

**Annual Financial Statements**

**And Supporting Schedules**

**For The**

**Rural Municipality of Hillsdale No. 440**

**As at December 31, 2021**

### **Management's Responsibility for Financial Reporting**

The financial statements of Rural Municipality of Hillsdale No. 440 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.

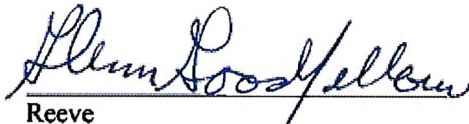
The integrity and reliability of Rural Municipality of Hillsdale No. 440's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

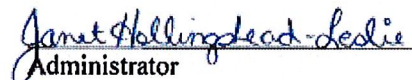
The Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council is composed of elected officials, who are not employees of the municipality, and meets periodically 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.

June 9, 2022

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Date

  
Reeve

  
Administrator



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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Rural Municipality of Hillsdale No. 440

### *Opinion*

We have audited the financial statements of Rural Municipality of Hillsdale No. 440 (the Municipality), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net financial assets, changes in accumulated surplus 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 Municipality as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those 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 relating 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.

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

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LORALIE A. RAICHE, CPA, CA, CFP\*

DALLAN D. OBERG, CPA, CA\*

\*DENOTES A PROFESSIONAL CORPORATION

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*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 Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

*HRO*

North Battleford, Saskatchewan  
June 9, 2022

Chartered Professional Accountants

**Rural Municipality of Hillsdale No. 440****Statement of Financial Position****As at December 31, 2021**

Statement 1

	2021	2020
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	\$ 7,340,246	\$ 15,050,007
Taxes Receivable - Municipal (Note 3)	153,149	248,896
Other Accounts Receivable (Note 4)	256,977	628,954
Land for Resale (Note 5)	29,108	29,108
Long-term Investments (Note 6)	352,198	333,126
Debt Charges Recoverable		
Other (Deposit) (Note 7)		1,000,000
<b>Total Financial Assets</b>	<b>8,131,678</b>	<b>17,290,091</b>

**LIABILITIES**

Bank Indebtedness (Note 8)		
Accounts Payable	52,238	169,029
Accrued Liabilities Payable	159,573	12,205
Deposits		
Deferred Revenue (Note 9)	8,750	6,950
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-term Debt (Note 10)	9,000,000	9,000,000
Lease Obligations		
<b>Total Liabilities</b>	<b>9,220,561</b>	<b>9,188,184</b>

<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>(1,088,883)</b>	<b>8,101,907</b>
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**NON-FINANCIAL ASSETS**

Tangible Capital Assets (Schedule 6, 7)	28,536,462	28,564,824
Prepayments and Deferred Charges	6,437	5,870
Stock and Supplies	530,932	249,935
Other (Gravel pit)	9,406,182	
<b>Total Non-Financial Assets</b>	<b>38,480,013</b>	<b>28,820,629</b>

<b>Accumulated Surplus (Deficit) (Schedule 8)</b>	<b>\$ 37,391,130</b>	<b>\$ 36,922,536</b>
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Contingent Liabilities (Note 12)

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

**Rural Municipality of Hillsdale No. 440**

**Statement of Operations**

**As at December 31, 2021**

Statement 2

	2021 Budget	2021	2020
<b>Revenues</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 5,154,781	\$ 5,348,365	\$ 5,251,393
Fees and Charges (Schedule 4, 5)	207,500	243,348	257,007
Conditional Grants (Schedule 4, 5)	37,643	73,044	38,766
Tangible Capital Asset Sales - Gain (loss) (Schedule 4, 5)		(20,289)	(3,457)
Land Sales - Gain (loss) (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)	60,000	62,300	88,629
Restructurings (Schedule 4, 5)			
Other Revenues (Schedule 4, 5)	5,000	27,296	2,959
<b>Total Revenues</b>	<b>5,464,924</b>	<b>5,734,064</b>	<b>5,635,297</b>

