

2021 Financial Report

City of Medicine Hat
Medicine Hat, Alberta, Canada

December 31, 2021

City of Medicine Hat, Alberta, Canada

2021 FINANCIAL REPORT

For the year ended December 31, 2021

*This Financial Report has been prepared and compiled by the
City of Medicine Hat Finance Department in cooperation with
all municipal and utilities departments.*



Information on the City of Medicine Hat
is available via the internet at
www.medicinehat.ca

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City Council



Back row: Shila Sharps, Darren Hirsch, Cassi Hider, Robert Dumanowski

Front row: Andy McGrogan, Ramona Robins, Linnsie Clark, Alison Van Dyke, Allison Knodel

STANDING COMMITTEES

Administrative & Legislative Review Committee

Councillor A. McGrogan, Chair
Councillor A. Knodel, Vice Chair
Councillor R. Robins

Audit Committee

Councillor D. Hirsch, Chair
Councillor S. Sharps, Vice Chair
Councillor A. McGrogan
D. Egert, Corporate Services Managing Director, Advisor

Corporate Services Committee

Councillor R. Dumanowski, Chair
Councillor S. Sharps, Vice Chair
Councillor C. Hider

Council Employee Committee

Councillor S. Sharps, Chair
Councillor R. Robins, Vice Chair
Councillor A. Van Dyke

Emergency Advisory Committee

Mayor L. Clark
Councillor R. Robins
Councillor A. Van Dyke

Energy & Infrastructure Committee

Councillor A. Van Dyke, Chair
Councillor R. Dumanowski, Vice Chair
Councillor A. McGrogan

Public Services Committee

Councillor R. Robins, Chair
Councillor A. Van Dyke, Vice Chair
Councillor A. Knodel

Administrative Committee

L. Clark, Mayor
M. Heggelund, Interim City Manager, Chair
B. Mastel, Public Services Managing Director
D. Egert, Corporate Services Managing Director
B. Maynes, Energy & Infrastructure Managing Director
R. Pancoast, Strategic Management & Analysis Managing Director
B. Bullock, City Solicitor
A. Cruickshank, City Clerk
C. Graham, Corporate Communications Director, Advisor

SPECIAL COMMITTEES

Chamber of Commerce: Councillor A. Knodel

Civic Functions: Councillor A. Knodel

Community Futures Entre-Corp: B. Mastel, Public Services Managing Director

Cypress View Foundation: Councillors D. Hirsch & R. Robins

Friends of Medalta Society: Councillor A. Knodel

Highway #3 Twinning Association: Councillor D. Hirsch

Intermunicipal Committee: Councillor R. Dumanowski & S. Sharps

Medicine Hat Community Housing Society: Councillor R. Robins

Medicine Hat Exhibition & Stampede: Councillor A. McGrogan

Medicine Hat Public Library: Councillor R. Robins

Municipal Names Committee: Councillor C. Hider

Municipal Planning Commission: Councillors D. Hirsch & A. McGrogan

Palliser Economic Partnership: Councillors C. Hider & S. Sharps

Police Commission: Councillors S. Sharps & A. Van Dyke

Regional Drainage: Councillor A. Van Dyke

Shortgrass Library System: Councillor A. Van Dyke

Subdivision & Devel. Appeal Board: Councillors R. Dumanowski & C. Hider

Tourism Medicine Hat: Councillor C. Hider

Organizational Structure

As at December 31, 2021



CHIEF FINANCIAL OFFICER'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

INTRODUCTION

I am pleased to submit the City of Medicine Hat Consolidated Financial Statements for the fiscal year ended December 31, 2021. KPMG LLP has audited these financial statements and provided an unqualified audit opinion in their report dated April 18, 2022.

The City provides multiple services to residents in Medicine Hat and surrounding area. At a municipal level it provides:

- protection to its citizens (fire, police and bylaw services, 9-1-1 communications, community development services)
- recreation and culture activities
- road, bridge, sidewalk and trail maintenance
- city planning and development

The City also operates enterprise business units offering the following services:

- water, sewer and solid waste management
- land and property development and business support development
- integrated commodity related businesses including natural gas exploration and production and electric generation
- natural gas and electric distribution services

The financial statements bring together the financial results of these activities. In doing so, the City is responsible for both accuracy of the data and completeness and fairness of the presentation, including all disclosures. This report provides users with an overview of the City of Medicine Hat's financial performance.

The purpose of the financial report is to present readers with clear insight on the financial results for the City for the fiscal year ended December 31, 2021. City administration strives to ensure that this report presents fairly the financial position of this City. The report compares how financial resources were used against budgets and past financial performance, and is divided into seven sections:

- **Introduction** – Provides an overview of the Treasurer's Report.
- **Canadian GFOA Award for Financial Reporting** - Recognition of high-quality financial reports.
- **Risk Management** - Discussion of risks and risk management strategies.
- **Management Reporting and Control** - Provides an explanation of the planning, budgeting, accounting, auditing and reporting process.
- **Financial Highlights** - Presents a review of the City of Medicine Hat's activities and financial position for the fiscal year ended December 31, 2021. The analysis is supplementary information to the financial statements and therefore, should be read in conjunction with the consolidated financial statements, accompanying notes and supporting schedules.
- **Financial Statements** - Presents the consolidated financial statements, supporting statements, notes and schedules. These statements and schedules contain current year results with prior year comparatives as well as the approved budget for the operating and capital accounts.
- **Financial and Statistical Schedules (unaudited)** - Presents a variety of statistical and financial information on a multi-year comparative basis.



A handwritten signature in black ink, appearing to read 'Dennis Egert', written over a light blue background.

Dennis Egert
Managing Director of Corporate
Services/Chief Financial Officer
April 18, 2022

CHIEF FINANCIAL OFFICER'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

CANADIAN GFOA AWARD FOR FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Canadian Award for Financial Reporting to the City of Medicine Hat for its Annual Financial Report for the fiscal year ended December 31, 2020, for the nineteenth year in a row. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to receive a Canadian Award for Financial Reporting, a government entity must publish an easily readable and efficiently organized annual financial report with contents conforming to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

RISK MANAGEMENT

This section of the report details the City's exposure to risk and uncertainty to enable the reader to make informed judgments about the implications of these risks on the City's financial position.

(a) Enterprise Risk Management

In 2021 the City engaged a consultant to support the development and implementation of an Enterprise Risk Management (ERM) framework. The ERM framework will be the guiding document that defines the methodology, process and the role and responsibilities. It will aid in strong and well-informed governance decision making and ensure that enterprise risks are identified and mitigated to an acceptable level. The work is progressing and will result in a framework, a risk register, and approved risk action plans which will be used as part of the 2023-2026 strategic plan.

(b) Operational Risk Management

As a result of continued premium rate increases over the past few years, the City undertook a third-party review of its insurance program that included recommendations to self-insure certain components of the City's insurance program in order to reduce overall costs while remaining within the City's risk tolerance. The insurance program continues to provide insurance coverage for the majority of the City's major losses that involves third party property damage or bodily injury and/or property damage to City property (buildings/equipment/vehicles), contributing to long term sustainability of City assets. To accommodate self-insuring certain components of the insurance program, a formal insurance reserve was established (included within the operating reserve) to mitigate future large insurance claims.

City operations have been impacted by the COVID-19 pandemic and related restrictions. To ensure continuity of services and alignment with provincial guidelines, the City implemented a number of protocols and procedures to ensure staff and customer safety while attending City facilities such as following the Alberta Health Services guidelines; developing business continuity plans; and implementing remote work programs.

(c) Public Safety

Medicine Hat Police Service continues to keep pace with community growth and the demand for services from residents. The use of technology, equipment and continued training and development of police service personnel ensures public and officer safety.

Fire Services provides life and property protection to the community through rapid response to fire or rescue emergency, and natural or man-made disasters. They provide community inspections, education and safety programs and preplanning for disasters and emergencies. Fire Services monitors growth patterns and recommends changes and improvements that will provide efficient and effective protection to meet City Council's established response guidelines to all areas of the city. In 2013, Council approved the Fire Service Response Coverage Optimization Plan, which resulted in significant response coverage improvements to residents and improved safety for firefighters.

The City operates the 9-1-1 Communications Centre, serving as a single point of contact for allocation of emergency and essential services to the residents of Medicine Hat, Redcliff, County of Forty Mile, Foremost, and Bow Island, a regional population of approximately 75,000 residents. The aim is to maintain a level of service that meets or exceeds industry standards with respect to call answer times, prioritization and overall protocol compliance.

CHIEF FINANCIAL OFFICER'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

(d) Treasury Management

Portfolio investments are comprised of investments in qualifying instruments as defined in the City's Investment Policy #0167. In 2015, the City was included by Municipal Affairs in the Major Cities Investment Regulation, which provides access to a broader range of investment opportunities, including public shares of companies. The regulation expands the investment opportunities for the City's financial reserve funds.

In 2021, the City engaged a consultant to perform a review its investment portfolio with the objective of assessing the appropriateness of the current asset mix policy and exploring alternative asset mixes while maintaining appropriate balance between return and risk. The recommendation was to transition the City's investment portfolio from significant fixed income exposure to a more diverse portfolio including equities and alternative investments. The new portfolio structure was developed to achieve the City's overall long-term objectives of achieving an overall net real return of 4%; generate sufficient investment return to cover yearly net spending; capital preservation and achieve steady investment returns.

The new investment portfolio includes internally managed portfolios consisting of investments in money market instruments and bonds as well as external investment portfolios managed by third party investment managers, Alberta Investment Management Corporation (AIMCo), Manulife Investment Management, Connor Clark & Lunn, Phillips Hager & North, and Addenda Capital, consisting of fixed income securities, Canadian and foreign equities and alternative investments. These funds are invested in assets permitted by the Major Cities Investment Regulation.

The goal of Policy #0167 is to ensure that the investment of City funds is made in a manner which will provide the highest investment return with the maximum security, while meeting the daily cash flow demands of the City, and conforming to all provincial statutes and regulations governing the investment of municipal funds.

Investment performance is benchmarked to market benchmarks that are replicable, measurable and fair comparisons to the portfolios being measured. The treasury team meets to review the investment portfolio and quarterly activity. A treasury report, complete with performance indicators, is compiled tri-annually and distributed to the Audit Committee and City Council.

In addition, internal control procedures are designed to ensure that the daily handling of cash is managed securely. Each member of the treasury team must sign a disclosure statement to ensure their personal business activities do not conflict with the investment activities of the City.

(d) Environmental

The Environmental, Land & Government Relations department provides corporate support and ensures regulatory compliance with regard to environmental matters. The department completes the regulatory activities (including the administration of Environmental Management Policy #0148), supports the operating departments in completing their due diligence with respect to environmental activities, and provides current information on evolving and emerging environmental regulatory requirements. One of the goals is to keep City Council informed of the City's progress in striving for continual improvement in management systems and communication focusing on both compliance and proactive excellence in matters of environmental stewardship.

(e) Market Commodity Prices

The City's revenues are affected by changes in market spot prices for natural gas and oil production and electric generation. The City engages in certain hedging activities to mitigate the impact to revenue from market price changes. Hedging Policy #0159 provides the framework for guiding this risk management activity at the City. This policy outlines a set of triggers that guide hedging activities for each business unit. The hedge programs are designed for the specific requirement and constraints of Medicine Hat and focus on stabilizing the cost of commodities and/or revenues, maintaining reliable supplies for operations/sales, and mitigating financial risk exposure to the City.

CHIEF FINANCIAL OFFICER'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

MANAGEMENT REPORTING AND CONTROL

The following section describes the planning, reporting and audit process.

(a) Strategic Planning and Budgeting

City Council developed a strategic plan highlighting priorities, strategies, goals and key results for the planning period 2019-2022. Based on the direction set out in the strategic plan, four-year departmental business plans are prepared. These business plans communicate each department's alignment with the strategic plan and identify:

- the core services/programs of the department and key performance indicators,
- departmental primary customers,
- significant risks and trends faced by the department, including mitigation plans,
- strategic objectives, rationale, indicators of success and action plans of the department.



Budget guidelines and high-level financial projections are developed. Based on these guidelines and departmental business plans, departments develop their budget requests. City Council has approved the adoption of a four-year operating budget and a four-year capital budget with a six-year projection. The Administrative Committee reviews departmental budgets and when satisfied that budgets are aligned with the business plans, the budget recommendation is presented for City Council approval.

The operating budget lays out the revenues and expenses for the planning periods that will be required to deliver City services to residents.

A ten-year capital plan is developed for all departments. The capital plans identify proposed capital project expenditures and their corresponding sources of funding.

For the 2019-2022 budget period, the City employed a capital ranking process for the tax supported departments. This process is intended to ensure that capital funding is allocated to the projects that will provide the highest value and benefit to the municipality.

(b) Accounting

The City of Medicine Hat manages the accounting function in five core divisions: Corporate Services, Public Services, Strategic Management & Analysis, Energy and Infrastructure, Invest Medicine Hat, as well as Medicine Hat Police Services. Each division is responsible for managing the delivery of services in accordance with the resources allocated. All divisions share a common accounting and reporting system. Financial and accounting services are administered under the direction of the Managing Director of Corporate Services and delivered to each division based on requirements.

(c) Auditing

The *Municipal Government Act* requires municipal councils to appoint an independent auditor. In 2019, Medicine Hat City Council re-appointed KPMG LLP as its external auditor, with the option of renewing the engagement for an additional four years. City council approved KPMG LLP's appointment for the 2021 audit.

The role of the external auditor is to present an independent opinion on the fair presentation of the City's financial position and operating results as contained in the financial report, and to express an opinion that the financial statements are free from any material misstatements. The auditor advises management and the Audit Committee of any control or operational matters that may have been identified during the audit.

CHIEF FINANCIAL OFFICER'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

The Audit Committee, comprised of three members of City Council, is a standing committee of City Council. The Audit Committee is responsible for recommending the appointment of the independent auditor, reviewing the terms of the engagement and overseeing management's responsibilities for financial reporting. The Audit Committee meets with management and the independent auditors to discuss the scope and timing of the audit, to review the auditor's findings and to ensure that management is carrying out its responsibilities.

Financial progress is reported to the Audit Committee throughout the year on a tri-annual basis. These progress updates examine financial performance relative to approved budgets and forecast updates.

FINANCIAL HIGHLIGHTS

Financial Trend Summary 2021

The financial data below provides an overview of key financial information over the past year with prior year comparatives. Readers should review this report in conjunction with the accompanying *Consolidated Financial Statements and Note Disclosures* located on the City's website at <https://www.medicinehat.ca/government/publications-plans-reports/financial-reports>.

In 2021 the City experienced higher revenues despite the external pressures stemming from the Government of Alberta reduction in municipal funding, operating impacts from our response to COVID-19 and related ongoing uncertainty (including facility closures, travel bans, higher unemployment, financial constraints and additional required safety protocols) and continued market volatility impacting commodity prices and investment returns. The increased revenues are primarily due to higher electric commodity prices and higher returns on financial investments.

In 2020, the City's municipal budget gap was identified as being approximately \$27 million. As a result, the City of Medicine Hat launched the Accelerated Financially Fit Initiative (AFFI), fast-tracking the initial Financially Fit Initiative effort launched in 2016. This initiative focuses on strategic opportunities including revenue growth as well as cost containment and service level adjustments, range and level of services provided, and leveraging technology and digital innovation in order to connect with residents. A number of these initiatives, including the divisional realignment, were implemented in 2021, which resulted in largely achieving the \$14.8 million 2021 AFFI target set for the year. As a result of these efforts over the past years, the municipal budget gap for 2022 has reduced to approximately \$9.1 million. The City will continue with these efforts to ensure that our local government has balanced budgets and our community continues to thrive and remain vibrant, innovative and resilient for generations to come.

As a result of the declining gas and oil commodity prices over the past few years, the City decided to accelerate the abandonment and reclamation of its uneconomic oil and gas properties. The budgeted cost of the program is expected to be \$125 million and will be financed through a combination of working capital (\$45 million) and debenture borrowing (\$80 million). By the end of 2022 it is expected that over 2,000 currently producing wells will be abandoned and in route to be reclaimed. The program ensures the City is fostering the wellbeing of the environment by safely meeting end of life obligations for its energy development activities.

The Public Sector Accounting Standards (PSAS) is silent on the treatment of resource properties. In order to better reflect the operations of oil and gas properties and to provide more financial transparency, the City uses International Financial Reporting Standards (IFRS) to account for its oil and gas assets.

CHIEF FINANCIAL OFFICER'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

Financial Summary

In thousands of dollars

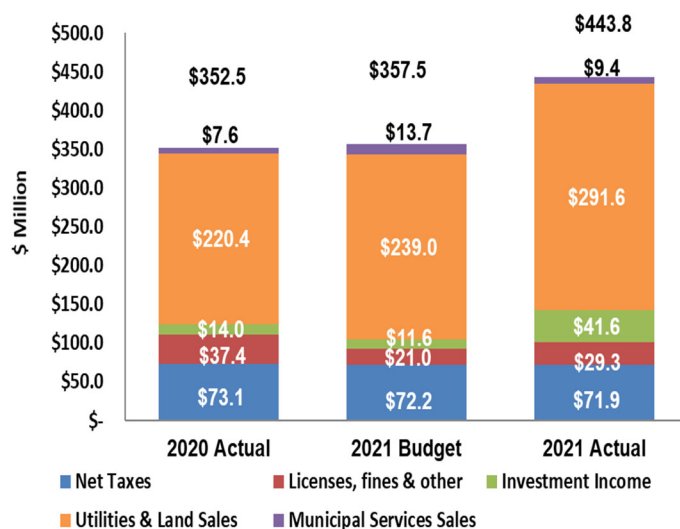
Consolidated Financial Position	2021	2020
Assets	\$ 668,415	\$ 563,457
Liabilities	831,561	762,747
Net financial debt	(163,146)	(199,290)
Non-financial assets	67,272	80,148
Net tangible capital assets	1,389,183	1,356,948
Total non-financial assets	1,456,455	1,437,096
Accumulated surplus	\$1,293,309	\$1,237,806

In 2021 financial assets increased at a higher rate than financial liabilities resulting in a decrease in net financial debt of \$55.5 million from 2021. The increase in assets was due to an increase in financial investments as a result of the total investment portfolio achieving a return of 6.01%, higher contributions from our integrated commodity business and additional grants received from the province to stimulate the economy during the COVID-19 pandemic. Liability increases were a result of an increase in asset retirement obligations due to cost estimate changes and accretion as well as an increase in long term debt.

In thousands of dollars

2021 Operating Results	Revenue	Expenses	Annual Surplus
General Fund	\$ 238,869	\$ 188,402	\$ 50,467
Utilities	408,465	437,430	(28,965)
Consolidation adjustments	(203,516)	(205,867)	2,351
Subtotal	443,818	419,965	23,853
Capital contributions and grants	31,650	-	31,650
Consolidation adjustments	-	-	-
Subtotal	31,650	-	31,650
Total	\$ 475,468	\$ 419,965	\$ 55,503

The 2021 accumulated surplus was \$55.5 million primarily due to higher electric commodity prices and higher returns on financial investments. Capital contributions and grants represent funding used for various capital projects such as: Flood mitigation projects; campground upgrades; Towne Square development; Athletic Ball Park enhancements; Pickle Ball Courts; building rehabilitations, pedestrian trails and bridge rehabilitation, and sidewalk, roads and storm sewer rehabilitation.



Revenues

Revenue before capital contributions and grants was \$86.3 million higher than budget (\$443.8 million versus budget of \$357.5 million) mainly due to Utilities and Land sales revenues higher than budget by \$52.7 million primarily due to higher electric revenues of \$66.6 million related to higher commodity prices. This is offset by lower oil and gas sales of \$10.0 million related to low sales volumes and lower land sales of \$5.3 million primarily due to lower lot sales. Investment income was also higher than budget by \$29.9 million primarily due to higher returns on investments.

Revenues in 2021 are higher than 2020 revenues by \$91.3 million primarily due to higher electric commodity prices and higher returns on financial investments.

CHIEF FINANCIAL OFFICER'S REPORT

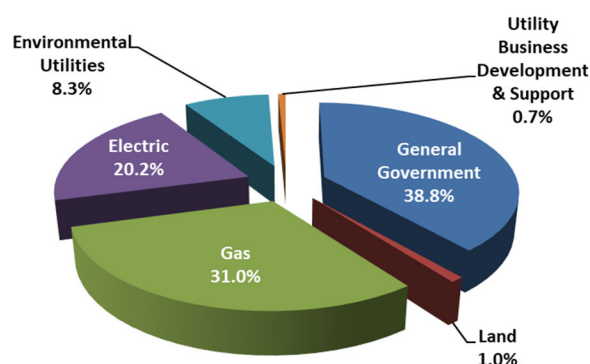
FOR THE YEAR ENDED DECEMBER 31, 2021

Expenses

Overall the City operating expenses for the year were \$26.5 million higher than budget mainly due to higher purchases of gas to meet consumption demand, an increase in electric production variable expenses related to increased sales in the market and impairments and losses on disposal of assets during the year.

2021 expenses are higher than 2020 expenses by \$18.2 million primarily due to higher purchases of gas to meet demand consumption offset by less impairments and disposals.

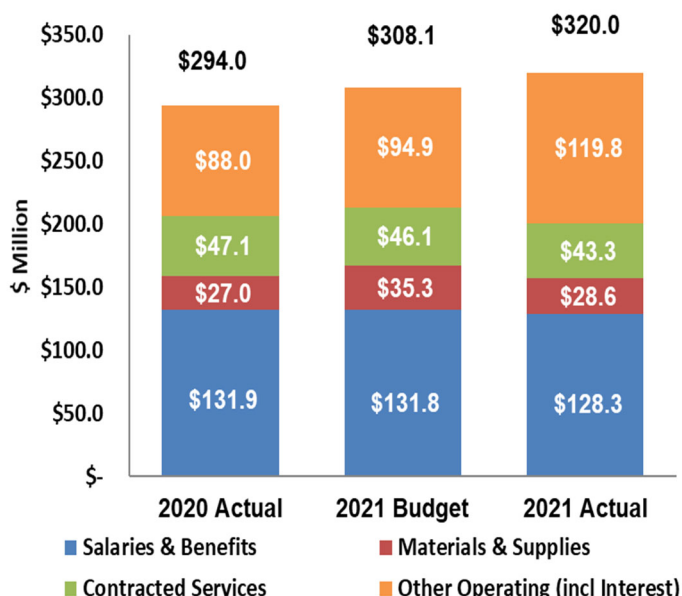
Consolidated Operating Expenses by Division



Expenses by Type

The Consolidated Schedule of Expenses by Object details 2021 actual (\$420.0 million) and budget (\$393.4 million) by expense type. The chart to the right excludes non-cash items such as amortization, impairments, and disposal expenses of \$100.0 million (2021 budget of \$85.3 million). Variances from budget for salaries and benefits is primarily related to the corporate restructuring. Contracted services and materials and supplies are mostly related to lower activity due to a slower economy related to the COVID-19 pandemic. Variances from budget for other operating expense is due to higher purchases of gas to meet consumption demand and an increase in electric production variable expenses related to increased sales in the market.

The 2021 actual expenses by type are higher than 2020 due to higher gas purchases to meet consumption demand offset by lower salaries and benefits as a result of the corporate restructuring.

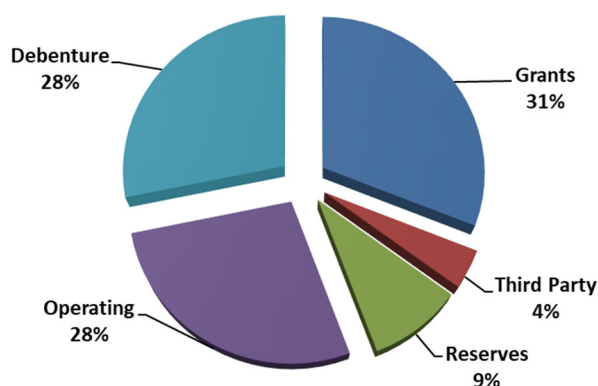


2021 Capital Expenditures

The City's approved 2021 budget for capital items was \$63.5 million. Actual capital expenditures for the year were \$101.5 million plus contributions from developers of \$2.2 million. The current year expenditures include \$61.0 million for projects carried forward from previous budget years.

The 2021 capital expenditures were funded by grants received from the Province of Alberta and the Federal Government of Canada, as well as reserves, operating funds, debenture borrowing, and third-party contributions.

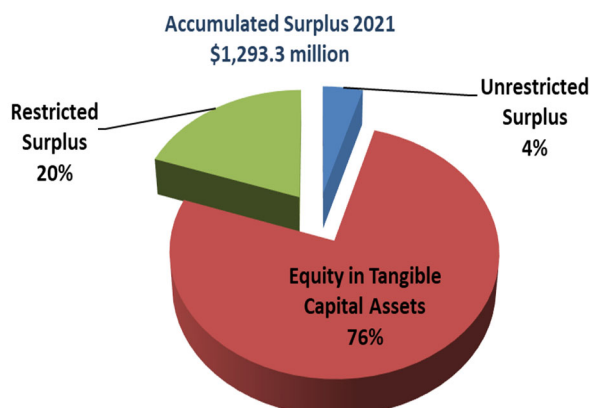
Capital Funding Source



CHIEF FINANCIAL OFFICER'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

Accumulated Surplus



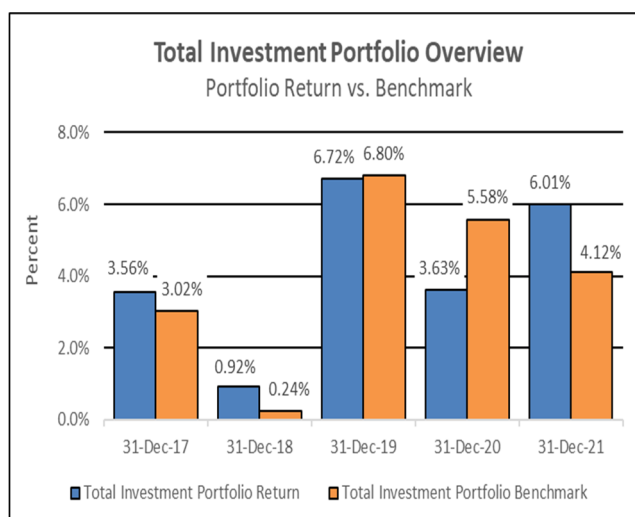
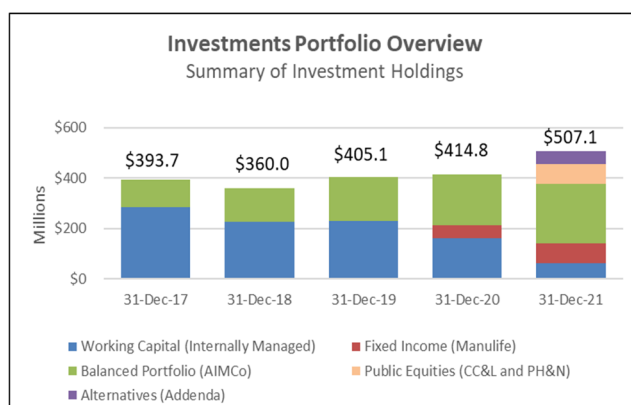
The accumulated surplus on the Consolidated Statement of Operations represents the total change in all fund and equity balances for the City of Medicine Hat. During 2021, the consolidated fund and equity balances increased by \$55.5 million to \$1,293.3 million.

\$57.5 million of the accumulated surplus is unrestricted. This unrestricted amount is used as working capital to fund day to day operating activities of the City. The restricted amount is \$252.9 million and is largely dedicated to capital activities of the organization.

Equity in the City's tangible capital assets increased by \$2.0 million to \$982.9 million this year as a result of an increase in City assets, offset by accumulated amortization and debt.

Investments

Investments, loans and advances increased \$92.3 million from 2020 to \$507.1 million largely due to higher returns on financial investments; higher contributions from our integrated commodity business; and additional capital grants received from the province to stimulate the economy during the COVID-19 pandemic.



