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# **CONSOLIDATED FINANCIAL STATEMENTS**

**Year Ended December 31, 2024**

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## TABLE OF CONTENTS

Consolidated Financial Statements

Year ended December 31, 2024

	Page
<b>Management's Responsibility for Financial Reporting</b>	2
<b>Independent Auditor's Report</b>	3-4
<b>Statements</b>	
Consolidated Statement of Financial Position	5
Consolidated Statement of Operations and Accumulated Surplus	6
Consolidated Statement of Cash Flows	7
Consolidated Statement of Change in Net Financial Assets	8
<b>Schedules</b>	
Schedule 1 - Consolidated Schedule of Changes in Accumulated Surplus	9
Schedule 2 - Consolidated Schedule of Tangible Capital Assets	10
Schedule 3 - Consolidated Schedule of Property and Other Taxes	11
Schedule 4 - Consolidated Schedule of Government Transfers	12
Schedule 5 - Consolidated Schedule of Segmented Disclosures	13
<b>Notes to the Consolidated Financial Statements</b>	
1. Significant Accounting Policies	14
2. Accounting Policy Changes	19
3. Cash and Temporary Investments	20
4. Taxes Receivable	20
5. Trade and Other Receivable	21
6. Land and Inventories for Resale	21
7. Investments	22
8. Accounts Payable	22
9. Deposit Liabilities	23
10. Deferred Revenue	23
11. Offsites	24
12. Employee Benefit Obligations	25
13. Salary and Benefits Disclosure	26
14. Defined Contribution Plan	27
15. Registered Retirement Savings Plan	27
16. Asset Retirement Obligation	28
17. Liability for Contaminated Sites	29
18. Long Term Debt	30
19. Debt Limits	30
20. Accumulated Surplus	31
21. Commitments	32
22. Contingent Liabilities	33
23. Contractual Obligations Under Operating Lease	33
24. Contractual Rights	34
25. Franchise Fees	34
26. Budget	35
27. Segmented Disclosures	35
28. Financial Instruments	36
29. Comparative Amounts	36
30. Subsequent Events	36
31. Approval of the Financial Statements	36

## 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, 2024 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 28, 2025



Adèle Wakaruk, CPA  
Executive Manager, Corporate Services

April 28, 2025



CHARTERED PROFESSIONAL ACCOUNTANTS

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## 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, 2024, 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, 2024, 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.

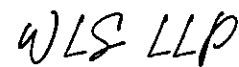
Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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 28, 2025  
Lloydminster, Alberta



Chartered Professional Accountants

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at December 31, 2024

			2024	(restated) 2023
<b>Financial Assets</b>				
Cash and Temporary Investments	Note 3	\$	58,536,450	\$ 78,315,217
Receivables				
Taxes and Grants in Place of Taxes	Note 4		3,990,513	3,972,283
Trade and Other Receivables	Note 5		16,160,179	16,224,845
Receivable Offsites	Note 11		2,897,007	2,913,332
Land and Inventory for Resale	Note 6		17,313,488	17,265,213
Investments	Note 7		23,128,787	18,147,342
<b>Total Financial Assets</b>		<b>\$</b>	<b>122,026,424</b>	<b>\$ 136,838,232</b>
<b>Liabilities</b>				
Accounts Payable and Accrued Liabilities	Note 8	\$	15,578,730	\$ 14,609,551
Deposit Liabilities	Note 9		1,007,680	938,910
Deferred Revenue	Note 10		6,708,709	8,227,541
Deferred Offsites	Note 11		11,770,209	11,596,629
Employee Benefit Obligations	Note 12		3,615,249	3,309,598
Asset Retirement Obligations	Note 16		5,460,548	4,658,230
Liability for Contaminated Sites	Note 17		246,892	269,587
Long-Term Debt	Note 18		62,405,169	55,893,041
<b>Total Liabilities</b>		<b>\$</b>	<b>106,793,186</b>	<b>\$ 99,503,087</b>
<b>Net Financial Assets</b>		<b>\$</b>	<b>15,233,238</b>	<b>\$ 37,335,145</b>
<b>Non-Financial Assets</b>				
Inventory for Consumption		\$	1,165,477	\$ 1,147,650
Prepaid Expenses			618,687	435,582
Tangible Capital Assets	Schedule 2		629,084,133	572,952,031
<b>Total Non-Financial Assets</b>		<b>\$</b>	<b>630,868,297</b>	<b>\$ 574,535,263</b>
<b>Accumulated Surplus</b>	Schedule 1	<b>\$</b>	<b>646,101,535</b>	<b>\$ 611,870,408</b>
<i>Commitments</i>	Note 21			
<i>Contingent Liabilities</i>	Note 22			
<i>Contractual Obligations under Operating Lease</i>	Note 23			
<i>Contractual Rights</i>	Note 24			

