

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520
Financial Statements
Year Ended December 31, 2022

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Index to Financial Statements

Year Ended December 31, 2022

	Page
MANAGEMENT'S RESPONSIBILITY	1
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 - 17
Taxes and Other Unconditional Revenue (<i>Schedule 1</i>)	18
Schedule of Operating and Capital Revenue by Function (<i>Schedule 2 - 1</i>)	19
Schedule of Operating and Capital Revenue by Function (<i>Schedule 2 - 2</i>)	20
Schedule of Operating and Capital Revenue by Function (<i>Schedule 2 - 3</i>)	21
Schedule of Operating and Capital Revenue by Function (<i>Schedule 2 - 4</i>)	22
Total Expenses by Function (<i>Schedule 3 - 1</i>)	23
Total Expenses by Function (<i>Schedule 3 - 2</i>)	24
Total Expenses by Function (<i>Schedule 3 - 3</i>)	25
Schedule of Segment Disclosure by Function (<i>Schedule 4</i>)	26
Schedule of Segment Disclosure by Function (<i>Schedule 5</i>)	27
Schedule of Tangible Capital Assets by Object (<i>Schedule 6</i>)	28
Schedule of Tangible Capital Assets by Function (<i>Schedule 7</i>)	29
Schedule of Accumulated Surplus (<i>Schedule 8</i>)	30
Schedule of Mill Rates and Assessments (<i>Schedule 9</i>)	31
Schedule of Council Remuneration (<i>Schedule 10</i>)	32

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.

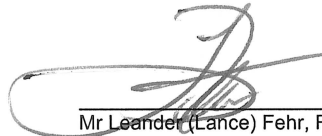
In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately 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 fulfills 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



Mr Leander (Lance) Fehr, Reeve

Paddockwood, SK

Date: June 21, 2023

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, 2022, 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, 2022, 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, 2022 and December 31, 2021 or satisfy ourselves by alternative means concerning inventory quantities as at those dates. As a result of this matter, we were unable to determine whether adjustments might have been necessary in respect of the (deficit) surplus of revenues over expenses and cash flows from operating activities for the years ended December 31, 2022 and December 31, 2021, inventory reported in stock and supplies on the statement of financial position as at December 31, 2022 and December 31, 2021 and accumulated surplus as at December 31, 2022 and 2021 and January 1, 2022 and 2021. Our audit opinion on the financial statements for the year ended December 31, 2021 was 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.

Emphasis of Matter - Restated comparative information

Without modifying our opinion, we draw attention to Note 15 to the financial statements, which describes that certain comparative information presented for the year ended December 31, 2021 has been restated.

Other Matters

Supplemental Information

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. Schedules 1, 2, 3, 7, 9 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 21, 2023

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, 2022****Statement 1**

	2022	2021 (Restated - See Note 15)
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	\$ 1,560,722	\$ 1,411,669
Taxes Receivable - Municipal (Note 3)	109,300	142,567
Other Accounts Receivable (Note 4)	78,084	40,198
Land for Resale (Note 5)	6,552	6,552
Long-Term Investments (Note 6)	48,367	62,878
Total financial assets	1,803,025	1,663,864
LIABILITIES		
Bank indebtedness (Note 7)	-	-
Accounts Payable	90,993	50,932
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue (Note 8)	364,760	336,950
Accrued Landfill Costs (Note 9)	16,262	27,739
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Long-Term Debt (Note 10)	91,646	218,450
Lease Obligations	-	-
Total liabilities	563,661	634,071
NET FINANCIAL ASSETS	1,239,364	1,029,793
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	10,582,664	10,834,700
Stock and Supplies	194,555	195,375
Total Non-Financial Assets	10,777,219	11,030,075
ACCUMULATED SURPLUS (Schedule 8)	\$ 12,016,581	\$ 12,059,867

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520**Statement of Operations and Accumulated Surplus****As at December 31, 2022****Statement 2**