The City of Medicine Hat generated a total investment portfolio return of 6.01% for the year ended December 31, 2021, higher than the corresponding benchmark of 4.12%. During 2021, the City made significant changes to its investment portfolio by rebalancing the asset allocation to a more optimal blend of working capital, fixed income, Canadian equities, global equities, and alternative investments which will provide a more desirable balance of risk and return. Throughout 2021, the City added additional external managers to the portfolio, including Connor, Clark & Lunn to manage the Canadian equity portfolio, Philips, Hager & North to manage the global equity portfolio, and Addenda Capital to manage the commercial mortgage portfolio. The City continues to seek additional portfolio diversification with plans of adding global real estate, global infrastructure and currency management to the mix throughout 2022.

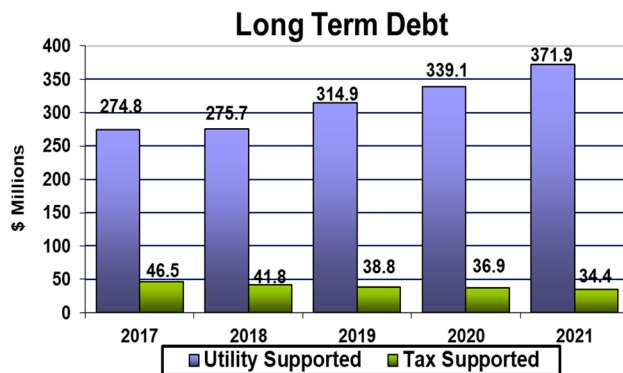
CHIEF FINANCIAL OFFICER'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

Long-Term Debt

During 2021, total long-term debt increased \$30.2 million to \$406.3 million with debt principal repayments of \$27.7 million being offset by new debt issued of \$57.9 million. New debt represents \$1.9 million for improvements to general government assets, \$22.9 million related to environmental utility assets, \$11.5 million relate to electric utility assets, and \$21.6 million relate to gas utility assets and gas production abandonments.

The Minister of Municipal Affairs has prescribed limits for total debt and debt servicing for municipalities in the province. The debt limit is defined as two times revenue, net of government transfers, and debt servicing is limited to 35% of revenue, net of capital government transfers. For the purpose of these calculations, actual total debt includes long and short-term debt as well as loan guarantees in the amount of \$1.7 million and letters of credit issued of \$46.9 million.



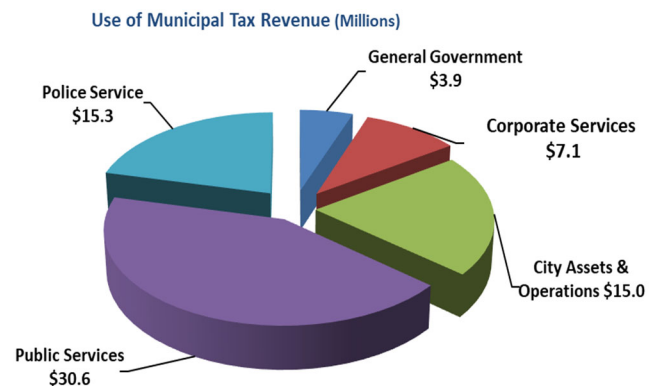
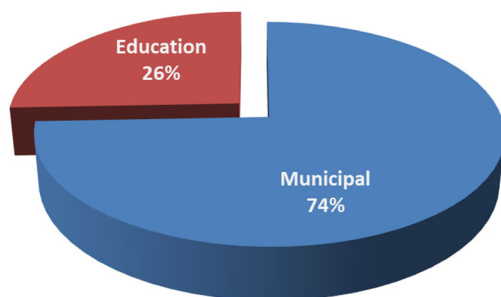
The City's 2021 debt limits are as follows:

(in millions of dollars)		2021
Debt Limit	\$	887.6
Actual Total Debt		455.0 51%
AMOUNT UNDER LIMIT	\$	432.6
Debt Servicing Limit	\$	155.3
Actual Debt Servicing		39.2 25%
AMOUNT UNDER LIMIT	\$	116.1

Use of Municipal Tax Revenue

Net municipal property tax revenue of \$71.9 million (44.0%) is used to fund the consolidated general fund operating expenses of \$163.4 million. Other revenue sources mainly include investment interest, sales, government grants, fees and permits.

Where our property tax dollars went in 2021.

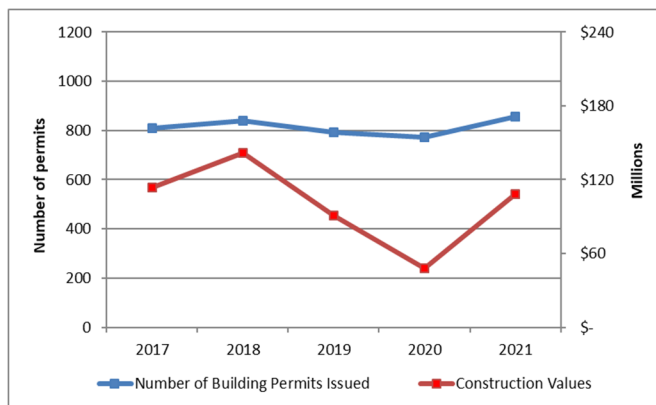
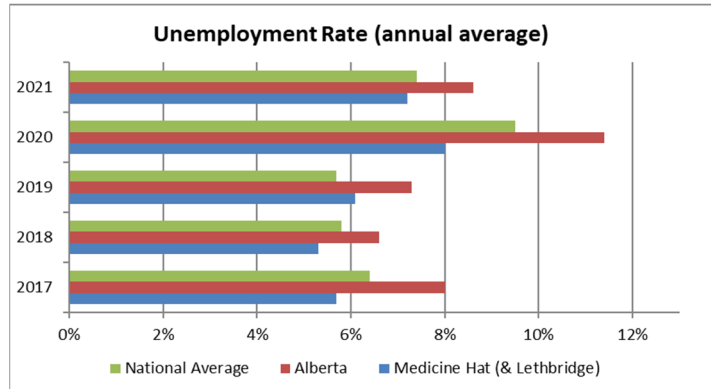


CHIEF FINANCIAL OFFICER'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

Economic Indicators

The combined unemployment rate for Medicine Hat and Lethbridge at the end of 2021 was 6.5%, while the 2021 average was 7.2%. The average Alberta unemployment rate for 2021 was 8.6% compared to 7.4% for Canada. The decreases are primarily due to the easing of the COVID-19 pandemic restrictions.



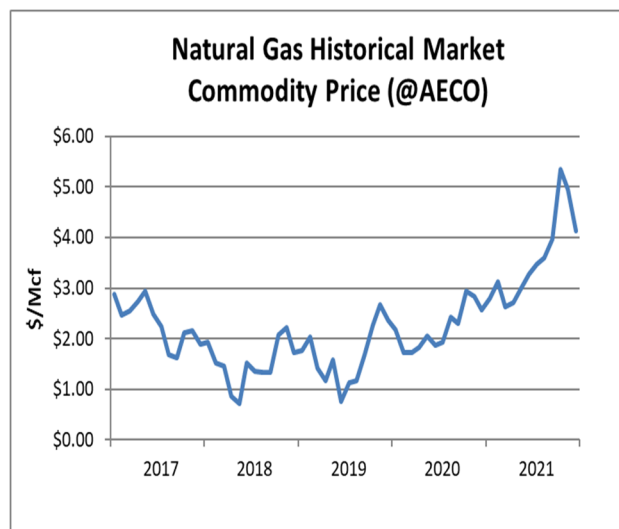
Number of Building Permits Issued and Related Construction Values

In 2021, the number of building permits issued increased to 857 primarily due to an increase in new development. The related estimated value of construction in 2021 also saw an increase from prior year to \$108 million due to the majority of permits being issued for higher construction values.

Gas

Natural gas prices showed an upward trend in 2020 which continued into 2021. This was due to strong demand for liquefied natural gas (LNG) exports out of North America and increase demand to meet post pandemic industrial demands, there was also geopolitical pressure on both oil and gas markets, which had natural gas futures increase in late 2021 to early 2022. However North American gas has dropped somewhat due to warmer temperatures creating less heating demand.

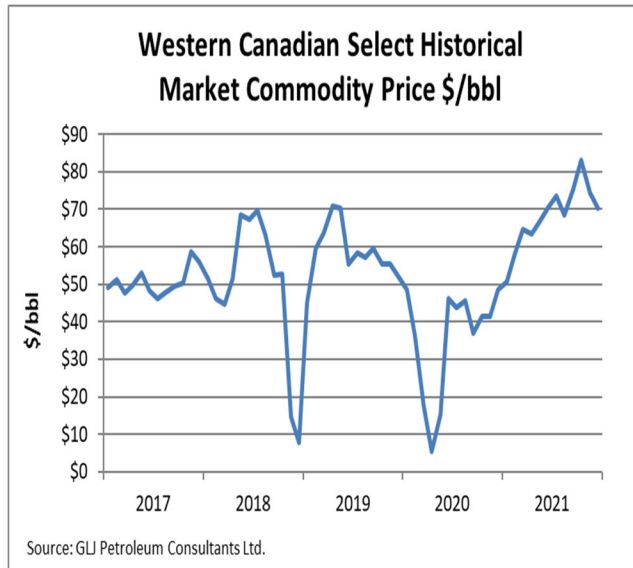
2021 sales gas volume from production for the City of Medicine Hat was 4,808,518 Mcf. A \$1 per Mcf change in the commodity price would affect annual gross revenue by \$4.8 million.



CHIEF FINANCIAL OFFICER'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

Oil

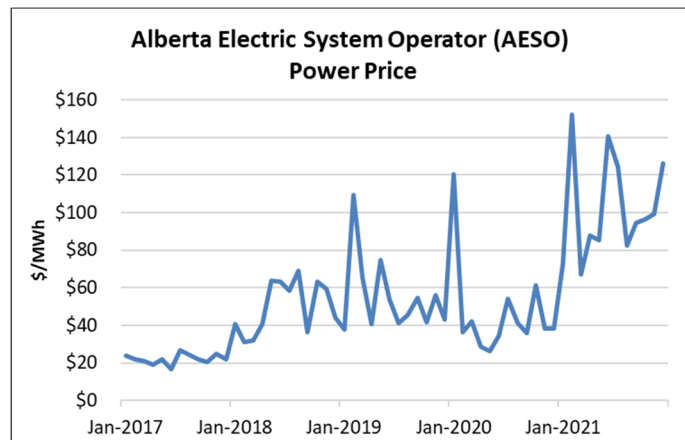


Pandemic recovery seen oil bounce back from the historic lows of 2020 as demand for refined products increased with economic reopening. Towards the end of 2021 oil saw major gains as geopolitical issues in eastern Europe started to emerge. Trends of geopolitical risk have increased prices during the start of 2022 and the trend could continue as countries around the world put sanctions on Russia's oil and gas exports taking roughly 12 million barrels out of supply, which could push oil prices over \$100/bbl. This has resulted in capital being deployed into growing and developing assets to meet global demand whereas 2021 saw a capital restraint strategy to ensure supply did not outpace the demand.

2021 oil production for the City of Medicine Hat was 358,658 barrels. A \$1 per barrel change in the commodity price would affect annual gross revenue by \$358,658.

Power

Power prices in 2021 settled at the highest price since the market was deregulated in 1996. Market volatility remained strong due to coal-fired generators transitioning to natural gas, or mothball. The increased carbon cost and economic withholding in the market have also contributed to higher pool prices. The market outlook continues to show signs of strength as the supply/demand balance remains tight.



Financial Statements and Notes

The City of Medicine Hat has provided award winning financial reporting for the past 19 years.

The Canadian Award for Financial Reporting Program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports. Its attainment represents a significant accomplishment by a municipal government and its management.



Management's Responsibility for Reporting

For the Year Ended December 31, 2021

The City of Medicine Hat's management is responsible for the preparation, accuracy, objectivity, and integrity of the accompanying consolidated financial statements and the notes thereto. Management believes that the consolidated financial statements present fairly the City's financial position as at December 31, 2021 and the results of its operations for the year then ended.

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

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

The City Council carries out its responsibilities for review of the consolidated financial statements principally through its Audit Committee. This committee meets regularly with management and external auditors to discuss the results of audit examinations and financial reporting matters. The external auditors have full access to the Audit Committee with and without the presence of management. The City Council has approved the consolidated financial statements.

The consolidated financial statements have been audited by the independent firm of KPMG LLP, Chartered Professional Accountants. Their report to Her worship the Mayor with the members of Council of the City of Medicine Hat, outlines the scope of their examination and provides their opinion on the consolidated financial statements.



City Manager

April 18, 2022



Chief Financial Officer



KPMG LLP
3410 Fairway Plaza Road South
Lethbridge AB T1K 7T5
Canada
Tel 403-380-5700
Fax 403-380-5760

INDEPENDENT AUDITORS' REPORT

To Her Worship the Mayor and Members of the Council of the City of Medicine Hat

Opinion

We have audited the consolidated financial statements of City of Medicine Hat (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2021
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net financial debt for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes and schedules to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2021, and its consolidated results of operations, changes in net financial debt, and its consolidated 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 Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditors' report thereon, included in the *Financial Report*. The *Financial Report* is expected to be made available to us after the date of the auditors' report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

When we read the *Financial Report*, if we conclude that there is a material misstatement of this other information, we are required to report the matter to those charged with governance.

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

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

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 the financial statements.



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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity'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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- 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.

Chartered Professional Accountants

Lethbridge, Canada

April 18, 2022

CONSOLIDATED
Statement of Financial Position
As at December 31, 2021 (in thousands of dollars)

	2021	2020
Financial assets		
Cash and cash equivalents (Note 2)	\$ 68,004	\$ 62,824
Accounts receivable, net of allowances (Note 3)	78,551	47,407
Investments, loans and advances (Note 4)	507,124	414,781
Land and other assets held for resale (Note 5)	10,653	35,237
Inventories for resale (Note 6)	140	114
Deposits (Note 7)	3,943	3,094
Total financial assets	668,415	563,457
Liabilities		
Trade accounts payable	36,835	26,084
Accrued liabilities (Note 8)	22,100	34,226
Deferred revenue (Note 9)	61,498	38,642
Long-term debt (Note 11)	406,316	376,072
Other long-term liabilities (Note 12)	304,812	287,723
Total liabilities	831,561	762,747
Net financial debt	(163,146)	(199,290)
Non-financial assets		
Inventories for consumption	14,317	15,191
Prepaid assets	3,117	2,148
Land held for future development (Note 13)	16,479	19,969
Long lived assets	33,359	42,840
Tangible capital assets (Schedule 1) (Note 14)	1,389,183	1,356,948
Total non-financial assets	1,456,455	1,437,096
Accumulated surplus (Note 15)	\$ 1,293,309	\$ 1,237,806

Commitments, operating and capital (Notes 20 and 22)

Contingent asset and liabilities (Note 23)

Contractual rights (Note 24)

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

CONSOLIDATED
Statement of Operations
For the year ended December 31, 2021 (in thousands of dollars)

	2021 Budget	2021	2020
Revenue (Schedule 4)			
Municipal taxes (Schedule 2)	\$ 72,158	\$ 71,910	\$ 73,133
Sale of services			
General Government	13,696	9,434	7,579
Gas	46,367	36,361	37,235
Electric	129,755	196,393	127,710
Water	22,894	23,453	21,467
Sewer	20,944	21,613	18,870
Solid Waste	9,575	9,724	9,584
Invest Medicine Hat	9,409	4,082	5,548
Other income			
Investment income	11,641	41,572	13,963
Licenses, fines and penalties	6,504	6,142	4,909
Insurance recovery	123	2,895	813
Development levies	613	1,674	6,977
Government transfers for operating (Schedule 3)	5,347	5,223	12,607
Other	8,441	13,342	12,121
Total revenue	357,467	443,818	352,516
Expenses (Schedule 4 and Schedule 5)			
General Government	163,173	163,410	160,368
Gas	104,257	130,116	115,792
Electric	74,964	84,824	79,741
Water	15,870	15,925	15,504
Sewer	14,015	14,312	14,372
Solid Waste	6,630	4,500	7,384
Utilities Business Development & Support	4,195	3,313	3,796
Invest Medicine Hat	10,368	3,565	4,785
Total expenses	393,472	419,965	401,742
Excess (deficiency) of revenue over expenses			
- before other revenue	(36,005)	23,853	(49,226)
Other revenue (Schedule 4)			
Contributed tangible capital assets	60	2,195	243
Government transfers for capital (Schedule 3) (Note 9)	9,184	29,455	19,470
Total other revenue	9,244	31,650	19,713
Annual surplus (deficit)	(26,761)	55,503	(29,513)
Accumulated surplus, beginning of year	1,237,806	1,237,806	1,267,319
Accumulated surplus, end of year	\$ 1,211,045	\$ 1,293,309	\$ 1,237,806

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

CONSOLIDATED

Statement of Change in Net Financial Debt For the year ended December 31, 2021 (in thousands of dollars)

	2021 Budget	2021	2020
Annual surplus (deficit)	\$ (26,761)	\$ 55,503	\$ (29,513)
Amortization of tangible capital assets	85,302	79,539	79,292
Impairments	-	13,574	17,187
Loss on disposal of tangible capital assets	-	2,609	11,389
Developers contribution of tangible capital assets	-	(2,195)	(243)
Acquisition of tangible capital assets	(63,512)	(101,495)	(77,026)
Proceeds from sale of tangible capital assets	-	487	1,628
Decrease (increase) in long lived assets	5,183	(14,907)	10,247
	212	33,115	12,961
Acquisition of inventories and supplies	(19,933)	(19,921)	(5,097)
Net acquisition (disposition) of land held for future development	(5,295)	3,124	(1,286)
Acquisition of prepaid assets	(11,082)	(11,064)	(14,262)
Consumption of inventories and supplies	20,302	20,795	5,584
Use of prepaid assets	10,095	10,095	14,245
	(5,913)	3,029	(816)
Decrease (increase) in net financial debt	(5,701)	36,144	12,145
Net financial debt, beginning of year	(199,290)	(199,290)	(211,435)
Net financial debt, end of year	\$ (204,991)	\$ (163,146)	\$ (199,290)

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

CONSOLIDATED

Statement of Cash Flows

For the year ended December 31, 2021 (in thousands of dollars)

	2021	2020
Net inflow (outflow) of cash related to the following activities:		
Operating		
Annual surplus (deficit)	\$ 55,503	\$ (29,513)
Non-cash items included in deficiency of revenues over expenses:		
Amortization of tangible capital assets	79,539	79,292
Impairments	13,574	17,187
Loss on disposal of tangible capital assets	2,609	11,389
Developers contribution of tangible capital assets	(2,195)	(243)
Non-cash items relating to capital and investing activities:		
Decrease (increase) in long lived assets	(14,907)	10,247
Non-cash changes to operations (net change):		
Decrease (increase) in accounts receivable	(31,144)	(4,691)
Decrease (increase) in land held for resale	24,218	(30,799)
Decrease (increase) in inventories for resale	(26)	(51)
Decrease (increase) in deposits	(849)	164
Increase (decrease) in trade accounts payable	10,751	(3,736)
Increase (decrease) in accrued liabilities	(12,126)	13,759
Increase (decrease) in deferred revenue	22,856	(14,324)
Increase (decrease) in other long-term liabilities	17,089	6,380
Decrease (increase) in inventories for consumption	874	487
Decrease (increase) in prepaid assets	(969)	(17)
Decrease (increase) in land held for future development	3,490	(1,045)
Cash provided by operating transactions	168,287	54,486
Capital		
Acquisition of tangible capital assets	(101,495)	(77,026)
Proceeds from sale of tangible capital assets	487	1,628
Cash applied to capital transactions	(101,008)	(75,398)
Investing		
Decrease (increase) in investments, loans and advances	(92,343)	(9,728)
Cash applied to investing transactions	(92,343)	(9,728)
Financing		
Long-term debt issued and assumed	57,941	48,364
Long-term debt repaid	(27,697)	(26,019)
Cash provided by financing transactions	30,244	22,345
Change in cash and equivalents during the year	5,180	(8,295)
Cash and cash equivalents, beginning of year	62,824	71,119
Cash and cash equivalents, end of year	68,004	62,824

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

CONSOLIDATED
SCHEDULE OF TANGIBLE CAPITAL ASSETS
As at December 31, 2021 (in thousands of dollars)

	Land	Land Improvements	Buildings	Engineered Structures	Gas & Oil Properties	Machinery, Equipment & Furnishings	Vehicles	2021	2020
Cost:									
Balance, beginning of year	\$ 48,399	\$ 140,796	\$ 369,421	\$ 1,483,684	\$ 608,328	\$ 128,246	\$ 52,802	\$ 2,831,676	\$ 2,861,909
Acquisition of tangible capital assets	-	19,695	5,775	58,078	565	7,508	1,761	93,382	102,132
Construction-in-progress	-	1,241	3,758	6,552	(92)	(912)	(239)	10,308	3,798
Reclassify to held for sale	-	-	-	-	-	-	-	-	(95,781)
Disposal of tangible capital assets	-	(512)	(2,248)	(2,640)	(13,326)	(706)	(1,849)	(21,281)	(31,101)
Write up (down) of tangible capital assets	-	-	-	-	11,180	-	-	11,180	(9,281)
Balance, end of year	48,399	161,220	376,706	1,545,674	606,655	134,136	52,475	2,925,265	2,831,676
Accumulated amortization:									
Balance, beginning of year	-	62,064	110,598	636,398	581,239	58,864	25,565	1,474,728	1,480,640
Annual amortization	-	6,954	9,838	45,698	2,887	9,763	4,399	79,539	79,292
Reclassify to held for sale	-	-	-	-	-	-	-	-	(67,120)
Accumulated amortization on disposals	-	(404)	(1,329)	(1,996)	(12,213)	(626)	(1,617)	(18,185)	(18,084)
Balance, end of year	-	68,614	119,107	680,100	571,913	68,001	28,347	1,536,082	1,474,728
Net book value of tangible capital assets (Note 14)	\$ 48,399	\$ 92,606	\$ 257,599	\$ 865,574	\$ 34,742	\$ 66,135	\$ 24,128	\$ 1,389,183	\$ 1,356,948
2020 net book value of tangible capital assets (Note 14)	\$ 48,399	\$ 78,732	\$ 258,823	\$ 847,286	\$ 27,089	\$ 69,382	\$ 27,237	\$ 1,356,948	

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

CONSOLIDATED
Schedule of Municipal Taxes
For the year ended December 31, 2021
(in thousands of dollars)

Schedule 2

	2021 Budget	2021	2020
Taxation			
Real property taxes	\$ 97,368	\$ 97,205	\$ 97,553
Linear property taxes	545	545	497
Special assessments and local improvement taxes	231	227	510
	<hr/> 98,144	<hr/> 97,977	<hr/> 98,560
Requisitions			
Alberta School Foundation	21,096	21,171	20,636
Catholic Board of Education	3,911	3,916	3,838
Cypress View Foundation	953	954	927
Designated Industrial Property	26	26	26
	<hr/> 25,986	<hr/> 26,067	<hr/> 25,427
Municipal taxes	<hr/> \$ 72,158	<hr/> \$ 71,910	<hr/> \$ 73,133

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

CONSOLIDATED
Schedule of Government Transfers
For the year ending December 31, 2021
(In thousands of dollars)

Schedule 3

	2021			2020
	Provincial	Federal	Total	
Unconditional operating transfers				
Payment in Place of Taxes	\$ 72	\$ 598	\$ 670	\$ 609
Conditional operating				
Alberta Community Partnership (ACP)	107	-	107	111
Alberta Foundation of the Arts Travelling Exhibition Program	208	-	208	161
Alberta Historic Resources Foundation	1	-	1	-
Alberta Museums Association	25	-	25	25
Alberta Traffic Safety Fund	2	-	2	6
Alberta Transportation - Highway 3 Shuttle	41	-	41	221
Alberta Labour Market Partnership Program (LMPP)	-	-	-	30
Alberta Senate Election Act and Referendum Payments Regulation (SEARPR)	127	-	127	-
All Hazards Incident Management Team (AHIMT)	8	-	8	19
Archives Society of Alberta	-	-	-	6
Canadian Council of Archives	-	12	12	13
Canada Council for the Arts	-	72	72	75
Canadian Heritage Grant	-	53	53	53
Canadian Medical Association Foundation	-	-	-	29
Canadian Museums Association	-	8	8	-
Child and Family Services Alberta (CFSA)	-	-	-	29
Employment and Social Development Canada Grant (ESDC)	-	-	-	4
Family and Community Support Services (FCSS)	1,599	-	1,599	1,570
Municipal Operating Support Transfer (MOST)	-	-	-	6,950
Municipal Policing Assistance	1,012	-	1,012	1,012
Municipal Sustainability Initiative Operating (MSIO)	228	-	228	748
Police Officer Grant	400	-	400	400
Victims of Crime Fund Grant	300	-	300	186
911 Mobility Grant	350	-	350	350
	4,480	743	5,223	12,607
Conditional capital				
Airport Capital Assistance Program (ACAP)	-	1,091	1,091	-
Alberta Community Resilience Program (ACRP)	3,207	-	3,207	353
Canadian Heritage Foundation	-	40	40	-
Gas Tax Fund (GTF)	1,402	-	1,402	5,501
Federal Small Communities Fund (SCF)	-	887	887	-
GreenTrip	-	-	-	1,809
Investing in Canada Infrastructure Program (ICIP)	-	8,829	8,829	-
Local Flood Mitigation Measures (LFM)	-	-	-	345
Municipal Climate Change Action Center (MCCAC)	267	-	267	239
Municipal Sustainability Initiative (MSI)	7,209	-	7,209	11,098
Municipal Stimulus Program (MSP)	6,523	-	6,523	125
	18,608	10,847	29,455	19,470
Total government transfers	\$ 23,088	\$ 11,590	\$ 34,678	\$ 32,077

Consolidated Schedule of Segmented Disclosures (Note 26)

Schedule 4

For the year ended December 31, 2021 (in thousands of dollars)

	Tax Supported	Reserve Fund	Gas Utility	Electric Utility	Utilities Business Development & Support	Water Utility	Sewer Utility	Solid Waste Utility	Invest Medicine Hat	Consolidation Adjustments	2021 Consolidated
Revenue											
Municipal taxes	\$ 76,161	\$ -	\$ -	\$ -	\$ -	\$ 113	\$ 113	\$ -	\$ -	\$ (4,477)	\$ 71,910
Sales of services	9,434	-	89,876	202,039	-	23,948	22,130	9,845	4,082	(60,294)	301,060
Investment income	19,823	-	21,749	-	-	-	-	-	-	-	41,572
Licenses, fines and penalties	6,139	-	-	-	-	-	-	-	3	-	6,142
Insurance recovery	324	-	-	2,566	-	5	-	-	-	-	2,895
Development levies	311	-	300	1,024	-	-	-	-	39	-	1,674
Government transfers for operating	5,223	-	-	-	-	-	-	-	-	-	5,223
Other	5,476	-	615	3,950	328	94	27	320	730	1,802	13,342
Internal recoveries	20,600	-	223	2,292	3,096	978	49	2,410	4,236	(33,884)	-
Contribution from reserves	-	95,228	6,900	-	-	-	4,385	-	-	(106,513)	-
Transfer from Utilities and Land	150	-	-	-	-	-	-	-	-	(150)	-
	143,641	95,228	119,663	211,871	3,424	25,138	26,704	12,575	9,090	(203,516)	443,818
Expenses											
Salaries, wages and benefits	87,696	-	8,858	15,461	2,045	5,547	4,555	2,710	1,227	227	128,326
Contracted and general services	20,257	-	6,829	10,054	1,261	1,052	457	2,574	805	-	43,289
Materials, goods and utilities	8,258	-	1,281	15,398	4	1,311	1,749	121	3,240	(2,800)	28,562
Provisions for allowances	388	-	618	145	-	38	32	17	-	-	1,238
Bank charges and short term interest	310	-	144	-	-	-	-	5	9	-	468
Interest on long-term debt	1,124	-	513	4,054	-	3,014	2,740	43	-	-	11,488
Total grants and other transfers	4,681	-	-	-	-	-	-	-	518	-	5,199
Other operating expenses	283	-	88,014	14,766	-	(3)	(11)	(1,724)	-	-	101,325
Amortization of tangible capital assets	39,265	-	5,109	24,898	-	4,901	4,422	746	198	-	79,539
Impairments	-	-	13,208	-	-	-	-	-	366	-	13,574
Loss on disposal of tangible capital assets	986	-	1,180	26	-	56	359	2	-	-	2,609
Gain on disposal of long lived assets	-	-	4,348	-	-	-	-	-	-	-	4,348
Internal charges and transfers	11,192	-	7,274	64,143	121	5,776	3,401	3,901	973	(96,781)	-
Contribution to reserves	2,677	11,285	5,076	82,003	-	275	-	2,750	2,447	(106,513)	-
	177,117	11,285	142,452	230,948	3,431	21,967	17,704	11,145	9,783	(205,867)	419,965
Excess (deficiency) of revenue over expenses	\$ (33,476)	\$ 83,943	\$ (22,789)	\$ (19,077)	\$ (7)	\$ 3,171	\$ 9,000	\$ 1,430	\$ (693)	\$ 2,351	\$ 23,853
Other											
Contributed assets	\$ 2,016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119	\$ -	\$ 60	\$ -	\$ 2,195
Government transfers for capital	27,464	-	-	-	-	12	-	-	1,979	-	29,455
Total other	29,480	-	-	-	-	12	119	-	2,039	-	31,650
Annual surplus (deficit)	\$ (3,996)	\$ 83,943	\$ (22,789)	\$ (19,077)	\$ (7)	\$ 3,183	\$ 9,119	\$ 1,430	\$ 1,346	\$ 2,351	\$ 55,503

