

R. M. of Grayson No. 184

FINANCIAL STATEMENTS

Year Ended December 31, 2021

R. M. of Grayson No. 184

Grayson, Saskatchewan
December 31, 2021

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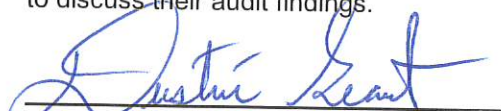
Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management 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 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 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 Grayson No. 184

Opinion

We have audited the financial statements of R. M. of Grayson No. 184, (the municipality), which comprise the Statement of Financial Position as at December 31, 2021 and the Statements of Operations, Change in Net Financial Assets and Cash Flow 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 results of its operations and its 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 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 the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters 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 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 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 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 auditors' 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 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 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.

Baker Tilly SK LLP

Baker Tilly SK LLP

Yorkton, SK
March 9, 2022

R. M. of Grayson No. 184

Grayson, Saskatchewan

Statement 1

Statement of Financial Position as at December 31, 2021

	2021	2020
Assets		
Financial Assets		
Cash and temporary investments - note 2	2,276,717	1,729,508
Taxes receivable - municipal - note 3	66,255	54,462
Other accounts receivable - note 4	225,185	318,784
Long-term investments - note 6	112,175	105,819
Total Financial Assets	<u>2,680,332</u>	<u>2,208,573</u>
Liabilities		
Accounts payable - note 7	6,179	15,492
Accrued landfill costs - note 8	30,608	25,294
Other liabilities	35,714	30,425
Total Liabilities	<u>72,501</u>	<u>71,211</u>
Net Financial Assets	<u>2,607,831</u>	<u>2,137,362</u>
Non-Financial Assets		
Tangible capital assets - schedules 6 and 7	4,366,258	4,229,804
Prepayments and deferred charges	5,007	5,044
Stock and supplies - note 5	164,541	185,218
Total Non-Financial Assets	<u>4,535,806</u>	<u>4,420,066</u>
Accumulated Surplus - schedule 8	<u>\$ 7,143,637</u>	<u>\$ 6,557,428</u>

Approved on behalf of the council:

Reeve

Councillor

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

R. M. of Grayson No. 184
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	1,367,777	1,370,574	1,374,397
Fees and charges - schedules 4 and 5	58,362	69,146	68,901
Conditional grants - schedules 4 and 5	30,578	35,533	39,500
Investment income and commissions - schedules 4 and 5	8,250	13,924	30,151
Other revenues - schedules 4 and 5	77,929	77,929	77,929
Total Revenue	<u>1,464,967</u>	<u>1,567,106</u>	<u>1,512,949</u>
Expenses - schedule 3			
General government services	253,475	220,119	215,661
Protective services	58,800	57,082	56,420
Transportation services	749,200	783,693	819,715
Environmental and public health services	126,455	73,942	75,720
Planning and development services	61,207	40,020	35,521
Recreation and cultural services	8,886	6,886	6,886
Total Expenses	<u>1,258,023</u>	<u>1,181,742</u>	<u>1,209,923</u>
Surplus of Revenues over Expenses Before Other Capital Contributions	206,944	385,364	303,026
Provincial/Federal Capital Grants and Contributions - schedules 4 and 5	<u>259,002</u>	<u>200,845</u>	<u>274,399</u>
Surplus of Revenue over Expenses	465,946	586,209	577,425
Accumulated Surplus, Beginning of Year	<u>6,557,428</u>	<u>6,557,428</u>	<u>5,980,003</u>
Accumulated Surplus, End of Year	<u>\$ 7,023,374</u>	<u>\$ 7,143,637</u>	<u>\$ 6,557,428</u>

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

R. M. of Grayson No. 184
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>465,946</u>	<u>586,209</u>	<u>577,425</u>
(Acquisition) of tangible capital assets	(267,118)	(405,566)	(329,008)
Amortization of tangible capital assets	<u>269,112</u>	<u>270,034</u>	<u>270,034</u>
Surplus (Deficit) of Capital Expenses over Expenditures	<u>(267,118)</u>	<u>(136,454)</u>	<u>(58,974)</u>
(Acquisition) of supplies inventories			(1,236)
(Acquisition) of prepaid expense		(5,007)	(5,044)
Consumption of supplies inventory		20,677	28,478
Use of prepaid expense		<u>5,044</u>	<u>28,478</u>
Surplus of Expenses of Other Non-Financial over Expenditures	<u>0</u>	<u>20,714</u>	<u>22,198</u>
Increase in Net Financial Assets	198,828	470,469	540,649
Net Financial Assets, beginning of year	<u>2,137,362</u>	<u>2,137,362</u>	<u>1,596,713</u>
Net Financial Assets, End of Year	<u>\$ 2,336,190</u>	<u>\$ 2,607,831</u>	<u>\$ 2,137,362</u>

