



## Consolidated Financial Statements

The Corporation of the Municipality of  
Sioux Lookout

December 31, 2023



# SIoux LOOKOUT

## Hub of the North

Municipality of Sioux Lookout  
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### Statement of Administrative Responsibility

The management of The Corporation of the Municipality of Sioux Lookout have prepared the accompanying consolidated financial statements and are responsible for their accuracy and integrity. These statements consolidate all operations for which the Municipality has legislative and financial responsibility. The consolidated financial statements have been prepared by management in accordance with the accounting principles generally accepted for the public sector as prescribed by the Public Sector Accounting Board [PSAB] of the CPA Canada.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the administration has developed and maintains a system of internal control designed to provide reasonable assurance that Municipal assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the consolidated financial statements.

The Municipal Council reviews and approves the consolidated financial statements before such statements are submitted to the Ministry of Municipal Affairs and Housing and published for the residents of The Corporation of the Municipality of Sioux Lookout. The external auditors have access to, and meet with Municipal Council to discuss their audit and the results of their examination.

The 2023 consolidated financial statements have been reported on by The Corporation of the Municipality of Sioux Lookout's external auditors, Doane Grant Thornton LLP, the auditors appointed by Municipal Council. The independent auditor's report outlines the scope of their audit and their opinion on the presentation of the information included in the financial statements.

A handwritten signature in blue ink, appearing to read "Brian MacKinnon", written over a horizontal line.

Brian MacKinnon, Chief Administrative Officer

A handwritten signature in blue ink, appearing to read "Carly Collins", written over a horizontal line.

Carly Collins, Treasurer

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# Independent Auditor's Report

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To the Members of Council, Inhabitants and Ratepayers of  
The Corporation of the Municipality of Sioux Lookout

## Opinion

We have audited the consolidated financial statements of The Corporation of the Municipality of Sioux Lookout ("the Municipality"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations and accumulated surplus, changes in net financial assets (debt) and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Municipality of Sioux Lookout as at December 31, 2023, and its results of operations, its changes in its net financial assets (debt), and its 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 the Consolidated Financial Statements* section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated 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.

## Emphasis of Matter - Restated Comparative Information

We draw attention to Note 1 of the consolidated financial statements, which describes that certain comparative information presented for the year ended December 31, 2022 has been restated. Our opinion is not modified with respect to this matter.

## 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

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

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

*Doane Grant Hunter LLP*

Thunder Bay, Canada  
December 12, 2024

Chartered Professional Accountants  
Licensed Public Accountants

# The Corporation of the Municipality of Sioux Lookout Consolidated Statement of Financial Position

| As at December 31  | 2023               | 2022                                 |
|--|--------------------|--------------------------------------|
|  | \$                 | \$<br><i>[restated -<br/>note 1]</i> |
| <b>FINANCIAL ASSETS</b>                                      |                    |                                      |
| Cash and cash equivalents <i>[note 4]</i>                    | 9,590,385          | 14,714,465                           |
| Taxes receivable <i>[note 5[a]]</i>                          | 1,197,729          | 1,372,802                            |
| User charges receivable <i>[note 5[b]]</i>                   | 188,151            | 237,249                              |
| Accounts receivable  | 5,053,031          | 3,187,945                            |
| Inventories for resale                                       | 226,431            | 317,234                              |
| Investment in government business enterprise <i>[note 6]</i> | 3,647,212          | 3,553,058                            |
| <b>Total financial assets</b>                                | <b>19,902,939</b>  | <b>23,382,753</b>                    |
| <b>LIABILITIES</b>   |                    |                                      |
| Accounts payable and accrued liabilities                     | 2,786,206          | 2,388,339                            |
| Deferred revenue <i>[note 7]</i>                             | 1,995,156          | 1,449,628                            |
| Debt <i>[note 9]</i>   | 15,552,545         | 16,916,309                           |
| Asset retirement obligations <i>[note 10]</i>                | 1,752,839          | 1,702,447                            |
| Employee future benefits <i>[note 11]</i>                    | 461,681            | 446,564                              |
| <b>Total liabilities</b>                                     | <b>22,548,427</b>  | <b>22,903,287</b>                    |
| <b>NET FINANCIAL ASSETS (DEBT)</b>                           | <b>(2,645,488)</b> | <b>479,466</b>                       |
| <b>NON-FINANCIAL ASSETS</b>                                  |                    |                                      |
| Tangible capital assets - net <i>[note 12] [schedule 2]</i>  | 85,385,207         | 77,417,455                           |
| Prepaid expenses   | 580,384            | 89,648                               |
|  | <b>85,965,591</b>  | <b>77,507,103</b>                    |
| <b>Accumulated surplus <i>[schedule 1]</i></b>               | <b>83,320,103</b>  | <b>77,986,569</b>                    |

Guarantee *[note 17]*  
Contingent liabilities *[note 20]*

See accompanying notes to the consolidated financial statements.

On behalf of the Board:

Mayor



Councillor



# The Corporation of the Municipality of Sioux Lookout Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31

|   | Budget<br>2023<br>\$<br><br>[note 16] | Actual<br>2023<br>\$ | Actual<br>2022<br>\$<br><br>[restated -<br>note 1] |
|---|---------------------------------------|----------------------|--|
| <b>REVENUES [schedule 3]</b>                  |                                       |                      |  |
| <b>Taxation</b>                               |                                       |                      |  |
| Residential and farm taxation                 | 9,288,273                             | 9,521,044            | 8,603,201  |
| Commercial and industrial                     | 2,278,685                             | 2,239,844            | 2,128,307  |
| Taxation from other governments               | 732,130                               | 732,129              | 720,272  |
|   | <b>12,299,088</b>                     | <b>12,493,017</b>    | 11,451,780   |
| <b>User charges</b>                           |                                       |                      |  |
| Water and sewer billings                      | 3,044,414                             | 3,141,569            | 3,108,418  |
| Other fees and service charges                | 6,520,104                             | 6,990,687            | 6,204,501  |
|   | <b>21,863,606</b>                     | <b>22,625,273</b>    | 20,764,699   |
| <b>Government transfers</b>                   |                                       |                      |  |
| Government of Canada                          | 1,819,253                             | 1,666,918            | 879,435  |
| Province of Ontario                           | 2,984,175                             | 3,216,833            | 4,509,002  |
|   | <b>4,803,428</b>                      | <b>4,883,751</b>     | 5,388,437  |
| <b>Other</b>                                  |                                       |                      |  |
| Investment income                             | 75,000                                | 589,993              | 258,487  |
| Penalties, fines and late payment charges     | 267,571                               | 277,324              | 297,980  |
| Sale of aviation fuel                         | 10,767,480                            | 13,565,655           | 11,729,016   |
| Fundraising and donations from the public     | 11,000                                | 86,857               | 10,840   |
| Other municipalities (POA)                    | 80,000                                | 217,884              | 52,438   |
| Licences, permits and rents                   | 96,275                                | 84,647               | 85,225   |
| Income from investment in government business | 225,000                               | 207,680              | 393,995  |
| Other   | 214,211                               | 208,004              | 12,089   |
|   | <b>11,736,537</b>                     | <b>15,238,044</b>    | 12,840,070   |
| <b>Total revenues</b>                         | <b>38,403,571</b>                     | <b>42,747,068</b>    | 38,993,206   |

|   | Budget<br>2023<br>\$<br><i>[note 16]</i> | Actual<br>2023<br>\$ | Actual<br>2022<br>\$<br><i>[restated -<br/>note 1]</i> |
|---|--|----------------------|--|
| <b>EXPENSES <i>[schedule 3]</i></b>                             |  |                      |  |
| General government  | 4,213,332                                | 4,651,764            | 4,199,036  |
| Protection to persons and property                              | 2,655,474                                | 2,542,414            | 2,799,069  |
| Transportation services   | 19,517,682                               | 21,131,235           | 19,164,471   |
| Environmental services  | 4,207,106                                | 3,580,392            | 3,695,494  |
| Health services   | 1,021,166                                | 930,688              | 924,064  |
| Social and family services                                      | 656,315                                  | 662,153              | 1,225,037  |
| Social housing  | 391,129                                  | 391,128              | 344,546  |
| Recreation and cultural services                                | 3,059,558                                | 2,996,109            | 2,673,559  |
| Planning and development  | 675,953                                  | 442,680              | 325,876  |
|   | <b>36,397,715</b>                        | <b>37,328,563</b>    | 35,351,152   |
| <b>NET REVENUES BEFORE<br/>UNDERNOTED ITEM</b>                  | <b>2,005,856</b>                         | <b>5,418,505</b>     | 3,642,054  |
| <b>OTHER</b>  |  |                      |  |
| Loss on disposal of tangible capital<br>assets                  | -  | (84,971)             | -  |
| <b>Annual surplus</b>   | <b>2,005,856</b>                         | <b>5,333,534</b>     | 3,642,054  |
| Accumulated surplus, beginning of<br>year, as previously stated | 78,447,475                               | 78,447,475           | 74,801,311   |
| Correction of prior period <i>[note 1]</i>                      | (460,906)                                | (460,906)            | (456,796)  |
| Accumulated surplus, beginning of year,<br>as restated          | 77,986,569                               | 77,986,569           | 74,344,515   |
| <b>Accumulated surplus, end of year<br/><i>[schedule 1]</i></b> | <b>79,992,425</b>                        | <b>83,320,103</b>    | 77,986,569   |

See accompanying notes to the consolidated financial statements.



