

R. M. of Cote No. 271
CONSOLIDATED FINANCIAL STATEMENTS
Year Ended December 31, 2021

R. M. of Cote No. 271

Kamsack, Saskatchewan

December 31, 2021

Table of Contents

	Page
Management's Responsibility	1
Independent Auditors' Report	2-3
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations	5
Consolidated Statement of Change in Net Financial Assets	6
Consolidated Statement of Cash Flow	7
Notes to Consolidated Financial Statements	8-17
Consolidated Schedule of Taxes and Other Unconditional Revenue	18
Consolidated Schedule of Operating and Capital Revenue by Function	19-20
Total Expenses by Function	21-22
Consolidated Schedule of Segment Disclosure by Function	23-24
Consolidated Schedule of Tangible Capital Assets by Object	25
Consolidated Schedule of Tangible Capital Assets by Function	26
Consolidated Schedule of Accumulated Surplus	27
Schedule of Mill Rates and Assessments	28
Schedule of Council Remuneration	29

Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.

In discharging its responsibilities for the integrity and fair presentation of the consolidated 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 consolidated financial statements.

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

Baker Tilly SK LLP, an independent firm of chartered professional accountants, is appointed by the council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the council and management to discuss their audit findings.



Reeve



Administrator



Independent Auditors' Report

To the Council
R. M. of Cote No. 271

Opinion

We have audited the consolidated financial statements of R. M. of Cote No. 271, (the municipality), which comprise the consolidated Statement of Financial Position as at December 31, 2021 and the consolidated Statements of Operations, Change in Net Financial Assets and Cash Flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the municipality as at December 31, 2021, and results of its operations and its consolidated cash flow 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 Auditors' Responsibilities for the Audit of the consolidated 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 consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 using the going concern basis of accounting unless management either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Council is responsible for overseeing the municipality's financial reporting process.



Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated 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 auditors' report to the related disclosures in the consolidated 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 auditors' 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the municipality to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Yorkton, SK
May 4, 2022

Baker Tilly SK LLP

Baker Tilly SK LLP

R. M. of Cote No. 271

Kamsack, Saskatchewan

Statement 1

Consolidated Statement of Financial Position as at December 31, 2021

	2021	2020
Assets		
Financial Assets		
Cash and temporary investments - note 2	760,742	363,365
Taxes receivable - municipal - note 3	70,638	73,093
Other accounts receivable - note 4	38,482	22,434
Long-term investments - note 6	720,150	834,665
Total Financial Assets	<u>1,590,012</u>	<u>1,293,557</u>
Liabilities		
Accounts payable	129,212	41,409
Deferred revenue - note 8	53,000	58,400
Long-term debt - note 9	118,883	258,607
Total Liabilities	<u>301,095</u>	<u>358,416</u>
Net Financial Assets	<u>1,288,917</u>	<u>935,141</u>
Non-Financial Assets		
Tangible capital assets - schedules 6 and 7	2,308,854	2,469,489
Prepayments and deferred charges	44,084	23,805
Stock and supplies - note 5	220,288	60,718
Total Non-Financial Assets	<u>2,573,226</u>	<u>2,554,012</u>
Accumulated Surplus - schedule 8	<u>\$ 3,862,143</u>	<u>\$ 3,489,153</u>

Approved on behalf of the council:

Reeve

Councillor

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

R. M. of Cote No. 271
 Consolidated Statement of Operations
 For the year ended December 31, 2021

Statement 2

	2021 Budget (Note 1(s))	2021 Actual	2020 Actual
Revenues			
Taxes and other unconditional revenue			
- schedule 1	1,408,870	1,393,606	1,226,288
Fees and charges - schedules 4 and 5	40,050	223,993	173,041
Conditional grants - schedules 4 and 5	14,880	26,385	35,960
Tangible capital asset sales - gain			
- schedules 4 and 5	(51,790)		(61,690)
Investment income and commissions			
- schedules 4 and 5	8,800	12,244	14,249
Total Revenue	<u>1,420,810</u>	<u>1,656,228</u>	<u>1,387,848</u>
Expenses - schedule 3			
General government services	192,820	189,604	192,675
Protective services	48,250	49,538	48,144
Transportation services	843,060	899,065	727,025
Environmental and public health services	83,600	77,322	75,517
Planning and development services	(144,030)	1,350	1,350
Recreation and cultural services	15,810	131,625	117,607
Utilities services	1,180	1,508	1,180
Total Expenses	<u>1,040,690</u>	<u>1,350,012</u>	<u>1,163,498</u>
Surplus of Revenues over Expenses before Other Capital Contributions	380,120	306,216	224,350
Provincial/Federal Capital Grants and Contributions - schedules 4 and 5	<u>33,870</u>	<u>66,774</u>	<u>115,123</u>
Surplus of Revenue over Expenses	413,990	372,990	339,473
Accumulated Surplus, Beginning of Year	<u>3,489,153</u>	<u>3,489,153</u>	<u>3,149,680</u>
Accumulated Surplus, End of Year	<u>\$ 3,903,143</u>	<u>\$ 3,862,143</u>	<u>\$ 3,489,153</u>