	Budget	2022	2021 (Restated - See Note 15)
REVENUES OTHER THAN PROVINCIAL/FEDERAL CAPITAL GRANTS AND CONTRIBUTIONS			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 2,073,080	\$ 2,073,231	\$ 1,986,588
Fees and Charges (Schedule 4, 5)	113,240	141,367	157,251
Conditional Grants (Schedule 4, 5)	152,020	84,942	78,151
Tangible Capital Assets Sales - Gain (Loss) (Schedule 4, 5)	-	20,484	(122,202)
Land Sales - Gain (Loss) (Schedule 4, 5)	-	-	-
Investment Income and Commissions (Schedule 4, 5)	29,540	31,388	10,215
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	2,372,880	2,356,412	2,115,003
EXPENSES			
General Government Services (Schedule 3)	480,990	525,729	449,777
Protective Services (Schedule 3)	132,880	118,637	120,880
Transportation Services (Schedule 3)	1,681,970	1,548,003	1,365,855
Environmental and Public Health Services (Schedule 3)	103,430	96,916	108,721
Planning and Development Services (Schedule 3)	167,570	63,121	18,113
Recreation and Cultural Services (Schedule 3)	45,080	45,058	44,745
Utility Services (Schedule 3)	2,550	2,234	2,139
Restructurings (Schedule 3)	-	-	-
Total Expenses	2,614,470	2,399,698	2,110,230
(Deficit) Surplus of Revenues over Expenses before Provincial/Federal Capital Grants and Contributions	(241,590)	(43,286)	4,773
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	27,810	-	95,328
(Deficit) Surplus of Revenues over Expenses	(213,780)	(43,286)	100,101
Accumulated Surplus, Beginning of Year	12,059,867	12,059,867	11,959,766
ACCUMULATED SURPLUS - END OF YEAR	\$ 11,846,087	\$ 12,016,581	\$ 12,059,867

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Statement of Change in Net Financial Assets

As at December 31, 2022

Statement 3

	Budget		2021
	2022	2022	(Restated - See Note 15)
(Deficit) Surplus	\$ (213,780)	\$ (43,286)	\$ 100,102
Acquisition of tangible capital assets	-	(275,424)	(48,514)
Amortization of tangible capital assets	-	514,781	505,654
Proceeds on disposal of tangible capital assets	-	33,163	-
(Gain) Loss on the disposal of tangible capital assets	-	(20,484)	122,202
Transfer of assets/liabilities in restructuring transactions	-	-	-
(Deficit) Surplus of capital expenses over expenditures	-	252,036	579,342
Acquisition of supplies inventories	-	(194,554)	(195,375)
Acquisition of prepaid expense	-	-	-
Consumption of supplies inventory	-	195,375	264,499
Use of prepaid expense	-	-	-
(Deficit) Surplus of expenses of other non-financial over expenditures	-	821	69,124
Increase (Decrease) in Net Financial Assets	(213,780)	209,571	748,568
Net Financial Assets - Beginning of Year	1,029,793	1,029,793	281,225
Net Financial Assets - End of Year	\$ 816,013	\$ 1,239,364	\$ 1,029,793

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520**Statement of Cash Flows****As at December 31, 2022****Statement 4****Cash provided by (used for) the following activities**

	2022	2021 (Restated - See Note 15)
Operating:		
(Deficit) Surplus	\$ (43,286)	\$ 100,101
Amortization	514,781	505,654
(Gain) Loss on disposal of tangible capital assets	(20,484)	122,202
	<u>451,011</u>	<u>727,957</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	33,267	189
Other Receivables	(37,886)	41,526
Land for Resale	-	(6,552)
Accounts Payable	40,061	(16,854)
Deferred Revenue	27,810	14,337
Stock and Supplies	820	69,124
Accrued Landfill Costs	(11,477)	2,739
	<u>52,595</u>	<u>104,509</u>
Cash provided by operating transactions	<u>503,606</u>	<u>832,466</u>
Capital:		
Cash used to acquire tangible capital assets	(275,424)	(102,153)
Proceeds on sale of tangible capital assets	33,163	53,639
	<u>(242,261)</u>	<u>(48,514)</u>
Cash applied to capital transactions	<u>(242,261)</u>	<u>(48,514)</u>
Investing:		
Long-Term Investments	14,511	(3,523)
Proceeds on disposal of investments	-	-
Acquisition in investments	-	-
	<u>14,511</u>	<u>(3,523)</u>
Cash applied to investing transactions	<u>14,511</u>	<u>(3,523)</u>
Financing:		
Debt charges recovered	-	-
Proceeds from debt issued	76,550	-
Debt repayment	(203,354)	(382,819)
Other financing	-	-
	<u>(126,804)</u>	<u>(382,819)</u>
Cash provided by (applied to) financing transactions	<u>(126,804)</u>	<u>(382,819)</u>
Change in Cash and Temporary Investments during the year	<u>149,052</u>	<u>397,610</u>
Cash and Temporary Investments - Beginning of Year	<u>1,411,669</u>	<u>1,014,059</u>
Cash and Temporary Investments - End of Year (Note 2)	<u>\$ 1,560,721</u>	<u>\$ 1,411,669</u>

