

Annual Financial Statements

And Supporting Schedules

For The

Rural Municipality of Heart's Hill No. 352

As at December 31, 2021

Management's Responsibility for Financial Reporting

The financial statements of Rural Municipality of Heart's Hill No. 352 have been prepared in accordance with Canadian public sector accounting standards (PSAS). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Rural Municipality of Heart's Hill No. 352's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.


The Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council is composed of elected officials, who are not employees of the municipality, and meets periodically with management to review significant accounting, reporting and internal control matters. The Council is also responsible for the approval of the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by HRO Chartered Professional Accountants, in accordance with Canadian public sector accounting standards.

May 5, 2022

Date


Reeve


Administrator



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INDEPENDENT AUDITOR'S REPORT

To the Members of Rural Municipality of Heart's Hill No. 352

Opinion

We have audited the financial statements of Rural Municipality of Heart's Hill No. 352 (the Organization), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in accumulated surplus, changes in net financial assets and cash flows 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 Organization as at December 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with 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 PSAS, 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

(continues)

LORALIE A. RAICHE, CPA, CA, CFP*

DALLAN D. OBERG, CPA, CA*

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ACCOUNTANTS

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization 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.

HRO

North Battleford, Saskatchewan
May 5, 2022

Chartered Professional Accountants

Rural Municipality of Heart's Hill No. 352

Statement of Financial Position

As at December 31, 2021

Statement 1

	2021	2020
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	\$ 10,210,235	\$ 8,268,593
Taxes Receivable - Municipal (Note 3)	207,343	530,804
Other Accounts Receivable (Note 4)	79,215	262,974
Land for Resale		
Long-term Investments (Note 5)	92,639	86,706
Debt Charges Recoverable		
Other (Specify)		
Total Financial Assets	10,589,432	9,149,077

LIABILITIES

Bank Indebtedness (Note 6)		
Accounts Payable	214,205	230,083
Accrued Liabilities Payable	86,801	100,359
Deposits		
Deferred Revenue		
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities (Note 7)	75,746	75,746
Long-term Debt (Note 8)	3,875,171	4,555,162
Lease Obligations		
Total Liabilities	4,251,923	4,961,350

NET FINANCIAL ASSETS	6,337,509	4,187,727
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NON-FINANCIAL ASSETS

Tangible Capital Assets (Schedule 6, 7)	26,148,762	27,616,245
Prepayments and Deferred Charges	2,633	3,729
Stock and Supplies	427,293	439,879
Other		
Total Non-Financial Assets	26,578,688	28,059,853

Accumulated Surplus (Schedule 8)	\$ 32,916,197	\$ 32,247,580
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Contingent Liabilities (Note 9)

The accompanying notes and schedules are an integral part of these statements.

Rural Municipality of Heart's Hill No. 352

Statement of Operations

As at December 31, 2021

Statement 2

	2021 Budget	2021	2020
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 3,919,717	\$ 3,912,078	\$ 3,949,674
Fees and Charges (Schedule 4, 5)	36,890	50,577	23,213
Conditional Grants (Schedule 4, 5)	23,337	19,352	5,644
Tangible Capital Asset Sales - Gain (loss) (Schedule 4, 5)	(25,000)	(151,508)	7,989
Land Sales - Gain (Loss) (Schedule 4, 5)		164	1,420
Investment Income and Commissions (Schedule 4, 5)	30,225	29,707	67,726
Restructurings (Schedule 4, 5)			
Other Revenues (Schedule 4, 5)	184,707	186,408	51,313
Total Revenues	4,169,876	4,046,778	4,106,979
Expenses			
General Government Services (Schedule 3)	247,009	291,229	66,390
Protective Services (Schedule 3)	48,425	48,621	44,308
Transportation Services (Schedule 3)	3,513,025	3,385,093	3,056,928
Environmental and Public Health Services (Schedule 3)	95,400	71,571	165,250
Planning and Development Services (Schedule 3)	100	100	100
Recreation and Cultural Services (Schedule 3)	52,650	51,098	42,578
Utility Services (Schedule 3)	2,580	1,810	1,563
Restructurings (Schedule 3)			
Total Expenses	3,959,189	3,849,522	3,377,117
Surplus of Revenues over Expenses before Other Capital Contributions	210,687	197,256	729,862
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	7,198	471,361	56,664
Surplus of Revenues over Expenses	\$ 217,885	668,617	786,526
Accumulated Surplus, Beginning of Year		32,247,580	31,461,054
Accumulated Surplus, End of Year		\$ 32,916,197	\$ 32,247,580

