177,565 | 134,661 | 260,241 | 219,635 | 325,440 |
| Road Services | 1,200,146 | 1,069,329 | 1,700,332 | 1,276,073 | 1,280,877 |
| Fleet Services | 5,111,277 | 8,869,790 | 14,838,896 | 14,603,400 | 15,429,728 |
| Airport | 1,826,972 | 2,393,683 | 2,941,338 | 3,346,257 | 3,425,132 |
| Storm Drainage | 917,116 | 1,098,680 | 1,902,311 | 1,924,628 | 1,922,840 |
| Water Supply and Distribution | 274,675 | 202,159 | 2,311,995 | 2,298,331 | 2,458,220 |
| Wastewater Treatment and Disposal | 4,198,769 | 5,283,014 | 9,093,714 | 9,153,659 | 9,229,940 |
| Waste Management | 1,894,243 | 2,265,223 | 5,053,252 | 9,169,353 | 8,958,738 |
| Family and Community Support | 2,859,860 | 2,884,370 | 4,035,733 | 3,429,106 | 4,204,172 |
| Cemetery and Crematoriums | 977,509 | 1,148,766 | 1,466,335 | 1,670,261 | 2,037,927 |
| Land Use Planning, Zoning, and Development | 142,112 | 134,200 | 140,020 | 122,808 | 147,381 |
| Economic Development | 1,345,830 | 1,118,934 | 1,483,211 | 1,503,308 | 1,540,208 |
| Subdivision Land and Development | 401,517 | 474,872 | 532,564 | 806,953 | 629,198 |
| Parks and Recreation | 1,839,276 | 391,155 | 1,274,339 | 1,861,318 | 1,503,797 |
| Cultural, Libraries, Museums, and Halls | 12,346,331 | 13,364,674 | 16,473,591 | 18,199,143 | 19,809,822 |
| Amortization* | 2,536,382 | 3,424,146 | 3,677,387 | 3,985,297 | 3,534,771 |
| | 20,806,526 | 21,526,008 | - | - | - |
| | \$86,077,404 | \$97,426,826 | \$102,363,430 | \$109,664,245 | \$114,512,444 |
| Surplus (Deficit) of Revenues over Expenses | \$3,316,484 | (\$8,334,543) | (\$708,932) | (\$221,168) | \$8,746,372 |
| Other | | | | | |
| Contributed Assets | \$1,872,559 | \$1,215,486 | \$278,525 | \$1,353,720 | \$261,645 |
| Government Transfers for Capital | 36,275,167 | 25,011,223 | 18,181,331 | 33,088,523 | 5,897,285 |
| | \$38,147,726 | \$26,226,709 | \$18,459,856 | \$34,442,243 | \$6,158,930 |
| Surplus (Deficit) of Revenues over Expenses | \$41,464,210 | \$17,892,166 | \$17,750,924 | \$34,221,075 | \$14,905,302 |
| Accumulated Surplus - Beginning of Year | \$543,699,577 | \$585,320,518 | \$603,212,684 | \$611,870,408 | \$646,341,703 |
| Adjustments to Accumulated Surplus | 156,731 | - | (9,093,200) | 250,220 | 137,677 |
| Accumulated Surplus - End of Year | \$585,320,518 | \$603,212,684 | \$611,870,408 | \$646,341,703 | \$661,384,682 |

Note 1 – The accounting policy for recognizing Development Levies revenue changed in 2024 (which updated the 2023 comparatives).

Note 2 – Penalties & Costs of Taxes and Fine Revenue were combined in 2021. First split out in 2022 (which updated the 2021 comparatives).

Note 3 – Road and Fleet Services were combined in 2021. First split out in 2022 (which updated the 2021 comparatives).

Note 4 – Amortization expense was integrated into the functional areas in 2024 (which updated the 2023 comparatives).