See notes to financial statements

Notes to Financial Statements

As at December 31, 2022

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 are 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.

Partnerships: A partnership represents a contractual arrangement between the municipality and a party or parties outside the reporting entity. The partners have significant, clearly defined common goals, make a financial investment in the partnership, share control of decision making, and share, on an equitable basis, the significant risks and benefits associated with the operations of the partnership. There are not partnerships consolidated into this Municipality.

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) **Other (Non-Government Transfer) Contributions:**

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the municipality if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

(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. 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.

(f) **Local Improvement Charges:**

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

(continues)

Notes to Financial Statements

As at December 31, 2022

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 so 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, provided the revenues are expected to be collected. 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 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 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.

(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 in the ordinary course of business.

(continues)

Notes to Financial Statements

As at December 31, 2022

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 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
Leased capital asset	Lease term
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.

(n) **Landfill liability:**

The municipality maintains a waste disposal site. The annual provision is reported as an expense and the accumulated provision is reported on the Statement of Financial Position. Disclosure is provided in Note 9.

(o) **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. There are no trust funds within the municipality.

(p) **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

As at December 31, 2022

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

(q) **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.

(r) **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.

(s) **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.

(t) **Budget Information:**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 25, 2022.

(u) **Asset Held for Sale:**

The municipality is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset and the sale is reasonably anticipated to be completed within one year of the financial statement date.

(continues)

Notes to Financial Statements

As at December 31, 2022

1. Significant accounting policies (continued)

(v) **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.

2. **Cash and Temporary Investments**

	2022	2021
Cash and Temporary Investments	\$ 1,560,722	\$ 1,411,669

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for other than specific current purposes is included in restricted cash.

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Notes to Financial Statements

As at December 31, 2022

3. Taxes Receivable - Municipal

	2022	2021
<u>Municipal</u>		
- Current	\$ 99,940	\$ 123,059
- Arrears	15,697	25,845
	<u>115,636</u>	148,904
Less - allowance for uncollectibles	(6,337)	(6,337)
Total municipal taxes receivable	<u>109,300</u>	142,567
<u>School</u>		
- Current	33,801	36,653
- Arrears	2,719	7,675
Total school taxes receivable	<u>36,520</u>	44,328
Other	-	-
Total taxes and grants in lieu receivable	<u>145,820</u>	186,895
Deduct taxes receivable to be collected on behalf of other organizations	(36,520)	(44,328)
Total Taxes Receivable - Municipal	<u>\$ 109,300</u>	<u>\$ 142,567</u>

4. Other Accounts Receivable

	2022	2021
Federal Government	\$ 43,591	\$ 14,551
Trade	34,493	25,647
Total Other Accounts Receivable	<u>78,084</u>	40,198
Less: allowance for uncollectibles	-	-
Net Other Accounts Receivable	<u>\$ 78,084</u>	<u>\$ 40,198</u>

5. Assets Held for Sale

	2022	2021
Tax Title Property	\$ 6,552	\$ 6,552
Land for Resale	-	-
Allowance for market value adjustment	-	-
Net Other Land	-	-
Total Assets Held for Sale	<u>\$ 6,552</u>	<u>\$ 6,552</u>

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Notes to Financial Statements

As at December 31, 2022

6. Investments

	<u>2022</u>	<u>2021</u>
Long-term Investments		
Sask. Assoc. of Rural Municipalities - Self Insurance Fund	\$ 48,367	\$ 62,878
Total Investments	\$ 48,367	\$ 62,878

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.