*The notes to consolidated financial statements are an integral
 part of these consolidated financial statements.*

R. M. of Cote No. 271
 Consolidated Statement of Change in Net Financial Assets
 For the year ended December 31, 2021

Statement 3

	2021 Budget (Note 1(s))	2021 Actual	2020 Actual
Surplus	<u>413,990</u>	<u>372,990</u>	<u>339,473</u>
(Acquisition) of tangible capital assets	(2,400)	(5,629)	(638,612)
Amortization of tangible capital assets		166,264	119,523
Proceeds on disposal of tangible capital assets			165,000
Loss on the disposal of tangible capital assets	<u>51,790</u>	<u> </u>	<u>61,690</u>
Surplus (Deficit) of Capital Expenses over Expenditures	<u>49,390</u>	<u>160,635</u>	<u>(292,399)</u>
(Acquisition) of supplies inventories		(159,570)	
(Acquisition) of prepaid expense		(20,279)	(22,856)
Consumption of supplies inventory			<u>7,124</u>
Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures	<u>0</u>	<u>(179,849)</u>	<u>(15,732)</u>
Increase in Net Financial Assets	463,380	353,776	31,342
Net Financial Assets, beginning of year	<u>935,141</u>	<u>935,141</u>	<u>903,799</u>
Net Financial Assets, End of Year	<u>\$ 1,398,521</u>	<u>\$ 1,288,917</u>	<u>\$ 935,141</u>

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

R. M. of Cote No. 271
 Consolidated Statement of Cash Flow
 For the year ended December 31, 2021

Statement 4

	2021	2020
Cash Provided by (used for) the Following Activities		
Operating:		
Surplus	372,990	339,473
Amortization	166,264	119,523
Loss on disposal of tangible capital assets	<u> </u>	<u>61,690</u>
	<u>539,254</u>	<u>520,686</u>
Change in Assets/Liabilities		
Taxes receivable - municipal	2,456	(16,763)
Other receivables	(16,047)	5,072
Accounts payable	87,801	6,597
Deferred revenue	(5,400)	(8,225)
Stock and supplies for use	(159,570)	7,127
Prepayments and deferred charges	<u>(20,279)</u>	<u>(22,856)</u>
Cash Provided by Operating Transactions	<u>428,215</u>	<u>491,638</u>
Capital:		
Acquisition of capital assets	(5,629)	(638,612)
Proceeds from the disposal of capital assets	<u> </u>	<u>165,000</u>
Cash Applied to Capital Transactions	<u>(5,629)</u>	<u>(473,612)</u>
Investing:		
Proceeds on disposal of long-term investments	302,049	482,686
Additions to long-term investments	<u>(187,534)</u>	<u>(797,789)</u>
Cash Provided by (Applied to) Investing Transactions	<u>114,515</u>	<u>(315,103)</u>
Financing:		
Long-term debt issued	<u> </u>	255,659
Long-term debt repaid	<u>(139,724)</u>	<u>(133,065)</u>
Cash Provided by (Applied to) Financing Transactions	<u>(139,724)</u>	<u>122,594</u>
Change in Cash and Temporary Investments During the Year	397,377	(174,483)
Cash and temporary investments, beginning of year	<u>363,365</u>	<u>537,848</u>
Cash and Temporary Investments, End of Year	<u>\$ 760,742</u>	<u>\$ 363,365</u>

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

R. M. of Cote No. 271
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies

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

(a) Basis of accounting

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

(b) Reporting entity

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

The entity included in these consolidated financial statements is as follows:
Duck Mountain Ski Hill

(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 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 are the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:

- (i) the transfers are authorized;
- (ii) any eligibility criteria have been met; and
- (iii) a reasonable estimate of the amount can be made.