## The Corporation of the Municipality of Sioux Lookout Consolidated Statement of Changes in Net Financial Assets (Debt)

Year ended December 31

|   | Budget<br>2023<br>\$<br><i>[note 16]</i> | Actual<br>2023<br>\$ | Actual<br>2022<br>\$<br><i>[restated -<br/>note 1]</i> |
|---|--|----------------------|--|
| <b>Annual surplus</b>                           | <b>2,005,856</b>                         | <b>5,333,534</b>     | 3,642,054  |
| Acquisition of tangible capital assets          | <b>(12,487,562)</b>                      | <b>(11,400,979)</b>  | (4,760,713)  |
| Amortization of tangible capital assets         | <b>3,348,255</b>                         | <b>3,348,255</b>     | 3,454,891  |
| Loss on disposal of tangible capital assets     | -  | <b>84,972</b>        | -  |
| Acquisition of prepaid expenses                 | -  | <b>(580,384)</b>     | (89,648)   |
| Use of prepaid expenses                         | -  | <b>89,648</b>        | 100,760  |
| <b>Decrease in net debt</b>                     | <b>(7,133,451)</b>                       | <b>(3,124,954)</b>   | 2,347,344  |
| <br>  |  |                      |  |
| Net financial assets (debt), beginning of year  | <b>479,466</b>                           | <b>479,466</b>       | (1,867,878)  |
| <br>  |  |                      |  |
| <b>Net financial assets (debt), end of year</b> | <b>(6,653,985)</b>                       | <b>(2,645,488)</b>   | 479,466  |

See accompanying notes to the consolidated financial statements.

# The Corporation of the Municipality of Sioux Lookout

## Consolidated Statement of Cash Flows

| Year ended December 31  | 2023                | 2022                         |
|---|---------------------|------------------------------|
|   | \$                  | \$<br>[restated -<br>note 1] |
| <b>OPERATIONS</b>   |                     |                              |
| Annual surplus  | 5,333,534           | 3,642,054                    |
| <b>Non-cash charges</b>   |                     |                              |
| Amortization of tangible capital assets                             | 3,348,255           | 3,454,891                    |
| Loss on disposal of tangible capital assets                         | 84,972              | -                            |
| Accretion of asset retirement obligations                           | 50,392              | 48,944                       |
| Employee future benefits  | 15,117              | (30,926)                     |
| Income from government business enterprise                          | (301,834)           | (366,965)                    |
|   | <b>8,530,436</b>    | <b>6,747,998</b>             |
| <b>Net change in non-cash working capital balances</b>              |                     |                              |
| Decrease in taxes receivable  | 175,073             | 637,181                      |
| Decrease in user charges receivable                                 | 49,098              | 60                           |
| Increase in accounts receivable                                     | (1,865,086)         | (1,314,264)                  |
| Decrease (increase) in inventories for resale                       | 90,803              | (145,552)                    |
| Increase in accounts payable and accrued liabilities                | 397,867             | 1,005,064                    |
| Increase in deferred revenue  | 545,528             | 894,300                      |
| Decrease (increase) in prepaid expenses                             | (490,736)           | 11,112                       |
| <b>Cash provided by operating transactions</b>                      | <b>7,432,983</b>    | <b>7,835,899</b>             |
| <b>CAPITAL</b>  |                     |                              |
| Acquisition of tangible capital assets                              | (11,400,979)        | (4,760,713)                  |
| <b>Cash used in capital transactions</b>                            | <b>(11,400,979)</b> | <b>(4,760,713)</b>           |
| <b>INVESTING</b>  |                     |                              |
| Dividends from government business enterprise                       | 207,680             | 215,588                      |
| <b>Cash provided by investing transactions</b>                      | <b>207,680</b>      | <b>215,588</b>               |
| <b>FINANCING</b>  |                     |                              |
| Debt principal repayments   | (1,363,764)         | (1,301,263)                  |
| <b>Cash used in financing transactions</b>                          | <b>(1,363,764)</b>  | <b>(1,301,263)</b>           |
| <b>Increase (decrease) in cash and cash equivalents during year</b> | <b>(5,124,080)</b>  | <b>1,989,511</b>             |
| Cash and cash equivalents, beginning of year                        | 14,714,465          | 12,724,954                   |
| <b>Cash and cash equivalents, end of year</b>                       | <b>9,590,385</b>    | <b>14,714,465</b>            |

See accompanying notes to the consolidated financial statements.

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# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

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December 31, 2023

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### GENERAL

The Corporation of the Municipality of Sioux Lookout ("the Municipality") is a municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act and related legislation.

### 1. ADOPTION OF NEW STANDARDS

#### Asset retirement obligations

Effective January 1, 2023, the Municipality adopted new Public Sector Accounting Standard Section PS 3280 Asset Retirement Obligations (ARO) which recognizes legal obligations associated with the retirement of tangible capital assets. As this standard includes solid waste landfill sites active and post-closing obligations, upon adoption of this new standard, existing Section PS 3270 Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 was withdrawn. The financial statements of the comparative year have been restated to reflect this change in the accounting policy, which has been applied using a modified retroactive method. Under the modified retroactive method, the obligation and asset retirement costs were measured using information, assumptions and discount rates that were current at January 1, 2023.

As a result of the adoption of this new accounting policy, the following December 31, 2022 figures have been restated as follows:

|   | As previously<br>Reported | Increase<br>(decrease) | As restated |
|---|---------------------------|------------------------|-------------|
|   | \$                        | \$                     | \$          |
| <b>Consolidated Statement of<br/>Financial Position</b> |                           |                        |             |
| Landfill closure and post-closure liability             | 595,908                   | (595,908)              | -           |
| Asset retirement obligations                            | -                         | 1,702,447              | 1,702,447   |
| Tangible capital assets - net                           | 76,771,822                | 645,633                | 77,417,455  |
| Accumulated surplus                                     | 78,447,475                | (460,906)              | 77,986,569  |

# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

|   | As previously<br>Reported<br>\$ | Increase<br>(decrease)<br>\$ | As restated<br>\$ |
|---|---------------------------------|------------------------------|-------------------|
| <b>Consolidated Statement of Operations<br/>and Accumulated Operating Surplus</b> |                                 |                              |                   |
| Environmental services  | 3,691,384                       | 4,110                        | 3,695,494         |
| Annual surplus  | 3,646,164                       | (4,110)                      | 3,642,054         |
| Accumulated surplus, beginning<br>of year, as restated                            | 74,801,311                      | (456,796)                    | 74,344,515        |
| Accumulated surplus, end of<br>year   | 78,447,475                      | (460,906)                    | 77,986,569        |
| <b>Consolidated Statement of Change in<br/>Net Financial Assets</b>               |                                 |                              |                   |
| Annual surplus  | 3,646,164                       | (4,110)                      | 3,642,054         |
| Amortization of tangible capital<br>assets  | 3,439,528                       | 4,110                        | 3,443,638         |
| Net debt, beginning of year   | (750,086)                       | (1,117,792)                  | (1,867,878)       |
| Net financial assets (debt), end<br>of year                                       | 1,586,005                       | (1,106,539)                  | 479,466           |

### Financial instruments / Foreign currency translation / Financial statement presentation

Effective January 1, 2023, the Municipality adopted new Public Sector Accounting Standards Sections PS 3450 Financial Instruments, PS 3041 Portfolio Investments, PS 2601 Foreign Currency Translation and Section 1201 Financial Statement Presentation along with the related amendments. New Section PS 3450 requires the fair value measurement of derivatives and portfolio investments in equities quoted in an active market. All other financial assets and liabilities are measured at cost or amortized cost (using the effective interest method), or, by policy choice, at fair value when the entity defines and implements a risk management or investment strategy to manage and evaluate the performance of a group of financial assets, financial liabilities or both on a fair value basis.

The measurement requirements were applied prospectively. The recognition, derecognition, and measurement policies followed in the comparative period were not reversed and the comparative figures have not been restated. The entity elected to account for embedded derivatives required to be reported in accordance with the Section on a prospective basis.

The measurement requirements were applied prospectively. The recognition, derecognition, and measurement policies followed in the comparative period were not reversed and the comparative figures have not been restated. The adoption of these standards had no impact on opening balances on January 1, 2023.

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# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

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December 31, 2023

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### 2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements of The Corporation of the Municipality of Sioux Lookout are prepared by management in accordance with accounting policies generally accepted for the local government as prescribed by the Public Sector Accounting Board ("PSAB") of CPA Canada. The more significant of these accounting policies are as follows:

#### [a] Basis of consolidation

##### Reporting entity

These consolidated financial statements reflect the assets, liabilities, revenues and expenses, and accumulated surplus of the reporting entity. The reporting entity is comprised of all organizations, local boards, and committees accountable for the administration of their financial affairs and resources, to the Municipality, and which are controlled by the Municipality. Accordingly, the following is consolidated in these financial statements:

Sioux Lookout Public Library Board  
Sioux Lookout Airport

All interfund balances and transactions have been eliminated.

