

**TOWN OF MILLET**  
**Consolidated Financial Statements**  
**For the Year Ended December 31, 2022**

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

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

The elected Mayor and Council of the Town of Millet are composed entirely of individuals who are neither management nor employees of the Town. The Mayor and Council have the responsibility of meeting with management and the external auditors to discuss the internal controls over the financial reporting process, auditing matters, and financial reporting issues. The Mayor and Council are also responsible for the appointment of the Municipality's external auditors.

Metrix Group LLP, Chartered Professional Accountants, have been appointed by the Town's Council to express an opinion on the Municipality's consolidated financial statements and report directly to them. The external auditors have full and free access to and meet periodically and separately with both the Mayor and Council and management to discuss their audit findings.



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Ms. Lisa Schoening,  
Chief Administrative Officer

Millet, Alberta  
April 26, 2023

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## INDEPENDENT AUDITORS' REPORT

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To the Mayor and Council of Town of Millet

### *Opinion*

We have audited the accompanying consolidated financial statements of Town of Millet (the Town), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies.

In our opinion, the accompanying consolidated consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2022, the results of its operations, changes in net financial assets, 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 *Auditors' Responsibilities for the Audit of the Consolidated Consolidated Financial Statements* section of our report. We are independent of the Town in accordance with ethical requirements that are relevant to our audit of the consolidated 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.

### *Other Matter*

The consolidated financial statements for the year ended December 31, 2021 were audited by another auditor who expressed an unmodified opinion of those financial statements on April 27, 2022.

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

Management is responsible for the preparation and fair presentation of the consolidated 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 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 Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

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

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*Auditors' 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 auditors' 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 Town'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 Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Town 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.

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.

**METRIX GROUP LLP**

Chartered Professional Accountants

Edmonton, Alberta  
April 26, 2023


**TOWN OF MILLET**  
**Consolidated Statement of Financial Position**  
**As at December 31, 2022**

	2022	2021 (Restated) (Note 22)
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents (Note 2)	\$ 2,850,985	\$ 2,259,476
Investments (Note 3)	3,773,184	3,531,058
Taxes and grants in lieu receivables (Note 4)	170,250	186,520
Trade and other receivables (Note 5)	1,729,379	3,139,134
	<u>8,523,798</u>	<u>9,116,188</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 6)	1,168,398	1,001,485
Deposit liabilities	15,664	12,414
Deferred revenue (Note 7)	393,474	133,407
Long term debt (Note 8)	1,543,769	1,642,241
Landfill closure and post-closure liability (Note 10)	1,237,000	1,015,417
	<u>4,358,305</u>	<u>3,804,964</u>
<b>NET FINANCIAL ASSETS</b>	<u>4,165,493</u>	<u>5,311,224</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 3)	23,359,217	21,203,935
Prepaid expenses	205,324	148,523
Inventory for consumption	12,723	28,919
	<u>23,577,264</u>	<u>21,381,377</u>
<b>ACCUMULATED SURPLUS (SCHEDULE 6, NOTE 11)</b>	<u>\$ 27,742,757</u>	<u>\$ 26,692,601</u>

CONTRACTUAL OBLIGATIONS (Note 13)

CONTINGENCIES (Note 18)

ON BEHALF OF COUNCIL:

 Mayor

 Councillor

**TOWN OF MILLET**

**Consolidated Statement of Operations and Accumulated Surplus**

**For the Year Ended December 31, 2022**

	2022 (Budget) (Note 15)	<b>2022 (Actual)</b>	2021 (Restated) (Note 22)
<b>REVENUE</b>			
Sales and user charges	\$ 2,451,699	\$ <b>2,784,024</b>	\$ 3,080,523
Net municipal taxes (Schedule 1)	1,939,335	<b>1,937,776</b>	1,867,113
Developer levies	-	<b>589,091</b>	-
Government transfers for operating (Schedule 2)	345,013	<b>414,988</b>	355,925
Franchise and concession contracts (Note 12)	309,000	<b>307,159</b>	274,101
Rentals	166,313	<b>163,790</b>	114,142
Investment income	63,760	<b>109,262</b>	106,849
Penalties and costs on taxes	86,000	<b>61,585</b>	95,271
Licenses, permits, and fines	43,250	<b>47,442</b>	37,811
Other	-	<b>884</b>	60,509
	<u>5,404,370</u>	<u><b>6,416,001</b></u>	<u>5,992,244</u>
<b>EXPENSES</b>			
Waste management	836,756	<b>1,361,639</b>	1,278,342
Parks and recreation	994,303	<b>1,081,543</b>	1,331,223
Administration	901,109	<b>897,317</b>	973,580
Transportation	600,760	<b>711,433</b>	611,882
Water supply and distribution	600,599	<b>477,590</b>	488,663
Protective services	462,249	<b>443,222</b>	434,542
Waste water treatment and disposal	288,230	<b>339,897</b>	318,374
Community services	89,000	<b>150,593</b>	79,883
Legislative	123,900	<b>115,884</b>	108,404
Planning and development	375,512	<b>94,891</b>	497,760
	<u>5,272,418</u>	<u><b>5,674,009</b></u>	<u>6,122,653</u>
<b>ANNUAL SURPLUS (DEFICIT) BEFORE OTHER INCOME</b>	<u>131,952</u>	<u><b>741,992</b></u>	<u>(130,409)</u>
<b>OTHER INCOME</b>			
Government transfers for capital (Schedule 2)	-	<b>267,283</b>	2,585,962
Gain on disposal of tangible capital assets	35,000	<b>40,881</b>	102,707
	<u>35,000</u>	<u><b>308,164</b></u>	<u>2,688,669</u>
<b>ANNUAL SURPLUS</b>	166,952	<b>1,050,156</b>	2,558,260
<b>ACCUMULATED SURPLUS - BEGINNING OF YEAR</b>	25,810,931	<b>25,810,931</b>	18,750,511
Restatement (Note 22)	881,670	<b>881,670</b>	5,383,830
<b>ACCUMULATED SURPLUS - BEGINNING OF YEAR, AS RESTATED</b>	<u>26,692,601</u>	<u><b>26,692,601</b></u>	<u>24,134,341</u>
<b>ACCUMULATED SURPLUS - END OF YEAR (SCHEDULE 6, NOTE 11)</b>	<u>\$ 26,859,553</u>	<u><b>\$ 27,742,757</b></u>	<u>\$ 26,692,601</u>