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

Consolidated Schedule of Segmented Disclosures (Note 26) Schedule 4

For the year ended December 31, 2020 (in thousands of dollars)

	Tax Supported	Gas Utility	Electric Utility	Utilities Business Development & Support	Water Utility	Sewer Utility	Solid Waste Utility	Invest Medicine Hat	Consolidation Adjustments	2020 Consolidated
Revenue										
Municipal taxes	\$ 76,934	\$ -	\$ -	\$ -	\$ 388	\$ 113	\$ -	\$ -	\$ (4,302)	\$ 73,133
Sales of services	7,579	65,641	132,893	-	21,732	20,484	9,708	5,548	(35,592)	227,993
Investment income	6,805	6,328	799	31	-	-	-	-	-	13,963
Licenses, fines and penalties	4,909	-	-	-	-	-	-	-	-	4,909
Insurance recovery	506	-	256	-	47	-	3	1	-	813
Development levies	374	355	6,233	-	-	-	-	15	-	6,977
Government transfers for operating	12,577	-	-	-	-	-	-	30	-	12,607
Other	9,932	1,114	2,993	404	(11)	(76)	882	795	(3,912)	12,121
Internal recoveries	20,916	206	2,250	3,530	884	18	2,388	2,244	(32,436)	-
Transfer from Utilities and Land	13,860	21,246	-	-	-	-	-	-	(35,106)	-
	154,392	94,890	145,424	3,965	23,040	20,539	12,981	8,633	(111,348)	352,516
Expenses										
Salaries, wages and benefits	86,606	11,786	15,282	2,601	5,564	4,857	2,968	1,952	269	131,885
Contracted and general services	21,402	8,648	10,363	1,162	749	770	2,698	1,304	-	47,096
Materials, goods and utilities	6,233	3,817	12,544	28	1,485	1,801	127	3,813	(2,866)	26,982
Provisions for allowances	695	64	246	-	43	55	21	-	-	1,124
Bank charges and short term interest	247	117	1	-	-	(1)	5	17	-	386
Interest on long-term debt	1,227	546	3,886	-	2,995	2,676	52	-	-	11,382
Total grants and other transfers	5,172	-	-	-	-	-	-	257	-	5,429
Other operating expenses	104	64,916	3,846	-	(3)	44	772	-	-	69,679
Amortization of tangible capital assets	37,606	9,043	23,030	-	4,654	4,159	733	67	-	79,292
Impairments	-	16,946	-	-	-	-	-	241	-	17,187
Loss on disposal of tangible capital assets	889	(26)	10,517	-	7	1	1	-	-	11,389
Gain on disposal of long lived assets	-	(89)	-	-	-	-	-	-	-	(89)
Internal charges and transfers	7,765	10,019	70,039	122	4,893	4,881	5,318	1,610	(104,647)	-
	167,946	125,787	149,754	3,913	20,387	19,243	12,695	9,261	(107,244)	401,742
Excess (deficiency) of revenue over expenses	\$ (13,554)	\$ (30,897)	\$ (4,330)	\$ 52	\$ 2,653	\$ 1,296	\$ 286	\$ (628)	\$ (4,104)	\$ (49,226)
Other										
Contributed assets	\$ 235	\$ -	\$ 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 243
Government transfers for capital	19,449	-	-	-	-	-	-	21	-	19,470
Total other	19,684	-	8	-	-	-	-	21	-	19,713
Annual surplus (deficit)	\$ 6,130	\$ (30,897)	\$ (4,322)	\$ 52	\$ 2,653	\$ 1,296	\$ 286	\$ (607)	\$ (4,104)	\$ (29,513)

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

CONSOLIDATED**Schedule 5**

Schedule of Expenses By Object
For the year ended December 31, 2021
(in thousands of dollars)

	2021 Budget	2021	2020
Expenses			
Salaries, wages and benefits	\$ 131,791	\$ 128,326	\$ 131,885
Contracted and general services	46,147	43,289	47,096
Materials, goods and utilities	35,301	28,562	26,982
Provisions for allowances	404	1,238	1,124
Bank charges and short term interest	674	468	386
Interest on long-term debt	11,479	11,488	11,382
Total grants and other transfers	3,327	5,199	5,429
Other operating expenses (Schedule 5A)	79,047	101,325	69,679
Amortization of tangible capital assets	85,302	79,539	79,292
Impairments	-	13,574	17,187
Loss on disposal of tangible capital assets	-	2,609	11,389
Loss (gain) on disposal of long lived assets	-	4,348	(89)
Total expenses	\$ 393,472	\$ 419,965	\$ 401,742

CONSOLIDATED**Schedule 5A**

Schedule of Other Operating Expenses
For the year ended December 31, 2021
(in thousands of dollars)

	2021 Budget	2021	2020
Other Operating Expenses			
Natural Gas & Oil asset retirement obligation depreciation & accretion	\$ 17,666	\$ 24,171	\$ 29,860
Natural Gas purchases	34,603	55,214	24,492
Natural Gas & Oil surface and mineral leases	9,284	7,779	10,274
Natural Gas & Oil royalties	2,987	470	(495)
Taxes or taxes in lieu	4,701	10,050	3,929
Natural Gas & Oil transportation	2,188	357	1,282
Other	7,618	3,284	337
Total other operating expenses	\$ 79,047	\$ 101,325	\$ 69,679

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The Consolidated Financial Statements of the City of Medicine Hat (the "City") are the representations of management prepared in accordance with Canadian Public Sector Accounting Standards. Significant accounting policies adopted by the City of Medicine Hat are as follows:

(A) BASIS OF CONSOLIDATION

The Consolidated Financial Statements reflect the assets, liabilities, revenues and expenses and changes in net financial debt of the reporting entity. This entity includes all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to City Council for the administration of their financial affairs and resources. They include the following:

1. Municipal Services

Activities associated with the provision of conventional municipal services including General Administrative Services, Invest Medicine Hat, Corporate Services (Finance, Human Resources, Information & Technology and Corporate Communications), Public Services (Emergency Services, Community Development, Parks & Recreation), Strategy, Management & Analysis (Strategy & Analysis, Environment, Land and Government Relations, Planning & Development Services, and Integrated Project Planning & Execution), Energy & Infrastructure (City Operations, Surface and Airport and City Assets, Building and Fleet Services), and Police Service (Police Service and Bylaw Enforcement).

2. Energy/Utility Services

Self-supporting activities, which provide Electricity (Generation, Distribution and Retail), Natural Gas (Production, Distribution, and Marketing), Environmental Utilities (Water, Sewer and Solid Waste) and Utilities Business Development and Support (alternative and renewable energy and environmental education and outreach).

Interdepartmental and organizational transactions and balances are eliminated.

School administration is completely independent of City Council and is subject to control by the Provincial Government pursuant to the provisions of the *School Act*. The only relationship between the School Boards and the City is that the City is obligated to collect and remit funds raised by taxes as determined by the Province.

Cypress View Foundation is completely independent of City Council and is subject to control by the Provincial Government pursuant to the provisions of the *Municipal Government Act* and the *Alberta Housing Act*. The relationship between the Cypress View Foundation and the City is that the City is obligated to collect and remit funds raised by taxes deemed necessary by the Province.

Designated industrial property includes linear property, railway, and specific major plants. Assessment of these property types is carried out separately by the province. The provincial assessor's assessment reflects the specifications and characteristics for these regulated properties and the valuation standard, as outlined in the *Municipal Government Act* regulations.

The Schedule of Municipal Taxes levied includes operating requisitions for the Alberta School Foundation, Catholic Board of Education, and Cypress View Foundation.

The statements exclude trust assets that are administered for the benefit of external parties. A schedule of these trust assets is included in Note 16.

(B) BASIS OF ACCOUNTING

The Consolidated Financial Statements are prepared using the accrual basis of accounting.

1. Revenues

The accrual basis of accounting records revenue as it is earned and measurable. Sales and user fees are accounted for in the period in which the events occurred that gave rise to the revenues.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

Government transfers from senior levels of government are recognized in the financial statements in the period that gives rise to the transfer occurring, providing the transfers are authorized, the City has met any eligible criteria and a reasonable estimate of the amounts can be made.

2. Tax Revenues

Tax revenues are recognized once City Council passes the bylaw approving the current year tax assessment and tax rate. Tax rate categories include: real property taxes (residential and non-residential), linear property taxes and local improvement taxes. Requisitions operating as flow through arrangements are excluded from revenue.

Taxes receivable are measured once the tax rate bylaw is passed. The property owner's share of the improvement is recognized as revenue, and recorded as receivable, in the period that the project expenditures are completed. Taxes receivable are measured at their net realizable value. Net realizable value excludes individually identified taxes in arrears considered uncollectable through the tax recovery process. Taxes received in advance of the next tax year are recorded as a customer credit and liability until the bylaw is passed.

3. Expenses

Expenses are recognized as they are incurred and measurable based on receipt of goods and services and/or the creation of a legal obligation to pay with the exception of pension expenses as disclosed in Note 1F.

(C) INVESTMENTS, LOANS AND ADVANCES

Portfolio investments are comprised of investments in qualifying instruments as defined in the City's Investment Policy #0167. Included in investments are internally managed portfolios consisting of investments in money market instruments and bonds. The City also has external investment portfolios managed by third party investment managers Alberta Investment Management Corporation (AIMCo), Manulife Investment Management, Connor Clark & Lunn, Phillips Hager & North, and Addenda Capital consisting of fixed income securities, Canadian and foreign equities and alternative investments. Investments are recorded at the original cost net of amortized discounts and premiums on a portfolio basis. 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.

Loans and advances result from the City providing financing to other entities that provide services, which benefit the citizens of the City of Medicine Hat. These loans and advances are recorded at amortized costs less any allowances for doubtful accounts using the effective interest rate. Allowances for doubtful accounts are recognized when collection is in doubt and measured at the lower of cost and net recoverable value. Loans and advances are reviewed on an annual basis by management.

(D) INVENTORIES FOR RESALE

Inventories for resale and gas in storage are valued at the lower of cost or net realizable value with cost determined by the average cost method.

(E) LAND AND OTHER ASSETS HELD FOR RESALE

Land and other assets held for resale is recorded at the lower of cost or net realizable value. The cost of land held for resale is determined on a specific item basis.

The cost of land and other assets held for resale includes costs related to land acquisition and improvements required to prepare the land for servicing such as clearing, stripping and levelling charges. Related development costs incurred to provide infrastructure such as water, sewer, gas, electric, roads, sidewalks and street lighting are recorded as tangible capital assets under their respective function.

Land and other assets held for resale also includes disposition of natural gas properties when divestiture by sale is likely. These assets are recorded at the lesser of fair value less costs to sell and their carrying amount, and depletion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

(F) PENSION EXPENSES

The City participates in multi-employer defined benefit pension plans, wherein contributions for current and past service pension benefits are recorded as expenses in the year in which they become due. These plans are accounted for as defined contribution plans.

(G) JOINT VENTURE ACCOUNTING

Some of the City's production activities related to oil and gas are contracted jointly with third parties. These statements reflect only the City's proportionate interest in such activities.

(H) OVER-LEVIES AND UNDER-LEVIES

Over-levies and under-levies arise from the difference between the actual 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. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable. Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

(I) DECOMMISSIONING OBLIGATION

The City's oil and gas production activities give rise to dismantling, decommissioning and site disturbance remediation activities. Provision is made for the estimated cost of abandonment and site restoration and capitalized in the relevant asset category. Decommissioning obligations are measured at the present value of management's best estimate of the expenditure required to settle the present obligation as at the reporting date. Subsequent to the initial measurement, the obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. The increase in the provision due to the passage of time is recognized as accretion whereas the increase/decrease due to changes in the estimated future cash flows or changes in the discount rate are capitalized. Actual costs incurred upon settlement of the decommissioning obligations are charged against the provision to the extent the provision was established.

(J) LANDFILL CLOSURE AND POST-CLOSURE LIABILITY

Pursuant to the *Alberta Environmental Protection and Enhancement Act*, the City is required to fund the closure of its landfill site and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover and landscaping, as well as surface and ground water monitoring, leachate control and visual inspection. This requirement is being provided for over the estimated remaining life of the landfill site based on usage.

(K) NON-FINANCIAL ASSETS

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of goods and 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 excess of revenues over expenses, provides the consolidated change in net financial assets for the year.

1. 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 an asset.

Government contributions for the acquisition of capital assets are recorded as revenue in the Consolidated Statement of Operations and do not reduce the related capital assets costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

Tangible capital assets at cost less residual value are amortized on a straight-line basis over their estimated useful lives as follows:

Land Improvements	4 to 25 years
Buildings	15 to 50 years
Engineered Structures	7 to 75 years
Machinery, Equipment & Furnishings	5 to 25 years
Vehicles	3 to 20 years

Carrying costs directly attributable to the acquisition, construction, development/betterment, excluding interest costs, are capitalized to the point in time the asset is substantially complete and ready for use. Assets under construction are not amortized until the asset is available for use. Interest charges are not capitalized. No assets have been recognized at nominal value.

Donated and Contributed tangible capital assets are recorded at estimated fair market value at the date of contribution and are recorded as revenue.

The City has works of art, museum collections, archives and various cultural and historic treasures that have aesthetic and historic value that are worth preserving perpetually. These items are not recognized in the tangible capital asset records, because a reasonable estimate of the future economic benefit associated with these items cannot be made.

2. Oil & Gas Exploration and Evaluation (E&E) Assets and Property, Plant and Equipment (PP&E)

As the Public Sector Accounting Standards (PSAS) is silent on the treatment of resource properties, to better reflect the operations of the oil and gas properties and to provide more financial transparency, the City has elected to adopt the guidance provided under International Financial Reporting Standards (IFRS).

(i) Exploration and Evaluation (E&E) Assets

Costs incurred prior to acquiring the legal right to explore an area are charged directly to net income.

Costs incurred after the legal right to explore is obtained but before technical feasibility and commercial viability of the area has been established are capitalized as E&E assets. These costs generally include unproved property acquisition costs, geological and geophysical costs, sampling and appraisals, related drilling and completion costs and directly attributable internal costs.

Once an area is determined to be technically feasible and commercially viable the accumulated costs are tested for impairment. The carrying value, net of any impairment, is then reclassified to PP&E as a Developed and Producing (D&P) asset. If an area is determined not to be technically feasible and commercially viable, or the City discontinues its exploration and evaluation activity, any unrecoverable costs are charged to net income.

(ii) Property, Plant and Equipment (PP&E) Assets

Property, plant and equipment, which include oil and gas development and production assets, are measured at cost less accumulated depletion, depreciation and impairment losses. The cost of D&P assets includes transfers from exploration and evaluation assets, the cost to complete and tie-in the wells, facility costs, the cost of recognizing provisions for future restoration and decommissioning geological and geophysical costs, and directly attributable overheads.

D&P assets are grouped into cash generating units (CGU) for impairment testing. The City has grouped its development and production assets into the 10 CGUs. When significant parts of an item of property, plant and equipment, including oil and natural gas interests, have different useful lives, they are accounted for as separate items (major components).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

Gains and losses on disposal of an item of property, plant and equipment, including oil and natural gas interests, are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized in the statement of operations.

(iii) Subsequent Costs

Costs incurred subsequent to the determination of technical feasibility and commercial viability and the costs of replacing parts of property, plant and equipment are recognized as oil and natural gas interests only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures are recognized in net earnings as incurred. Such capitalized oil and natural gas interests generally represent costs incurred in developing proved and/or probable reserves and bringing in or enhancing production from such reserves, and are accumulated on a field or geotechnical area basis. The carrying amount of any replaced or sold component is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in operating expenses as incurred.

(iv) Depletion and Depreciation

The net carrying value of development and production assets is depleted using the unit of production method by reference to the ratio of production in the period to the related total proved and probable reserves, taking into account estimated future development costs necessary to bring those reserves into production and the estimated salvage value of the assets at the end of their useful lives. Future development costs are estimated taking into account the level of development required to produce the reserves.

Proved and probable reserves are reviewed every year. The review is conducted by internally qualified reserve evaluators who follow and attest to the Canadian Oil and Gas Evaluation Handbook (COGE) process. The evaluation process represents the estimated quantities of crude oil, natural gas and natural gas liquids, which geological, geophysical and engineering data demonstrate with a specified degree of certainty to be recoverable in future years from known reservoirs and which are considered commercially producible.

(v) Impairment

E&E Assets:

E&E assets are tested for impairment when indicators of impairment exist or when technical feasibility and commercial viability are established and the assets are reclassified to PP&E. The impairment test compares the E&E assets' carrying value to their recoverable amount plus any excess recoverable amounts on D&P assets. E&E assets that are determined not to be technically feasible and commercially viable are charged to net income.

PP&E:

The carrying amounts of the City's oil & gas related non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For the purpose of impairment testing, assets are grouped into cash generating units (CGU), the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. The recoverable amount of an asset or a CGU is the greater of its value in use or its fair value less cost to sell.

Fair value less cost to sell is determined as the amount that would be obtained from the sale of a CGU in an arm's length transaction between knowledgeable and willing parties. The fair value less cost to sell of oil and gas assets is generally determined as the net present value of the estimated future cash flows expected to arise from the continued use of the CGU, including any expansion prospects, and its eventual disposal, using assumptions that an independent market participant may take into account. These cash flows are discounted by an appropriate discount rate, which would be applied by such a market participant to arrive at a net present value of the CGU.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

Value in use is determined as the net present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. Value in use is determined by applying assumptions specific to the City's continued use and can only take into account approved future development costs. Estimates of future cash flows used in the evaluation of impairment of assets are made using management's forecasts of commodity prices and expected production volumes. The latter takes into account assessments of field reservoir performance and includes expectations about proven and unproven volumes, which are risk-weighted utilizing geological, production, recovery and economic projections.

An impairment loss is recognized if the carrying amount of a CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of operations. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Reversals of impairments are recognized when factors or circumstances that triggered the original impairment have changed. Impairments can only be reversed in future periods up to the carrying amount that would have been determined, net of depletion and depreciation, had no impairment losses been previously recognized. Goodwill impairments are not reversed.

(L) USE OF ESTIMATES AND JUDGEMENT

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Significant areas requiring the use of management estimates relate to the determination of employee benefit plans, allowance for doubtful accounts, provision for contingencies, deferred land charges, contaminated sites, and prior year tangible capital asset historical costs and related amortization or impairment.

The City uses significant estimates with regards to the accounting for its operations. Significant estimates related to those operations are outlined below.

1. Gas Utility

Amounts recorded for depletion and depreciation and amounts used for impairment calculations are based on estimates of oil and natural gas reserves and future prices and costs required to develop those reserves. The estimates of reserves are subject to measurement uncertainty including estimates of future prices, costs, discount rates and related cash flows. The impact of this measurement uncertainty could be material to the financial statements in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

Amounts recorded for decommissioning obligations and the related accretion expense requires the use of estimates with respect to the amount and timing of decommissioning expenditures. Other provisions are recognized in the period when it becomes probable that there will be a future cash outflow.

IFRS requires that the City's oil and gas assets be aggregated into cash generating units, based on their ability to generate largely independent cash flows, which are used to assess the assets for impairment. The determination of the City's cash generating units is subject to management's judgment.

Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

2. Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into the air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. Net costs to remediate include, but are not limited to: assessment costs, maintenance and monitoring costs, and internal and external direct operating and/or capital costs relating to remediation and/or reclamation.

Amounts recorded for remediation efforts on contaminated sites are based on estimates of costs required to assess and risk manage or remediate. The cost, prediction, and timing of future outflow estimates are based on a combination of in house expertise, judgment and assumptions, past experience, and external quotes and are subject to measurement uncertainty. The recognition of the liability assumes the City is responsible or accepts responsibility for the contamination and that it will incur future costs to remediate. The impact of this measurement uncertainty could be material to the financial statements in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

Liabilities for contaminated sites are included in other long-term liabilities in the Consolidated Statement of Financial Position (Note 12C).

(M) FUTURE ACCOUNTING CHANGES

1. Financial Instruments, Foreign Currency Translation and Financial Statement Presentation

PS 1201 comes into effect for fiscal years beginning on or after April 1, 2022. This includes adoption of PS 3450 Financial Instruments, PS 2601 Foreign Currency Translation, PS 1201 Financial Statement Presentation, and PS 3041 Portfolio Investments. While early adoption is permitted, all four of the standards must be adopted in the same year.

PS 3450 provides guidance on the recognition, measurement, presentation and disclosure of financial instruments including derivative instruments. The standard requires fair value measurements of derivative instruments and equity instruments; all other financial instruments can be measured at either cost or fair value depending upon elections made by the City. Unrealized gains and losses will be presented on the new statement of re-measurement gains and losses arising from the adoption of PS 1201. There will also be a requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for de-recognition of financial liabilities.

PS 2601 Foreign Currency Translation establishes guidance on the recognition, measurement, presentation and disclosure of assets and liabilities denominated in foreign currencies. The Section requires monetary assets and liabilities, denominated in a foreign currency and non-monetary items at fair value denominated in a foreign currency to be adjusted to reflect the exchange rates in effect at the financial statement date. The resulting unrealized gains and losses are to be presented in the new statement of re-measurement gains and losses.

PS 1201 Financial Statement Presentation includes the addition of a new statement outlining re-measurement gains and losses. This new statement will include the unrealized gains and losses arising from the re-measurement of financial instruments and items denominated in foreign currency.

The City has not yet adopted these sections or determined the effect on the Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

2. Portfolio Investments

PS 3041 comes into effect for fiscal years beginning on or after April 1, 2022. Early adoption is permitted, however this section must be adopted at the same time as PS Section 2601 and PS Section 3450. This section is to be adopted prospectively. This section replaces the existing PS Section 3040 Portfolio Investments. The new sections provide for the removal of the distinction between temporary and portfolio investments, with the implication that when temporary investments are not cash equivalents they are accounted for as portfolio investments. This section was amended to conform to Financial Instruments (PS 3450) and now includes pooled investments. This entails an examination of the rights associated with units within a pooled investment fund, rather than the funds underlying the investment. The City has not yet adopted these sections or determined the effect on the Financial Statements.

3. Asset Retirement Obligations

PS approved PS 3280, which comes into effect for fiscal years beginning on or after April 1, 2022. PS 3280 provides guidance on when to recognize, how to calculate, and what to disclose for all asset retirement obligations. Asset retirement obligations occur, if an entity chooses to discontinue use of its tangible capital asset and must incur a cash outlay to do so. This section is to be adopted prospectively. The City has not yet adopted this section or determined the effect on the Financial Statements.

4. Revenue

PS approved PS 3400, which comes into effect for fiscal years beginning on or after April 1, 2023. PS 3400 provides guidance on when to recognize revenue arising from exchange transactions and from unilateral transactions. This section is to be adopted retroactively or prospectively. The City has not yet adopted this section or determined the effect on the Financial Statements.

5. Public Private Partnerships

The Canadian Public Sector Accounting Board approved PS 3160, which comes into effect for fiscal years beginning on or after April 1, 2023. PS 3160 provides standards for the recognition, measurement, presentation, and disclosure of infrastructure procured through certain types of public private partnership arrangements. This section is to be adopted retroactively with or without prior period restatement. The City has not yet adopted this section or determined the effect on the Financial Statements.

6. Purchased Intangibles

The Canadian Public Sector Accounting Board issued a new guideline PSG 8, which comes into effect for fiscal years beginning on or after April 1, 2023. PSG 8 provides guidance on recognizing purchased intangibles in financial statements. This section is to be adopted retroactively with or without prior period restatement. The City has not yet adopted this section or determined the effect on the Financial Statements.

(N) ADOPTION OF NEW ACCOUNTING STANDARDS

No new accounting standards were adopted in the year ended December 31, 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

NOTE 2: CASH AND CASH EQUIVALENTS

	2021	2020
Cash	\$ 37,250	\$ 38,772
Designated assets	30,754	24,052
TOTAL	\$ 68,004	\$ 62,824

Designated assets represent restricted amounts aggregating \$30,754 (2020 - \$24,052) for programs including the Municipal Sustainability Initiative (MSI) Capital Fund Program, Federal Gas Tax Fund (GTF), and Alberta Community Resilience Program (ACRP) for overland flooding, are held exclusively for eligible capital projects.

NOTE 3: ACCOUNTS RECEIVABLE, net of allowances

(A) TAXES AND BUSINESS IMPROVEMENTS LEVIES RECEIVABLE

	2021	2020
Current Taxes Receivable	\$ 5,683	\$ 8,620
City Centre Development Agency	3	54
Less: Allowance for Tax Adjustments	-	(2)
SUB-TOTAL	\$ 5,686	\$ 8,672

(B) ACCOUNTS RECEIVABLE

	2021	2020
Trade Accounts Receivable	\$ 74,992	\$ 40,201
Less: Allowance for Doubtful Accounts	(2,127)	(1,466)
SUB-TOTAL	\$ 72,865	\$ 38,735
TOTAL	\$ 78,551	\$ 47,407

Each year an analysis of the accounts receivable accounts are undertaken to identify accounts that are considered uncollectible. An account is deemed uncollectible when all collection avenues have been exhausted or a customer is in receivership or bankruptcy. In some cases, a judgement through Alberta Small Claims Court has been rewarded with no ability to collect. Every effort is made to collect monies and procedures are reviewed to streamline the billing and collection options.

The accounts receivable written off was \$188 (2020 - \$420); the tax receivable written off was \$16 (2020 - \$3). The increase in the trade accounts receivables of \$31.1M from 2020 is primarily related to higher receivables for Electric sales to the power pool and federal grants not yet received (Investing in Canada Infrastructure Program, Municipal Sustainability Initiative - Capital, and Airport Capital Assistance Program).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

NOTE 4: INVESTMENTS, LOANS AND ADVANCES

	2021		2020	
	Cost	Market Value	Cost	Market Value
Federal Government and Agencies	\$ 6,609	\$ 8,177	\$ 13,166	\$ 19,299
Provincial Government and Agencies	-	-	25,000	25,000
Managed Portfolio Funds	444,263	442,900	255,312	260,217
Canadian Banks	54,756	54,756	119,698	110,528
Others	1,496	1,496	1,605	1,619
TOTAL	\$ 507,124	\$ 507,329	\$ 414,781	\$ 416,663

These investments include both internally and externally managed funds. The internally managed funds are invested in high interest savings accounts and fixed income investments recorded at cost with interest rates from 0.15 percent to 8.0 percent (2020 - 0.29 percent to 8.0 percent) and mature in periods 2022 through 2031 (2020 - 2021 through 2031). The investments have an average expected yield of 1.11 (2020 - 2.11) percent and an average term of 1.16 (2020 - 0.50) years to maturity. The managed portfolio funds are externally managed by Alberta Investment Management Corporation (AIMCo), Manulife Investment Management, Connor Clark & Lunn, Phillips Hager & North, and Addenda Capital. These investments are recorded at cost and consist of fixed income securities, Canadian and foreign equities and alternative investments.

