

RURAL MUNICIPALITY OF ABERDEEN NO. 373

Auditor's Report

Financial Statements

December 31, 2021

MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
Rural Municipality of Aberdeen No. 373 :

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.


In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

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

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



Reeve



Administrator

INDEPENDENT AUDITOR'S REPORT

To the **Reeve and Council of Rural Municipality of Aberdeen No. 373**

Report on the Financial Statements

Opinion

We have audited the financial statements of **Rural Municipality of Aberdeen No. 373**, which comprise the statement of financial position as at **December 31, 2021** and the statements of financial activities, changes in net financial assets, and changes in financial position for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Other Matters

The financial statements of **Rural Municipality of Aberdeen No. 373** for the year ended December 31, 2020 were audited by another auditor who expressed a qualified opinion on those statements on May 10, 2021. The basis for the qualified opinion was that the Highway 41 Water Utility had not been consolidated into the financial statements for the year ended December 31, 2019, and therefore the comparative information was not accurate. In the current year, there was an accounting policy change related to the consolidation of the Highway 41 Water Utility, the change was applied retrospectively and the prior period balances restated as described in Note 11.

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

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Rural Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Rural Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Rural Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

JENSEN STROMBERG

Saskatoon, Saskatchewan
May 4, 2022

Chartered Professional Accountants

RURAL MUNICIPALITY OF ABERDEEN NO. 373

STATEMENT OF FINANCIAL POSITION

Statement 1

December 31, 2021
with comparative figures for 2020

	<u>2021</u>	<u>2020</u> (Restated) (Note 11)
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 1,740,912	1,672,107
Taxes receivable (Note 3)	260,808	224,736
Other accounts receivable (Note 4)	99,626	93,102
Land for re-sale	-	-
Long-term investments (Note 5)	48,470	46,174
Other	-	-
Total financial assets	2,149,816	2,036,119
<u>LIABILITIES</u>		
Bank indebtedness (Note 6)	-	-
Accounts payable	30,892	291,330
Accrued liabilities payable	-	-
Deposits	-	-
Deferred revenue (Note 7)	25,216	25,216
Accrued landfill costs	-	-
Other liabilities	-	-
Long-term debt (Note 8)	-	-
Lease obligations	-	-
Total liabilities	56,108	316,546
NET FINANCIAL ASSETS	2,093,708	1,719,573
Non-financial assets:		
Tangible capital assets	7,034,930	7,115,156
Prepaid and deferred charges	1,000	1,368
Stock and supplies	185,412	-
Total non-financial assets	7,221,342	7,116,524
Accumulated surplus (deficit) (Schedule 8)	\$ 9,315,050	8,836,097

APPROVED ON BEHALF OF COUNCIL:

 Reeve
 Councillor

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373**Statement 2****STATEMENT OF FINANCIAL ACTIVITIES****Year ended December 31, 2021**
with comparative figures for 2020

		<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 11)
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 2,335,690	2,298,860	2,322,265
Fees and charges	(Schedule 4, 5)	197,860	252,492	252,887
Conditional grants	(Schedule 4, 5)	24,000	20,761	3,989
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	75,000	2,434	(96,588)
Land sales - gain (loss)	(Schedule 4, 5)	-	-	-
Investment income and commissions	(Schedule 4, 5)	1,400	1,405	1,580
Other revenues	(Schedule 4, 5)	<u>6,500</u>	<u>7,734</u>	<u>6,594</u>
Total Revenues		2,640,450	2,583,686	2,490,727
Expenditures:				
General government services	(Schedule 3)	496,520	446,347	434,233
Protective services	(Schedule 3)	168,380	191,447	163,352
Transportation services	(Schedule 3)	1,600,710	1,519,761	1,181,118
Environmental and public health services	(Schedule 3)	49,860	51,876	48,923
Planning and development services	(Schedule 3)	33,750	25,869	29,027
Recreation and cultural services	(Schedule 3)	117,710	73,230	132,690
Utility services	(Schedule 3)	<u>2,750</u>	<u>2,022</u>	<u>2,263</u>
Total Expenditures		<u>2,469,680</u>	<u>2,310,552</u>	<u>1,991,606</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>170,770</u>	<u>273,134</u>	<u>499,121</u>
Provincial/Federal capital grants and contributions		<u>197,320</u>	<u>205,819</u>	<u>325,567</u>
Surplus (deficit) of revenues over expenditures		368,090	478,953	824,688
Accumulated surplus (deficit), beginning of year		<u>8,836,097</u>	<u>8,836,097</u>	<u>8,011,409</u>
Accumulated surplus (deficit), end of year		<u>\$ 9,204,187</u>	<u>9,315,050</u>	<u>8,836,097</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373**Statement 3****STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**