Unearned government transfer amounts received 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.

R. M. of Cote No. 271
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. **Significant Accounting Policies** - continued

(f) Net financial assets

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

(g) Non-financial assets

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

(h) Appropriated reserves

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

(i) 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 Urban Municipalities Self-Insurance Fund are accounted for on the equity basis.

(j) Inventories

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

R. M. of Cote No. 271
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. **Significant Accounting Policies** - continued

(k) 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 deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed in schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

General Assets	
Land	Indefinite
Land improvements	40 years
Buildings	40 years
Vehicles	10 years
Mobile equipment	10 years
Infrastructure Assets	
Paving, sidewalks and roadways	40 years
Linear assets	35-40 years

(l) 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.

(m) Capitalization of interest

The municipality does not capitalize interest incurred while a tangible capital asset is under construction.

(n) Leases

All leases are recorded on the consolidated financial statement as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as capital leases and recorded as tangible capital assets. 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) 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 their contributions.

R. M. of Cote No. 271
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. **Significant Accounting Policies** - continued

(p) 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. Penalties on overdue taxes are recorded in the period levied.

All other revenue is recorded when received, or receivable, collection is likely, and the amount can be reasonably determined.

(q) Measurement uncertainty

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

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

The opening asset costs of tangible capital assets have been estimated where actual costs were not available.

Amortization is based on the estimated useful lives of tangible capital assets.

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

R. M. of Cote No. 271
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. **Significant Accounting Policies** - continued

(r) Basis of segmentation/segment report

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

The segments (functions) are as follows:

General government: provides for the administration of the municipality.

Protective services: comprised of expenses for police and fire protection.

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

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

Planning and development: provides for neighbourhood development and sustainability.

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

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

(s) Budget information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 10, 2021.

(t) 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:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The municipality:
 - a) Is directly responsible; or
 - b) Accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

R. M. of Cote No. 271
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. **Significant Accounting Policies** - continued

(u) New standards and amendments to standards

Effective for fiscal years beginning on or after April 1, 2022:

PS 1201 Financial statement presentation, replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Requires a new statement of remeasurement gains and losses separate from the statement of operations arising from the remeasurement 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 remeasurement gains and losses.

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

PS 3450 Financial instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. The standard requires fair value measurement of derivatives and equity instrument that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of remeasurement 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 derecognition of financial liabilities.

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

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

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

The extent of the impact on adoption of these future standards is not known at this time.

R. M. of Cote No. 271
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

	2021	2020
2. Cash and Temporary Investments		
Cash	383,607	360,448
Temporary investments	<u>377,135</u>	<u>2,917</u>
Total Cash and Temporary Investments	<u>\$ 760,742</u>	<u>\$ 363,365</u>

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

	2021	2020
3. Taxes and Grants In Lieu Receivable		
Municipal - current	69,276	70,560
Municipal - arrears	<u>1,418</u>	<u>2,590</u>
	70,694	73,150
Less: Allowance for uncollectibles	<u>57</u>	<u>57</u>
Total municipal taxes receivable	<u>70,637</u>	<u>73,093</u>
School - current	15,285	21,772
School - arrears	<u>524</u>	<u>482</u>
Total school taxes receivable	<u>15,809</u>	<u>22,254</u>
Other	<u>(9)</u>	<u>4,832</u>
Total taxes and grants in lieu receivable	86,437	100,179
Less: Taxes receivable to be collected on behalf of other organizations	<u>15,799</u>	<u>27,086</u>
Municipal and Grants In Lieu Taxes Receivable	<u>\$ 70,638</u>	<u>\$ 73,093</u>

4. Other Accounts Receivable		
Interest receivable	3,721	1,402
Trade	8,873	1,048
Other	<u>25,888</u>	<u>19,984</u>
Net Other Accounts Receivable	<u>\$ 38,482</u>	<u>\$ 22,434</u>

5. Stock and Supplies

Stock and supplies are comprised of the following:

Gravel	182,570	37,586
Other	<u>37,718</u>	<u>23,132</u>
	<u>\$ 220,288</u>	<u>\$ 60,718</u>

R. M. of Cote No. 271
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

	2021	2020
6. Long-Term Investments		
Sask. Assoc. of Rural Municipalities - Self-Insurance Fund	42,649	39,552
Domestic - other long term investments	<u>677,501</u>	<u>795,113</u>
	<u>\$ 720,150</u>	<u>\$ 834,665</u>

The long-term investments in the Saskatchewan Association of Rural Municipalities - Self-Insurance Fund are accounted for on the equity basis.