The amounts categorized as others in investments, loans and advances includes \$1,137 (2020 - \$1,164) of prepayment security from Rainbow Energy Marketing Corporation, which forms part of a 2017 energy purchase agreement between the City of Medicine Hat and Rainbow Energy Marketing Corporation, as well as loans receivables of \$359 (2020 - \$441). No allowance for doubtful accounts has been recognized on the loans receivables. The following table provides details of the loans receivable.

	2021			2020			Original Loan	Term (Years)	Year Loaned	Interest Rate
	Balance	Valuation Allowance ¹	Principal Payments	Balance	Valuation Allowance ¹	Principal Payments				
SALTA Gymnastics Club	\$ 14	\$ 1	\$ 7	\$ 21	\$ 2	\$ 7	\$ 150	20	2003	4.27%
Medicine Hat YMCA	238	27	35	259	41	-	500	20	2003	6.00%
City Centre Development Authority	-	-	60	56	4	20	200	11	2011	5.50%
Medicine Hat Curling Club	107	-	-	105	2	9	140	15	2016	2.25%
SUB-TOTAL	\$ 359	\$ 28	\$ 102	\$ 441	\$ 49	\$ 36				

¹ Valuation Allowances relates to interest free loans and represents the amount of interest implicit in the loan payments if it were interest bearing

NOTE 5: LAND AND OTHER ASSETS HELD FOR RESALE

Land and other assets held for sale includes \$10,653 of developed properties held for sale (2020 - \$4,787).

Land and other assets held for sale also includes \$nil of oil and gas properties held for sale (2020 - \$30,450). In 2020, the City entered into an agreement to divest of certain oil and natural gas assets. These assets represented 14.89% of annual production. The transaction closed on February 1, 2021.

In 2020, the assets and related liabilities were classified as assets held for sale and recorded at the lesser of fair value less costs to sell and their carrying amount, and depletion. The liabilities classified as held for sale represents the asset retirement obligation associated with this disposition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

NOTE 6: INVENTORIES FOR RESALE

	2021	2020
Gas Inventory	\$ -	\$ 1
Concessions	140	113
TOTAL	\$ 140	\$ 114

NOTE 7: DEPOSITS

	2021	2020
Postage	\$ 16	\$ 35
Refundable Containers	34	28
Gas Operating Deposits	2,537	3,023
Supply Transmission Deposit	1,338	-
Gas Royalty Deposits	18	8
TOTAL	\$ 3,943	\$ 3,094

NOTE 8: ACCRUED LIABILITIES

	2021	2020
Wages and Salaries	\$ 5,586	\$ 5,720
Vacation Pay	6,817	6,806
Interest on Long-Term Debt	1,760	1,786
Deferred Charges	769	528
Royalties	42	53
Other Liabilities	7,126	19,333
TOTAL	\$ 22,100	\$ 34,226

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

NOTE 9: DEFERRED REVENUE & GOVERNMENT TRANSFERS

(A) DEFERRED REVENUE

	Balance 2020	Additions 2021	Reductions 2021	Balance 2021
Deposits	\$ 10,459	\$ 575	\$ 356	\$ 10,678
Deferred Revenue	4,120	2,351	2,294	4,177
Alberta Community Partnership	83	24	107	-
Alberta Community Resilience Grant	3,899	46	3,207	738
Alberta Transportation – Safety Fund	2	-	2	-
Alberta Transportation – Highway 3 Shuttle	181	1	182	-
All Hazards Incident Management Team (AHIMT) Grant	81	51	8	124
Bell West	10	-	-	10
Community Warmth Deposits	-	4	2	2
Federal Gas Tax Fund	7,974	7,516	1,402	14,088
Municipal Stimulus Program (MSP) - COVID-19	2,776	4,677	6,523	930
Municipal Sustainability Initiative - Capital	8,900	28,580	7,209	30,271
Municipal Sustainability Initiative - Operating	155	551	228	478
Pitch Trust	2	-	-	2
TOTAL	38,642	44,376	21,520	61,498

Funds from Alberta Community Resilience Grant, All Hazards Incident Management Team Grant, Federal Gas Tax Fund, Municipal Stimulus Program, and Municipal Sustainability Initiative are restricted to eligible capital projects as approved under the funding agreement. Unexpended funds related to the advances are supported by cash and cash equivalents (Note 2) of \$30,754 (2020 - \$24,052) held exclusively for these projects. Included in deferred revenue for Municipal Sustainability Initiative – Capital is \$15,875 (2020 - \$nil) of funds not yet received.

(B) GOVERNMENT TRANSFERS

Major government transfers recognized by the City during the year were: Family and Community Support Services (used for not for profit organizations providing social services), Municipal Sustainability Initiative Capital Grant (used primarily for rehabilitation of road and storm sewer infrastructure and rehabilitation of various administrative buildings and public facilities), Municipal Sustainability Initiative Operating Grant (used primarily for sidewalk maintenance and bridge maintenance), Municipal Policing Assistance and Police Officer grant (used to support police services), Federal Gas Tax Grant (used primarily for bridge infrastructure upgrades and recreation infrastructure), Alberta Community Resilience Program (used for flood protection) and Municipal Stimulus Program & Investing in Canada Infrastructure Program (used to promote economic development, tourism, and stimulate the economy).

NOTE 10: SHORT-TERM DEBT

A combined Municipal Operating Loan Facility (Revolving) and Letter of Credit Facility are available to the City up to a maximum of \$50 million, by way of prime rate based loans and/or Letters of Credit (in Canadian dollars). This facility is secured by Bylaw No. 4230.

At December 31, 2021, there were Letters of Credit issued in the amount of \$46,960 (2020 – \$46,960) and a Municipal Operating Loan Facility of \$3,040 (2020 - \$3,040).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

NOTE 11: LONG-TERM DEBT

(A)

	2021	2020
Tax Supported	\$ 34,387	\$ 36,928
Utilities Rate Supported		
- Electric	145,750	145,361
- Gas	36,245	15,659
- Water	93,572	91,118
- Sewer	95,085	85,532
- Solid Waste	1,277	1,474
Total Utilities	371,929	339,144
TOTAL DEBT	\$ 406,316	\$ 376,072
Comprised of:		
- Province of Alberta (formerly Alberta Capital Finance Authority)	\$ 386,316	\$ 376,072
- Other Long Term-Debt	20,000	-
TOTAL DEBT	\$ 406,316	\$ 376,072

(B) Expected future principal and interest payments are as follows:

	Principal	Interest
2022	29,477	12,189
2023	27,801	11,161
2024	25,354	10,215
2025	22,911	9,395
2026	22,805	8,633
2027-2052	277,968	57,208
TOTAL	\$ 406,316	\$ 108,801

The debentures have interest payable at rates ranging from 1.088 percent to 6.75 percent (2020 - 1.088 percent to 6.75 percent) per annum before Provincial Subsidy, and mature in periods 2022 through 2050 (2020 - 2021 through 2049). The average annual interest rate for 2021 is 3.80 (2020 - 3.81) percent. For qualifying debentures, the Province of Alberta rebates 60 percent of interest in excess of 8 percent, 9 percent, and 11 percent to a maximum annual rate of 12.5 percent depending on the date borrowed. Debenture debt is issued on the credit and security of the City of Medicine Hat.

Interest on long-term debt paid in 2021 was \$11,488 (2020 - \$11,382).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

(C) DEBT PER CAPITA

(not in thousands of dollars)

	2021	2020
Tax Supported Debentures	\$ 543	\$ 584
Rate Supported Debentures	5,878	5,361
TOTAL	\$ 6,421	\$ 5,945

Debt per capita is based on the official census of 63,271 for 2021 (63,260 for 2020) for the City of Medicine Hat.

- (D) The Minister of Municipal Affairs has prescribed total debt and debt servicing limits for municipalities in the province. The debt limit is calculated based upon 2.0 times revenue, and the debt servicing limit is based upon 0.35 times revenue. Included in the Actual Debt calculation are loans outstanding as well as Loan Guarantees and Letters of Credit issued.

	2021	2020
Debt Limit	\$ 887,636	\$ 705,032
Loan Guarantees (Note 11 E)	1,740	1,740
Letters of Credit Issued (Note 10)	46,960	46,960
Actual Total Debt	406,316	376,072
AMOUNT UNDER LIMIT	\$ 432,620	\$ 280,260

Debt Servicing Limit	\$ 155,336	\$ 123,381
Actual Debt Servicing (Long and Short-Term Debt)	39,224	37,518
AMOUNT UNDER LIMIT	\$ 116,112	\$ 85,863

(E) LOAN GUARANTEES

Section 266 of the Municipal Government Act allows municipalities to guarantee the repayment of a loan between a lender and a non-profit organization or one of its controlled corporations. The City of Medicine Hat has passed the following Bylaws guaranteeing loans to non-profit organizations to a maximum of \$1,740 (2020 - \$1,740).

Bylaw Number	Bylaw Passed by City Council	Guarantee	2021 Maximum Loan Amount	2021 Balance	2020 Maximum Loan Amount	2020 Balance
Bylaw 4187	September 3, 2013	Connaught Golf & Country Club	965	702	965	746
Bylaw 4138	November 6, 2012	Medicine Hat Golf & Country Club	675	473	675	504
Bylaw 4436	June 20, 2017	Medicine Hat Golf & Country Club	100	69	100	79
TOTAL			\$ 1,740	\$ 1,244	\$ 1,740	\$ 1,329

The Loan Guarantees identified above are at various interest rates with a maximum repayment term of 20 years (2020 – 20 years). All loans are in good standing at December 31, 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

NOTE 12: OTHER LONG-TERM LIABILITIES

(A)

	2021	2020
Offsite Contributions	\$ 17,714	\$ 17,256
Asset Retirement Obligation - Gas and Oil Properties	274,204	256,534
Risk Management	232	-
Contaminated Sites - Abandonment & Restoration	310	292
Sanitary Landfill - Site Abandonment and Restoration	3,939	5,663
Deferred Charges	1,486	1,602
Employee Retirement Benefits Liability (Note 19)	6,927	6,376
TOTAL	\$ 304,812	\$ 287,723

(B)

At December 31, 2021, the estimated undiscounted cash flows, prior to any current year cost change estimates, required to settle the decommissioning obligations with respect to the Gas Utility were \$244,130 (2020 - \$274,419), calculated using an inflation rate of 1.74 (2020 - 1.67) percent per annum. The estimated fair value of this liability was \$274,204 (2020 - \$256,534) after discounting the estimated cash flows at a rate of 4.71 (2020 - 4.47) percent. At December 31, 2021, the expected timing of payment for settlement of the obligations ranges from 1 to 15 years (2020 - 1 to 15 years). The City has not designated assets for settling decommissioning obligations.

During the year ended December 31, 2021, the City accelerated the abandonment of certain wells and compressors which expedited the abandonment time frame from 10 years to 1 year. A total of \$15,129 (2020 - \$12,395) was incurred to settle the obligations. \$8,739 (2020 - \$7,863) was charged to operating expenses as a result of accelerating the timeline on the abandonment program, resulting in a net reduction of \$6,390 (2020 - \$4,532) related to decommissioning liabilities.

In May 2020, the Government of Alberta announced the Site Rehabilitation Program ("SRP") whereby qualified contractors (the "Contractors") could apply for grants to assist with the abandonment and reclamation activities of upstream oil and gas wells, pipelines and associated facilities. The Government of Saskatchewan announced a similar program called the Accelerated Site Closure Program ("ASCP"). These government programs provide grant funding to successful Contractors in the oil and gas field services sector who have entered into, and comply with, an oil and gas field service contract with a qualifying energy company. The funding is provided directly to the Contractors by the provincial governments.

As work is completed, the contractors submit invoices to the provincial governments for reimbursement for the pre-approved funding amounts. The City of Medicine Hat recognizes the assistance once the abandonment, remediation and reclamation work has been completed by the contractor. The benefit of the funding received by the contractor will be reflected as a reduction of the asset retirement obligation and as a conditional government grant transfer.

(C)

At December 31, 2021 the estimated undiscounted cash flows required to settle the contaminated sites were \$315 (2020 - \$295), calculated using an inflation rate of 1.74 (2020 - 1.67) per cent per annum. The estimated fair value of this liability was \$310 (2020 - \$292) after discounting the estimated cash flows at a rate of 1.68 (2020 - 1.44) per cent. The amount of anticipated recoveries included in this estimate is \$0 (2020 - \$0). The City has not designated assets for settling decommissioning obligations. The change in estimated cash flows required from 2020 to 2021, relates to the Industrial Berm site where the City is required to monitor groundwater, and develop a Remedial Action Plan (RAP). In 2021, the estimated cash flows were higher than 2020.

The sources of the contamination for which the liability has been recorded include: one site where where underground storage tanks have leaked, and two sites where polycyclic aromatic hydrocarbons (PAHs) and petroleum hydrocarbons (PHCs) exceeded the remediation guidelines. At December 31, 2021, the expected timing of payment for settlement of the obligations ranges from 1 to 10 years (2020 - 1 to 10 years).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

Operational sites which are still being used productively (Water Treatment Plant, Power Plant, Airport, fuelling stations) will be revaluated annually to determine if a decommissioning obligation is required. Factors which would require a decommissioning liability include, but are not limited to: a communicated plan to decommission, technological improvements, legislation changes and the ability to sell or rent the operations to a third party.

Additional sites where liabilities have not been recognized as estimated costs to clean up the site are not readily available or obtainable through analysis of historical or similar operations include: three snow dump sites; a site where hydrocarbon values exceed Alberta Tier 1 guideline; a site where the soil lead impacts exceed current guidelines; a former electric transformer repair building, where old tanks and barrels/drums could potentially contain polychlorinated biphenyl (PCBs); a compost facility near the Landfill; a former shooting range, where there is potential soil and groundwater contamination; a site where hydrocarbon and metals contamination exceeds guidelines. This site had been leased to a third party and is now vacant and not being utilized for a productive purpose. It was recommended that the City of Medicine Hat monitor the site until more information is revealed about the extent of such costs. There were no new sites added in 2021.

- (D) The accrued liability for closure and post closure costs of the City's Landfill is recognized over the life of the cells, using the net present value of the total estimated costs of closure and post closure care, prorated on the basis of the current air space utilized (in cubic meters), over the total estimated air space of the site. The net present value of the estimated closure and post closure costs was calculated using a rate of return equal to 3.46 (2020 – 2.41) percent assuming inflation of 1.74 (2020 – 1.67) percent.
- (E) The following summarizes the total net present value for the estimated costs of Sanitary Landfill closure and post closure care:

	2021	2020
Estimated Site Capacity m ³ (000's)	4,635	4,635
Estimated Capacity used m ³ (000's)	3,051	2,985
Estimated Capacity remaining m³ (000's)	1,584 34.2%	1,650 35.6%
Estimated Closure Costs	\$ 9,360	\$ 9,360
Estimated Post Closure Costs	3,543	3,543
Estimated Total Costs	12,903	12,903
Portion of Total Liability remaining to be recognized	8,964	7,240
ACCRUED LIABILITY PORTION	\$ 3,939 30.5%	\$ 5,663 43.9%

The total capacity of the site is estimated at 4,635,000 cubic meters. The estimated remaining capacity of the landfill site is 1,584,000 (2020 – 1,650,000) cubic meters. The existing landfill site is expected to reach capacity in approximately the year 2056 (35 years). The City has not designated assets for settling closure or post closure liabilities.

NOTE 13: LAND HELD FOR FUTURE DEVELOPMENT

Land held for future development consists of costs relating to the acquisition and development of land the City plans to subdivide and sell in future years. Land included in this category is still in the planning and development stage and is not expected to be sold in the short-term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

NOTE 14: TANGIBLE CAPITAL ASSETS

	2021 Net Book Value	2020 Net Book Value
Land	\$ 48,399	\$ 48,399
Land Improvements	92,606	78,732
Buildings	257,599	258,823
Engineering Structures	865,574	847,286
Gas and Oil Properties	34,742	27,089
Machinery, Equipment and Furnishings	66,135	69,382
Vehicles	24,128	27,237
TOTAL	\$ 1,389,183	\$ 1,356,948

The net book value of capital assets currently under construction and not being amortized increased by \$10,308 (2020 – increase by \$3,798). Contributed capital assets received and recognized in the year from developers for various infrastructure works and related land and parks, and recorded on the consolidated financial statements is \$2,195 (2020 - \$243). 2021 contributed capital assets relate primarily to leasehold improvements from the local golf courses.

In 2021, the City did not capitalize any interest. The City did recognize an impairment of \$13,574 (2020 - \$17,187), which primarily relates to the oil and gas assets as a result of the continually declining current and forward market commodity price for natural gas and oil.

NOTE 15: ACCUMULATED SURPLUS

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

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	Total 2021	Total 2020
Balance, beginning of year	\$ 72,627	\$ 184,303	\$ 980,876	\$ 1,237,806	\$ 1,267,319
Annual surplus (deficit)	55,503	-	-	55,503	(29,513)
Unrestricted funds designated for future use	(130,037)	130,037	-	-	-
Restricted funds used for operations	61,413	(61,413)	-	-	-
Funded tangible capital assets	(43,554)	-	43,554	-	-
Contributed tangible capital assets	(2,195)	-	2,195	-	-
Disposal of tangible capital assets	3,096	-	(3,096)	-	-
Impairment	(11,180)	-	11,180	-	-
Annual amortization expense	79,539	-	(79,539)	-	-
Long term debt repaid	(27,697)	-	27,697	-	-
BALANCE, END OF YEAR	\$ 57,515	\$ 252,927	\$ 982,867	\$ 1,293,309	\$ 1,237,806

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

1. Unrestricted Surplus

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

UNRESTRICTED SURPLUS (DEFICIT)	2021	2020
General Government	\$ 11,869	\$ 11,350
Utilities Business Development & Support	316	323
Gas	(1,973)	7,848
Electric	(10,682)	7,100
Water	18,439	15,834
Sewer	6,296	(2,577)
Solid Waste	11,890	10,496
Invest Medicine Hat	21,360	22,253
TOTAL	\$ 57,515	\$ 72,627

2. Restricted Surplus

The City of Medicine Hat developed a new Financial Reserve Policy #0168 and a Distributable Funds/Dividend Policy #0169, which were adopted by Council on December 21, 2020.

The intention of the policies are to promote strong financial leadership and planning and to ensure long term sustainability of the Corporation. The policies ensure earnings are retained at a level to account for all administration, operation, sustaining capital and maintenance costs of existing equipment required to provide the current level of service in each business unit. As well, the policies ensure that distributable funds (free cash flow) are provided to fund financial reserves (operating and capital) for financing future growth capital and future asset retirement obligations, supporting asset management planning, and planning for operational contingencies.

The Financial Reserve Policy collapsed existing reserves to create three financial reserves:

- The Operating Reserve Fund is to stabilize fluctuations in operating activity and to address the risk of revenue or expenditure volatility.
- The Capital Reserve Fund is to maintain adequate capital to fund the City's Growth Capital requirements and Asset Retirement Obligations (ARO).
- The Heritage Savings Reserve Fund is to provide an endowment fund for the benefit of the citizens of the City.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

The distributable funds/dividends are allocated in a tiered priority to the various reserves in accordance with the Financial Reserve Policy.

RESTRICTED SURPLUS - RESERVES	Balance 2020	2021 Additions	2021 Reductions	Balance 2021
Operating	\$ 40,510	\$ 5,179	\$ 9,867	\$ 35,822
Capital	93,968	114,053	51,546	156,475
Heritage Savings	49,825	10,805	-	60,630
TOTAL	\$ 184,303	\$ 130,037	\$ 61,413	\$ 252,927

3. Equity in Tangible Capital Assets

EQUITY IN TANGIBLE CAPITAL ASSETS	2021	2020
Tangible capital assets (Schedule 1)	\$ 2,925,265	\$ 2,831,676
Accumulated amortization (Schedule 1)	(1,536,082)	(1,474,728)
Long-term debt (Note 11)	(406,316)	(376,072)
TOTAL	\$ 982,867	\$ 980,876

NOTE 16: TRUST FUNDS

Funds held in trust are monies received and held on behalf of third parties. These monies are maintained, invested and accounted for in accordance with the terms of the trust arrangements. Trust investments are held in temporary investments in money market instruments such as term deposits, treasury bills, and commercial paper. Investments are recorded at the lower of original cost or market value.

The cost of these investments at December 31, 2021 are \$1,703 (2020 - \$1,759). Trust investments and liabilities are not included in the City's financial statements.

A summary of Trust fund activities by the City of Medicine Hat are as follows:

	Balance 2020	Additions	Interest Earned	Funds Released	Balance 2021
Cemetery - Perpetual Care	\$ 1,759	\$ 202	\$ 12	\$ 270	\$ 1,703
TOTAL TRUST FUNDS	\$ 1,759	\$ 202	\$ 12	\$ 270	\$ 1,703

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

NOTE 17: SALARY AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for municipal officials, the Chief Administrative Officer (CAO), and designated officers as required by provincial regulation 313/2000 is as follows:

	2021 Salary ¹	2021 Benefits & Allowances ²	Total 2021	2020 Salary ¹	2020 Benefits & Allowances ²	Total 2020
Mayor Ted Clugston	\$ 116	\$ 20	\$ 136	\$ 133	\$ 25	\$ 158
Mayor Linnse Clark	17	5	22	-	-	-
Councillor:						
Dumanowski, R	44	12	56	44	12	56
Hirsch, D	43	10	53	43	9	52
Knodel, A	6	1	7	-	-	-
Hider, C	6	2	8	-	-	-
Robins, R	6	2	8	-	-	-
Sharps, S	6	2	8	-	-	-
Van Dyke, A	6	1	7	-	-	-
McGrogan, A	6	2	8	-	-	-
Friesen, J	39	8	47	44	13	57
Mcintosh, J	38	10	48	43	11	54
Samraj, K	39	8	47	44	10	54
Turnbull, P	38	7	45	43	9	52
Turner, J	34	3	37	43	9	52
Varga, B	39	10	49	43	9	52
Chief Administrative Officer (CAO)	347	33	380	347	32	379
Designated Officers (8 in 2021; 7 in 2020)	1,542	256	1,798	1,362	215	1,577

¹ Salary includes regular base pay and vacation payouts.

² Benefits and Allowances includes employer's share of all employee benefits and contributions or payments made on behalf of employees (where applicable) including retirement pension, Canada Pension Plan, Employment Insurance, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short-term disability plans, expense allowances, car allowances, per diem payments, gross honoraria, travel allowances and professional memberships and tuitions.

NOTE 18: LOCAL AUTHORITIES AND SPECIAL FORCES PENSION PLANS

Employees of the City of Medicine Hat, with the exception of Police Officers, participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the *Public Sector Pension Plans Act*. LAPP serves 275,863 in 2020 (274,151 in 2019) and 433 in 2020 (420 in 2019). The Police Officers are members of the Special Forces Pension Plan (SFPP) and serves 7,538 in 2020 (7,506 in 2019) and 7 employers (2019 – 7). The Plans are financed by employer and employee contributions and investment earnings of the LAPP and SFPP Fund.

During 2021, the City of Medicine Hat was required to make current service contributions to the Local Authorities Pension Plan of 9.39 percent (2020 – 9.39 percent) of pensionable earnings up to the Canada Pension Plan Year's Maximum Pensionable Earnings and 13.84 percent (2020 – 13.84 percent) for the excess. With regard to the Special Forces Pension Plan, the City of Medicine Hat was required to make service contributions of 14.55 percent (2020 - 14.55).

Total current service contributions by the City of Medicine Hat to LAPP and SFPP in 2021 were \$10,726 (2020 - \$11,114). Total current service contributions by the employees for 2021 were \$9,775 (2020 - \$10,135).

At December 31, 2020 LAPP disclosed an actuarial surplus of \$5.0 billion (2019 - surplus of \$7.9 billion).

At December 31, 2020 SFPP disclosed an actuarial surplus of \$9.7 million (2019 – surplus of \$184.6 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

NOTE 19: EMPLOYEE BENEFIT OBLIGATIONS

The City has a defined benefit life insurance plan covering substantially all of its employees. The plan is unfunded. In 2020, an actuarial accounting valuation for the plan was performed for the year ended December 31, 2020 with a projection for 2021. The valuation gave rise to an actuarial loss, which is being amortized beginning in 2021 resulting in an unamortized balance of \$1,805 (2020 - \$2,002). Information about the plan is as follows:

	2021	2020
Accrued Benefit Obligation		
Balance, Beginning of Year	\$ 6,376	\$ 6,109
Current Service Cost	278	177
Interest Cost	236	245
Benefits Paid	(160)	(155)
Amortization of net actuarial loss	197	-
BALANCE, END OF YEAR	\$ 6,927	\$ 6,376

The significant actuarial assumptions adopted in measuring the City's accrued benefit obligation are as follows:

	2021	2020
Discount Rate	2.80%	2.80%
Rate of Compensation Increases	3.00%	3.00%
Expected Average Remaining Service Life	10.12 years	7.84 years

NOTE 20: OPERATING COMMITMENTS

The City of Medicine Hat is committed to purchase natural gas and electrical energy under existing purchase contracts. The commitment for 2021 was \$19,145 (Gas) and \$9,588 (Electric) (2020 - \$13,661 and \$8,251 respectively).

NOTE 21: OPERATING BUDGET

Operating budget data presented in these consolidated financial statements are based upon the 2021 operating budget approved by Council. Adjustments to budgeted values were required to provide a comparative budget value based on the full accrual basis of accounting and reconciles the approved operating budget with the budget figures as presented in these consolidated statements. Note 22 provides the approved capital budget for 2021.

	2021 Budget
Revenue	
Approved operating budgets	\$ 436,405
Adjustments	(78,938)
	357,467
Expense	
Approved operating budgets	507,152
Adjustments	(113,680)
	393,472
Other revenue	
Contributed capital assets	60
Government transfers for capital	9,184
	9,244
ANNUAL SURPLUS (DEFICIT)	\$ (26,761)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

NOTE 22: CAPITAL COMMITMENTS

(A) 2021 CAPITAL BUDGET

Following guidelines set out by the Public Sector Accounting Board, the budget reported on the Statement of Change in Net Financial Debt is the 2021 approved Capital Budget. The actual expenditures of \$103,690 (2020 - \$77,269) includes amounts carried forward from previous budget years, as well as costs related to the 2021 Budget and developer contributions of tangible capital assets. In 2021, actual expenditures are presented net of properties held for sale.