**TOWN OF MILLET****Consolidated Statement of Changes in Net Financial Assets****Year Ended December 31, 2022**

	2022 (Budget) (Note 15)	2022 (Actual)	2021 (Restatement) (Note 22)
<b>ANNUAL SURPLUS</b>	<b>\$ 166,952</b>	<b>\$ 1,050,156</b>	<b>\$ 2,558,260</b>
Amortization of tangible capital assets	788,723	<b>1,172,780</b>	1,111,298
Acquisition of tangible capital assets	(476,500)	<b>(3,346,735)</b>	(5,200,071)
Adjustment to tangible capital assets	-	-	96,901
Proceeds on disposal of tangible capital assets	-	<b>59,554</b>	282,663
Gain on disposal of tangible capital assets	(35,000)	<b>(40,881)</b>	(102,707)
Net change in prepaid expenses	-	<b>(56,801)</b>	(34,399)
Net change in inventory for consumption	-	<b>16,196</b>	303
	<u>753,723</u>	<u><b>(2,195,887)</b></u>	<u>(3,846,012)</u>
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	<b>920,675</b>	<b>(1,145,731)</b>	<b>(1,287,752)</b>
<b>NET FINANCIAL ASSETS - BEGINNING OF YEAR</b>	<u>5,311,224</u>	<u><b>5,311,224</b></u>	<u>6,598,976</u>
<b>NET FINANCIAL ASSETS - END OF YEAR</b>	<u><b>\$ 6,231,899</b></u>	<u><b>\$ 4,165,493</b></u>	<u><b>\$ 5,311,224</b></u>

**TOWN OF MILLET**  
**Consolidated Statement of Cash Flows**  
**For The Year Ended December 31, 2022**

	2022	2021
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ 1,050,156	\$ 2,558,260
Items not affecting cash:		
Amortization of tangible capital assets	1,172,780	1,111,298
Adjustment to tangible capital assets	-	96,901
Gain on disposal of tangible capital assets	<u>(40,881)</u>	<u>(102,707)</u>
	<b>2,182,055</b>	<b>3,663,752</b>
Changes in non-cash working capital:		
Taxes and grants in lieu receivables	16,270	209,817
Trade and other receivables	1,409,755	(1,292,103)
Accounts payable and accrued liabilities	166,913	555,162
Deposit liabilities	3,250	(4,817)
Deferred revenue	260,067	(1,169,793)
Landfill closure and post-closure costs	221,583	1,015,417
Inventory for consumption	16,196	303
Prepaid expenses	<u>(56,801)</u>	<u>(34,399)</u>
	<b>2,037,233</b>	<b>(930,230)</b>
	<b>4,219,288</b>	<b>2,733,522</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of tangible capital assets	(3,346,735)	(5,200,071)
Proceeds on disposal of tangible capital assets	59,554	282,663
Purchase of investments	<u>(242,126)</u>	<u>-</u>
	<b>(3,529,307)</b>	<b>(4,917,408)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from long-term debt	-	1,300,000
Repayment of long-term debt	<u>(98,472)</u>	<u>(59,745)</u>
	<b>(98,472)</b>	<b>1,300,000</b>
<b>NET CHANGE IN CASH AND TEMPORARY INVESTMENTS DURING THE YEAR</b>	<b>591,509</b>	<b>(883,886)</b>
<b>CASH AND TEMPORARY INVESTMENTS - BEGINNING OF YEAR</b>	<b>2,259,476</b>	<b>3,143,362</b>
<b>CASH AND TEMPORARY INVESTMENTS - END OF YEAR (Note 2)</b>	<b>\$ 2,850,985</b>	<b>\$ 2,259,476</b>



**TOWN OF MILLET**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2022**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the Town of Millet (the "Town") are the representation of management, prepared in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Municipality are as follows.

*(a) Reporting entity*

The consolidated financial statements reflect the assets, liabilities, revenues and expenses, changes in net financial position and cash flow of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Municipality and are, therefore, accountable to the Town's Council for the administration of their financial affairs and resources.

The Municipality is a member of the West Dried Meat Lake Regional Solid Waste Authority (the "Authority"). The Municipality accounts for the Authority as a government partnership using the proportionate consolidation method. Under this method, the Municipality's proportionate share of assets, liabilities, revenue and expenses are included in the consolidated financial statements.

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity.

*(b) Basis of accounting*

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

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

*(c) Tax revenue*

Property tax revenue is based on market value of assessments determined in accordance with the *Municipal Government Act*. Tax rates are established annually. Taxation revenues are recorded at the time tax notices are issued. Assessments are subject to appeal.

Construction and borrowing costs associated with local improvement projects are recovered through annual special property assessments during the period of the related borrowing. These levies are collectible from property owners for work performed by the Town. Under the accrual basis of accounting, revenues to be received from local improvement assessments are recognized in full in the period the local improvement project costs are incurred and the passing of the related imposition by-law.

*(d) Requisition over-levies and under-levies*

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

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

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

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**TOWN OF MILLET**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2022**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

*(e) Government transfers*

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the consolidated financial statements as revenue in the period in which events giving rise to the transfer occurred, providing the transfers are authorized, any eligibility criteria have been met by the Town, and reasonable estimates of the amounts can be made.

*(f) Cash and temporary investments*

Cash and temporary investments include items that are readily convertible to known amounts of cash, are subject to an insignificant risk of change in value, and have a maturity of three months or less at acquisition.

