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## INDEPENDENT AUDITOR'S REPORT ON MUNICIPAL FINANCIAL INFORMATION RETURN

**To the Members of Council of the Town of Slave Lake**

### Opinion

We have audited the municipal financial information return of the **Town of Slave Lake**, which comprise the statement of financial position as at December 31, 2019, and the results of its operations, changes in its net financial assets and cash flows for the years then ended.

In our opinion, the accompanying financial information return present fairly, in all material respects, the financial position of the **Town of Slave Lake** as at December 31, 2019, the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

It is understood that this report, as requested by the Minister of Alberta Municipal affairs, is to be used primarily for statistical purposes. We have issued an audit report dated May 19, 2020 on the financial statements of the **Town of Slave Lake** for the year ended December 31, 2019 and reference should be made to those audited financial statements for complete information.

### Basis for Opinion

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

### Emphasis of Matter - Basis of Accounting

The financial information return is prepared to assist the **Town of Slave Lake** to meet the requirements of the Municipal Government Act (Section 277(1)). As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### Responsibilities of Management and Those Charged with Governance for the Financial Information Return

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

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

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

### Auditor's Responsibility for the Financial Information Return

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

## INDEPENDENT AUDITORS' REPORT - continued

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 information return, 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 from one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial information return, and whether the financial information return represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Edmonton, Alberta  
May 25, 2020

*Doyle & Company*  
Chartered Professional Accountants

MUNICIPAL FINANCIAL INFORMATION RETURN

For the Year Ending December 31, 2019

**Municipality Name:** Town of Slave Lake

**CERTIFICATION**

The information contained in this Financial Information Return is presented fairly to the best of my knowledge.



\_\_\_\_\_  
Signature of Duly Authorized Signing Officer



\_\_\_\_\_  
Print Name



\_\_\_\_\_  
Date

	Total
<b>Assets</b>	1
Cash and Temporary Investments .....	0010
	0020 <b>9,270,873</b>
Taxes and Grants in Place of Taxes Receivable.....	0030
. Current .....	0040 <b>460,745</b>
. Arrears .....	0050 <b>155,158</b>
. Allowance .....	0060 <b>-10,000</b>
Receivable From Other Governments .....	0070
Loans Receivable .....	0080
Trade and Other Receivables .....	0090 <b>4,731,936</b>
Debt Charges Recoverable.....	0095
Inventories Held for Resale	0130
. Land .....	0140
. Other .....	0150
Long Term Investments	0170
. Federal Government .....	0180
. Provincial Government .....	0190
. Local Governments .....	0200
. Other .....	0210 <b>10,296,322</b>
Other Current Assets .....	0230
Other Long Term Assets .....	0240 <b>115,263</b>
	0250
<b>Total Financial Assets</b>	<b>0260 <b>25,020,297</b></b>
<b>Liabilities</b>	0270
Temporary Loans Payable .....	0280
Payable To Other Governments .....	0290
Accounts Payable & Accrued Liabilities .....	0300 <b>5,390,138</b>
Deposit Liabilities .....	0310 <b>378,480</b>
Deferred Revenue .....	0340 <b>7,248,513</b>
Long Term Debt .....	0350 <b>29,997,406</b>
Other Current Liabilities .....	0360
Other Long Term Liabilities .....	0370 <b>421,202</b>
	0380
<b>Total Liabilities</b>	<b>0390 <b>43,435,739</b></b>
<b>Net Financial Assets (Net Debt)</b>	<b>0395 <b>-18,415,442</b></b>
<b>Non Financial Assets</b>	
Tangible Capital Assets.....	0400 <b>155,760,933</b>
Inventory for Consumption.....	0410 <b>322,999</b>
Prepaid Expenses .....	0420
Other.....	0430
	0440 <b>156,083,932</b>
<b>Accumulated Surplus</b>	<b>0450 <b>137,668,490</b></b>