7. Bank Indebtedness

Credit arrangements:

At December 31, 2021, the municipality had lines of credit totaling 150,000, none of which were drawn.

8. Deferred Revenue

	Balance, Beginning of Year	Plus Amount Received	Less Amount Recognized	Balance, End of Year
Municipal Economic Enhancement	<u>\$ 58,400</u>	<u>\$ 0</u>	<u>\$ 5,400</u>	<u>\$ 53,000</u>

9. Long-Term Debt

(a) The debt limit of the municipality for 2022 is \$1,375,391. 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).

(b) Bank loan is repayable in blended monthly payments of \$7,434 with an interest rate of 2.99%.

Future principal repayments are estimated as follows:

	Principal	Interest	2021 Total	2020 Total
2022	86,842	2,366	89,208	89,208
2023	<u>32,041</u>	<u>208</u>	<u>32,249</u>	<u>32,290</u>
	<u>\$ 118,883</u>	<u>\$ 2,574</u>	<u>\$ 121,457</u>	<u>\$ 121,498</u>

R. M. of Cote No. 271
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

10. Employee Benefit Plans

The municipality participates in a contributory defined benefit pension plan for all its employees. For defined benefit plans considered to be multi-employer plans, contributions are expensed when they are due and payable. The municipality currently participates in the Municipal Employees Pension Plan.

The contributions by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. The portion of the annual benefit costs and of the asset surpluses (deficits) that are attributable to the municipality cannot be easily determined.

Accordingly, the multi-employer plans are accounted for on the defined contribution basis. No portion of the asset (deficit) surplus of the plan is recognized in these consolidated financial statements. The benefit expense reflected in the consolidated financial statements is equal to the municipality's contributions for the year.

All contributions by employees are matched equally by the employer. The contribution rates were updated on July 1, 2018. Employee contribution rates in effect for the year are as follows:

	2021	2020
General members	9.00 %	9.00 %
Designated members	12.50 %	12.50 %

Contributions to the plan during the year were as follows:

Benefit expense	\$ 17,262	\$ 16,695
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As per the most recently audited consolidated financial statements dated December 31, 2020, the plan surplus is \$838,900,000.

11. Contingent Liabilities

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

12. Budget

The figures shown under the "Budget" column in the statement of operations and attached schedules have not been audited and are provided for information purposes only.

13. Related Parties

The consolidated financial statements include transactions with related parties. The municipality is related to Duck Mountain Ski Hill under the common control of the council.

Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

R. M. of Cote No. 271
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

14. Impact of COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the municipality's environment and in the global markets, possible disruption in supply chains and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the municipality's operations. The extent of this outbreak and related containment measures on the municipality's operations cannot be reliably estimated at this time.

R. M. of Cote No. 271Consolidated Schedule of Taxes and Other Unconditional Revenue
For the year ended December 31, 2021

Schedule 1

	2021 Budget (Note 1(s))	2021 Actual	2020 Actual
Taxes			
General municipal tax levy	1,185,900	1,183,079	980,673
Abatements and adjustments	(100)	(282)	
Discount on current year taxes	(35,460)	(43,643)	(35,464)
Net municipal taxes	<u>1,150,340</u>	<u>1,139,154</u>	<u>945,209</u>
Penalties on tax arrears	<u>3,000</u>	<u>3,724</u>	<u>2,896</u>
Total Taxes	<u>1,153,340</u>	<u>1,142,878</u>	<u>948,105</u>
Unconditional Grants			
Equalization (revenue sharing)	198,330	198,331	199,092
Organized hamlet	5,250	5,253	5,290
Safe Restart			<u>32,690</u>
Total Unconditional Grants	<u>203,580</u>	<u>203,584</u>	<u>237,072</u>
Grants In Lieu of Taxes			
Federal	32,000	18,587	14,695
Provincial			
Transgas	950	952	952
SaskTel		3,332	3,275
Community pasture	18,000	22,786	20,189
Local/Other			
Treaty land entitlement	<u>1,000</u>	<u>1,487</u>	<u>2,000</u>
Total Grants In Lieu of Taxes	<u>51,950</u>	<u>47,144</u>	<u>41,111</u>
Total Taxes and Other Unconditional Revenue	<u>\$ 1,408,870</u>	<u>\$ 1,393,606</u>	<u>\$ 1,226,288</u>

