

RURAL MUNICIPALITY OF ROSTHERN NO. 403

Auditor's Report

Financial Statements

December 31, 2021

MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
Rural Municipality of Rosthern No. 403 :

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

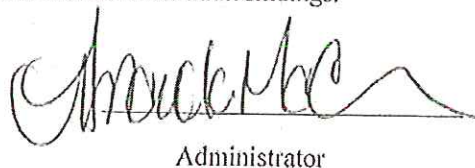
In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Council is composed of elected officials who are not employees of the Municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by the administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

Jensen Stromberg Chartered Professional Accountants, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.



Reeve



Administrator

INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of Rural Municipality of Rosthern No. 403

Report on the Financial Statements

Opinion

We have audited the financial statements of Rural Municipality of Rosthern No. 403, which comprise the statement of financial position as at **December 31, 2021** and the statements of financial activities, changes in net financial assets, and changes in financial position for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Rural Municipality as at **December 31, 2021** and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Rural Municipality 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.

Other Matters

The financial statements for the Rural Municipality of Rosthern No. 403 for the year ended December 31, 2020 were audited by another auditor who expressed a qualified opinion on those statements on August 31, 2021.

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

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

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

Auditor's Responsibility 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 Rural Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Rural Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Rural Municipality 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 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.

Saskatoon, Saskatchewan
June 9, 2022


Chartered Professional Accountants

RURAL MUNICIPALITY OF ROSTHERN NO. 403

Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2021
with comparative figures for 2020

	<u>2021</u>	<u>2020</u> (Restated) (Note 12)
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 8,822,036	8,331,673
Taxes receivable - Municipal (Note 3)	199,283	224,268
Other accounts receivable (Note 4)	61,518	50,901
Land for re-sale (Note 5)	-	-
Long-term investments	-	-
Debt charges recoverable	-	-
Other	-	-
Total financial assets	9,082,837	8,606,842
<u>LIABILITIES</u>		
Bank indebtedness (Note 6)	-	-
Accounts payable	893,948	161,766
Accrued liabilities payable	-	-
Deposits	50,600	51,600
Deferred revenue	-	25,575
Accrued landfill costs (Note 7)	262,053	262,053
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 8)	-	-
Lease obligations	-	-
Total liabilities	1,206,601	500,994
NET FINANCIAL ASSETS (DEBT)	7,876,236	8,105,848
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	3,769,842	3,557,852
Prepaid and deferred charges	10,169	116
Stock and supplies	683,899	277,489
Total non-financial assets	4,463,910	3,835,457
Accumulated Surplus (Deficit) (Schedule 8)	\$ 12,340,146	11,941,305

APPROVED ON BEHALF OF COUNCIL:

Reeve

Councillor

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

Statement 2

STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2021
with comparative figures for 2020

		<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 12)
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 3,142,450	3,155,429	3,288,309
Fees and charges	(Schedule 4, 5)	178,050	191,822	189,685
Conditional grants	(Schedule 4, 5)	15,540	8,843	12,892
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	(108,800)	(71,841)
Land sales - gain (loss)	(Schedule 4, 5)	-	-	-
Investment income and commissions	(Schedule 4, 5)	82,120	50,030	81,756
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	-	-	-
Total Revenues		<u>3,418,160</u>	<u>3,297,324</u>	<u>3,500,801</u>
Expenditures:				
General government services	(Schedule 3)	360,750	377,005	356,474
Protective services	(Schedule 3)	243,090	261,824	228,582
Transportation services	(Schedule 3)	1,982,600	2,381,997	1,927,951
Environmental and public health services	(Schedule 3)	301,770	172,932	209,969
Planning and development services	(Schedule 3)	50,000	31,249	51,900
Recreation and cultural services	(Schedule 3)	225,750	129,306	198,543
Utility services	(Schedule 3)	-	-	-
Restructurings	(Schedule 3)	-	-	-
Total Expenditures		<u>3,163,960</u>	<u>3,354,313</u>	<u>2,973,419</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>254,200</u>	<u>(56,989)</u>	<u>527,382</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>379,130</u>	<u>455,830</u>	<u>508,550</u>
Surplus (deficit) of revenues over expenditures		633,330	398,841	1,035,932
Accumulated surplus (deficit), beginning of year		<u>11,941,305</u>	<u>11,941,305</u>	<u>10,905,373</u>
Accumulated surplus (deficit), end of year		<u>\$ 12,574,635</u>	<u>12,340,146</u>	<u>11,941,305</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