**CHANGE IN ACCUMULATED SURPLUS**
**Schedule 9B**

	Unrestricted	Restricted	Equity in TCA	Total	
	1	2	3	4	
Accumulated Surplus - Beginning of Year	0500	1,489,807	7,419,856	124,677,391	133,587,054
Net Revenue (Expense) .....	0505	4,081,436			4,081,436
Funds Designated For Future Use.....	0511	-5,793,589	5,793,589		
Restricted Funds - Used for Operations.....	0512	70,673	-70,673		
Restricted Funds - Used for TCA.....	0513		-2,825,789	2,825,789	
Current Year Funds Used for TCA .....	0514	-1,813,073		1,813,073	
Donated and Contributed TCA.....	0516				
Disposals of TCA.....	0517	118,729		-118,729	
Annual Amortization Expense.....	0518	5,352,422		-5,352,422	
Long Term Debt - Issued.....	0519				
Long Term Debt - Repaid.....	0521	-1,918,425		1,918,425	
Capital Debt - Used for TCA.....	0522				
Other Adjustments.....	0523				
0524					
Accumulated Surplus - End of Year.....	0525	1,587,980	10,316,983	125,763,527	137,668,490

**FINANCIAL ACTIVITIES BY FUNCTION**

**Schedule 9C**

	<b>Revenue</b>	<b>Expense</b>
	<b>1</b>	<b>2</b>
<b>Total General Function</b>	<b>10,188,138</b>	
General Government		
Council and Other Legislative .....	0730	
General Administration .....	0740	250,101
Other General Government.....	0750	117,781
Protective Services		
Police .....	0770	334,541
Fire .....	0780	1,201,496
Disaster and Emergency Measures .....	0790	1,023,296
Ambulance and First Aid .....	0800	
Bylaws Enforcement .....	0810	434,281
Other Protective Services.....	0820	
Transportation		
Common and Equipment Pool .....	0840	
Roads, Streets, Walks, Lighting .....	0850	720,488
Airport .....	0860	
Public Transit .....	0870	
Storm Sewers and Drainage .....	0880	
Other Transportation .....	0890	
Environmental Use and Protection		
Water Supply and Distribution .....	0910	4,920,971
Wastewater Treatment and Disposal .....	0920	1,716,663
Waste Management .....	0930	850,030
Other Environmental Use and Protection .....	0940	
Public Health and Welfare		
Family and Community Support .....	0960	570,815
Day Care .....	0970	
Cemeteries and Crematoriums .....	0980	14,759
Other Public Health and Welfare .....	0990	
Planning and Development		
Land Use Planning, Zoning and Development .....	1010	33,436
Economic/Agricultural Development .....	1020	
Subdivision Land and Development .....	1030	535,914
Public Housing Operations .....	1040	
Land, Housing and Building Rentals .....	1050	3,285,839
Other Planning and Development.....	1060	
Recreation and Culture		
Recreation Boards .....	1080	
Parks and Recreation .....	1090	1,046,902
Culture: Libraries, Museums, Halls .....	1100	58,938
Convention Centres .....	1110	
Other Recreation and Culture.....	1120	
Other Utilities		
Gas .....	1126	
Electric .....	1127	
Other .....	1130	
<b>Total Revenue/Expense</b>	<b>27,054,288</b>	<b>22,972,852</b>
<b>Net Revenue/Expense</b>		<b>4,081,436</b>