Rural Municipality of Heart's Hill No. 352
Statement of Change in Net Financial Assets
As at December 31, 2021

Statement 3

	2021 Budget	2021	2020
Surplus (Deficit)	\$ 217,885	\$ 668,617	\$ 786,526
(Acquisition) of tangible capital assets	345,000	(1,144,662)	(5,085,662)
Amortization of tangible capital assets	2,439,790	2,439,701	2,102,162
Proceeds on disposal of tangible capital assets		19,900	10,000
Loss (gain) on the disposal of tangible capital assets	25,000	152,543	(9,409)
Transfer of Assets/Liabilities in Restructuring Transactions			
Surplus (Deficit) of capital revenue over expenditures	2,809,790	1,467,482	(2,982,909)
(Acquisition) of supplies inventories		(56,556)	(41,273)
(Acquisition) of prepaid expense		(1,953)	(3,783)
Consumption of supplies inventories	68,500	69,143	56,679
Use of prepaid expense		3,049	5,557
Surplus (Deficit) of expenses of other non-financial over expenditures	68,500	13,683	17,180
Increase (Decrease) in Net Financial Assets	\$ 3,096,175	2,149,782	(2,179,203)
Net Financial Assets - Beginning of Year		4,187,727	6,366,930
Net Financial Assets - End of Year		\$ 6,337,509	\$ 4,187,727

The accompanying notes and schedules are an integral part of these statements.

Rural Municipality of Heart's Hill No. 352
Statement of Cash Flow
As at December 31, 2021

Statement 4

	2021	2020
Cash provided by (used for) the following activities		
Operating:		
Surplus	\$ 668,617	\$ 786,526
Amortization	2,439,701	2,102,162
Loss (gain) on disposal of tangible capital assets	151,344	(9,409)
	3,259,662	2,879,279
Change in assets/liabilities		
Taxes Receivable - Municipal	323,461	(493,498)
Other Receivables	183,759	(220,058)
Land for Resale		
Other Financial Assets		
Accounts and Accrued Liabilities Payable	(28,236)	(17,142)
Deposits		
Deferred Revenue		
Accrued Landfill costs		
Liability for Contaminated Sites		
Other Liabilities		(4,064)
Stock and Supplies for Use	12,586	15,406
Prepayments and Deferred Charges	1,096	1,774
Other (Specify)		
Cash provided by (applied to) operating transactions	3,752,328	2,161,697
Capital:		
Acquisition of Tangible Capital Assets	(1,144,662)	(5,085,662)
Proceeds From the Disposal of Tangible Capital Assets	19,500	10,000
Other Capital (Lot disposal)	400	
Cash provided by (applied to) capital transactions	(1,124,762)	(5,075,662)
Investing:		
Long-term Investments	(5,933)	(4,815)
Other Investments		
Cash provided by (applied to) investing transactions	(5,933)	(4,815)
Financing:		
Debt Charges Recovered		
Long-term Debt Issued		
Long-term Debt Repaid	(679,991)	(652,141)
Other Financing		
Cash provided by (applied to) financing transactions	(679,991)	(652,141)
Change in Cash and Temporary Investments during the year	1,941,642	(3,570,921)
Cash and Temporary Investments - Beginning of Year	8,268,593	11,839,514
Cash and Temporary Investments - End of Year	\$ 10,210,235	\$ 8,268,593

1. Significant Accounting Policies

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

- 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) **Reporting Entity:** The financial statements consolidates 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. Entities included in these financial statements are as follows:

Entity

Rural Municipality of Heart's Hill No. 352

- c) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for the school board and municipal hail are collected and remitted in accordance with relevant legislation.
- d) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
 - a) the transfers are authorized;
 - b) any eligibility criteria have been met; and
 - c) 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.
- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) **Net Financial Assets:** Net financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- h) **Non-financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