Year ended December 31, 2021
 with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 11)
Surplus (deficit)	\$ <u>368,090</u>	<u>478,953</u>	<u>824,688</u>
(Acquisition) of tangible capital assets	-	(283,804)	(369,143)
Amortization of tangible capital assets	265,640	360,906	320,711
Proceeds on disposal of tangible capital assets	-	5,560	74,200
Loss (gain) on disposal of tangible capital assets	<u>(75,000)</u>	<u>(2,434)</u>	<u>96,588</u>
Surplus (deficit) of capital expenses over expenditures	<u>190,640</u>	<u>80,228</u>	<u>122,356</u>
(Acquisition) of supplies inventories	-	(185,413)	-
(Acquisition) of prepaid expenses	-	(1,001)	(1,369)
Consumption of supplies inventories	-	-	-
Use of prepaid expenses	<u>-</u>	<u>1,368</u>	<u>542</u>
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>(185,046)</u>	<u>(827)</u>
Increase (decrease) in Net Financial Assets	558,730	374,135	946,217
Net Financial Assets - Beginning of the year	<u>1,719,573</u>	<u>1,719,573</u>	<u>773,356</u>
Net Financial Assets - End of year	\$ <u>2,278,303</u>	<u>2,093,708</u>	<u>1,719,573</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u>	<u>2020</u> (Restated) (Note 11)
Cash provided by (used in) the following activities:		
Operating:		
Surplus (deficit)	\$ 478,953	824,688
Amortization	360,906	320,711
Loss (gain) on disposal of tangible capital assets	<u>(2,434)</u>	<u>96,588</u>
	837,425	1,241,987
Change in assets/liabilities		
Taxes receivable - Municipal	(36,072)	(3,999)
Other accounts receivable	(6,523)	167,564
Land for re-sale	-	-
Other financial assets	-	-
Accounts and accrued liabilities payable	(260,441)	174,449
Deposits	-	-
Deferred revenue	-	25,216
Accrued landfill costs	-	-
Stock and supplies for use	(185,412)	-
Prepayments and deferred charges	368	(826)
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>349,345</u>	<u>1,604,391</u>
Capital:		
Acquisition of capital assets	(283,804)	(369,143)
Proceeds from the disposal of capital assets	5,560	74,200
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(278,244)</u>	<u>(294,943)</u>
Investing:		
Long-term investments	(2,296)	(2,000)
Other investments	<u>-</u>	<u>-</u>
Net cash used for investing	<u>(2,296)</u>	<u>(2,000)</u>
Financing activities:		
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	<u>-</u>	<u>-</u>
Net cash from financing	<u>-</u>	<u>-</u>
Increase (decrease) in cash resources	68,805	1,307,448
Cash and temporary investments, beginning of year	<u>1,672,107</u>	<u>364,659</u>
Cash and temporary investments, end of year (Note 2)	\$ <u>1,740,912</u>	<u>1,672,107</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

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

(b) Reporting Entity

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

(c) Collection of funds for other authorities

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

(d) Government Transfers

Government transfers are recognized as either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as:

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

Unearned government transfer amounts received but not earned will be recorded as deferred revenue.

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

(e) Deferred Revenue - Fees and Charges

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

(f) Local Improvement Charges

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

RURAL MUNICIPALITY OF ABERDEEN NO. 373

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Net-Financial Assets

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

(h) Non-Financial Assets

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

(i) Appropriated Reserves

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts 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. Requisitions operate as a flow through and are excluded from municipal revenue.