**FINANCIAL ACTIVITIES BY TYPE / OBJECT**

**Schedule 9D**

	<b>Total</b>
	<b>1</b>
Revenues	1700
Taxation and Grants in Place	1710
. Property (Net Municipal) .....	1720
. Business .....	1730
. Business Revitalization Zone .....	1740
. Special .....	1750
. Well Drilling .....	1760
. Local Improvement .....	1770
Sales To Other Governments .....	1790
Sales and User Charges .....	1800
Penalties and Costs on Taxes .....	1810
Licenses and Permits .....	1820
Fines .....	1830
Franchise and Concession Contracts .....	1840
Returns on Investments .....	1850
Rentals .....	1860
Insurance Proceeds .....	1870
Net Gain on Sale of Tangible Capital Assets .....	1880
Contributed and Donated Assets .....	1885
Federal Government Unconditional Transfers .....	1890
Federal Government Conditional Transfers .....	1900
Provincial Government Unconditional Transfers .....	1910
Provincial Government Conditional Transfers .....	1920
Local Government Transfers .....	1930
Transfers From Local Boards and Agencies .....	1940
Developer Agreements and Levies .....	1960
Other Revenues .....	1970
 Total Revenue	 1980
Expenses	1990
Salaries, Wages, and Benefits .....	2000
Contracted and General Services .....	2010
Purchases from Other Governments .....	2020
Materials, Goods, Supplies, and Utilities .....	2030
Provision For Allowances .....	2040
Transfers to Other Governments .....	2050
Transfers to Local Boards and Agencies .....	2060
Transfers to Individuals and Organizations .....	2070
Bank Charges and Short Term Interest .....	2080
Interest on Operating Long Term Debt .....	2090
Interest on Capital Long Term Debt .....	2100
Amortization of Tangible Capital Assets .....	2110
Net Loss on Sale of Tangible Capital Assets .....	2125
Write Down of Tangible Capital Assets .....	2127
Other Expenditures .....	2130
 Total Expenses	 2140
 Net Revenue (Expense)	 2150
	 22,972,852
	 4,081,436

## REVENUE AND EXPENSE SUPPLEMENTARY DETAIL

## Schedule 9E

	Revenue		Expenses	
	Sales and User Charges	Provincial Capital Transfers	Annual Amortization Expense	Capital Long Term Debt Interest Expense
	1	2	3	4
General Government	2200			
Council and Other Legislative .....	2210			
General Administration .....	2220	44,878		724,203
Other General Government.....	2230			
Protective Services	2240			
Police .....	2250	9,720		
Fire .....	2260	538,863	24,582	285,858
Disaster and Emergency Measures .....	2270	133,904		34,313
Ambulance and First Aid .....	2280			
Bylaws Enforcement .....	2290			14,690
Other Protective Services.....	2300			
Transportation	2310			
Common and Equipment Pool .....	2320			264,664
Roads, Streets, Walks, Lighting .....	2330	2,500	190,335	1,202,477
Airport .....	2340			
Public Transit .....	2350			
Storm Sewers and Drainage .....	2360			
Other Transportation .....	2370			
Environmental Use and Protection	2380			
Water Supply and Distribution .....	2390	2,342,324		1,429,346
Wastewater Treatment and Disposal .....	2400	1,716,663	2,578,647	438,513
Waste Management .....	2410	850,029		7,441
Other Environmental Use and Protection .....	2420			
Public Health and Welfare	2430			
Family and Community Support .....	2440	12,593		
Day Care .....	2450			
Cemeteries and Crematoriums .....	2460	15,333		59,087
Other Public Health and Welfare .....	2470			
Planning and Development	2480			
Land Use Planning, Zoning and Development .....	2490	5,415		
Economic/Agricultural Development .....	2500			
Subdivision Land and Development .....	2510	4,100		
Public Housing Operations .....	2520			
Land, Housing and Building Rentals .....	2530			917,446
Other Planning and Development.....	2540			
Recreation and Culture	2550			
Recreation Boards .....	2560			
Parks and Recreation .....	2570	365,888		891,830
Culture: Libraries, Museums, Halls .....	2580			92,616
Convention Centres .....	2590			
Other Recreation and Culture.....	2600			
Other Utilities	2605			
Gas .....	2606			
Electric .....	2607			
Other .....	2610			
Total	2620	6,042,210	2,793,564	5,352,422
				1,149,406

