

# **RURAL MUNICIPALITY OF CANAAN #225**

**Auditor's Report**

**Financial Statements**

**December 31, 2021**

## MANAGEMENT'S RESPONSIBILITY

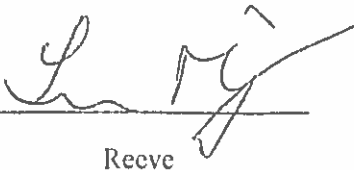
To the Ratepayers of  
**Rural Municipality of Canaan #225 :**

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

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

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

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

  
Reeve  
Administrator

## INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of **Rural Municipality of Canaan #225**

### *Opinion*

We have audited the financial statements of **Rural Municipality of Canaan #225**, 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 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 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.

### *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 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 Municipality or 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.

### *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 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.

Saskatoon, Saskatchewan  
June 16, 2022

  
Chartered Professional Accountants

**RURAL MUNICIPALITY OF CANAAN #225****Statement 1****STATEMENT OF FINANCIAL POSITION****December 31, 2021**  
with comparative figures for 2020

	<b><u>2021</u></b>	<b><u>2020</u></b>
<b><u>ASSETS</u></b>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 760,495	382,859
Taxes receivable - Municipal (Note 3)	23,771	64,444
Other accounts receivable (Note 4)	62,223	98,405
Land for re-sale (Note 5)	-	-
Long-term investments (Note 6)	18,325	216,979
Other	-	-
Total financial assets	<u>864,814</u>	<u>762,687</u>
<b><u>LIABILITIES</u></b>		
Bank indebtedness	-	-
Accounts payable	6,146	96,614
Accrued liabilities payable	-	-
Deposits	-	-
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 7)	-	-
Lease obligations	-	-
Total liabilities	<u>6,146</u>	<u>96,614</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>858,668</b>	<b>666,073</b>
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	1,044,601	1,091,319
Prepaid and deferred charges	28	88
Stock and supplies	<u>119,015</u>	<u>169,973</u>
Total non-financial assets	<u>1,163,644</u>	<u>1,261,380</u>
Accumulated Surplus (Schedule 8)	<u>\$ 2,022,312</u>	<u>1,927,453</u>

**APPROVED ON BEHALF OF COUNCIL:**\_\_\_\_\_  
Reeve\_\_\_\_\_  
Councilor

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF CANAAN #225****Statement 2****STATEMENT OF FINANCIAL ACTIVITIES****Year ended December 31, 2021  
with comparative figures for 2020**

		<b><u>2021</u></b> <b><u>Budget</u></b>	<b><u>2021</u></b> <b><u>Actual</u></b>	<b><u>2020</u></b> <b><u>Actual</u></b>
<b>Revenues:</b>				
Taxes and other unconditional revenue	(Schedule 1)	\$ 722,810	722,107	732,314
Fees and charges	(Schedule 4, 5)	23,500	18,249	24,437
Conditional grants	(Schedule 4, 5)	-	11,250	-
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	3,025	(5,598)
Land sales - gain (loss)	(Schedule 4, 5)	-	-	-
Investment income and commissions	(Schedule 4, 5)	5,400	5,853	9,424
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	-	-	-
<b>Total Revenues</b>		<b><u>751,710</u></b>	<b><u>760,484</u></b>	<b><u>760,577</u></b>
<b>Expenditures:</b>				
General government services	(Schedule 3)	104,080	103,221	110,608
Protective services	(Schedule 3)	27,620	26,294	26,904
Transportation services	(Schedule 3)	580,480	558,481	576,749
Environmental and public health services	(Schedule 3)	22,200	13,656	20,717
Planning and development services	(Schedule 3)	3,500	3,500	1,336
Recreation and cultural services	(Schedule 3)	3,200	6,897	3,187
Utility services	(Schedule 3)	2,850	2,635	2,998
Restructurings	(Schedule 3)	-	-	-
<b>Total Expenditures</b>		<b><u>743,930</u></b>	<b><u>714,684</u></b>	<b><u>742,499</u></b>
Surplus of revenues over expenditures before other capital contributions		<u>7,780</u>	<u>45,800</u>	<u>18,078</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>36,130</u>	<u>49,059</u>	<u>64,512</u>
Surplus of revenues over expenditures		43,910	94,859	82,590
Accumulated surplus, beginning of year		<u>1,927,453</u>	<u>1,927,453</u>	<u>1,844,863</u>
Accumulated surplus, end of year		<b><u>\$ 1,971,363</u></b>	<b><u>2,022,312</u></b>	<b><u>1,927,453</u></b>