Government business enterprises and partnerships are separate legal entities which do not rely on the Municipality for funding. Investments in government business enterprises are accounted for using the modified equity method. The following government business enterprises are reflected in the consolidated financial statements:

Sioux Lookout Hydro Inc.

##### Local boards

The financial activities of certain entities associated with the Municipality are not consolidated. The Municipality's contribution to these entities are recorded in the Statement of Operations and Accumulated Surplus. The entities that are accounted for in this manner are:

District of Kenora Home for the Aged  
Kenora District Services Board  
Northwestern Health Unit

##### Trust funds

Certain assets have been conveyed or assigned to the Municipality to be administered as directed by agreement or statute. The Municipality holds the assets for the benefit of and stand in fiduciary relationship to the beneficiaries, as a result, the trust funds and assets are excluded from their financial statements.

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# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

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December 31, 2023

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### **Accounting for school board transactions**

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards, are not reflected in these consolidated financial statements.

## **[b] Basis of accounting**

### **Accrual accounting**

The Municipality uses the accrual basis of accounting which recognizes the effect of transactions and events in the period in which the transactions and events occur, regardless of whether there has been a receipt or payment of cash or its equivalent. It recognizes a liability until the obligation or conditions underlying the liability is partly or wholly satisfied and recognizes an asset until the future economic benefit underlying the asset is partly or wholly used or lost.

### **Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and balances in banks.

### **Investments**

The Municipality accounts for investments using the cost method. The carrying value of an investment is written-down to its net recoverable amount if a decline in market value is judged to be other than temporary.

### **Inventories held for resale**

Inventories held for resale are recorded at the lower of cost and net realizable value.

### **Pension and employee benefits**

The Municipality accounts for its participation in the Ontario Municipal Employee Retirement System (OMERS), a multi-employer defined benefit plan, as a defined contribution plan. Obligations for sick leave under employee benefits payable are accrued as the employees render the services necessary to earn the benefits. Vacation pay and other post-employment benefits are charged to operations in the year earned.

### **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 ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the change in net financial assets for the year.

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# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

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December 31, 2023

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[a] Tangible capital assets

- [i] Tangible capital assets are recorded at cost less accumulated amortization and write-downs, if any. Cost includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

|                         |                |
|-------------------------|----------------|
| Land improvements       | 10 to 30 years |
| Buildings               | 10 to 40 years |
| Machinery and equipment | 10 to 40 years |
| Linear assets           | 5 to 20 years  |
| Vehicles                | 8 to 20 years  |

Annual amortization is charged for six months in the year of acquisition and no amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for productive use, at which time they are transferred to their respective tangible capital asset categories.

[ii] Contribution of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

[iii] Tangible capital assets recognized at nominal value

Certain assets have been assigned a nominal value, because of the difficulty of determining a tenable valuation. The most significant of such assets are the Municipality's road allowances and vacant property.

[iv] Leases

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

[b] Inventories

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

### Reserves and reserve funds

Council segregates its accumulated surplus into various categories including reserves which are specifically for future operating and capital purposes.

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# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

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December 31, 2023

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### **Taxation revenue**

Tax rates are established annually by Council, incorporating amounts to be raised for local services and amounts the Municipality is required to collect on behalf of the Province of Ontario in respect of education taxes. Property tax billings are prepared by the Municipality based on assessment rolls, supplementary assessment rolls and other assessment adjustments issued by the Municipal Property Assessment Corporation ("MPAC"). Taxation revenue is initially recorded at the time assessment information is received from MPAC and is subsequently adjusted based on management's best estimate of the amount of tax revenue resulting from assessment adjustments that have not yet been received from MPAC. The Municipality is entitled to collect interest and penalties on overdue taxes. This revenue is recorded in the period the interest and penalties are levied.

### **Government transfers**

Government transfers are transfers of monetary assets or tangible capital assets from a government to an individual, an organization or another government that are not the result of an exchange transaction, expected to be repaid in the future or expected to produce a direct financial return. Government transfers are recognized in the financial statements as revenue when the transfers are authorized and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

Government transfers made to a recipient by the Municipality are recorded as an expense when they are authorized and the recipient meets all eligibility criteria.

The Municipality receives Gas Tax proceeds from the Federal Government through the Association of Municipalities of Ontario. These funds, by their nature, are restricted in their use and, until applied to specific expenses are recorded as deferred revenue. Amounts applied to qualifying projects are recorded as revenue in the fiscal period they are expended [note 7].

### **Revenue recognition**

User charges and fees are recognized as revenue in the period in which the related services are performed. Amounts collected for which the related services have yet to be performed are recognized as a liability and recognized as revenue when the related services are performed.

Interest is recognized as it is earned. Investment income earned on surplus funds are reported as revenue in the period earned. Investment income earned on obligatory reserve funds is added to the fund balance and forms part of the deferred revenue balance.



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# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

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December 31, 2023

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Funds received, other than government transfers and tax revenue, for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general purposes are accounted for as deferred revenue on the Consolidated Statement of Financial Position. The revenue is recognized in the Consolidated Statement of Operations and Accumulated Surplus in the year in which it is used for the specified purpose.

### **Use of estimates**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are based on management's historical experience, best knowledge of current events and actions that the Municipality may undertake in the future. Significant accounting estimates include valuation allowances for trade receivables and water receivables, valuation allowances for taxes receivable, estimated useful lives of tangible capital assets, employee benefits payable, vested sick leave and solid waste landfill closure and post-closure liability. Actual results could differ from these estimates.

### **Financial instruments**

All financial instruments are recorded at their cost or amortized cost except for portfolio investments in equity instruments quoted in an active market and derivatives which are recorded at their fair value with unrealized remeasurement gains and losses recorded in the statement of remeasurement gains and losses. Once realized, remeasurement gains and losses are transferred to the statement of operations. Changes in the fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met, upon which the gain or loss is recognized in the statement of operations.

Transaction costs related to financial instruments measured at cost or amortized cost are added to the carrying value of the financial instrument. Transaction costs related to financial instruments recorded at their fair values are expensed as incurred.

Financial liabilities (or part of a financial liability) are removed from the statement of financial position when, and only when, they are discharged or cancelled or expire.

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# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

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December 31, 2023

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### Asset retirement obligations

A liability for an asset retirement obligation is recognized when all of the following criteria are met:

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

The liability is measured at the Municipality's best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date. The estimate includes costs directly attributable to the asset retirement activities. The costs also include post-retirement operation, maintenance and monitoring that are an integral part of the retirement of the tangible capital asset and the costs of tangible capital assets acquired as part of asset retirement activities to the extent those assets have no alternative use.

Upon initial recognition of the liability for an asset retirement obligation, the carrying amount of the corresponding tangible capital asset (or component thereof) is increased by the same amount. The capitalized asset retirement cost is expensed in a rational and systematic manner over the useful life of the tangible capital asset (or a component thereof). For obligations for which there is no tangible capital asset recognized or for tangible capital assets that are no longer in productive use, the asset retirement costs are expensed immediately. Subsequently, the liability is reviewed at each financial statement reporting date and adjusted for (1) changes as a result of the passage of time with corresponding accretion expense and (2) adjusted for any revisions to the timing, amount of the original estimate of undiscounted cash flows, or the discount rate. Adjustments to the liability as a result of revisions to the timing, amount of the estimate of undiscounted cash flows or the discount rate are adjusted to the cost of the related tangible capital asset and the revised carrying amount of the related tangible capital asset is amortized except for adjustments related to tangible capital assets that are not recognized or no longer in productive use, which are expensed in the period they are incurred.

The asset retirement costs are amortized. A recovery related to asset retirement obligation is recognized when the recovery can be appropriately measured; reasonably estimated and it is expected that future economic benefits will be obtained. The recovery is not netted against the liability.

### 3. TRUST FUNDS

Trust funds administered by the Municipality amounting to \$255,866 [2022 - \$249,703] have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus.

# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

### 4. CASH AND CASH EQUIVALENTS

|                      | 2023<br>\$       | 2022<br>\$        |
|----------------------|------------------|-------------------|
| Cash in bank         | 2,051,352        | 5,522,672         |
| Designated cash      | 6,688,283        | 8,430,068         |
| Restricted cash      | 1,995,487        | 1,449,628         |
| Outstanding deposits | 344,951          | 264,171           |
| Outstanding cheques  | (1,489,688)      | (952,074)         |
|                      | <b>9,590,385</b> | <b>14,714,465</b> |

Restricted cash of \$1,995,487 [2022 - \$1,449,628] relates to funds deferred by external restrictions as disclosed in Note 7. The Municipality has available an operating line of credit of \$4,000,000 for which the Municipality has provided a borrowing by-law, of which \$nil [2022 - \$nil] was borrowed at year-end. Interest on the line of credit is calculated at bank prime minus .5% and is due on demand [6.7% at year-end]. The airport has an operating line of credit of \$500,000 with an interest rate of prime and is due on demand which is unused at year-end. The library has an operating line of credit of \$20,000 with an interest rate of prime and is due on demand which is unused at year-end.