7. Bank Indebtedness

Credit Arrangements

At December 31, 2022, 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

8. Deferred Revenue

	<u>2022</u>	<u>2021</u> (Restated - see Note 15)
<u>Gas Tax</u>		
Balance - Beginning of Year	\$ 336,950	\$ 312,421
Additions during the year	27,810	109,665
Reductions during the year	-	(85,136)
Balance - End of Year	<u>364,760</u>	<u>336,950</u>
<u>MEEP</u>		
Balance - Beginning of Year	-	10,192
Additions during the year	-	-
Reductions during the year	-	(10,192)
Balance - End of Year	<u>-</u>	<u>-</u>
Total Deferred Revenue	\$ 364,760	\$ 336,950

9. Accrued Landfill Costs

	<u>2022</u>	<u>2021</u>
Environmental Liabilities	\$ 16,262	\$ 27,739

In 2022 the municipality has accrued an overall liability for environmental matters in the amount of \$16,262 (2021 - \$27,739) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Notes to Financial Statements

As at December 31, 2022

10. 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 \$12,560 is repayable to Affinity Credit Union in monthly blended payments of \$10,045 bearing interest at 6.700% per annum. The loan matures in 2023.

Bank loan of \$4,629 is repayable to Affinity Credit Union in monthly blended payments of \$1,754 bearing interest at 6.700% per annum. The loan matures in 2023.

Bank loan of \$11,801 is repayable to Affinity Credit Union in monthly blended payments of \$2,895 bearing interest at 6.700% per annum. The loan matures in 2023.

Bank loan of \$62,657 is repayable to Affinity Credit Union in monthly blended payments of \$14,248 bearing interest at 4.840% per annum. The loan matures in 2025.

Future principal and interest payments are as follows:

	Principal	Interest	2022	2021
Year				
2022	\$ -	\$ -	\$ -	\$ 194,262
2023	91,646	1,002	92,648	27,858
Balance	91,646	1,002	92,648	222,120

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.

Notes to Financial Statements

As at December 31, 2022

12. 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 2022 was \$52,912. 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 consolidated financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

	2022	2021
Details of MEPP		
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	26,456	24,039
Employer contributions for the year	26,456	24,039
Financial position of the plan:		
Plan assets	3,275,495,000	3,568,400,000
Plan liabilities	2,254,194,000	2,424,014,000
Accounting pension surplus	<u>1,021,301,000</u>	<u>\$1,144,386,000</u>

2022 year's maximum pensionable amount (YMPE) \$64,900 (2021 - \$61,600)

13. Comparative Figures

Certain of the prior year comparative figures may have been restated to conform to the current year's presentation.

14. Contingent Assets

Contingent assets are not recorded in the financial statements.

15. Prior Period Adjustment

The Municipality has restated its 2021 financial statements to correct deferred revenues for unearned Canada Community-Building Funding. The impact on the 2021 financial statements is as follows:

	2021 (As Previously Reported)	Adjustments	2021 As restated
Statement of Financial Position			
Deferred revenues	\$ 175,157	\$ 161,794	\$ 336,950
Accumulated Surplus	12,221,661	(161,794)	12,059,867
Statement of Operations and Accumulated Surplus			
Accumulated Surplus, Beginning of Year	12,121,560	(161,794)	11,959,766
Accumulated Surplus - End of Year	12,221,661	(161,794)	12,059,867
Statement of Changes in Net Financial Assets			
Net Financial Assets, Beginning of Year	443,018	(161,794)	281,225
Net Financial Assets, End of Year	1,191,586	(161,794)	1,029,793

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Notes to Financial Statements

As at December 31, 2022

16. Budget Data

The reconciliation of the approved budget for the current year to the budget figures reported in these financial statements is as follows:

	<u>2022</u>
Budget surplus per Statement of Operations	<u>(213,780)</u>
Less: Amortization	<u>(514,781)</u>
Per approved municipal budget	<u>\$ (728,561)</u>