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF CANAAN #225****Statement 3****STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**

**Year ended December 31, 2021**  
**with comparative figures for 2020**

	<b><u>2021</u></b> <b><u>Budget</u></b>	<b><u>2021</u></b> <b><u>Actual</u></b>	<b><u>2020</u></b> <b><u>Actual</u></b>
<b>Surplus (deficit)</b>	\$ <u>43,910</u>	<u>94,859</u>	<u>82,590</u>
(Acquisition) of tangible capital assets	(43,500)	(84,138)	(309,328)
Amortization of tangible capital assets	68,590	130,856	99,922
Proceeds on disposal of tangible capital assets	-	3,025	111,078
Loss (gain) on disposal of tangible capital assets	-	(3,025)	5,598
Transfer of assets/liabilities in restructuring transactions	<u>-</u>	<u>-</u>	<u>-</u>
<b>Surplus (deficit) of capital expenses over expenditures</b>	<u>25,090</u>	<u>46,718</u>	<u>(92,730)</u>
(Acquisition) of supplies inventories	-	(7,661)	(105,073)
(Acquisition) of prepaid expenses	-	-	(66)
Consumption of supplies inventories	-	58,619	80,438
Use of prepaid expenses	<u>-</u>	<u>60</u>	<u>-</u>
<b>Surplus (deficit) of expenses of other non-financial over expenditures</b>	<u>-</u>	<u>51,018</u>	<u>(24,701)</u>
<b>Increase (decrease) in Net Financial Assets</b>	69,000	192,595	(34,841)
<b>Net Financial Assets (Debt) - Beginning of the year</b>	<u>666,073</u>	<u>666,073</u>	<u>700,914</u>
<b>Net Financial Assets (Debt)- End of year</b>	\$ <u>735,073</u>	<u>858,668</u>	<u>666,073</u>

See accompanying notes to the financial statements.

# RURAL MUNICIPALITY OF CANAAN #225

Statement 4

## STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2021  
with comparative figures for 2020

Cash provided by (used in) the following activities:	<u>2021</u>	<u>2020</u>
Operating:		
Surplus	\$ 94,859	82,590
Amortization	130,856	99,922
Loss on disposal of tangible capital assets	<u>(3,025)</u>	<u>5,598</u>
	222,690	188,110
Change in assets/liabilities		
Taxes receivable - Municipal	40,673	(8,733)
Other accounts receivable	36,182	(4,365)
Land for re-sale	-	489
Other financial assets	-	-
Accounts and accrued liabilities payable	(90,468)	78,495
Deposits	-	-
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	50,958	(24,635)
Prepayments and deferred charges	60	(66)
Other	<u>-</u>	<u>-</u>
	<u>37,405</u>	<u>41,185</u>
Net cash from operations	<u>260,095</u>	<u>229,295</u>
Capital:		
Acquisition of capital assets	(84,138)	(309,328)
Proceeds from the disposal of capital assets	3,025	111,078
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(81,113)</u>	<u>(198,250)</u>
Investing:		
Long-term investments	198,654	(203,426)
Other investments	<u>-</u>	<u>-</u>
Net cash from (used for) investing	<u>198,654</u>	<u>(203,426)</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	<u>-</u>	<u>-</u>
Net cash from financing	<u>-</u>	<u>-</u>
Increase (decrease) in cash resources	377,636	(172,381)
Cash and temporary investments, beginning of year	<u>382,859</u>	<u>555,240</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 760,495</u>	<u>382,859</u>

See accompanying notes to the financial statements.



# RURAL MUNICIPALITY OF CANAAN #225

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

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

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

**(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. Earned government transfer amounts not received will be recorded as an amount receivable. 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 purposes specified.