1. Significant Accounting Policies - continued

- i) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- j) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- k) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long-term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund and Property Insurance Fund are accounted for on the equity basis. The Delta Co-op equity is recorded at cost.
- l) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the first-in, first-out (FIFO) method. Net realizable value is the estimated selling price in the ordinary course of business.
- m) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant 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. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	40 Yrs
Vehicles and Equipment	
Vehicles	10 Yrs
Machinery and Equipment	8 to 10 Yrs
Infrastructure Assets	
Water and Sewer	40 Yrs
Road Network Assets	15 to 40 Yrs

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

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

Capitalization of Interest: The municipality does capitalize interest incurred while a tangible capital asset is under construction.

Leases: All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as 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. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

1. Significant Accounting Policies - continued

- n) **Landfill Liability:** The municipality does not maintain a waste disposal site.
- 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) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
 - a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) the municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.
- 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. Taxes receivable and 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 has adopted 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 neighborhood development and sustainability.

Recreation and Cultural: 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) **Land Sales:** Land sales are recognized in the financial statements as revenues in the period in which the contract is signed and the ability to collect is reasonably assured.
- t) **Land for Resale:** Land for resale is recorded at the lower of cost to prepare the land for sale and the market value of the land. Costs to prepare the land for sale include leveling, grading and utility service connections. The land is considered available for sale when all the land preparation is completed.
- u) **Tax Title Property:** Property acquired through the tax enforcement process and temporarily held is recorded at the lesser of the carrying amount (cost equal to the outstanding taxes including any applicable penalties up to the date of acquisition plus any costs necessary to maintain after acquisition) and the net recoverable amount. Impairment losses are not reversed in subsequent years, if net recoverable value subsequently increases.

1. Significant Accounting Policies - continued

- v) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on *May 6, 2021*.

- w) **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 re-measurement gains and losses separate from the statement of operations arising from the re-measurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. Effective in the period PS 3450 and PS 2601 are adopted.

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

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

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

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

Effective for Fiscal Years Beginning On or After April 1, 2023:

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

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

Rural Municipality of Heart's Hill No. 352

Notes to the Financial Statements

As at December 31, 2021

2. Cash and Temporary Investments

	2021	2020
Cash	\$ 98,886	\$ 23,454
Temporary Investments	1,207,042	445,011
Restricted Cash	8,904,307	7,800,128
Total Cash and Temporary Investments	\$ 10,210,235	\$ 8,268,593

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

The municipality has set aside funds (restricted cash) to finance future expenditures based upon appropriated reserves (Schedule 8) determined by council; these funds are internally restricted. The reserves are fully funded.

3. Taxes Receivable - Municipal

Municipal - Current	\$ 188,254	\$ 186,608
- Arrears	19,089	528,903
	207,343	715,511
- Less Allowance for Uncollectibles		(184,707)
Total Municipal Taxes Receivable	207,343	530,804

School - Current	84,507	90,226
- Arrears	9,339	161,917
Total School Taxes Receivable	93,846	252,143

Other	3,555	6,482
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Total Taxes and Grants in Lieu Receivable 304,744 789,429

Deduct Taxes Receivable to be Collected on Behalf of Other Organizations (97,401) (258,625)

Total Taxes Receivable - Municipal \$ 207,343 \$ 530,804

4. Other Accounts Receivable

Federal government	\$ 73,446	\$ 262,974
Provincial government		
Local government		
Utility		
Trade	5,769	
Other (Specify)		
Total Other Accounts Receivable	79,215	262,974

Less Allowance for Uncollectibles

Net Other Accounts Receivable \$ 79,215 \$ 262,974

Rural Municipality of Heart's Hill No. 352

Notes to the Financial Statements

As at December 31, 2021

	2021	2020
5. Long-term Investments		
Sask. Assoc. of Rural Municipalities - Self Insurance Fund	\$ 48,824	\$ 46,165
Sask. Assoc. of Rural Municipalities - Property Insurance Fund	28,042	25,129
Delta Co-operative Association Limited - equity	15,361	15,000
Lloydminster & District Co-op - equity	412	412
Total Long-term Investments	\$ 92,639	\$ 86,706

6. Credit Facility Agreement

The municipality has a credit facility agreement with its financial institution that covers its long-term debt facilities referred to in Note 8.