<b>Expenses</b>			
General Government Services (Schedule 3)	646,718	1,022,624	1,389,227
Protective Services (Schedule 3)	183,580	187,467	184,834
Transportation Services (Schedule 3)	3,810,240	3,867,650	3,754,947
Environmental and Public Health Services (Schedule 3)	102,703	97,956	88,516
Planning and Development Services (Schedule 3)	17,322	16,461	15,942
Recreation and Cultural Services (Schedule 3)	127,973	140,695	135,158
Utility Services (Schedule 3)			
Restructurings (Schedule 3)			
<b>Total Expenses</b>	<b>4,888,536</b>	<b>5,332,853</b>	<b>5,568,624</b>

<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>576,388</b>	<b>401,211</b>	<b>66,673</b>
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Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	34,399	67,383	128,423
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<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>\$ 610,787</b>	<b>468,594</b>	<b>195,096</b>
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<b>Accumulated Surplus (Deficit), Beginning of Year</b>		<b>36,922,536</b>	<b>36,727,440</b>
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<b>Accumulated Surplus (Deficit), End of Year</b>	<b>\$ 37,391,130</b>	<b>\$ 36,922,536</b>	
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*The accompanying notes and schedules are an integral part of these statements.*

**Rural Municipality of Hillsdale No. 440**  
**Statement of Change in Net Financial Assets**  
**As at December 31, 2021**

Statement 3

	<b>2021 Budget</b>	<b>2021</b>	<b>2020</b>
<b>Surplus (Deficit)</b>	\$ 610,787	\$ 468,594	\$ 195,096
(Acquisition) of tangible capital assets	(1,478,454)	(2,093,370)	(1,350,003)
Amortization of tangible capital assets	2,046,978	2,085,542	2,037,845
Proceeds on disposal of tangible capital assets	20,000	15,901	64,500
Loss (gain) on the disposal of tangible capital assets	(25,000)	20,289	3,457
Transfer of Assets/Liabilities in Restructuring Transactions			
<b>Surplus (Deficit) of capital revenue over expenditures</b>	<b>563,524</b>	<b>28,362</b>	<b>755,799</b>
(Acquisition) of supplies inventories	(100,000)	(9,687,179)	(20,991)
(Acquisition) of prepaid expense		(567)	(151)
Consumption of supplies inventories			
Use of prepaid expense			
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>	<b>(100,000)</b>	<b>(9,687,746)</b>	<b>(21,142)</b>
<b>Increase (Decrease) in Net Financial Assets</b>	<b>\$ 1,074,311</b>	<b>(9,190,790)</b>	<b>929,753</b>
<b>Net Financial Assets - Beginning of Year</b>		<b>8,101,907</b>	<b>7,172,154</b>
<b>Net Financial Assets - End of Year</b>		<b>\$ (1,088,883)</b>	<b>\$ 8,101,907</b>

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

**Rural Municipality of Hillsdale No. 440**  
**Statement of Cash Flow**  
**As at December 31, 2021**

Statement 4

	2021	2020
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	\$ 468,594	\$ 195,096
Amortization	2,085,542	2,037,845
Loss (gain) on disposal of tangible capital assets	20,289	3,457
	<u>2,574,425</u>	<u>2,236,398</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	95,747	493,446
Other Receivables	371,977	(182,002)
Land for Resale		
Other Financial Assets (deposit)	1,000,000	(1,000,000)
Accounts and Accrued Liabilities Payable	30,577	(435,868)
Deposits		
Deferred Revenue	1,800	
Accrued Landfill costs		
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies for Use	(280,997)	(20,991)
Prepayments and Deferred Charges	(567)	(151)
Other (Specify)	(9,406,182)	
<b>Cash provided by (applied to) operating transactions</b>	<b>(5,613,220)</b>	<b>1,090,832</b>
<b>Capital:</b>		
Acquisition of Tangible Capital Assets	(2,093,370)	(1,350,003)
Proceeds From the Disposal of Tangible Capital Assets	15,901	64,500
Other Capital		
<b>Cash provided by (applied to) capital transactions</b>	<b>(2,077,469)</b>	<b>(1,285,503)</b>
<b>Investing:</b>		
Long-term Investments	(19,072)	(12,541)
Other Investments		
<b>Cash provided by (applied to) investing transactions</b>	<b>(19,072)</b>	<b>(12,541)</b>
<b>Financing:</b>		
Debt Charges Recovered		
Long-term Debt Issued		9,000,000
Long-term Debt Repaid		
Other Financing		
<b>Cash provided by (applied to) financing transactions</b>		<b>9,000,000</b>
<b>Change in Cash and Temporary Investments during the year</b>	<b>(7,709,761)</b>	<b>8,792,788</b>
<b>Cash and Temporary Investments - Beginning of Year</b>	<b>15,050,007</b>	<b>6,257,219</b>
<b>Cash and Temporary Investments - End of Year</b>	<b>\$ 7,340,246</b>	<b>\$ 15,050,007</b>