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

R. M. of Cote No. 271
Consolidated Schedule of Operating and Capital Revenue by Function Schedule 2-1
For the year ended December 31, 2021

	2021 Budget (Note 1(s))	2021 Actual	2020 Actual
General Government Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Sale of supplies	1,940	1,919	1,996
Rentals	3,000	3,030	2,980
Other	2,070	4,255	7,735
Total Fees and Charges	<u>7,010</u>	<u>9,204</u>	<u>12,711</u>
Investment income and commissions	8,800	12,244	14,249
Total Other Segmented Revenue	<u>15,810</u>	<u>21,448</u>	<u>26,960</u>
Conditional Grants			
Municipal Economic Enhancement			2,000
Total Conditional Grants	<u>0</u>	<u>0</u>	<u>2,000</u>
Total General Government Services	<u>\$ 15,810</u>	<u>\$ 21,448</u>	<u>\$ 28,960</u>
Transportation Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work	18,970	15,088	13,911
Sale of supplies	7,220	26,144	8,570
Licenses and permits	1,800	1,900	1,700
Road maintenance and restoration agreements	2,500	31,002	2,369
Total Fees and Charges	<u>30,490</u>	<u>74,134</u>	<u>26,550</u>
Tangible capital asset sales - gain (loss)	<u>(51,790)</u>		<u>(61,690)</u>
Total Other Segmented Revenue	<u>(21,300)</u>	<u>74,134</u>	<u>(35,140)</u>
Conditional Grants			
Municipal Economic Enhancement		5,400	18,363
Total Conditional Grants	<u>0</u>	<u>5,400</u>	<u>18,363</u>
Total Operating	<u>(21,300)</u>	<u>79,534</u>	<u>(16,777)</u>
Capital			
Conditional Grants			
Canada Community Building Fund	33,870	66,774	115,123
Total Capital	<u>33,870</u>	<u>66,774</u>	<u>115,123</u>
Total Transportation Services	<u>\$ 12,570</u>	<u>\$ 146,308</u>	<u>\$ 98,346</u>

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

R. M. of Cote No. 271
 Consolidated Schedule of Operating and Capital Revenue by Function Schedule 2-2
 For the year ended December 31, 2021

	2021 Budget (Note 1(s))	2021 Actual	2020 Actual
Environmental and Public Health Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Sale of supplies	2,400	5,127	2,811
Total Other Segmented Revenue	<u>2,400</u>	<u>5,127</u>	<u>2,811</u>
Conditional Grants			
Sask. Water Corporation	7,700	4,467	3,690
Pest control	2,890	5,708	2,889
Fish and Wildlife		6,523	4,731
Total Conditional Grants	<u>10,590</u>	<u>16,698</u>	<u>11,310</u>
Total Environmental and Public Health Services	<u>\$ 12,990</u>	<u>\$ 21,825</u>	<u>\$ 14,121</u>
Recreation and Cultural Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Rentals	150	788	
Duck Mountain Ski Hill		134,557	130,969
Other		183	
Total Fees and Charges	<u>150</u>	<u>135,528</u>	<u>130,969</u>
Total Other Segmented Revenue	<u>150</u>	<u>135,528</u>	<u>130,969</u>
Conditional Grants			
Saskatchewan Lotteries	4,290	4,287	4,287
Total Conditional Grants	<u>4,290</u>	<u>4,287</u>	<u>4,287</u>
Total Recreation and Cultural Services	<u>\$ 4,440</u>	<u>\$ 139,815</u>	<u>\$ 135,256</u>
Total Operating and Capital Revenue by Function	<u>\$ 45,810</u>	<u>\$ 329,396</u>	<u>\$ 276,683</u>
Summary			
Total Other Segmented Revenue	(2,940)	236,237	125,600
Total Conditional Grants	14,880	26,385	35,960
Total Capital Grants and Contributions	<u>33,870</u>	<u>66,774</u>	<u>115,123</u>
Total Operating and Capital Revenue by Function	<u>\$ 45,810</u>	<u>\$ 329,396</u>	<u>\$ 276,683</u>