Approved on Behalf of Council

**Gerald Aalbers**  
Mayor  
April 28, 2025



**Justin Vance**  
Deputy Mayor  
April 28, 2025



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

## CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

Year Ended December 31, 2024

		(unaudited) Budget	2024	(restated) 2023
<b>Revenue</b>				
Net Municipal Taxes	Schedule 3	\$ 46,236,571	\$ 46,267,528	\$ 42,154,719
User Fees and Sale of Goods		35,911,420	41,993,386	38,638,502
Government Transfers for Operating	Schedule 4	5,084,696	5,223,732	5,132,178
Investment Income		4,012,000	4,610,965	5,496,877
Penalties and Costs of Taxes		757,900	875,558	815,750
Fine Revenue		530,000	573,512	620,382
Development Levies		-	-	492,146
Licenses and Permits		1,096,484	1,001,216	1,061,152
Franchise and Concession Contracts	Note 25	7,727,235	7,623,209	6,673,851
Gain (Loss) on Asset Disposal		-	288,664	42,107
Other Income		70,000	985,307	526,834
<b>Total Revenue</b>		<b>\$ 101,426,306</b>	<b>\$ 109,443,077</b>	<b>\$ 101,654,498</b>
<b>Expenses</b>				
Council and Other Legislative		\$ 1,510,216	\$ 1,497,850	\$ 1,193,044
Administration		16,729,488	15,609,697	15,330,633
Police		13,865,614	13,601,467	13,467,875
Fire		5,166,853	5,385,701	5,186,619
Disaster and Emergency Measures		265,519	219,635	260,241
Bylaw Enforcement		1,401,028	1,276,073	1,700,332
Road Services		15,293,214	14,603,400	14,838,896
Fleet Services		3,390,999	3,346,257	2,941,338
Airport		1,832,704	1,924,628	1,902,311
Storm Drainage		2,177,961	2,298,331	2,311,995
Water Supply and Distribution		8,746,961	9,143,607	9,093,714
Wastewater Treatment and Disposal		7,930,899	9,169,353	5,053,252
Waste Management		3,866,651	3,429,106	4,035,733
Family and Community Support		1,321,165	1,670,261	1,466,335
Cemetery and Crematoriums		174,113	122,808	140,020
Land Use Planning, Zoning, and Development		1,384,420	1,503,308	1,483,211
Economic Development		1,017,827	806,953	532,564
Subdivision Land and Development		881,401	1,861,318	1,274,339
Parks and Recreation		18,398,716	18,199,143	16,473,591
Cultural, Libraries, Museums, and Halls		3,844,050	3,985,297	3,677,387
<b>Total Expenses</b>		<b>\$ 109,199,799</b>	<b>\$ 109,654,193</b>	<b>\$ 102,363,430</b>
<b>Surplus (Deficit) of Revenues over Expenses</b>		<b>\$ (7,773,493)</b>	<b>\$ (211,116)</b>	<b>\$ (708,932)</b>
<b>Other</b>				
Contributed Assets		\$ -	\$ 1,353,720	\$ 278,525
Government Transfers for Capital	Schedule 4	35,412,672	33,088,523	18,181,331
<b>Total Other</b>		<b>\$ 35,412,672</b>	<b>\$ 34,442,243</b>	<b>\$ 18,459,856</b>
<b>Surplus (Deficit) of Revenues over Expenses</b>		<b>\$ 27,639,179</b>	<b>\$ 34,231,127</b>	<b>\$ 17,750,924</b>
Accumulated Surplus - Beginning of Year (restated)		\$ 611,870,408	\$ 611,870,408	\$ 594,119,484
<b>Accumulated Surplus - End of Year</b>	Note 20	<b>\$ 639,509,587</b>	<b>\$ 646,101,535</b>	<b>\$ 611,870,408</b>

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



## CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended December 31, 2024

(restated)

	2024	2023
<b>Net Inflow (Outflow) of Cash Related to the Following Activities:</b>		
<b>Operating Activities</b>		
Surplus (Deficit) of Revenues over Expenses	\$ 34,231,127	\$ 17,750,924
Non-cash Items		
Amortization of Tangible Capital Assets	24,530,964	21,736,966
(Gain) Loss on Asset Disposal	(288,664)	(42,107)
Contributed Tangible Capital Assets	(1,353,720)	(278,525)
Changes to Financial Assets		
Decrease (Increase) in Taxes and Grants in Place of Taxes Receivable	(18,230)	(803,736)
Decrease (Increase) in Trade and Other Receivables	64,666	(146,199)
Decrease (Increase) in Receivable Offsites	16,325	14,909
Decrease (Increase) in Land and Inventory Held for Resale	(48,275)	820,127
Changes to Non-Financial Assets		
Decrease (Increase) in Inventory for Consumption	(17,827)	(27,029)
Decrease (Increase) in Prepaid Expenses	(183,105)	(27,722)
Changes to Liabilities		
Increase (Decrease) in Accounts Payable and Accrued Liabilities	969,179	(5,624,806)
Increase (Decrease) in Deposit Liabilities	68,770	(6,351)
Increase (Decrease) in Deferred Revenue	(1,518,832)	(641,481)
Increase (Decrease) in Deferred Offsites	173,580	(333,611)
Increase (Decrease) in Employee Benefit Obligations	305,651	292,919
Increase (Decrease) in Asset Retirement Obligations	802,318	580,611
Increase (Decrease) in Liability for Contaminated Sites	(22,695)	-
<b>Total Cash Provided by Operating</b>	<b>\$ 57,711,232</b>	<b>\$ 33,264,889</b>
<b>Capital Activities</b>		
Acquisition of Tangible Capital Assets	\$ (79,329,691)	\$ (45,618,474)
Proceeds on Disposal of Tangible Capital Assets	309,009	309,861
<b>Total Cash Applied to Capital</b>	<b>\$ (79,020,682)</b>	<b>\$ (45,308,613)</b>
<b>Investing Activities</b>		
Decrease (Increase) in Restricted Cash or Cash Equivalents	\$ 1,116,374	\$ (597,657)
Decrease (Increase) in Investments	(4,981,445)	(10,876,426)
<b>Total Cash Applied to Investing</b>	<b>\$ (3,865,071)</b>	<b>\$ (11,474,083)</b>
<b>Financing Activities</b>		
Long-Term Debt Repaid	\$ (3,487,872)	\$ (2,857,021)
Long-Term Debt Issued	10,000,000	4,000,000
<b>Total Cash Provided by Financing</b>	<b>\$ 6,512,128</b>	<b>\$ 1,142,979</b>
<b>Change in Cash and Cash Equivalents During the Year</b>	<b>\$ (18,662,393)</b>	<b>\$ (22,374,828)</b>
<b>Cash and Cash Equivalents - Beginning of Year (restated)</b>	<b>\$ 60,295,762</b>	<b>\$ 82,670,590</b>
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 41,633,369</b>	<b>\$ 60,295,762</b>
<b>Cash and Cash Equivalents - Comprised Of</b>		
Cash and Cash Equivalents	Note 3 \$ 58,536,450	\$ 78,315,217
Less: Restricted Portion of Cash	Note 3 (16,903,081)	(18,019,455)
	<b>\$ 41,633,369</b>	<b>\$ 60,295,762</b>