CONSOLIDATED SCHEDULE OF REVENUES BY FUNCTION

For the years ended December 31, 2021 to 2025

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|------------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
| General Government | \$47,513,981 | \$51,812,732 | \$58,237,580 | \$62,670,667 | \$65,594,994 |
| Protective Services | 2,342,316 | 2,095,687 | 2,475,824 | 3,590,968 | 2,055,002 |
| Transportation | 744,940 | 2,077,884 | 1,405,546 | 1,039,667 | 1,667,200 |
| Environmental Services | 24,831,864 | 25,905,225 | 27,797,759 | 29,362,346 | 43,402,681 |
| Social Services | 839,711 | 851,882 | 1,034,896 | 1,212,024 | 1,227,734 |
| Planning & Development | 8,940,836 | 1,409,183 | 2,970,780 | 2,487,350 | 3,037,100 |
| Recreation & Culture | 4,180,240 | 4,939,690 | 7,732,113 | 9,080,055 | 6,274,105 |
| | \$89,393,888 | \$89,092,283 | \$101,654,498 | \$109,443,077 | \$123,258,816 |

CONSOLIDATED SCHEDULE OF EXPENSES BY OBJECT

For the years ended December 31, 2021 to 2025

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|--------------------------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
| Salaries, Wages and Benefits | \$33,117,189 | \$36,095,940 | \$37,950,642 | \$39,964,023 | \$42,310,794 |
| Contracted and General Services | 18,902,364 | 24,559,909 | 26,452,543 | 27,990,211 | 27,928,951 |
| Cost of Sales | 1,568,799 | 561,960 | 1,353,355 | 1,675,945 | 1,485,439 |
| Materials and Goods | 3,348,959 | 4,133,514 | 4,233,482 | 4,771,407 | 5,539,103 |
| Transfer to Local Boards or Agencies | 1,388,204 | 1,509,309 | 1,856,777 | 1,640,409 | 1,746,249 |
| Utilities | 5,435,023 | 6,250,611 | 6,574,427 | 6,928,251 | 7,022,653 |
| Bank Charges | 185,755 | 181,567 | 165,684 | 148,489 | 174,893 |
| Interest on Long Term Debt | 873,475 | 1,149,308 | 1,821,336 | 1,843,187 | 2,211,590 |
| Accretion Expense | 326,491 | 1,453,531 | 210,670 | 111,761 | 246,309 |
| Bad Debts | 124,619 | 5,169 | 7,548 | 49,546 | 21,097 |
| Amortization | 20,806,526 | 21,526,008 | 21,736,966 | 24,541,016 | 25,825,366 |
| | \$86,077,404 | \$97,426,826 | \$102,363,430 | \$109,664,245 | \$114,512,444 |

CONSOLIDATED STATEMENT OF NET ASSETS

For the years ended December 31, 2021 to 2025

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------------------|---------------------|---------------------|---------------------|--------------------|----------------------|
| Financial Assets | \$132,901,731 | \$144,695,837 | \$136,838,232 | \$110,837,316 | \$95,965,709 |
| Liabilities | (63,789,838) | (92,071,387) | (99,503,087) | (106,793,186) | (98,513,911) |
| Net Financial Assets | \$69,111,893 | \$52,624,450 | \$37,335,145 | \$4,044,130 | \$(2,548,202) |

CONSOLIDATED SCHEDULE OF ACQUISITIONS OF TANGIBLE CAPITAL ASSETS

For the years ended December 31, 2021 to 2025

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|--------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Land | \$149,930 | \$- | \$- | \$400,000 | \$455,203 |
| Land Improvements | 1,411,432 | 4,128,671 | 965,797 | 4,680,496 | 3,932,285 |
| Buildings | 3,142,921 | 4,304,121 | 864,853 | 2,918,165 | 24,974,019 |
| Machinery & Equipment | 2,228,326 | 3,939,959 | 2,015,041 | 4,400,743 | 5,740,793 |
| Engineered Structures | 8,219,378 | 7,921,397 | 22,187,402 | 11,816,049 | 11,453,625 |
| Construction in Progress | 33,222,969 | 39,363,770 | 20,543,287 | 56,919,641 | 4,116,188 |
| | \$48,374,956 | \$59,657,918 | \$46,576,380 | \$81,135,094 | \$50,672,113 |

