

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520
Financial Statements
Year Ended December 31, 2021

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Index to Financial Statements

Year Ended December 31, 2021

	Page
MANAGEMENT'S RESPONSIBILITY	1
INDEPENDENT AUDITORS' REPORT	2 - 3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Operations and Accumulated Surplus	5
Statement of Change in Net Financial Assets	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 16
Taxes and Other Unconditional Revenue (<i>Schedule 1</i>)	17
Schedule of Operating and Capital Revenue by Function (Schedule 2 - 1)	18
Schedule of Operating and Capital Revenue by Function (Schedule 2 - 2)	19
Schedule of Operating and Capital Revenue by Function (Schedule 2 - 3)	20
Schedule of Operating and Capital Revenue by Function (Schedule 2 - 4)	21
Total Expenses by Function (Schedule 3 - 1)	22
Total Expenses by Function (Schedule 3 - 2)	23
Total Expenses by Function (Schedule 3 - 3)	24
Schedule of Segment Disclosure by Function (Schedule 4)	25
Schedule of Segment Disclosure by Function (Schedule 5)	26
Schedule of Tangible Capital Assets by Object (Schedule 6)	27
Schedule of Tangible Capital Assets by Function (Schedule 7)	28
Schedule of Accumulated Surplus (Schedule 8)	29
Schedule of Mill Rates and Assessments (Schedule 9)	30
Schedule of Council Remuneration (Schedule 10)	31

Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). 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 are 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 management and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the municipality's external auditors.

Grant Thornton LLP, 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 management to discuss their audit findings.



Naomi Hrischuk, Administrator



Cliff Aspyik, Councillor

Paddockwood, SK

Date:

INDEPENDENT AUDITOR'S REPORT

To the Council of the Rural Municipality of Paddockwood No. 520

Qualified Opinion

We have audited the financial statements of the Rural Municipality of Paddockwood No. 520 (the Municipality), which comprise the statement of financial position as at December 31, 2021, and the statements of operations and accumulated surplus and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

We were not able to observe the counting of inventories at December 31, 2021 or satisfy ourselves by alternative means concerning inventory quantities as at that date. Since closing inventories enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the deficit of revenues over expenses for the year reported in the statement of operations, inventory reported on the statement of financial position and the cash flows from operating activities reported in the statement of cash flows. As a result, our audit opinion on the financial statements for the year ended December 31, 2021 is modified because of the possible effects of this limitation in scope.

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

Other Matter

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. Schedules 1, 2, 3, 7 and 10 are presented for purposes of additional information and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

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 Municipality'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 liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

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

(continues)

Auditor's 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 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 Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.

Prince Albert, Canada
June 20, 2022

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520**Statement of Financial Position****As at December 31, 2021****Statement 1**

	2021	2020
FINANCIAL ASSETS		
Cash and Temporary Investments	\$ 1,411,669	\$ 1,014,059
Taxes Receivable - Municipal (Note 2)	142,567	142,756
Other Accounts Receivable (Note 3)	40,198	81,724
Land for Resale (Note 4)	6,552	-
Long-Term Investments (Note 5)	62,878	59,355
Debt Charges Recoverable	-	-
Other	-	-
Total financial assets	1,663,864	1,297,894
LIABILITIES		
Bank indebtedness (Note 6)	-	-
Accounts Payable	50,932	67,788
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue (Note 7)	175,157	160,820
Accrued Landfill Costs (Note 8)	27,739	25,000
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Long-Term Debt (Note 9)	218,450	601,268
Lease Obligations	-	-
Total liabilities	472,278	854,876
NET FINANCIAL ASSETS	1,191,586	443,018
NON-FINANCIAL ASSETS		
Tangible Capital Assets(Schedule 6, 7)	10,834,700	11,414,043
Prepayments and Deferred Charges	-	-
Stock and Supplies	195,375	264,499
Other	-	-
Total Non-Financial Assets	11,030,075	11,678,542
ACCUMULATED SURPLUS (Schedule 8)	\$ 12,221,661	\$ 12,121,560

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Statement of Operations and Accumulated Surplus