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2022

Schedule 1

	Budget		2021
	2022	2022	(Restated - See Note 15)
TAXES			
General municipal tax levy	\$ 1,742,520	\$ 1,742,529	\$ 1,676,581
Abatements and adjustments	(28,750)	(24,416)	(45,204)
Discount on current year taxes	(89,250)	(93,012)	(88,664)
Net Municipal Taxes	1,624,520	1,625,101	1,542,713
Potash tax share	-	-	-
Trailer license fees	15,860	17,572	15,703
Penalties on tax arrears	19,760	15,454	19,454
Special tax levy	71,960	71,995	72,415
Other	-	-	-
Total Taxes	1,732,100	1,730,122	1,650,285
UNCONDITIONAL GRANTS			
Revenue Sharing	292,330	292,506	285,687
Organized Hamlet	5,680	5,682	5,253
Total Unconditional Grants	298,010	298,188	290,940
GRANTS IN LIEU OF TAXES			
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	-	-	-
Central Services	-	-	-
SaskTel	-	-	-
Other - Grants	5,170	5,399	5,174
Local/Other			
Housing Authority	-	-	-
CPR Mainline	-	-	-
Treaty Land Entitlement	35,300	36,841	35,323
Other	2,500	2,681	4,866
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	42,970	44,921	45,363
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 2,073,080	\$ 2,073,231	\$ 1,986,588

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Operating and Capital Revenue by Function

As at December 31, 2022

Schedule 2 - 1

	Budget		2021
	2022	2022	(Restated - See Note 15)
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	\$ 3,000	\$ 3,400	\$ 4,105
- Custom work	-	-	-
- Sales of supplies	7,820	12,785	8,949
- Other - Rental	7,800	6,385	7,401
Total Fees and Charges	18,620	22,570	20,455
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain (loss)	-	-	-
- Investment income and commissions	29,540	31,388	10,215
- Other	-	-	-
Total Other Segmented Revenue	48,160	53,958	30,670
Conditional Grants			
- Student Employment	3,310	3,310	7,216
- Other	-	-	-
Total Conditional Grants	3,310	3,310	7,216
Total Operating	51,470	57,268	37,886
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total General Government Services	51,470	57,268	37,886
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	1,000	-	-
Total Fees and Charges	1,000	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	1,000	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	1,000	-	-
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Protective Services	\$ 1,000	\$ -	\$ -

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Operating and Capital Revenue by Function

As at December 31, 2022

Schedule 2 - 2

	Budget		2021
	2022	2022	(Restated - See Note 15)
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Custom work	5,000	13,383	5,565
- Sales of supplies	-	5,454	-
- Road Maintenance and Restoration	-	-	-
Agreements	-	-	-
- Frontage	-	-	-
- Other	-	-	-
Total Fees and Charges	5,000	18,837	5,565
- Tangible capital asset sales - gain (loss)	-	20,484	(122,202)
- Other	-	-	-
Total Other Segmented Revenue	5,000	39,321	(116,637)
Conditional Grants			
- MREP (CTP)	270	32,802	272
- Student Employment	-	-	-
- Other - Infrastructure	49,130	21,161	61,671
Total Conditional Grants	49,400	53,963	61,943
Total Operating	54,400	93,284	(54,694)
Capital			
Conditional Grants			
- Federal Gas Tax	27,810	-	85,136
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Heavy Haul	-	-	-
- MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other - MEEP	-	-	10,192
Total Capital	27,810	-	95,328
	-	-	-
Total Transportation Services	82,210	93,284	40,634
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	-	-	-
- Waste and Disposal Fees	34,420	34,319	26,418
- Other	-	-	-
Total Fees and Charges	34,420	34,319	26,418
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	34,420	34,319	26,418
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other - Pest Control	2,000	2,210	1,831
Total Conditional Grants	2,000	2,210	1,831
Total Operating	36,420	36,529	28,249
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- TAPD	-	-	-
- Transit for Disabled	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
	-	-	-
Total Environmental and Public Health Services	\$ 36,420	\$ 36,529	\$ 28,249

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Operating and Capital Revenue by Function