### 5. TAXES AND USER CHARGES RECEIVABLE

#### [a] Taxes receivable

|  | 2023<br>\$       | 2022<br>\$       |
|--|------------------|------------------|
| Property and business taxes receivable             | 2,200,385        | 2,899,800        |
| Allowance for property and business tax<br>arrears | (1,002,656)      | (1,526,998)      |
|  | <b>1,197,729</b> | <b>1,372,802</b> |

#### [b] User charges receivable

|  | 2023<br>\$     | 2022<br>\$     |
|--|----------------|----------------|
| Water receivables                        | 232,285        | 277,414        |
| Allowance for doubtful water receivables | (44,134)       | (40,165)       |
|  | <b>188,151</b> | <b>237,249</b> |

# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

### 6. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISE

Sioux Lookout Hydro Inc. is owned and controlled by The Corporation of the Municipality of Sioux Lookout and, as a business enterprise of the Municipality, is accounted for on a modified equity basis in these consolidated financial statements. The following information provides condensed supplementary information for the enterprise for the year ended December 31, 2023:

|  | 2023                | 2022         |
|--|---------------------|--------------|
|  | \$                  | \$           |
| <b>Financial position</b>                              |                     |              |
| Current assets   | <b>2,960,984</b>    | 2,895,865    |
| Tangible capital assets                                | <b>6,016,482</b>    | 5,991,957    |
| Goodwill/regulatory assets                             | <b>787,509</b>      | 525,047      |
| Right-of-use assets                                    | <b>208,291</b>      | 271,342      |
|  | <b>9,973,266</b>    | 9,684,211    |
| <b>Current liabilities</b>                             |                     |              |
| Current liabilities                                    | <b>5,081,515</b>    | 4,922,686    |
| Non-current liabilities                                | <b>1,026,096</b>    | 1,033,163    |
| Net assets, end of year                                | <b>3,865,655</b>    | 3,728,362    |
|  | <b>9,973,266</b>    | 9,684,211    |
| <b>Results of operations and changes in net assets</b> |                     |              |
| Revenues   | <b>12,289,334</b>   | 12,545,648   |
| Expenses   | <b>(11,987,500)</b> | (12,167,211) |
| Net income for the year                                | <b>301,834</b>      | 378,437      |
| Net assets, beginning of year                          | <b>3,553,058</b>    | 3,401,681    |
| Dividends  | <b>(207,680)</b>    | (227,060)    |
| <b>Net assets, end of year</b>                         | <b>3,647,212</b>    | 3,553,058    |

There was a dividend declared and payable of \$207,680 [2022 - \$227,060]. During the year, Sioux Lookout Hydro Inc. billed electricity and services to The Corporation of the Municipality of Sioux Lookout in the amount of \$903,897 [2022 - \$820,400].

These transactions are in the normal course of operations and are measured at the exchange value (the amount of consideration established and agreed to by the related parties), which approximates the arm's-length equivalent value for sales of product.

# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

### 7. DEFERRED REVENUE

|                              | Government<br>Transfer<br>\$ | Other<br>\$    | Total<br>2023<br>\$ | Total<br>2022<br>\$ |
|------------------------------|------------------------------|----------------|---------------------|---------------------|
| Obligatory reserve funds     |                              |                |                     |                     |
| Unearned Gas Tax<br>proceeds | 193,734                      | -              | 193,734             | 334,676             |
| Other deferred revenue       |                              |                |                     |                     |
| Restricted donations         | 1,502,926                    | 298,827        | 1,801,422           | 1,021,352           |
| KDSB Child Care              | -                            | -              | -                   | 93,600              |
|                              | <b>1,696,660</b>             | <b>298,827</b> | <b>1,995,156</b>    | <b>1,449,628</b>    |

The continuity of deferred revenue is as follows:

|                                   | 2023<br>\$       | 2022<br>\$ |
|-----------------------------------|------------------|------------|
| <b>Balance, beginning of year</b> | <b>1,449,628</b> | 555,328    |
| Grant proceeds - Gas Tax          | <b>(140,942)</b> | 334,676    |
| Grant proceeds - other            | <b>786,995</b>   | 913,232    |
| Other grant revenue earned        | <b>(100,525)</b> | (353,608)  |
| <b>Balance, end of year</b>       | <b>1,995,156</b> | 1,449,628  |

### 8. PENSION AGREEMENTS

The Municipality makes contributions to the Ontario Municipal Employee Retirement Fund (OMERS), which is a multi employer plan, on behalf of certain members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all the pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2023. The results of this valuation disclosed total actuarial liabilities of \$136,185 million with respect to benefits accrued for services with actuarial assets at that date of \$131,983 million indicating an actuarial deficit of \$4,202 million. Because OMERS is a multi-employer plan, any Plan surpluses or deficits are a joint responsibility of Ontario municipal organization and their employees. As a result, the Town does not recognize any share of the Plan surplus or deficit.

The amount contributed to OMERS for 2023 was \$563,416 [2022 - \$512,084] for current service and is included as an expense on the Consolidated Statement of Operations.

# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

### 9. DEBT

[a] The balance of debt reported on the Consolidated Statement of Financial Position is made up of the following:

|  | 2023<br>\$       | 2022<br>\$       |
|--|------------------|------------------|
| Fixed term loan, 2.78%, blended monthly payments of \$5,649; due 2024.             | 401,586          | 457,027          |
| Fixed term loan, 3.20%, blended monthly payments of \$2,074; due in 2035.          | 974,162          | 1,022,083        |
| Fixed term loan, 2.98%, blended monthly payments of \$3,187; due 2025.             | 74,090           | 109,556          |
| Fixed term loan, 3.98%, blended monthly payments of \$9,177; due 2028.             | 475,286          | 564,587          |
| Fixed term loan, 3.03%, blended monthly payments of \$1,798; due 2023.             | -                | 10,673           |
| Fixed term loan, 3.28%, blended monthly payments of \$3,200; due 2028.             | 160,318          | 192,886          |
| Fixed term loan, 1.69%, blended monthly payments of \$912; due 2030.               | 75,703           | 86,649           |
| Fixed term loan, 1.70%, blended monthly payments of \$1,092; due 2025.             | 25,119           | 38,225           |
| <b>TD Canada Trust</b>   |                  |                  |
| Bank loan, 3.71%, blended monthly payments to be determined at drawdown; due 2024. | 300,693          | 393,650          |
| Bank loan, 2.44%, blended monthly payments of \$6,045; due 2028.                   | 335,365          | 412,267          |
| Fixed term loan, 2.55%, blended monthly payments of \$3,200; due 2029.             | -                | 169,657          |
| <b>Carried Forward</b>   | <b>2,822,322</b> | <b>3,457,260</b> |

# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

|  |                   |            |
|--|-------------------|------------|
| <b>Brought Forward</b>   | <b>2,822,322</b>  | 3,457,260  |
| <b>TD Canada Trust</b><br>Fixed term loan, 2.70%, blended monthly payments of \$16,438; due 2030.                                      | <b>1,105,460</b>  | 1,270,444  |
| <b>Ontario Infrastructure and Lands Corporation</b><br>Loan, 2.27 - 3.55%, blended semi-annual payments of \$219,682; due 2029 - 2038. | <b>4,503,775</b>  | 4,784,818  |
| Loan, 2.27%, blended semi-annual payments of \$37,060; due 2026.   | <b>181,313</b>    | 241,750    |
| Loan, 3.13%, blended semi-annual payments of \$30,302; due 2036.   | <b>622,952</b>    | 663,112    |
| <b>Sioux Lookout Airport</b><br>Fixed term loan, 2.88.%, blended monthly payments of \$142,519; due 2049.                              | <b>5,191,402</b>  | 5,324,056  |
| <b>Provincial Infrastructure Financing Authority</b><br>Loan, 2.73%, blended semi-annual payments of \$15,173; due 2035.               | <b>297,781</b>    | 319,551    |
| Loan, 3.05%, blended semi-annual payments of \$26,824; due 2044.   | <b>827,540</b>    | 855,318    |
| <b>Total municipal debt</b>  | <b>15,552,545</b> | 16,916,309 |

[b] Principal due on debt is summarized as follows:

|            | \$                |
|------------|-------------------|
| 2024       | 1,237,430         |
| 2025       | 1,270,357         |
| 2026       | 1,235,592         |
| 2027       | 1,125,593         |
| 2028       | 1,017,015         |
| Thereafter | 9,666,558         |
|            | <b>15,552,545</b> |

# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

[c] Debt has been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ontario Ministry of Municipal Affairs and Housing.

[d] Total interest charges for debt reported on the Consolidated Statement of Operations and Accumulated Surplus are \$579,215 [2022 - \$596,703].

### 10. ASSET RETIREMENT OBLIGATIONS

The Municipality has recognized an asset retirement obligation related to the future costs associated with site inspection, site maintenance and water quality monitoring related to the Municipality's landfills.