Statement 3

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 12)
Surplus (deficit)	\$ 633,330	398,841	1,035,932
(Acquisition) of tangible capital assets	-	(630,840)	(399,481)
Amortization of tangible capital assets	-	230,050	202,068
Proceeds on disposal of tangible capital assets	-	80,000	98,869
Loss (gain) on disposal of tangible capital assets	-	108,800	71,841
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (deficit) of capital expenses over expenditures	-	(211,990)	(26,703)
(Acquisition) of supplies inventories	-	(989,720)	(277,487)
(Acquisition) of prepaid expenses	-	(10,053)	(115)
Consumption of supplies inventories	-	583,310	597,658
Use of prepaid expenses	-	-	32
Surplus (deficit) of expenses of other non-financial over expenditures	-	(416,463)	320,088
Increase (decrease) in Net Financial Assets	633,330	(229,612)	1,329,317
Net Financial Assets (Debt) - Beginning of the year	8,105,848	8,105,848	6,776,531
Net Financial Assets (Debt) - End of year	\$ 8,739,178	7,876,236	8,105,848

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2021
with comparative figures for 2020

	2021	2020 (Restated) (Note 12)
Cash provided by (used in) the following activities:		
Operating:		
Surplus (deficit)	\$ 398,841	1,035,932
Amortization	230,050	202,068
Loss (gain) on disposal of tangible capital assets	<u>108,800</u>	<u>71,841</u>
	737,691	1,309,841
Change in assets/liabilities		
Taxes receivable - Municipal	24,986	(21,624)
Other accounts receivable	(10,617)	53,798
Land for re-sale	-	-
Other financial assets	-	-
Accounts and accrued liabilities payable	706,625	(34,715)
Deposits	(1,000)	8,000
Deferred revenue	(20)	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	(406,410)	320,171
Prepayments and deferred charges	(10,052)	(84)
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>1,041,203</u>	<u>1,635,387</u>
Capital:		
Acquisition of capital assets	(630,840)	(399,481)
Proceeds from the disposal of capital assets	80,000	98,869
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(550,840)</u>	<u>(300,612)</u>
Investing:		
Long-term investments	-	-
Other investments	<u>-</u>	<u>-</u>
Net cash from investing	<u>-</u>	<u>-</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	<u>-</u>	<u>-</u>
Net cash from financing	<u>-</u>	<u>-</u>
Increase (decrease) in cash resources	490,363	1,334,775
Cash and temporary investments, beginning of year	<u>8,331,673</u>	<u>6,996,898</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 8,822,036</u>	<u>8,331,673</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the municipality are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board. Significant aspects of the accounting policies are as follows:

(a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

(b) Reporting Entity

The financial statements consolidate the assets, liabilities and flow of resources of the Municipality. The entity is comprised of all organizations owned or controlled by the Municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

(c) Collection of funds for other authorities

Collection of funds by the municipality for the school board, municipal hall and conservation and development authorities are collected and remitted in accordance with the relevant legislation. The amounts collected are disclosed in Note 3.

(d) Government Transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as:

- a) the transfer is authorized;
- b) eligibility criteria have been met by the recipient; and
- c) a reasonable estimate of the amount can be made

Unearned government transfer amounts received but not earned will be recorded as deferred revenue. Earned government transfer amounts not received will be recorded as an amount receivable.

(e) Deferred Revenue - Fees and Charges

Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.

(f) Local Improvement Charges

Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Net-Financial Assets

Net-financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

(h) Non-Financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

(i) Appropriated Reserves

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts designated are described on Schedule 8.

(j) Property Tax Revenue

Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by Council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.

(k) Investments

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment.

Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long-term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis.

(l) Inventories

Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price of the inventory in the ordinary course of business.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) **Tangible Capital Assets**

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of the contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The costs of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The Municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land improvements	10 to 50 years
Buildings	25 to 50 years
Vehicles and equipment	
Vehicles	5 to 25 years
Machinery & Equipment	5 to 25 years
<i>Infrastructure Assets</i>	
Infrastructure assets	30 to 75 Years
Water and sewer	30 to 75 Years
Road network assets	30 to 75 Years

Government contributions: Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

Works of art and other unrecognized assets: Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

Capitalization of interest: The Municipality does not capitalize interest incurred while a tangible capital asset is under construction.