For the Year Ended December 31, 2021

Statement 2

	Budget	2021	2020
REVENUES OTHER THAN PROVINCIAL/FEDERAL CAPITAL GRANTS AND CONTRIBUTIONS			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 1,960,420	\$ 1,986,588	\$ 1,901,780
Fees and Charges (Schedule 4, 5)	97,710	157,251	132,894
Conditional Grants (Schedule 4, 5)	64,800	78,151	56,403
Tangible Capital Assets Sales - Gain (Loss) (Schedule 4, 5)	-	(122,202)	(392,458)
Land Sales - Gain (Loss) (Schedule 4, 5)	-	-	(39)
Investment Income and Commissions (Schedule 4, 5)	7,270	10,215	24,358
Restructurings (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	5,000	5,000	5,000
Total Revenues other than Provincial/Federal Capital Grants and Contributions	2,135,200	2,115,003	1,727,938
EXPENSES			
General Government Services (Schedule 3)	456,250	449,777	438,930
Protective Services (Schedule 3)	120,300	120,880	117,748
Transportation Services (Schedule 3)	1,438,640	1,365,855	1,394,798
Environmental and Public Health Services (Schedule 3)	109,490	108,721	123,856
Planning and Development Services (Schedule 3)	12,700	18,113	12,994
Recreation and Cultural Services (Schedule 3)	44,760	44,745	42,184
Utility Services (Schedule 3)	2,650	2,139	2,195
Restructurings (Schedule 3)	-	-	-
Total Expenses	2,184,790	2,110,230	2,132,705
Surplus (Deficit) of Revenues over Expenses before Provincial/Federal Capital Grants and Contributions	(49,590)	4,773	(404,767)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	54,360	95,328	140,463
Surplus (Deficit) of Revenues over Expenses	4,770	100,101	(264,304)
Accumulated Surplus (Deficit), Beginning of Year	12,121,560	12,121,560	12,385,864
ACCUMULATED SURPLUS - END OF YEAR	\$ 12,126,330	\$ 12,221,661	\$ 12,121,560

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Statement of Change in Net Financial Assets

As at December 31, 2021

Statement 3

	Budget	2021	2020
Surplus (Deficit)	\$ 4,770	\$ 100,102	\$ (264,303)
(Acquisition) of tangible capital assets	-	(48,514)	(896,965)
Amortization of tangible capital assets	-	505,654	474,378
Proceeds on disposal of tangible capital assets	-	-	150,000
Loss (gain) on the disposal of tangible capital assets	-	122,202	392,458
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	-	579,342	119,871
(Acquisition) of supplies inventories	-	(195,375)	(264,499)
(Acquisition) of prepaid expense	-	-	-
Consumption of supplies inventory	-	264,499	24,719
Use of prepaid expense	-	-	-
Surplus (Deficit) of expenses of other non-financial over expenditures	-	69,124	(239,780)
Increase/Decrease in Net Financial Assets	4,770	748,568	(384,212)
Net Financial Assets (Debt) - Beginning of Year	443,018	443,018	827,230
Net Financial Assets (Debt) - End of Year	\$ 447,788	\$ 1,191,586	\$ 443,018

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520**Statement of Cash Flows****For the Year Ended December 31, 2021****Statement 4****Cash provided by (used for) the following activities**

	2021	2020
Operating:		
Surplus (Deficit)	\$ 100,101	\$ (264,304)
Amortization	505,654	474,378
Loss (gain) on disposal of tangible capital assets	122,202	392,458
	<u>727,957</u>	<u>602,532</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	189	(3,950)
Other Receivables	41,526	(48,580)
Land for Resale	(6,552)	18,320
Accounts Payable	(16,854)	45,019
Deferred Revenue	14,337	68,543
Stock and Supplies	69,124	(239,780)
Accrued Landfill Costs	2,739	-
	<u>104,509</u>	<u>(160,428)</u>
Cash provided by operating transactions	<u>832,466</u>	<u>442,104</u>
Capital:		
Acquisition of capital assets	(48,514)	(896,965)
Proceeds from the disposal of capital assets	-	150,000
	<u>(48,514)</u>	<u>(746,965)</u>
Cash applied to capital transactions	<u>(48,514)</u>	<u>(746,965)</u>
Investing:		
Long-Term Investments	(3,523)	(2,621)
Other	-	-
	<u>(3,523)</u>	<u>(2,621)</u>
Cash provided by (applied to) investing transactions	<u>(3,523)</u>	<u>(2,621)</u>
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	498,992
Long-term debt repaid	(382,819)	(419,699)
Other financing	-	-
	<u>(382,819)</u>	<u>79,293</u>
Cash provided by (applied to) financing transactions	<u>(382,819)</u>	<u>79,293</u>
Change in Cash and Temporary Investments during the year	<u>397,610</u>	<u>(228,189)</u>
Cash and Temporary Investments - Beginning of Year	<u>1,014,059</u>	<u>1,242,248</u>
Cash and Temporary Investments - End of Year	<u>1,411,669</u>	<u>1,014,059</u>
CASH CONSISTS OF:		
Cash and Temporary Investments	<u>\$ 1,411,669</u>	<u>\$ 1,014,059</u>

See notes to financial statements

Notes to Financial Statements

For the Year Ended December 31, 2021

1. **Significant accounting policies**

The financial statements of the municipality have been prepared by management in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the municipality are as follows:

Basis of accounting: The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable and 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.