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



## CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

Year Ended December 31, 2024

	<i>(unaudited)</i>		<i>(restated)</i>	
	<b>Budget</b>	<b>2024</b>	<b>2023</b>	
<b>Surplus (Deficit) of Revenues over Expenses</b>	\$ 27,639,179	\$ 34,231,127	\$ 17,750,924	
<b>Changes Related to Tangible Capital Assets</b>				
Acquisition of Tangible Capital Assets	\$ (120,614,974)	\$ (79,329,691)	\$ (45,618,474)	
Contributed Tangible Capital Assets	-	(1,353,720)	(278,525)	
Proceeds on Disposal of Tangible Capital Assets	-	309,009	309,861	
Amortization of Tangible Capital Assets	22,582,106	24,530,964	21,736,966	
Loss (Gain) on Disposal of Tangible Capital Assets	-	(288,664)	(42,107)	
<b>Total Changes in Tangible Capital Assets</b>	<b>\$ (98,032,868)</b>	<b>\$ (56,132,102)</b>	<b>\$ (23,892,279)</b>	
<b>Change Related to Other Non-Financial Assets</b>				
Use (Acquisition) of Inventories	\$ -	\$ (17,827)	\$ (27,029)	
Use (Acquisition) of Prepaid Expenses	-	(183,105)	(27,722)	
<b>Total Changes in Other Non-Financial Assets</b>	<b>\$ -</b>	<b>\$ (200,932)</b>	<b>\$ (54,751)</b>	
<b>Decrease in Net Financial Assets</b>	<b>\$ (70,393,689)</b>	<b>\$ (22,101,907)</b>	<b>\$ (6,196,106)</b>	
<b>Net Financial Assets - Beginning of Year <i>(restated)</i></b>	\$ 37,335,145	\$ 37,335,145	\$ 43,531,251	
<b>Net Financial Assets - End of Year</b>	<b>\$ (33,058,544)</b>	<b>\$ 15,233,238</b>	<b>\$ 37,335,145</b>	

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

## CONSOLIDATED SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS

Year Ended December 31, 2024

Schedule 1

	Unrestricted Surplus	Restricted Reserves	Unrestricted Reserves	Equity in TCA	2024	(restated) 2023
<b>Balance - Beginning of Year (restated)</b>	\$ 36,336,775	\$ 3,660,227	\$ 59,472,646	\$ 512,400,760	\$ 611,870,408	\$ 594,119,484
Surplus (Deficit) of Revenues over Expenses	34,231,127	-	-	-	34,231,127	17,750,924
Unrestricted Funds Designated for Future Use	(24,861,162)	-	24,861,162	-	-	-
Reserve Funds Used for Operations	2,281,692	-	(2,281,692)	-	-	-
Reserve Funds Used for Tangible Capital Assets	-	(685,000)	(25,685,521)	26,370,521	-	-
Current Year Funds Used for Tangible Capital Assets	(52,959,170)	-	-	52,959,170	-	-
Reclassification of Reserve Funds	-	(2,065,381)	2,065,381	-	-	-
Contributed Tangible Capital Assets	(1,353,720)	-	-	1,353,720	-	-
Disposal of Tangible Capital Assets	20,345	-	-	(20,345)	-	-
Annual Amortization Expense	24,530,964	-	-	(24,530,964)	-	-
Asset Retirement Obligations Recorded in Current Year	825,379	-	-	(825,379)	-	-
Asset Retirement Obligation Settled	(134,822)	-	-	134,822	-	-
Asset Retirement Obligation Accretion Expense	111,761	-	-	(111,761)	-	-
Long-Term Debt Repaid	(3,487,872)	-	-	3,487,872	-	-
Long-Term Debt Issued	10,000,000	-	-	(10,000,000)	-	-
<b>Balance - End of Year</b>	<b>\$ 25,541,297</b>	<b>\$ 909,846</b>	<b>\$ 58,431,976</b>	<b>\$ 561,218,416</b>	<b>\$ 646,101,535</b>	<b>\$ 611,870,408</b>

## CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

Period Ended December 31, 2024

Schedule 2

	Land	Land Improvements	Buildings	Machinery & Equipment	Engineering Structures	Construction in Progress	Total 2024	Total 2023
<b>Cost</b>								
Balance - Beginning of Year	\$ 31,439,149	\$ 30,617,360	\$ 146,340,114	\$ 48,591,711	\$ 651,220,838	\$ 23,514,561	\$ 931,723,733	\$ 904,225,024
Additions	400,000	4,680,496	2,918,165	4,400,743	11,816,049	56,919,641	81,135,094	46,576,380
Transfers	-	2,506,614	1,582,078	3,368	7,815,620	(11,907,680)	-	-
Adjustments to Construction in Progress	-	-	-	-	-	(451,683)	(451,683)	(679,381)
Disposals	-	-	(15,576)	(1,431,086)	(4,861,334)	-	(6,307,996)	(18,398,290)
<b>Balance - End of Year</b>	<b>\$ 31,839,149</b>	<b>\$ 37,804,470</b>	<b>\$ 150,824,781</b>	<b>\$ 51,564,736</b>	<b>\$ 665,991,173</b>	<b>\$ 68,074,839</b>	<b>\$ 1,006,099,148</b>	<b>\$ 931,723,733</b>
<b>Accumulated Amortization</b>								
Balance - Beginning of Year	\$ -	\$ 12,737,315	\$ 52,711,945	\$ 32,358,912	\$ 260,963,530	\$ -	\$ 358,771,702	\$ 355,165,274
Amortization	-	1,234,210	4,140,323	2,630,693	16,525,738	-	24,530,964	21,736,966
Disposals	-	-	(2,920)	(1,423,397)	(4,861,334)	-	(6,287,651)	(18,130,538)
<b>Balance - End of Year</b>	<b>\$ -</b>	<b>\$ 13,971,525</b>	<b>\$ 56,849,348</b>	<b>\$ 33,566,208</b>	<b>\$ 272,627,934</b>	<b>\$ -</b>	<b>\$ 377,015,015</b>	<b>\$ 358,771,702</b>
<b>Net Book Value of Tangible Capital Assets</b>	<b>\$ 31,839,149</b>	<b>\$ 23,832,945</b>	<b>\$ 93,975,433</b>	<b>\$ 17,998,528</b>	<b>\$ 393,363,239</b>	<b>\$ 68,074,839</b>	<b>\$ 629,084,133</b>	<b>\$ 572,952,031</b>