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

R. M. of Grayson No. 184
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	586,209	577,425
Amortization	269,112	270,034
Loss (gain) on disposal of investments	<u>(15,724)</u>	<u>(15,724)</u>
	855,321	831,735
Change in Assets/Liabilities		
Taxes receivable - municipal	(11,793)	12,811
Other receivables	93,600	(193,442)
Accounts payable	(9,318)	14,853
Other liabilities	10,607	(848)
Stock and supplies for use	20,677	27,242
Prepayments and deferred charges	<u>37</u>	<u>(5,044)</u>
Cash Provided by Operating Transactions	<u>959,131</u>	<u>687,307</u>
Capital:		
Acquisition of capital assets	(405,566)	(329,008)
Investing:		
Long-term investments	(6,356)	(7,217)
Proceeds on disposal of investments	<u>65,724</u>	<u>65,724</u>
Cash Provided by (Applied to) Investing Transactions	<u>(6,356)</u>	<u>58,507</u>
Financing:		
Long-term debt repaid	<u>0</u>	<u>(355,236)</u>
Change in Cash and Temporary Investments During the Year	547,209	61,570
Cash and temporary Investments, beginning of year	<u>1,729,508</u>	<u>1,667,938</u>
Cash and Temporary Investments, End of Year	<u>\$ 2,276,717</u>	<u>\$ 1,729,508</u>

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

1. Significant Accounting Policies

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

(a) Basis of accounting

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

(b) 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.

(c) Government transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or 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.

(d) Deferred revenue - fees and charges

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

(e) 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.

R. M. of Grayson No. 184
Notes to Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies - continued

(f) 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.

(g) 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.

(h) Investments

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long-term investments in the Saskatchewan Association of Rural Municipalities Self-Insurance Fund are accounted for on the equity basis.

(i) 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.

(j) Tangible capital assets

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

Asset	Useful Life
General Assets	
Land	indefinite
Land improvements	40 years
Buildings	50 years
Vehicles	5 years
Mobile equipment	10 years
Linear assets	50 years
Infrastructure Assets	
Paving, sidewalks and roadways	50 years

R. M. of Grayson No. 184
Notes to Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies - continued

(k) 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.

(l) Works of art

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.

(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 financial statement 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) 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.

(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.

1. Significant Accounting Policies - continued

(q) Measurement uncertainty

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

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

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

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

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

(r) Basis of segmentation/segment report

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

The segments (functions) are as follows:

General government: provides for the administration of the municipality.

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

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

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

Planning and development: provides for neighbourhood development and sustainability.

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

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

(s) Budget information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 12, 2021.

R. M. of Grayson No. 184
Notes to Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies - continued

(t) 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 Grayson No. 184
Notes to Financial Statements
For the year ended December 31, 2021

	2021	2020
2. Cash and Temporary Investments		
Cash	\$ 2,276,717	\$ 1,729,508
Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less.		
3. Taxes and Grants In Lieu Receivable		
Municipal - current	57,586	47,412
Municipal - arrears	8,669	7,050
	<u>66,255</u>	<u>54,462</u>
Less: Allowance for uncollectibles	0	0
Total municipal taxes receivable	<u>66,255</u>	<u>54,462</u>
School - current	19,912	17,887
School - arrears	2,066	1,056
Total school taxes receivable	<u>21,978</u>	<u>18,943</u>
Total taxes and grants in lieu receivable	88,233	73,405
Less: Taxes receivable to be collected on behalf of other organizations	<u>21,978</u>	<u>18,943</u>
Municipal and Grants In Lieu Taxes Receivable	<u>\$ 66,255</u>	<u>\$ 54,462</u>
4. Other Accounts Receivable		
Federal government	23,968	41,036
Provincial government	120,007	183,238
Local government	67,500	81,000
Trade	<u>13,710</u>	<u>13,510</u>
Net Other Accounts Receivable	<u>\$ 225,185</u>	<u>\$ 318,784</u>
5. Stock and Supplies		
Inventories are comprised of the following:		
Stock and supplies	<u>\$ 164,541</u>	<u>\$ 185,218</u>
6. Long-Term Investments		
Sask. Assoc. of Rural Municipalities - Self-Insurance Fund	90,616	84,260
Other	920	920
Co-op. equity	<u>20,639</u>	<u>20,639</u>
	<u>\$ 112,175</u>	<u>\$ 105,819</u>