(a) **Reporting Entity:**

The financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. There are no external entities consolidated into this municipality.

(b) **Collection of funds for other authorities:**

Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.

(c) **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 revenue in the period that the events giving rise to the transfer occur, providing:

- a) the transfers are authorized
- b) any eligibility criteria and stipulations have been met; and
- c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue until eligibility criteria or stipulations are met.

Earned government transfer amounts not received will be recorded as an amount receivable.

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

(d) **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. Resources restricted by agreement with an external party are recognized as revenue in the municipality's financial statements in the period in which the resources are used for the purpose or purposes specified. An externally restricted inflow received before this criterion has been met is recorded as a liability until the resources are used for the purpose or purposes specified.

(e) **Local Improvement Charges:**

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

(f) **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.

(g) **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.

(h) **Appropriated Reserves:**

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

(continues)

Notes to Financial Statements

For the Year Ended December 31, 2021

1. Significant accounting policies (continued)

(i) **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, provided the revenues are expected to be collected. Requisitions operate as a flow through and are excluded from municipal revenue.

(j) **Investments:**

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms of 91 days to one year have been classified as other short-term investments and 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. The balance represents the balances receivable should the municipality decide to leave the self-insurance program and includes upfront contributions to the plan, additional premium payments, allocations of investment income on the funds on deposit, self-insurance claims paid and other claims administration costs. The municipality has the ability to withdraw from the plan with notice. Beyond the return of the municipality's fund balance, it has no further claim to the residual net assets of SARM.

(k) **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 in the ordinary course of business.

(continues)

Notes to Financial Statements

For the Year Ended December 31, 2021

1. Significant accounting policies (continued)

(l) **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 contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	5 to 20 Years
Buildings	10 to 50 Years
Vehicles & Equipment	
Vehicles	5 to 10 Years
Machinery and Equipment	5 to 10 Years
Infrastructure Assets	
Infrastructure Assets	30 to 75 Years
Water & 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 substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as a tangible capital asset. 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 lease are amortized on a straight line basis, over their estimated useful lives. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

(m) **Landfill liability:**

The municipality maintains a waste disposal site. The costs to close and maintain solid waste landfill sites are based on estimated future expenses, adjusted for inflation and discounted to current dollars. The annual provision is reported as an expense and the accumulated provision is reported as a liability on the Consolidated Statement of Financial Position. Recommended disclosure is provided in Note 10.

(n) **Trust Funds:**

Funds held in trust for others, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the municipality.

(o) **Employee benefit plans:**

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

(continues)

Notes to Financial Statements

For the Year Ended December 31, 2021

1. **Significant accounting policies** (*continued*)

(p) **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.

Any revisions to an amount previously recognized are accounted for in the period in which the revisions are made.

(q) **Measurement Uncertainty:**

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 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 periods 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 borrowings.

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

Protective Services: Comprised of expenses for Police and Fire protection.

Transportation Services: 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: Provides for neighbourhood development and sustainability.

Recreation and Culture: Provides for community services through the provision of recreation and leisure services.

Utility Services: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

(s) **Budget Information:**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 16, 2021.

(*continues*)

Notes to Financial Statements

For the Year Ended December 31, 2021

1. Significant accounting policies (continued)

(t) New Accounting Standards and Amendments to Standards:

Future Accounting Standards, Effective for fiscal years beginning 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. 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, 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, 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.

Effective for fiscal years beginning on or After April 1, 2023:

PS 3400, Revenue, 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 extent of the impact on adoption of these future standards is not known at this time.

Notes to Financial Statements

For the Year Ended December 31, 2021

2. Taxes Receivable - Municipal

	2021	2020
<u>Municipal</u>		
- current	\$ 123,059	\$ 123,191
- arrears	25,845	25,902
	<u>148,904</u>	149,093
Less - allowance for uncollectibles	<u>(6,337)</u>	<u>(6,337)</u>
Total municipal taxes receivable	<u>142,567</u>	142,756
<u>School</u>		
- current	36,653	38,722
- arrears	7,675	11,701
Total school taxes receivable	<u>44,328</u>	50,423
<u>Other</u>		
Total taxes and grants in lieu receivable	186,895	193,179
Deduct taxes receivable to be collected on behalf of other organizations	<u>(44,328)</u>	<u>(50,423)</u>
Total Taxes Receivable - Municipal	\$ 142,567	\$ 142,756