## CONSOLIDATED SCHEDULE OF PROPERTY AND OTHER TAXES

Year Ended December 31, 2024

Schedule 3

	(unaudited) Budget	2024	2023
<b>Taxation</b>			
Real Property Taxes			
Residential Land and Improvements	\$ 33,001,969	\$ 32,991,599	\$ 31,242,641
Non-Residential Land and Improvements	22,764,294	22,781,849	20,697,209
Machinery and Equipment	779,844	783,654	715,952
Farmland	12,302	12,302	11,576
Linear Property	1,255,588	1,260,407	1,144,015
Designated Industrial Property	2,624,799	2,668,208	2,399,775
<b>Total Real Property Taxes</b>	<b>\$ 60,438,796</b>	<b>\$ 60,498,019</b>	<b>\$ 56,211,168</b>
Government Grants in Place of Taxes			
Federal	\$ 19,109	\$ 19,135	\$ 16,134
Provincial - Alberta	38,491	19,245	16,642
Provincial - Saskatchewan	86,189	86,166	80,886
<b>Total Government Grants in Place of Taxes</b>	<b>\$ 143,789</b>	<b>\$ 124,546</b>	<b>\$ 113,662</b>
Local Improvement Taxes			
Local Improvement	\$ 28,730	\$ 28,730	\$ 28,730
<b>Total Local Improvement Taxes</b>	<b>\$ 28,730</b>	<b>\$ 28,730</b>	<b>\$ 28,730</b>
<b>Total Taxation</b>	<b>\$ 60,611,315</b>	<b>\$ 60,651,295</b>	<b>\$ 56,353,560</b>
<b>Requisitions</b>			
Education			
Lloydminster Public School Division	\$ 11,691,669	\$ 11,696,430	\$ 11,109,357
Lloydminster Roman Catholic Separate School Division	1,369,176	1,370,719	1,354,362
<b>Total Education</b>	<b>\$ 13,060,845</b>	<b>\$ 13,067,149</b>	<b>\$ 12,463,719</b>
Seamless			
Lloydminster Public School Division	\$ 771,261	\$ 767,157	\$ 1,029,599
Lloydminster Roman Catholic Separate School Division	524,268	530,658	682,753
<b>Total Seamless</b>	<b>\$ 1,295,529</b>	<b>\$ 1,297,815</b>	<b>\$ 1,712,352</b>
Other			
Designated Industrial Property	\$ 18,370	\$ 18,803	\$ 18,984
Education Requisition - County of Vermilion River	-	-	3,786
<b>Total Other</b>	<b>\$ 18,370</b>	<b>\$ 18,803</b>	<b>\$ 22,770</b>
<b>Total Requisitions</b>	<b>\$ 14,374,744</b>	<b>\$ 14,383,767</b>	<b>\$ 14,198,841</b>
<b>Net Municipal Taxes</b>	<b>\$ 46,236,571</b>	<b>\$ 46,267,528</b>	<b>\$ 42,154,719</b>

## CONSOLIDATED SCHEDULE OF GOVERNMENT TRANSFERS

Year Ended December 31, 2024

Schedule 4

	<i>(unaudited)</i>		
	<b>Budget</b>	<b>2024</b>	<b>2023</b>
<b>Transfers for Operating Conditional Grants</b>			
Federal Government	\$ 8,000	\$ 246,142	\$ 293,879
Alberta Government	1,837,962	1,863,824	1,828,210
Saskatchewan Government	2,981,169	3,004,766	2,719,755
Local Government	35,852	200	33,122
Other	221,713	108,800	257,212
<b>Total Transfers for Operating Conditional Grants</b>	<b>\$ 5,084,696</b>	<b>\$ 5,223,732</b>	<b>\$ 5,132,178</b>
<b>Transfers for Capital Conditional Grants</b>			
Federal Government	\$ 13,981,216	\$ 13,967,747	\$ 7,415,129
Alberta Government	5,784,507	4,351,149	5,792,158
Saskatchewan Government	15,646,949	14,769,627	4,974,044
<b>Total Transfers for Capital Conditional Grants</b>	<b>\$ 35,412,672</b>	<b>\$ 33,088,523</b>	<b>\$ 18,181,331</b>
<b>Total Government Transfers</b>	<b>\$ 40,497,368</b>	<b>\$ 38,312,255</b>	<b>\$ 23,313,509</b>