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



## Rural Municipality of Hillsdale No. 440

### Notes to the Financial Statements

As at December 31, 2021

#### 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 Hillsdale No.440

- 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, Coop Equity, and Credit Union member share accounts are accounted for on the equity basis.
- l) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price 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>
<b>General Assets</b>	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	40 Yrs
Vehicles and Equipment	
Vehicles	10 Yrs
Machinery and Equipment	3 to 20 Yrs
<b>Infrastructure Assets</b>	
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 not capitalize interest incurred while a tangible capital asset is under construction.

**Leases:** All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers 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) **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.
- o) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
- a) an environmental standard exists;
  - b) contamination exceeds the environmental standard;
  - c) the municipality:
    - i. is directly responsible; or
    - ii. accepts responsibility;
  - d) it is expected that future economic benefits will be given up; and
  - e) a reasonable estimate of the amount can be made.
- p) **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.

- q) **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.

- r) **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.
- s) **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.
- t) **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**

- u) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on *April 8, 2021*.

- v) **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 Hillsdale No. 440**  
**Notes to the Financial Statements**  
**As at December 31, 2021**

	2021	2020
<b>2. Cash and Temporary Investments</b>		
Cash	\$ 7,340,246	\$ 15,050,007
Temporary Investments		
Restricted Cash		
<b>Total Cash and Temporary Investments</b>	<b>\$ 7,340,246</b>	<b>\$ 15,050,007</b>

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 appropriated reserves are under funded by \$4,173,089 (2020 - \$4,231,040). However, there are sufficient funds in the general account to fund the reserves.

**3. Taxes Receivable - Municipal**

Municipal - Current	\$ 92,757	\$ 130,277
- Arrears	187,425	1,845,619
	280,182	1,975,896
- Less Allowance for Uncollectibles	(127,033)	(1,727,000)
<b>Total Municipal Taxes Receivable</b>	<b>153,149</b>	<b>248,896</b>

School - Current	15,641	18,980
- Arrears	23,546	284,982
<b>Total School Taxes Receivable</b>	<b>39,187</b>	<b>303,962</b>

Other		
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Total Taxes and Grants in Lieu Receivable 192,336 552,858

Deduct Taxes Receivable to be Collected on Behalf of Other Organizations (39,187) (303,962)

**Total Taxes Receivable - Municipal** \$ 153,149 \$ 248,896

**4. Other Accounts Receivable**

Federal government	\$ 22,238	\$ 29,042
Provincial government		9,700
Local government	127,346	392,191
Utility		
Trade	107,393	198,021
Other (Specify)		
<b>Total Other Accounts Receivable</b>	<b>256,977</b>	<b>628,954</b>

Less Allowance for Uncollectibles

**Net Other Accounts Receivable** \$ 256,977 \$ 628,954

**5. Land for Resale**

Tax Title Property	\$ 29,108	\$ 29,108
Allowance for Market Value Adjustment		
<b>Net Tax Title Property</b>	<b>29,108</b>	<b>29,108</b>

Other Land		
Allowance for Market Value Adjustment		
<b>Net Other Land</b>		

**Total Land for Resale** \$ 29,108 \$ 29,108

# Rural Municipality of Hillsdale No. 440

## Notes to the Financial Statements

As at December 31, 2021

	2021	2020
<b>6. Long-term Investments</b>		
Lloydminster & District Co-op - equity	\$ 19,599	19,516
Pine Island Lodge - shares	100	100
Sask. Assoc. of Rural Municipalities - Self Insurance Fund	59,699	56,307
Sask. Assoc. of Rural Municipalities - Tax Loss Compensation Fund	242,795	227,198
Synergy Credit Union - equity	30,000	30,000
Synergy Credit Union - shares	5	5

<b>Total Long-term Investments</b>	<b>\$ 352,198</b>	<b>\$ 333,126</b>
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## 7. Other

Deposit on land		\$ 1,000,000
<b>Total Other</b>	<b>\$</b>	<b>\$ 1,000,000</b>

## 8. Credit Facility agreement

The municipality has a credit facility agreement with its financial institution that covers a revolving operating line of credit in the amount of \$750,000.