3. Other Accounts Receivable

	2021	2020
Federal Government	\$ 14,551	\$ 24,988
Provincial Government	-	-
Local Government	-	-
Utility	-	-
Trade	25,647	56,736
Other	-	-
Total Other Accounts Receivable	<u>40,198</u>	81,724
Less: allowance for uncollectibles	-	-
Net Other Accounts Receivable	\$ 40,198	\$ 81,724

4. Land for Resale

	2021	2020
Tax Title Property	\$ 6,552	\$ -
Allowance for market value adjustment	-	-
Net Tax Title Property	<u>6,552</u>	-
Land for Resale	-	-
Allowance for market value adjustment	-	-
Net Other Land	<u>-</u>	<u>-</u>
Total Land for Resale	\$ 6,552	\$ -

Notes to Financial Statements

For the Year Ended December 31, 2021

5. Investments

	<u>2021</u>	<u>2020</u>
Sask. Assoc. of Rural Municipalities - Self Insurance Fund	\$ 62,878	\$ 59,355
Other	-	-
Total Investments	\$ 62,878	\$ 59,355

The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis. The balance represents the balances receivable should the municipality decide to leave the self-insurance program and includes upfront contributions to the plan, additional premium payments, allocations of investment income on the funds on deposit, self-insurance claims paid and other claims administration costs. The municipality has the ability to withdraw from the plan with notice. Beyond the return of the municipality's fund balance, it has no further claim to the residual net assets of SARM.

6. Bank Indebtedness

Credit Arrangements

At December 31, 2021, the municipality had lines of credit totaling \$100,000, none of which were drawn. The following has been collateralized in connection with this line of credit:

-- General security agreement

7. Deferred Revenue

	<u>2021</u>	<u>2020</u>
<u>Gas Tax</u>		
Balance - Beginning of Year	\$ 150,628	\$ 92,277
Additions during the year	109,665	79,650
Reductions during the year	<u>(85,136)</u>	<u>(21,299)</u>
Balance - End of Year	<u>175,157</u>	<u>150,628</u>
<u>MEEP</u>		
Balance - Beginning of Year	10,192	-
Additions during the year	-	129,356
Reductions during the year	<u>(10,192)</u>	<u>(119,164)</u>
Balance - End of Year	<u>-</u>	<u>10,192</u>
Grand total	\$ 175,157	\$ 160,820

8. Accrued Landfill Costs

	<u>2021</u>	<u>2019</u>
Environmental Liabilities	\$ 27,739	\$ 25,000

The municipality operated a landfill that was closed in 2013. Since closure of the landfill the municipality has performed certain closure activities including post-closure care monitoring. In 2019 the Municipality engaged a third party expert to evaluate and estimate the extent of closure and post-closure costs remaining. The accrual as at December 31, 2021 represents managements best estimate of the liability remaining for closure and post-closure costs.

Post-closure care in years: 2

Projected year of final post monitoring closure costs: 2022

Total undiscounted post monitoring costs: \$27,739 (2020 - \$25,000).

Notes to Financial Statements

For the Year Ended December 31, 2021

9. Long-term Debt

The debt limit of the municipality is \$1,805,507. The 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)).

Bank loan of \$3,136 is repayable to Affinity Credit Union in monthly blended payments of \$4,650 bearing interest at 4.200% per annum. The loan matures in 2022.

Bank loan of \$14,570 is repayable to Affinity Credit Union in monthly blended payments of \$1,755 bearing interest at 4.200% per annum. The loan matures in 2022.

Bank loan of \$130,256 is repayable to Affinity Credit Union in monthly blended payments of \$10,045 bearing interest at 2.700% per annum. The loan matures in 2023.

Bank loan of \$25,086 is repayable to Affinity Credit Union in monthly blended payments of \$1,754 bearing interest at 2.700% per annum. The loan matures in 2023.

Bank loan of \$45,402 is repayable to Affinity Credit Union in monthly blended payments of \$2,895 bearing interest at 2.700% per annum. The loan matures in 2023.

Future principal and interest payments are as follows:

Year	Principal	Interest	2021	2020
2021	\$ -	\$ -	\$ -	\$ 394,589
2022	190,705	3,557	194,262	195,169
2023	27,745	113	27,858	27,858
	<u>\$ 218,450</u>	<u>\$ 3,670</u>	<u>\$ 222,120</u>	<u>\$ 617,616</u>

10. 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 \$48,078 (2020 - \$45,740). 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.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for the plan are not recognized in these financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