**TANGIBLE CAPITAL ASSETS SUPPLEMENTARY DETAIL**
**Schedule 9F**

	<b>Tangible Capital Assets</b>		<b>Capital Long Term Debt</b>	
	<b>Purchased</b>	<b>Donated or Contributed</b>	<b>Principal Additions</b>	<b>Principal Reductions</b>
	1	2	3	4
General Government				
2700				
2710				
2720	31,814			
2730				
Protective Services				
2740				
2750				
2760	51,384			105,717
2770	24,582			
2780				
2790	96,655			
2800				
Transportation				
2810				
2820	429,980			
2830	332,248			79,732
2840				
2850				
2860				
2870				
Environmental Use and Protection				
2880				
2890	1,652,434		16,273	208,843
2900	10,544,406		7,001,781	
2910				
2920				
Public Health and Welfare				
2930				
2940				
2950				
2960				
2970				
Planning and Development				
2980				
2990				
3000				
3010				
3020				
3030				1,427,141
3040				
Recreation and Culture				
3050				
3060				
3070	508,874			113,265
3080				
3090				
3100				
Other Utilities				
3105				
3106				
3107				
Other				
3110				
Total	3120	13,672,377	7,018,054	1,934,698

**CHANGE IN TANGIBLE CAPITAL ASSETS**
**Schedule 9G**

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year
	1	2	3	4
<b>Tangible Capital Assets - Cost</b>				
Engineered Structures	3200			
Roadway Systems.....	3201	40,949,278	323,858	41,273,136
Light Rail Transit Systems.....	3202			
Water Systems.....	3203	72,386,280	1,440,780	73,827,060
Wastewater Systems.....	3204	23,959,380	719,949	24,679,329
Storm Systems.....	3205			
Fibre Optics.....	3206			
Electricity Systems.....	3207			
Gas Distribution Systems.....	3208			
Total Engineered Structures .....	3210	137,294,938	2,484,587	139,779,525
Construction In Progress.....	3219	6,802,162	10,044,501	2,150,463
Buildings .....	3220	58,407,041	5,000	58,412,041
Machinery and Equipment .....	3230	6,419,218	671,412	6,971,900
Land .....	3240	2,804,024		2,804,024
Land Improvements.....	3245	12,408,457	340,054	12,748,511
Vehicles .....	3250	3,697,707	126,823	3,824,530
<b>Total Capital Property Cost</b>	<b>3260</b>	<b>227,833,547</b>	<b>13,672,377</b>	<b>2,269,193</b>
				<b>239,236,731</b>
<b>Accumulated Amortization</b>				
Engineered Structures	3270			
Roadway Systems	3271	30,579,422	1,202,477	31,781,899
Light Rail Transit Systems	3272			
Water Systems	3273	19,859,794	1,389,265	21,249,059
Wastewater Systems	3274	9,214,563	437,157	9,651,720
Storm Systems	3275			
Fibre Optics	3276			
Electricity Systems	3277			
Gas Distribution Systems	3278			
Total Engineered Structures .....	3280	59,653,779	3,028,899	62,682,678
Buildings .....	3290	10,137,758	1,168,513	11,306,271
Machinery and Equipment .....	3300	3,203,793	409,086	3,494,149
Land .....	3310			
Land Improvements.....	3315	3,415,977	489,554	3,905,531
Vehicles .....	3320	1,830,799	256,370	2,087,169
<b>Total Accumulated Amortization</b>	<b>3330</b>	<b>78,242,106</b>	<b>5,352,422</b>	<b>118,730</b>
				<b>83,475,798</b>
<b>Net Book Value of Capital Property</b>	<b>3340</b>	<b>149,591,441</b>		<b>155,760,933</b>
<b>Capital Long Term Debt (Net)</b>	<b>3350</b>	<b>24,914,050</b>		<b>29,997,406</b>
<b>Equity in Tangible Capital Assets</b>	<b>3400</b>	<b>124,677,391</b>		<b>125,763,527</b>