Leases: All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers the majority of benefits and risk associated with the leased asset is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a straight line basis, over their estimated useful lives (lease term). Any other lease not meeting the before-mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

(n) **Landfill liability**

The Rural Municipality of Rosthern No. 403 maintains a waste disposal site. The accrual for the landfill liability is listed in Note 6.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) **Liability for contaminated sites**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- a) an environmental standard exists;
- b) contamination exceeds the environmental standard;
- c) the municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
- d) it is expected that future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

The Municipality does not have any contaminated sites.

(p) **Employee benefit plans**

Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to its contributions.

(q) **Measurement Uncertainty**

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality.

The 'Opening asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets.

These estimates and assumptions are reviewed periodically and as adjustments become necessary, they are reported in earnings in the period in which they become known.

(r) **Basis of Segmentation/Segment Report**

The Municipality follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowing.

These segments (functions) are as follows:

General Government: The general government segment provides for the administration of the Municipality.

Protective Services: Protective services is comprised of expenses for Police and Fire protection.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Transportation Services: The transportation services segment is responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

Environmental and Public Health: The environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the Municipality.

Planning and Development: The planning and development segment provides for neighbourhood development and sustainability.

Recreation and Culture: The recreation and culture segment provides for community services through the provision of recreation and leisure services.

Utility Services: The utility services segment provides for the delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

2. CASH AND TEMPORARY INVESTMENTS

	<u>2021</u>	<u>2020</u>
		(Restated)
		(Note 12)
Cash	\$ 8,038,804	5,462,073
Temporary investments	<u>783,232</u>	<u>2,869,600</u>
	<u>\$ 8,822,036</u>	<u>8,331,673</u>

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2021</u>	<u>2020</u>
Municipal: - Current	\$ 121,625	130,426
- Arrears	<u>77,658</u>	<u>93,842</u>
	199,283	224,268
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>199,283</u>	<u>224,268</u>
School: - Current	49,811	53,555
- Arrears	<u>33,312</u>	<u>33,262</u>
Total school taxes receivable	<u>83,123</u>	<u>86,817</u>
Other: - Current	669	-
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>669</u>	<u>-</u>
Total taxes and grants in lieu receivable	283,075	311,085
Deduct taxes receivable to be collected on behalf of other organizations	<u>(83,791)</u>	<u>(86,817)</u>
Total taxes receivable - Municipal	<u>\$ 199,283</u>	<u>224,268</u>

4. OTHER ACCOUNTS RECEIVABLE

	<u>2021</u>	<u>2020</u>
		(Restated)
		(Note 12)
Federal government	\$ 52,209	38,757
Provincial government	-	-
Local government	-	-
Utility	-	-
Trade	9,309	12,144
Other	<u>-</u>	<u>-</u>
Total other accounts receivable	61,518	50,901
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 61,518</u>	<u>50,901</u>

RURAL MUNICIPALITY OF ROSTHERN NO. 403

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

5. LAND FOR RESALE

	<u>2021</u>	<u>2020</u>
Tax title property	\$ 324	324
Less: - allowance for market value adjustment	<u>(324)</u>	<u>(324)</u>
Net tax title Property	-	-
Other land	-	-
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net other land	-	-
Total land for resale	<u>\$ -</u>	<u>-</u>

6. BANK INDEBTEDNESS

Credit Arrangements

At December 31, 2021, the Municipality had a line of credit totaling \$300,000, none of which was drawn.