*(g) Non-financial assets*

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the change in net financial assets for the year.

*(h) Tangible capital assets*

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset.

Tangible capital assets are amortized on a straight-line basis at the following rates:

Land improvements	20 years
Buildings	50 years
Vehicles	10 - 25 years
Engineered structures	
Roads	25 years
Curbs, gutters, signs, sidewalks	30 years
Storm sewer	75 years
Water systems	45 - 75 years
Sewer systems	45 - 75 years

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

*(i) Leases*

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

*(j) Inventory for consumption*

Inventory is valued at the lower of cost and net realizable value with the cost being determined using the average cost method.

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**TOWN OF MILLET**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2022**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

*(k) Use of estimates*

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from these estimates.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. The amounts recorded for valuation of tangible capital assets, the useful lives and related amortization of tangible capital assets, landfill closure and post-closure costs, and contingent liabilities are areas where management makes significant estimates and assumptions in determining the amounts to be recorded in the consolidated financial statements

*(l) Future changes in significant accounting policies*

The following summarizes upcoming changes to the Canadian public sector accounting standards. The Town will continue to assess the impact and prepare for the adoption of these standards

*(i) Financial Statement Presentation*

PS 1201, Financial Statement Presentation, requires a new statement of re-measurement gains and losses separate from the statement of operations. Included in this new statement are the unrealized gains and losses arising from the re-measurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. This standard is applicable for fiscal years beginning on or after April 1, 2022.

*(ii) Foreign Currency Translation*

PS 2601, Foreign Currency Translation, requires that monetary assets and liabilities denominated in a foreign currency be adjusted to reflect the exchange rates in effect at the financial statement dates. Unrealized gains and losses are to be presented in the new statement of re-measurement gains and losses. This standard must be adopted in conjunction with PS 2601 and PS 3450 and is applicable for fiscal years beginning on or after April 1, 2022.

*(iii) Portfolio Investments*

PS 3041, Portfolio Investments, has removed the distinction between temporary and portfolio investments and amended to conform to PS 3405. This standard must be adopted in conjunction with PS 1201, PS 2601, and PS 3450 and is applicable for fiscal years beginning on or after April 1, 2022.

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**TOWN OF MILLET**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2022**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

(m) *Future changes in significant accounting policies*

(iv) Financial Instruments

PS 3450, Financial Instruments, established recognition, measurement and disclosure requirements for derivative and non-derivative financial instruments. The standard requires fair value measurement of derivative and equity instruments; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities. This standard is applicable for fiscal years beginning on or after April 1, 2022.

(v) Asset Retirement Obligations

PS 3280, Asset Retirement Obligations, establishes standards on how to account and report for legal obligations associated with the retirement of certain tangible capital assets including solid waste landfill sites. As a result, PS 3270, Solid Waste Landfill Closure and Post-Closure Liability has been withdrawn but will remain in effect until the adoption of PS 3280. This standard is applicable for fiscal years beginning on or after April 1, 2022.

(vi) Public Private Partnerships

PS 3160, Public Private Partnerships, establishes standards on how to account for public private partnership arrangements (recognition of infrastructure assets and the corresponding liability to the private partnership) along with the disclosure and presentation requirements. This standard is applicable to fiscal years beginning on or after April 1, 2023.

(vii) Revenue

PS 3400, Revenue, establishes standards on how to account for and report revenue differentiating between revenue arising from transactions that include performance obligations and transactions that do not. This standard is applicable to fiscal years beginning on or after April 1, 2023.

(viii) Purchased intangibles

PSG-8, Purchased Intangibles, guideline provides direction regarding the recognition, measurement, and disclosure of purchased intangible assets in relation to the conceptual framework for financial reporting in the public sector. This standard is applicable to fiscal years beginning on or after April 1, 2023.

**2. CASH AND TEMPORARY INVESTMENTS**

	<u>2022</u>	<u>2021</u>
Cash	\$ 436,318	\$ 650,073
Temporary investments	<b>2,414,667</b>	1,609,403
	<b>\$ 2,850,985</b>	<b>\$ 2,259,476</b>

Temporary investments are short-term deposits with original maturities of three months or less bearing interest at rates ranging from 4.80% to 4.90%.

**TOWN OF MILLET**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2022**

**3. INVESTMENTS**

	<b>2022</b>		<b>2021</b>	
	<b>Carrying Value</b>	<b>Market Value</b>	<b>Carrying Value</b>	<b>Market Value</b>
Fixed income securities	<b>\$ 2,586,959</b>	<b>\$ 2,307,841</b>	\$ 1,844,833	\$ 1,788,986
Guaranteed investment certificates	<b>1,186,225</b>	<b>1,186,225</b>	1,686,225	1,686,225
	<b><u>3,773,184</u></b>	<b><u>\$ 1,955,224</u></b>	<u>3,531,058</u>	<u>\$ 1,739,913</u>

The market value of the fixed income securities are based on quoted market values. The market value of the mutual funds fluctuate with changes in market interest rates and indices. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss. Market values are based on market conditions at a certain point in time and as such, may not be reflective of future values.

The Guaranteed Investment Certificates have interest rates ranging from 0.85% to 4.62% (2021 - 0.85% to 3.20%) maturing between 2023 to 2027 (2021 - 2022 to 2025).