A reconciliation of the aggregate carrying amount of the liability is as follows:

|                   | 2023      | 2022      |
|-------------------|-----------|-----------|
|                   | \$        | \$        |
| Opening balance   | 1,702,447 | 1,653,503 |
| Accretion expense | 50,392    | 48,944    |
| Closing balance   | 1,752,839 | 1,702,447 |

The liability is estimated using a present value technique that discounts the expected future expenditures. The discount rate used was based on borrowing rates for liabilities with similar risks and maturity of 2.96% [2022 - 2.96%].

The Municipality owns and operates one landfill site and one closed landfill site. The active landfill site was opened in October 2003 with a capacity of 402,000 m<sup>3</sup>. As at December 31, 2023, the remaining capacity of the site is estimated at 275,805 m<sup>3</sup> representing 68.61% of the total capacity. The Open site is expected to close when it reaches capacity in 2052.

### 11. EMPLOYEE FUTURE BENEFITS

#### Employee Future Benefits Liabilities

|  | 2023    | 2022    |
|--|---------|---------|
|  | \$      | \$      |
| Vested and non-vested sick leave payable | 326,500 | 302,500 |
| Banked stats and overtime                | 83,781  | 81,264  |
| Post employment benefits payable         | 51,400  | 62,800  |
|  | 461,681 | 446,564 |

#### Retirement and Other Employee Future Benefits Expenses

Under the sick leave benefit plan, unused sick leave can accumulate. The Municipality recognizes these costs in the period in which the employees rendered the services. The accrued benefit liability at December 31, 2023 was determined by an actuarial valuation prepared for the year ended December 31, 2022.



# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

The main actuarial assumptions employed for the valuation of vested sick leave benefits are as follows:

### Actuarial assumptions

The accrued benefit obligations for employee future benefit plans as at December 31, 2023 are based on actuarial valuations for accounting purposes as at December 31, 2022. These actuarial valuations were based on assumptions about future events. These valuations take into account the plan changes outlined above and the economic assumptions used in these valuations are the Municipality's best estimates of expected rates of:

|   | 2023 | 2022 |
|---|------|------|
|   | %    | %    |
| Wage and salary escalation              | 2.5  | 2.5  |
| Discount on accrued benefit obligations | 4.6  | 4.6  |

## 12. TANGIBLE CAPITAL ASSETS

Details of year-end capital asset balances are as follows:

|                           | 2023              | 2022              |
|---------------------------|-------------------|-------------------|
|                           | \$                | \$                |
| Land and land improvement | 6,189,876         | 6,304,572         |
| Buildings                 | 24,979,721        | 25,619,714        |
| Machinery and equipment   | 2,980,415         | 2,699,150         |
| Vehicles                  | 3,298,505         | 2,985,751         |
| Library collections       | 17,592            | 11,338            |
| Sanitary and storm sewer  | 8,072,498         | 8,291,857         |
| Roads                     | 9,661,533         | 10,551,313        |
| Water distribution        | 5,574,881         | 5,730,849         |
| Assets under construction | 24,610,186        | 15,222,911        |
|                           | <b>85,385,207</b> | <b>77,417,455</b> |

Schedule 2 provides information on the tangible capital assets of the Municipality by major asset class, as well as accumulated amortization of the assets controlled.

There were write-downs of assets of \$nil during 2023 [2022 - \$1,104,321].

Interest capitalized during 2023 was \$nil [2022 - \$nil].

There were no contributed tangible capital assets in 2023 [2022 - \$nil].

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# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

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### 13. SEGMENTED INFORMATION

The Corporation of the Municipality Sioux Lookout is a diversified municipal government institution that provides a wide range of services to its citizens. The schedule of segment disclosure provides a breakdown of the annual surplus (deficit) reported on the Consolidated Statement of Operations and Accumulated Surplus by major reporting segment. The segments correspond to the major functional categories used in the Municipality's Financial Information Return, which include the following activities:

#### **General government**

General government comprises various administrative services, including Corporate Services Department, and Mayor and Council.

#### **Protection to persons and property**

The Protective Services Department is comprised of police services, volunteer fire services and protective services. The police services are contracted from the Ontario Provincial Police. Volunteer fire services is responsible for fire suppression, fire prevention programs, training and education related to prevention, and detection and extinguishment of fires. Protective services is responsible for the protection of the residents of the Municipality by ensuring an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards and by-laws; and for maintaining animal control services through the enforcement of Provincial regulations and by-laws that apply to the regulating and keeping of animals.

#### **Transportation services**

Transportation services is the delivery of a number of municipal public works services by the Public Services Department that include airports, roadways, winter control, and street lighting. Airports covers the delivery of services related to the operation and maintenance of the Municipality's airport. Roadways covers the delivery of services related to the planning, development and maintenance of the Municipality's roadway system, including culverts and sidewalks. Winter control includes snowplowing, sanding and salting, snow removal and flood control. Street lighting includes the development of street lighting plans and the maintenance of the street lighting system.

#### **Environmental services**

Environmental services include waterworks, sanitary sewer, waste collection and disposal, and recycling. Waterworks services and sanitary sewer services are contracted from the Northern Waterworks Inc. which provides drinking water to the citizens of Sioux Lookout, and collects and treats wastewater. The Public Services Department is responsible for waste collection and disposal and recycling and includes the collection of solid waste, operations at the various landfill sites and waste minimization programs.

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# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

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### **Health services**

Health services include public health services and ambulance services. Public health services represents the Municipality of Sioux Lookout's contribution to the activities of the Northwestern Health Unit. The Northwestern Health Unit provides health information and prevention-related clinical services; advocates for healthy public policy; investigates reportable diseases; and upholds regulations that apply to public health.

### **Social and family services**

Social and family services include general assistance, assistance to aged persons, child care and assistance to the disabled. General assistance, assistance to aged persons, child care and assistance to the disabled represents the Municipality's contribution to the activities of The Kenora District Services Board (KDSB). KDSB is responsible for Ontario Works program delivery, childcare services and social housing.

### **Recreation and cultural services**

Recreation and cultural services include recreation programs, parks and facilities, public library, and contributions to recreational and cultural organizations. The department provides services that contribute to community development and sustainability through the provision of recreation and leisure programs and services such as fitness and aquatic programs. The department also provides services that develop and maintain various recreational facilities, and parks and open spaces. The Sioux Lookout Public Library system provides community access to local and global information resources that support lifelong learning, research and leisure activities. The Municipality makes contributions to various cultural and recreational organizations under specific funding programs.

### **Planning and development**

The Planning Department provides planning and development services by managing the land and resources of the Municipality to ensure orderly community development and the efficient provision of services. The Strategic Initiatives and Economic Development Department is responsible for providing economic development services by fostering sustainability and economic growth through the sourcing of Federal and Provincial funding programs and initiatives, and the development of public and private partnerships.

For additional information see the Consolidated Schedule of Segment Disclosure (Schedule 3).

# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

### 14. RESERVES AND RESERVE FUNDS

The continuity of reserves and reserve funds which make up part of accumulated surplus noted in Schedule 1 is as follows:

|                             | 2023<br>\$        | 2022<br>\$        |
|-----------------------------|-------------------|-------------------|
| <b>Reserves</b>             |                   |                   |
| Balance, beginning of year  | 10,632,523        | 9,083,381         |
| <b>Increases</b>            |                   |                   |
| Transfers from general fund | 2,126,292         | 2,832,898         |
| <b>Decreases</b>            |                   |                   |
| Transfers to general fund   | 2,090,416         | 1,283,059         |
| Transfers to reserve funds  | -                 | 697               |
| <b>Balance, end of year</b> | <b>10,668,399</b> | <b>10,632,523</b> |

|                             | 2023<br>\$       | 2022<br>\$       |
|-----------------------------|------------------|------------------|
| <b>Reserve funds</b>        |                  |                  |
| Balance, beginning of year  | 7,885,207        | 7,837,164        |
| <b>Increases</b>            |                  |                  |
| Transfers from general fund | 504,253          | 110,090          |
| Transfers from reserves     | -                | 697              |
| Interest                    | 256,720          | 102,622          |
|                             | <b>760,973</b>   | <b>213,409</b>   |
| <b>Decreases</b>            |                  |                  |
| Transfers to general fund   | 86,572           | 165,366          |
|                             | <b>86,572</b>    | <b>165,366</b>   |
| <b>Balance, end of year</b> | <b>8,559,608</b> | <b>7,885,207</b> |

### 15. DESIGNATED ASSETS

Of the financial assets reported on the Consolidated Statement of Financial Position, the Council has designated \$6,688,283 [2022 - \$8,430,068] to support reserve funds.

# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

### 16. BUDGET FIGURES

Public Sector Accounting Standards require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the Statement of Operations and Accumulated Surplus has been adjusted to be presented on a consistent basis as actual results. Below is a reconciliation of the figures from the approved fiscal plan to the fiscal plan per the financial statements:

|                                    | Approved<br>Fiscal<br>Plan<br>\$ | Adjustments<br>\$  | Fiscal Plan<br>per Financial<br>Statements<br>\$ |
|------------------------------------|----------------------------------|--------------------|--|
| <b>Revenues</b>                    |                                  |                    |  |
| Taxation                           | 12,299,088                       | -                  | 12,299,088                                       |
| User charges                       | 9,564,518                        | -                  | 9,564,518  |
| Government transfers               | 4,803,428                        | -                  | 4,803,428  |
| Other                              | 11,736,537                       | -                  | 11,736,537                                       |
|                                    | <b>38,403,571</b>                | -                  | <b>38,403,571</b>                                |
| <b>Expenses</b>                    |                                  |                    |  |
| General government                 | 4,708,289                        | (494,957)          | 4,213,332  |
| Protection to persons and property | 2,998,004                        | (342,530)          | 2,655,474  |
| Transportation services            | 22,197,250                       | (2,679,568)        | 19,517,682                                       |
| Environmental services             | 3,069,342                        | 1,137,764          | 4,207,106  |
| Health services                    | 622,065                          | 399,101            | 1,021,166  |
| Social and family services         | 656,315                          | -                  | 656,315  |
| Social housing                     | 391,129                          | -                  | 391,129  |
| Recreation and cultural services   | 3,014,224                        | 45,334             | 3,059,558  |
| Planning and development           | 746,953                          | (71,000)           | 675,953  |
|                                    | <b>38,403,571</b>                | <b>(2,005,856)</b> | <b>36,397,715</b>                                |
| <b>Annual surplus</b>              | -                                | <b>2,005,856</b>   | <b>2,005,856</b>                                 |
| Interfund transfers                | (1,575,516)                      | 1,575,516          |  |
| Capital items                      | 12,487,562                       | (12,487,562)       |  |
| Debt proceeds                      | (6,850,890)                      | 6,850,890          |  |
| Debt repayments                    | 1,280,295                        | (1,280,295)        |  |
| Amortization                       | -                                | 3,348,255          |  |
| Prior year surplus (deficit)       | 12,660                           | (12,660)           |  |
| <b>Approved surplus</b>            | <b>5,354,111</b>                 | <b>(2,005,856)</b> |  |

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# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

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December 31, 2023

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### 17. LOAN GUARANTEE

The Municipality has guaranteed a loan to Sioux Lookout Hydro Inc. up to a maximum of \$3,350,000. At year-end, the loan balance was \$426,038 [2022 - \$639,114] and the loan was not in default.

|            | \$                  |
|------------|---------------------|
| 2024       | 178,900             |
| 2025       | 156,000             |
| 2026       | 66,900              |
| 2027       | 14,800              |
| 2028       | 8,600               |
| Thereafter | 838                 |
|            | <hr/> 426,038 <hr/> |

### 18. COMPARATIVE FINANCIAL STATEMENTS

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the 2023 financial statements.

### 19. RESTRUCTURING TRANSACTIONS

On April 1, 2022, the Municipality transferred Child Care Services to Kenora District Services Board (the "Board"). The transfer of operations was approved due to operational and governance issues throughout the period, and the Municipality determined that the transfer of operations would ensure the best continuity of service to the residents of the Municipality. There were no assets, liabilities or non-financial assets transferred.

The Board has assumed lease commitments relating to the rent of various day care operational premises at a monthly cost of \$1,987.

There were no restructuring costs associated with this transfer or impacts to the statement of operations.

### 20. CONTINGENT LIABILITIES

The Municipality is involved from time to time in litigation, which arises in the normal course of business. With respect to one outstanding claim, the Municipality believes that insurance coverage is adequate and that no material exposure exists on the eventual settlement of such litigation. Therefore, no provision has been made in the accompanying consolidated financial statements.

# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

### 21. FINANCIAL INSTRUMENTS

#### Classification

The following table provides the carrying amount of information of the Municipality's financial instruments by category. The maximum exposure to credit risk for the financial assets would be the carrying values shown below.

| Financial Instrument                         | 2023                |            | 2022                |            |
|--|---------------------|------------|---------------------|------------|
|  | Amortized Cost/Cost | Fair Value | Amortized Cost/Cost | Fair Value |
|  | \$                  | \$         | \$                  | \$         |
| Cash and cash equivalents                    | 9,590,385           | -          | 14,714,465          | -          |
| Taxes receivable                             | 1,197,729           | -          | 1,372,802           | -          |
| User charges receivable                      | 188,151             | -          | 237,249             | -          |
| Accounts receivable                          | 5,053,031           | -          | 3,187,945           | -          |
| Investment in government business enterprise | 3,647,212           | -          | 3,553,058           | -          |
| Accounts payable and accrued liabilities     | (2,786,206)         | -          | (2,388,339)         | -          |
| Debt   | (15,552,545)        | -          | (16,916,309)        | -          |
|  | 1,337,757           | -          | 3,760,871           | -          |

#### Risk disclosures

##### Fair value of financial instruments

The carrying values of cash and cash equivalents, taxes receivable, user charges receivable, accounts receivable, inventory for resale, accounts payable and accrued liabilities approximate fair values due to the relative short periods to maturity of the instruments. The carrying value of long-term debt may differ from its fair value due to the terms of repayment and interest rates charges.

##### Credit risk

The Credit risk is the risk of financial loss to the Municipality if a debtor fails to discharge their obligation. The Municipality is exposed to this risk arising from its cash, investments, grants receivable and accounts receivable. The Municipality holds its cash accounts with a federally regulated chartered bank who is insured by the Canadian Deposit Insurance Corporation. In the event of default, the Municipality's cash accounts are insured up to \$1,000,000 (2022 - \$1,000,000).

The Municipality's investment policy operates within the constraints of the investment guidelines laid out in the Municipal Act which puts limits on the types of investments the Municipality may invest in, lays out composition of its investment portfolio, specifies the bond quality limits and issuer type limits and general guidelines for geographical exposure. The Act permits the Municipality's funds to be invested in bonds issued by the Government of Canada or a Canadian province having a rating of A or better, or corporate investments having a rating of AAA (high) or better. It also limits its investments in pooled funds to Canadian money market funds and bond funds.

# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

Accounts receivable is primarily due from government, and corporations and individuals. Credit risk is mitigated by the highly diversified nature of the debtors and other customers. The Municipality measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the Municipality's historical experience regarding collections. In the current and prior years, all of the impairment allowance related to the other receivables. There were no changes in exposures to credit risk during the period. The amounts outstanding at year end were as follows:

|                         | <b>2023</b>    |                   |                   |                    |                      | <b>Total</b>     |
|-------------------------|----------------|-------------------|-------------------|--------------------|----------------------|------------------|
|                         | <b>Current</b> | <b>31-60 Days</b> | <b>61-90 Days</b> | <b>91-120 Days</b> | <b>Over 120 Days</b> |                  |
|                         | \$             | \$                | \$                | \$                 | \$                   | \$               |
| Taxes receivable        | -              | -                 | -                 | -                  | 2,200,385            | 2,200,385        |
| User charges receivable | 119,556        | 90,428            | -                 | -                  | 22,301               | 232,285          |
| Accounts receivable     | -              | 286,391           | 783,954           | 288,864            | 3,693,822            | 5,053,031        |
| <b>Total</b>            | <b>119,556</b> | <b>376,819</b>    | <b>783,954</b>    | <b>288,864</b>     | <b>5,916,508</b>     | <b>7,485,701</b> |
| Less allowances:        |                |                   |                   |                    |                      |                  |
| Taxes receivable        | -              | -                 | -                 | -                  | (1,002,656)          | (1,002,656)      |
| User charges receivable | -              | -                 | -                 | -                  | (44,134)             | (44,134)         |
| <b>Net receivable</b>   | <b>119,556</b> | <b>376,819</b>    | <b>783,954</b>    | <b>288,864</b>     | <b>4,869,718</b>     | <b>6,438,911</b> |

|                         | <b>2022</b>    |                   |                   |                    |                      | <b>Total</b>     |
|-------------------------|----------------|-------------------|-------------------|--------------------|----------------------|------------------|
|                         | <b>Current</b> | <b>31-60 Days</b> | <b>61-90 Days</b> | <b>91-120 Days</b> | <b>Over 120 Days</b> |                  |
|                         | \$             | \$                | \$                | \$                 | \$                   | \$               |
| Taxes receivable        | -              | -                 | -                 | -                  | 2,899,800            | 2,899,800        |
| User charges receivable | 164,362        | 89,052            | -                 | -                  | 24,000               | 277,414          |
| Accounts receivable     | -              | 288,278           | 464,318           | 640,461            | 1,794,888            | 3,187,945        |
| <b>Total</b>            | <b>164,362</b> | <b>377,330</b>    | <b>464,318</b>    | <b>640,461</b>     | <b>4,718,688</b>     | <b>6,365,159</b> |
| Less allowances:        |                |                   |                   |                    |                      |                  |
| Taxes receivable        | -              | -                 | -                 | -                  | (1,526,998)          | (1,526,998)      |
| User charges receivable | -              | -                 | -                 | -                  | (40,165)             | (40,165)         |
| <b>Net receivable</b>   | <b>164,362</b> | <b>377,330</b>    | <b>464,318</b>    | <b>640,461</b>     | <b>3,151,525</b>     | <b>4,797,996</b> |



# The Corporation of the Municipality of Sioux Lookout

## Notes to the Consolidated Financial Statements

December 31, 2023

The Municipality has also provided a loan guarantee to Sioux Lookout Hydro Inc. The maximum exposure to credit risk is the amount that the Municipality could be called up to pay if the guarantee is called upon which is \$3,350,000 (2022 - \$3,350,000).