7. Other Liabilities

Gravel pit reclamation	\$ 75,746	\$ 75,746
Other (Specify)		
Total Other Liabilities	\$ 75,746	\$ 75,746

The accrued gravel pit reclamation liability has been established for the closure and post-closure of gravel sites. This cost has been allocated over the cubic yards of gravel crushed at these sites and is being accrued at an average rate of \$1.23 per cubic yard and is reduced by reclamation work performed during the year.

8. Long-term Debt

a) The debt limit of the municipality is \$3,826,265. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). Note that the municipality has exceeded the calculated debt limit. Total outstanding debt per below is \$3,875,170.

b) Debenture debt to the Municipal Financing Corporation is secured by an assignment of municipal taxes and grants receivable. Annual payments are \$871,662 including interest at 4.25%. The debenture is due July, 2026.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2021				\$ 679,034
2022	\$ 707,893	\$ 163,769	\$ 871,662	707,893
2023	737,979	133,683	871,662	737,979
2024	769,343	102,319	871,662	769,343
Thereafter	1,638,167	105,158	1,743,325	1,638,167
Balance	3,853,382	504,929	4,358,311	4,532,416

c) The Macklin Credit Union Ltd. (Macklin & District Health Foundation - Doctor Residence) loan is secured by a first mortgage on specific property. Monthly payments are \$131 including interest at 2.59%. The mortgage is due February, 2023.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2021				957
2022	21,789	53	21,842	21,789
Balance	21,789	53	21,842	22,746

Total Long-term Debt	\$ 3,875,171	\$ 504,982	\$ 4,380,153	\$ 4,555,162
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Rural Municipality of Heart's Hill No. 352

Notes to the Financial Statements

As at December 31, 2021

9. Contingent Liabilities

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

The municipality is also contingently liable for the following:

The municipality, along with the Rural Municipality of Eye Hill No. 382 and the Town of Macklin, is contingently liable for the entire outstanding loan balance for the Macklin & District Health Foundation - Doctor Residence loan with the Macklin Credit Union Ltd. Ownership of the property is as follows: Rural Municipality of Heart's Hill No. 352 - 10%, Rural Municipality of Eye Hill No. 382 - 45% and Town of Macklin - 45%. The municipality has reported 10% of the related tangible capital assets and long-term debt in the financial statements. The total loan balance outstanding at December 31, 2021 is \$217,888 (2020 - \$227,456). The loan is in good standing as at December 31, 2021.

10. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality's pension expense in 2021 was \$83,780 (2020 - \$32,676). The benefits accrued to the municipality's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

Note that the pension expense was higher due to an employee not being enrolled in MEPP for several years and the municipality having to pay the employee and employer portion for those years to cover the under contributed amounts.

Rural Municipality of Heart's Hill No. 352
Schedule of Taxes and Other Unconditional Revenue
As at December 31, 2021

Schedule 1

	2021 Budget	2021	2020
TAXES			
General municipal tax levy	\$ 3,931,660	\$ 3,933,633	\$ 3,934,288
Abatements and adjustments		(2,259)	
Discount on current year taxes	(184,200)	(184,591)	(184,196)
Net Municipal Taxes	3,747,460	3,746,783	3,750,092
Potash tax share			
Trailer license fees			
Penalties on tax arrears	47,750	40,790	61,024
Special tax levy			
Other (Specify)			
Total Taxes	3,795,210	3,787,573	3,811,116

UNCONDITIONAL GRANTS

Revenue Sharing	116,167	116,167	115,901
Safe Restart			14,556
Organized Hamlet			
Other (Specify)			
Total Unconditional Grants	116,167	116,167	130,457

GRANTS IN LIEU OF TAXES

Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	8,340	8,338	8,101
Other (Specify)			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge			
SaskEnergy Surcharge			
Other (Specify)			
Total Grants in Lieu of Taxes	8,340	8,338	8,101

TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 3,919,717	\$ 3,912,078	\$ 3,949,674
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Rural Municipality of Heart's Hill No. 352
Schedule of Operating and Capital Revenue by Function
As at December 31, 2021