**4. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLE**

	<b>2022</b>	<b>2021</b>
Current taxes	<b>\$ 89,055</b>	\$ 113,623
Arrears taxes	<b>130,155</b>	99,082
	<b><u>219,210</u></b>	<u>212,705</u>
Less: Allowance for doubtful accounts	<b><u>(48,960)</u></b>	<u>(26,185)</u>
	<b><u>\$ 170,250</u></b>	<u>\$ 186,520</u>

**5. TRADE AND OTHER RECEIVABLES**

	<b>2022</b>	<b>2021</b>
Trade and other receivables	<b>\$ 1,476,872</b>	\$ 2,377,565
Due from other governments	<b>230,382</b>	682,915
Goods and Services Tax recoverable	<b>33,053</b>	89,582
	<b><u>1,740,307</u></b>	<u>3,150,062</u>
Allowance for doubtful accounts	<b><u>(10,928)</u></b>	<u>(10,928)</u>
	<b><u>\$ 1,729,379</u></b>	<u>\$ 3,139,134</u>

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>2022</b>	<b>2021</b>
Trade and other payables	<b>\$ 1,087,357</b>	\$ 927,402
Vacation payable	<b>35,502</b>	30,877
Wages payable	<b>31,857</b>	43,206
Payable to other governments	<b>13,682</b>	-
	<b><u>\$ 1,168,398</u></b>	<u>\$ 1,001,485</u>

**TOWN OF MILLET**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2022**

**7. DEFERRED REVENUE**

Deferred revenue is comprised of the following amounts, which have been received from various third parties and are restricted to the eligible operating and capital projects as approved in the funding agreements for a specified purpose. Additions are composed of both contributions and interest earned during the year. These amounts are recognized as revenue in the period in which the related costs are incurred.

	2021 (Restated) (Note 22)	Additions	Revenue Recognized	<b>2022</b>
Canada Community Building Fund	\$ 89,981	\$ 121,702	\$ -	<b>\$ 211,683</b>
General Municipal Services	43,426	50,782	(33,934)	<b>128,142</b>
Family and Community Support Services	-	53,649	-	<b>53,649</b>
	<u>\$ 133,407</u>	<u>\$ 226,133</u>	<u>\$ (33,934)</u>	<u><b>\$ 393,474</b></u>

**8. LONG TERM DEBT**

	<b>2022</b>	2021
Tax supported debentures	<b>\$ 1,189,385</b>	\$ 1,263,555
Self-supported debentures	<b>354,384</b>	378,686
	<u><b>\$ 1,543,769</b></u>	<u>\$ 1,642,241</u>

The current portion of the long-term debt amounts to \$101,253 (2021 - \$98,470).

Principal repayment terms are approximately:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 101,253	\$ 39,911	\$ 141,164
2024	104,124	37,040	141,164
2025	107,085	34,079	141,164
2026	110,140	31,024	141,164
2027	113,292	27,872	141,164
Thereafter	<u>1,007,875</u>	<u>143,950</u>	<u>1,151,825</u>
	<u><b>\$ 1,543,769</b></u>	<u><b>\$ 313,876</b></u>	<u><b>\$ 1,857,645</b></u>

Debenture debt is repayable to the Province of Alberta and consists of three amounts, bearing interest at rates ranging from 2.3320% to 4.8935% per annum maturing between 2027 and 2042.

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

Interest on long-term debt amounted to \$53,368 (2021 - \$29,816). The Town's total cash payments for interest is \$42,695 (2021 - \$29,816).

**TOWN OF MILLET**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2022**

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**9. DEBT LIMITS**

Section 276(2) of the *Municipal Government Act* requires that debt and debt limits, as defined by *Alberta Regulation 255/2000*, for the Town be disclosed as follows:

	<b>2022</b>	2021 <i>(Restated)</i> <i>(Note 22)</i>
	<u>                    </u>	<u>                    </u>
Total debt limit	<b>\$ 9,624,002</b>	\$ 8,988,366
Total debt	<b>1,543,769</b>	1,642,241
	<u>                    </u>	<u>                    </u>
Amount of debt limit unused	<b>\$ 8,080,233</b>	\$ 7,346,125
	<u>                    </u>	<u>                    </u>
Debt servicing limit	<b>\$ 1,604,000</b>	\$ 1,551,882
Debt servicing	<b>(141,164)</b>	(141,164)
	<u>                    </u>	<u>                    </u>
Amount of service on debt limit unused	<b>\$ 1,462,836</b>	\$ 1,410,718
	<u>                    </u>	<u>                    </u>

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

## TOWN OF MILLET

### Notes to Consolidated Financial Statements

Year Ended December 31, 2022

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#### 10. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY

The Town has a non-controlling interest with the West Dried Meat Lake Regional Solid Waste Authority (the "Waste Authority"). The Town is liable for 25% of the closure and post-closure costs of the Waste Authority's facilities.

Alberta environmental law requires closure and post-closure care of landfill sites, which includes final covering and landscaping, pumping of ground water and leachates from the sites, and ongoing environmental monitoring, sites inspections and maintenance.

The estimated total liability is based on the sum of the discounted future cash flows for closure and post-closure activities for 25 years after closure using a discount rate of 3.00% (2021 - 3.00%) and assuming an annual inflation of 2.00% (2021 - 2.00%).

The accrued liability portion is based on the cumulative capacity used at year end compared to the estimated total landfill capacity. The total capacity of the site is estimated at 5.2 million cubic metres. The estimated remaining capacity of the landfill site as at December 31, 2022, is 3.032 (2021 - 3.410) million cubic metres. The existing landfill is expected to reach capacity in approximately 2047.

	<u>2022</u>	<u>2021</u>
Estimated closure costs	<b>\$ 1,907,724</b>	\$ 1,870,861
Estimated post-closure costs	<b>1,059,414</b>	1,038,539
Estimated total liability	<b>2,967,138</b>	2,909,400
Percentage of liability accrued by the Town	<b>42 %</b>	35 %
Amount accrued by the Town	<b>1,237,000</b>	1,015,417
Estimated liability still to be accrued	<b>\$ 1,730,138</b>	\$ 1,893,983