(k) Investments

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

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

(l) Inventories

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

RURAL MUNICIPALITY OF ABERDEEN NO. 373

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) **Tangible Capital Assets**

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of the contribution. The 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. The Municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land improvements	5 to 20 years
Buildings	10 to 40 years
Vehicles and equipment	
Vehicles	5 to 10 years
Machinery & Equipment	5 to 10 years
<i>Infrastructure Assets</i>	
Infrastructure 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.

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

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

(n) **Landfill Liability**

The Rural Municipality of Aberdeen No. 373 does not maintain a waste disposal site. No amount has been recorded as an asset or liability.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) **Liability for Contaminated Sites**

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

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

The Municipality does not have any contaminated sites.

(p) **Employee Benefit Plans**

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

(q) **Measurement Uncertainty**

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

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

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

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

RURAL MUNICIPALITY OF ABERDEEN NO. 373

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

These segments (functions) are as follows:

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

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

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

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

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

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

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

2. CASH AND TEMPORARY INVESTMENTS

	<u>2021</u>	<u>2020</u> (Restated) (Note 11)
Cash	\$ 1,740,912	1,672,107
Temporary investments	<u>-</u>	<u>-</u>
	<u>\$ 1,740,912</u>	<u>1,672,107</u>

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

RURAL MUNICIPALITY OF ABERDEEN NO. 373

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2021</u>	<u>2020</u> (Restated) (Note 11)
Municipal: - Current	\$ 170,814	142,891
- Arrears	<u>89,994</u>	<u>81,845</u>
	260,808	224,736
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>260,808</u>	<u>224,736</u>
School: - Current	103,443	106,981
- Arrears	<u>47,583</u>	<u>34,485</u>
Total school taxes receivable	<u>151,026</u>	<u>141,466</u>
Other: - Current	8,553	8,708
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>8,553</u>	<u>8,708</u>
Total taxes and grants in lieu receivable	420,387	374,910
Deduct taxes receivable to be collected on behalf of other organizations	<u>(159,579)</u>	<u>(150,174)</u>
Municipal and grants in lieu taxes receivable	<u>\$ 260,808</u>	<u>224,736</u>

4. OTHER ACCOUNTS RECEIVABLE

	<u>2021</u>	<u>2020</u> (Restated) (Note 11)
Federal government	\$ 35,543	41,555
Provincial government	-	-
Local government	-	36,612
Utility	-	-
Trade	64,083	14,935
Other	<u>-</u>	<u>-</u>
Total other accounts receivable	99,626	93,102
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 99,626</u>	<u>93,102</u>

5. LONG-TERM INVESTMENTS

	<u>2021</u>	<u>2020</u>
S.A.R.M. Liability Insurance Investment	\$ 48,470	46,174

RURAL MUNICIPALITY OF ABERDEEN NO. 373

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

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 line of credit bearing interest at 2.95% totaling \$1,000,000, none of which was drawn.

7. DEFERRED REVENUE

	<u>2021</u>	<u>2020</u> (Restated) (Note 11)
Other - Retainer	\$ <u>25,216</u>	\$ <u>25,216</u>

8. LONG-TERM DEBT

The debt limit for the Municipality is \$1,910,637. 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).

9. PENSION PLAN

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2021 was \$30,638 (2020 - \$33,591). 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.

10. BUDGET

The Financial Plan (Budget) adopted by Council on April 15, 2021 was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget figures anticipated use of reserves and/or surpluses accumulated in previous years to increase current year revenues in excess of expenditures. In addition, the budget expensed all tangible capital expenditures. As a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<u>2021</u>
Budget net surplus (deficit)	\$ 213,410
Add:	
Transfer to reserves	7,000
Investment in tangible capital assets	<u>(588,500)</u>
Budget surplus per statement of operations	\$ <u>(368,090)</u>

RURAL MUNICIPALITY OF ABERDEEN NO. 373

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

11. PRIOR PERIOD RESTATEMENT

In prior years, the municipality accounted for an interest in the Highway 41 Water Utility. For the current year, the municipality has determined that the Highway 41 Water Utility is not a government partnership as defined in Canadian public sector accounting standards, and therefore is not consolidated into the financial statements of the municipality. Also, in prior years, the municipality accounted for funds received from the Federal Gas Tax Fund program as deferred revenues. For the current year, the municipality has determined that the funds received from this program should be recognized as revenue of the year received. These changes in accounting policy are applied retroactively and the prior period financial statements have been restated.