### Liquidity risk

Liquidity risk is the risk that the Municipality will not be able to meet all cash outflow obligations as they come due. The Municipality mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise. The following table sets out the expected maturities, representing undiscounted cash-flows of its financial liabilities:

|                  | 2023             |                  |                  |                  | Total             |
|------------------|------------------|------------------|------------------|------------------|-------------------|
|                  | Within 1 Year    | 1-2 Years        | 2-5 Years        | Over 5 Years     |                   |
|                  | \$               | \$               | \$               | \$               | \$                |
| Accounts payable | 2,786,206        | -                | -                | -                | 2,786,206         |
| Debt             | 1,237,430        | 1,270,357        | 3,378,200        | 9,666,558        | 15,552,545        |
|                  | -                | -                | -                | -                | -                 |
| <b>Total</b>     | <b>4,023,636</b> | <b>1,270,357</b> | <b>3,378,200</b> | <b>9,666,558</b> | <b>18,338,751</b> |

|                  | 2022             |                  |                  |                   | Total             |
|------------------|------------------|------------------|------------------|-------------------|-------------------|
|                  | Within 1 Year    | 1-2 Years        | 2-5 Years        | Over 5 Years      |                   |
|                  | \$               | \$               | \$               | \$                | \$                |
| Accounts payable | 2,388,339        | -                | -                | -                 | 2,388,339         |
| Debt             | 1,363,764        | 1,237,430        | 3,631,542        | 10,683,573        | 16,916,309        |
|                  | -                | -                | -                | -                 | -                 |
| <b>Total</b>     | <b>3,752,103</b> | <b>1,237,430</b> | <b>3,631,542</b> | <b>10,683,573</b> | <b>19,304,648</b> |

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

### Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in the fair value or future cash flows of financial instruments because of changes in market interest rates. The Municipality is exposed to this risk through its debt. There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods to measure the risk.

# The Corporation of the Municipality of Sioux Lookout

## Schedule 1

### Consolidated Schedule of Accumulated Surplus

| Year ended December 31  | 2023              | 2022                                 |
|---|-------------------|--------------------------------------|
|   | \$                | \$<br><i>[restated -<br/>note 1]</i> |
| <b>Surplus (deficit)</b>  |                   |                                      |
| General fund  | (7,108,930)       | (2,372,026)                          |
| Investment in tangible capital assets                           | 85,385,207        | 77,417,455                           |
| Unfunded  |                   |                                      |
| Debt  | (15,552,545)      | (16,916,309)                         |
| Employee future benefits  | (461,681)         | (446,564)                            |
| Home for the aged   | (64,328)          | (64,328)                             |
| Asset retirement obligations                                    | (1,752,839)       | (1,702,447)                          |
| <b>Total surplus</b>  | <b>60,444,884</b> | <b>55,915,781</b>                    |
| <b>Reserves set aside for specific purposes by Council</b>      |                   |                                      |
| For working capital   | 5,045,789         | 4,741,776                            |
| For capital expenditures  | 5,622,610         | 5,890,747                            |
| <b>Total reserves</b>   | <b>10,668,399</b> | <b>10,632,523</b>                    |
| <b>Reserve funds set aside for specific purposes by Council</b> |                   |                                      |
| For library acquisition of capital assets                       | 126               | 119                                  |
| For landfill closure and land development                       | 346,147           | 334,870                              |
| For airport capital   | 1,667,232         | 1,641,994                            |
| For infrastructure  | 2,608,260         | 1,839,909                            |
| For utilities   | 3,007,320         | 2,896,796                            |
| For aggregate   | 126,810           | 122,836                              |
| For land development  | 604,664           | 419,695                              |
| For tourism   | 188,260           | 618,199                              |
| For community support   | 10,789            | 10,789                               |
| <b>Total reserve funds</b>                                      | <b>8,559,608</b>  | <b>7,885,207</b>                     |
| <b>Net equity in government business enterprises</b>            | <b>3,647,212</b>  | <b>3,553,058</b>                     |
| <b>Accumulated surplus</b>                                      | <b>83,320,103</b> | <b>77,986,569</b>                    |

**The Corporation of the Municipality of Sioux Lookout**  
**Consolidated Schedule of Tangible Capital Assets**

**Schedule 2**

Year ended December 31, 2023

|   | General                          |                   |                               |                  |                          | Infrastructure                 |                   |                          | Totals                          |                    |                    |
|---|----------------------------------|-------------------|-------------------------------|------------------|--------------------------|--------------------------------|-------------------|--------------------------|---------------------------------|--------------------|--------------------|
|   | Land and Land Improvements<br>\$ | Buildings<br>\$   | Machinery and Equipment<br>\$ | Vehicles<br>\$   | Library Collection<br>\$ | Sanitary and Storm Sewer<br>\$ | Roads<br>\$       | Water Distribution<br>\$ | Assets Under Construction<br>\$ | 2023<br>\$         | 2022<br>\$         |
| <b>COST</b>   |                                  |                   |                               |                  |                          |                                |                   |                          |                                 |                    |                    |
| Balance, beginning of year                                    | 8,249,665                        | 40,087,278        | 13,279,941                    | 7,923,991        | 168,226                  | 13,189,963                     | 31,157,653        | 10,024,516               | 15,222,911                      | 139,304,144        | 134,639,158        |
| Add   |                                  |                   |                               |                  |                          |                                |                   |                          |                                 |                    |                    |
| Additions during the year                                     | -                                | 490,473           | 602,951                       | 470,045          | 17,498                   | -                              | 188,239           | -                        | 9,631,773                       | 11,400,979         | 4,760,713          |
| Less  |                                  |                   |                               |                  |                          |                                |                   |                          |                                 |                    |                    |
| Disposals during the year                                     | -                                | 169,599           | -                             | 40,284           | -                        | -                              | 111,115           | -                        | -                               | 320,998            | 95,727             |
| Transfers   | -                                | -                 | 32,046                        | 212,452          | -                        | -                              | -                 | -                        | (244,498)                       | -                  | -                  |
| <b>Balance, end of year</b>                                   | <b>8,249,665</b>                 | <b>40,408,152</b> | <b>13,914,938</b>             | <b>8,566,204</b> | <b>185,724</b>           | <b>13,189,963</b>              | <b>31,234,777</b> | <b>10,024,516</b>        | <b>24,610,186</b>               | <b>150,384,125</b> | <b>139,304,144</b> |
| <b>ACCUMULATED AMORTIZATION</b>                               |                                  |                   |                               |                  |                          |                                |                   |                          |                                 |                    |                    |
| Balance, beginning of year                                    | 1,945,093                        | 14,467,564        | 10,580,791                    | 4,938,240        | 156,888                  | 4,898,106                      | 20,606,340        | 4,293,667                | -                               | 61,886,689         | 58,527,525         |
| Add   |                                  |                   |                               |                  |                          |                                |                   |                          |                                 |                    |                    |
| Amortization during the year                                  | 114,696                          | 1,054,558         | 353,732                       | 360,679          | 11,244                   | 219,359                        | 1,078,019         | 155,968                  | -                               | 3,348,255          | 3,454,891          |
| Less  |                                  |                   |                               |                  |                          |                                |                   |                          |                                 |                    |                    |
| Accumulated amortization on disposals                         | -                                | 93,691            | -                             | 31,220           | -                        | -                              | 111,115           | -                        | -                               | 236,026            | 95,727             |
| <b>Balance, end of year</b>                                   | <b>2,059,789</b>                 | <b>15,428,431</b> | <b>10,934,523</b>             | <b>5,267,699</b> | <b>168,132</b>           | <b>5,117,465</b>               | <b>21,573,244</b> | <b>4,449,635</b>         | <b>-</b>                        | <b>64,998,918</b>  | <b>61,886,689</b>  |
| Net book value of tangible capital assets, beginning of year  | 6,304,572                        | 25,619,714        | 2,699,150                     | 2,985,751        | 11,338                   | 8,291,857                      | 10,551,313        | 5,730,849                | 15,222,911                      | 77,417,455         | 76,111,633         |
| <b>Net book value of tangible capital assets, end of year</b> | <b>6,189,876</b>                 | <b>24,979,721</b> | <b>2,980,415</b>              | <b>3,298,505</b> | <b>17,592</b>            | <b>8,072,498</b>               | <b>9,661,533</b>  | <b>5,574,881</b>         | <b>24,610,186</b>               | <b>85,385,207</b>  | <b>77,417,455</b>  |