**TOWN OF MILLET**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2022**

**11. ACCUMULATED SURPLUS**

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	<b>2022</b>	2021 <i>(Restated)</i> <i>(Note 22)</i>
<b>Unrestricted surplus</b>	<b>\$ 564,273</b>	\$ 344,858
<b>Restricted surplus</b>		
Operating reserves		
Utility / insurable	<b>264,852</b>	269,514
Solid waste	<b>50,102</b>	37,044
Crime reward	<b>36,863</b>	36,863
General operating	<b>28,074</b>	19,033
Cemetery maintenance	<b>15,312</b>	2,772
Transportation	<b>1,429</b>	1,429
	<b>396,632</b>	366,655
Capital reserves		
WDML - closure & post closure	<b>2,155,379</b>	1,957,973
General	<b>1,257,764</b>	1,107,860
WDML - capital reserve	<b>741,720</b>	2,604,322
Capital equipment replacement	<b>635,697</b>	593,258
Major facility	<b>124,978</b>	124,978
Sewer	<b>26,473</b>	20,210
Water	<b>17,427</b>	3,827
Street improvement program	<b>4,127</b>	4,127
Other	<b>2,839</b>	2,839
	<b>4,966,404</b>	6,419,394
<b>Equity in tangible capital assets</b>	<b>21,815,448</b>	19,561,694
	<b>\$ 27,742,757</b>	\$ 26,692,601

**12. FRANCHISE AND CONCESSION CONTRACTS**

Disclosure of utility franchise agreement annual revenues as required by *Alberta Regulation 313/2000* is as follows:

	<b>2022</b>	2021
Fortis Alberta	<b>\$ 178,089</b>	\$ 166,725
ATCO Gas	<b>129,070</b>	107,377
	<b>\$ 307,159</b>	\$ 274,102

# TOWN OF MILLET

## Notes to Consolidated Financial Statements

Year Ended December 31, 2022

### 13. CONTRACTUAL OBLIGATIONS

The Town leases two vehicles with Enterprise Fleet Management expiring June 2024. The annual lease payments are \$17,803 and the remaining commitment under these leases are as follows:

Contractual obligation repayment schedule:

2023	\$	17,803
2024		13,352
		<u>31,155</u>
	\$	<u>31,155</u>

### 14. LOCAL AUTHORITIES PENSION PLAN

Employees of the Town participate in the Local Authorities Pension Plan (LAPP), which is covered by the *Public Sector Pension Plans Act*. LAPP is financed by employer and employee contributions and investment earnings of the LAPP Fund.

The Town is required to make current service contributions to the LAPP of 8.45% (2021 - 9.39%) of pensionable earnings up to the Canada Pension Plan year's maximum pensionable earnings and 12.80% (2021 - 13.84%) for the excess. Employees of the Town are required to make current service contributions of 7.45% (2021 - 8.39%) of pensionable earnings up to the year's maximum pensionable earnings of 11.80% (2021 - 12.84%) on pensionable earnings above this amount.

Total current and past service contributions made by the Town to the LAPP in 2022 were \$71,970 (2021 - \$74,516). Total current and past service contributions made by the employees of the Town to the LAPP in 2022 were \$64,178 (2021 - \$67,224).

At December 31, 2021, the LAPP disclosed an actuarial surplus of \$11.92 billion (2020 - \$4.96 billion).

### 15. BUDGET

The 2022 budget data presented in these consolidated financial statements is based on the operating and capital budgets approved by Council on November 24, 2021. The chart below reconciles the approved budget to the figures reported in these financial statements.

	2022 (Budget)	2022 (Actual)	2021 (Actual)
Annual surplus (deficit)	\$ 166,952	\$ 1,050,156	\$ 2,558,260
Transfers (to) from reserves	(380,705)	(242,182)	1,003,674
Principal debt repayments	(98,470)	(98,472)	(59,745)
Acquisition of tangible capital assets	(476,500)	(3,346,735)	(5,200,071)
Amortization of tangible capital assets	788,723	1,172,780	1,111,298
Gain on disposal of tangible capital assets	-	(40,881)	(102,707)
Proceeds on disposal of tangible capital assets	-	59,554	282,663
Results of operations as budgeted	\$ -	\$ (1,445,780)	\$ (406,628)

## TOWN OF MILLET

### Notes to Consolidated Financial Statements

Year Ended December 31, 2022

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#### 16. SEGMENTED DISCLOSURE

The Town provides a range of services to its taxpayers. For each reported segment, revenues and expenses both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

*(a) General Government*

General Government is comprised of the Town's Council, the Office of the Chief Administrative Officer, and Finance.

Council makes decisions regarding service delivery and service levels on behalf of the Town in order to balance the needs and wants of Town residents in a financial responsible manager.

*(b) Protective Services*

Protective Services is comprised of Fire, Emergency Measures, and Municipal Enforcement Services. Fire Services is responsible to provide fire suppression services; fire prevention programs; training and education related to fire prevention; and the detection and/or extinguishments of fires. Emergency Measures is responsible for the prevention, preparedness and response to disasters and emergencies. Municipal Enforcement Services provide police and bylaw enforcement that ranges from community standards, to traffic safety, to animal control as well as provincial statute enforcement with authorities granted by the Solicitor General of Alberta.

*(c) Transportation*

Transportation is comprised of the Public Works area. They are responsible for the maintenance of the roadway and storm systems of the Town.

*(d) Public Utilities*

Public Utilities are comprised of water, waste water, and waste management services. They are responsible for providing a water supply, a sanitary sewage collection and disposal system, and a waste disposal service.

*(e) Public Health and Welfare*

Public Health provides services mandated by Family and Community Support Services Alberta through a shared funding model between the Province of Alberta and the Town.

*(f) Planning and Development*

Planning and Development is responsible for the planning and development of the Town's infrastructure system and work with developers in planning the growth of the Town in a sustainable manner.

*(g) Recreation and Culture*

Recreation and Culture provide recreational and cultural services and activities which promote the well-being of its citizens. These areas are responsible for the parks, playgrounds, facilities, and green spaces of the Town. This area also acts as a liaison between community groups and providing grant funding.