In addition, the municipality has determined that capital assets had not been presented properly in the prior years, and that certain accounts receivable, prepaids and accounts payable items had been recorded with errors. These accounting errors have been corrected retroactively and the prior period financial statements have been restated.

Changes to the 2020 Accumulated Surplus and Surplus of Revenues over Expenditures are as follows:

Effect of Change on 2020 Statement of Financial Position

2020 Accumulated Surplus/Deficit as previously reported	\$ 11,058,146
Less: Utility - Cash and temporary investments	(503,160)
Less: Utility - Other accounts receivable	(71,841)
Less: Utility - Tangible capital assets	(3,342,238)
Add: Utility - Accounts payable	14,885
Add: Deferred revenue restated	102,710
Add: Tangible capital asset error correction	1,584,722
Add: Prepaid error correction	458
Add: Account payable error correction	7,885
Less: Accounts receivable error correction	<u>(15,470)</u>
Restated 2020 Accumulated Surplus/Deficit	\$ <u>8,836,097</u>

Effect of Change to 2020 Statement of Financial Activities

Previously reported 'Surplus (Deficit) of Revenues over Expenditures'	\$ 526,668
Add:	
Deferred revenue restated	102,710
Prepaid error correction	458
Accounts payable error correction	7,885
Tangible capital asset error correction	222,839
Less:	
Water utility surplus	(20,422)
Accounts receivable error correction	<u>(15,470)</u>
Restated Surplus (Deficit) of Revenue over Expenses	\$ <u>824,668</u>