	2021	2020
<u>Details of MEPP</u>		
Number of active members	10	10
Member contribution rates (percentage of salary):		
Employee contribution - general members	9.00%	9.00%
Employer contribution - general members	9.00%	9.00%
Employee contribution - designated members (police officers and firefighters)	12.50%	12.50%
Employer contribution - designated members (police officers and fire fighters)	12.50%	12.50%
Member contributions for the year	48,078	45,740
Employer contributions for the year	48,078	45,740
Financial position of the plan:		
Plan assets	3,568,400,000	3,221,426,000
Plan liabilities	<u>2,424,014,000</u>	<u>2,382,526,000</u>
Accounting pension surplus	<u>\$1,144,386,000</u>	<u>\$ 838,900,000</u>

2021 year's maximum pensionable amount (YMPE) \$61,600 (2020 - \$58,700)

Notes to Financial Statements

For the Year Ended December 31, 2021

11. Contingent Liabilities

The municipality is contingently liable under terms of the Saskatchewan Association of Rural Municipalities Self-Insurance Plan for its proportionate share of claims and future claims in excess of the Plan's reserve fund.

12. Impacts of COVID-19

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Municipality was not significantly affected by the effects COVID-19. Office personnel were most impacted due to social distancing requirements, but all other employees were able to work in a safe and socially distanced environment.

13. Contingent Assets

Contingent assets are not recorded in the financial statements.

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2021

Schedule 1

	Budget 2021	2021	2020
TAXES			
General municipal tax levy	\$ 1,676,580	\$ 1,676,581	\$ 1,533,857
Abatements and adjustments	(61,150)	(45,204)	(42,880)
Discount on current year taxes	(89,150)	(88,664)	(78,648)
Net Municipal Taxes	1,526,280	1,542,713	1,412,329
Potash tax share	-	-	-
Trailer license fees	15,400	15,703	15,329
Penalties on tax arrears	19,450	19,454	15,071
Special tax levy	71,860	72,415	72,275
Other	-	-	-
Total Taxes	1,632,990	1,650,285	1,515,004
UNCONDITIONAL GRANTS			
Revenue Sharing	285,680	285,687	291,528
Organized Hamlet	5,250	5,253	5,290
Other (Safe Re-start Program)	-	-	53,689
Total Unconditional Grants	290,930	290,940	350,507
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	-	-	-
Central Services	-	-	-
SaskTel	-	-	-
Other - Grants	4,000	5,174	4,746
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	31,500	35,323	31,523
Other	1,000	4,866	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	36,500	45,363	36,269
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 1,960,420	\$ 1,986,588	\$ 1,901,780

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 1

	Budget 2021	2021	2020
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	\$ 2,500	\$ 4,105	\$ 2,623
- Custom work	-	-	-
- Sales of supplies	6,910	8,949	22,794
- Other - Rental	7,300	7,401	6,936
Total Fees and Charges	16,710	20,455	32,353
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain (loss)	-	-	(39)
- Investment income and commissions	7,270	10,215	24,358
- Other	-	-	-
Total Other Segmented Revenue	23,980	30,670	56,672
Conditional Grants			
- Student Employment	7,210	7,216	6,339
- Other	-	-	-
Total Conditional Grants	7,210	7,216	6,339
Total Operating	31,190	37,886	63,011
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total General Government Services	31,190	37,886	63,011
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	1,000	-	29,232
Other	-	-	-
Total Fees and Charges	1,000	-	29,232
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	1,000	-	29,232
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	1,000	-	29,232
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Protective Services	\$ 1,000	\$ -	\$ 29,232

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 2

	Budget 2021	2021	2020
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Custom work	5,000	5,565	6,977
- Sales of supplies	500	-	280
- Road Maintenance and Restoration Agreements	-	-	-
- Frontage	-	-	-
- Other	-	-	-
Total Fees and Charges	5,500	5,565	7,257
- Tangible capital asset sales - gain (loss)	-	(122,202)	(392,458)
- Other	-	-	-
Total Other Segmented Revenue	5,500	(116,637)	(385,201)
Conditional Grants			
- MREP (CTP)	270	272	272
- Student Employment	-	-	-
- Other - Infrastructure	48,160	61,671	39,390
Total Conditional Grants	48,430	61,943	39,662
Total Operating	53,930	(54,694)	(345,539)
Capital			
Conditional Grants			
- Federal Gas Tax	54,360	85,136	21,299
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Heavy Haul	-	-	-
- MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other - MEEP	-	10,192	119,164
Total Capital	54,360	95,328	140,463
Restructuring Revenue	-	-	-
Total Transportation Services	108,290	40,634	(205,076)
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	23,500	26,418	22,993
- Other	-	-	-
Total Fees and Charges	23,500	26,418	22,993
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	23,500	26,418	22,993
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other - Pest Control	2,000	1,831	3,241
Total Conditional Grants	2,000	1,831	3,241
Total Operating	25,500	28,249	26,234
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- TAPD	-	-	-
- Transit for Disabled	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Environmental and Public Health Services	\$ 25,500	\$ 28,249	\$ 26,234