*(continues)*

## TOWN OF MILLET

### Notes to Consolidated Financial Statements

Year Ended December 31, 2022

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#### 16. SEGMENTED DISCLOSURE *(continued)*

Certain allocation methodologies are employed in the preparation of segmented financial information. Net municipal taxes are unallocated to segments and are presented under General Revenue. Sales and user charges have been allocated to the segment based upon the segment that generated the revenue. Government transfers have been allocated to the segment based upon the purpose for which the transfer was made. For additional information see the Schedule of Segmented Disclosure (Schedule 5).

#### 17. FINANCIAL INSTRUMENTS

The Town's financial instruments consist of cash and temporary investments, taxes and grants in place of taxes receivable, trade and other receivables, due from other governments, and accounts payable and accrued liabilities. It is management's opinion that the Town is not exposed to significant market, liquidity and currency risk arising from these financial instruments.

The Town is exposed to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Town provides services may experience financial difficulty and be unable to fulfil their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

The Town is exposed to interest rate risk with respect to the operating line of credit. Interest rate risk arises from interest rate fluctuations through its variable interest line of credit. As at December 31, 2022, no balance was drawn on the operating line of credit.

Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

#### 18. CONTINGENCIES

During 2012, the Town expropriated land for the development of a municipal campground. As a result, an application for Determination of Compensation has been made to the Land Compensation Board seeking additional market value compensation and damages in the amount of \$2,700,000. The evaluation from the Town's legal counsel is a likely settlement in the amount of \$414,000 which has been recorded as a liability in these consolidated financial statements.

As a member of the West Dried Meat Lake Regional Solid Waste Authority, the Town is potentially liable if the Authority is unable to meet its obligations.

The Alberta Environmental Protection and Enhancement Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites.

#### 19. APPROVAL OF THE FINANCIAL STATEMENTS

Council and management have approved these consolidated financial statements on April 26, 2023.

**TOWN OF MILLET****Notes to Consolidated Financial Statements****Year Ended December 31, 2022****20. WEST DRIED MEAT LAKE REGIONAL SOLID WASTE AUTHORITY**

The Town has a non-controlling interest in West Dried Meat Lake Regional Solid Waste Authority (the "Authority"). The purpose of the Authority is to administer and maintain a solid waste landfill. The non-controlling interest entitle the Town one vote in the operations of the Authority and the requirement to pay an annual requisition to deliver solid waste. There are currently four members, including the Town. In the case of dissolution, the members are entitled to evenly divide 25% of the remaining net assets after settling all of the environmental liabilities. The membership agreement has no expiration date.

The Following is a summary of the Town's share in this government partnership:

	<u>2022</u>	<u>2021</u>
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	\$ 38	\$ 37
Investments	3,773,184	3,531,058
Trade and other receivables	595,001	1,980,784
	<u>4,368,223</u>	<u>5,511,879</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	380,564	48,424
Deposit liabilities	1,250	1,250
Landfill closure and post-closure liability	1,237,000	1,015,417
	<u>1,618,814</u>	<u>1,065,091</u>
<b>NET FINANCIAL ASSETS</b>	<u>2,749,409</u>	<u>4,446,788</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	3,672,681	1,575,518
Prepaid expenses	47,840	-
Inventory for consumption	12,257	27,912
	<u>3,732,778</u>	<u>1,603,430</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 6,482,187</u>	<u>\$ 6,050,218</u>
<b>REVENUE</b>		
Sales and user charges	\$ 1,491,690	\$ 1,829,888
Investment income	38,432	75,828
Government transfers for operating	21,716	25,322
	<u>1,551,838</u>	<u>1,931,038</u>
<b>EXPENSES</b>		
Waste management	<u>1,091,662</u>	<u>1,029,637</u>
<b>ANNUAL SURPLUS</b>	<u>\$ 460,176</u>	<u>\$ 901,401</u>

## TOWN OF MILLET

### Notes to Consolidated Financial Statements

Year Ended December 31, 2022

#### 21. SALARIES AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for the Town's officials, the Chief Administrative Officer and designated officers are required by *Alberta Regulation 313/2000*, is as follows:

	Salary (1)	Benefits (2)	2022	2021
Mayor Doug Peel	\$ 16,965	\$ 3,235	\$ 20,200	\$ 15,260
Councillor Mike Bennett	13,422	1,645	15,067	2,115
Councillor Rebecca Frost	12,657	2,313	14,970	2,223
Councillor Mathew Starky	12,907	800	13,707	2,115
Councillor Charlene Van de Kraats	13,007	542	13,549	2,115
Councillor Gerdie Hogstead	13,257	-	13,257	2,249
Councillor Susie Petrisor	6,153	2,156	8,309	-
Councillor Marlene Alberts	2,511	91	2,602	2,184
Councillor Robin Brooks (3)	-	-	-	10,798
Councillor Patricia Garrett (3)	-	-	-	10,631
Councillor Carl Sadoroszney (3)	-	-	-	10,589
Councillor Victoria Pyle (3)	-	-	-	10,413
Mayor Anthony Wadsworth (3)	-	-	-	9,693
Councillor Mike Storey (3)	-	-	-	8,136
	<u>\$ 90,879</u>	<u>\$ 10,782</u>	<u>\$ 101,661</u>	<u>\$ 88,521</u>
Chief administrative officer (1, 2)	\$ 142,499	\$ 27,326	\$ 169,825	\$ 159,563
Designated officers (1, 2)	86,410	18,696	105,106	93,246
	<u>\$ 228,909</u>	<u>\$ 46,022</u>	<u>\$ 274,931</u>	<u>\$ 252,809</u>

(1) Salary includes regular base pay, bonuses, overtime lump sum payments, gross honoraria and any other direct cash remuneration.

(2) Employer's share of all employee benefits and contributions or payments made on behalf of employees including health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans, professional memberships and tuition's.

(3) Former elected official.

**TOWN OF MILLET**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2022**

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**22. RESTATEMENT**

The Town has a 25% proportionate share of the West Dried Meat Lake Regional Solid Waste Authority (the "Authority"). The Town's share of the Authority was not consolidated in prior years. Furthermore, the Town had deferred revenue that should have previously been recognized as revenue.