(B) INCOMPLETE CAPITAL PROJECTS

As at December 31, 2021 a number of capital projects were in progress and will be completed in 2022 or subsequent years. The unexpended appropriation related to these projects is \$239,893 (2020 - \$221,837). Significant projects are:

- **Gas Utility**
Oil and Gas Facilities (\$1,093), Well Repair and Abandonments (\$67,168), Projects Operated by Third Parties (\$6,876), Pipeline and Wells (\$5,101) and Distribution Systems (\$2,494).
- **Electric Utility**
T5R Generator Step Up Transformer Replacement (\$1,454), Unit 17 (\$26,985), Blackstart Improvements (\$1,073), Unit 15 Hot Section (\$3,719), and Distribution Systems (\$4,381).
- **City Assets**
Infrastructure Rehabilitation Program (\$4,022) and Flood Mitigation Projects (\$2,957).
- **Parks and Recreation**
South Saskatchewan River Recreation Opportunities Program (\$694), Irrigation (\$1,081), Athletic Ball Park (\$966), Pedestrian Bridge Deck (\$700) and Parks Infrastructure Rehabilitation Program (\$1,957).
- **City Operations**
Family Leisure Centre Cogeneration (\$649), 533 1st Street SE Building Rehabilitation (\$1,055), Animal Control Facility (\$715), and vehicle and equipment purchases (\$1,812).
- **Information Technology**
Capital Improvement Plan (\$539), Citizen Facing Digital Strategy (\$508), Cityworks Phase 3 (\$567), Transit Scheduling, Dispatch, and Electronic Fair systems (\$950).
- **Water Utility**
Water Main Replacements (\$4,990), Anthes Waste Solids Handling Facility (\$26,488) and Solids Handling Facility (\$1,621).
- **Sewer Utility**
Sewer Main Asset Management Program (\$4,530), Brier Park Gravity Bypass (\$728).
- **Invest Medicine Hat**
Unspent budgets relating to subdivisions being developed for sale include: Ranchlands (\$14,294), Riverwalk (\$2,178), Airport (\$1,210), Brier Run (\$13,431), and NW Industrial Park (\$13,450).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

(C) CAPITAL IMPROVEMENT PLAN

The following is the City Council approved 2021 Capital Improvement Plans with projections for 2022 – 2026 for the Gas Utility, the Electric Utility, the Environmental Utilities, Municipal Services, and Invest Medicine Hat:

2021	\$ 68,132
2022 Projection	65,340
2023 - 2026 Projection	494,281
TOTAL	\$ 627,753

Financing sources identified:

	2021	2022
Government Grants	\$ 14,584	\$ 20,570
Current Revenues	27,496	12,593
Debentures		
Tax Supported	1,775	2,590
Utilities Rate Supported	8,950	9,256
Reserves	14,952	20,308
Direct Charges and Other	375	23
TOTAL	\$ 68,132	\$ 65,340

NOTE 23: CONTINGENT ASSETS AND LIABILITIES

(A) Contingent Assets

Contingent assets are disclosed, when a future event is likely to confirm the existence of the asset. These possible assets arise from conditions existing as at the financial statement date or situations involving current uncertainty.

The City has not disclosed an asset for certain future events as the dates of reimbursement and the extent of the settlements cannot be reasonably determined at this time.

(B) Contingent Liabilities

Various claims have been made against the City as at December 31, 2021. If proven, it is possible that these claims may have a material adverse effect on the financial position of the City. The City is disputing the claims and as the outcome is not determinable at this time, no amount has been accrued in the financial statements.

The City has not recognized a liability for certain legal obligations, primarily environmental and other liabilities related to facilities, equipment and land. The liabilities are not recognized as the dates of the remediation and estimated costs are unknown and as such the fair value of these liabilities cannot be reasonably determined.

Contaminated sites are not accrued as liabilities in the Consolidated Statement of Financial Position, if there is uncertainty about one or more of the following: the contamination exceeding a standard, expected future costs, or the party responsible for the contamination. Continued efforts to assess contaminated sites may result in additional environmental liabilities related to newly identified sites or changes in the assessments of existing sites. Any additional liabilities will be accrued in the year in which they become known and can be reasonably estimated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

Southridge Recreation and Wellness Centre:

In the event that the YMCA defaults in respect to its duties and obligations under the agreement between the YMCA as Operator of the Southridge complex and the City of Medicine Hat as Landlord, or in the event the YMCA's term as Operator is terminated by way of voluntary or involuntary termination, the City is required to return to the YMCA the value of all its initial contribution at construction of \$1,800, together with an additional contribution at opening of \$24. However if the relationship naturally expires in 2044, no repayment is required.

There has been an additional \$1,200 contributed by the YMCA through a 2016 Budget Amendment approved by Council, for the renovation and expansion of the weight and cardio room at the complex. In the event that the YMCA defaults in respect to its duties and obligations under the agreement between the YMCA as Operator of the Southridge complex and the City of Medicine Hat as Landlord, or in the event the YMCA's term as Operator is terminated by way of voluntary or involuntary termination, the City is required to return to the YMCA the unamortized amount (according to the agreement) in that calendar year.

The above contingent liabilities for The Southridge Recreation and Wellness Centre are not accrued as liabilities in the Consolidated Statement of Financial Position as there is uncertainty of whether the agreement will terminate prior to 2044.

NOTE 24: CONTRACTUAL RIGHTS

The City has entered into the following agreements:

- a) Property development agreements, which require the developers to contribute various infrastructure assets to the City. The timing and extent of these future contributions will vary depending on development activity and fair value of the assets received at time of contribution and therefore cannot be reasonably determined at this time.
- b) Utility agreements to sell natural gas, crude oil, and electricity production to third parties. The timing and extent of future revenues will vary due to uncertain commodity market prices and volumes and therefore cannot be reasonably determined at this time.

NOTE 25: FINANCIAL INSTRUMENTS

The City, as part of its operations, carries a number of financial instruments. It is management's opinion that the City is not exposed to significant interest, currency or credit risk arising from these financial instruments, except as otherwise disclosed. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

The City engages in certain hedging activities to mitigate the impact to revenue from market price changes. Hedging Policy #0159 provides the framework for guiding this risk management activity at the City. This policy outlines a set of triggers that guide hedging activities for each business unit. The hedge programs are designed for the specific requirement and constraints of Medicine Hat and focus on stabilizing the cost of commodities and/or stabilizing revenues, maintaining reliable supplies for operations/sales, and mitigating the financial risk exposure to the City.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

NOTE 26: SEGMENTED DISCLOSURES

Segmented disclosures (Schedule 4) are intended to enable users to better understand the government reporting entity and the major expense and revenue activities of the City. For each reported segment, revenues and expenses represent both amounts directly attributable to the segment and amounts that are allocated on a reasonable basis.

The segments have been selected based on a presentation similar to that adopted for the municipal financial planning and budget processes. Segments include:

- a) Tax supported programs consist of those that are directly supported by property taxes, including the tax allocation proved directly to other operations as follows:
 - General Government is comprised of Corporate Administration, Mayoral and Councilor services, City Solicitor and Clerk.
 - Corporate Services is comprised of Finance, Information Technology, Corporate Communications, and Human Resources.
 - Energy & Infrastructure is comprised of City Asset (roads and airport), and City operations (buildings and mobile equipment).
 - Public Services is comprised of Emergency Services, Community Development (social development, senior services, transit, cultural development), and Parks & Recreation (facilities maintenance and management, arboriculture, horticulture, campground and cemetery, and indoor recreation and leisure).
 - Police Service comprised of all police services and bylaw enforcement.
 - Strategic Management & Analysis is composed of Integrated Project Planning & Execution, Strategy & Analysis, Environment, Land & Government Relations, and City Planning.
- b) Gas Utility produces, sells to market and distributes natural gas to customers within its franchise boundary in a safe and reliable manner. The Gas Utility is operated on a self-sustaining basis.
- c) Electric Utility produces and provides safe, reliable, cost effective electric energy to the customers of Medicine Hat and surrounding area and provides other related services within the city corporate structure. The Electric Utility is operated on a self-sustaining basis.
- d) Utility Business and Development Support provides corporate and community focus on energy conservation and renewable energy education, incentives and leadership through a variety of utility related initiatives.
- e) Water Utility treats and distributes potable water to City of Medicine Hat water customers. The Water department ensures all treated water meets the rigid safety, quality, monitoring, recording and reporting parameters of Federal, Provincial, water industry and local standards. The Water Utility is operated on a self-sustaining basis.
- f) Sewer Utility collects and treats sanitary wastewater from City of Medicine Hat sewer customers. The Sewer department ensures all treated wastewater meets the rigid safety, environmental, monitoring, recording and reporting parameters of Federal, Provincial, wastewater industry and local standards. The Sewer Utility is operated on a self-sustaining basis.
- g) Solid Waste Utility delivers customer-focused services consisting of collection, processing and disposal of residential and non-residential waste and recyclables, as well as community relation services in support of waste management programs. The Solid Waste Utility is operated on a self-sustaining basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

- h) Invest Medicine Hat is comprised of land development, municipal use property activities, and economic investment. Land development includes the City's role as a land developer in the areas of acquisition, development and land sales activities. Municipal use property involves the acquisition of land for municipal purposes and disposal of land deemed surplus to municipal needs. The Land department is operated on a self-sustaining basis. Investment is supported by property taxes.

The segmented reports display revenue and expenses sorted by accounts. The City's reporting levels are defined as follows:

A) REVENUE

- **Municipal taxes** include all annual municipal property taxes and excludes all special assessments and requisitions.
- **Sale of services** includes all third party revenues generated through the normal course of business, including revenues generated by, but not limited to facility usage, parking, natural gas, electric, water, sewer and solid waste revenues and sale of land.
- **Investment income** includes all investment revenue earned on account of short-term and long-term deposits and investments.
- **Licenses, fines and penalties** includes all revenue received for business licenses, development permits, photo radar tickets, speeding tickets and penalties charged on overdue accounts.
- **Insurance recovery** includes monies received on account of City insurance claims.
- **Development levies** are charges to developers to help cover the cost of city services provided to their development.
- **Government transfers for operating** include provincial and/or federal transfers provided to the City to fund operating activities.
- **Other** includes any minor sources of revenue not appropriately categorized above.
- **Internal recoveries** include recoveries for services provided by one City department to another.
- **Contribution from reserves** includes funds transferred from reserves as per the Financial Reserve Policy #0168 and the Distributable Funds/Dividend Policy #0169. The funds are transferred to a corporate reserve fund before being distributed to business units and allocated to the appropriate restricted reserves.
- **Transfers from Utilities and Land** include contributions from Utilities and Land to tax supported operations.

B) EXPENSES

- **Salaries, wages and benefits** include all salaries, wages (including overtime, statutory holidays, shift differential, relief time), employee benefit charges, clothing and cleaning allowance, car allowance, training, travel and memberships and dues.
- **Contracted and general services** include all contracts and other costs relating to services provided by third parties.
- **Materials, goods and utilities** include items purchased from a third party or issued from stores and natural gas, electric, water, sewer and solid waste costs.
- **Provisions for allowances** include provisions made for anticipated uncollectible accounts receivable.
- **Bank charges and short-term interest** include regular bank charges on the City's bank accounts, automated teller machines at various facility sites and interest charges on our line of credit.
- **Interest on long-term debt** includes interest charge on the principal portion of loans.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

(in thousands of dollars)

- **Total grants and other transfers** include grants from the City to other organizations or individuals as well as transfers on behalf of other organizations.
- **Other operating expenses** include any minor operating expenses not appropriately categorized above.
- **Amortization of tangible capital assets** is a way of representing, for accounting purposes, how capital assets decline in value over time because of wear and obsolescence. Hard assets such as roads and machinery depreciate over time, and must eventually be replaced. Depreciation shows the cost of the “use of the asset” each year over the life of the asset.
- **Impairments** are the expenses recorded to reduce the value of assets, when the assets are worth less on the market than the value listed on the company’s balance sheet. A test is completed each year to compare the carrying amount of the asset to the market value. If the carrying amount is higher than the market value, then the asset is considered impaired and must be written down to its fair value.
- **Loss (gain) on disposal of tangible capital assets** reflects the difference between the net proceeds on disposal of a tangible capital asset and the net carrying amount of that asset. If the net carrying amount is higher than the net proceeds on disposal, there is a loss on disposal. If the net carrying amount is lower than the net proceeds on disposal, there is a gain on disposal.
- **Gain on disposal of long lived assets** reflects the reduction in the decommissioning liabilities associated with the disposal of the Gas properties.
- **Internal charges and transfers** include costs of services provided by one department to another, as well as transfers between City departments.
- **Contribution to reserves** includes funds transferred from the business units to the restricted reserve funds as per the Financial Reserve Policy #0168 and the Distributable Funds/Dividend Policy #0169.

NOTE 27: COMPARATIVE INFORMATION

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year surplus (deficit).

NOTE 28: APPROVAL OF FINANCIAL STATEMENTS

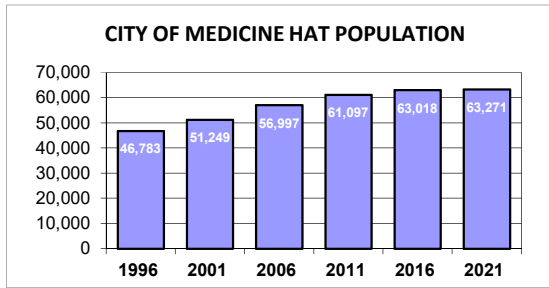
These financial statements were approved by Council.

Financial and Statistical Schedules (unaudited)

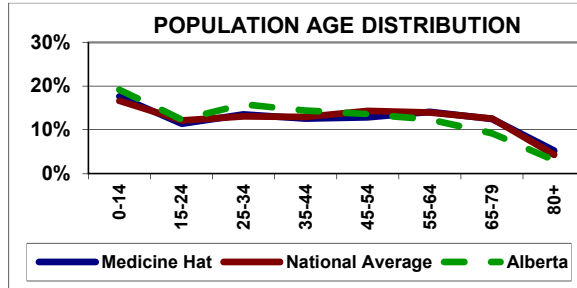
FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

DEMOGRAPHICS & OTHER INFORMATION

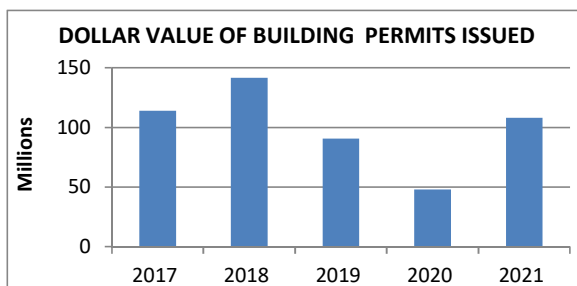
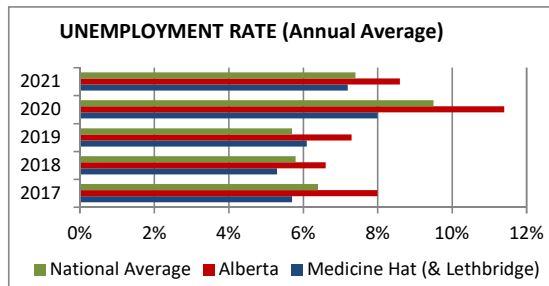
2017 - 2021 Medicine Hat Census



*Statistics Canada



*Statistics Canada



OTHER	2017	2018	2019	2020	2021
Area, square kilometers	112	112	112	112	112
Km of wastewater mains	404	404	407	409	412
Km of water mains	429	429	433	435	435
Km of storm drainage mains	255	275	259	263	263

LARGEST CORPORATE TAX PAYERS IN MEDICINE HAT

Medicine Hat Mall Inc	Medicine Hat Hwy 1 Properties Inc
2105657 Alberta Ltd (Aurora Sun)	Wal-Mart Canada Corp
Boulevard Real Estate Equities Ltd	Chinook Village Housing Society
South Country Co-op Limited	Canadian Tire Properties Inc
The Meadowlands Development Corporation	Bayfield Southview Centre Inc

LARGEST EMPLOYERS IN MEDICINE HAT

Public	Private
Medicine Hat Regional Hospital	South Country Co-op (all locations)
City of Medicine Hat	The Real Canadian Superstore
Medicine Hat School District	Canadian Pacific Railway
Medicine Hat College	Wal-Mart
Province of Alberta	Goodyear

CITY OF MEDICINE HAT PERMANENTLY ESTABLISHED POSITIONS 2017 - 2021

	2017	2018	2019	2020	2021
General Government	43	41	37	36	24
Corporate Services	172	178	191	201	149
Public Services	275	275	275	275	257
Police	150	151	150	150	148
Invest Medicine Hat	6	6	6	9	8
Strategy Management & Analysis	11	15	20	20	79
Energy & Infrastructure	343	337	325	313	359
Development & Infrastructure	89	89	83	83	-
Total Permanent Positions	1,089	1,092	1,087	1,087	1,024

In 2021 the City of Medicine Hat undertook a significant organizational restructuring to develop a streamlined structure to operate more efficiently and effectively. Each area is structured as follows:

- General Government - includes City Manager; Managing Directors; Executive Assistants; City Solicitor and City Clerk
- Corporate Services - includes Human Resources; Corporate Communications; Information Technology; Finance
- Public Services - includes Community Development; Fire and Emergency Services; Park and Recreation
- Invest Medicine Hat - includes Investment and Land
- Strategy Management & Analysis (SM&A) - includes Strategy & Analysis; Environment Land & Government Relations; City Planning; Integrated Project Planning & Execution
- Energy & Infrastructure (E&I) - includes City Assets; City Operations; Engineering; Power and Water Plants
- Development & Infrastructure- departments were relocated to E&I and SM&A

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FINANCIAL COMPARISON 2017 - 2021

(In thousands of dollars)

STATEMENT OF FINANCIAL POSITION

	2021	2020	2019	2018	2017
Financial assets					
Cash and cash equivalents	\$ 68,004	\$ 62,824	\$ 71,119	\$ 56,375	\$ 42,654
Accounts receivable (net of allowances)	78,551	47,407	42,716	45,955	50,888
Investments, loans & advances	507,124	414,781	405,053	359,996	393,694
Land and other assets held for resale	10,653	35,237	4,679	5,542	6,362
Inventories for resale	140	114	63	84	61
Deposits	3,943	3,094	3,258	784	597
Total financial assets	\$ 668,415	\$ 563,457	\$ 526,888	\$ 468,736	\$ 494,256
Liabilities					
Trade accounts payable	\$ 36,835	\$ 26,084	\$ 29,820	\$ 27,705	\$ 32,574
Accrued liabilities	22,100	34,226	20,467	18,377	16,134
Deferred revenue	61,498	38,642	52,966	44,316	38,169
Long-term debt	406,316	376,072	353,727	317,562	321,307
Other long-term liabilities	304,812	287,723	281,343	262,364	241,778
Total liabilities	831,561	762,747	738,323	670,324	649,962
Net financial debt	(163,146)	(199,290)	(211,435)	(201,588)	(155,706)
Non-financial assets					
Inventories for consumption	14,317	15,191	15,678	13,796	12,686
Prepaid assets	3,117	2,148	2,131	1,960	2,245
Land held for future development	16,479	19,969	18,924	16,714	15,536
Long lived assets	33,359	42,840	60,752	61,367	72,124
Tangible capital assets	1,389,183	1,356,948	1,381,269	1,359,967	1,321,773
Total non-financial assets	1,456,455	1,437,096	1,478,754	1,453,804	1,424,364
Accumulated surplus	\$ 1,293,309	\$ 1,237,806	\$ 1,267,319	\$ 1,252,216	\$ 1,268,658

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FINANCIAL COMPARISON 2017 - 2021

(In thousands of dollars)

STATEMENT OF OPERATIONS

	2021	2020	2019	2018	2017
REVENUE:					
Taxes	\$ 97,977	\$ 98,560	\$ 96,178	\$ 93,261	\$ 89,664
Less - requisitions	-26,067	-25,427	-24,429	-23,888	-23,808
	71,910	73,133	71,749	69,373	65,856
Sale of services					
General Government	9,434	7,579	10,901	10,485	11,459
Gas	36,361	37,235	53,784	55,053	60,902
Electric	196,393	127,710	139,725	116,702	67,673
Water	23,453	21,467	22,098	21,630	21,246
Sewer	21,613	18,870	19,000	17,367	16,029
Solid Waste	9,724	9,584	9,252	9,584	9,348
Invest Medicine Hat	4,082	5,548	4,204	6,986	8,600
Other income					
Investment income	41,572	13,963	25,096	5,093	8,103
Licenses, fines and penalties	6,142	4,909	6,404	6,723	6,560
Insurance recovery	2,895	813	300	1,788	245
Development levies	1,674	6,977	4,804	3,089	1,609
Government transfers for operating	5,223	12,607	6,098	6,154	5,717
Other	13,342	12,121	15,786	7,047	13,454
Total revenue	\$ 443,818	\$ 352,516	\$ 389,201	\$ 337,074	\$ 296,801
EXPENSES:					
General Government	\$ 163,410	\$ 160,368	\$ 162,422	\$ 156,254	\$ 155,783
Gas	130,116	115,792	122,161	126,883	103,229
Electric	84,824	79,741	68,660	60,945	49,976
Water	15,925	15,504	15,072	14,097	13,736
Sewer	14,312	14,372	13,730	13,585	13,007
Solid Waste	4,500	7,384	6,520	5,953	5,745
Utilities Business Development & Support	3,313	3,796	2,845	2,032	1,583
Invest Medicine Hat	3,565	4,785	3,546	3,367	3,178
Total expenses	\$ 419,965	\$ 401,742	\$ 394,956	\$ 383,116	\$ 346,237
Excess (Deficiency) of revenue over expenses					
- before other revenue	\$ 23,853	\$ (49,226)	\$ (5,755)	\$ (46,042)	\$ (49,436)
Other					
Contributed tangible capital assets	2,195	243	538	105	690
Government transfers for capital	29,455	19,470	20,320	29,495	40,494
Total other	31,650	19,713	20,858	29,600	41,184
Annual (deficit) surplus	\$ 55,503	\$ (29,513)	\$ 15,103	\$ (16,442)	\$ (8,252)

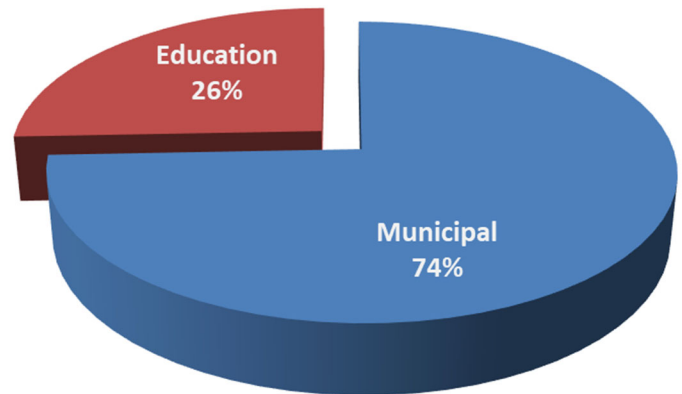
Trends:

Revenues have increased from 2017 to 2021 mainly due to higher property taxes to align with inflationary increases as well as higher Electric revenues as a result of higher commodity prices and an increase in investment revenue in 2021 due to better returns. In 2020 revenues decreased due to the COVID-19 pandemic and a decline in oil, gas and electric commodity prices. 2021 revenues increased primarily due to higher electric commodity prices and higher returns on investments. Expenses have increased since 2017 mainly due to inflationary increases. The increase from 2017 to 2018 is due to an impairment recognized on the gas & oil assets and increased activity in Electric resulting in higher taxes in lieu as well as higher amortization due to the implementation of a new simple cycle generation project. The increase in expenses in 2021 is primarily due to higher gas purchases in order to meet consumption demands.

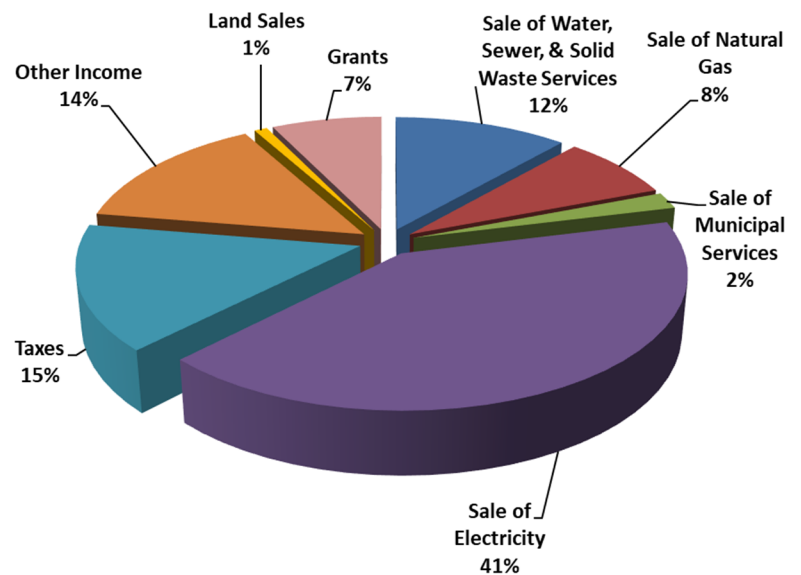
FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

Financial Synopsis: 2021 Operating Activities

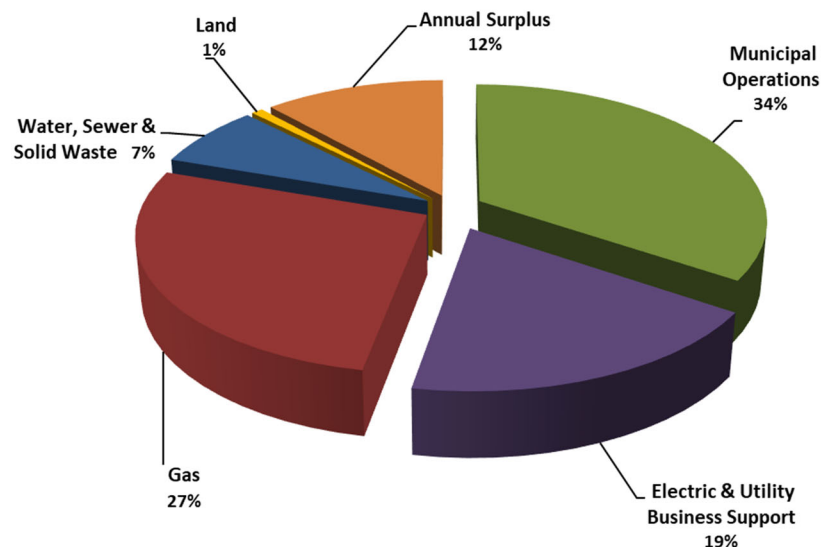
Where our tax dollars went in 2021
Education / Municipal
Property Tax



Where the money comes
from \$475 Million



Where the money goes
\$475 Million



FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

TAXATION & ASSESSMENT

MILL RATES

	2021	2020	2019	2018	2017
MUNICIPAL					
Single family	6.8034	7.1152	6.7302	6.6563	6.4139
Apartments	8.3090	8.8781	8.7125	8.4588	7.9800
Farmland	16.4809	34.5368	33.2291	32.2613	30.6477
Commercial and industrial	15.2807	15.7102	15.1159	15.3104	15.0271
EDUCATION					
Single family	2.5465	2.4622	2.5883	2.5249	2.4789
Apartments	2.5465	2.4622	2.5883	2.5249	2.4789
Farmland	2.5465	2.4622	2.5883	2.5249	2.4789
Commercial and industrial	3.7467	3.4922	3.5949	3.4146	3.8474
OTHER					
Single family	0.1067	0.1035	1.040	0.1038	0.0999
Apartments	0.1067	0.1035	1.040	0.1038	0.0999
Farmland	0.1067	0.1035	1.040	0.1038	0.0999
Commercial and industrial	0.1067	0.1035	1.040	0.1038	0.0999

PROPERTY TAXES LEVIED (In thousands of dollars)

PROPERTY TAX LEVY	2021	2020	2019	2018	2017
Municipal	\$ 71,138	\$ 72,126	\$ 70,320	\$ 67,954	\$ 64,447
Education	25,087	24,474	23,474	22,974	22,948
Other	980	953	955	914	860
TOTAL REAL PROPERTY	\$ 97,205	\$ 97,553	\$ 94,749	\$ 91,842	\$ 88,255
Current taxes collected	92,067	89,429	90,828	88,937	86,003
% of current taxes collected	94.19%	91.21%	94.79%	95.72%	96.30%
OTHER MAJOR TAXES LEVIED	2021	2020	2019	2018	2017
Linear property taxes	\$ 545	\$ 497	\$ 1,074	\$ 1,074	\$ 1,057
Local improvements	227	510	355	344	352
TOTAL MAJOR TAX LEVIED	\$ 772	\$ 1,007	\$ 1,429	\$ 1,418	\$ 1,409

ASSESSED VALUE FOR GENERAL MUNICIPAL PURPOSES

	2021	2020	2019	2018	2017
Residential	\$6,748,869,568	\$6,709,679,101	\$6,748,338,079	\$6,623,705,015	\$6,589,676,450
Multi-family	324,069,416	304,505,120	285,797,772	283,264,172	282,360,100
Farmland	1,196,118	1,243,600	1,232,900	2,079,900	2,582,900
Commercial and industrial	1,945,336,496	2,022,067,648	1,957,893,244	1,802,923,977	1,735,553,696
TOTAL TAXABLE ASSESSMENT	\$9,019,471,598	\$9,037,495,469	\$8,993,261,995	\$8,711,973,064	\$8,610,173,146