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

R. M. of Grayson No. 184
Notes to Financial Statements
For the year ended December 31, 2021

	2021	2020
7. Accounts Payable		
Accounts payable are comprised of the following items:		
Accounts payable	2,484	12,460
Wages payable	<u>3,695</u>	<u>3,032</u>
	<u>\$ 6,179</u>	<u>\$ 15,492</u>
8. Accrued Landfill Costs		
Accrued landfill costs	<u>\$ 30,608</u>	<u>\$ 25,294</u>

In 2021, the municipality has accrued an overall liability for environmental matters in the amount of \$30,608 (2020 - \$25,294) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Included in environmental liabilities is \$30,608 (2020 - \$25,294) of the estimated total landfill closure and post-closure care expenses. The estimated liability for these expenses is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenses recognized as at December 31, 2021 based on the cumulative capacity used at that date, compared to the total estimated landfill capacity. Estimated total expenditures represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the municipality's average long-term borrowing rate of 6% (2020 - 6%).

Landfill closure and post-closure care requirements have been defined in accordance with The Environmental Management and Protection Act and include final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a future period using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The unfunded liability for the landfill will be paid for through future revenues.

9. Long-Term Debt

The debt limit of the municipality for 2022 is \$1,084,633. 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).

R. M. of Grayson No. 184
Notes to Financial Statements
For the year ended December 31, 2021

10. Employee Benefit Plans

The municipality participates in contributory defined benefit pension plan for all of 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 financial statements. The benefit expense reflected in the 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	\$ 22,484	\$ 22,400
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As per the most recently audited 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 Rural Municipalities Self-Insurance Plan for its proportionate share of claims and future claims in excess of the Plan's reserve fund.

12. Annexation

Effective January 1, 2017, the Resort Village of West End annexed land from the R. M. of Grayson No. 184 with an agreement to provide the R. M. of Grayson No. 184 with \$135,000 paid over ten years. To date, the R. M. of Grayson No. 184 has received \$67,500.

R. M. of Grayson No. 184Schedule 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	957,534	957,534	933,843
Abatements and adjustments	(500)	(2,443)	(1,112)
Discount on current year taxes	(35,000)	(38,716)	(37,766)
Net municipal taxes	<u>922,034</u>	<u>916,375</u>	<u>894,965</u>
Potash tax share	7,259	7,259	6,617
Penalties on tax arrears	<u>4,500</u>	<u>3,739</u>	<u>4,586</u>
Total Taxes	<u>933,793</u>	<u>927,373</u>	<u>906,168</u>
Unconditional Grants			
Equalization (revenue sharing)	295,252	295,252	298,654
Organized hamlet	24,648	24,648	24,828
Safe Restart Program			<u>30,543</u>
Total Unconditional Grants	<u>319,900</u>	<u>319,900</u>	<u>354,025</u>
Grants In Lieu of Taxes			
RCMP	1,458	1,458	1,481
Provincial			
SaskTel	3,232	3,232	3,329
Local/Other			
Treaty land entitlement	108,433	117,578	108,433
Specific land claims	<u>961</u>	<u>1,033</u>	<u>961</u>
Total Grants In Lieu of Taxes	<u>114,084</u>	<u>123,301</u>	<u>114,204</u>
Total Taxes and Other Unconditional Revenue	<u>\$ 1,367,777</u>	<u>\$ 1,370,574</u>	<u>\$ 1,374,397</u>