These corrections have been applied retroactively and the 2021 comparative figures have been restated as follows.

	As Previously Stated	Restatement	As Restated
<b>Statement of Financial Position</b>			
Cash and cash equivalents	\$ 2,259,439	\$ 37	\$ 2,259,476
Investments	-	3,531,058	3,531,058
Trade and other receivables	1,158,742	1,980,392	3,139,134
Accounts payable and accrued liabilities	953,453	48,032	1,001,485
Deposit liabilities	11,164	1,250	12,414
Deferred revenue	348,690	(215,283)	133,407
Landfill closure and post-closure liability	-	1,015,417	1,015,417
Tangible capital assets	19,628,418	1,575,517	21,203,935
Inventory for consumption	1,007	27,912	28,919
Accumulated surplus	20,427,101	6,265,500	26,692,601
<b>Statement of Operations</b>			
Sales and user charges	\$ 1,275,466	\$ 1,805,057	\$ 3,080,523
Return on investment	31,021	75,828	106,849
Government transfers for operating	330,603	25,322	355,925
Waste management	(253,805)	(1,024,537)	(1,278,342)
	<u>46,171,299</u>	<u>881,670</u>	<u>986,613</u>

**TOWN OF MILLET**

**Consolidated Schedule of Property Taxes Levied  
For the Year Ended December 31, 2022**

**(Schedule 1)**

	2022 (Budget) (Note 15)	<b>2022 (Actual)</b>	2021 (Actual)
<b>TAXATION</b>			
Real property taxes	\$ 2,583,099	<b>\$ 2,510,518</b>	\$ 2,448,975
Linear property taxes	-	<b>53,662</b>	51,867
Government grants in lieu	2,600	<b>1,911</b>	1,945
	<u>2,585,699</u>	<u><b>2,566,091</b></u>	<u>2,502,787</u>
<b>REQUISITIONS</b>			
Alberta School Foundation Fund	602,596	<b>581,475</b>	592,580
Seniors Foundation	43,487	<b>46,840</b>	42,825
Designated Industrial Properties	281	-	269
	<u>646,364</u>	<u><b>628,315</b></u>	<u>635,674</u>
<b>NET MUNICIPAL TAXES</b>	<u>\$ 1,939,335</u>	<u><b>\$ 1,937,776</b></u>	<u>\$ 1,867,113</u>



**TOWN OF MILLET**

**Consolidated Schedule of Government Transfers**

**(Schedule 2)**

**For the Year Ended December 31, 2022**

	2022 (Budget) (Note 15)	<b>2022 (Actual)</b>	2021 (Restated) (Note 22)
<b>TRANSFER FOR OPERATING</b>			
Local governments	\$ 206,374	<b>\$ 210,518</b>	\$ 213,061
Provincial government	130,239	<b>198,170</b>	131,839
Federal government	8,400	<b>6,300</b>	11,025
	<u>345,013</u>	<u><b>414,988</b></u>	<u>355,925</u>
<b>TRANSFER FOR CAPITAL</b>			
Provincial government	-	<b>229,783</b>	2,585,962
Local governments	-	<b>37,500</b>	-
	<u>-</u>	<u><b>267,283</b></u>	<u>2,585,962</u>
<b>TOTAL GOVERNMENT TRANSFERS</b>	<u>\$ 345,013</u>	<u><b>\$ 682,271</b></u>	<u>\$ 2,941,887</u>

**TOWN OF MILLET**

**Consolidated Schedule of Tangible Capital Assets**

**(Schedule 3)**

**For the Year Ended December 31, 2022**

	Land & Land Improvements	Buildings	Machinery & Equipment	Vehicles	Engineered Structures	Construction in Progress	2022	2021 (Restated) (Note 22)
<b>Cost</b>								
Balance, beginning of year	\$ 5,022,097	\$ 7,339,274	\$ 3,328,530	\$ 469,188	\$ 21,706,106	\$ -	\$ 37,865,195	\$ 33,528,935
Additions	1,883,464	393,876	589,394	57,723	358,482	63,796	3,346,735	5,200,071
Disposals	-	(46,637)	(101,205)	-	-	-	(147,842)	(863,811)
<b>Balance, end of year</b>	<b>\$ 6,905,561</b>	<b>\$ 7,686,513</b>	<b>\$ 3,816,719</b>	<b>\$ 526,911</b>	<b>\$ 22,064,588</b>	<b>\$ 63,796</b>	<b>\$ 41,064,088</b>	<b>\$ 37,865,195</b>
<b>Accumulated Amortization</b>								
Balance, beginning of year	\$ 2,649,502	\$ 2,055,727	\$ 1,724,471	\$ 371,534	\$ 9,860,026	\$ -	\$ 16,661,260	\$ 16,136,916
Amortization	190,134	215,059	279,023	34,591	453,973	-	1,172,780	1,111,298
Disposals	-	(44,619)	(84,550)	-	-	-	(129,169)	(586,954)
<b>Balance, end of year</b>	<b>\$ 2,839,636</b>	<b>\$ 2,226,167</b>	<b>\$ 1,918,944</b>	<b>\$ 406,125</b>	<b>\$ 10,313,999</b>	<b>\$ -</b>	<b>\$ 17,704,871</b>	<b>\$ 16,661,260</b>
<b>Net Book Value</b>	<b>\$ 4,065,925</b>	<b>\$ 5,460,346</b>	<b>\$ 1,897,775</b>	<b>\$ 120,786</b>	<b>\$ 11,750,589</b>	<b>\$ 63,796</b>	<b>\$ 23,359,217</b>	<b>\$ 21,203,935</b>

**TOWN OF MILLET****Consolidated Schedule of Equity in Tangible Capital Assets  
For the Year Ended December 31, 2022****(Schedule 4)**