## CONSOLIDATED SCHEDULE OF SEGMENTED DISCLOSURES

Year Ended December 31, 2024

Schedule 5

								(restated)	
	General Government	Protective Services	Transportation	Environmental Services	Social Services	Planning & Development	Recreation & Culture	Total 2024	Total 2023
<b>Revenue</b>									
Net Municipal Taxes	\$ 46,267,528	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,267,528	\$ 42,154,719
User Fees and Sale of Goods	45,739	1,852,895	681,010	29,252,137	366,712	2,122,106	7,672,787	41,993,386	38,638,502
Government Transfers for Operating	2,782,593	989,458	63,422		804,512	39,982	543,765	5,223,732	5,132,178
Investment Income	4,576,254	-	-	-	-	-	34,711	4,610,965	5,496,877
Penalties and Costs of Taxes	787,361	-	-	88,097	-	-	100	875,558	815,750
Fine Revenue	8,770	564,742	-	-	-	-	-	573,512	620,382
Development Levies	-	-	-	-	-	-	-	-	492,146
Licenses and Permits	523,146	31,625	84,673	-	40,800	320,972	-	1,001,216	1,061,152
Franchise & Concession Contracts	7,623,209	-	-	-	-	-	-	7,623,209	6,673,851
Gain (Loss) on Asset Disposal	-	115,000	181,445	-	-	-	(7,781)	288,664	42,107
Other Income	56,067	37,248	29,117	22,112	-	4,290	836,473	985,307	526,834
<b>Total Revenue</b>	<b>\$ 62,670,667</b>	<b>\$ 3,590,968</b>	<b>\$ 1,039,667</b>	<b>\$ 29,362,346</b>	<b>\$ 1,212,024</b>	<b>\$ 2,487,350</b>	<b>\$ 9,080,055</b>	<b>\$ 109,443,077</b>	<b>\$ 101,654,498</b>
<b>Expenses</b>									
Salaries, Wages and Benefits	\$ 11,434,660	\$ 7,967,201	\$ 3,718,054	\$ 4,495,972	\$ 432,165	\$ 1,295,361	\$ 10,620,610	\$ 39,964,023	\$ 37,950,642
Contracted and General Services	2,404,173	10,758,153	3,121,567	5,251,771	488,478	1,128,617	4,837,452	27,990,211	26,452,543
Cost of Sales			321,869	17,999		1,304,815	31,262	1,675,945	1,353,355
Materials and Goods	424,136	423,903	1,543,180	964,585	42,245	30,853	1,342,505	4,771,407	4,233,482
Transfer to Local Boards or Agencies	133,279	79,590	-	-	802,769	302,289	322,482	1,640,409	1,856,777
Utilities	551,515	121,257	1,967,103	2,403,098	5,186	6,734	1,873,358	6,928,251	6,574,427
Bank Charges	5,595	2,104	10,825	45,417	161	8,986	75,401	148,489	165,684
Interest on Long Term Debt	423,377	114,865	98,760	1,178,971	-	-	27,214	1,843,187	1,821,336
Accretion Expense	-	-	-	101,539	-	-	10,222	111,761	210,670
Bad Debts (Recovery)	9,042	9,346	(244)	24,321	-	(24)	7,105	49,546	7,548
Amortization	1,721,769	1,006,457	9,093,171	9,556,724	22,065	93,948	3,036,830	24,530,964	21,736,966
<b>Total Expenses</b>	<b>\$ 17,107,546</b>	<b>\$ 20,482,876</b>	<b>\$ 19,874,285</b>	<b>\$ 24,040,397</b>	<b>\$ 1,793,069</b>	<b>\$ 4,171,579</b>	<b>\$ 22,184,441</b>	<b>\$ 109,654,193</b>	<b>\$ 102,363,430</b>
<b>Surplus (Deficit)</b>	<b>\$ 45,563,121</b>	<b>\$ (16,891,908)</b>	<b>\$ (18,834,618)</b>	<b>\$ 5,321,949</b>	<b>\$ (581,045)</b>	<b>\$ (1,684,229)</b>	<b>\$ (13,104,386)</b>	<b>\$ (211,116)</b>	<b>\$ (708,932)</b>
<b>Other</b>									
Contributed Assets	\$ -	\$ -	\$ -	\$ 904,268	\$ -	\$ -	\$ 449,452	\$ 1,353,720	\$ 278,525
Government Transfers for Capital	-	-	3,679,007	837,473	-	-	28,572,043	33,088,523	18,181,331
<b>Total Other</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,679,007</b>	<b>\$ 1,741,741</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,021,495</b>	<b>\$ 34,442,243</b>	<b>\$ 18,459,856</b>
<b>Surplus (Deficit)</b>	<b>\$ 45,563,121</b>	<b>\$ (16,891,908)</b>	<b>\$ (15,155,611)</b>	<b>\$ 7,063,690</b>	<b>\$ (581,045)</b>	<b>\$ (1,684,229)</b>	<b>\$ 15,917,109</b>	<b>\$ 34,231,127</b>	<b>\$ 17,750,924</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2024

### 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 (debt), 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) Budget Figures

The 2024 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.

#### c) 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 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.

#### d) 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.



## 1. Significant Accounting Policies (continued)

### d) Revenue Recognition (continued)

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.

### e) 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.

### f) 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.

### g) 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)

### h) 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.

### i) 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.

### j) Receivables

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

### k) 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.

### l) 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.

### m) 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.

### n) 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)

### n) 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.

### o) 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.

### p) 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.

### q) 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.

### r) 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)

### s) 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.

### t) 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 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.

## 2. Accounting Policy Changes

### Revenue Recognition

The City has adopted a new accounting policy to align with PS3400 - Revenue, which establishes guidelines for recognizing, measuring, and reporting revenue. This standard differentiates between revenue generated from transactions with performance obligations (exchange transactions) and revenue from transactions without performance obligations (non-exchange transactions). This standard is required for fiscal years beginning on or after April 1, 2023.

The impact of the new policy on the current period's financial statements was minimal, as the City was already recognizing eligible revenue in line with PS3400 requirements.

This change in accounting policy has been applied prospectively. Therefore, prior periods have not been restated.

The effect of this change on the financial statements for 2024 is as follows:

Increase in Deferred Revenue Obligation	\$117,759
Decrease in Revenue	(\$117,759)

### Restricted Revenues & Assets

The City adopted a new accounting policy regarding externally restricted assets and revenues. This changed the treatment for Offsite Levies, which are collected from developers in accordance with Bylaw 25-2021 Offsite Levy Bylaw, and Subdivision Prepaid Improvements, which are collected in accordance with relevant development agreements.

Due to restrictions on the use of these funds imposed by agreement and/or legislation, they must be accounted for under PS3100 - Restricted Assets and Revenues. In previous years, funds were recognized as revenue in the year they were received, and the fund balances were tracked through a restricted reserve.

To better reflect the restricted nature of these funds and align with PS3100 requirements, the City has updated its accounting treatment for externally restricted revenues, now recognizing them as deferred revenue rather than tracking them through a restricted reserve. This change in accounting policy has been applied retroactively. Therefore, prior period figures have been restated.

	2023 – As Presented	2023 – Restated	Change	Impact to Accumulated Surplus
Restricted Reserves	\$12,343,525	\$3,660,227	(\$8,683,298) decrease	\$-
Unrestricted Reserves	59,563,846	59,472,646	(91,200) decrease	-
Deferred Revenue	8,136,341	8,227,541	91,200 increase	-
Deferred Offsites	-	11,596,629	11,596,629 increase	-
Offsites Receivable	-	2,913,332	2,913,332 increase	-
Development Levies Revenue	173,444	492,146	318,702 increase	318,702
Accumulated Surplus – Opening	603,212,684	594,119,484	(9,093,200) decrease	(9,093,200)
				<b>(\$8,774,498)</b>

As a result of these adjustments, the ending accumulated surplus for 2023 has decreased by \$8,774,498.

### 3. Cash and Temporary Investments

	2024	2023
Cash	\$40,468,227	\$18,081,234
Temporary Investments	18,068,223	60,233,983
	<b>\$58,536,450</b>	<b>\$78,315,217</b>

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 temporary investments are restricted funds totalling \$16,903,081 (2023 - \$18,019,455, restated). 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, 2024 was \$0 (2023 - \$0). This credit facility is secured by a letter of guarantee.