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 3

	Budget 2021	2021	2020
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Maintenance and Development Charges	36,600	75,145	26,000
- Other - Permits and licenses	14,000	28,754	14,364
Total Fees and Charges	50,600	103,899	40,364
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	5,000	5,000	5,000
Total Other Segmented Revenue	55,600	108,899	45,364
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	55,600	108,899	45,364
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Planning and Development Services	55,600	108,899	45,364
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenues			
Fees and Charges	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Donations	-	-	-
- Other - Sask Lotto & Other Provincial	7,160	7,161	7,161
Total Conditional Grants	7,160	7,161	7,161
Total Operating	7,160	7,161	7,161
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Recreation and Cultural Services	\$ 7,160	\$ 7,161	\$ 7,161

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 4

	Budget 2021	2021	2020
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Water	400	914	695
- Sewer	-	-	-
- Other	-	-	-
Total Fees and Charges	400	914	695
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	400	914	695
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	400	914	695
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Utility Services	400	914	695
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 229,140	\$ 223,743	\$ (33,379)

SUMMARY

Total Other Segmented Revenue	\$ 109,980	\$ 50,264	\$ (230,245)
Total Conditional Grants	64,800	78,151	56,403
Total Capital Grants and Contributions	54,360	95,328	140,463
Restructuring Revenue	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 229,140	\$ 223,743	\$ (33,379)

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 1

	Budget 2021	2021	2020
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 54,520	\$ 54,521	\$ 54,433
Wages and benefits	230,570	229,537	224,238
Professional/Contractual services	86,650	88,374	91,579
Utilities	26,840	22,308	24,087
Maintenance, materials and supplies	30,230	28,209	17,765
Grants and contributions			
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	27,440	26,828	26,828
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
General Government Services	456,250	449,777	438,930
Restructuring	-	-	-
Total General Government Services	456,250	449,777	438,930
PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	45,300	44,512	43,348
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
Grants and Contributions - operating	-	-	-
- capital	-	-	-
Other	-	-	-
Fire Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	75,000	76,368	74,400
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
Grants and Contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Protective Services	120,300	120,880	117,748
Restructuring	-	-	-
Total Protective Services	120,300	120,880	117,748
TRANSPORTATION SERVICES			
Wages and Benefits	440,500	414,879	402,774
Professional/Contractual Services	41,000	39,321	37,154
Utilities	26,540	23,775	25,161
Maintenance, Materials and Supplies	317,600	319,431	335,431
Gravel	114,500	79,438	125,733
Grants and contributions			
Grants and Contributions - operating	-	-	-
- capital	-	-	-
Amortization	487,500	478,084	446,808
Interest	11,000	10,927	21,737
Other	-	-	-
Transportation Services	1,438,640	1,365,855	1,394,798
Restructuring	-	-	-
Total Transportation Services	\$ 1,438,640	\$ 1,365,855	\$ 1,394,798

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 2

	Budget 2021	2021	2020
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and Benefits	\$ 14,480	\$ 15,383	\$ 14,011
Professional/Contractual Services	78,210	76,538	97,837
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
Grants and contributions - operating	-	-	-
[] Waste disposal	-	-	-
[] Public Health	-	-	-
- capital	-	-	-
[] Waste disposal	-	-	-
[] Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other - Recovery of estimated accrued landfill costs	16,800	16,800	12,008
Environmental and Public Health Services	109,490	108,721	123,856
Restructuring	-	-	-
Total Environmental and Public Health Services	109,490	108,721	123,856
PLANNING AND DEVELOPMENT SERVICES			
Wages and Benefits	-	-	-
Professional/Contractual Services	6,300	11,730	6,725
Grants and contributions			
Grants and Contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other - Memberships/tax loss comp.	6,400	6,383	6,269
Planning and Development Services	12,700	18,113	12,994
Restructuring	-	-	-
Total Planning and Development Services	12,700	18,113	12,994
RECREATION AND CULTURAL SERVICES			
Wages and Benefits	22,110	22,100	19,987
Professional/Contractual Services	15,490	15,484	15,036
Utilities	-	-	-
Maintenance, Materials, and Supplies	-	-	-
Grants and contributions			
Grants and Contributions - operating	7,160	7,161	7,161
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	44,760	44,745	42,184
Restructuring	-	-	-
Total Recreation and Cultural Services	\$ 44,760	\$ 44,745	\$ 42,184