7. ACCRUED LANDFILL COSTS

	<u>2021</u>	<u>2020</u>
Accrued landfill costs	\$ <u>262,053</u>	<u>262,053</u>

In 2021 the Municipality has accrued an overall liability for environmental matters. The Municipality had an environmental study completed which estimated the asset retirement obligation of a portion of the landfill to be \$861,371. The Municipality has applied for funding to offset the remainder of the cost of the landfill closure, and expects to receive this in full. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

8. LONG-TERM DEBT

The authorized debt limit for the Municipality is \$2,668,805. The authorized debt limit for a Municipality is the total amount of the Municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

9. PENSION PLAN

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2021 was \$41,212 (2020 - \$38,902). The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Based on the latest information available (December 31, 2021 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$1,144,386,000. This is based on the most recent actuarial valuation, completed December 31, 2020. The Rural Municipality's portion of this is not readily determinable.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

10. RECENT ACCOUNTING PRONOUNCEMENTS

A number of new and amended standards have been issued that may impact the Rural Municipality:

Standards Effective On Or After April 1, 2022:

PS 1201 Financial Statement Presentation replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Requires a new statement of re-measurement gains and losses separate from the statement of operations arising from the re-measurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. Effective in the period PS 3450 and PS 2601 are adopted.

PS 2601 Foreign Currency Translation replaces PS 2600 with revised guidance on the recognition, presentation and disclosure of transactions that are denominated in a foreign currency. Requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in a foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the statement of re-measurement gains and losses.

PS 3041 Portfolio Investments replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of portfolio investments. Removes the distinction between temporary and portfolio investments. Upon adoption of PS 3450 and PS 3041, PS 3030, Temporary Investments, will no longer apply. Effective in the period PS 3450, PS 2601 and PS 1201 are adopted.

PS 3450 Financial Instruments is a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. The standard requires fair value measurement of derivatives and equity instrument that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

PS 3280 Asset Retirement Obligations is a new standard establishing guidance on the accounting and reporting of legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use. As this standard includes solid waste landfill sites active and post-closing obligations, upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn.

Standards Effective On Or After April 1, 2023:

PS 3400 Revenue is a new standard establishing guidance on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payer.

The Rural Municipality continues to assess the impacts of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

11. BUDGET

The Financial Plan (Budget) adopted by Council on July 13, 2021, was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget expensed all tangible capital expenditures rather than including amortization expense, and includes transfers to and from reserves in the computation of net surplus. As a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<u>2021</u>
Budget net surplus	\$ -
Add: Transfers from reserves	746,670
Less: Investment in tangible capital assets	(1,030,000)
Transfer to reserves	<u>(350,000)</u>
Budget surplus per statement of operations	\$ <u>(633,330)</u>

RURAL MUNICIPALITY OF ROSTHERN NO. 403

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

12. CORRECTION OF AN ERROR

During the year, it was determined that the municipality does not have control over the entity Sask Valley Rural Water Utility. Therefore the prior financials should not have been consolidated. Additionally, during the year it was determined that the municipality did not need to defer the funding provided from the Canada Community-Building Fund.

As a result of these changes, the municipality has restated its 2020 comparative figures to reflect these corrections as follows:

<u>Account</u>	<u>Original</u> <u>2020 Balance</u>	<u>Change</u>	<u>Restated</u> <u>2020 Balance</u>
Cash and temporary investments	\$ 9,047,928	(716,255)	8,331,673
Taxes receivable - Municipal	224,268	-	224,268
Other accounts receivable	88,709	(37,808)	50,901
Other (Subscriber loans)	281,281	(281,281)	-
Total financial assets	\$ 9,642,186	(1,035,344)	8,606,842
Accounts payable	\$ 162,578	(812)	161,766
Deposits	51,600	-	51,600
Deferred revenue	589,260	(563,685)	25,575
Accrued landfill costs	262,053	-	262,053
Long term debt	260,092	(260,092)	-
Total liabilities	1,325,583	(304,405)	500,994
Net financial assets	8,316,603	(730,939)	8,105,848
Tangible capital assets	6,393,750	(2,835,898)	3,557,852
Prepaid and deferred charges	116	-	116
Stock and supplies	277,489	-	277,489
Total non-financial assets	\$ 6,671,355	(2,835,898)	3,835,457
Accumulated Surplus	14,987,958	(3,566,837)	11,941,305
Total revenue	\$ 4,423,873	(414,522)	4,009,351
Total expenses	3,510,673	(537,254)	2,973,419
Net surplus (loss)	\$ 913,200	122,732	1,035,932