RURAL MUNICIPALITY OF ABERDEEN NO. 373

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

12. RECENT ACCOUNTING PRONOUNCEMENTS

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

Standards Effective On Or After April 1, 2022

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

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

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

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

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

Standards Effective On Or After April 1, 2023

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

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

RURAL MUNICIPALITY OF ABERDEEN NO. 373

SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 11)
TAXES			
General municipal tax levy	\$ 1,839,500	1,814,553	1,740,059
Abatements and adjustments	(5,000)	(3,293)	(3,791)
Discount on current year taxes	<u>(60,000)</u>	<u>(71,910)</u>	<u>(72,750)</u>
Net municipal taxes	1,774,500	1,739,350	1,663,518
Potash tax share	305,120	305,120	317,490
Trailer license fees	-	-	-
Penalties on tax arrears	15,000	15,236	14,463
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	<u>2,094,620</u>	<u>2,059,706</u>	<u>1,995,471</u>
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	237,550	237,549	241,024
Organized Hamlet	-	-	-
Other (Safe Restart)	-	-	82,263
Total Unconditional Grants	<u>237,550</u>	<u>237,549</u>	<u>323,287</u>
GRANTS IN LIEU OF TAXES			
Federal	3,250	1,333	3,235
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	270	272	272
SPMC - Municipal Share	-	-	-
Sasktel	-	-	-
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	<u>3,520</u>	<u>1,605</u>	<u>3,507</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 2,335,690</u>	<u>2,298,860</u>	<u>2,322,265</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 11)
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 1,500	304	831
Sales of supplies	12,860	16,121	14,582
Other	<u>60,000</u>	<u>79,221</u>	<u>73,875</u>
Total Fees and Charges	<u>74,360</u>	<u>95,646</u>	<u>89,288</u>
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	-	-
Investment income and commissions	1,400	1,405	1,580
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total other segmented revenue	<u>75,760</u>	<u>97,051</u>	<u>90,868</u>
Conditional Grants			
Student employment	-	-	-
Other	<u>20,000</u>	<u>17,024</u>	<u>-</u>
Total Conditional Grants	<u>20,000</u>	<u>17,024</u>	<u>-</u>
Total Operating	<u>95,760</u>	<u>114,075</u>	<u>90,868</u>
Capital			
Conditional Grants			
Canadian Community-Building Fund	-	-	-
Canadian/Saskatchewan Municipal Rural Infrastructure Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>95,760</u>	<u>114,075</u>	<u>90,868</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	7,000	500	8,660
Sales of supplies	-	-	-
Other	<u>4,000</u>	<u>9,978</u>	<u>6,000</u>
Total Fees and Charges	<u>11,000</u>	<u>10,478</u>	<u>14,660</u>
Tangible capital asset sales - gain (loss)	-	-	-
Investment income and commissions	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total other segmented revenue	<u>11,000</u>	<u>10,478</u>	<u>14,660</u>
Conditional Grants			
Local government	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>11,000</u>	<u>10,478</u>	<u>14,660</u>
Capital			
Conditional Grants			
Canadian Community-Building Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>11,000</u>	<u>10,478</u>	<u>14,660</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 11)
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 30,000	49,004	27,247
Sales of supplies	-	-	-
Road Maintenance and Restoration Agreements	15,000	11,667	22,030
Frontage	-	-	-
Other	-	-	-
Total Fees and Charges	45,000	60,671	49,277
Tangible capital asset sales - gain (loss)	75,000	2,434	(96,588)
Investment income and commissions	-	-	-
Other	-	-	-
Total other segmented revenue	120,000	63,105	(47,311)
Conditional Grants			
Primary Weight Corridor	-	-	-
Student employment	-	-	-
Other (Clearing the Path)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>120,000</u>	<u>63,105</u>	<u>(47,311)</u>
Capital			
Conditional Grants			
Canadian Community-Building Fund	125,000	168,031	122,042
Canadian/Saskatchewan Municipal Rural Infrastructure Fund	67,000	25,874	-
Heavy Haul	-	-	-
Designated Municipal Roads and Bridges	-	-	-
Provincial Disaster Assistance	5,320	11,914	5,324
Other (MEEP)	-	-	198,201
Total Capital	<u>197,320</u>	<u>205,819</u>	<u>325,567</u>
Total Transportation Services	<u>317,320</u>	<u>268,924</u>	<u>278,256</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	-	-	-
Sales of supplies	-	-	-
Waste and Disposal Fees	3,000	-	5,255
Other (pound fees)	1,500	797	557
Total Fees and Charges	4,500	797	5,812
Tangible capital asset sales - gain (loss)	-	-	-
Investment income and commissions	-	-	-
Other	6,500	7,734	6,594
Total other segmented revenue	11,000	8,531	12,406
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other (PREP)	4,000	3,737	3,989
Total Conditional Grants	4,000	3,737	3,989
Total Operating	<u>15,000</u>	<u>12,268</u>	<u>16,395</u>
Capital			
Conditional Grants			
Canadian Community-Building Fund	-	-	-
Canadian/Saskatchewan Municipal Rural Infrastructure Fund	-	-	-
Transit for Disabled	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services Services	<u>15,000</u>	<u>12,268</u>	<u>16,395</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 11)
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and development charges	\$ 60,000	77,000	87,000
Sales of supplies	-	-	-
Other	-	5,000	4,000
Total Fees and Charges	60,000	82,000	91,000
Tangible capital asset sales - gain (loss)	-	-	-
Investment income and commissions	-	-	-
Other	-	-	-
Total other segmented revenue	60,000	82,000	91,000
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	60,000	82,000	91,000
Capital			
Conditional Grants			
Canadian Community-Building Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Total Planning and Development Services	60,000	82,000	91,000
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	-	-	-
Sales of supplies	-	-	-
Other	3,000	2,900	2,850
Total Fees and Charges	3,000	2,900	2,850
Tangible capital asset sales - gain (loss)	-	-	-
Investment income and commissions	-	-	-
Other	-	-	-
Total other segmented revenue	3,000	2,900	2,850
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Donations	-	-	-
Other (FCC arena renovations donation)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	3,000	2,900	2,850
Capital			
Conditional Grants			
Canadian Community-Building Fund	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Total Recreation and Cultural Services	3,000	2,900	2,850