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

R. M. of Cote No. 271
 Total Expenses by Function
 For the year ended December 31, 2021

Schedule 3-1

	2021 Budget (Note 1(s))	2021 Actual	2020 Actual
General Government Services			
Council remuneration and travel	43,690	40,015	41,589
Wages and benefits	81,670	81,352	79,392
Professional/Contractual services	50,870	50,702	55,066
Utilities	6,000	5,502	5,799
Maintenance, materials and supplies	7,830	9,294	8,095
Grants and contributions - operating	400	380	375
Amortization	2,360	2,359	2,359
	<u> </u>	<u> </u>	<u> </u>
Total General Government Services	\$ 192,820	\$ 189,604	\$ 192,675
Protective Services			
Police protection			
Professional/Contractual services	26,500	27,103	26,394
Fire protection			
Professional/Contractual services	21,750	22,435	21,750
	<u> </u>	<u> </u>	<u> </u>
Total Protective Services	\$ 48,250	\$ 49,538	\$ 48,144
Transportation Services			
Wages and benefits	218,060	220,674	213,919
Professional/Contractual services	111,400	103,947	60,442
Utilities	9,500	9,071	9,089
Maintenance, materials, and supplies	92,070	96,859	77,193
Gravel	240,000	274,936	208,440
Culverts/drainage	56,000	28,992	41,519
Amortization	110,230	158,893	109,119
Interest	5,800	5,693	7,304
	<u> </u>	<u> </u>	<u> </u>
Total Transportation Services	\$ 843,060	\$ 899,065	\$ 727,025

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

R. M. of Cote No. 271
 Total Expenses by Function
 For the year ended December 31, 2021

Schedule 3-2

	2021 Budget (Note 1(s))	2021 Actual	2020 Actual
Environmental and Public Health Services			
Professional/Contractual services	64,920	59,060	50,061
Maintenance, materials and supplies	8,200	7,782	5,112
Grants and contributions - capital	<u>10,480</u>	<u>10,480</u>	<u>20,344</u>
Total Environmental and Public Health Services	<u>\$ 83,600</u>	<u>\$ 77,322</u>	<u>\$ 75,517</u>
Planning and Development Services			
Grants and contributions - operating	1,350	1,350	1,350
Long-term debt repaid	<u>(145,380)</u>	<u> </u>	<u> </u>
Total Planning and Development Services	<u>\$(144,030)</u>	<u>\$ 1,350</u>	<u>\$ 1,350</u>
Recreation and Cultural Services			
Professional/Contractual services	1,500		
Utilities	2,150	2,194	1,947
Maintenance, materials and supplies	500	779	197
Grants and contributions - operating	4,290	4,287	4,287
Amortization		5,012	8,045
Libraries	7,370	7,371	7,371
Duck Mountain Ski Hill		<u>111,982</u>	<u>95,760</u>
Total Recreation and Cultural Services	<u>\$ 15,810</u>	<u>\$ 131,625</u>	<u>\$ 117,607</u>
Utility Services			
Utilities	980	1,486	983
Maintenance, materials and supplies	<u>200</u>	<u>22</u>	<u>197</u>
Total Utility Services	<u>\$ 1,180</u>	<u>\$ 1,508</u>	<u>\$ 1,180</u>
Total Expenses by Function	<u>\$ 1,040,690</u>	<u>\$ 1,350,012</u>	<u>\$ 1,163,498</u>

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

R. M. of Cote No. 271

Consolidated Schedule of Segment Disclosure by Function For the year ended December 31, 2021