Schedule 2 - 1

	2021 Budget	2021	2020
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 500	\$ 115	\$ 3,049
- Sales of supplies	850	1,076	727
- Other (Licenses and permits)	9,850	21,350	810
Total Fees and Charges	11,200	22,541	4,586
- Tangible capital asset sales - gain (loss)			7,999
- Land sales - gain (loss)		164	1,420
- Investment income and commissions	30,225	29,707	67,726
- Other (SARM STD Benefit & allowances)	184,707	184,707	49,990
Total Other Segmented Revenue	226,132	237,119	131,721
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants			
Total Operating	226,132	237,119	131,721
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total General Government Services	226,132	237,119	131,721

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Specify)			
Total Conditional Grants			
Total Operating			
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- Local government			
- MEEP			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Protective Services			

Rural Municipality of Heart's Hill No. 352
Schedule of Operating and Capital Revenue by Function
As at December 31, 2021

Schedule 2 - 2

	2021 Budget	2021	2020
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	650	4,655	650
- Sales of supplies		1,114	
- Road Maintenance and Restoration Agreements	13,040	13,040	13,040
- Frontage			
- Other (Overweight permits)	10,000	8,200	3,500
Total Fees and Charges	23,690	27,009	17,190
- Tangible capital asset sales - gain (loss)	(25,000)	(151,508)	(10)
- Other (PST refund & other refunds)		1,701	1,323
Total Other Segmented Revenue	(1,310)	(122,798)	18,503
Conditional Grants			
- RIRG (CTP)			
- Student Employment			
- MEEP			
- Other (SGI insurance refund)	15,190	11,373	
Total Conditional Grants	15,190	11,373	
Total Operating	13,880	(111,425)	18,503
Capital			
Conditional Grants			
- Federal Gas Tax	7,198	29,731	21,594
- Canada Community-Building Fund (CCBF)			
- ICIP			
- RIRG (Heavy Haul, CTP, Bridge and Large Culvert)		441,630	
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			35,070
Total Capital	7,198	471,361	56,664
Restructuring Revenue (Specify, if any)			
Total Transportation Services	21,078	359,936	75,167

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees			
- Other (Pest control supplies)	2,000	977	1,318
Total Fees and Charges	2,000	977	1,318
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	2,000	977	1,318
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- Other (Macklin Health Foundation & Prep)	6,597	6,429	4,095
Total Conditional Grants	6,597	6,429	4,095
Total Operating	8,597	7,406	5,413
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- TAPD			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Environmental and Public Health Services	8,597	7,406	5,413

Rural Municipality of Heart's Hill No. 352
Schedule of Operating and Capital Revenue by Function
As at December 31, 2021

Schedule 2 - 3

	2021 Budget	2021	2020
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			
- Other (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants			
Total Operating			
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Planning and Development Services			

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Community hall fees)		50	119
Total Fees and Charges		50	119
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue		50	119
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Sask Lotteries)	1,550	1,550	1,549
Total Conditional Grants	1,550	1,550	1,549
Total Operating	1,550	1,600	1,668
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Recreation and Cultural Services	1,550	1,600	1,668

Rural Municipality of Heart's Hill No. 352
Schedule of Operating and Capital Revenue by Function
As at December 31, 2021

Schedule 2 - 4

	2021 Budget	2021	2020
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water			
- Sewer			
- Other (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants			
Total Operating			
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Utility Services			
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 257,357	\$ 606,061	\$ 213,969

SUMMARY

Total Other Segmented Revenue	\$ 226,822	\$ 115,348	\$ 151,661
Total Conditional Grants	23,337	19,352	5,644
Total Capital Grants and Contributions	7,198	471,361	56,664
Restructuring Revenue			
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 257,357	\$ 606,061	\$ 213,969