Interest on the line of credit is 2.35% (2020 - 2.2%). Security for the line of credit is the assignment of the municipality's municipal taxes receivable. There was no balance owing at year end under this line of credit in 2021 or 2020.

## 9. Deferred Revenue

Prepaid lease fees	\$ 8,750	\$ 6,950
<b>Total Deferred Revenue</b>	<b>\$ 8,750</b>	<b>\$ 6,950</b>

## 10. Long-term Debt

The debt limit of the municipality is \$4,497,639 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)*).

Debenture debt has been issued by the Saskatchewan Municipal Board for financing a gravel pit acquisition. Annual payments are \$983,679 including interest at 1.65%. The debt is due December 2030.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2021				835,179
2022	1,684,139	282,719	1,966,858	848,960
2023	862,967	120,712	983,679	862,967
2024	877,206	106,473	983,679	877,206
2025	891,680	91,999	983,679	891,680
Thereafter	4,684,008	234,387	4,918,395	4,684,008
<b>Balance</b>	<b>\$ 9,000,000</b>	<b>\$ 836,290</b>	<b>\$ 9,836,290</b>	<b>\$ 9,000,000</b>

Note that the 2021 payment was due to be paid but was not withdrawn as scheduled by the Saskatchewan Municipal Board. The payment for 2021 was withdrawn during 2022.

**Rural Municipality of Hillsdale No. 440**

**Notes to the Financial Statements**

**As at December 31, 2021**

**11. 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 \$53,431 (2020 - \$56,106). 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.

**12. Contingent Liabilities**

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

**Rural Municipality of Hillsdale No. 440**  
**Schedule of Taxes and Other Unconditional Revenue**  
**As at December 31, 2021**

Schedule 1

	2021 Budget	2021	2020
<b>TAXES</b>			
General municipal tax levy	\$ 4,897,507	\$ 4,899,486	\$ 4,721,679
Abatements and adjustments	(1,800)	(8,584)	(9,105)
Discount on current year taxes	(185,000)	(226,894)	(179,626)
<b>Net Municipal Taxes</b>	4,710,707	4,664,008	4,532,948
Potash tax share			
Trailer license fees			
Penalties on tax arrears	200,000	373,865	378,633
Special tax levy			
Other (Crown permit)		21	
<b>Total Taxes</b>	<b>4,910,707</b>	<b>5,037,894</b>	<b>4,911,581</b>

**UNCONDITIONAL GRANTS**

Revenue Sharing	226,167	274,421	311,059
Organized Hamlet			
Safe Restart			
Other (Specify)			
<b>Total Unconditional Grants</b>	<b>226,167</b>	<b>274,421</b>	<b>311,059</b>

**GRANTS IN LIEU OF TAXES**

Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	16,985	19,440	18,174
Other (Sask. Environment and Resource Management)	922	1,012	986
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement		15,598	9,593
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge			
SaskEnergy Surcharge			
Other (Specify)			
<b>Total Grants in Lieu of Taxes</b>	<b>17,907</b>	<b>36,050</b>	<b>28,753</b>

<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>\$ 5,154,781</b>	<b>\$ 5,348,365</b>	<b>\$ 5,251,393</b>
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**Rural Municipality of Hillsdale No. 440**  
**Schedule of Operating and Capital Revenue by Function**  
**As at December 31, 2021**