RURAL MUNICIPALITY OF ROSTHERN NO. 403

SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 12)
TAXES			
General municipal tax levy	\$ 2,650,000	2,618,165	2,644,508
Abatements and adjustments	-	7	-
Discount on current year taxes	<u>(110,000)</u>	<u>(99,051)</u>	<u>(113,182)</u>
Net municipal taxes	2,540,000	2,519,121	2,531,326
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	-	15,400	12,622
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	<u>2,540,000</u>	<u>2,534,521</u>	<u>2,543,948</u>
UNCONDITIONAL GRANTS			
Revenue sharing	494,680	494,682	499,200
Organized Hamlet	91,330	111,619	91,522
Other (Safe Restart)	-	-	<u>137,204</u>
Total Unconditional Grants	<u>586,010</u>	<u>606,301</u>	<u>727,926</u>
GRANTS IN LIEU OF TAXES			
Federal	11,350	9,588	11,347
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
Sasktel	-	-	-
Other	5,090	5,019	5,088
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	<u>16,440</u>	<u>14,607</u>	<u>16,435</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 3,142,450</u>	<u>3,155,429</u>	<u>3,288,309</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 12)
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 83,460	56,230	85,732
Sales of supplies	10,000	9,273	9,346
Other (Municipal reserve collection and other)	18,850	28,200	27,802
Total Fees and Charges	112,310	93,703	122,880
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	-	-
Investment income and commissions	82,120	50,030	81,756
Other	-	-	-
Total other segmented revenue	194,430	143,733	204,636
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	194,430	143,733	204,636
Capital			
Conditional Grants			
Canada Community Building Fund	203,550	280,255	203,550
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	203,550	280,255	203,550
Restructuring Revenue	-	-	-
Total General Government Services	397,980	423,988	408,186
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Fire fees	26,000	42,190	28,772
Total Fees and Charges	26,000	42,190	28,772
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	26,000	42,190	28,772
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	26,000	42,190	28,772
Capital			
Conditional Grants			
Canada Community-Building Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Protective Services	26,000	42,190	28,772

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 12)
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 7,740	9,055	7,740
Sales of supplies	-	-	-
Road Maintenance and Restoration Agreements	12,000	15,931	11,717
Other (Permits)	10,000	14,400	9,786
Total Fees and Charges	29,740	39,386	29,243
Tangible capital asset sales - gain (loss)	-	(108,800)	(71,841)
Other	-	-	-
Total other segmented revenue	29,740	(69,414)	(42,598)
Conditional Grants			
Federal- Primary Weight Corridor	-	-	-
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	29,740	(69,414)	(42,598)
Capital			
Conditional Grants			
Canada Community-Building Fund	-	-	-
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial Disaster Assistance	-	-	-
Other (Municipal Economic Enhancement Program)	175,580	175,575	305,000
Total Capital	175,580	175,575	305,000
Restructuring Revenue	-	-	-
Total Transportation Services	205,320	106,161	262,402
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	-	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other (Pest Control)	15,000	8,843	12,348
Total Conditional Grants	15,000	8,843	12,348
Total Operating	15,000	8,843	12,348
Capital			
Conditional Grants			
Canada Community-Building Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Environmental and Public Health Services Services	15,000	8,843	12,348

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 12)
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ -	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Canada Community-Building Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Planning and Development Services	-	-	-
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Sales of supplies	-	2,598	40
Other	-	-	-
Total Fees and Charges	-	2,598	40
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	2,598	40
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Donations	540	-	544
Other	-	-	-
Total Conditional Grants	540	-	544
Total Operating	540	2,598	584
Capital			
Conditional Grants			
Canada Community-Building Fund	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Recreation and Cultural Services	540	2,598	584

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 12)
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ -	-	-
Sewer	-	-	-
Other (Sask Valley Rural Water Utility admin fees)	10,000	13,945	8,750
Total Fees and Charges	10,000	13,945	8,750
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	10,000	13,945	8,750
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>10,000</u>	<u>13,945</u>	<u>8,750</u>
Capital			
Conditional Grants			
Canada Community-Building Fund	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>10,000</u>	<u>13,945</u>	<u>8,750</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 654,840</u>	<u>597,725</u>	<u>721,042</u>