Rural Municipality of Heart's Hill No. 352

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 1

	2021 Budget	2021	2020
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 41,350	\$ 41,364	\$ 44,218
Wages and benefits	125,349	168,646	226,853
Professional/Contractual services	53,075	52,369	59,362
Utilities	9,200	8,589	10,310
Maintenance, materials and supplies	6,850	7,251	4,258
Grants and contributions - operating	515	344	320
- capital			
Amortization	7,670	7,670	7,670
Interest			
Allowance for uncollectibles (recovery) (Note 12)		3,200	(286,606)
Other (Entertainment, lot disposal)	3,000	1,796	5
General Government Services	247,009	291,229	66,390
Restructuring (Specify, if any)			
Total General Government Services	247,009	291,229	66,390

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	11,750	12,068	11,752
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	500	376	495
- capital			
Other (Specify)			

Fire protections

Wages and benefits			
Professional/Contractual services	305	305	305
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating	35,870	35,872	31,756
- capital			
Amortization			
Interest			
Other (Specify)			

Protective Services	48,425	48,621	44,308
Restructuring (Specify, if any)			
Total Protective Services	48,425	48,621	44,308

TRANSPORTATION SERVICES

Wages and benefits	360,305	361,140	355,050
Professional/Contractual Services	362,935	231,460	240,465
Utilities	12,425	12,449	13,143
Maintenance, materials and supplies	126,250	142,408	113,366
Gravel	45,000	31,395	38,325
Grants and contributions - operating			
- capital			
Amortization	2,427,475	2,427,385	2,089,846
Interest	177,935	178,159	206,733
Other (Clean ditches)	700	697	

Transportation Services	3,513,025	3,385,093	3,056,928
Restructuring (Specify, if any)			
Total Transportation Services	3,513,025	3,385,093	3,056,928

Rural Municipality of Heart's Hill No. 352

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 2

	2021 Budget	2021	2020
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits			
Professional/Contractual services	16,260	19,449	17,836
Utilities			
Maintenance, materials and supplies	7,500	5,099	7,290
Grants and contributions - operating			
o Waste disposal			
o Public Health	69,000	44,727	59,920
- capital			
o Waste disposal			
o Public Health			77,566
Amortization	1,640	1,640	1,640
Interest	1,000	656	998
Other (Specify)			
Environmental and Public Health Services	95,400	71,571	165,250
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	95,400	71,571	165,250

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits			
Professional/Contractual Services	100	100	100
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (Specify)			
Planning and Development Services	100	100	100
Restructuring (Specify, if any)			
Total Planning and Development Services	100	100	100

RECREATION AND CULTURAL SERVICES

Wages and benefits			
Professional/Contractual services	5,560	4,148	5,815
Utilities	2,600	2,596	2,637
Maintenance, materials and supplies	50	125	37
Grants and contributions - operating	24,000	23,789	23,649
- capital	18,000	18,000	8,000
Amortization	2,440	2,440	2,440
Interest			
Allowance for uncollectibles			
Other (Specify)			
Recreation and Cultural Services	52,650	51,098	42,578
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	52,650	51,098	42,578

Rural Municipality of Heart's Hill No. 352

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 3

	2021 Budget	2021	2020
UTILITY SERVICES			
Wages and benefits			
Professional/Contractual services	515	13	38
Utilities	1,000	989	959
Maintenance, materials and supplies	500	242	
Grants and contributions - operating			
- capital			
Amortization	565	566	566
Interest			
Allowance for uncollectibles			
Other (Specify)			
Utility Services	2,580	1,810	1,563
Restructuring (<i>Specify, if any</i>)			
Total Utility Services	2,580	1,810	1,563
TOTAL EXPENSES BY FUNCTION	\$ 3,959,189	\$ 3,849,522	\$ 3,377,117

Rural Municipality of Heart's Hill No. 352
Schedule of Segment Disclosure by Function
As at December 31, 2021