Schedule 2 - 1

	2021 Budget	2021	2020
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 1,000	\$ 1,446	\$ 1,879
- Sales of supplies	1,000	1,398	1,117
- Other (General office services)	3,200	2,630	3,281
Total Fees and Charges	5,200	5,474	6,277
- Tangible capital asset sales - gain (loss)		(2)	
- Land sales - gain			
- Investment income and commissions	60,000	62,300	88,629
- Other (SARM & WCB)	5,000	24,633	600
Total Other Segmented Revenue	70,200	92,405	95,506
Conditional Grants			
- Student Employment	22,846	54,415	22,846
- MEEP			
- Other			
Total Conditional Grants	22,846	54,415	22,846
<b>Total Operating</b>	93,046	146,820	118,352
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total General Government Services</b>	<b>93,046</b>	<b>146,820</b>	<b>118,352</b>

**PROTECTIVE SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other (Fire fees)	500	4,618	2,499
Total Fees and Charges	500	4,618	2,499
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	500	4,618	2,499
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>	500	4,618	2,499
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- Local government			
- MEEP			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Protective Services</b>	<b>500</b>	<b>4,618</b>	<b>2,499</b>

**Rural Municipality of Hillsdale No. 440**  
**Schedule of Operating and Capital Revenue by Function**  
**As at December 31, 2021**

Schedule 2 - 2

	2021 Budget	2021	2020
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	20,000	17,151	5,292
- Sales of supplies	1,000	770	2,731
- Road Maintenance and Restoration Agreements	35,000	41,346	76,170
- Frontage			
- Other (Licenses and permits)	14,500	18,650	22,605
Total Fees and Charges	70,500	77,917	106,798
- Tangible capital asset sales - gain (loss)		(20,287)	(3,457)
- Other (Specify)			
Total Other Segmented Revenue	70,500	57,630	103,341
Conditional Grants			
- RIRG (CTP)	11,652	13,604	9,700
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	11,652	13,604	9,700
<b>Total Operating</b>	82,152	71,234	113,041
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	34,399	67,383	48,941
- ICIP			
- RIRG (Heavy Haul, CTP, Bridge and Large Culvert)			
- Provincial Disaster Assistance			
- MEEP			
- Other (MEEP)			79,482
<b>Total Capital</b>	34,399	67,383	128,423
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Transportation Services</b>	<b>116,551</b>	<b>138,617</b>	<b>241,464</b>

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	4,000	4,027	5,237
- Other (Pest control)	2,300	6,510	7,404
Total Fees and Charges	6,300	10,537	12,641
- Tangible capital asset sales - gain (loss)			
- Other (Cemetery & Vet Service Board)		2,663	2,359
Total Other Segmented Revenue	6,300	13,200	15,000
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- Other (PREP)	3,145	5,025	6,220
Total Conditional Grants	3,145	5,025	6,220
<b>Total Operating</b>	9,445	18,225	21,220
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- TAPD			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Environmental and Public Health Services</b>	<b>9,445</b>	<b>18,225</b>	<b>21,220</b>

**Rural Municipality of Hillsdale No. 440**  
**Schedule of Operating and Capital Revenue by Function**  
**As at December 31, 2021**

Schedule 2 - 3

	2021 Budget	2021	2020
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges		300	
- Other (Pasture and oil well surface lease)	125,000	143,672	127,982
Total Fees and Charges	125,000	143,972	127,982
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	125,000	143,972	127,982
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>	125,000	143,972	127,982
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Planning and Development Services</b>	<b>125,000</b>	<b>143,972</b>	<b>127,982</b>

**RECREATION AND CULTURAL SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other (Donations)		830	810
Total Fees and Charges		830	810
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue		830	810
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>		<b>830</b>	<b>810</b>
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Recreation and Cultural Services</b>		<b>830</b>	<b>810</b>

**Rural Municipality of Hillsdale No. 440**  
**Schedule of Operating and Capital Revenue by Function**  
**As at December 31, 2021**

Schedule 2 - 4

	2021 Budget	2021	2020
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
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			
<b>Total Operating</b>			
<b>Capital</b>			
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)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Utility Services</b>			

<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 344,542</b>	<b>\$ 453,082</b>	<b>\$ 512,327</b>
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**SUMMARY**

Total Other Segmented Revenue	\$ 272,500	\$ 312,655	\$ 345,138
Total Conditional Grants	37,643	73,044	38,766
Total Capital Grants and Contributions	34,399	67,383	128,423
Restructuring Revenue			
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 344,542</b>	<b>\$ 453,082</b>	<b>\$ 512,327</b>