**(f) Local Improvement Charges**

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

**(g) Budget**

Budget information is presented on a basis consistent with that used for actual results (accrual basis). The budget was approved by Council on May 14, 2020.

# RURAL MUNICIPALITY OF CANAAN #225

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

**(h) 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.

**(i) 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.

**(j) Appropriated Reserves**

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

**(k) 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.

**(l) Investments**

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms of 91 days to one year have been classified as other short-term investments and investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

The long-term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis. The balance represents the balances receivable should the Municipality decide to leave the self-insurance program and includes upfront contributions to the plan, additional premium payments, allocations of investment revenues 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 assets of SARM.

**(m) 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 CANAAN #225

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (n) **Tangible Capital Assets**

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

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Buildings	40 years
Vehicles and equipment	
Vehicles	10 years
Machinery & Equipment	10 years
<i>Infrastructure Assets</i>	
Road network assets	40 years

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

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

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

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

#### (o) **Landfill liability**

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

# RURAL MUNICIPALITY OF CANAAN #225

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

**(p) Liability for contaminated sites**

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

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

Any revisions to an amount previously recognized are accounted for in the period in which the revisions are made. The Municipality does not have any contaminated sites.

**(q) Trust Funds**

Funds held in trust for others are neither included in the Municipality's assets or equity.

**(r) 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.

**(s) 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 CANAAN #225

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (i) **Basis of Segmentation/Segment Report**

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

These segments (functions) are as follows:

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

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

**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>
Cash	\$ 558,490	382,859
Temporary investments	<u>202,005</u>	<u>-</u>
	<u>\$ 760,495</u>	<u>382,859</u>

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.

Temporary investments consists of a term deposit maturing November 2022, bearing interest at 1.00%.

# RURAL MUNICIPALITY OF CANAAN #225

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

### 3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2021</u>	<u>2020</u>
Municipal: - Current	\$ 18,101	32,849
- Arrears	<u>5,670</u>	<u>31,595</u>
	23,771	64,444
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>23,771</u>	<u>64,444</u>
School: - Current	10,889	13,675
- Arrears	<u>1,047</u>	<u>10,098</u>
Total school taxes receivable	<u>11,936</u>	<u>23,773</u>
Other: - Current	-	-
- Arrears	<u>-</u>	<u>29,437</u>
Total other collections receivable	<u>-</u>	<u>29,437</u>
Total taxes and grants in lieu receivable	35,707	117,654
Deduct taxes receivable to be collected on behalf of other organizations	<u>(11,936)</u>	<u>(53,210)</u>
Total taxes receivable - Municipal	<u>\$ 23,771</u>	<u>64,444</u>

### 4. OTHER ACCOUNTS RECEIVABLE

	<u>2021</u>	<u>2020</u>
Federal government	\$ 6,465	17,378
Provincial government	-	-
Local government	-	-
Utility	-	-
Trade	27,308	39,360
Other	<u>28,450</u>	<u>41,667</u>
Total other accounts receivable	62,223	98,405
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 62,223</u>	<u>98,405</u>

# RURAL MUNICIPALITY OF CANAAN #225

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

### 5. LAND FOR RESALE

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

### 6. LONG-TERM INVESTMENTS

	<u>2021</u>	<u>2020</u>
Sask. Assoc. of Rural Municipalities - Self-insurance fund	\$ 18,320	16,974
Other long term investments:		
Credit Union shares	5	5
Term deposits	<u>-</u>	<u>200,000</u>
Total long term investments	<u>\$ 18,325</u>	<u>216,979</u>

### 7. LONG-TERM DEBT

The authorized debt limit for the Municipality is \$565,414. The authorized debt limit for a Municipality is the total amount of the Municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

### 8. 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 \$15,704 (2020 - \$15,185). The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

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

# RURAL MUNICIPALITY OF CANAAN #225

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

### 9. 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 CANAAN #225

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

### 10. BUDGET

The Financial Plan (Budget) adopted by Council on May 13, 2022, was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget expensed all tangible capital expenditures. 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	\$ 410
Add: Investment in tangible capital assets	<u>43,500</u>
Budget surplus per statement of operations	<u>\$ 43,910</u>