CONSOLIDATED DEBT LIMIT AND LONG-TERM DEBT

For the years ended December 31, 2021 to 2025

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Long-Term Debt | | | | | |
| Tax Supported | \$27,385,470 | \$25,281,304 | \$23,118,659 | \$30,895,858 | \$28,459,885 |
| Utility Supported | 6,147,617 | 29,468,758 | 32,774,382 | 31,519,311 | 30,206,475 |
| Total Long-Term Debt | \$33,533,087 | \$54,750,062 | \$55,893,041 | \$62,405,169 | \$58,666,360 |
| Total Debt Per Capita | \$1,062 | \$1,734 | \$1,770 | \$1,976 | \$1,858 |

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|--------------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| Debt Limits | | | | | |
| Total Debt Limit | \$133,434,545 | \$133,096,359 | \$151,869,519 | \$163,827,896 | \$184,420,637 |
| Total Debt | (33,533,087) | (54,750,063) | (55,893,041) | (62,405,169) | (58,666,360) |
| Debt Limit Unused | \$99,901,458 | \$78,346,296 | \$95,976,478 | \$101,422,727 | \$125,754,277 |
| Percentage Used | 25% | 41% | 37% | 38% | 32% |

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Debt Servicing Limit | | | | | |
| Debt Servicing Limit | \$22,239,091 | \$22,182,727 | \$25,311,587 | \$27,304,649 | \$30,736,773 |
| Debt Servicing | (3,705,793) | (4,560,193) | (5,330,529) | (5,970,979) | (5,718,995) |
| Debt Servicing Unused | \$18,533,298 | \$17,622,534 | \$19,981,058 | \$21,333,670 | \$25,017,778 |
| Percentage Used | 17% | 21% | 21% | 22% | 19% |
| Percentage of Expenses | 4% | 5% | 5% | 5% | 5% |

CONSOLIDATED SCHEDULE OF RESERVES

For the years ended December 31, 2021 to 2025

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Unrestricted Reserves | | | | | |
| General Government | \$9,792,740 | \$10,172,554 | \$8,572,044 | \$11,542,475 | \$8,962,820 |
| Protective Services | 2,328,004 | 1,867,364 | 2,725,282 | 4,110,872 | 4,878,172 |
| Transportation Services | 10,716,609 | 11,063,695 | 12,053,302 | 12,839,076 | 13,549,756 |
| Environmental Services | 15,366,380 | 16,190,825 | 17,056,912 | 17,851,579 | 35,587,924 |
| Social Services | 578,456 | 824,907 | 548,179 | 452,752 | 480,026 |
| Planning & Development | 5,796,304 | 6,665,067 | 8,392,162 | 8,394,352 | 4,990,474 |
| Recreation & Culture | 10,003,325 | 10,300,685 | 10,124,765 | 3,240,870 | 4,698,318 |
| | \$54,581,818 | \$57,085,098 | \$59,472,646 | \$58,431,976 | \$73,147,490 |
| Restricted Reserves | | | | | |
| Public Municipal Reserve | \$169,186 | \$169,186 | \$169,186 | \$169,186 | \$169,186 |
| Offsites Reserve | 9,443,754 | 9,002,000 | 379,246 | 379,246 | 59,950 |
| Subdivision Prepaid Improvements | 2,065,381 | 2,065,381 | 2,065,381 | - | - |
| BID (Business Improvement District) | 156,414 | 1,056,414 | 1,046,414 | 361,414 | 361,414 |
| Federal Gas Tax | - | - | - | - | - |
| | \$11,834,736 | \$12,292,981 | \$3,660,227 | \$909,846 | \$590,550 |

Note 1 – In 2024, the City implemented a new accounting policy with respect to Offsite Reserves to account for externally contributed offsites as deferred revenue. This change was applied retroactively to 2023.

Note 2 – In 2022, the City implemented a new accounting policy with respect to Federal Gas Tax Funds (subsequently renamed the Canada Community Building Fund) to account for them as deferred revenue. This change was applied retroactively to 2021.



2025

**LLOYD
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