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SUMMARY OF UNRESTRICTED SURPLUS AND RESTRICTED SURPLUS - RESERVES

UNRESTRICTED SURPLUS	2021	2020	2019	2018	2017
General	\$ 11,869	\$ 11,350	\$ 12,633	\$ 12,667	\$ 11,688
Utilities Business Development & Support	316	323	323	288	122
Gas	(1,973)	7,848	8,109	10,499	9,092
Electric	(10,682)	7,100	6,044	5,507	5,726
Water	18,439	15,834	14,938	8,995	5,242
Sewer	6,296	(2,577)	(2,484)	(1,555)	(877)
Solid Waste	11,890	10,496	9,503	7,706	5,834
Economic Development & Land	21,360	22,253	19,885	18,912	18,148
TOTAL UNRESTRICTED SURPLUS	57,515	72,627	68,951	63,019	54,975
RESTRICTED SURPLUS - RESERVES					
Operating	35,822	40,510	50,220	29,905	26,620
Capital	156,475	93,968	76,299	94,670	183,338
Heritage Savings	60,630	49,825	44,307	22,217	3,259
TOTAL RESTRICTED SURPLUS - RESERVES	252,927	184,303	170,826	146,792	213,217
TOTAL RESERVES & SURPLUS	\$ 310,442	\$ 256,930	\$ 239,777	\$ 209,811	\$ 268,192

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

LONG TERM DEBT

LONG TERM DEBT

	2021	2020	2019	2018	2017
Debt supported by taxes	\$ 34,387	\$ 36,928	\$ 38,791	\$ 41,817	\$ 46,484
Debt supported by utilities	371,929	339,144	314,936	275,745	274,823
TOTAL TAX SUPPORTED AND UTILITIES DEBT	\$ 406,316	\$ 376,072	\$ 353,727	\$ 317,562	\$ 321,307

DEBT PER CAPITA

(not in thousands of dollars)

	2021	2020	2019	2018	2017
Tax supported	\$ 543	\$ 584	\$ 613	\$ 661	\$ 738
Utility supported	5,878	5,361	4,978	4,359	4,362
TOTAL DEBT PER CAPITA	\$ 6,421	\$ 5,945	\$ 5,591	\$ 5,020	\$ 5,100

LONG & SHORT-TERM DEBT CHARGES AS A % OF TOTAL EXPENSES

	2021	2020	2019	2018	2017
Actual debt servicing (long and short term)	\$ 39,224	\$ 37,518	\$ 36,862	\$ 36,410	\$ 36,190
Total operating expenses	419,965	401,742	394,956	383,116	346,237
PERCENTAGE	9.34%	9.34%	9.33%	9.50%	10.45%

LEGAL DEBT LIMIT

	2021	2020	2019	2018	2017
Debt limit	\$ 887,636	\$ 705,032	\$ 778,402	\$ 674,148	\$ 593,602
Total debt	406,316	376,072	353,727	317,562	321,307
Loan guarantees	1,740	1,740	1,740	2,240	2,240
Letters of credit issued	46,960	46,960	47,310	40,413	17,523
AMOUNT UNDER LIMIT	\$ 432,620	\$ 280,260	\$ 375,625	\$ 313,933	\$ 252,532
Percentage used	51.26%	60.25%	51.74%	53.43%	57.46%

DEBT SERVICING LIMIT

	2021	2020	2019	2018	2017
Debt servicing limit	\$ 155,336	\$ 123,381	\$ 136,220	\$ 117,976	\$ 103,880
Actual debt servicing (short and long term)	39,224	37,518	36,892	36,410	36,190
AMOUNT UNDER LIMIT	\$ 116,112	\$ 85,863	\$ 99,328	\$ 81,566	\$ 67,690
Percentage used	25.25%	30.41%	27.08%	30.86%	34.84%

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

CONSOLIDATED EXPENSES BY OBJECT

	2021	2021	2020	2019	2018	2017
	Budget	Actual	Actual	Actual	Actual	Actual
Salaries, wages and benefits	\$ 131,791	\$ 128,326	\$ 131,885	\$ 134,236	\$ 129,327	\$ 129,487
Contracted and general services	46,147	43,289	47,096	48,291	51,152	46,097
Materials, goods and utilities	35,301	28,562	26,982	29,729	27,698	29,336
Provisions for allowances	404	1,238	1,124	998	376	333
Bank charges and short-term interest	674	468	386	334	343	130
Interest on long-term debt	11,479	11,488	11,382	10,963	11,072	10,547
Grants and other transfers	3,327	5,199	5,429	3,817	3,570	3,941
Other operating expenses	79,047	101,325	69,679	72,117	60,868	55,889
Amortization of tangible capital assets	85,302	79,539	79,292	79,325	72,931	68,435
Impairments	-	13,574	17,187	14,550	25,033	28,416
Loss (gain) on disposal of tangible capital assets	-	2,609	11,389	1,227	746	16,852
Loss (gain) on disposal of long lived liabilities	-	4,348	(89)	(631)	-	(43,226)
TOTAL EXPENSES	\$ 393,472	\$ 419,965	\$ 401,742	\$ 394,956	\$ 383,116	\$ 346,237

FINANCIAL STATISTICAL SCHEDULES (Unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2017-2021
(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DIVISION

GENERAL FUND

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
General Government	\$ 99,009	\$ 109,673	\$ 122,441	\$ 162,719	\$ 135,213	\$ 127,905
Corporate Services Division	8,968	8,753	7,079	7,478	8,650	8,979
Energy & Infrastructure Division	7,861	7,563	8,420	9,371	9,327	8,536
Public Services Division	14,004	9,053	9,682	14,878	14,561	14,309
Police	4,372	4,776	4,353	3,832	3,689	3,711
Strategic Management & Analysis Division	3,781	3,823	2,417	3,008	3,523	3,027
TOTAL REVENUE	137,995	143,641	154,392	201,286	174,963	166,467
EXPENSES						
General Government	9,651	13,929	9,472	12,339	11,154	7,903
Corporate Services Division	26,562	26,670	23,110	21,771	23,083	21,071
Energy & Infrastructure Division	50,988	51,044	49,507	49,228	47,187	46,737
Public Services Division	56,460	55,580	57,165	60,526	58,734	58,134
Police	23,614	23,585	23,187	23,397	23,451	22,828
Strategic Management & Analysis Division	6,194	6,309	5,505	5,652	5,423	5,288
TOTAL EXPENSES	173,469	177,117	167,946	172,913	169,032	161,961
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (35,474)	\$ (33,476)	\$ (13,554)	\$ 28,373	\$ 5,931	\$ 4,506

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

GENERAL GOVERNMENT

Mayor & Councilors, City Manager & Managing Directors, City Solicitor, General Municipal Revenues

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
City Manager & Managing Directors	\$ 5,867	\$ 5,628	\$ 6,307	\$ 6,153	\$ 4,588	\$ 4,523
City Solicitor	465	482	330	332	902	886
General Municipal Revenues	92,677	103,563	115,804	156,234	129,723	122,496
TOTAL REVENUE	99,009	109,673	122,441	162,719	135,213	127,905
EXPENSES						
Mayor & Councilors	781	700	755	741	695	663
City Manager & Managing Directors	2,641	2,923	3,164	3,817	2,882	3,125
City Solicitor	1,859	1,632	1,540	1,420	1,632	1,735
General Municipal Revenues	4,370	8,674	4,013	6,361	5,945	2,380
TOTAL EXPENSES	9,651	13,929	9,472	12,339	11,154	7,903
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 89,358	\$ 95,744	\$ 112,969	\$ 150,380	\$ 124,059	\$ 120,002

*The above represents actual transactions before consolidation eliminations.
Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).*

FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

MAYOR & COUNCILORS

General Government

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
TOTAL REVENUE	-	-	-	-	-	-
EXPENSES						
Salaries, wages and benefits	737	691	740	717	627	591
Contracted and general services	44	8	12	22	36	44
Materials, goods & utilities	-	1	3	2	7	4
Internal charges and transfers	-	-	-	-	25	24
TOTAL EXPENSES	781	700	755	741	695	663
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (781)	\$ (700)	\$ (755)	\$ (741)	\$ (695)	\$ (663)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

CITY MANAGER & MANAGING DIRECTORS

General Government

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Internal recovery	\$ 5,867	\$ 5,628	\$ 6,307	\$ 6,153	\$ 4,588	\$ 4,523
TOTAL REVENUE	5,867	5,628	6,307	6,153	4,588	4,523
EXPENSES						
Salaries, wages and benefits	1,702	2,493	2,212	2,117	1,958	1,908
Contracted and general services	146	359	591	147	64	70
Materials, goods & utilities	10	13	19	23	19	18
Other operating expenses	725	-	-	-	-	-
Internal charges and transfers	58	58	342	1,530	841	1,129
TOTAL EXPENSES	2,641	2,923	3,164	3,817	2,882	3,125
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 3,226	\$ 2,705	\$ 3,143	\$ 2,336	\$ 1,706	\$ 1,398

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

CITY SOLICITOR General Government

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Government transfers for operating	\$ 127	\$ 127	\$ -	\$ 11	\$ -	\$ 4
Other revenue	5	21	3	7	10	10
Internal recovery	333	334	327	314	892	872
TOTAL REVENUE	465	482	330	332	902	886
EXPENSES						
Salaries, wages and benefits	1,408	1,122	1,366	1,255	1,282	1,264
Contracted and general services	160	265	103	109	163	288
Materials, goods & utilities	23	229	53	35	34	44
Other operating expenses	250	(1)	-	-	-	-
Amortization and provision for abandonment	18	17	18	18	18	10
Internal charges and transfers	-	-	-	3	135	129
TOTAL EXPENSES	1,859	1,632	1,540	1,420	1,632	1,735
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (1,394)	\$ (1,150)	\$ (1,210)	\$ (1,088)	\$ (730)	\$ (849)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

GENERAL MUNICIPAL REVENUES General Government

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Municipal taxes	\$ 76,401	\$ 76,159	\$ 76,929	\$ 75,896	\$ 73,434	\$ 69,270
Sale of services	3,000	3,054	2,033	1,090	-	-
Investment income	5,491	19,823	6,805	3,514	2,793	3,175
Licenses, fines and penalties	3,567	3,596	3,023	4,004	3,569	4,023
Government transfers for operating	1,021	670	7,559	1,021	1,048	1,155
Other revenue	88	70	5,039	1	1,128	240
Contribution from utilities and land	3,115	150	13,860	70,271	47,302	44,252
Internal recovery	(6)	41	556	437	449	381
TOTAL REVENUE	92,677	103,563	115,804	156,234	129,723	122,496
EXPENSES						
Salaries, wages and benefits	(1,565)	472	-	-	-	-
Contracted and general services	1,001	228	-	-	-	213
Materials, goods & utilities	200	338	1,488	2,471	991	696
Provision for allowances	-	259	648	679	2	2
Bank charges & short term interest	-	171	-	21	-	-
Other operating expenses	400	80	-	(2)	22	-
Internal charges and transfers	4,334	4,449	1,877	3,192	4,930	1,469
Contribution to reserves	-	2,677	-	-	-	-
TOTAL EXPENSES	4,370	8,674	4,013	6,361	5,945	2,380
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 88,307	\$ 94,889	\$ 111,791	\$ 149,873	\$ 123,778	\$ 120,116

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

CORPORATE SERVICES DIVISION

Human Resources, Corporate Communications, Finance, Information Technology

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Human Resources	\$ 1,322	\$ 978	\$ 359	\$ 486	\$ 2,027	\$ 1,975
Corporate Communications	491	491	-	365	360	353
Finance	5,088	5,214	4,654	4,660	4,477	4,620
Information Technology	2,067	2,070	2,066	1,967	1,786	2,031
TOTAL REVENUE	8,968	8,753	7,079	7,478	8,650	8,979
EXPENSES						
Human Resources	5,124	4,191	3,379	3,247	4,188	3,371
Corporate Communications	787	651	-	541	610	614
Finance	10,981	13,337	12,838	11,252	11,517	9,300
Information Technology	9,670	8,491	6,893	6,731	6,768	7,786
TOTAL EXPENSES	26,562	26,670	23,110	21,771	23,083	21,071
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (17,594)	\$ (17,917)	\$ (16,031)	\$ (14,293)	\$ (14,433)	\$ (12,092)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

HUMAN RESOURCES

Corporate Services Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ -	\$ -	\$ -	\$ 1	\$ 1	\$ 92
Government transfers for operating	-	-	-	40	7	-
Other revenue	205	115	116	186	195	149
Internal recovery	1,117	863	243	259	1,824	1,734
TOTAL REVENUE	1,322	978	359	486	2,027	1,975
EXPENSES						
Salaries, wages and benefits	3,948	3,592	2,854	2,718	2,747	2,348
Contracted and general services	1,078	564	470	456	970	525
Materials, goods & utilities	79	14	34	57	75	60
Other operating expenses	-	-	-	-	(1)	-
Amortization and provision for abandonment	12	10	12	8	5	74
Internal charges and transfers	7	11	9	8	392	364
TOTAL EXPENSES	5,124	4,191	3,379	3,247	4,188	3,371
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (3,802)	\$ (3,213)	\$ (3,020)	\$ (2,761)	\$ (2,161)	\$ (1,396)

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2017-2021
(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

CORPORATE COMMUNICATIONS
Corporate Services Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Other revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1
Internal recovery	491	491	-	365	360	352
TOTAL REVENUE	491	491	-	365	360	353
EXPENSES						
Salaries, wages and benefits	624	541	-	481	490	492
Contracted and general services	95	68	-	56	66	62
Materials, goods & utilities	34	24	-	5	3	11
Internal charges and transfers	34	18	-	(1)	51	49
TOTAL EXPENSES	787	651	-	541	610	614
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (296)	\$ (160)	\$ -	\$ (176)	\$ (250)	\$ (261)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

FINANCE
Corporate Services Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ 639	\$ 557	\$ 466	\$ 603	\$ 637	\$ 562
Insurance recovery	-	155	-	-	-	-
Government transfers for operating	50	3	-	-	4	(12)
Other revenue	209	161	200	214	186	205
Internal recovery	4,190	4,338	3,988	3,843	3,650	3,865
TOTAL REVENUE	5,088	5,214	4,654	4,660	4,477	4,620
EXPENSES						
Salaries, wages and benefits	8,139	7,812	8,242	7,781	7,896	7,997
Contracted and general services	3,301	3,584	3,215	2,948	3,221	487
Materials, goods & utilities	197	234	(829)	217	817	756
Provision for allowances	27	9	45	27	27	27
Bank charges & short term interest	76	56	190	63	66	52
Grants and other transfers	-	1,365	1,786	-	-	-
Other operating expenses	(908)	144	55	77	(561)	(102)
Amortization and provision for abandonment	33	16	22	24	28	40
(Gain)/loss on disposal of assets	-	-	-	-	-	29
Internal charges and transfers	116	117	112	115	23	14
TOTAL EXPENSES	10,981	13,337	12,838	11,252	11,517	9,300
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (5,893)	\$ (8,123)	\$ (8,184)	\$ (6,592)	\$ (7,040)	\$ (4,680)

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

INFORMATION TECHNOLOGY

Corporate Services Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Other revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2
Internal recovery	2,067	2,070	2,066	1,967	1,786	2,029
TOTAL REVENUE	2,067	2,070	2,066	1,967	1,786	2,031
EXPENSES						
Salaries, wages and benefits	3,240	3,371	3,056	3,082	3,110	3,571
Contracted and general services	2,695	2,906	2,101	1,996	2,137	1,978
Materials, goods & utilities	425	242	74	59	82	310
Interest on long-term debt	28	27	42	52	9	79
Other operating expenses	1,197	-	-	4	8	22
Amortization and provision for abandonment	2,014	1,876	1,552	1,413	1,145	858
(Gain)/loss on disposal of assets	-	-	-	16	38	768
Internal charges and transfers	71	69	68	109	239	200
TOTAL EXPENSES	9,670	8,491	6,893	6,731	6,768	7,786
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (7,603)	\$ (6,421)	\$ (4,827)	\$ (4,764)	\$ (4,982)	\$ (5,755)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

ENERGY & INFRASTRUCTURE DIVISION

City Assets, City Operations

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
City Assets	\$ 970	\$ 801	\$ 1,317	\$ 2,864	\$ 3,438	\$ 4,922
City Operations	6,891	6,762	7,103	6,507	5,889	3,614
TOTAL REVENUE	7,861	7,563	8,420	9,371	9,327	8,536
EXPENSES						
City Assets	24,931	25,247	25,308	24,977	24,620	26,836
City Operations	26,057	25,797	24,199	24,251	22,567	19,901
TOTAL EXPENSES	50,988	51,044	49,507	49,228	47,187	46,737
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (43,127)	\$ (43,481)	\$ (41,087)	\$ (39,857)	\$ (37,860)	\$ (38,201)

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

CITY ASSETS

Energy & Infrastructure Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Municipal taxes	\$ 4	\$ 3	\$ 5	\$ 131	\$ 119	\$ 129
Sale of services	567	295	364	1,170	996	680
Insurance recovery	-	5	39	16	90	1
Developer levies	-	-	134	818	1,344	303
Government transfers for operating	141	216	414	345	594	398
Other revenue	261	278	351	376	269	244
Internal recovery	(3)	4	10	8	26	3,167
TOTAL REVENUE	970	801	1,317	2,864	3,438	4,922
EXPENSES						
Salaries, wages and benefits	5,313	5,370	5,666	5,489	5,583	5,699
Contracted and general services	1,311	1,580	1,416	1,710	2,352	3,860
Materials, goods & utilities	365	296	475	281	256	1,773
Provision for allowances	-	54	-	-	-	-
Bank charges & short term interest	4	1	1	5	2	-
Interest on long-term debt	366	356	414	477	526	537
Grants and other transfers	-	7	17	-	-	-
Other operating expenses	350	(15)	1	(18)	36	1
Amortization and provision for abandonment	15,863	15,917	15,453	15,304	14,644	13,456
(Gain)/loss on disposal of assets	-	352	514	315	40	791
Internal charges and transfers	1,359	1,329	1,351	1,414	1,181	719
TOTAL EXPENSES	24,931	25,247	25,308	24,977	24,620	26,836
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (23,961)	\$ (24,446)	\$ (23,991)	\$ (22,113)	\$ (21,182)	\$ (21,914)

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

CITY OPERATIONS

Energy & Infrastructure Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ 146	\$ 221	\$ 213	\$ 321	\$ 424	\$ 223
Licenses, fines and penalties	-	(2)	-	-	-	-
Insurance recovery	-	40	63	25	696	150
Developer levies	-	-	49	327	801	470
Government transfers for operating	-	-	-	-	61	-
Other revenue	-	122	46	19	28	8
Internal recovery	6,745	6,381	6,732	5,815	3,879	2,763
TOTAL REVENUE	6,891	6,762	7,103	6,507	5,889	3,614
EXPENSES						
Salaries, wages and benefits	4,368	3,925	4,054	2,178	1,803	1,862
Contracted and general services	3,589	4,232	5,456	6,873	6,980	4,518
Materials, goods & utilities	3,094	4,093	1,747	1,113	1,109	1,146
Provision for allowances	-	61	-	-	-	-
Interest on long-term debt	362	355	378	396	492	291
Grants and other transfers	-	-	-	2,184	2,228	2,273
Other operating expenses	215	51	57	52	87	140
Amortization and provision for abandonment	13,639	12,100	11,682	10,604	9,359	8,540
(Gain)/loss on disposal of assets	-	(1)	254	480	(277)	1,098
Internal charges and transfers	790	981	571	371	786	33
TOTAL EXPENSES	26,057	25,797	24,199	24,251	22,567	19,901
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (19,166)	\$ (19,035)	\$ (17,096)	\$ (17,744)	\$ (16,678)	\$ (16,287)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

PUBLIC SERVICES DIVISION

Emergency Services, Parks & Recreation, Community Development, Other Organizations

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Emergency Services	\$ 166	\$ 247	\$ 1,199	\$ 2,419	\$ 2,094	\$ 2,265
Parks & Recreation	6,084	3,898	4,392	6,579	6,231	5,977
Community Development	7,754	4,908	4,091	5,880	6,236	6,067
TOTAL REVENUE	14,004	9,053	9,682	14,878	14,561	14,309
EXPENSES						
Emergency Services	15,650	16,368	17,800	17,740	17,239	17,194
Parks & Recreation	23,838	22,564	23,783	25,728	23,652	24,675
Community Development	14,250	13,905	12,790	14,202	14,877	13,322
Other Organizations	2,722	2,743	2,792	2,856	2,966	2,943
TOTAL EXPENSES	56,460	55,580	57,165	60,526	58,734	58,134
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (42,456)	\$ (46,527)	\$ (47,483)	\$ (45,648)	\$ (44,173)	\$ (43,825)

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).

FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

EMERGENCY SERVICES

Public Services Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ 544	\$ 671	\$ 516	\$ 455	\$ 476	\$ 686
Insurance recovery	80	42	64	63	-	-
Developer levies	15	14	-	-	-	-
Government transfers for operating	383	369	410	446	383	358
Other revenue	117	89	132	174	6	10
Internal recovery	(973)	(938)	77	1,281	1,229	1,211
TOTAL REVENUE	166	247	1,199	2,419	2,094	2,265
EXPENSES						
Salaries, wages and benefits	14,550	15,244	16,252	16,366	15,633	15,349
Contracted and general services	435	274	679	626	672	784
Materials, goods & utilities	221	219	282	230	209	339
Other operating expenses	-	12	(3)	(1)	-	-
Amortization and provision for abandonment	336	504	321	307	298	476
(Gain)/loss on disposal of assets	-	-	34	(11)	-	66
Internal charges and transfers	108	115	235	223	427	180
TOTAL EXPENSES	15,650	16,368	17,800	17,740	17,239	17,194
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (15,484)	\$ (16,121)	\$ (16,601)	\$ (15,321)	\$ (15,145)	\$ (14,929)

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

PARKS & RECREATION Public Services Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ 3,837	\$ 2,192	\$ 2,296	\$ 4,129	\$ 4,076	\$ 3,741
Insurance recovery	43	15	272	6	7	56
Developer levies	300	337	191	102	185	289
Government transfers for operating	-	-	302	88	6	-
Other revenue	1,816	1,279	1,258	2,168	1,796	1,737
Internal recovery	88	75	73	86	161	154
TOTAL REVENUE	6,084	3,898	4,392	6,579	6,231	5,977
EXPENSES						
Salaries, wages and benefits	9,413	9,022	8,865	10,529	10,252	10,157
Contracted and general services	2,213	2,310	2,803	2,447	2,512	3,664
Materials, goods & utilities	1,128	976	1,336	1,497	1,508	1,690
Provision for allowances	-	6	-	-	-	-
Bank charges & short term interest	30	42	41	59	65	52
Interest on long-term debt	365	86	361	371	394	420
Grants and other transfers	188	164	157	281	214	211
Other operating expenses	242	2	(6)	7	(1)	50
Amortization and provision for abandonment	8,086	6,730	7,839	7,700	7,532	7,346
Impairments	-	-	-	1	-	-
(Gain)/loss on disposal of assets	-	480	87	7	-	-
Internal charges and transfers	2,173	2,746	2,300	2,829	1,176	1,085
TOTAL EXPENSES	23,838	22,564	23,783	25,728	23,652	24,675
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (17,754)	\$ (18,666)	\$ (19,391)	\$ (19,149)	\$ (17,421)	\$ (18,698)

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2017-2021
(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

COMMUNITY DEVELOPMENT
Public Services Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ 4,706	\$ 2,380	\$ 1,666	\$ 3,289	\$ 3,892	\$ 3,469
Insurance recovery	-	36	4	13	6	1
Government transfers for operating	1,935	2,020	2,185	2,287	1,982	2,250
Other revenue	1,110	473	250	308	344	330
TOTAL REVENUE	7,754	4,908	4,091	5,880	6,236	6,067
EXPENSES						
Salaries, wages and benefits	8,881	7,933	8,336	8,486	8,368	8,192
Contracted and general services	2,129	1,719	2,378	3,441	3,968	2,525
Materials, goods & utilities	919	587	517	609	607	1,392
Bank charges & short term interest	230	30	13	51	107	93
Interest on long-term debt	-	274	-	-	-	-
Grants and other transfers	445	430	452	437	219	693
Other operating expenses	44	1	1	1	5	-
Amortization and provision for abandonment	705	1,913	549	508	480	295
(Gain)/loss on disposal of assets	-	155	-	250	-	88
Internal charges and transfers	897	863	544	419	1,123	44
TOTAL EXPENSES	14,250	13,905	12,790	14,202	14,877	13,322
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (6,496)	\$ (8,997)	\$ (8,699)	\$ (8,322)	\$ (8,641)	\$ (7,255)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

OTHER ORGANIZATIONS
Other Organizations

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
TOTAL REVENUE	-	-	-	-	-	-
EXPENSES						
Salaries, wages and benefits	-	-	-	1,970	1,942	1,964
Contracted and general services	-	-	-	-	47	24
Materials, goods & utilities	-	-	-	1	2	108
Interest on long-term debt	28	27	32	36	39	44
Grants and other transfers	2,694	2,716	2,760	636	719	627
Internal charges and transfers	-	-	-	213	217	176
TOTAL EXPENSES	2,722	2,743	2,792	2,856	2,966	2,943
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (2,722)	\$ (2,743)	\$ (2,792)	\$ (2,856)	\$ (2,966)	\$ (2,943)

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

POLICE Police

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Police	\$ 4,372	\$ 4,776	\$ 4,353	\$ 3,832	\$ 3,689	\$ 3,711
TOTAL REVENUE	4,372	4,776	4,353	3,832	3,689	3,711
EXPENSES						
Police	23,614	23,585	23,187	23,397	23,451	22,828
TOTAL EXPENSES	23,614	23,585	23,187	23,397	23,451	22,828
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (19,242)	\$ (18,809)	\$ (18,834)	\$ (19,565)	\$ (19,762)	\$ (19,117)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

POLICE Police

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ 250	\$ 3	\$ -	\$ 1	\$ 17	\$ 8
Licenses, fines and penalties	67	48	41	102	108	115
Insurance recovery	-	31	64	171	61	36
Government transfers for operating	1,690	1,712	1,595	1,687	1,587	1,564
Other revenue	2,254	2,856	2,529	1,748	1,735	1,804
Internal recovery	111	126	124	123	181	184
TOTAL REVENUE	4,372	4,776	4,353	3,832	3,689	3,711
EXPENSES						
Salaries, wages and benefits	20,178	20,499	20,114	20,115	19,432	19,597
Contracted and general services	2,161	1,735	1,769	1,964	2,494	1,986
Materials, goods & utilities	930	933	926	923	754	860
Provision for allowances	-	-	2	-	-	-
Bank charges & short term interest	1	1	1	1	1	1
Other operating expenses	-	9	-	-	-	1
Amortization and provision for abandonment	147	144	136	153	142	119
(Gain)/loss on disposal of assets	-	-	-	8	-	-
Internal charges and transfers	197	264	239	233	628	264
TOTAL EXPENSES	23,614	23,585	23,187	23,397	23,451	22,828
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (19,242)	\$ (18,809)	\$ (18,834)	\$ (19,565)	\$ (19,762)	\$ (19,117)

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Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).

FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

STRATEGIC MANAGEMENT & ANALYSIS DIVISION

Environment, Land & Government Relations, Integrated Project Planning & Execution, Planning & Development Services

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Environment, Land & Government Relations	\$ 258	\$ 343	\$ -	\$ -	\$ -	\$ -
Integrated Project Planning & Execution	650	836	408	497	431	566
Planning & Development Services	2,873	2,644	2,009	2,511	3,092	2,461
TOTAL REVENUE	3,781	3,823	2,417	3,008	3,523	3,027
EXPENSES						
Environment, Land & Government Relations	462	635	-	-	-	-
Integrated Project Planning & Execution	1,003	1,366	1,111	1,333	912	848
Planning & Development Services	4,729	4,308	4,394	4,319	4,511	4,440
TOTAL EXPENSES	6,194	6,309	5,505	5,652	5,423	5,288
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (2,413)	\$ (2,486)	\$ (3,088)	\$ (2,644)	\$ (1,900)	\$ (2,261)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

ENVIRONMENT, LAND & GOVERNMENT RELATIONS

Strategic Management & Analysis Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Internal recovery	\$ 258	\$ 343	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	258	343	-	-	-	-
EXPENSES						
Salaries, wages and benefits	418	538	-	-	-	-
Contracted and general services	7	41	-	-	-	-
Materials, goods & utilities	2	1	-	-	-	-
Internal charges and transfers	35	55	-	-	-	-
TOTAL EXPENSES	462	635	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (204)	\$ (292)	\$ -	\$ -	\$ -	\$ -

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

INTEGRATED PROJECT PLANNING & EXECUTION Strategic Management & Analysis Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ -	\$ -	\$ -	\$ 32	\$ -	\$ -
Other revenue	-	-	-	-	-	4
Internal recovery	650	836	408	465	431	562
TOTAL REVENUE	650	836	408	497	431	566
EXPENSES						
Salaries, wages and benefits	935	1,240	800	1,030	800	750
Contracted and general services	9	74	213	235	74	51
Materials, goods & utilities	11	1	46	16	23	30
Internal charges and transfers	48	51	52	52	15	17
TOTAL EXPENSES	1,003	1,366	1,111	1,333	912	848
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (353)	\$ (530)	\$ (703)	\$ (836)	\$ (481)	\$ (282)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

PLANNING & DEVELOPMENT SERVICES Strategic Management & Analysis Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ 7	\$ 60	\$ 24	\$ 20	\$ 25	\$ 17
Licenses, fines and penalties	2,866	2,498	1,846	2,301	3,040	2,409
Government transfers for operating	-	107	111	105	-	-
Other revenue	-	13	9	15	17	17
Internal recovery	-	6	19	30	10	18
TOTAL REVENUE	2,873	2,644	2,009	2,511	3,092	2,461
EXPENSES						
Salaries, wages and benefits	4,147	3,830	4,050	3,840	3,840	3,810
Contracted and general services	203	309	196	357	169	171
Materials, goods & utilities	61	55	61	43	56	59
Bank charges & short term interest	1	9	1	1	1	1
Other operating expenses	175	-	-	-	-	-
Amortization and provision for abandonment	73	37	23	7	8	10
Internal charges and transfers	69	68	63	71	437	389
TOTAL EXPENSES	4,729	4,308	4,394	4,319	4,511	4,440
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (1,856)	\$ (1,664)	\$ (2,385)	\$ (1,808)	\$ (1,419)	\$ (1,979)

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2017-2021
(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DIVISION

GAS

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Energy & Infrastructure Division	\$ 55,883	\$ 84,239	\$ 65,649	\$ 73,146	\$ 49,202	\$ 51,132
Strategic Management & Analysis Division	27,689	35,423	29,241	29,794	29,390	32,740
TOTAL REVENUE	83,572	119,662	94,890	102,940	78,592	83,872
EXPENSES						
Energy & Infrastructure Division	109,362	138,549	122,505	127,268	130,120	106,047
Strategic Management & Analysis Division	4,516	3,903	3,282	4,222	6,294	5,547
TOTAL EXPENSES	113,878	142,452	125,787	131,490	136,414	111,594
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (30,306)	\$ (22,790)	\$ (30,897)	\$ (28,550)	\$ (57,822)	\$ (27,722)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

ENERGY & INFRASTRUCTURE DIVISION (GAS)
City Operations, Engineering

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
City Operations	\$ 55,883	\$ 84,239	\$ 65,649	\$ 73,146	\$ 49,202	\$ 51,091
Engineering	-	-	-	-	-	41
TOTAL REVENUE	55,883	84,239	65,649	73,146	49,202	51,132
EXPENSES						
City Operations	108,553	137,831	120,466	123,588	126,516	102,097
Engineering	809	718	2,039	3,680	3,604	3,950
TOTAL EXPENSES	109,362	138,549	122,505	127,268	130,120	106,047
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (53,479)	\$ (54,310)	\$ (56,856)	\$ (54,122)	\$ (80,918)	\$ (54,915)

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

CITY OPERATIONS (GAS)

Energy & Infrastructure Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ 49,354	\$ 54,807	\$ 36,854	\$ 54,144	\$ 47,309	\$ 50,766
Investment income	6,150	21,749	5,935	19,102	-	(0)
Unrealized gain/(loss) on financial instruments	-	0	-	1	0	(1)
Insurance recovery	-	0	-	0	-	-
Developer levies	298	300	356	532	388	425
Government transfers for operating	-	-	-	-	46	-
Other revenue	103	561	1,088	(174)	1,983	370
Contribution from utilities and land	-	-	21,246	-	-	-
Internal recovery	(22)	(79)	171	(459)	(525)	(468)
Contribution from reserves	-	6,900	-	-	-	-
TOTAL REVENUE	55,883	84,239	65,649	73,146	49,202	51,091
EXPENSES						
Royalties	-	-	(1)	(68)	(145)	(60)
Salaries, wages and benefits	9,029	6,503	8,502	10,494	10,165	10,856
Contracted and general services	10,231	6,335	8,227	10,462	10,892	11,620
Materials, goods & utilities	4,038	968	3,465	3,736	4,096	4,522
Cost of oil and gas sold	-	(0)	(1)	0	(0)	-
Provision for allowances	125	575	23	54	80	80
Bank charges & short term interest	330	124	117	116	68	17
Interest on long-term debt	541	513	546	522	543	523
Other operating expenses	66,752	88,013	64,915	64,915	56,343	55,049
Amortization and provision for abandonment	9,533	5,109	9,043	12,700	11,834	13,919
Impairments	-	13,209	16,946	13,146	24,991	28,299
(Gain)/loss on disposal of assets	-	1,180	(26)	7	127	13,661
Other asset adjustments	(1)	4,348	(89)	(631)	-	(43,226)
Internal charges and transfers	7,975	5,880	8,800	8,136	7,523	6,830
Contribution to reserves	-	5,076	-	-	-	10
TOTAL EXPENSES	108,553	137,831	120,466	123,588	126,516	102,097
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (52,670)	\$ (53,592)	\$ (54,817)	\$ (50,442)	\$ (77,314)	\$ (51,006)

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

ENGINEERING (GAS) Energy & Infrastructure Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Other revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41
TOTAL REVENUE	-	-	-	-	-	41
EXPENSES						
Salaries, wages and benefits	577	501	1,646	1,747	1,731	1,941
Contracted and general services	118	190	307	344	1,763	1,306
Materials, goods & utilities	113	16	67	171	94	665
Other operating expenses	-	1	-	-	-	-
Impairments	-	-	-	1,404	-	30
Internal charges and transfers	1	10	19	14	16	8
TOTAL EXPENSES	809	718	2,039	3,680	3,604	3,950
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (809)	\$ (718)	\$ (2,039)	\$ (3,680)	\$ (3,604)	\$ (3,909)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

STRATEGIC MANAGEMENT & ANALYSIS DIVISION (GAS) Strategy & Analysis, Environment, Land & Government Relations

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Strategy & Analysis	\$ 27,689	\$ 35,423	\$ 29,241	\$ 29,794	\$ 29,390	\$ 32,729
Environment, Land & Government Relations	-	-	-	-	-	11
TOTAL REVENUE	27,689	35,423	29,241	29,794	29,390	32,740
EXPENSES						
Strategy & Analysis	3,228	2,901	2,905	2,999	4,989	4,454
Environment, Land & Government Relations	1,288	1,002	377	1,223	1,305	1,093
TOTAL EXPENSES	4,516	3,903	3,282	4,222	6,294	5,547
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 23,173	\$ 31,520	\$ 25,959	\$ 25,572	\$ 23,096	\$ 27,193

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

STRATEGY & ANALYSIS (GAS)

Strategic Management & Analysis Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ 27,039	\$ 35,068	\$ 28,787	\$ 27,594	\$ 27,391	\$ 27,196
Investment income	-	-	393	1,556	1,411	4,334
Other revenue	629	54	26	54	51	630
Internal recovery	21	301	35	590	537	569
TOTAL REVENUE	27,689	35,423	29,241	29,794	29,390	32,729
EXPENSES						
Royalties	-	-	-	68	145	61
Salaries, wages and benefits	1,105	926	1,312	1,293	2,346	2,077
Contracted and general services	90	248	78	84	193	361
Materials, goods & utilities	343	287	276	301	308	310
Provision for allowances	43	43	42	41	42	38
Bank charges & short term interest	-	21	-	2	-	1
Other operating expenses	-	-	-	-	-	(1)
Internal charges and transfers	1,647	1,376	1,197	1,210	1,955	1,617
Contribution to reserves	-	-	-	-	-	(10)
TOTAL EXPENSES	3,228	2,901	2,905	2,999	4,989	4,454
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 24,461	\$ 32,522	\$ 26,336	\$ 26,795	\$ 24,401	\$ 28,275

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

ENVIRONMENT, LAND & GOVERNMENT RELATIONS (GAS)

Strategic Management & Analysis Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Other revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11
TOTAL REVENUE	-	-	-	-	-	11
EXPENSES						
Salaries, wages and benefits	1,133	929	326	1,114	1,180	927
Contracted and general services	155	56	37	31	45	96
Materials, goods & utilities	-	10	9	64	67	67
Other operating expenses	-	-	1	1	2	-
Internal charges and transfers	-	7	4	13	11	3
TOTAL EXPENSES	1,288	1,002	377	1,223	1,305	1,093
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (1,288)	\$ (1,002)	\$ (377)	\$ (1,223)	\$ (1,305)	\$ (1,082)

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).

FINANCIAL STATISTICAL SCHEDULES (Unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2017-2021
(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DIVISION

ELECTRIC

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Energy & Infrastructure Division	\$ 48,128	\$ 104,421	\$ 56,694	\$ 62,514	\$ 42,838	\$ 78,206
Strategic Management & Analysis Division	89,529	107,450	88,730	91,144	83,943	277
TOTAL REVENUE	137,657	211,871	145,424	153,658	126,781	78,483
EXPENSES						
Energy & Infrastructure Division	149,776	229,568	148,359	169,984	127,977	115,937
Strategic Management & Analysis Division	1,453	1,380	1,395	1,380	989	277
TOTAL EXPENSES	151,229	230,948	149,754	171,364	128,966	116,214
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (13,572)	\$ (19,077)	\$ (4,330)	\$ (17,706)	\$ (2,185)	\$ (37,731)

*The above represents actual transactions before consolidation eliminations.
Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).*

FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

ENERGY & INFRASTRUCTURE DIVISION (ELECTRIC)

City Operations, Medicine Hat Power and Water

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
City Operations	\$ 1,706	\$ 2,931	\$ 8,381	\$ 5,604	\$ 1,529	\$ 18,005
Medicine Hat Power and Water	46,422	101,490	48,313	56,910	41,309	60,201
TOTAL REVENUE	48,128	104,421	56,694	62,514	42,838	78,206
EXPENSES						
City Operations	21,289	29,232	21,510	20,778	18,877	18,769
Medicine Hat Power and Water	128,487	200,336	126,849	149,206	109,100	97,168
TOTAL EXPENSES	149,776	229,568	148,359	169,984	127,977	115,937
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (101,648)	\$ (125,147)	\$ (91,665)	\$ (107,470)	\$ (85,139)	\$ (37,731)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

CITY OPERATIONS (ELECTRIC)

Energy & Infrastructure Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ 373	\$ 507	\$ 803	\$ 1,577	\$ 564	\$ 15,564
Insurance recovery	-	-	94	8	11	2
Developer levies	-	1,024	6,185	2,719	347	690
Government transfers for operating	-	-	-	-	55	-
Other revenue	27	116	35	37	38	19
Internal recovery	1,306	1,284	1,264	1,263	514	1,730
TOTAL REVENUE	1,706	2,931	8,381	5,604	1,529	18,005
EXPENSES						
Salaries, wages and benefits	6,650	7,148	6,637	6,431	5,463	5,334
Contracted and general services	1,132	760	1,190	1,388	1,541	1,496
Materials, goods & utilities	37	206	126	650	346	774
Provision for allowances	-	23	126	-	-	-
Interest on long-term debt	1,638	1,550	1,572	1,230	1,163	1,077
Other operating expenses	65	(12)	(23)	(47)	97	(103)
Amortization and provision for abandonment	4,371	5,319	4,939	4,670	4,314	3,643
(Gain)/loss on disposal of assets	-	26	7	14	44	131
Internal charges and transfers	5,990	5,650	5,538	5,166	4,735	5,314
Contribution to reserves	1,406	8,562	1,398	1,276	1,174	1,103
TOTAL EXPENSES	21,289	29,232	21,510	20,778	18,877	18,769
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (19,583)	\$ (26,301)	\$ (13,129)	\$ (15,174)	\$ (17,348)	\$ (764)

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).

FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

MEDICINE HAT POWER AND WATER (ELECTRIC)

Energy & Infrastructure Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ 45,109	\$ 96,591	\$ 43,672	\$ 55,109	\$ 38,986	\$ 7,279
Investment income	-	-	799	899	898	932
Realized gain/(loss) on financial instruments	-	(1,489)	(536)	945	296	(182)
Unrealized gain/(loss) on financial instruments	-	235	(6)	(57)	63	(14)
Licenses, fines and penalties	-	1	-	-	-	-
Insurance recovery	-	2,566	256	(4)	928	-
Government transfers for operating	-	-	-	-	121	-
Other revenue	1,284	3,578	4,117	11	4	12
Internal recovery	29	8	11	7	13	52,174
TOTAL REVENUE	46,422	101,490	48,313	56,910	41,309	60,201
EXPENSES						
Salaries, wages and benefits	9,850	8,313	8,644	8,246	7,752	7,535
Contracted and general services	7,406	9,293	9,172	6,994	5,164	4,610
Materials, goods & utilities	12,187	15,074	12,346	12,490	12,053	9,604
Bank charges & short term interest	1	-	1	1	23	139
Interest on long-term debt	2,238	2,499	2,308	2,436	2,605	2,466
Other operating expenses	9,446	14,779	3,869	6,824	5,023	892
Amortization and provision for abandonment	19,817	19,580	18,092	17,060	14,941	12,352
Impairments	-	-	-	65	27	-
(Gain)/loss on disposal of assets	-	-	10,511	2	257	6
Internal charges and transfers	34,616	57,357	32,830	31,812	23,339	20,047
Contribution to reserves	32,926	73,441	29,076	63,276	37,916	39,517
TOTAL EXPENSES	128,487	200,336	126,849	149,206	109,100	97,168
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (82,065)	\$ (98,846)	\$ (78,536)	\$ (92,296)	\$ (67,791)	\$ (36,967)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

STRATEGIC MANAGEMENT & ANALYSIS DIVISION (ELECTRIC)

Strategy & Analysis

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Strategy & Analysis	\$ 89,529	\$ 107,450	\$ 88,730	\$ 91,144	\$ 83,943	\$ 277
TOTAL REVENUE	89,529	107,450	88,730	91,144	83,943	277
EXPENSES						
Strategy & Analysis	1,453	1,380	1,395	1,380	989	277
TOTAL EXPENSES	1,453	1,380	1,395	1,380	989	277
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 88,076	\$ 106,070	\$ 87,335	\$ 89,764	\$ 82,954	\$ -

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).

FINANCIAL STATISTICAL SCHEDULES (Unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2017-2021
(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

STRATEGY & ANALYSIS (ELECTRIC)
Strategic Management & Analysis Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ 88,583	\$ 106,449	\$ 87,755	\$ 90,131	\$ 83,153	\$ (503)
Internal recovery	946	1,001	975	1,013	790	780
TOTAL REVENUE	89,529	107,450	88,730	91,144	83,943	277
EXPENSES						
Salaries, wages and benefits	-	-	-	-	1	-
Contracted and general services	-	-	-	-	4	3
Materials, goods & utilities	-	117	72	47	31	3
Provision for allowances	122	122	120	110	119	101
Internal charges and transfers	1,331	1,141	1,203	1,223	834	170
TOTAL EXPENSES	1,453	1,380	1,395	1,380	989	277
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 88,076	\$ 106,070	\$ 87,335	\$ 89,764	\$ 82,954	\$ -

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DIVISION

UTILITIES BUSINESS DEVELOPMENT & SUPPORT

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Strategic Management & Analysis Division	\$ 4,416	\$ 3,424	\$ 3,965	\$ 3,207	\$ 2,488	\$ 1,751
TOTAL REVENUE	4,416	3,424	3,965	3,207	2,488	1,751
EXPENSES						
Strategic Management & Analysis Division	4,353	3,431	3,913	2,953	2,110	1,610
TOTAL EXPENSES	4,353	3,431	3,913	2,953	2,110	1,610
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 63	\$ (7)	\$ 52	\$ 254	\$ 378	\$ 141

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

STRATEGIC MANAGEMENT & ANALYSIS DIVISION (UTILITIES BUSINESS DEVELOPMENT & SUPPORT)

Strategy & Analysis

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Strategy & Analysis	\$ 4,416	\$ 3,424	\$ 3,965	\$ 3,207	\$ 2,488	\$ 1,751
TOTAL REVENUE	4,416	3,424	3,965	3,207	2,488	1,751
EXPENSES						
Strategy & Analysis	4,353	3,431	3,913	2,953	2,110	1,610
TOTAL EXPENSES	4,353	3,431	3,913	2,953	2,110	1,610
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 63	\$ (7)	\$ 52	\$ 254	\$ 378	\$ 141

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Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).

FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

STRATEGY & ANALYSIS (UTILITIES BUSINESS DEVELOPMENT & SUPPORT)

Strategic Management & Analysis Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Investment income	\$ -	\$ -	\$ 32	\$ 26	\$ 18	\$ 14
Government transfers for operating	-	-	-	32	197	-
Other revenue	-	-	-	1	-	-
Internal recovery	4,416	3,424	3,933	3,148	2,273	1,737
TOTAL REVENUE	4,416	3,424	3,965	3,207	2,488	1,751
EXPENSES						
Salaries, wages and benefits	2,672	2,046	2,601	2,101	1,392	959
Contracted and general services	1,508	1,261	1,161	706	605	567
Materials, goods & utilities	16	4	28	30	35	10
Amortization and provision for abandonment	1	1	1	1	1	1
Internal charges and transfers	156	119	122	115	77	73
TOTAL EXPENSES	4,353	3,431	3,913	2,953	2,110	1,610
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 63	\$ (7)	\$ 52	\$ 254	\$ 378	\$ 141

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).

FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DIVISION

WATER

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Energy & Infrastructure Division	\$ 24,534	\$ 25,139	\$ 23,040	\$ 27,483	\$ 24,000	\$ 22,962
TOTAL REVENUE	24,534	25,139	23,040	27,483	24,000	22,962
EXPENSES						
Energy & Infrastructure Division	23,205	21,967	20,387	20,071	18,753	18,102
TOTAL EXPENSES	23,205	21,967	20,387	20,071	18,753	18,102
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 1,329	\$ 3,172	\$ 2,653	\$ 7,412	\$ 5,247	\$ 4,860

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

ENERGY & INFRASTRUCTURE DIVISION (WATER)

City Assets, Medicine Hat Power and Water

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
City Assets	\$ 24,534	\$ 25,139	\$ 23,040	\$ 27,483	\$ 24,000	\$ 22,962
TOTAL REVENUE	24,534	25,139	23,040	27,483	24,000	22,962
EXPENSES						
City Assets	15,285	14,454	12,889	13,076	11,571	11,508
Medicine Hat Power and Water	7,920	7,513	7,498	6,995	7,182	6,594
TOTAL EXPENSES	23,205	21,967	20,387	20,071	18,753	18,102
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 1,329	\$ 3,172	\$ 2,653	\$ 7,412	\$ 5,247	\$ 4,860

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).

FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

CITY ASSETS (WATER)

Energy & Infrastructure Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Municipal taxes	\$ 114	\$ 113	\$ 388	\$ 113	\$ 113	\$ 113
Sale of services	23,265	23,948	21,732	26,172	21,950	21,401
Insurance recovery	-	5	47	24	2	15
Government transfers for operating	-	-	-	-	11	-
Other revenue	123	94	(11)	100	1,182	194
Internal recovery	1,032	979	884	1,074	742	1,239
TOTAL REVENUE	24,534	25,139	23,040	27,483	24,000	22,962
EXPENSES						
Salaries, wages and benefits	3,965	3,933	3,558	3,937	3,289	3,559
Contracted and general services	460	480	442	439	406	401
Materials, goods & utilities	373	541	582	663	509	817
Provision for allowances	38	38	43	38	37	37
Interest on long-term debt	2,239	2,234	2,148	1,975	1,925	1,992
Other operating expenses	-	(3)	(3)	3	(1)	2
Amortization and provision for abandonment	2,463	2,813	2,714	2,541	2,342	2,163
(Gain)/loss on disposal of assets	-	56	7	69	258	43
Internal charges and transfers	4,661	4,087	2,333	2,367	1,782	1,500
Contribution to reserves	1,086	275	1,065	1,044	1,024	994
TOTAL EXPENSES	15,285	14,454	12,889	13,076	11,571	11,508
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 9,249	\$ 10,685	\$ 10,151	\$ 14,407	\$ 12,429	\$ 11,454

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

MEDICINE HAT POWER AND WATER (WATER)

Energy & Infrastructure Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
TOTAL REVENUE	-	-	-	-	-	-
EXPENSES						
Salaries, wages and benefits	1,525	1,614	2,005	1,640	1,726	1,449
Contracted and general services	356	572	307	211	341	580
Materials, goods & utilities	1,072	771	903	842	898	980
Interest on long-term debt	792	779	847	890	886	877
Other operating expenses	-	-	-	8	(11)	(51)
Amortization and provision for abandonment	2,585	2,088	1,940	1,817	1,703	1,563
(Gain)/loss on disposal of assets	-	-	-	(11)	140	-
Internal charges and transfers	1,590	1,689	1,496	1,598	1,499	1,196
TOTAL EXPENSES	7,920	7,513	7,498	6,995	7,182	6,594
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (7,920)	\$ (7,513)	\$ (7,498)	\$ (6,995)	\$ (7,182)	\$ (6,594)

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).

FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DIVISION

SEWER

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Energy & Infrastructure Division	\$ 21,735	\$ 26,704	\$ 20,539	\$ 19,613	\$ 18,285	\$ 16,264
TOTAL REVENUE	21,735	26,704	20,539	19,613	18,285	16,264
EXPENSES						
Energy & Infrastructure Division	18,210	17,704	19,243	18,354	17,904	16,689
TOTAL EXPENSES	18,210	17,704	19,243	18,354	17,904	16,689
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 3,525	\$ 9,000	\$ 1,296	\$ 1,259	\$ 381	\$ (425)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

ENERGY & INFRASTRUCTURE DIVISION (SEWER)

City Assets, Medicine Hat Power and Water

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
City Assets	\$ 21,735	\$ 26,704	\$ 20,539	\$ 19,613	\$ 18,285	\$ 16,264
TOTAL REVENUE	21,735	26,704	20,539	19,613	18,285	16,264
EXPENSES						
City Assets	12,562	12,469	13,485	12,962	12,159	10,279
Medicine Hat Power and Water	5,648	5,235	5,758	5,392	5,745	6,410
TOTAL EXPENSES	18,210	17,704	19,243	18,354	17,904	16,689
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 3,525	\$ 9,000	\$ 1,296	\$ 1,259	\$ 381	\$ (425)

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Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).

FINANCIAL STATISTICAL SCHEDULES (Unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2017-2021
(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

CITY ASSETS (SEWER)
Energy & Infrastructure Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Municipal taxes	\$ 113	\$ 113	\$ 113	\$ 113	\$ 113	\$ 113
Sale of services	21,422	22,130	20,483	19,365	17,709	16,131
Insurance recovery	-	-	-	-	1	-
Government transfers for operating	-	-	-	-	53	-
Other revenue	191	27	(76)	100	405	20
Internal recovery	9	49	19	35	4	-
Contribution from reserves	-	4,385	-	-	-	-
TOTAL REVENUE	21,735	26,704	20,539	19,613	18,285	16,264
EXPENSES						
Salaries, wages and benefits	3,510	3,205	3,351	3,290	3,241	2,755
Contracted and general services	304	314	566	500	453	460
Materials, goods & utilities	529	1,008	741	969	853	564
Provision for allowances	32	32	55	32	31	31
Interest on long-term debt	2,518	2,442	2,374	2,187	2,061	2,116
Other operating expenses	5	(11)	44	19	1	2
Amortization and provision for abandonment	3,305	3,443	3,264	3,009	2,722	1,408
(Gain)/loss on disposal of assets	-	359	1	15	30	166
Internal charges and transfers	1,523	1,677	2,270	2,136	1,979	2,012
Contribution to reserves	836	-	820	804	788	765
TOTAL EXPENSES	12,562	12,469	13,485	12,962	12,159	10,279
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 9,173	\$ 14,235	\$ 7,054	\$ 6,651	\$ 6,126	\$ 5,985

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

MEDICINE HAT POWER AND WATER (SEWER)

Energy & Infrastructure Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
TOTAL REVENUE	-	-	-	-	-	-
EXPENSES						
Salaries, wages and benefits	1,210	1,350	1,506	1,435	1,580	1,660
Contracted and general services	171	143	204	330	448	564
Materials, goods & utilities	722	741	1,060	794	866	741
Interest on long-term debt	314	298	302	307	328	349
Amortization and provision for abandonment	1,395	978	894	826	936	1,769
Internal charges and transfers	1,836	1,725	1,792	1,700	1,587	1,327
TOTAL EXPENSES	5,648	5,235	5,758	5,392	5,745	6,410
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (5,648)	\$ (5,235)	\$ (5,758)	\$ (5,392)	\$ (5,745)	\$ (6,410)

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FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DIVISION

SOLID WASTE

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Energy & Infrastructure Division	\$ 12,340	\$ 12,575	\$ 12,981	\$ 13,123	\$ 12,096	\$ 11,147
TOTAL REVENUE	12,340	12,575	12,981	13,123	12,096	11,147
EXPENSES						
Energy & Infrastructure Division	11,423	11,145	12,695	11,592	11,142	9,939
TOTAL EXPENSES	11,423	11,145	12,695	11,592	11,142	9,939
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 917	\$ 1,430	\$ 286	\$ 1,531	\$ 954	\$ 1,208

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

ENERGY & INFRASTRUCTURE DIVISION (SOLID WASTE)

City Assets

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
City Assets	\$ 12,340	\$ 12,575	\$ 12,981	\$ 13,123	\$ 12,096	\$ 11,147
TOTAL REVENUE	12,340	12,575	12,981	13,123	12,096	11,147
EXPENSES						
City Assets	11,423	11,145	12,695	11,592	11,142	9,939
TOTAL EXPENSES	11,423	11,145	12,695	11,592	11,142	9,939
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 917	\$ 1,430	\$ 286	\$ 1,531	\$ 954	\$ 1,208

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).

FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

CITY ASSETS (SOLID WASTE)
Energy & Infrastructure Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ 9,674	\$ 9,845	\$ 9,708	\$ 9,473	\$ 9,797	\$ 9,502
Insurance recovery	-	-	3	-	-	-
Other revenue	320	320	882	1,280	194	47
Internal recovery	2,346	2,410	2,388	2,370	2,105	1,598
TOTAL REVENUE	12,340	12,575	12,981	13,123	12,096	11,147
EXPENSES						
Salaries, wages and benefits	2,905	2,710	2,968	3,139	3,208	2,655
Contracted and general services	2,666	2,575	2,697	2,233	2,153	1,827
Materials, goods & utilities	100	121	127	159	224	539
Provision for allowances	17	17	21	17	38	17
Bank charges & short term interest	2	5	5	1	2	2
Interest on long-term debt	44	43	52	64	83	101
Other operating expenses	-	-	-	-	1	-
Amortization and provision for abandonment	807	746	733	610	435	356
(Gain)/loss on disposal of assets	-	2	1	1	61	3
Other asset adjustments	90	(1,724)	772	270	(191)	58
Internal charges and transfers	4,363	3,900	4,898	4,685	4,723	3,988
Contribution to reserves	429	2,750	421	413	405	393
TOTAL EXPENSES	11,423	11,145	12,695	11,592	11,142	9,939
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 917	\$ 1,430	\$ 286	\$ 1,531	\$ 954	\$ 1,208

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).