**LONG TERM DEBT SUPPORT**

**Schedule 9H**

	Operating Purposes	Capital Purposes	Total
	1	2	3
<b>Long Term Debt Support</b>	3405		
Supported by General Tax Levies .....	3410	5,973,968	5,973,968
Supported by Special Levies .....	3420		
Supported by Utility Rates .....	3430	8,043,422	8,043,422
Other .....	3440	15,980,016	15,980,016
 <b>Total Long Term Debt Principal Balance</b>	3450	29,997,406	29,997,406

**LONG TERM DEBT SOURCES**

**Schedule 9I**

	Operating Purposes	Capital Purposes	Total
	1	2	3
Alberta Capital Finance Authority.....	3500	29,507,833	29,507,833
Canada Mortgage and Housing Corporation .....	3520		
Mortgage Borrowing .....	3600		
Other .....	3610	489,573	489,573
 <b>Total Long Term Debt Principal Balance</b>	3620	29,997,406	29,997,406

**FUTURE LONG TERM DEBT REPAYMENTS**

**Schedule 9J**

	Operating Purposes	Capital Purposes	Total
	1	2	3
<b>Principal Repayments by Year</b>	3700		
Current + 1 .....	3710	8,950,591	8,950,591
Current + 2 .....	3720	2,046,813	2,046,813
Current + 3 .....	3730	2,046,625	2,046,625
Current + 4 .....	3740	2,137,225	2,137,225
Current + 5 .....	3750	2,232,044	2,232,044
Thereafter .....	3760	12,584,108	12,584,108
 <b>Total Principal</b>	3770	29,997,406	29,997,406
 <b>Interest by Year</b>	3780		
Current + 1 .....	3790	992,558	992,558
Current + 2 .....	3800	904,476	904,476
Current + 3 .....	3810	815,120	815,120
Current + 4 .....	3820	724,520	724,520
Current + 5 .....	3830	629,699	629,699
Thereafter .....	3840	1,926,503	1,926,503
 <b>Total Interest</b>	3850	5,992,876	5,992,876

**PROPERTY TAXES AND GRANTS IN PLACE**

**Schedule 9K**

	<b>Property Taxes</b>	<b>Grants - in Place</b>	<b>Total</b>
	<b>1</b>	<b>2</b>	<b>3</b>
Property Taxes	3900		
Residential Land and Improvements .....	3910	7,240,640	7,240,640
Non-Residential	3920		
Land and Improvements (Excluding M & E).....	3935	3,934,391	239,738
Machinery and Equipment .....	3950		
Linear Property .....	3960	209,524	
Railway .....	3970	1,103	
Farm Land .....	3980	6,561	
Adjustments to Property Taxes .....	3990		
 Total Property Taxes and Grants In Place	4000	11,392,219	239,738
			11,631,957
 Requisition Transfers		4010	
Education			
Residential/Farm Land .....		4031	1,711,246
Non-Residential .....		4035	967,167
Seniors Lodges .....		4090	300,657
Other .....		4100	964
Adjustments to Requisition Transfers .....		4110	
 Total Requisition Transfers		4120	2,980,034
 Net Municipal Property Taxes and Grants In Place		4130	8,651,923

**GRANTS IN PLACE OF TAXES**

**Schedule 9L**

	<b>Property Taxes</b>	<b>Business Taxes</b>	<b>Other Taxes</b>	<b>Total</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
Federal Government .....	4200	13,347		13,347
Provincial Government .....	4210	226,391		226,391
Local Government .....	4220			
Other .....	4230			
 Total	4240	239,738		239,738

**DEBT LIMIT****Schedule 9AA**

Debt Limit .....	1
Total Debt .....	5700 35,536,200
Debt Service Limit .....	5710 14,017,390
Total Debt Service Costs .....	5720 5,922,700
	5730 908,909

Enter prior year Line 3450 Column 2 balance here:

24,914,050

EDIT LIST - PLEASE REVIEW AND CORRECT ANY ERRORS NOTED BELOW

Please ensure the correct breakdown of Non-Residential Property taxes has been recorded under line 3920