**Rural Municipality of Hillsdale No. 440**
**Total Expenses by Function**
**As at December 31, 2021**

Schedule 3 - 1

	2021 Budget	2021	2020
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 30,000	\$ 30,273	\$ 28,224
Wages and benefits	317,000	350,290	313,403
Professional/Contractual services	100,276	77,189	80,291
Utilities	8,500	7,641	7,899
Maintenance, materials and supplies	25,100	19,337	16,568
Grants and contributions - operating	850	100	850
- capital			
Amortization	14,742	14,128	14,742
Interest			
Allowance for uncollectibles	150,000	523,216	927,000
Other (Appeal fees)	250	450	250
<b>General Government Services</b>	<b>646,718</b>	<b>1,022,624</b>	<b>1,389,227</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total General Government Services</b>	<b>646,718</b>	<b>1,022,624</b>	<b>1,389,227</b>

**PROTECTIVE SERVICES**
**Police protection**

Wages and benefits			
Professional/Contractual services	91,539	96,850	95,135
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Other (Specify)			

**Fire protections**

Wages and benefits			
Professional/Contractual services	92,041	90,617	89,699
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (Specify)			

<b>Protective Services</b>	<b>183,580</b>	<b>187,467</b>	<b>184,834</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total Protective Services</b>	<b>183,580</b>	<b>187,467</b>	<b>184,834</b>

**TRANSPORTATION SERVICES**

Wages and benefits	463,500	408,160	461,965
Professional/Contractual Services	294,375	394,644	288,420
Utilities	19,000	16,611	16,034
Maintenance, materials and supplies	365,800	306,821	393,853
Gravel	500,000	525,576	558,315
Grants and contributions - operating			
- capital			
Amortization	2,030,138	2,068,471	2,021,005
Interest	137,427	147,367	12,205
Other (Allowance)			3,150

<b>Transportation Services</b>	<b>3,810,240</b>	<b>3,867,650</b>	<b>3,754,947</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total Transportation Services</b>	<b>3,810,240</b>	<b>3,867,650</b>	<b>3,754,947</b>

Rural Municipality of Hillsdale No. 440

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 2

	2021 Budget	2021	2020
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits			
Professional/Contractual services	70,330	77,242	63,037
Utilities	1,000	743	819
Maintenance, materials and supplies	17,200	7,953	13,487
Grants and contributions - operating			
o Waste disposal			
o Public Health	13,000	10,000	10,000
- capital			
o Waste disposal			
o Public Health			
Amortization	1,173	2,018	1,173
Interest			
Other (Specify)			
<b>Environmental and Public Health Services</b>	102,703	97,956	88,516
<b>Restructuring (Specify, if any)</b>			
<b>Total Environmental and Public Health Services</b>	<b>102,703</b>	<b>97,956</b>	<b>88,516</b>

**PLANNING AND DEVELOPMENT SERVICES**

Wages and benefits			
Professional/Contractual Services	16,397	15,536	15,017
Grants and contributions - operating			
- capital			
Amortization	925	925	925
Interest			
Other (Specify)			
<b>Planning and Development Services</b>	17,322	16,461	15,942
<b>Restructuring (Specify, if any)</b>			
<b>Total Planning and Development Services</b>	<b>17,322</b>	<b>16,461</b>	<b>15,942</b>

**RECREATION AND CULTURAL SERVICES**

Wages and benefits			
Professional/Contractual services	6,973	6,973	6,973
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	121,000	133,722	128,185
- capital			
Amortization			
Interest			
Allowance for uncollectibles			
Other (Specify)			
<b>Recreation and Cultural Services</b>	127,973	140,695	135,158
<b>Restructuring (Specify, if any)</b>			
<b>Total Recreation and Cultural Services</b>	<b>127,973</b>	<b>140,695</b>	<b>135,158</b>

Rural Municipality of Hillsdale No. 440

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 3

	2021 Budget	2021	2020
UTILITY SERVICES			
Wages and benefits			
Professional/Contractual services			
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Allowance for uncollectibles			
Other (Specify)			
Utility Services			
Restructuring ( <i>Specify, if any</i> )			
Total Utility Services			
TOTAL EXPENSES BY FUNCTION	\$ 4,888,536	\$ 5,332,853	\$ 5,568,624