SUMMARY

Total Other Segmented Revenue	\$ 260,170	133,052	199,600
Total Conditional Grants	15,540	8,843	12,892
Total Capital Grants and Contributions	379,130	455,830	508,550
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	<u>\$ 654,840</u>	<u>597,725</u>	<u>721,042</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 12)
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 59,900	54,199	60,772
Wages and benefits	127,400	140,361	133,298
Professional/Contractual services	119,150	134,901	112,514
Utilities	9,500	8,290	7,154
Maintenance, materials, and supplies	35,800	29,375	35,555
Grants and contributions -operating	-	-	-
-capital	-	-	-
Amortization	3,000	3,000	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other (Meals and elections)	6,000	6,879	7,181
General Government Services	360,750	377,005	356,474
Restructuring	-	-	-
Total General Government Services	360,750	377,005	356,474
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	173,270	166,755	149,379
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions -operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Fire protection			
Wages and benefits	-	-	-
Professional/Contractual services	69,820	87,378	63,725
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions -operating	-	-	-
-capital	-	-	-
Amortization	-	7,691	15,478
Interest	-	-	-
Other	-	-	-
Protective Services	243,090	261,824	228,582
Restructuring	-	-	-
Total Protective Services	243,090	261,824	228,582
TRANSPORTATION SERVICES			
Wages and benefits	347,250	436,001	360,345
Professional/Contractual services	5,880	6,924	19,642
Utilities	22,130	17,830	42,275
Maintenance, materials, and supplies	1,122,540	991,953	741,013
Gravel	250,000	710,501	581,657
Grants and contributions -operating	-	-	-
-capital	-	-	-
Amortization	234,800	218,788	183,019
Interest	-	-	-
Other	-	-	-
Transportation Services	1,982,600	2,381,997	1,927,951
Restructuring	-	-	-
Total Transportation Services	1,982,600	2,381,997	1,927,951

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 12)
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	44,000	36,270	35,326
Professional/Contractual services	114,500	110,879	152,046
Utilities	10,700	9,387	7,815
Maintenance, materials, and supplies	17,000	15,825	14,211
Grants and contributions			
-operating			
Waste disposal	-	-	-
Public health	115,000	-	-
-capital			
Waste disposal	-	-	-
Public health	-	-	-
Amortization	570	571	571
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	<u>301,770</u>	<u>172,932</u>	<u>209,969</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services	<u>301,770</u>	<u>172,932</u>	<u>209,969</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	50,000	31,249	51,900
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Planning and Development Services	<u>50,000</u>	<u>31,249</u>	<u>51,900</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>50,000</u>	<u>31,249</u>	<u>51,900</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials, and supplies	158,750	46,511	87,804
Grants and contributions			
-operating	67,000	82,795	107,739
-capital	-	-	-
Amortization	-	-	3,000
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	<u>225,750</u>	<u>129,306</u>	<u>198,543</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>225,750</u>	<u>129,306</u>	<u>198,543</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 12)
UTILITY SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Utility Services	-	-	-
Restructuring	-	-	-
Total Utility Services	-	-	-
 TOTAL EXPENDITURES BY FUNCTION	 \$ <u>3,163,960</u>	 <u>3,354,313</u>	 <u>2,973,419</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Schedule 4

Year ended December 31, 2021

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 93,703	42,190	39,386	-	-	2,598	13,945	191,822
Tangible capital asset sales - Gain (loss)	-	-	(108,800)	-	-	-	-	(108,800)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	50,030	-	-	-	-	-	-	50,030
Other revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	-	-	-	-	-
Grants - Capital	280,255	-	175,575	8,843	-	-	-	8,843
Restructuring's	-	-	-	-	-	-	-	455,830
Total revenues	423,988	42,190	106,161	8,843	-	2,598	13,945	597,725
Expenses (Schedule 3)								
Wages & Benefits	194,560	-	436,001	36,270	-	-	-	666,831
Professional/Contractual Services	134,901	254,133	6,924	110,879	31,249	-	-	538,086
Utilities	8,290	-	17,830	9,387	-	-	-	35,507
Maintenance, materials and supplies	29,375	-	1,702,454	15,825	-	46,511	-	1,794,165
Grants and contributions	-	-	-	-	-	82,795	-	82,795
Amortization	3,000	7,691	218,788	571	-	-	-	230,050
Interest	-	-	-	-	-	-	-	-
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	6,879	-	-	-	-	-	-	-
Restructuring's	-	-	-	-	-	-	-	6,879
Total expenses	377,005	261,824	2,381,997	172,932	31,249	129,306	-	3,354,313
Surplus (deficit) by function	46,983	(219,634)	(2,275,836)	(164,089)	(31,249)	(126,708)	13,945	(2,756,588)
Taxation and other unconditional revenue (Schedule 1)								3,155,429
Net Surplus (Deficit)								\$ 398,841