As at December 31, 2022

Schedule 2 - 3

	Budget		2021
	2022	2022	(Restated - See Note 15)
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Maintenance and Development Charges	32,100	34,667	75,145
- Other - Permits and licenses	21,100	30,126	28,754
Total Fees and Charges	53,200	64,793	103,899
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	5,000	5,000	5,000
Total Other Segmented Revenue	58,200	69,793	108,899
Conditional Grants			
- Student Employment	-	-	-
- Other	90,150	18,298	-
Total Conditional Grants	90,150	18,298	-
Total Operating	148,350	88,091	108,899
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Planning and Development Services	148,350	88,091	108,899
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	-	-	-
Total Recreation and Cultural Services	\$ 7,160	\$ 7,161	\$ 7,161

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Operating and Capital Revenue by Function

As at December 31, 2022

Schedule 2 - 4

	Budget		2021
	2022	2022	(Restated - See Note 15)
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Water	1,000	848	914
- Sewer	-	-	-
- Other	-	-	-
Total Fees and Charges	1,000	848	914
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	1,000	848	914
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	1,000	848	914
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Utility Services	1,000	848	914
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 327,610	\$ 283,181	\$ 223,743

SUMMARY

Total Other Segmented Revenue	\$ 147,780	\$ 198,239	\$ 50,264
Total Conditional Grants	152,020	84,942	78,151
Total Capital Grants and Contributions	27,810	-	95,328
Restructuring Revenue	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 327,610	\$ 283,181	\$ 223,743

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Total Expenses by Function

As at December 31, 2022

Schedule 3 - 1

	Budget 2022	2022	2021
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 54,540	\$ 55,423	\$ 53,474
Wages and benefits	239,130	236,472	229,537
Professional/Contractual services	101,840	146,848	89,421
Utilities	26,680	25,748	22,308
Maintenance, materials and supplies	27,500	29,940	28,209
Grants and contributions			
- Capital	-	-	-
Amortization	31,300	31,298	26,828
Allowance For Uncollectibles	-	-	-
Other	-	-	-
General Government Services	480,990	525,729	449,777
Total General Government Services	480,990	525,729	449,777
PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	55,420	55,406	44,512
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
Grants and Contributions - operating	-	-	-
- Capital	-	-	-
Other	-	-	-
Fire Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	77,460	63,231	76,368
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
Grants and Contributions - operating	-	-	-
- Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Protective Services	132,880	118,637	120,880
Total Protective Services	132,880	118,637	120,880
TRANSPORTATION SERVICES			
Wages and Benefits	492,700	444,450	414,879
Professional/Contractual Services	38,200	41,883	39,321
Utilities	27,590	26,902	23,775
Maintenance, Materials and Supplies	524,380	483,252	319,431
Gravel	112,500	63,699	79,438
Grants and contributions			
Grants and Contributions - operating	-	-	-
- Capital	-	-	-
Amortization	481,400	482,741	478,084
Interest	5,200	5,076	10,927
Other	-	-	-
Transportation Services	1,681,970	1,548,003	1,365,855
Total Transportation Services	\$ 1,681,970	\$ 1,548,003	\$ 1,365,855

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Total Expenses by Function

As at December 31, 2022

Schedule 3 - 2

	Budget 2022	2022	2021
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and Benefits	\$ 16,580	\$ 17,295	\$ 15,383
Professional/Contractual Services	84,710	77,481	76,538
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
Grants and contributions - operating	-	-	-
- Waste disposal	-	-	-
- Public Health	-	-	-
- capital	-	-	-
- Waste disposal	-	-	-
- Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other - Landfill	2,140	2,140	16,800
Environmental and Public Health Services	103,430	96,916	108,721
	-	-	-
Total Environmental and Public Health Services	103,430	96,916	108,721
PLANNING AND DEVELOPMENT SERVICES			
Wages and Benefits	-	-	-
Professional/Contractual Services	160,820	57,167	11,730
Grants and contributions			
Grants and Contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other - Memberships/tax loss comp.	6,750	5,954	6,383
Planning and Development Services	167,570	63,121	18,113
	-	-	-
Total Planning and Development Services	167,570	63,121	18,113
RECREATION AND CULTURAL SERVICES			
Wages and Benefits	22,120	22,100	22,100
Professional/Contractual Services	15,800	15,797	15,484
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	45,080	45,058	44,745
	-	-	-
Total Recreation and Cultural Services	\$ 45,080	\$ 45,058	\$ 44,745