**Rural Municipality of Hillsdale No. 440**  
**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
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 5,474	\$ 4,618	\$ 77,917	\$ 10,537	\$ 143,972	\$ 830		\$ 243,348
Tangible Capital Asset Sales - Gain (loss)	(2)		(20,287)					(20,289)
Land Sales - Gain								
Investment Income and Commissions	62,300							62,300
Other Revenues	24,633			2,663				27,296
Grants - Conditional	54,415		13,604	5,025				73,044
- Capital			67,383					67,383
Restructurings								
<b>Total Revenues</b>	<b>146,820</b>	<b>4,618</b>	<b>138,617</b>	<b>18,225</b>	<b>143,972</b>	<b>830</b>		<b>453,082</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	380,563		408,160					788,723
Professional/ Contractual Services	77,189	187,467	394,644	77,242	15,536	6,973		759,051
Utilities	7,641		16,611	743				24,995
Maintenance, Materials and Supplies	19,337		832,397	7,953				859,687
Grants and Contributions	100			10,000		133,722		143,822
Amortization	14,128		2,068,471	2,018	925			2,085,542
Interest			147,367					147,367
Allowance for Uncollectibles	523,216							523,216
Other	450							450
Restructurings								
<b>Total Expenses</b>	<b>1,022,624</b>	<b>187,467</b>	<b>3,867,650</b>	<b>97,956</b>	<b>16,461</b>	<b>140,695</b>		<b>5,332,853</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ (875,804)</b>	<b>\$ (182,849)</b>	<b>\$ (3,729,033)</b>	<b>\$ (79,731)</b>	<b>\$ 127,511</b>	<b>\$ (139,865)</b>		<b>(4,879,771)</b>

Taxation and Other Unconditional Revenue (Schedule 1) 5,348,365

**Net Surplus (Deficit)** \$ 468,594



**Rural Municipality of Hillsdale No. 440**  
**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
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 6,277	\$ 2,499	\$ 106,798	\$ 12,641	\$ 127,982	\$ 810		\$ 257,007
Tangible Capital Asset Sales - Gain (loss)			(3,457)					(3,457)
Land Sales - Gain								
Investment Income and Commissions	88,629							88,629
Other Revenues	600			2,359				2,959
Grants - Conditional	22,846		9,700	6,220				38,766
- Capital			128,423					128,423
Restructurings								
<b>Total Revenues</b>	<b>118,352</b>	<b>2,499</b>	<b>241,464</b>	<b>21,220</b>	<b>127,982</b>	<b>810</b>		<b>512,327</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	341,627		461,965					803,592
Professional/ Contractual Services	80,291	184,834	288,420	63,037	15,017	6,973		638,572
Utilities	7,899		16,034	819				24,752
Maintenance, Materials and Supplies	16,568		952,168	13,487				982,223
Grants and Contributions	850			10,000		128,185		139,035
Amortization	14,742		2,021,005	1,173	925			2,037,845
Interest			12,205					12,205
Allowance for Uncollectibles	927,000							927,000
Other	250		3,150					3,400
Restructurings								
<b>Total Expenses</b>	<b>1,389,227</b>	<b>184,834</b>	<b>3,754,947</b>	<b>88,516</b>	<b>15,942</b>	<b>135,158</b>		<b>5,568,624</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ (1,270,875)</b>	<b>\$ (182,335)</b>	<b>\$ (3,513,483)</b>	<b>\$ (67,296)</b>	<b>\$ 112,040</b>	<b>\$ (134,348)</b>		<b>(5,056,297)</b>