### 4. Taxes Receivable

	2024	2023
<b>Municipal Taxes</b>		
Current Taxes and Grants in Place	\$2,355,835	\$2,322,031
Arrears Taxes Receivable	853,202	767,828
	<b>\$3,209,037</b>	<b>\$3,089,859</b>
<b>Education Taxes</b>		
Current Taxes and Grants in Place	\$518,887	\$500,427
(Over)/Under Levy	28,728	104,004
Arrears Taxes Receivable	155,520	165,687
	<b>\$703,135</b>	<b>\$770,118</b>
<b>Seamless Taxes</b>		
Current Taxes and Grants in Place	\$53,239	\$71,071
(Over)/Under Levy	1,810	9,605
Arrears Taxes Receivable	23,087	31,585
	<b>\$78,136</b>	<b>\$112,261</b>
<b>Designated Industrial Property</b>		
Current Taxes Receivable	\$184	\$45
Arrears Taxes Receivable	21	-
	<b>\$205</b>	<b>\$45</b>
<b>Taxes and Grants in Place of Taxes</b>	<b>\$3,990,513</b>	<b>\$3,972,283</b>

## 5. Trade and Other Receivable

	2024	2023
<b>Trade Accounts Receivable</b>	\$1,990,290	\$2,195,740
Less: Allowance for Doubtful Accounts	(44,235)	(7,367)
	<b>\$1,946,055</b>	<b>\$2,188,373</b>
<b>Utility Receivable</b>	\$2,400,765	\$2,085,985
Less: Allowance for Doubtful Accounts	-	(1,789)
	<b>\$2,400,765</b>	<b>\$2,084,196</b>
<b>Other Receivables</b>		
Grant Funds Receivable	\$9,519,669	\$9,127,577
Accrued Interest Receivable	1,361,886	1,607,231
Sales Tax Receivable	646,522	1,012,205
Other Receivable	285,282	205,263
	<b>\$11,813,359</b>	<b>\$11,952,276</b>
<b>Trade and Other Receivable</b>	<b>\$16,160,179</b>	<b>\$16,224,845</b>

## 6. Land and Inventories for Resale

	2024	2023
<b>Residential Land</b>		
Land to be Developed	\$1,641,012	\$1,641,012
Available for Sale	2,110,276	2,071,901
	<b>\$3,751,288</b>	<b>\$3,712,913</b>
<b>Industrial Land</b>		
Land to Be Developed	\$62,418	\$62,418
Available for Sale	5,238,894	5,342,445
	<b>\$5,301,312</b>	<b>\$5,404,863</b>
<b>Commercial Land</b>		
Available for Sale	<b>\$1,503,620</b>	<b>\$1,249,020</b>
<b>Raw Land</b>		
Held for Future Development	<b>\$6,701,038</b>	<b>\$6,811,987</b>
<b>Other Inventory for Resale</b>	<b>\$56,230</b>	<b>\$86,430</b>
	<b>\$17,313,488</b>	<b>\$17,265,213</b>



## 7. Investments

	2024	2023
Equity Shares	\$48,787	\$67,342
Notes and Deposits	23,080,000	18,080,000
	<b>\$23,128,787</b>	<b>\$18,147,342</b>

Notes and deposits have effective interest rates ranging from 1.00% to 5.66%, the maturity dates between February 2026 and February 2029.

## 8. Accounts Payable

	2024	2023
<b>Trade</b>		
Accounts Payable	\$6,016,949	\$6,667,056
Contract Holdbacks	5,171,327	3,219,263
	<b>\$11,188,276</b>	<b>\$9,886,319</b>
<b>RCMP Contract<sup>1</sup></b>		
Retro Pay April 1, 2017 - March 31, 2021	\$871,434	\$1,742,867
Quarter 4	2,599,934	2,306,749
	<b>\$3,471,368</b>	<b>\$4,049,616</b>
<b>Accrued Debenture Interest</b>	<b>\$454,290</b>	<b>\$453,760</b>
<b>Payroll</b>	<b>106,432</b>	<b>158,686</b>
<b>Other</b>	<b>358,364</b>	<b>61,170</b>
	<b>\$15,578,730</b>	<b>\$14,609,551</b>

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.

Retroactive pay was included as part of the new collective agreement. The City has been invoiced for the applicable cost-sharing ratio of the retroactive pay as per the Municipal Police Service Agreement with the Government of Canada. \$871,433.50 was paid in March 2024, and the final payment of \$871,433.50 is due in March 2025.

## 9. Deposit Liabilities

	2024	2023
Security Deposits	\$253,740	\$260,224
Utility Account Deposits	607,534	614,119
Land Sale Deposits	143,406	61,067
Facility Rental Deposits	3,000	3,500
	<b>\$1,007,680</b>	<b>\$938,910</b>

## 10. Deferred Revenue

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

	2024	2023
		(restated)
Operating Grants	\$69,128	\$90,354
Capital Grants	1,997,317	2,581,045
Customer Prepaid Taxes, Utilities and User Fees	4,306,101	5,273,344
Gift Cards	123,625	120,216
Deferred on Behalf of Other Organizations	73,338	71,382
Contributions for Tangible Capital Assets	139,200	91,200
	<b>\$6,708,709</b>	<b>\$8,227,541</b>

Government contributions in deferred revenue consist of the following:

	2023 Ending Balance	Contributions Received	Revenue Recognized	2024 Ending Balance
<b>Operating Grants</b>				
Federal Government	\$42,340	\$203,802	(\$246,142)	-
Alberta Government	24,619	1,879,223	(1,863,824)	40,018
Sask. Government	20,354	3,004,698	(3,004,766)	20,286
Local Government	-	200	(200)	-
Other	3,041	114,583	(108,800)	8,824
	<b>\$90,354</b>	<b>\$5,202,506</b>	<b>(\$5,223,732)</b>	<b>\$69,128</b>
<b>Capital Grants</b>				
Federal Government	\$4,376	\$13,967,747	(\$13,967,747)	\$4,376
Alberta Government	2,576,503	3,774,645	(4,351,149)	1,999,999
Sask. Government	(20,080)	14,762,403	(14,769,627)	(27,304)
Other	20,246	-	-	20,246
	<b>\$2,581,045</b>	<b>\$32,504,795</b>	<b>(\$33,088,523)</b>	<b>\$1,997,317</b>

## 11. Offsites

	Opening	Added	Used	Total External Funds	Internal Funds	Total Offsites
Water	\$1,224,896	\$13,694	-	\$1,238,590	\$27,348	\$1,265,938
Sanitary	1,496,694	38,078	-	1,534,772	76,043	1,610,815
Transportation	8,875,039	121,808	-	8,996,847	243,253	9,240,100
<b>Total Deferred Offsites</b>	<b>\$11,596,629</b>	<b>\$173,580</b>	<b>-</b>	<b>\$11,770,209</b>	<b>\$346,644</b>	<b>\$12,116,853</b>
Stormwater (receivable)	(2,913,332)	16,325	-	(2,897,007)	32,602	(2,864,405)
<b>Net Offsite Funds</b>	<b>\$8,683,297</b>	<b>\$189,905</b>	<b>-</b>	<b>\$8,873,202</b>	<b>\$379,246</b>	<b>\$9,252,448</b>

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.