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Total Expenses by Function

As at December 31, 2022

Schedule 3 - 3

	Budget 2022	2022	2021
UTILITY SERVICES			
Wages and Benefits	\$ -	\$ -	\$ -
Professional/Contractual Services	-	-	-
Utilities	1,800	1,492	1,397
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
Grants and Contributions - operating	-	-	-
- capital	-	-	-
Amortization	750	742	742
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Utility Services	2,550	2,234	2,139
	-	-	-
Total Utility Services	2,550	2,234	2,139
TOTAL EXPENSES BY FUNCTION	\$ 2,614,470	\$ 2,399,698	\$ 2,110,230

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Segment Disclosure by Function

As at December 31, 2022

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	\$ 22,570	\$ -	\$ 18,837	\$ 34,319	\$ 64,793	\$ -	\$ 848	\$ 141,367
Tangible Capital Asset Sales - Gain (Loss)	-	-	20,484	-	-	-	-	20,484
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	31,388	-	-	-	-	-	-	31,388
Other Revenues	-	-	-	-	5,000	-	-	5,000
Grants - Conditional	3,310	-	53,963	2,210	18,298	7,161	-	84,942
- Capital	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	57,268	-	93,284	36,529	88,091	7,161	848	283,181
Expenses (Schedule 3)								
Wages and Benefits	291,895	-	444,450	17,295	-	22,100	-	775,740
Professional/Contractual Services	146,848	118,637	41,883	77,481	57,167	15,797	-	457,813
Utilities	25,748	-	26,902	-	-	-	1,492	54,142
Maintenance Material and Supplies	29,940	-	546,951	-	-	-	-	576,891
Grants and Contributions	-	-	-	-	-	7,161	-	7,161
Amortization	31,298	-	482,741	-	-	-	742	514,781
Interest	-	-	5,076	-	-	-	-	5,076
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	2,140	5,954	-	-	8,094
Total Expenses	525,729	118,637	1,548,003	96,916	63,121	45,058	2,234	2,399,698
Surplus (Deficit) by Function	(468,461)	(118,637)	(1,454,719)	(60,387)	24,970	(37,897)	(1,386)	(2,116,517)
Taxes and other unconditional revenue (Schedule 1)								<u>2,073,231</u>
Net Surplus (Deficit)								<u>\$ (43,286)</u>

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Segment Disclosure by Function

As at December 31, 2021

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public	Planning and Development	Recreation and Culture	Utility Services	Restated - See Note 15 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	283,011	-	414,879	15,383	-	22,100	-	735,373
Professional/ Contractual Services	89,421	120,880	39,321	76,538	11,730	15,484	-	353,374
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)								<u>1,986,588</u>
Net Surplus (Deficit)								<u>\$ 100,101</u>

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Tangible Capital Assets by Object

As at December 31, 2022

Schedule 6

	2022								
	General Assets					Infrastructure Assets	General/Infrastructure Assets Under Construction	Total	2021 Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset cost									
Opening Asset costs	\$ 1,117,321	\$ -	\$ 810,450	\$ -	\$ 2,314,430	\$ 13,261,923	\$ 123,913	\$ 17,628,037	\$ 17,705,842
Additions during the year	350	-	-	-	90,463	173,003	11,608	275,424	102,153
Disposals and write-downs during the year	-	-	(12,678)	-	-	(2,613)	-	(15,291)	(179,958)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	1,117,671	-	797,772	-	2,404,893	13,432,313	135,521	17,888,170	17,628,037
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	-	283,682	-	557,350	5,952,305	-	6,793,337	6,291,799
Add: Amortization taken	-	-	31,298	-	166,251	317,232	-	514,781	505,653
Less: Accumulated amortization on disposals	-	-	-	-	-	(2,612)	-	(2,612)	(4,115)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	-	314,980	-	723,601	6,266,925	-	7,305,506	6,793,337
Net Book Value	\$ 1,117,671	\$ -	\$ 482,792	\$ -	\$ 1,681,292	\$ 7,165,388	\$ 135,521	\$ 10,582,664	\$ 10,834,700