## RURAL MUNICIPALITY OF CANAAN #225

## 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>
<b>TAXES</b>			
General municipal tax levy	\$ 570,900	570,395	570,048
Abatements and adjustments	(100)	(46)	(103)
Discount on current year taxes	<u>(15,000)</u>	<u>(14,802)</u>	<u>(15,806)</u>
Net municipal taxes	555,800	555,547	554,139
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	2,500	2,324	3,460
Special tax levy	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Taxes</b>	<u>558,300</u>	<u>557,871</u>	<u>557,599</u>
<b>UNCONDITIONAL GRANTS</b>			
Revenue sharing	163,210	163,209	165,060
Organized Hamlet	-	-	-
Other (Safe Restart)	<u>-</u>	<u>-</u>	<u>8,352</u>
<b>Total Unconditional Grants</b>	<u>163,210</u>	<u>163,209</u>	<u>173,412</u>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	270	272	272
Central Services	-	-	-
SaskTel	1,030	755	1,031
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Grants in Lieu of Taxes</b>	<u>1,300</u>	<u>1,027</u>	<u>1,303</u>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<u>\$ 722,810</u>	<u>722,107</u>	<u>732,314</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF CANAAN #225

## 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>
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	40	-
Sales of supplies	1,000	794	1,214
Other (Licences and permits)	<u>1,500</u>	<u>2,730</u>	<u>1,062</u>
Total Fees and Charges	2,500	3,564	2,276
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	-	-
Investment income and commissions	5,400	5,853	9,424
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total other segmented revenue	7,900	9,417	11,700
Conditional Grants			
Student employment	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<u>7,900</u>	<u>9,417</u>	<u>11,700</u>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total General Government Services</b>	<u>7,900</u>	<u>9,417</u>	<u>11,700</u>
<b>PROTECTIVE SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Other fees and charges	-	-	-
Total Fees and Charges	<u>-</u>	<u>-</u>	<u>-</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total other segmented revenue	-	-	-
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Protective Services</b>	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF CANAAN #225

## 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>
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 5,000	1,875	5,925
Sales of supplies	16,000	12,525	16,176
Road maintenance and restoration agreements	-	-	-
Frontage	-	-	-
Other	-	-	-
Total Fees and Charges	21,000	14,400	22,101
Tangible capital asset sales - gain (loss)	-	3,025	(5,598)
Other	-	-	-
Total other segmented revenue	21,000	17,425	16,503
Conditional Grants			
Primary Weight Corridor	-	-	-
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	21,000	17,425	16,503
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	4,130	17,059	12,390
Designated Municipal Roads and Bridges	32,000	32,000	32,000
Provincial Disaster Assistance	-	-	-
Other (MEEP)	-	-	20,122
Total Capital	36,130	49,059	64,512
<b>Restructuring Revenue</b>	-	-	-
<b>Total Transportation Services</b>	57,130	66,484	81,015
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	-	-	-
Other (Cemetery fees)	-	285	60
Total Fees and Charges	-	285	60
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	285	60
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	285	60
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Environmental and Public Health Services Services</b>	-	285	60

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF CANAAN #225

## 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>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ -	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student employment	-	-	-
Other	-	11,250	-
Total Conditional Grants	-	11,250	-
<b>Total Operating</b>	-	11,250	-
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Planning and Development Services</b>	-	11,250	-
<b>RECREATION AND CULTURAL SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Sales of supplies	-	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Donations	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Recreation and Cultural Services</b>	-	-	-

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF CANAAN #225

## 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>
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Water	\$ -	-	-
Sewer	-	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
New Building Canada Fund	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Utility Services</b>	-	-	-
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<u>\$ 65,030</u>	<u>87,436</u>	<u>92,775</u>
<b>SUMMARY</b>			
Total Other Segmented Revenue	\$ 28,900	27,127	28,263
Total Conditional Grants	-	11,250	-
Total Capital Grants and Contributions	36,130	49,059	64,512
Restructuring Revenue	-	-	-
<b>TOTAL REVENUE BY FUNCTION</b>	<u>\$ 65,030</u>	<u>87,436</u>	<u>92,775</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF CANAAN #225