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.

## 12. Employee Benefit Obligations

	2024	2023
Regular Payroll	\$1,552,284	\$1,292,886
Vacation	645,988	625,309
Sick Leave	808,257	715,904
Post-employment benefits	608,720	675,499
	<b>\$3,615,249</b>	<b>\$3,309,598</b>

### 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 \$5,579,320 (2023 - \$5,427,164, restated). 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.

### 13. 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.

	<b>Salaries<sup>1</sup></b>	<b>Benefits &amp; Allowances<sup>2</sup></b>	<b>2024</b>	<b>2023</b>
<b>Mayor</b>				
Gerald Aalbers	\$102,574	\$25,736	<b>\$128,310</b>	\$126,599
<b>Councillors</b>				
Aaron Buckingham	-	-	-	46,056
Michele Charles Gustafson	5,753	1,752	<b>7,505</b>	-
Michael Diachuk	51,896	8,804	<b>60,700</b>	57,919
Glenn Fagnan	20,111	4,210	<b>24,321</b>	49,178
David Lopez	40,421	2,812	<b>43,233</b>	-
Lorelee Marin	43,443	3,010	<b>46,453</b>	49,559
Jim Taylor	4,853	1,165	<b>6,018</b>	-
Jonathan Torresan	42,943	7,862	<b>50,805</b>	53,257
Justin Vance	5,653	1,746	<b>7,399</b>	-
Jason Whiting	47,296	6,385	<b>53,681</b>	49,883
<b>Mayor and Council<sup>3</sup></b>	<b>\$364,943</b>	<b>\$63,482</b>	<b>\$428,425</b>	<b>\$432,451</b>
<b>City Manager</b>				
Dion Pollard	\$267,922	\$45,439	<b>\$313,361</b>	\$281,550
<b>Designated Officers<sup>4</sup></b>	827,632	148,286	<b>975,918</b>	977,476
	<b>\$1,460,497</b>	<b>\$257,207</b>	<b>\$1,717,704</b>	<b>\$1,691,477</b>

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. An election was held on November 13, 2024, for Mayor and Council. As a result of the election, the Council members are as follows: Gerald Aalbers (Mayor), Michele Charles Gustafson, Michael Diachuk, David Lopez, Jim Taylor, Justin Vance, Jason Whiting.
4. Designated officers include the City Assessor, City Clerk, Chief Financial Officer, Manager, Planning, and Senior Manager, Public Safety as described in Bylaw 11-2023.

#### 14. 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 9% (2023 – 8%) of the member's earnings. Under the defined contribution plan, the City's obligations are limited to its 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.

	2024	2023
Number of Active City Members	236	230
Member Contributions for the Year	\$991,886	\$954,320
City Contributions for the Year	\$1,290,308	\$1,090,654

#### 15. 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 9-11% 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.

	2024	2023
<b>Registered Retirement Savings Plan</b>		
Number of Active City Members	111	110
Member Contributions for the Year	\$785,831	\$747,136
City Contributions for the Year	\$987,529	\$855,939
<b>Tax-Free Savings Plan</b>		
Number of Active City Members	2	3
Member Contributions for the Year	\$14,122	\$13,819
City Contributions for the Year	\$17,260	\$15,354

## 16. Asset Retirement Obligation

	Obligation					Tangible Capital Asset		
	Opening Value	Additions	Accretion Expense	Amount Settled	Ending Value	Cost	Accumulated Amortization	Net Book Value
Landfills	<b>\$3,619,158</b>	-	\$101,539	(\$20,808)	<b>\$3,699,889</b>	\$3,191,487	(\$1,858,847)	<b>\$1,332,640</b>
Building & Engineered Structure Retirements	<b>803,392</b>	787,541	6,313	(98,127)	<b>1,499,119</b>	253,321	(56,239)	<b>197,082</b>
Asbestos Remediation	<b>235,680</b>	37,838	3,909	(15,887)	<b>261,540</b>	1,132,948	(377,649)	<b>755,299</b>
	<b>\$4,658,230</b>	<b>\$825,379</b>	<b>\$111,761</b>	<b>(\$134,822)</b>	<b>\$5,460,548</b>	<b>\$4,577,756</b>	<b>(\$2,292,735)</b>	<b>\$2,285,021</b>

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	\$15,024,090	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	2022-2025	\$805,000	0.00%
Lloydminster Golf & Curling Centre – Shop	2026	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.



## 16. 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	2026	\$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.

## 17. 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	\$269,587	-	-	(\$22,695)	\$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**).

## 18. Long Term Debt

	2024	2023
Tax Supported Debentures	\$30,895,858	\$23,118,659
Utility Supported Debentures	31,509,311	32,774,382
	<b>\$62,405,169</b>	<b>\$55,893,041</b>

The current portion of long-term debt amounts to \$3,738,810 (2023 - \$3,487,972).

Principal and interest repayments are as follows:

	Principal	Interest	Total
2025	\$3,738,810	\$2,232,169	\$5,970,979
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
Thereafter	44,914,507	20,145,925	65,060,432
	<b>\$62,405,169</b>	<b>\$30,237,269</b>	<b>\$92,642,438</b>

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 September 2025 through December 2054.

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

Principal repaid on long term debt amounts to \$3,487,872 (2023 - \$2,857,021). Interest paid on long term debt amounts to \$1,843,187 (2023 - \$1,821,336).

## 19. 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:

	2024	2023
Total Debt Limit	\$163,827,896	\$151,869,519
Total Debt	(62,405,169)	(55,893,041)
<b>Debt Limit Unused</b>	<b>\$101,422,727</b>	<b>\$95,976,478</b>
Debt Servicing Limit	\$27,304,649	\$25,311,587
Debt Servicing	(5,970,979)	(5,330,529)
<b>Debt Servicing Unused</b>	<b>\$21,333,670</b>	<b>\$19,981,058</b>

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.