**The Corporation of the Municipality of Sioux Lookout**  
**Consolidated Schedule of Segment Disclosure**

**Schedule 3**

Year ended December 31, 2023

|   | General Government |                   | Protection to<br>Persons and Property |                    | Transportation<br>Services |                    | Environmental<br>Services |                  | Health Services  |                  |
|---|--------------------|-------------------|---------------------------------------|--------------------|----------------------------|--------------------|---------------------------|------------------|------------------|------------------|
|   | 2023               | 2022              | 2023                                  | 2022               | 2023                       | 2022               | 2023                      | 2022             | 2023             | 2022             |
|   | \$                 | \$                | \$                                    | \$                 | \$                         | \$                 | \$                        | \$               | \$               | \$               |
| <b>Revenues</b>                                       |                    |                   |                                       |                    |                            |                    |                           |                  |                  |                  |
| Taxation  | 12,493,017         | 11,451,780        | -                                     | -                  | -                          | -                  | -                         | -                | -                | -                |
| Grants  | 1,892,676          | 1,574,193         | 77,969                                | 394,935            | 2,868,943                  | 689,222            | 3,178                     | 104,399          | -                | -                |
| User fees and service charges                         | 1,238,379          | 1,272,904         | 8,772                                 | 15,970             | 4,387,170                  | 3,597,811          | 3,823,182                 | 3,794,688        | 149,224          | 154,002          |
| Sale of aviation fuel                                 | -                  | -                 | -                                     | -                  | 13,565,655                 | 11,729,016         | -                         | -                | -                | -                |
| Other revenues  | 476,975            | 685,587           | 286,330                               | 122,242            | 6,663                      | 10,898             | 13,350                    | 13,546           | 10,893           | 10,879           |
| Interest income - general                             | 330,846            | 163,141           | -                                     | -                  | 259,147                    | 95,346             | -                         | -                | -                | -                |
|   | <b>16,431,893</b>  | <b>15,147,605</b> | <b>373,071</b>                        | <b>533,147</b>     | <b>21,087,578</b>          | <b>16,122,293</b>  | <b>3,839,710</b>          | <b>3,912,633</b> | <b>160,117</b>   | <b>164,881</b>   |
| <b>Expenses</b>                                       |                    |                   |                                       |                    |                            |                    |                           |                  |                  |                  |
| Salaries, wages and employee benefits                 | 2,619,092          | 2,227,604         | 540,059                               | 457,788            | 2,687,333                  | 2,836,683          | 986,358                   | 987,327          | 96,350           | 81,103           |
| Long-term debt charges                                | 144,309            | 131,016           | 6,872                                 | 7,993              | 232,850                    | 238,320            | 164,459                   | 183,447          | 20,827           | 24,305           |
| Materials   | 998,945            | 841,009           | 329,268                               | 192,751            | 15,754,431                 | 13,688,558         | 1,188,311                 | 1,081,741        | 26,964           | 28,127           |
| Contracted services                                   | 458,644            | 513,880           | 1,517,049                             | 2,036,916          | 497,911                    | 344,172            | 393,399                   | 541,452          | 23,149           | 16,097           |
| Rent and financials                                   | 87,117             | 12,933            | -                                     | -                  | 15,991                     | 20,215             | 16,121                    | 50,917           | 16,899           | 33,798           |
| External transfers to others                          | 321,431            | 433,443           | -                                     | -                  | -                          | -                  | -                         | -                | 711,284          | 705,419          |
| Amortization  | 22,226             | 39,151            | 149,166                               | 103,621            | 1,942,719                  | 2,036,523          | 831,744                   | 850,610          | 35,215           | 35,215           |
|   | <b>4,651,764</b>   | <b>4,199,036</b>  | <b>2,542,414</b>                      | <b>2,799,069</b>   | <b>21,131,235</b>          | <b>19,164,471</b>  | <b>3,580,392</b>          | <b>3,695,494</b> | <b>930,688</b>   | <b>924,064</b>   |
| <b>Net revenues (expenses) before undernoted item</b> | <b>11,780,129</b>  | <b>10,948,569</b> | <b>(2,169,343)</b>                    | <b>(2,265,922)</b> | <b>(43,657)</b>            | <b>(3,042,178)</b> | <b>259,318</b>            | <b>217,139</b>   | <b>(770,571)</b> | <b>(759,183)</b> |
| Loss on disposal of tangible capital assets           | (84,971)           | -                 | -                                     | -                  | -                          | -                  | -                         | -                | -                | -                |
| <b>Annual surplus (deficit)</b>                       | <b>11,695,158</b>  | <b>10,948,569</b> | <b>(2,169,343)</b>                    | <b>(2,265,922)</b> | <b>(43,657)</b>            | <b>(3,042,178)</b> | <b>259,318</b>            | <b>217,139</b>   | <b>(770,571)</b> | <b>(759,183)</b> |

**The Corporation of the Municipality of Sioux Lookout**  
**Consolidated Schedule of Segment Disclosure**

**Schedule 3 (continued)**

Year ended December 31, 2023

|   | Social and Family Services |           | Social Housing   |           | Recreation and Cultural Services |           | Planning and Development |           | Total             |            |
|---|----------------------------|-----------|------------------|-----------|----------------------------------|-----------|--------------------------|-----------|-------------------|------------|
|   | 2023                       | 2022      | 2023             | 2022      | 2023                             | 2022      | 2023                     | 2022      | 2023              | 2022       |
|   | \$                         | \$        | \$               | \$        | \$                               | \$        | \$                       | \$        | \$                | \$         |
| <b>Revenues</b>                                       |                            |           |                  |           |                                  |           |                          |           |                   |            |
| Taxation  | -                          | -         | -                | -         | -                                | -         | -                        | -         | <b>12,493,017</b> | 11,451,780 |
| Grants  | -                          | 210,746   | -                | -         | <b>40,985</b>                    | 2,414,942 | -                        | 48,848    | <b>4,883,751</b>  | 5,437,285  |
| User fees and service charges                         | -                          | 50,894    | -                | -         | <b>504,830</b>                   | 414,950   | <b>20,700</b>            | 11,700    | <b>10,132,257</b> | 9,312,919  |
| Sale of aviation fuel                                 | -                          | -         | -                | -         | -                                | -         | -                        | -         | <b>13,565,655</b> | 11,729,016 |
| Other revenues  | -                          | -         | -                | -         | <b>89,368</b>                    | 6,134     | <b>198,816</b>           | 3,281     | <b>1,082,395</b>  | 852,567    |
| Interest income - general                             | -                          | -         | -                | -         | -                                | -         | -                        | -         | <b>589,993</b>    | 258,487    |
|   | -                          | 261,640   | -                | -         | <b>635,183</b>                   | 2,836,026 | <b>219,516</b>           | 63,829    | <b>42,747,068</b> | 39,042,054 |
| <b>Expenses</b>                                       |                            |           |                  |           |                                  |           |                          |           |                   |            |
| Salaries, wages and employee benefits                 | <b>4,839</b>               | 546,050   | -                | -         | <b>1,848,422</b>                 | 1,657,073 | <b>194,581</b>           | 173,466   | <b>8,977,034</b>  | 8,967,094  |
| Long-term debt charges                                | -                          | -         | -                | -         | <b>9,898</b>                     | 11,622    | -                        | -         | <b>579,215</b>    | 596,703    |
| Materials   | -                          | 24,910    | -                | -         | <b>601,672</b>                   | 479,607   | <b>90,336</b>            | 84,319    | <b>18,989,927</b> | 16,421,022 |
| Contracted services                                   | <b>995</b>                 | -         | -                | -         | <b>160,395</b>                   | 129,264   | <b>157,763</b>           | 68,091    | <b>3,209,305</b>  | 3,649,872  |
| Rent and financials                                   | -                          | -         | -                | -         | <b>8,537</b>                     | 6,222     | -                        | -         | <b>144,665</b>    | 124,085    |
| External transfers to others                          | <b>656,319</b>             | 654,077   | <b>391,128</b>   | 344,546   | -                                | -         | -                        | -         | <b>2,080,162</b>  | 2,137,485  |
| Amortization  | -                          | -         | -                | -         | <b>367,185</b>                   | 389,771   | -                        | -         | <b>3,348,255</b>  | 3,454,891  |
|   | <b>662,153</b>             | 1,225,037 | <b>391,128</b>   | 344,546   | <b>2,996,109</b>                 | 2,673,559 | <b>442,680</b>           | 325,876   | <b>37,328,563</b> | 35,351,152 |
| <b>Net revenues (expenses) before undernoted item</b> | <b>(662,153)</b>           | (963,397) | <b>(391,128)</b> | (344,546) | <b>(2,360,926)</b>               | 162,467   | <b>(223,164)</b>         | (262,047) | <b>5,418,505</b>  | 3,690,902  |
| Loss on disposal of tangible capital assets           | -                          | -         | -                | -         | -                                | -         | -                        | -         | <b>(84,971)</b>   | -          |
| <b>Annual surplus (deficit)</b>                       | <b>(662,153)</b>           | (963,397) | <b>(391,128)</b> | (344,546) | <b>(2,360,926)</b>               | 162,467   | <b>(223,164)</b>         | (262,047) | <b>5,333,534</b>  | 3,690,902  |