	<b>2022</b>	2021 (Restated) (Note 22)
<b>BALANCE, BEGINNING OF YEAR</b>	<b>\$ 19,561,694</b>	\$ 16,990,033
Amortization of tangible capital assets	<b>(1,172,780)</b>	(1,111,298)
Acquisition of tangible capital assets	<b>3,346,735</b>	5,200,071
Net book value of tangible capital assets disposed of	<b>(18,673)</b>	(276,857)
Repayment of long-term debt	<b>98,472</b>	59,745
Proceeds from long-term debt	<b>-</b>	(1,300,000)
<b>BALANCE, END OF YEAR</b>	<b>\$ 21,815,448</b>	\$ 19,561,694
Equity in tangible capital assets is comprised of the following:		
Tangible capital assets (net book value)	<b>\$ 23,359,217</b>	\$ 21,203,935
Long-term debt	<b>(1,543,769)</b>	(1,642,241)
	<b>\$ 21,815,448</b>	\$ 19,561,694

**TOWN OF MILLET**

**Consolidated Schedule of Segmented Disclosure  
For the Year Ended December 31, 2022**

**(Schedule 5)**

	General Government	Protective Services	Transportation	Public Utilities	Public health & welfare	Planning & Development	Recreation & Culture	2022	2021 (Restated) (Note 22)
<b>REVENUE</b>									
Sales and user charges	\$ 25,606	\$ 121,060	\$ -	\$ 2,590,988	\$ 18,073	\$ 4,245	\$ 24,052	\$ 2,784,024	\$ 3,084,880
Net municipal taxes	1,937,776	-	-	-	-	-	-	1,937,776	1,867,113
Other revenues	21,682	3,801	-	-	883	21,960	589,091	637,417	93,964
Government transfers	72,879	-	-	21,716	126,891	-	193,502	414,988	355,924
Franchise and concession contracts	307,159	-	-	-	-	-	-	307,159	274,101
Rentals	17,949	-	30,720	-	-	-	115,121	163,790	114,142
Investment income	70,678	-	-	38,432	152	-	-	109,262	106,849
Penalties and costs on taxes	56,260	-	-	5,325	-	-	-	61,585	95,271
	<u>2,509,989</u>	<u>124,861</u>	<u>30,720</u>	<u>2,656,461</u>	<u>145,999</u>	<u>26,205</u>	<u>921,766</u>	<u>6,416,001</u>	<u>5,992,244</u>
<b>EXPENSES</b>									
Salaries, wages and benefits	437,499	259,049	94,347	504,085	26,305	100,180	414,045	1,835,510	1,775,503
Materials, goods and supplies	31,245	58,746	201,827	569,992	106,717	20,224	200,133	1,188,884	965,517
Contracted services	346,378	96,844	75,135	331,381	17,571	32,931	207,400	1,107,640	1,504,984
Other expenses	4,647	-	-	221,583	-	-	-	226,230	284,093
Transfers to local boards, agencies and other organizations	-	1,000	-	45,755	-	(58,445)	78,910	67,220	406,989
Interest on long-term debt	36,463	-	-	5,832	-	-	11,073	53,368	29,816
Provision for allowance	33,895	-	-	(11,518)	-	-	-	22,377	44,451
	<u>890,127</u>	<u>415,639</u>	<u>371,309</u>	<u>1,667,110</u>	<u>150,593</u>	<u>94,890</u>	<u>911,561</u>	<u>4,501,229</u>	<u>5,011,353</u>
<b>OTHER INCOME (EXPENSES)</b>									
Government transfers for capital	229,783	-	-	-	-	-	37,500	267,283	2,585,960
Gain (loss) on disposal of tangible capital assets	38,925	1,956	-	-	-	-	-	40,881	102,707
Amortization of tangible capital assets	(123,073)	(27,583)	(340,126)	(512,016)	-	-	(169,982)	(1,172,780)	(1,111,298)
	<u>145,635</u>	<u>(25,627)</u>	<u>(340,126)</u>	<u>(512,016)</u>	<u>-</u>	<u>-</u>	<u>(132,482)</u>	<u>(864,616)</u>	<u>1,577,369</u>
<b>ANNUAL SURPLUS</b>	<u>\$ 1,765,497</u>	<u>\$ (316,405)</u>	<u>\$ (680,715)</u>	<u>\$ 477,335</u>	<u>\$ (4,594)</u>	<u>\$ (68,685)</u>	<u>\$ 1,700,845</u>	<u>\$ 1,050,156</u>	<u>\$ 2,558,260</u>

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

**TOWN OF MILLET**

**Consolidated Schedule of Changes in Accumulated Surplus  
For The Year Ended December 31, 2022**

**(Schedule 6)**

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2022	2021
<b>BALANCE, BEGINNING OF YEAR AS PREVIOUSLY STATED</b>	\$ 129,574	\$ 2,311,350	\$ 17,986,177	<b>\$ 20,427,101</b>	\$ 18,750,511
Restatement ( <i>Note 22</i> )	215,284	4,474,699	1,575,517	<b>6,265,500</b>	5,383,830
<b>BALANCE, BEGINNING OF YEAR AS RESTATED</b>	344,858	6,786,049	19,561,694	<b>26,692,601</b>	24,134,341
Annual surplus	1,050,156	-	-	<b>1,050,156</b>	2,558,260
Acquisition of tangible capital assets	(3,346,735)	-	3,346,735	-	-
Amortization of tangible capital assets	1,172,780	-	(1,172,780)	-	-
Disposal of tangible capital assets	18,673	-	(18,673)	-	-
Repayment of long-term debt	(98,472)	-	98,472	-	-
Restricted funds transferred to unrestricted	1,423,013	(1,423,013)	-	-	-
<b>BALANCE, END OF YEAR</b>	<b>\$ 564,273</b>	<b>\$ 5,363,036</b>	<b>\$ 21,815,448</b>	<b>\$ 27,742,757</b>	<b>\$ 26,692,601</b>