Schedule 4

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues - schedule 2								
Fees and charges	9,204		74,134	5,127		135,528		223,993
Investment income and commissions	12,244							12,244
Grants - conditional			5,400	16,698		4,287		26,385
Grants - capital			66,774					66,774
Total Revenues	<u>21,448</u>	<u>0</u>	<u>146,308</u>	<u>21,825</u>	<u>0</u>	<u>139,815</u>	<u>0</u>	<u>329,396</u>
Expenses - schedule 3								
Wages and benefits	81,352		220,674					302,026
Professional/contractual services	90,717	49,538	103,947	59,060				303,262
Utilities	5,502		9,071			2,194	1,486	18,253
Maintenance materials and supplies	9,294		371,795	7,782		779	22	389,672
Culverts/drainage			28,992					28,992
Grants and contributions	380			10,480	1,350	4,287		16,497
Amortization	2,359		158,893			5,012		166,264
Libraries						7,371		7,371
Interest			5,693					5,693
Allowance for uncollectibles						111,982		111,982
Total Expenses	<u>189,604</u>	<u>49,538</u>	<u>899,065</u>	<u>77,322</u>	<u>1,350</u>	<u>131,625</u>	<u>1,508</u>	<u>1,350,012</u>
Surplus (Deficit) by Function	<u>\$ (168,156)</u>	<u>\$ (49,538)</u>	<u>\$ (752,757)</u>	<u>\$ (55,497)</u>	<u>\$ (1,350)</u>	<u>\$ 8,190</u>	<u>\$ (1,508)</u>	<u>(1,020,616)</u>
Taxation and other unconditional revenue - schedule 1								<u>1,393,606</u>
Net Surplus								<u>\$ 372,990</u>

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

R. M. of Cote No. 271

Consolidated Schedule of Segment Disclosure by Function
For the year ended December 31, 2020

Schedule 5

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues - schedule 2								
Fees and charges	12,711		26,550	2,811		130,969		173,041
Tangible capital asset sales - gain (loss)			(61,690)					(61,690)
Investment income and commissions	14,249							14,249
Grants - conditional	2,000		18,363	11,310		4,287		35,960
Grants - capital			115,123					115,123
Total Revenues	<u>28,960</u>	<u>0</u>	<u>98,346</u>	<u>14,121</u>	<u>0</u>	<u>135,256</u>	<u>0</u>	<u>276,683</u>
Expenses - schedule 3								
Wages and benefits	79,392		213,919					293,311
Professional/contractual services	96,655	48,144	60,442	50,061				255,302
Utilities	5,799		9,089			1,947	983	17,818
Maintenance materials and supplies	8,095		285,633	5,112		197	197	299,234
Culverts/drainage			41,519					41,519
Grants and contributions	375			20,344	1,350	4,287		26,356
Amortization	2,359		109,119			8,045		119,523
Libraries						7,371		7,371
Interest			7,304					7,304
Allowance for uncollectibles						95,760		95,760
Total Expenses	<u>192,675</u>	<u>48,144</u>	<u>727,025</u>	<u>75,517</u>	<u>1,350</u>	<u>117,607</u>	<u>1,180</u>	<u>1,163,498</u>
Surplus (Deficit) by Function	<u>\$ (163,715)</u>	<u>\$ (48,144)</u>	<u>\$ (628,679)</u>	<u>\$ (61,396)</u>	<u>\$ (1,350)</u>	<u>\$ 17,649</u>	<u>\$ (1,180)</u>	<u>(886,815)</u>
Taxation and other unconditional revenue - schedule 1								<u>1,226,288</u>
Net Surplus								<u>\$ 339,473</u>

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

R. M. of Cote No. 271

Consolidated Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2021

Schedule 6

	2021							Total	2020 Total
	General Assets					Infrastruct. Assets	General/ Infrastruct. Assets under Constr.		
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset Cost									
Opening Asset Cost	226,703	2,670	279,435	0	1,297,685	2,673,123	0	4,479,616	4,218,821
Additions during the year			5,629					5,629	638,612
Disposals and write-down during the year									(377,817)
Closing Asset Costs	<u>226,703</u>	<u>2,670</u>	<u>285,064</u>	<u>0</u>	<u>1,297,685</u>	<u>2,673,123</u>	<u>0</u>	<u>4,485,245</u>	<u>4,479,616</u>
Accumulated Amortization Cost									
Opening Accumulated									
Amortization Costs	0	1,335	269,614	0	282,246	1,456,932	0	2,010,127	2,041,731
Add: Amortization taken		178	1,986		117,564	46,536		166,264	119,523
Less: Accumulated amortization on disposals									151,127
Closing Accumulated Amortization Costs	<u>0</u>	<u>1,513</u>	<u>271,600</u>	<u>0</u>	<u>399,810</u>	<u>1,503,468</u>	<u>0</u>	<u>2,176,391</u>	<u>2,010,127</u>
Net Book Value	<u>\$ 226,703</u>	<u>\$ 1,157</u>	<u>\$ 13,464</u>	<u>\$ 0</u>	<u>\$ 897,875</u>	<u>\$ 1,169,655</u>	<u>\$ 0</u>	<u>\$ 2,308,854</u>	<u>\$ 2,469,489</u>