1. Total contributed donated assets received in 2022: \$ -
2. List of assets recognized at nominal value in 2022 are:
 - a) Infrastructure Assets \$ -
 - b) Vehicles \$ -
 - c) Machinery and Equipment \$ -
3. Amount of interest capitalized in 2022: \$ -

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Tangible Capital Assets by Function

As at December 31, 2022

Schedule 7

	2022								2021
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset cost									
Opening Asset costs	\$ 678,776	\$ -	\$ 15,837,076	\$ 2,143	\$ 1,080,348	\$ -	\$ 29,694	\$ 17,628,037	\$ 17,705,842
Additions during the year	-	-	275,424	-	-	-	-	275,424	102,153
Disposals and write-downs during the year	(12,678)	-	(2,613)	-	-	-	-	(15,291)	(179,958)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	666,098	-	16,109,887	2,143	1,080,348	-	29,694	17,888,170	17,628,037
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	246,927	-	6,523,320	-	-	-	23,090	6,793,337	6,291,799
Add: Amortization taken	31,298	-	482,741	-	-	-	742	514,781	505,653
Less: Accumulated amortization on disposals	-	-	(2,612)	-	-	-	-	(2,612)	(4,115)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	278,225	-	7,003,449	-	-	-	23,832	7,305,506	6,793,337
Net Book Value	\$ 387,873	\$ -	\$ 9,106,438	\$ 2,143	\$ 1,080,348	\$ -	\$ 5,862	\$ 10,582,664	\$ 10,834,700

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Accumulated Surplus

As at December 31, 2022

Schedule 8

	2021 (Restated - See Note 15)	Changes	2022
UNAPPROPRIATED SURPLUS	\$ 823,155	\$ 42,971	\$ 866,126
APPROPRIATED RESERVES			
Machinery and Equipment	233,430	17,616	251,046
Public Reserve	6,545	142	6,687
Capital Trust	-	-	-
Utility	-	-	-
Other (Community-Building Fund/Gas Tax)	336,950	27,810	364,760
Total Appropriated	576,925	45,568	622,493
ORGANIZED HAMLETS			
Organized Hamlet of Northside	43,537	(6,593)	36,944
Total Organized Hamlets	43,537	(6,593)	36,944
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	10,834,700	(252,036)	10,582,664
Less: Related debt	(218,450)	126,804	(91,646)
Net Investment in Tangible Capital Assets	10,616,250	(125,232)	10,491,018
Total Accumulated Surplus	\$ 12,059,867	\$ (43,286)	\$ 12,016,581

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Mill Rates and Assessments

As at December 31, 2022

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 83,554,260	\$ 98,051,310	\$ -	\$ -	\$ 3,445,475	\$ -	\$185,051,045
Regional Park Assessment	-	-	-	-	-	-	-
Total Assessment	83,554,260	98,051,310	-	-	3,445,475	-	185,051,045
Mill Rate Factor(s)	1.0000	1.0000	-	-	1.5000	-	-
Total Base/Minimum Tax (generated for each property class)	494,515	354,580	-	-	7,772	-	856,867
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 895,575	\$ 818,012	\$ -	\$ -	\$ 28,942	\$ -	\$ 1,742,529

MILL RATES:

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

MILLS
9.4165
3.1745
-
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)

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Council Remuneration

As at December 31, 2022

Schedule 10

	Name	Remuneration	Reimbursed Costs	Total
Position				
Reeve	Lance Fehr	\$ 7,117	\$ 2,815	\$ 9,932
Councillor	Garry Sumlic	5,454	1,988	7,442
Councillor	Wendy Waugh	4,562	1,532	6,094
Councillor	Donald Zacharias	900	300	1,200
Councillor	Lionel Lavoie	5,509	1,823	7,332
Councillor	Cliff Aspvik	4,733	1,544	6,277
Councillor	Brand Valkenburg	900	300	1,200
Councillor	Leslie Blacklock	5,852	2,235	8,087
Councillor	Elwin Brons	900	300	1,200
Councillor	Louise Corriveau	4,819	1,840	6,659
Total		\$ 40,746	\$ 14,677	\$ 55,423