## 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>
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 14,200	13,692	13,490
Wages and benefits	49,130	49,311	47,306
Professional/Contractual services	32,440	32,494	29,788
Utilities	2,590	2,459	3,292
Maintenance, materials, and supplies	5,700	4,054	5,541
Grants and contributions	20	120	10,100
-operating	-	-	-
-capital	-	-	-
Amortization	-	1,090	1,090
Interest	-	1	1
Allowance for uncollectibles	-	-	-
<b>General Government Services</b>	<u>104,080</u>	<u>103,221</u>	<u>110,608</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total General Government Services</b>	<u>104,080</u>	<u>103,221</u>	<u>110,608</u>
<b>PROTECTIVE SERVICES</b>			
<b>Police protection</b>			
Wages and benefits	-	-	-
Professional/Contractual services	7,000	6,924	6,743
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Fire protection</b>			
Wages and benefits	-	-	-
Professional/Contractual services	3,380	2,175	3,175
Utilities	2,240	2,195	1,986
Maintenance, materials, and supplies	-	-	-
Grants and contributions	15,000	15,000	15,000
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
<b>Protective Services</b>	<u>27,620</u>	<u>26,294</u>	<u>26,904</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Protective Services</b>	<u>27,620</u>	<u>26,294</u>	<u>26,904</u>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	121,140	122,456	118,948
Professional/Contractual services	15,600	11,956	20,855
Utilities	5,550	4,881	5,480
Maintenance, materials, and supplies	119,600	117,467	105,664
Gravel	250,000	171,956	226,970
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	68,590	129,765	98,832
Interest	-	-	-
<b>Transportation Services</b>	<u>580,480</u>	<u>558,481</u>	<u>576,749</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Transportation Services</b>	<u>580,480</u>	<u>558,481</u>	<u>576,749</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF CANAAN #225

## 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>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	\$ -	-	-
Professional/Contractual services	22,200	13,656	20,717
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
-capital	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Environmental and Public Health Services</b>	<u>22,200</u>	<u>13,656</u>	<u>20,717</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Environmental and Public Health Services</b>	<u>22,200</u>	<u>13,656</u>	<u>20,717</u>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	3,500	3,500	1,336
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Planning and Development Services</b>	<u>3,500</u>	<u>3,500</u>	<u>1,336</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Planning and Development Services</b>	<u>3,500</u>	<u>3,500</u>	<u>1,336</u>
<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials, and supplies	-	3,710	-
Grants and contributions	-	3,187	3,187
-operating	3,200	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
<b>Recreation and Cultural Services</b>	<u>3,200</u>	<u>6,897</u>	<u>3,187</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Recreation and Cultural Services</b>	<u>3,200</u>	<u>6,897</u>	<u>3,187</u>

See accompanying notes to the financial statements.



## RURAL MUNICIPALITY OF CANAAN #225

## 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>
<b>UTILITY SERVICES</b>			
Wages and benefits	\$ -	-	-
Professional Contractual services	-	250	-
Utilities	2,350	1,723	2,347
Maintenance, materials, and supplies	500	662	651
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Utility Services	<u>2,850</u>	<u>2,635</u>	<u>2,998</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>2,850</u>	<u>2,635</u>	<u>2,998</u>
 <b>TOTAL EXPENDITURES BY FUNCTION</b>	 <u>\$ 743,930</u>	 <u>714,684</u>	 <u>742,499</u>

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF CANAAN #225**  
**SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**  
**Year ended December 31, 2021**