## 20. Accumulated Surplus

	(restated)			
	2023	Additions	Reductions	2024
<b>Unrestricted Surplus</b>	<b>\$36,336,775</b>	\$72,001,268	(\$82,796,746)	<b>\$25,541,297</b>
<b>Unrestricted Reserves</b>				
General Government	\$8,572,044	\$5,329,765	(\$2,359,334)	\$11,542,475
Protective Services	2,725,282	2,017,707	(632,117)	4,110,872
Transportation Services	12,053,302	5,386,358	(4,600,584)	12,839,076
Environmental Services	17,056,912	8,623,193	(7,828,526)	17,851,579
Social Services	548,179	35,999	(131,426)	452,752
Planning & Development	8,392,162	1,293,886	(1,291,696)	8,394,352
Recreation & Culture	10,124,765	4,239,635	(11,123,530)	3,240,870
	<b>\$59,472,646</b>	<b>\$26,926,543</b>	<b>(\$27,967,213)</b>	<b>\$58,431,976</b>
<b>Restricted Reserves</b>				
Public Municipal Reserve	\$169,186	-	-	\$169,186
Offsites Reserve	379,246	-	-	379,246
Subdivision Prepaid Improvements	2,065,381	-	(2,065,381)	-
BID (Business Improvement District)	1,046,414	-	(685,000)	361,414
	<b>\$3,660,227</b>	<b>-</b>	<b>(\$2,750,381)</b>	<b>\$909,846</b>
<b>Equity in Tangible Capital Assets</b>				
Tangible Capital Assets (Schedule 2)	\$931,723,733	\$81,017,521	(\$6,642,106)	\$1,006,099,148
Accumulated Amortization (Schedule 2)	(358,771,702)	(24,530,964)	6,287,651	(377,015,015)
Asset Retirement Obligation (Note 16)	(4,658,230)	(937,140)	134,822	(5,460,548)
Long-Term Debt (Note 18)	(55,893,041)	(10,000,000)	3,487,872	(62,405,169)
	<b>\$512,400,760</b>	<b>\$45,549,417</b>	<b>\$3,268,239</b>	<b>\$561,218,416</b>
<b>Accumulated Surplus</b>	<b>\$611,870,408</b>			<b>\$646,101,535</b>

### Unrestricted Surplus

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

### Reserves

The City follows the Reserves Policy 134-04, which was approved by Council on December 12, 2022. 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.

## 21. 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 first option term of the agreement is set to expire on December 3, 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 Vermillion River. The City is required to pay the County of Vermillion River a percentage of tax revenue from these annexed lands. The City has paid \$113,400 in 2024 and will pay \$113,400 over the period of 2025-2026.

### 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, 2024, several capital projects are still ongoing and will be finished in future years. On February 3, 2025, Council approved carrying forward \$36,061,782 to the 2025 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
- 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, 2025. The City is required to provide a financial contribution of no less than twenty percent of the FCSS Services' total cost.

## 21. Commitments (continued)

On August 19, 2024, Council approved a commitment to allocate \$200,000 toward the construction of an artificial turf field at Holy Rosary High School. As of the financial statement date, these funds have not been transferred. The transfer is expected to take place in 2025.

On October 21, 2024, Council authorized the distribution of \$150,000 in surplus funds from the 2024 Saskatchewan Summer Games through a grant program designed to support capital projects related to recreation, culture, and sports. As of the financial statement date, the surplus funds remained with the 2024 Saskatchewan Summer Games Lloydminster Inc. hosting committee, with grant allocations still in progress. All grant distributions will be completed in 2025.

## 22. 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, 2024, 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.

## 23. 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:

	<b>2024</b>
2025	\$470,191
2026	474,405
2027	478,701
2028	483,039
Thereafter	1,187,354
	<b><u>\$3,093,690</u></b>

## 24. 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
2025	\$10,000
2026	129,000
2027	132,984
2028	137,127
Thereafter	1,820,889
<b>Total</b>	<b>\$2,230,000</b>

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.

## 25. Franchise Fees

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

	(unaudited)		
	Budget	2024	2023
<b>Power Utility</b>			
ATCO Electric	\$4,112,748	\$4,185,699	\$3,540,725
SaskPower	714,564	664,736	657,061
	<b>\$4,827,312</b>	<b>\$4,850,435</b>	<b>\$4,197,786</b>
<b>Gas Utility</b>			
ATCO Gas	<b>\$2,899,923</b>	<b>\$2,772,774</b>	<b>\$2,476,065</b>
	<b>\$7,727,235</b>	<b>\$7,623,209</b>	<b>\$6,673,851</b>

## 26. 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
<b>Operating Budget<sup>1</sup></b>	\$117,213,670	(\$117,130,068)	\$83,602
<b>Adjustments</b>			
Lloydminster Public Library Budget	\$1,574,412	(\$1,502,180)	\$72,232
Remove Inter-entity Grant	(1,203,587)	1,203,587	-
Property Tax Requisitions ( <b>Sch 3</b> )	(14,374,744)	14,374,744	-
Government Transfers for Capital ( <b>Sch 4</b> )	35,412,672	-	35,412,672
Transfers from Reserves	(1,783,445)	-	(1,783,445)
Amortization	-	(22,553,288)	(22,553,288)
Transfers to Reserves	-	12,502,847	12,502,847
Principal Debt Payments	-	3,904,559	3,904,559
<b>Statement of Operations Budget</b>	<b>\$136,838,978</b>	<b>(\$109,199,799)</b>	<b>\$27,639,179</b>

1. The operating budget is inclusive of the budget approved by Council on November 20, 2023, and all subsequent approved amendments.

## 27. 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:

### a) 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 maintenance.

### b) Protective Services

Protective Services are those that safeguard residents, such as RCMP, bylaw services, fire department services, 911 dispatch, and all other disaster and emergency measures.



## **27. 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.

## **28. 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.

## **29. Comparative Amounts**

Certain 2023 comparative amounts have been reclassified to conform to the presentation used in the current year. These changes do not affect prior year annual operating surplus.

## **30. Subsequent Events**

On April 28, 2025, Administration presented a funding update for the Cenovus Energy Hub Event Arena to Council. This proposal may affect the level of long-term debt financing required for the project. As of the date these financial statements were authorized for issue, the outcome of Council's decision and its potential financial impact remain uncertain.

## **31. Approval of the Financial Statements**

Council and Management have approved these consolidated financial statements.