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 3

	Budget 2021	2021	2020
UTILITY SERVICES			
Wages and Benefits	\$ -	\$ -	\$ -
Professional/Contractual Services	-	-	-
Utilities	1,900	1,397	1,453
Maintenance, Materials and Supplies	-	-	-
Grants and contributions	-	-	-
Grants and Contributions - operating	-	-	-
- capital	-	-	-
Amortization	750	742	742
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Utility Services	2,650	2,139	2,195
Restructuring	-	-	-
Total Utility Services	2,650	2,139	2,195
TOTAL EXPENSES BY FUNCTION	\$ 2,184,790	\$ 2,110,230	\$ 2,132,705

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Segment Disclosure by Function

As at December 31, 2021

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 20,455	\$ -	\$ 5,565	\$ 26,418	\$ 103,899	\$ -	\$ 914	\$ 157,251
Tangible Capital Asset Sales - Gain (Loss)	-	-	(122,202)	-	-	-	-	(122,202)
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	10,215	-	-	-	-	-	-	10,215
Other Revenues	-	-	-	-	5,000	-	-	5,000
Grants - Conditional	7,216	-	61,943	1,831	-	7,161	-	78,151
- Capital	-	-	95,328	-	-	-	-	95,328
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	37,886	-	40,634	28,249	108,899	7,161	914	223,743
Expenses (Schedule 3)								
Wages and Benefits	284,058	-	414,879	15,383	-	22,100	-	736,420
Professional/Contractual Services	88,374	120,880	39,321	76,538	11,730	15,484	-	352,327
Utilities	22,308	-	23,775	-	-	-	1,397	47,480
Maintenance Material and Supplies	28,209	-	398,869	-	-	-	-	427,078
Grants and Contributions	-	-	-	-	-	7,161	-	7,161
Amortization	26,828	-	478,084	-	-	-	742	505,654
Interest	-	-	10,927	-	-	-	-	10,927
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	16,800	6,383	-	-	23,183
Total Expenses	449,777	120,880	1,365,855	108,721	18,113	44,745	2,139	2,110,230
Surplus (Deficit) by Function	(411,891)	(120,880)	(1,325,221)	(80,472)	90,786	(37,584)	(1,225)	(1,886,487)
Taxes and other unconditional revenue (Schedule 1)								
Net Surplus (Deficit)								\$ 100,101

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520
Schedule of Segment Disclosure by Function

As at December 31, 2020

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 32,353	\$ 29,232	\$ 7,257	\$ 22,993	\$ 40,364	\$ -	\$ 695	\$ 132,894
Tangible Capital Asset Sales - Gain (Loss)	-	-	(392,458)	-	-	-	-	(392,458)
Land Sales - Gain (Loss)	(39)	-	-	-	-	-	-	(39)
Investment Income and Commissions	24,358	-	-	-	-	-	-	24,358
Other Revenues	-	-	-	-	5,000	-	-	5,000
Grants - Conditional	6,339	-	39,662	3,241	-	7,161	-	56,403
- Capital	-	-	140,463	-	-	-	-	140,463
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	63,011	29,232	(205,076)	26,234	45,364	7,161	695	(33,379)
Expenses (Schedule 3)								
Wages and Benefits	278,671	-	402,774	14,011	-	19,987	-	715,443
Professional/ Contractual Services	91,579	117,748	37,154	97,837	6,725	15,036	-	366,079
Utilities	24,087	-	25,161	-	-	-	1,453	50,701
Maintenance Material and Supplies	17,765	-	461,164	-	-	-	-	478,929
Grants and Contributions	-	-	-	-	-	7,161	-	7,161
Amortization	26,828	-	446,808	-	-	-	742	474,378
Interest	-	-	21,737	-	-	-	-	21,737
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	12,008	-	-	-	-
Total Expenses	438,930	117,748	1,394,798	123,856	12,994	42,184	2,195	2,132,705
Surplus (Deficit) by Function	(375,919)	(88,516)	(1,599,874)	(97,622)	32,370	(35,023)	(1,500)	(2,166,084)
Taxes and other unconditional revenue (Schedule 1)								
Net Surplus (Deficit)								1,901,780
								\$ (264,304)

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520
 Schedule of Tangible Capital Assets by Object