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Schedule 5

Year ended December 31, 2020

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total (Restated) (Note 12)
Revenues (Schedule 2)								
Fees and charges	\$ 122,880	28,772	29,243	-	-	-	8,750	189,685
Tangible capital asset sales - Gain (loss)	-	-	(71,841)	-	-	-	-	(71,841)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	81,756	-	-	-	-	-	-	81,756
Other revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	-	-	-	-	-
Grants - Capital	203,550	-	305,000	12,348	-	544	-	12,892
Restructuring's	-	-	-	-	-	-	-	508,550
Total revenues	<u>408,186</u>	<u>28,772</u>	<u>262,402</u>	<u>12,348</u>	<u>-</u>	<u>584</u>	<u>8,750</u>	<u>721,042</u>
Expenses (Schedule 3)								
Wages & Benefits	194,070	-	360,345	35,326	-	-	-	589,741
Professional/Contractual Services	112,514	213,104	19,642	152,046	51,900	-	-	549,206
Utilities	7,154	-	42,275	7,815	-	-	-	57,244
Maintenance, materials and supplies	35,555	-	1,322,670	14,211	-	87,804	-	1,460,240
Grants and contributions	-	-	-	-	-	107,739	-	107,739
Amortization	-	15,478	183,019	571	-	3,000	-	202,068
Interest	-	-	-	-	-	-	-	-
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Restructuring's	7,181	-	-	-	-	-	-	7,181
Total expenses	<u>356,474</u>	<u>228,582</u>	<u>1,927,951</u>	<u>209,969</u>	<u>51,900</u>	<u>198,543</u>	<u>-</u>	<u>2,973,419</u>
Surplus (deficit) by function	51,712	(199,810)	(1,665,549)	(197,621)	(51,900)	(197,959)	8,750	(2,252,377)
Taxation and other unconditional revenue (Schedule 1)								
Net Surplus (Deficit)								<u>3,288,309</u>
								<u>\$ 1,035,932</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2021
with comparative figures for 2020

	2021						2020
	General Assets			Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	(Restated) (Note 12) Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment		
Asset cost							
Opening asset costs	\$ 21,064	28,549	270,920	456,188	2,245,955	5,321,259	8,343,935
Additions during the year	70,000	-	-	-	560,840	-	630,840
Disposals and write-downs during the year	-	-	-	-	(295,000)	-	(295,000)
Transfers (from) assets under construction	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-
Closing asset costs	<u>91,064</u>	<u>28,549</u>	<u>270,920</u>	<u>456,188</u>	<u>2,511,795</u>	<u>5,321,259</u>	<u>8,343,935</u>
Accumulated amortization cost							
Opening accumulated amortization costs	-	18,843	86,649	370,027	866,319	3,444,245	4,776,327
Add: Amortization taken	-	571	5,164	21,658	140,030	62,627	202,068
Less: Accumulated amortization on disposals	-	-	-	-	(106,200)	-	(192,312)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>-</u>	<u>19,414</u>	<u>91,813</u>	<u>391,685</u>	<u>900,149</u>	<u>3,506,872</u>	<u>4,786,083</u>
Net book value	<u>\$ 91,064</u>	<u>9,135</u>	<u>179,107</u>	<u>64,503</u>	<u>1,611,646</u>	<u>1,814,387</u>	<u>3,557,852</u>

1. Total contributed/donated assets received in 2021: \$ -
2. List of assets recognized at nominal value in 2021 are:
 - Infrastructure Assets \$ -
 - Vehicles \$ -
 - Machinery and Equipment \$ -
3. Amount of interest capitalized in 2021: \$ -