FINANCIAL STATISTICAL SCHEDULES (Unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2017-2021
(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DIVISION

INVEST MEDICINE HAT

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Invest Medicine Hat Division	\$ 14,156	\$ 9,090	\$ 8,028	\$ 8,863	\$ 9,806	\$ 11,486
Corporate Services Division	-	-	605	-	-	-
TOTAL REVENUE	14,156	9,090	8,633	8,863	9,806	11,486
EXPENSES						
Invest Medicine Hat Division	11,385	9,783	8,651	7,996	12,499	9,510
Corporate Services Division	-	-	610	-	-	-
TOTAL EXPENSES	11,385	9,783	9,261	7,996	12,499	9,510
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 2,771	\$ (693)	\$ (628)	\$ 867	\$ (2,693)	\$ 1,976

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Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).*

FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

INVEST MEDICINE HAT DIVISION

Investment, Land

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Investment	\$ 1,382	\$ 1,433	\$ 1,631	\$ 1,618	\$ 1,497	\$ 1,511
Land	12,774	7,657	6,397	7,245	8,309	9,975
TOTAL REVENUE	14,156	9,090	8,028	8,863	9,806	11,486
EXPENSES						
Investment	3,523	1,611	1,707	1,537	1,417	1,360
Land	7,862	8,172	6,944	6,459	11,082	8,150
TOTAL EXPENSES	11,385	9,783	8,651	7,996	12,499	9,510
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 2,771	\$ (693)	\$ (623)	\$ 867	\$ (2,693)	\$ 1,976

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

INVESTMENT

Invest Medicine Hat Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Insurance recovery	\$ -	\$ -	\$ 1	\$ -	\$ -	\$ -
Developer levies	-	30	8	-	-	-
Government transfers for operating	-	-	30	38	-	-
Other revenue	-	22	-	-	-	-
Internal recovery	1,382	1,381	1,592	1,580	1,497	1,511
TOTAL REVENUE	1,382	1,433	1,631	1,618	1,497	1,511
EXPENSES						
Salaries, wages and benefits	324	308	458	130	114	106
Contracted and general services	671	628	887	1,007	1,004	1,007
Materials, goods & utilities	32	21	13	10	4	8
Cost of land sold	-	-	-	-	-	-
Cost of oil and gas sold	-	-	-	-	-	-
Grants and other transfers	-	517	234	278	190	137
Other operating expenses	2,349	-	-	-	-	-
Amortization and provision for abandonment	8	7	8	7	4	4
Internal charges and transfers	139	130	107	105	101	98
TOTAL EXPENSES	3,523	1,611	1,707	1,537	1,417	1,360
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (2,141)	\$ (178)	\$ (76)	\$ 81	\$ 80	\$ 151

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).

FINANCIAL STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017-2021

(in thousands of dollars)

SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT

LAND

Invest Medicine Hat Division

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Sale of services	\$ 9,409	\$ 4,082	\$ 5,548	\$ 4,204	\$ 7,037	\$ 8,637
Licenses, fines and penalties	3	2	-	(4)	6	13
Insurance recovery	-	-	-	6	-	1
Developer levies	-	9	7	266	-	-
Other revenue	610	708	795	754	656	622
Internal recovery	2,752	2,856	47	2,019	610	702
TOTAL REVENUE	12,774	7,657	6,397	7,245	8,309	9,975
EXPENSES						
Salaries, wages and benefits	898	919	1,032	660	676	611
Contracted and general services	301	177	330	226	278	207
Materials, goods & utilities	74	(8)	12	(63)	(59)	10
Cost of land sold	5,618	3,226	3,773	2,994	4,847	6,400
Bank charges & short term interest	-	9	17	15	12	2
Grants and other transfers	-	-	23	-	-	-
Other operating expenses	-	-	-	4	-	1
Amortization and provision for abandonment	92	191	58	37	41	37
Inventory adjustments	-	366	241	-	42	87
Internal charges and transfers	879	845	1,458	843	819	795
Contribution to reserves	-	2,447	-	1,743	4,426	-
TOTAL EXPENSES	7,862	8,172	6,944	6,459	11,082	8,150
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 4,912	\$ (515)	\$ (547)	\$ 786	\$ (2,773)	\$ 1,825

SCHEDULE OF OPERATING REVENUE & EXPENSE BY DEPARTMENT

CORPORATE SERVICES DIVISION

Corporate Communications

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Corporate Communications	\$ -	\$ -	\$ 605	\$ -	\$ -	\$ -
TOTAL REVENUE	-	-	605	-	-	-
EXPENSES						
Corporate Communications	-	-	610	-	-	-
TOTAL EXPENSES	-	-	610	-	-	-
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ -	\$ -	\$ (5)	\$ -	\$ -	\$ -

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).

FINANCIAL STATISTICAL SCHEDULES (Unaudited)**FOR THE YEARS ENDED DECEMBER 31, 2017-2021***(in thousands of dollars)***SCHEDULE OF OPERATING REVENUE & EXPENSE BY OBJECT****CORPORATE COMMUNICATIONS****Corporate Services Division**

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
REVENUE						
Internal recovery	\$ -	\$ -	\$ 605	\$ -	\$ -	\$ -
TOTAL REVENUE	-	-	605	-	-	-
EXPENSES						
Salaries, wages and benefits	-	-	462	-	-	-
Contracted and general services	-	-	87	-	-	-
Materials, goods & utilities	-	-	15	-	-	-
Internal charges and transfers	-	-	46	-	-	-
TOTAL EXPENSES	-	-	610	-	-	-
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ -	\$ -	\$ (5)	\$ -	\$ -	\$ -

*The above represents actual transactions before consolidation eliminations.**Prior years have been reclassified to conform to the presentation used in the current year. The changes do not affect prior year excess (deficiency).*

SCHEDULE OF CAPITAL SEGMENTED REPORTING
FOR THE YEAR ENDED DECEMBER 31, 2021 (In thousands of dollars)

	Total Tax Supported	Gas Utility	Electric Utility	Utilities Business Development & Support	Water Utility	Sewer Utility	Solid Waste Utility	Invest Medicine Hat	Consolidation Adjustments	2021 Consolidated
Financing										
Contributed assets - private	\$ 2,016	\$ -	\$ -	\$ -	\$ -	\$ 119	\$ -	\$ 60	\$ -	\$ 2,195
Debt - ACFA	1,913	1,618	11,505	-	7,987	14,917	-	-	-	37,940
Debt - internal	4,459	-	-	-	-	-	-	-	-	4,459
Developers levies	351	300	1,024	-	-	-	-	-	-	1,675
Government transfers	27,464	-	-	-	12	-	-	1,979	-	29,455
Operations	2,048	906	11,118	-	-	(473)	564	834	-	14,997
Reserves	2,624	1,647	(153)	-	(15)	-	-	145	-	4,248
	40,875	4,471	23,494	-	7,984	14,563	564	3,018	-	94,969
Expenses										
Engineered structures	7,704	2,581	31,774	-	8,776	14,260	-	8	-	65,103
Buildings	9,075	-	149	-	-	-	53	256	-	9,533
Machinery and equipment	4,189	22	63	-	501	77	45	1,699	-	6,596
Land improvements	18,417	-	-	-	-	-	112	2,407	-	20,936
Mobile equipment	1,522	-	-	-	-	-	-	-	-	1,522
	40,907	2,603	31,986	-	9,277	14,337	210	4,370	-	103,690
Change in Capital Fund	(32)	1,868	(8,492)	-	(1,293)	226	354	(1,352)	-	(8,721)

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

GENERAL FUND

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
General Government	\$ 575	\$ -	\$ -	\$ -	\$ -	\$ 24
Corporate Services	2,550	2,887	1,478	2,138	881	5,529
Public Services	4,064	15,958	7,398	5,031	5,266	5,421
Police Services	177	178	175	165	466	116
Strategic Management & Analysis	-	-	13	-	45	308
Energy & Infrastructure	14,100	21,852	27,881	37,247	39,537	55,602
TOTAL FINANCING	21,466	40,875	36,945	44,581	46,195	67,000
EXPENSES						
General Government	575	-	-	-	-	24
Corporate Services	2,550	2,892	1,392	2,471	2,781	2,081
Public Services	4,064	15,144	6,829	4,642	5,386	5,437
Police Services	177	141	157	165	466	131
Strategic Management & Analysis	-	70	129	4	55	94
Energy & Infrastructure	14,100	22,660	28,024	35,548	51,483	46,067
TOTAL EXPENSES	21,466	40,907	36,531	42,830	60,171	53,834
CHANGE IN CAPITAL FUND	\$ -	\$ (32)	\$ 414	\$ 1,751	\$ (13,976)	\$ 13,166

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. Change in capital fund has not been affected.

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

GENERAL GOVERNMENT

City Manager & Managing Directors; City Solicitor; General Municipal Revenues; Mayor & Councilors

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Debt - internal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24
Reserves	575	-	-	-	-	-
TOTAL FINANCING	575	-	-	-	-	24
EXPENSES						
Machinery and equipment	-	-	-	-	-	24
TOTAL EXPENSES	575	-	-	-	-	24
CHANGE IN CAPITAL FUND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. Change in capital fund has not been affected.

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

CITY MANAGER & MANAGING DIRECTORS

General Government

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Reserves	\$ 575	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL FINANCING	575	-	-	-	-	-
EXPENSES						
Engineered structures	575	-	-	-	-	-
TOTAL EXPENSES	575	-	-	-	-	-
CHANGE IN CAPITAL FUND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. Change in capital fund has not been affected.

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

CITY SOLICITOR

General Government

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Debt - internal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24
TOTAL FINANCING	-	-	-	-	-	24
EXPENSES						
Machinery and equipment	-	-	-	-	-	24
TOTAL EXPENSES	-	-	-	-	-	24
CHANGE IN CAPITAL FUND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

GENERAL MUNICIPAL REVENUES

General Government

No Capital

MAYOR & COUNCILORS

General Government

No Capital

*The above represents actual transactions before consolidation eliminations.
Prior years have been reclassified to conform to the presentation used in the current year. Change in capital fund has not been affected.*

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

CORPORATE SERVICES

Finance; Information Technology; Human Resources; Corporate Communications

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Debt - ACFA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,166
Debt - internal	1,642	1,300	640	1,237	225	621
Government transfers	-	437	678	426	555	298
Operations	908	908	160	667	16	75
Reserves	-	242	-	(192)	85	369
TOTAL FINANCING	2,550	2,887	1,478	2,138	881	5,529
EXPENSES						
Machinery and equipment	2,550	2,892	1,392	2,471	2,781	2,081
TOTAL EXPENSES	2,550	2,892	1,392	2,471	2,781	2,081
CHANGE IN CAPITAL FUND	\$ -	\$ (5)	\$ 86	\$ (333)	\$ (1,900)	\$ 3,448

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. Change in capital fund has not been affected.

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

FINANCE

Corporate Services

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Debt - ACFA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (458)
Operations	-	-	-	50	-	-
Reserves	-	-	-	(187)	-	-
TOTAL FINANCING	-	-	-	(137)	-	(458)
EXPENSES						
Machinery and equipment	-	-	-	63	-	-
TOTAL EXPENSES	-	-	-	63	-	-
CHANGE IN CAPITAL FUND	\$ -	\$ -	\$ -	(200)	\$ -	\$ (458)

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. Change in capital fund has not been affected.

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

INFORMATION TECHNOLOGY

Corporate Services

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Debt - ACFA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,624
Debt - internal	1,642	1,300	640	1,237	225	621
Government transfers	-	437	678	426	555	298
Reserves	-	250	-	-	-	369
Operations	908	908	160	617	16	75
TOTAL FINANCING	2,550	2,895	1,478	2,280	796	5,987
EXPENSES						
Machinery and equipment	2,550	2,892	1,392	2,336	2,781	2,081
TOTAL EXPENSES	2,550	2,892	1,392	2,336	2,781	2,081
CHANGE IN CAPITAL FUND	\$ -	\$ 3	\$ 86	\$ (56)	\$ (1,985)	\$ 3,906

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FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

HUMAN RESOURCES

Corporate Services

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Reserves	-	(8)	-	(5)	85	-
TOTAL FINANCING	-	(8)	-	(5)	85	-
EXPENSES						
Machinery and equipment	-	-	-	72	-	-
TOTAL EXPENSES	-	-	-	72	-	-
CHANGE IN CAPITAL FUND	\$ -	\$ (8)	\$ -	\$ (77)	\$ 85	\$ -

CORPORATE COMMUNICATIONS

Corporate Services

No Capital

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. Change in capital fund has not been affected.

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

PUBLIC SERVICES DIVISION

Community Development; Parks & Recreation; Emergency Services; Other Organizations

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Contributed assets - private	\$ 300	\$ 313	\$ 100	\$ 478	\$ 105	\$ 209
Debt - ACFA	875	1,333	1,582	-	-	-
Debt - internal	1,690	2,185	880	978	401	557
Developers levies	15	351	191	102	185	-
Government transfers	40	10,564	2,706	2,526	3,122	2,156
Land sales	-	-	-	-	92	163
Operations	944	960	925	827	817	576
Other	-	-	-	43	-	14
Reserves	200	252	1,014	77	544	1,746
TOTAL FINANCING	4,064	15,958	7,398	5,031	5,266	5,421
EXPENSES						
Engineered structures	-	2,351	125	(352)	1,383	442
Buildings	638	5,097	830	1,599	671	2,318
Machinery and equipment	404	366	529	913	399	490
Land	-	-	-	46	-	-
Land improvements	3,022	7,330	5,345	2,436	2,933	2,186
TOTAL EXPENSES	4,064	15,144	6,829	4,642	5,386	5,437
CHANGE IN CAPITAL FUND	\$ -	\$ 814	\$ 569	\$ 389	\$ (120)	\$ (16)

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. Change in capital fund has not been affected.

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

COMMUNITY DEVELOPMENT

Public Services

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Debt - internal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25
Government transfers	40	41	45	745	304	73
Operations	89	90	-	116	52	2
Reserves	-	(42)	290	(94)	-	10
TOTAL FINANCING	129	89	335	767	356	110
EXPENSES						
Engineered structures	-	-	-	-	-	38
Buildings	-	-	-	175	-	5
Machinery and equipment	129	89	80	576	301	67
Land improvements	-	-	-	-	55	-
TOTAL EXPENSES	129	89	80	751	356	110
CHANGE IN CAPITAL FUND	\$ -	\$ -	\$ 255	\$ 16	\$ -	\$ -

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. Change in capital fund has not been affected.

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

PARKS & RECREATION

Public Services

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Contributed assets - private	\$ 300	\$ 313	\$ 100	\$ 478	\$ 105	\$ 209
Debt - ACFA	875	1,333	1,582	-	-	-
Debt - internal	1,690	2,185	880	978	341	473
Developers levies	-	337	191	102	185	-
Government transfers	-	10,523	2,661	1,781	2,818	2,083
Land sales	-	-	-	-	92	163
Operations	795	810	770	389	765	565
Other	-	-	-	43	-	14
Reserves	200	294	755	223	518	1,717
TOTAL FINANCING	3,860	15,795	6,939	3,994	4,824	5,224
EXPENSES						
Engineered structures	-	2,351	125	(352)	1,383	404
Buildings	638	5,097	830	1,424	665	2,313
Machinery and equipment	200	203	129	302	(58)	320
Land	-	-	-	46	-	-
Land improvements	3,022	7,330	5,345	2,436	2,878	2,186
TOTAL EXPENSES	3,860	14,981	6,429	3,856	4,868	5,224
CHANGE IN CAPITAL FUND	\$ -	\$ 814	\$ 510	\$ 138	\$ (44)	\$ -

The above represents actual transactions before consolidation eliminations.

Prior years have been reclassified to conform to the presentation used in the current year. Change in capital fund has not been affected.

FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

EMERGENCY SERVICES

Public Services

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Developers levies	\$ 15	\$ 14	\$ -	\$ -	\$ -	\$ -
Debt - internal	-	-	-	-	60	59
Operations	60	60	155	322		9
Reserves	-	-	(31)	(52)	26	19
TOTAL FINANCING	75	74	124	270	86	87
EXPENSES						
Machinery and equipment	75	74	320	35	156	103
TOTAL EXPENSES	75	74	320	35	162	103
CHANGE IN CAPITAL FUND	\$ -	\$ -	\$ (196)	\$ 235	\$ (76)	\$ (16)

OTHER ORGANIZATIONS

No Capital

The above represents actual transactions before consolidation eliminations.

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FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

POLICE SERVICE

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Debt - internal	\$ -	\$ -	\$ -	\$ -	\$ 292	\$ 72
Operations	177	179	175	165	34	45
Reserves	-	(1)	-	-	140	(1)
TOTAL FINANCING	177	178	175	165	466	116
EXPENSES						
Machinery and equipment	177	141	157	165	466	131
TOTAL EXPENSES	177	141	157	165	466	131
CHANGE IN CAPITAL FUND	\$ -	\$ 37	\$ 18	\$ -	\$ -	\$ (15)

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FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

STRATEGIC MANAGEMENT & ANALYSIS

Planning & Development Services; Integrated Project Planning & Execution; Environmental, Land & Government Relations

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Debt - internal	\$ -	\$ -	\$ -	\$ -	\$ 45	\$ 108
Reserves	-	-	13	-	-	200
TOTAL FINANCING	-	-	13	-	45	308
EXPENSES						
Machinery and equipment	-	70	129	4	55	94
TOTAL EXPENSES	-	70	129	4	55	94
CHANGE IN CAPITAL FUND	\$ -	\$ (70)	\$ (116)	\$ (4)	\$ (10)	\$ 214

The above represents actual transactions before consolidation eliminations.

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FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

PLANNING & DEVELOPMENT SERVICES

Strategic Management & Analysis

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Debt - internal	\$ -	\$ -	\$ -	\$ -	\$ 45	\$ 108
Reserves	-	-	13	-	-	200
TOTAL FINANCING	-	-	13	-	45	308
EXPENSES						
Machinery and equipment	-	70	129	4	55	94
TOTAL EXPENSES	-	70	129	4	55	94
CHANGE IN CAPITAL FUND	\$ -	\$ (70)	\$ (116)	\$ (4)	\$ (10)	\$ 214

INTEGRATED PROJECT PLANNING & EXECUTION

Strategic Management & Analysis

No Capital

ENVIRONMENTAL, LAND & GOVERNMENT RELATIONS

Strategic Management & Analysis

No Capital

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FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

ENERGY & INFRASTRUCTURE

City Assets; City Operations

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Contributed assets - private	\$ -	\$ 1,703	\$ -	\$ -	\$ -	\$ 481
Developers levies	-	-	183	1,144	2,145	-
Debt - ACFA	900	580	1,400	1,600	-	9,154
Debt - internal	1,623	974	3,184	5,028	257	2,770
Government transfers	9,705	16,463	16,065	17,265	25,721	38,013
Land sales	-	-	-	-	6	184
Operations	-	1	150	-	2,968	3,206
Other	-	-	143	280	595	1,053
Reserves	1,872	2,131	6,756	11,930	7,845	741
TOTAL FINANCING	14,100	21,852	27,881	37,247	39,537	55,602
EXPENSES						
Engineered structures	8,500	5,353	13,796	13,672	19,167	15,823
Buildings	2,860	3,978	4,804	9,169	15,408	20,000
Machinery and equipment	1,813	720	5,456	3,764	2,249	617
Land improvements	-	11,087	123	426	6,777	7,745
Mobile equipment	927	1,522	3,845	8,517	7,882	1,882
TOTAL EXPENSES	14,100	22,660	28,024	35,548	51,483	46,067
CHANGE IN CAPITAL FUND	\$ -	\$ (808)	\$ (143)	\$ 1,699	\$ (11,946)	\$ 9,535

No Capital

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FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

CITY OPERATIONS

Energy & Infrastructure

Building Services, Fleet Services

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Developers levies	\$ -	\$ -	\$ 49	\$ 327	\$ 801	\$ -
Debt - ACFA	900	580	1,400	1,600	-	5,638
Debt - internal	1,560	705	2,127	2,126	257	2,770
Government transfers	-	2,510	3,121	9,137	7,320	15,870
Other	-	-	143	280	595	867
Operations	-	1	150	-	1,718	1,156
Reserves	1,872	2,097	6,477	10,116	8,264	2,483
TOTAL FINANCING	4,332	5,893	13,467	23,586	18,955	28,784
EXPENSES						
Engineered structures	-	-	-	6	284	-
Buildings	2,860	3,978	4,804	9,169	15,408	20,000
Machinery and equipment	545	720	4,838	3,764	2,249	617
Land improvements	-	481	123	366	221	321
Mobile equipment	927	1,522	3,845	8,517	7,882	1,882
TOTAL EXPENSES	4,332	6,701	13,610	21,822	26,044	22,820
CHANGE IN CAPITAL FUND	\$ -	\$ (808)	\$ (143)	\$ 1,764	\$ (7,089)	\$ 5,964

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FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

CITY ASSETS

Energy & Infrastructure

Surface, MW Engineering, Airport

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Contributed assets - private	\$ -	\$ 1,703	\$ -	\$ -	\$ -	\$ 481
Debt - ACFA	-	-	-	-	-	3,516
Debt - internal	63	269	1,057	2,902	-	-
Developers levies	-	-	134	817	1,344	-
Government transfers	9,705	13,953	12,944	8,128	18,401	22,143
Land sales	-	-	-	-	6	184
Operations	-	-	-	-	1,250	2,050
Other	-	-	-	-	-	186
Reserves	-	34	279	1,814	(419)	(1,742)
TOTAL FINANCING	9,768	15,959	14,414	13,661	20,582	26,818
EXPENSES						
Engineered structures	8,500	5,353	13,796	13,666	18,883	15,823
Machinery and equipment	1,268	-	618	-	-	-
Land improvements	-	10,606	-	60	6,556	7,424
TOTAL EXPENSES	9,768	15,959	14,414	13,726	25,439	23,247
CHANGE IN CAPITAL FUND	\$ -	\$ -	\$ -	\$ (65)	\$ (4,857)	\$ 3,571

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FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

GAS

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Debt - ACFA	\$ 2,834	\$ 1,618	\$ -	\$ 2,134	\$ 500	\$ 1,500
Developers levies	-	300	355	533	388	425
Operations	3,644	906	1,220	4,055	1,597	1,185
Reserves	7,532	1,647	461	5,753	17,034	14,491
TOTAL FINANCING	14,010	4,471	2,036	12,475	19,519	17,601
EXPENSES						
Engineered structures	13,123	2,581	3,669	11,698	18,724	18,462
Buildings	-	-	-	509	-	-
Machinery and equipment	456	22	460	338	575	831
TOTAL EXPENSES	13,579	2,603	4,129	12,545	19,299	19,293
CHANGE IN CAPITAL FUND	\$ 431	\$ 1,868	\$ (2,093)	\$ (70)	\$ 220	\$ (1,692)

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FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

ELECTRIC

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Debt - ACFA	\$ 2,716	\$ 11,505	\$ 14,608	\$ 12,146	\$ 4,887	\$ 10,225
Developers levies	-	1,024	6,233	2,719	332	90
Government transfers	-	-	-	-	-	27
Operations	12,000	11,118	13,418	18,509	9,621	17,803
Reserves	-	(153)	430	7,330	3,900	-
TOTAL FINANCING	14,716	23,494	34,689	40,704	18,740	28,145
EXPENSES						
Engineered structures	14,701	31,774	36,070	29,552	16,526	39,644
Buildings	-	149	1,287	1,408	3,002	1,227
Machinery and equipment	15	63	180	2,161	229	447
Land improvements	-	-	-	-	153	108
Land	-	-	-	-	-	212
TOTAL EXPENSES	14,716	31,986	37,537	33,121	19,910	41,638
CHANGE IN CAPITAL FUND	\$ -	\$ (8,492)	\$ (2,848)	\$ 7,583	\$ (1,170)	\$ (13,493)

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FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

WATER

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Debt - ACFA	\$ -	\$ 7,987	\$ 10,122	\$ 16,903	\$ 2,900	\$ 5,000
Government transfers	5,040	12	-	-	-	-
Operations	700	-	1,290	1,028	1,037	1,355
Reserves	-	(15)	-	-	-	-
TOTAL FINANCING	5,740	7,984	11,412	17,931	3,937	6,355
EXPENSES						
Engineered structures	5,740	8,776	10,746	12,863	11,703	7,326
Buildings	-	-	-	-	150	-
Machinery and equipment	-	501	113	(182)	3,001	478
Land improvements	-	-	-	-	(1)	-
TOTAL EXPENSES	5,740	9,277	10,859	12,681	14,853	7,804
CHANGE IN CAPITAL FUND	\$ -	\$ (1,293)	\$ 553	\$ 5,250	\$ (10,916)	\$ (1,449)

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FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

SEWER

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Contributed assets - private	\$ -	\$ 119	\$ -	\$ -	\$ -	\$ -
Debt - ACFA	3,400	14,917	10,760	18,494	2,900	2,500
Debt - Infrastructure	-	-	-	174	19	-
Operations	900	(473)	593	1,713	549	339
Other	-	-	-	-	(45)	-
TOTAL FINANCING	4,300	14,563	11,353	20,381	3,423	2,839
EXPENSES						
Engineered structures	4,300	14,260	15,839	12,482	16,005	14,505
Buildings	-	-	-	-	36	-
Machinery and equipment	-	77	37	146	37	-
Land Improvements	-	-	-	-	(44)	311
Land	-	-	-	173	19	-
TOTAL EXPENSES	4,300	14,337	15,876	12,801	16,053	14,816
CHANGE IN CAPITAL FUND	\$ -	\$ 226	\$ (4,523)	\$ 7,580	\$ (12,630)	\$ (11,977)

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FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

SOLID WASTE

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Operations	\$ 750	\$ 564	\$ (248)	\$ (88)	\$ 121	\$ 1,054
TOTAL FINANCING	750	564	(248)	(88)	121	1,054
EXPENSES						
Engineered structures	-	-	-	(164)	25	139
Buildings	-	53	27	130	172	67
Machinery and equipment	50	45	77	46	1,886	79
Land improvements	700	112	161	2,286	(32)	89
TOTAL EXPENSES	750	210	265	2,298	2,051	374
CHANGE IN CAPITAL FUND	\$ -	\$ 354	\$ (513)	\$ (2,386)	\$ (1,930)	\$ 680

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FINANCIAL & STATISTICAL SCHEDULES (Unaudited)

FOR THE YEARS ENDED DECEMBER 31, 2017 - 2021

(In thousands of dollars)

SCHEDULE OF CAPITAL FINANCING & EXPENSES

INVEST MEDICINE HAT

	2021 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
FINANCING						
Government transfers	\$ -	\$ 1,979	\$ 21	\$ -	\$ -	\$ -
Debt - internal	-	-	508	9	217	68
Contributed assets - private	60	60	-	-	-	-
Operations	7,150	834	83	-	3	-
Reserves	145	145	(487)	1,441	-	40
TOTAL FINANCING	7,355	3,018	125	1,450	220	108
EXPENSES						
Engineered structures	-	8	-	16	8	512
Buildings	60	256	612	9	217	68
Machinery and equipment	-	1,699	95	-	4	-
Land improvements	7,295	2,407	25	-	-	27
Land	-	-	-	-	-	(489)
TOTAL EXPENSES	7,355	4,370	732	25	229	118
CHANGE IN CAPITAL FUND	\$ -	\$ (1,352)	\$ (607)	\$ 1,425	\$ (9)	\$ (10)

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OUR VISION

To make Medicine Hat a “community of choice.”

OUR MISSION

To deliver value through exceptional public service.

OUR VALUES

We are committed to the following core values, which we believe enable us to achieve our vision:

- Respect
- Integrity
- Accountability
- Courage
- Caring

MEDICINE HAT COUNCIL’S STRATEGIC PLAN 2019 - 2022

Six strategic priorities:

- Fiscal Responsibility
- Economic Vitality
- Infrastructure Renewal
- Community Safety and Vibrancy
- Sunshine Hospitality
- City Government