As at December 31, 2021

Schedule 6

	2021									
	General Assets									
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Infrastructure Assets	General/Infrastructure Assets Under Construction	2021 Total	2020 Total	
Asset cost										
Opening Asset costs	\$ 1,158,954	\$ -	\$ 765,249	\$ -	\$ 2,288,529	\$ 13,369,197	\$ 123,913	\$ 17,705,842	\$ 17,529,629	
Additions during the year	-	-	45,201	-	51,387	5,665	-	102,153	896,965	
Disposals and write-downs during the year	(41,633)	-	-	-	(25,486)	(112,839)	-	(179,958)	(720,752)	
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-	
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-	
Closing Asset Costs	1,117,321	-	810,450	-	2,314,430	13,261,923	123,913	17,628,037	17,705,842	
Accumulated Amortization Cost										
Opening Accumulated Amortization Costs	-	-	255,932	-	400,933	5,634,934	-	6,291,799	5,995,715	
Add: Amortization taken	-	-	27,750	-	156,417	317,371	-	501,538	474,378	
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(178,294)	
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-	
Closing Accumulated Amortization Costs	-	-	283,682	-	557,350	5,952,305	-	6,793,337	6,291,799	
Net Book Value	\$ 1,117,321	\$ -	\$ 526,768	\$ -	\$ 1,757,080	\$ 7,309,618	\$ 123,913	\$ 10,834,700	\$ 11,414,043	

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

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520
 Schedule of Tangible Capital Assets by Function

As at December 31, 2021

Schedule 7

	2021						2020 Total	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture		Water & Sewer
Asset cost								
Opening Asset costs	\$ 633,575	\$ -	\$ 15,918,449	\$ 2,143	\$ 1,121,981	\$ -	\$ 29,694	\$ 17,705,842
Additions during the year	133,133	-	37,347	-	-	-	-	170,480
Disposals and write-downs during the year	-	-	(235,091)	-	(13,194)	-	-	(248,285)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	(720,752)
Closing Asset Costs	766,708	-	15,720,705	2,143	1,108,787	-	29,694	17,628,037
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	220,099	-	6,049,352	-	-	-	22,348	6,291,799
Add: Amortization taken	26,828	-	473,968	-	-	-	742	501,538
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	(178,294)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	246,927	-	6,523,320	-	-	-	23,090	6,793,337
Net Book Value	\$ 519,781	\$ -	\$ 9,197,385	\$ 2,143	\$ 1,108,787	\$ -	\$ 6,604	\$ 10,834,700
								\$ 11,414,043

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Accumulated Surplus

As at December 31, 2021

Schedule 8

	2020	Changes	2021
UNAPPROPRIATED SURPLUS	\$ 761,666	\$ 385,076	\$ 1,146,742
APPROPRIATED RESERVES			
Machinery and Equipment	268,498	(35,068)	233,430
Public Reserve	30,991	(24,446)	6,545
Capital Trust	-	-	-
Utility	-	-	-
Other (Community-Building Fund/Gas Tax)	199,354	(24,197)	175,157
Total Appropriated	498,843	(83,711)	415,132
ORGANIZED HAMLETS			
Organized Hamlet of Northside	48,276	(4,739)	43,537
Total Organized Hamlets	48,276	(4,739)	43,537
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	11,414,043	(579,343)	10,834,700
Less: Related debt	(601,268)	382,818	(218,450)
Net Investment in Tangible Capital Assets	10,812,775	(196,525)	10,616,250
Total Accumulated Surplus	\$ 12,121,560	\$ 100,101	\$ 12,221,661

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520
Schedule of Mill Rates and Assessments

As at December 31, 2021

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 83,622,710	\$ 68,237,410	\$ -	\$ 26,382,580	\$ 2,972,960	\$ -	\$ 181,215,660
Regional Park Assessment	-	-	-	-	-	-	-
Total Assessment	83,622,710	68,237,410	-	26,382,580	2,972,960	-	181,215,660
Mill Rate Factor(s)	1.0000	1.0000	-	1.0000	1.5000	-	-
Total Base/Minimum Tax (generated for each property class)	458,700	325,380	-	-	5,610	-	789,690
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 860,089	\$ 652,920	\$ -	\$ 126,636	\$ 27,015	\$ -	\$ 1,666,660

MILLS

Average Municipal *	9.1971
Average School	3.0712
Potash Mill Rate	-
Uniform Municipal Mill Rate	4.8000

* 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 notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Council Remuneration

As at December 31, 2021

Schedule 10

	Name	Remuneration	Reimbursed Costs	Total
Position				
Reeve	Lance Fehr	\$ 7,206	\$ 1,872	\$ 9,078
Councillor	Gary Sumlic	5,540	1,916	7,456
Councillor	Wendy Waugh	5,540	1,816	7,356
Councillor	Lionel Lavoie	5,598	1,812	7,410
Councillor	Cliff Aspvik	5,608	1,807	7,415
Councillor	Leslie Blacklock	5,703	1,849	7,552
Councillor	Louise Corriveau	5,980	1,864	7,844
Total		<u>\$ 41,175</u>	<u>\$ 12,936</u>	<u>\$ 54,111</u>