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 11)
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ -	-	-
Sewer	-	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Investment income and commissions	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Canadian Community-Building Fund	-	-	-
Sask Water Corporation	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Total Utility Services	-	-	-
 TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	 \$ 502,080	 490,645	 494,029
 SUMMARY			
Total Other Segmented Revenue	\$ 280,760	264,065	164,473
Total Conditional Grants	24,000	20,761	3,989
Total Capital Grants and Contributions	197,320	205,819	325,567
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 502,080	490,645	494,029

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 11)
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 104,610	84,865	80,152
Wages and benefits	215,680	197,668	194,701
Professional/Contractual services	111,250	121,024	89,686
Utilities	11,700	10,920	11,268
Maintenance, materials, and supplies	16,500	15,218	21,587
Grants and contributions	9,870	3,040	6,450
-operating	-	-	-
-capital	-	-	-
Amortization	11,910	13,612	12,236
Interest	-	-	-
Allowance for uncollectibles	15,000	-	18,153
Other	-	-	-
Total Government Services	<u>496,520</u>	<u>446,347</u>	<u>434,233</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	73,200	68,202	66,419
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	700	-	-
Interest	-	-	-
Other	-	-	-
Fire protection			
Wages and benefits	820	-	819
Professional/Contractual services	66,940	62,954	57,087
Utilities	9,720	7,527	9,080
Maintenance, materials, and supplies	3,000	22,856	100
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	13,000	29,603	29,603
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other (Stars donation)	1,000	305	244
Total Protective Services	<u>168,380</u>	<u>191,447</u>	<u>163,352</u>
TRANSPORTATION SERVICES			
Wages and benefits	493,440	472,769	466,796
Professional/Contractual services	95,320	104,424	49,116
Utilities	14,250	13,078	14,040
Maintenance, materials, and supplies	393,970	422,246	341,340
Gravel	350,000	189,806	31,207
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	253,730	317,438	278,619
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Total Transportation Services	<u>1,600,710</u>	<u>1,519,761</u>	<u>1,181,118</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated) (Note 11)
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	20,100	19,819	19,938
Professional/Contractual services	24,210	25,079	23,439
Utilities	-	-	-
Maintenance, materials, and supplies	4,900	1,770	4,896
Grants and contributions	-	-	-
-operating	-	-	-
Waste disposal	650	5,208	650
-capital	-	-	-
Waste disposal	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Total Environmental and Public Health Services	<u>49,860</u>	<u>51,876</u>	<u>48,923</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	33,750	25,869	29,027
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Total Planning and Development Services	<u>33,750</u>	<u>25,869</u>	<u>29,027</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	36,110	29,627	37,087
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	81,600	43,350	95,350
-capital	-	-	-
Amortization	-	253	253
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Total Recreation and Cultural Services	<u>117,710</u>	<u>73,230</u>	<u>132,690</u>
UTILITY SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	2,750	1,564	1,960
Maintenance, materials, and supplies	-	458	303
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Total Utility Services	<u>2,750</u>	<u>2,022</u>	<u>2,263</u>
TOTAL EXPENDITURES BY FUNCTION	<u>\$ 2,469,680</u>	<u>2,310,552</u>	<u>1,991,606</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