**Schedule 4**

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and charges	\$ 3,564	-	14,400	285	-	-	-	18,249
Tangible capital asset sales - Gain (loss)	-	-	3,025	-	-	-	-	3,025
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	5,853	-	-	-	-	-	-	5,853
Other revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	-	11,250	-	-	11,250
Grants - Capital	-	-	49,059	-	-	-	-	49,059
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>9,417</u>	<u>-</u>	<u>66,484</u>	<u>285</u>	<u>11,250</u>	<u>-</u>	<u>-</u>	<u>87,436</u>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	63,003	-	122,456	-	-	-	-	185,459
Professional/Contractual Services	32,494	9,099	11,956	13,656	3,500	-	250	70,955
Utilities	2,459	2,195	4,881	-	-	-	1,723	11,258
Maintenance, materials and supplies	4,054	-	289,423	-	-	3,710	662	297,849
Grants and contributions	120	15,000	-	-	-	3,187	-	18,307
Amortization	1,090	-	129,765	-	-	-	-	130,855
Interest	1	-	-	-	-	-	-	1
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<u>103,221</u>	<u>26,294</u>	<u>558,481</u>	<u>13,656</u>	<u>3,500</u>	<u>6,897</u>	<u>2,635</u>	<u>714,684</u>
<b>Surplus (deficit) by function</b>	(93,804)	(26,294)	(491,997)	(13,371)	7,750	(6,897)	(2,635)	(627,248)
Taxation and other unconditional revenue (Schedule 1)								<u>722,107</u>
<b>Net Surplus (Deficit)</b>								<u>\$ 94,859</u>

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF CANAAN #225**  
**SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**  
**Year ended December 31, 2020**

**Schedule 5**

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and charges	\$ 2,276	-	22,101	60	-	-	-	24,437
Tangible capital asset sales - Gain (loss)	-	-	(5,598)	-	-	-	-	(5,598)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	9,424	-	-	-	-	-	-	9,424
Other revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	-	-	-	-	-
Grants - Capital	-	-	64,512	-	-	-	-	64,512
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>11,700</u>	<u>-</u>	<u>81,015</u>	<u>60</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,775</u>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	60,796	-	118,948	-	-	-	-	179,744
Professional/Contractual Services	29,788	9,918	20,855	20,717	1,336	-	-	82,614
Utilities	3,292	1,986	5,480	-	-	-	2,347	13,105
Maintenance, materials and supplies	5,541	-	332,634	-	-	-	651	338,826
Grants and contributions	10,100	15,000	-	-	-	3,187	-	28,287
Amortization	1,090	-	98,832	-	-	-	-	99,922
Interest	1	-	-	-	-	-	-	1
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<u>110,608</u>	<u>26,904</u>	<u>576,749</u>	<u>20,717</u>	<u>1,336</u>	<u>3,187</u>	<u>2,998</u>	<u>742,499</u>
<b>Surplus (deficit) by function</b>	(98,908)	(26,904)	(495,734)	(20,657)	(1,336)	(3,187)	(2,998)	(649,724)
Taxation and other unconditional revenue (Schedule 1)								<u>732,314</u>
<b>Net Surplus (Deficit)</b>								<u>\$ 82,590</u>

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF CANAAN #225**  
**SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT**

Year ended December 31, 2021  
with comparative figures for 2020

	2021							2020
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets		Total
<b>Asset cost</b>								
Opening asset costs	\$ 2,400	-	125,589	25,810	859,229	1,725,482	-	2,738,510
Additions during the year	-	-	-	50,378	33,760	-	-	84,138
Disposals and write-downs during the year	-	-	-	(25,810)	-	-	-	(25,810)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-
<b>Closing asset costs</b>	<u>2,400</u>	<u>-</u>	<u>125,589</u>	<u>50,378</u>	<u>892,989</u>	<u>1,725,482</u>	<u>-</u>	<u>2,796,838</u>
<b>Accumulated amortization cost</b>								
Opening accumulated amortization costs	-	-	67,041	25,810	135,761	1,418,579	-	1,647,191
Add: Amortization taken	-	-	3,140	-	84,578	43,138	-	130,856
Less: Accumulated amortization on disposals	-	-	-	(25,810)	-	-	-	(25,810)
<b>Closing accumulated amortization costs</b>	<u>-</u>	<u>-</u>	<u>70,181</u>	<u>-</u>	<u>220,339</u>	<u>1,461,717</u>	<u>-</u>	<u>1,752,237</u>
<b>Net book value</b>	<u>\$ 2,400</u>	<u>-</u>	<u>55,408</u>	<u>50,378</u>	<u>672,650</u>	<u>263,765</u>	<u>-</u>	<u>1,044,601</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 CANAAN #225**  
**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
<b>Asset cost</b>								
Opening asset costs	\$ 43,589	-	2,694,921	-	-	-	-	2,738,510
Additions during the year	-	-	84,137	-	-	-	-	84,137
Disposals and write-downs during the year	-	-	(25,810)	-	-	-	-	(25,810)
Closing asset costs	43,589	-	2,753,248	-	-	-	-	2,796,837
<b>Accumulated amortization cost</b>								
Opening accumulated amortization costs	1,090	-	1,646,101	-	-	-	-	1,647,191
Add: Amortization taken	1,090	-	129,765	-	-	-	-	130,855
Less: Accumulated amortization on disposals	-	-	(25,810)	-	-	-	-	(25,810)
Closing accumulated amortization costs	2,180	-	1,750,056	-	-	-	-	1,752,236
<b>Net book value</b>	\$ 41,409	-	1,003,192	-	-	-	-	1,044,601