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Cultural	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 22,541	\$	\$ 27,009	\$ 977	\$	\$ 50	\$	\$ 50,577
Tangible Capital Asset Sales - Gain (loss)			(151,508)					(151,508)
Land Sales - Gain (loss)	164							164
Investment Income and Commissions	29,707							29,707
Other Revenues	184,707		1,701					186,408
Grants - Conditional			11,373	6,429		1,550		19,352
- Capital			471,361					471,361
Restructurings								
Total Revenues	237,119		359,936	7,406		1,600		606,061
Expenses (Schedule 3)								
Wages & Benefits	210,010		361,140					571,150
Professional/ Contractual Services	52,369	12,373	231,460	19,449	100	4,148	13	319,912
Utilities	8,589		12,449			2,596	989	24,623
Maintenance, Materials and Supplies	7,251		173,803	5,099		125	242	186,520
Grants and Contributions	344	36,248		44,727		41,789		123,108
Amortization	7,670		2,427,385	1,640		2,440	566	2,439,701
Interest			178,159	656				178,815
Allowance for Uncollectibles	3,200							3,200
Other	1,796		697					2,493
Restructurings								
Total Expenses	291,229	48,621	3,385,093	71,571	100	51,098	1,810	3,849,522
Surplus (Deficit) by Function	\$ (54,110)	\$ (48,621)	\$ (3,025,157)	\$ (64,165)	\$ (100)	\$ (49,498)	\$ (1,810)	(3,243,461)

Taxation and Other Unconditional Revenue (Schedule 1) 3,912,078

Net Surplus \$ 668,617

Rural Municipality of Heart's Hill No. 352
Schedule of Segment Disclosure by Function
For the year ended December 31, 2020

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Cultural	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 4,586	\$	\$ 17,190	\$ 1,318	\$	\$ 119	\$	\$ 23,213
Tangible Capital Asset Sales - Gain	7,999		(10)					7,989
Land Sales - Gain (loss)	1,420							1,420
Investment Income and Commissions	67,726							67,726
Other Revenues	49,990		1,323					51,313
Grants - Conditional				4,095		1,549		5,644
- Capital			56,664					56,664
Restructurings								
Total Revenues	131,721		75,167	5,413		1,668		213,969
Expenses (Schedule 3)								
Wages & Benefits	271,071		355,050					626,121
Professional/ Contractual Services	59,362	12,057	240,465	17,836	100	5,815	38	335,673
Utilities	10,310		13,143			2,637	959	27,049
Maintenance, Materials and Supplies	4,258		151,691	7,290		37		163,276
Grants and Contributions	320	32,251		137,486		31,649		201,706
Amortization	7,670		2,089,846	1,640		2,440	566	2,102,162
Interest			206,733	998				207,731
Allowance for Uncollectibles	(286,606)							(286,606)
Other	5							5
Restructurings								
Total Expenses	66,390	44,308	3,056,928	165,250	100	42,578	1,563	3,377,117
Surplus (Deficit) by Function	\$ 65,331	\$ (44,308)	\$ (2,981,761)	\$ (159,837)	\$ (100)	\$ (40,910)	\$ (1,563)	(3,163,148)

Taxation and Other Unconditional Revenue (Schedule 1)

3,949,674

Net Surplus

\$ 786,526

Rural Municipality of Heart's Hill No. 352
Schedule of Tangible Capital Assets by Object
As at December 31, 2021

Schedule 6

		2021						2020		
Assets		General Assets					Infrastructure Assets			
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	General/ Infrastructure Assets Under Construction	Total	Total
	Asset Cost									
	Opening Asset costs	\$ 37,606		\$ 619,269	\$ 108,362	\$ 2,982,777	\$ 41,977,783		\$ 45,725,797	\$ 41,598,200
	Additions during the year	339				73,659	1,070,664		1,144,662	5,085,662
	Disposals and write-downs during the year	(236)				(60,849)	(290,560)		(351,645)	(958,065)
Transfers (from) assets under construction										
Transfer of Capital Assets related to restructuring										
Closing Asset Costs	37,709		619,269	108,362	2,995,587	42,757,887		46,518,814	45,725,797	
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs			165,149	79,469	1,512,552	16,352,382		18,109,552	16,964,864
	Add: Amortization taken			17,040	4,079	246,683	2,171,899		2,439,701	2,102,162
	Less: Accumulated amortization on disposals					(24,339)	(154,862)		(179,201)	(957,474)
	Transfer of Capital Assets related to restructuring									
	Closing Accumulated Amortization Costs			182,189	83,548	1,734,896	18,369,419		20,370,052	18,109,552
Net Book Value	\$ 37,709		\$ 437,080	\$ 24,814	\$ 1,260,691	\$ 24,388,468		\$ 26,148,762	\$ 27,616,245	