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

R. M. of Grayson No. 184Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2021

Schedule 2-1

	2021 Budget (Note 1(s))	2021 Actual	2020 Actual
General Government Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work			304
Sale of supplies	1,200	4,086	4,914
Expense recoveries	1,500		
Other	1,001	1,118	998
Total Fees and Charges	3,701	5,204	6,216
Investment income and commissions	8,250	13,924	30,151
Total Other Segmented Revenue	11,951	19,128	36,367
Total General Government Services	\$ 11,951	\$ 19,128	\$ 36,367
Transportation Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work	1,000	1,750	1,990
Sale of supplies	4,200	6,590	4,442
Road maintenance and restoration agreements	1,500	1,495	1,758
Total Fees and Charges	6,700	9,835	8,190
Total Other Segmented Revenue	6,700	9,835	8,190
Conditional Grants			
Clearing The Path	27,740	27,740	27,740
Federation of Canadian Municipalities			11,760
Total Conditional Grants	27,740	27,740	39,500
Total Operating	34,440	37,575	47,690
Capital			
Conditional Grants			
Municipal Economic Enhancement Program			73,589
Rural Integrated Roads for Growth Initiative	228,794	138,458	155,498
Canada Community-Building Fund	30,208	62,387	45,312
Total Capital	259,002	200,845	274,399
Total Transportation Services	\$ 293,442	\$ 238,420	\$ 322,089

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

R. M. of Grayson No. 184Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2021

Schedule 2-2

	2021 Budget (Note 1(s))	2021 Actual	2020 Actual
Environmental and Public Health Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work	9,511	9,511	
Sale of supplies	7,500	8,969	6,527
Rentals	9,900	10,319	7,198
Other	500		15,724
Total Fees and Charges	<u>27,411</u>	<u>28,799</u>	<u>29,449</u>
Total Other Segmented Revenue	<u>27,411</u>	<u>28,799</u>	<u>29,449</u>
Conditional Grants			
Pest control	2,838	2,838	
Invasive plant control program		4,955	
Total Conditional Grants	<u>2,838</u>	<u>7,793</u>	<u>0</u>
Total Environmental and Public Health Services	<u>\$ 30,249</u>	<u>\$ 36,592</u>	<u>\$ 29,449</u>
Planning and Development Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Maintenance and development charges	<u>20,550</u>	<u>25,308</u>	<u>25,046</u>
Total Other Segmented Revenue	<u>20,550</u>	<u>25,308</u>	<u>25,046</u>
Total Planning and Development Services	<u>\$ 20,550</u>	<u>\$ 25,308</u>	<u>\$ 25,046</u>
Recreation and Cultural Services			
Operating			
Other Segmented Revenue			
Other revenues		77,929	
Total Other Segmented Revenue	<u>0</u>	<u>77,929</u>	<u>0</u>
Total Recreation and Cultural Services	<u>\$ 0</u>	<u>\$ 77,929</u>	<u>\$ 0</u>
Total Operating and Capital Revenue by Function	<u>\$ 356,192</u>	<u>\$ 397,377</u>	<u>\$ 412,951</u>
Summary			
Total Other Segmented Revenue	66,612	160,999	99,052
Total Conditional Grants	30,578	35,533	39,500
Total Capital Grants and Contributions	<u>259,002</u>	<u>200,845</u>	<u>274,399</u>
Total Operating and Capital Revenue by Function	<u>\$ 356,192</u>	<u>\$ 397,377</u>	<u>\$ 412,951</u>

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part of these financial statements.*

R. M. of Grayson No. 184
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	36,500	23,858	37,374
Wages and benefits	123,000	116,060	120,570
Professional/Contractual services	52,287	44,238	34,645
Utilities	4,250	3,991	4,013
Maintenance, materials and supplies	28,800	20,366	14,787
Grants and contributions - operating	7,500	10,543	2,446
Amortization	938	938	938
Interest	200	125	3
Other			885
Total General Government Services	\$ 253,475	\$ 220,119	\$ 215,661
Protective Services			
Police protection			
Professional/Contractual services	26,000	25,322	24,660
Grants and contributions - operating	1,600	1,600	1,600
Fire protection			
Wages and benefits	1,200	1,200	1,200
Professional/Contractual services	30,000	28,960	28,960
Total Protective Services	\$ 58,800	\$ 57,082	\$ 56,420
Transportation Services			
Wages and benefits	254,000	215,020	244,586
Professional/Contractual services	162,200	82,725	93,581
Utilities	23,500	17,943	19,894
Maintenance, materials, and supplies	211,000	166,043	155,403
Gravel	70,000	34,843	26,759
Amortization		267,119	268,041
Interest			11,451
Other	28,500		
Total Transportation Services	\$ 749,200	\$ 783,693	\$ 819,715
Environmental and Public Health Services			
Professional/Contractual Services	117,900	64,971	64,478
Maintenance, materials and supplies	7,500	7,916	10,187
Amortization	1,055	1,055	1,055
Total Environmental and Public Health Services	\$ 126,455	\$ 73,942	\$ 75,720
Planning and Development Services			
Professional/Contractual Services	\$ 61,207	\$ 40,020	\$ 35,521
Recreation and Cultural Services			
Professional/Contractual Services	2,000		
Libraries	6,886	6,886	6,886
Total Recreation and Cultural Services	\$ 8,886	\$ 6,886	\$ 6,886
Total Expenses by Function	\$ 1,258,023	\$ 1,181,742	\$ 1,209,923