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403 SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	2021							2020 (Restated) (Note 12)
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Asset cost								
Opening asset costs	\$ 175,907	309,561	7,367,874	490,593	-	-	-	8,307,476
Additions during the year	-	-	630,840	-	-	-	-	630,840
Disposals and write-downs during the year	-	-	(295,000)	-	-	-	-	(295,000)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	(363,022)
Closing asset costs	175,907	309,561	7,703,714	490,593	-	-	-	8,679,775
Accumulated amortization cost								
Opening accumulated amortization costs	33,153	301,600	4,432,487	18,843	-	-	-	4,776,327
Add: Amortization taken	3,000	7,691	218,788	571	-	-	-	230,050
Less: Accumulated amortization on disposals	-	-	(106,200)	-	-	-	-	(106,200)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	36,153	309,291	4,545,075	19,414	-	-	-	4,909,933
Net book value	\$ 139,754	270	3,158,639	471,179	-	-	-	3,769,842

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2021

	<u>2020</u>	<u>Changes</u>	<u>2021</u>
	(Restated)		
	(Note 12)		
UNAPPROPRIATED SURPLUS	\$ <u>6,458,822</u>	<u>(225,292)</u>	<u>6,233,530</u>
APPROPRIATED RESERVES			
Machinery and equipment	200,000	100,000	300,000
Public reserve	16,229	21,774	38,003
Capital trust	-	-	-
Utility	-	-	-
Other	<u>1,378,101</u>	<u>216,725</u>	<u>1,594,826</u>
Total Appropriated	<u>1,594,330</u>	<u>338,499</u>	<u>1,932,829</u>
ORGANIZED HAMLETS			
Hamlet of Blumenthal	158,237	34,935	193,172
Hamlet of Neuanlage	<u>172,064</u>	<u>38,709</u>	<u>210,773</u>
Total Hamlets	<u>330,301</u>	<u>73,644</u>	<u>403,945</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	3,557,852	211,990	3,769,842
Less: Related debt	<u>-</u>	<u>-</u>	<u>-</u>
Net Investment in Tangible Capital Assets	<u>3,557,852</u>	<u>211,990</u>	<u>3,769,842</u>
Total Accumulated Surplus	\$ <u>11,941,305</u>	<u>398,841</u>	<u>12,340,146</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2021

	PROPERTY CLASS					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)
Taxable Assessment	\$ 194,299,705	144,163,535	-	-	6,594,980	-
Regional Park Assessment						
Total Assessment						\$ 345,058,220
Mill Rate Factor(s)	1.0700	1.3800	1.0000	1.0000	2.0000	
Total Base/Minimum Tax (generated for each property class)	141,075	84,650	-	-	10,000	235,725
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 1,326,109	1,212,362	-	-	79,694	2,618,165

MILL RATES:

MILLS
Average Municipal*
Average School*
Potash Mill Rate
Uniform Municipal Mill Rate

* Average Mill Rates (multiply the total tax levy for each taxing authority by 1000 and divide by the total assessment for the taxing authority)

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2021

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Reeve	Roger Kinzel	\$ 6,989	2,588	9,577
Councillor	Rick Pochipinski	5,624	1,280	6,904
Councillor	Peter Unger	5,524	831	6,355
Councillor	Glenn Braun	6,015	1,473	7,488
Councillor	Leo Perrin	4,020	249	4,269
Councillor	Chad Krikau	3,581	447	4,028
Councillor	Robert Baynton	3,580	524	4,104
Councillor	Tom Madden	5,854	494	6,348
Total		<u>\$ 41,187</u>	<u>7,886</u>	<u>49,073</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROSTHERN NO. 403

SCHEDULE OF RESTRUCTURING

Year ended December 31, 2021

Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date

Cash and temporary investments	\$ -
Taxes Receivable - Municipal	-
Other accounts receivable	-
Land for resale	-
Long-term investments	-
Debt charges recoverable	-
Bank indebtedness	-
Accounts payable	-
Accrued liabilities payable	-
Deposits	-
Deferred revenue	-
Accrued landfill costs	-
Liability for contaminated sites	-
Other liabilities	-
Long-term debt	-
Lease obligations	-
Tangible capital assets	-
Prepayments and deferred charges	-
Stock and supplies	-
Other	-
Total Net Carrying Amount Received (Transferred)	\$ -

See accompanying notes to the financial statements.