Schedule 4

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2021

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 95,646	10,478	60,671	797	82,000	2,900	-	252,492
Tangible capital asset sales - Gain (loss)	-	-	2,434	-	-	-	-	2,434
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	1,405	-	-	-	-	-	-	1,405
Other revenues	-	-	-	7,734	-	-	-	7,734
Grants - Conditional	17,024	-	-	3,737	-	-	-	20,761
Grants - Capital	-	-	205,819	-	-	-	-	205,819
Total revenues	114,075	10,478	268,924	12,268	82,000	2,900	-	490,645
Expenses (Schedule 3)								
Wages & Benefits	282,533	-	472,769	19,819	-	-	-	775,121
Professional/Contractual Services	121,024	131,156	104,424	25,079	25,869	29,627	-	437,179
Utilities	10,920	7,527	13,078	-	-	-	1,564	33,089
Maintenance, materials and supplies	15,218	22,856	612,052	1,770	-	-	458	652,354
Grants and contributions	3,040	-	-	5,208	-	43,350	-	51,598
Amortization	13,612	29,603	317,438	-	-	253	-	360,906
Interest	-	-	-	-	-	-	-	-
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	-	305	-	-	-	-	-	305
Total expenses	446,347	191,447	1,519,761	51,876	25,869	73,230	2,022	2,310,552
Surplus (deficit) by function	(332,272)	(180,969)	(1,250,837)	(39,608)	56,131	(70,330)	(2,022)	(1,819,907)
Taxation and other unconditional revenue (Schedule 1)								<u>2,298,860</u>
Net Surplus (Deficit)								<u>\$ 478,953</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

Schedule 5

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2020

(Restated)
(Note 11)

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 89,288	14,660	49,277	5,812	91,000	2,850	-	252,887
Tangible capital asset sales - Gain (loss)	-	-	(96,588)	-	-	-	-	(96,588)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	1,580	-	-	-	-	-	-	1,580
Other revenues	-	-	-	6,594	-	-	-	6,594
Grants - Conditional	-	-	-	3,989	-	-	-	3,989
Grants - Capital	-	-	325,567	-	-	-	-	325,567
Total revenues	90,868	14,660	278,256	16,395	91,000	2,850	-	494,029
Expenses (Schedule 3)								
Wages & Benefits	274,853	819	466,796	19,938	-	-	-	762,406
Professional/Contractual Services	89,686	123,506	49,116	23,439	29,027	37,087	-	351,861
Utilities	11,268	9,080	14,040	-	-	-	1,960	36,348
Maintenance, materials and supplies	21,587	100	372,547	4,896	-	-	303	399,433
Grants and contributions	6,450	-	-	650	-	95,350	-	102,450
Amortization	12,236	29,603	278,619	-	-	253	-	320,711
Interest	-	-	-	-	-	-	-	-
Allowance for uncollectibles	18,153	-	-	-	-	-	-	18,153
Other	-	244	-	-	-	-	-	244
Total expenses	434,233	163,352	1,181,118	48,923	29,027	132,690	2,263	1,991,606
Surplus (deficit) by function	(343,365)	(148,692)	(902,862)	(32,528)	61,973	(129,840)	(2,263)	(1,497,577)
Taxation and other unconditional revenue (Schedule 1)								<u>2,322,265</u>
Net Surplus (Deficit)								\$ 824,688

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2021
with comparative figures for 2020

	2021							2020
	General Assets					Infrastructure Assets	General / Infrastructure	Total (Restated) (Note 11)
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Assets Under Construction	
Asset cost								
Opening asset costs	\$ 106,400	-	1,769,243	-	2,261,452	7,037,170	-	11,174,265
Additions during the year	-	-	-	-	146,056	137,750	-	283,806
Disposals and write-downs during the year	-	-	-	-	(31,255)	-	-	(31,255)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-
Closing asset costs	<u>106,400</u>	<u>-</u>	<u>1,769,243</u>	<u>-</u>	<u>2,376,253</u>	<u>7,174,920</u>	<u>-</u>	<u>11,426,816</u>
Accumulated amortization cost								
Opening accumulated amortization costs	-	-	453,853	-	1,078,921	2,526,335	-	4,059,109
Add: Amortization taken	-	-	38,345	-	148,641	173,920	-	360,906
Less: Accumulated amortization on disposals	-	-	-	-	(28,129)	-	-	(28,129)
Closing accumulated amortization costs	<u>-</u>	<u>-</u>	<u>492,198</u>	<u>-</u>	<u>1,199,433</u>	<u>2,700,255</u>	<u>-</u>	<u>4,391,886</u>
Net book value	<u>\$ 106,400</u>	<u>-</u>	<u>1,277,045</u>	<u>-</u>	<u>1,176,820</u>	<u>4,474,665</u>	<u>-</u>	<u>7,034,930</u>
1. Total contributed/donated assets received in 2021:	\$ -							
2. List of assets recognized at nominal value in 2021 are:								
-Infrastructure Assets	\$ -							
-Vehicles	\$ -							
-Machinery and Equipment	\$ -							
3. Amount of interest capitalized in 2021:	\$ -							