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF CANAAN #225

## SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2021

	<u>2020</u>	<u>Changes</u>	<u>2021</u>
<b>UNAPPROPRIATED SURPLUS</b>	\$ <u>828,134</u>	<u>130,327</u>	<u>958,461</u>
<b>APPROPRIATED RESERVES</b>			
Machinery and equipment	-	-	-
Public reserve	2,500	11,250	13,750
Capital trust	5,500	-	5,500
Utility	-	-	-
<b>Total Appropriated</b>	<u>8,000</u>	<u>11,250</u>	<u>19,250</u>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	1,091,319	(46,718)	1,044,601
Less: Related debt	-	-	-
<b>Net Investment in Tangible Capital Assets</b>	<u>1,091,319</u>	<u>(46,718)</u>	<u>1,044,601</u>
<b>Total Accumulated Surplus</b>	\$ <u>1,927,453</u>	<u>94,859</u>	<u>2,022,312</u>

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF CANAAN #225**

**SCHEDULE OF MILL RATES AND ASSESSMENTS**

**Year ended December 31, 2021**

	<b>PROPERTY CLASS</b>						<b>Total</b>
	<b><u>Agriculture</u></b>	<b><u>Residential</u></b>	<b><u>Residential Condominium</u></b>	<b><u>Seasonal Residential</u></b>	<b><u>Commercial &amp; Industrial</u></b>	<b><u>Potash Mine(s)</u></b>	
<b>Taxable Assessment</b>	\$ 89,078,745	2,543,895	-	-	3,443,265	-	\$ 95,065,905
<b>Regional Park Assessment</b>							-
<b>Total Assessment</b>							\$ 95,065,905
<b>Mill Rate Factor(s)</b>	1.0000	1.0000	1.0000	1.0000	1.0000		
<b>Total Base/Minimum Tax (generated for each property class)</b>	-	-	-	-	-		-
<b>Total Municipal Tax Levy (include base and/or minimum tax and special levies)</b>	\$ 534,472	15,263	-	-	20,660		570,395

**MILL RATES:**

	<b><u>MILLS</u></b>
<b>Average Municipal*</b>	6.000
<b>Average School*</b>	1.638
<b>Potash Mill Rate</b>	-
<b>Uniform Municipal Mill Rate</b>	6.000

\* 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 CANAAN #225****SCHEDULE OF COUNCIL REMUNERATION**

Year ended December 31, 2021

<b>Position</b>	<b>Name</b>	<b><u>Remuneration</u></b>	<b><u>Reimbursed Costs</u></b>	<b><u>Total</u></b>
Reeve	Lars Bjorgan	\$ 2,200	221	2,421
Councilor	Duane Ayers	1,425	45	1,470
Councilor	Kyle Danroth	1,425	135	1,560
Councilor	Kyle Hamilton	1,550	250	1,800
Councilor	C.J. Houben	1,800	312	2,112
Councilor	Garry Springett	1,675	110	1,785
Councilor	Allan Wiens	1,675	220	1,895
Total		<u>\$ 11,750</u>	<u>1,293</u>	<u>13,043</u>

See accompanying notes to the financial statements.