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

R. M. of Grayson No. 184
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	5,204		9,835	28,799	25,308			69,146
Investment income and commissions	13,924							13,924
Other revenues						77,929		77,929
Grants - conditional			27,740	7,793				35,533
Grants - capital			200,845					200,845
Total Revenues	<u>19,128</u>	<u>0</u>	<u>238,420</u>	<u>36,592</u>	<u>25,308</u>	<u>77,929</u>	<u>0</u>	<u>397,377</u>
Expenses - schedule 3								
Wages and benefits	116,060	1,200	215,020					332,280
Professional/contractual services	68,096	54,282	82,725	64,971	40,020			310,094
Utilities	3,991		17,943					21,934
Maintenance materials and supplies	20,366		34,843	7,916				63,125
Machinery costs/fuel/blades			166,043					166,043
Grants and contributions	10,543	1,600						12,143
Amortization	938		267,119	1,055				269,112
Libraries						6,886		6,886
Interest	125							125
Total Expenses	<u>220,119</u>	<u>57,082</u>	<u>783,693</u>	<u>73,942</u>	<u>40,020</u>	<u>6,886</u>	<u>0</u>	<u>1,181,742</u>
Surplus (Deficit) by Function	<u><u>\$ (200,991)</u></u>	<u><u>\$ (57,082)</u></u>	<u><u>\$ (545,273)</u></u>	<u><u>\$ (37,350)</u></u>	<u><u>\$ (14,712)</u></u>	<u><u>\$ 71,043</u></u>	<u><u>\$ 0</u></u>	<u><u>(784,365)</u></u>
Taxation and other unconditional revenue - schedule 1								<u>1,370,574</u>
Net Surplus								<u><u>\$ 586,209</u></u>

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part of these financial statements.*

R. M. of Grayson No. 184
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	6,216		8,190	29,449	25,046			68,901
Investment income and commissions	30,151							30,151
Grants - conditional			39,500					39,500
Grants - capital			274,399					274,399
Total Revenues	<u>36,367</u>	<u>0</u>	<u>322,089</u>	<u>29,449</u>	<u>25,046</u>	<u>0</u>	<u>0</u>	<u>412,951</u>
Expenses - schedule 3								
Wages and benefits	120,570	1,200	244,586					366,356
Professional/contractual services	72,019	53,620	93,581	64,478	35,521			319,219
Utilities	4,013		19,894					23,907
Maintenance materials and supplies	14,787		26,759	10,187				51,733
Machinery costs/fuel/blades			155,403					155,403
Grants and contributions	2,446	1,600						4,046
Amortization	938		268,041	1,055				270,034
Libraries						6,886		6,886
Interest	3		11,451					11,454
Other	885							885
Total Expenses	<u>215,661</u>	<u>56,420</u>	<u>819,715</u>	<u>75,720</u>	<u>35,521</u>	<u>6,886</u>	<u>0</u>	<u>1,209,923</u>
Surplus (Deficit) by Function	<u>\$ (179,294)</u>	<u>\$ (56,420)</u>	<u>\$ (497,626)</u>	<u>\$ (46,271)</u>	<u>\$ (10,475)</u>	<u>\$ (6,886)</u>	<u>\$ 0</u>	<u>(796,972)</u>
Taxation and other unconditional revenue - schedule 1								<u>1,374,397</u>
Net Surplus								<u>\$ 577,425</u>

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part of these financial statements.*