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

Schedule 7

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	2021							2020
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total (Restated) (Note 11)
Asset cost								
Opening asset costs	\$ 465,572	1,123,578	9,574,980	-	-	10,135	-	11,174,265
Additions during the year	-	-	283,806	-	-	-	-	283,806
Disposals and write-downs during the year	-	-	(31,255)	-	-	-	-	(31,255)
Closing asset costs	465,572	1,123,578	9,827,531	-	-	10,135	-	11,426,816
Accumulated amortization cost								
Opening accumulated amortization costs	76,117	291,409	3,691,330	-	-	253	-	4,059,109
Add: Amortization taken	13,612	29,603	317,438	-	-	253	-	360,906
Less: Accumulated amortization on disposals	-	-	(28,129)	-	-	-	-	(28,129)
Closing accumulated amortization costs	89,729	321,012	3,980,639	-	-	506	-	4,391,886
Net book value	\$ 375,843	802,566	5,846,892	-	-	9,629	-	7,034,930

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2021

	<u>2020</u>	<u>Changes</u>	<u>2021</u>
	(Restated) (Note 11)		
UNAPPROPRIATED SURPLUS	\$ <u>70,015</u>	<u>351,718</u>	<u>421,733</u>
APPROPRIATED RESERVES			
Machinery and equipment	7,000	7,000	14,000
Public reserve	-	-	-
Capital trust	-	-	-
Utility	-	-	-
Other (Infrastructure fees)	<u>1,643,926</u>	<u>200,461</u>	<u>1,844,387</u>
Total Appropriated	<u>1,650,926</u>	<u>207,461</u>	<u>1,858,387</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	7,115,156	(80,226)	7,034,930
Less: Related debt	<u>-</u>	<u>-</u>	<u>-</u>
Net Investment in Tangible Capital Assets	<u>7,115,156</u>	<u>(80,226)</u>	<u>7,034,930</u>
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Accumulated Surplus	\$ <u>8,836,097</u>	<u>478,953</u>	<u>9,315,050</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373

SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2021

	PROPERTY CLASS						Total
	<u>Agriculture</u>	<u>Residential</u>	<u>Residential Condominium</u>	<u>Seasonal Residential</u>	<u>Commercial & Industrial</u>	<u>Potash Mine(s)</u>	
Taxable Assessment	\$ 116,428,650	190,176,110	-	455,440	22,048,490	-	\$ 329,108,690
Regional Park Assessment							-
Total Assessment							\$ 329,108,690
Mill Rate Factor(s)	0.9500	1.0700	-	1.0700	2.0000		
Total Base/Minimum Tax (generated for each property class)	-	-	-	-	-		-
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 564,097	1,023,076	-	2,485	224,895		1,814,553

MILL RATES:**MILLS**

Average Municipal*	5.514
Average School*	3.151
Potash Mill Rate	-
Uniform Municipal Mill Rate	5.100

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

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ABERDEEN NO. 373**SCHEDULE OF COUNCIL REMUNERATION****Year ended December 31, 2021**

Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Martin Bettker	\$ 12,075	1,289	13,364
Graham White	8,025	1,034	9,059
Mark Schaffel	9,270	1,070	10,340
Kevin Kirk	6,234	418	6,652
Real Hamoline	4,875	403	5,278
Paul Martens	5,100	623	5,723
Jim Korpan	<u>5,400</u>	<u>605</u>	<u>6,005</u>
Total	<u>\$ 50,979</u>	<u>5,442</u>	<u>56,421</u>

See accompanying notes to the financial statements.