1. Total contributed/donated assets received in 2021: \$ -

2. List of assets recognized at nominal value in 2021 are:

- Infrastructure Assets \$ -
- Vehicles \$ -
- Machinery and Equipment \$ -

3. Amount of interest capitalized in Schedule 6 \$ -

Rural Municipality of Heart's Hill No. 352
Schedule of Tangible Capital Assets by Function
As at December 31, 2021

Schedule 7

		2021						2020		
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Cultural	Water & Sewer	Total	Total
Assets	Asset Cost									
	Opening Asset costs	\$ 273,991		\$ 45,327,030	\$ 28,583		\$ 73,560	\$ 22,633	\$ 45,725,797	\$ 41,598,200
	Additions during the year			1,144,662					1,144,662	5,085,662
	Disposals and write-downs during the year	(236)		(351,409)					(351,645)	(958,065)
	Transfer of Capital Assets related to restructuring									
Closing Asset Costs		273,755		46,120,283	28,583		73,560	22,633	46,518,814	45,725,797
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	18,034		18,027,880	9,840		40,216	13,582	18,109,552	16,964,864
	Add: Amortization taken	7,670		2,427,385	1,640		2,440	566	2,439,701	2,102,162
	Less: Accumulated amortization on disposals			(179,201)					(179,201)	(957,474)
	Transfer of Capital Assets related to restructuring									
Closing Accumulated Amortization Costs		25,704		20,276,064	11,480		42,656	14,148	20,370,052	18,109,552
Net Book Value		\$ 248,051		\$ 25,844,219	\$ 17,103		\$ 30,904	\$ 8,485	\$ 26,148,762	\$ 27,616,245

Rural Municipality of Heart's Hill No. 352

Schedule of Accumulated Surplus

As at December 31, 2021

Schedule 8

	2020	Changes	2021
UNAPPROPRIATED SURPLUS	\$ 1,386,369	\$ 351,930	\$ 1,738,299

APPROPRIATED RESERVES

Machinery and Equipment	708,456	47,607	756,063
Public Reserve			
Capital Trust			
Utility			
Other (Future expenditures)	2,764,458	176,482	2,940,940
Other (Debenture)	1,108,721	30,208	1,138,929
Other (Road construction)	2,581,223	367,439	2,948,662
Other (Gravel T-Fleck)	599,372	151,710	751,082
Other (Construction paving)	37,898	330,733	368,631
Other (Unallocated gas tax)			
Total Appropriated	7,800,128	1,104,179	8,904,307

NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

Tangible capital assets (Schedule 6, 7)	27,616,245	(1,467,483)	26,148,762
Less: Related debt	(4,555,162)	679,991	(3,875,171)
Net Investment in Tangible Capital Assets	23,061,083	(787,492)	22,273,591

Total Accumulated Surplus	\$ 32,247,580	\$ 668,617	\$ 32,916,197
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Rural Municipality of Heart's Hill No. 352
Schedule of Mill Rates and Assessments
As at December 31, 2021

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 121,856,435	\$ 2,754,610			\$ 162,415,450		\$ 287,026,495
Regional Park Assessment							
Total Assessment							287,026,495
Mill Rate Factor(s)	0.4650	0.8000			2.6650		
Total Base/Minimum Tax (generated for each property class)							
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 453,306	\$ 17,630			\$ 3,462,697		\$ 3,933,633

MILL RATES:	MILLS
Average Municipal*	13.7048
Average School*	6.7347
Potash Mill Rate	
Uniform Municipal Mill Rate	8.0000

* **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).

Rural Municipality of Heart's Hill No. 352
Schedule of Council Remuneration
As at December 31, 2021
(Unaudited)

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Gordon Stang	\$ 4,325	\$ 1,038	\$ 5,363
Councillor	Keith Rumohr	7,388	2,213	9,601
Councillor	David Gette	4,138	1,535	5,673
Councillor	Terrance Kohlman	4,850	1,112	5,962
Councillor	Blaine Thrun	5,900	830	6,730
Councillor	Jerome Kohlman	4,400	1,377	5,777
Councillor	Herb Reichert	6,338	1,245	7,583
Total		\$ 37,339	\$ 9,350	\$ 46,689