R. M. of Grayson No. 184
Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2021

Schedule 6

	2021							2020	
	General Assets					Infrastruct. Assets	General/ Infrastruct. Assets under Constr.	Total	Total
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset Cost									
Opening Asset Cost	167,362	23,128	469,730	394,825	1,437,042	4,949,981	310,999	7,753,067	7,424,059
Additions during the year					81,321	267,906	56,339	405,566	329,008
Transfer (from) assets under construction						310,999	(310,999)		
Closing Asset Costs	<u>167,362</u>	<u>23,128</u>	<u>469,730</u>	<u>394,825</u>	<u>1,518,363</u>	<u>5,528,886</u>	<u>56,339</u>	<u>8,158,633</u>	<u>7,753,067</u>
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	0	11,361	83,097	318,549	721,116	2,389,140	0	3,523,263	3,253,229
Add: Amortization taken		1,055	9,395	40,376	111,992	106,294		269,112	270,034
Closing Accumulated Amortization Costs	<u>0</u>	<u>12,416</u>	<u>92,492</u>	<u>358,925</u>	<u>833,108</u>	<u>2,495,434</u>	<u>0</u>	<u>3,792,375</u>	<u>3,523,263</u>
Net Book Value	<u>\$ 167,362</u>	<u>\$ 10,712</u>	<u>\$ 377,238</u>	<u>\$ 35,900</u>	<u>\$ 685,255</u>	<u>\$ 3,033,452</u>	<u>\$ 56,339</u>	<u>\$ 4,366,258</u>	<u>\$ 4,229,804</u>

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part of these financial statements.*

R. M. of Grayson No. 184
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	13,141	0	7,718,011	21,714	201	0	0	7,753,067	7,424,059
Additions during the year			327,637			77,929		405,566	329,008
Closing Asset Costs	13,141	0	8,045,648	21,714	201	77,929	0	8,158,633	7,753,067
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	10,326	0	3,501,576	11,361	0	0	0	3,523,263	3,253,229
Add: Amortization taken	938		267,119	1,055				269,112	270,034
Closing Accumulated Amortization Costs	11,264	0	3,768,695	12,416	0	0	0	3,792,375	3,523,263
Net Book Value	\$ 1,877	\$ 0	\$ 4,276,953	\$ 9,298	\$ 201	\$ 77,929	\$ 0	\$ 4,366,258	\$ 4,229,804

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part of these financial statements.*

R. M. of Grayson No. 184
Schedule of Accumulated Surplus
For the year ended December 31, 2021

Schedule 8

	2020	Changes	2021
Unappropriated Surplus	<u>2,234,621</u>	<u>406,454</u>	<u>2,641,075</u>
Appropriated Surplus			
Other			
Municipal Reserve - Subdivision requirement	<u>4,260</u>	<u>0</u>	<u>4,260</u>
Organized Hamlets			
Organized Hamlet of Sunset Beach	5,695	6,829	12,524
Organized Hamlet of Moose Bay Resort	14,410	16,436	30,846
Organized Hamlet of Greenspot	23,928	6,210	30,138
Organized Hamlet of Exner's Twin Bay	<u>44,710</u>	<u>13,826</u>	<u>58,536</u>
Total Hamlets	<u>88,743</u>	<u>43,301</u>	<u>132,044</u>
Net Investments in Tangible Capital Assets			
Tangible capital assets - schedule 6	<u>4,229,804</u>	<u>136,454</u>	<u>4,366,258</u>
Net Investment in Tangible Capital Assets	<u>4,229,804</u>	<u>136,454</u>	<u>4,366,258</u>
Total Accumulated Surplus	<u>\$ 6,557,428</u>	<u>\$ 586,209</u>	<u>\$ 7,143,637</u>

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part of these financial statements.*

R. M. of Grayson No. 184
Schedule of Mill Rates and Assessments
For the year ended December 31, 2021

Schedule 9

	Property Class					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)
Taxable Assessment	101,621,050	51,390,790			10,572,895	163,584,735
Regional Park Assessment						
Total Assessment						163,584,735
Mill Rate Factor(s)	1	1			2.20	
Total Base/Minimum Tax (generated for each property class)	2,880	158,400			6,280	167,560
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	561,683	265,507			130,344	957,534
Mill Rates:	Mills					
Average Municipal*	5.8534					
Average School*						
Potash Mill Rate						
Uniform Municipal Mill Rate						

*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).

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R. M. of Grayson No. 184
Schedule of Council Remuneration
For the year ended December 31, 2021

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Harvey Mucha	2,188	193	2,381
Dustin Grant	3,469	451	3,920
Mike Lang	4,125	707	4,832
Roger Ell	2,250	177	2,427
Kevin Lang	3,500	412	3,912
Trent Duczek	3,438	158	3,596
Dave Graff	4,750	641	5,391
	<u>\$ 23,720</u>	<u>\$ 2,739</u>	<u>\$ 26,459</u>

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