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

R. M. of Cote No. 271

Consolidated Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2021

Schedule 7

	2021							2020	
	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total	Total
Asset Cost									
Opening Asset Cost	76,412	0	4,208,229	7,025	0	187,950	0	4,479,616	4,218,821
Additions during the year			5,629					5,629	638,612
Disposals and write-down during the year									(377,817)
Closing Asset Costs	<u>76,412</u>	<u>0</u>	<u>4,213,858</u>	<u>7,025</u>	<u>0</u>	<u>187,950</u>	<u>0</u>	<u>4,485,245</u>	<u>4,479,616</u>
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	71,699	0	1,762,298	0	0	176,130	0	2,010,127	2,041,731
Add: Amortization taken	2,359		158,893			5,012		166,264	119,523
Less: Accumulated amortization on disposals									151,127
Closing Accumulated Amortization Costs	<u>74,058</u>	<u>0</u>	<u>1,921,191</u>	<u>0</u>	<u>0</u>	<u>181,142</u>	<u>0</u>	<u>2,176,391</u>	<u>2,010,127</u>
Net Book Value	<u>\$ 2,354</u>	<u>\$ 0</u>	<u>\$ 2,292,667</u>	<u>\$ 7,025</u>	<u>\$ 0</u>	<u>\$ 6,808</u>	<u>\$ 0</u>	<u>\$ 2,308,854</u>	<u>\$ 2,469,489</u>

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

R. M. of Cote No. 271
 Consolidated Schedule of Accumulated Surplus
 For the year ended December 31, 2021

Schedule 8

	2020	Changes	2021
Unappropriated Surplus	<u>787,141</u>	<u>207,587</u>	<u>994,728</u>
Appropriated Surplus			
Machinery and equipment			
Machinery and equipment reserve	457,150	180,000	637,150
Dedicated lands	2,250		2,250
Other			
MEDC	<u>6,864</u>	<u> </u>	<u>6,864</u>
Total Appropriated	<u>466,264</u>	<u>180,000</u>	<u>646,264</u>
Hamlet of Runnymede	<u>24,866</u>	<u>6,314</u>	<u>31,180</u>
Net Investments in Tangible Capital Assets			
Tangible capital assets - schedule 6	2,469,489	(160,635)	2,308,854
Less: Related debt	<u>258,607</u>	<u>(139,724)</u>	<u>118,883</u>
Net Investment in Tangible Capital Assets	<u>2,210,882</u>	<u>(20,911)</u>	<u>2,189,971</u>
Total Accumulated Surplus	<u>\$ 3,489,153</u>	<u>\$ 372,990</u>	<u>\$ 3,862,143</u>

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

R. M. of Cote No. 271
 Schedule of Mill Rates and Assessments
 For the year ended December 31, 2021

Schedule 9

	<u>Property Class</u>					Total
	Agriculture	Residential	Condominium	Seasonal Residential	Commercial & Industrial	
Taxable Assessment	125,087,990	10,565,927		1,753,520	5,623,345	143,030,782
Regional Park Assessment						
Total Assessment						143,030,782
Mill Rate Factor(s)	1.0000	0.6750		675.0000	1.0000	
Total Base/Minimum Tax (generated for each property class)	19,000	18,500			4,900	42,400
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,050,648	71,876		9,673	50,882	1,183,079
Mill Rates:						
Average Municipal*						Mills 8.2715
Average School*						1.8400
Potash Mill Rate						
Uniform Municipal Mill Rate						8.3000

*Average Mill Rates (multiply the total tax levy for each taxing authority by 1,000 and divide by the total assessment for the taxing authority).

R. M. of Cote No. 271
Schedule of Council Remuneration
For the year ended December 31, 2021

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Kim Pennell	15,225	713	15,938
Amanda Burback	15,850	1,360	17,210
Vernon Bowes	15,600	1,487	17,087
Craig Salahub	12,850	400	13,250
Dale Schwartz	14,100	813	14,913
Glen Becenko	14,100	440	14,540
Murray Horkoff	13,100	191	13,291
	<u>100,825</u>	<u>5,404</u>	<u>106,229</u>
	\$ 100,825	\$ 5,404	\$ 106,229

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*