Taxation and Other Unconditional Revenue (Schedule 1) 5,251,393

**Net Surplus (Deficit)** \$ 195,096

Rural Municipality of Hillsdale No. 440  
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	\$ 987,450	\$ 101,131	\$ 1,178,023	\$ 186,367	\$ 3,061,928	\$ 41,080,373	\$ 170,472	\$ 46,765,744	\$ 45,543,721
	Additions during the year	468,171		15,000		130,416	195,875	1,283,908	2,093,370	1,350,003
	Disposals and write-downs during the year				(22,050)	(58,871)			(80,921)	(127,980)
Transfers (from) assets under construction						1,445,518	(1,445,518)			
Transfer of Capital Assets related to restructuring										
Closing Asset Costs		1,455,621	101,131	1,193,023	164,317	3,133,473	42,721,766	8,862	48,778,193	46,765,744
Amortization										
	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs		37,706	307,727	56,846	1,121,996	16,676,645		18,200,920	16,223,098
	Add: Amortization taken		6,741	24,651	14,839	234,234	1,805,077		2,085,542	2,037,845
	Less: Accumulated amortization on disposals				(20,050)	(24,681)			(44,731)	(60,023)
	Transfer of Capital Assets related to restructuring									
Closing Accumulated Amortization Costs		44,447	332,378	51,635	1,331,549	18,481,722		20,241,731	18,200,920	
Net Book Value		\$ 1,455,621	\$ 56,684	\$ 860,645	\$ 112,682	\$ 1,801,924	\$ 24,240,044	\$ 8,862	\$ 28,536,462	\$ 28,564,824

Rural Municipality of Hillsdale No. 440  
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
Assets	Asset Cost								
	Opening Asset costs	\$ 685,714		\$ 45,668,006	\$ 38,027	\$ 373,997		\$ 46,765,744	\$ 45,543,721
	Additions during the year	20		1,905,199	151	188,000		2,093,370	1,350,003
	Disposals and write-downs during the year	(6,134)		(74,787)				(80,921)	(127,980)
	Transfer of Capital Assets related to restructuring	545		(595,107)	1,875	592,687			
Closing Asset Costs		680,145		46,903,311	40,053	1,154,684		48,778,193	46,765,744
Amortization	Accumulated Amortization Cost								
	Opening Accumulated Amortization Costs	190,089		17,996,477	10,673	3,681		18,200,920	16,223,098
	Add: Amortization taken	14,128		2,068,471	2,018	925		2,085,542	2,037,845
	Less: Accumulated amortization on disposals	(6,133)		(38,598)				(44,731)	(60,023)
	Transfer of Capital Assets related to restructuring	10		(445)	116	319			
Closing Accumulated Amortization Costs		198,094		20,025,905	12,807	4,925		20,241,731	18,200,920
Net Book Value		\$ 482,051		\$ 26,877,406	\$ 27,246	\$ 1,149,759		\$ 28,536,462	\$ 28,564,824

**Rural Municipality of Hillsdale No. 440**

**Schedule of Accumulated Surplus**

**As at December 31, 2021**

Schedule 8

	2020	Changes	2021
<b>UNAPPROPRIATED SURPLUS</b>	<b>\$ 4,126,672</b>	<b>\$ 554,907</b>	<b>\$ 4,681,579</b>

**APPROPRIATED RESERVES**

Machinery and Equipment			
Public Reserve	1,701		1,701
Capital Trust			
Utility			
Other (Future Capital)	4,229,339	(57,951)	4,171,388
<b>Total Appropriated</b>	<b>4,231,040</b>	<b>(57,951)</b>	<b>4,173,089</b>

**NET INVESTMENT IN TANGIBLE CAPITAL ASSETS**

Tangible capital assets (Schedule 6, 7)	28,564,824	(28,362)	28,536,462
Less: Related debt			
<b>Net Investment in Tangible Capital Assets</b>	<b>28,564,824</b>	<b>(28,362)</b>	<b>28,536,462</b>

<b>Total Accumulated Surplus</b>	<b>\$ 36,922,536</b>	<b>\$ 468,594</b>	<b>\$ 37,391,130</b>
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**Rural Municipality of Hillsdale No. 440**  
**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)	
<b>Taxable Assessment</b>	\$ 130,222,015	\$ 10,172,275			\$ 39,622,240		<b>\$ 180,016,530</b>
<b>Regional Park Assessment</b>							
<b>Total Assessment</b>							<b>180,016,530</b>
<b>Mill Rate Factor(s)</b>	1.000	1.30			9.0		
<b>Total Base/Minimum Tax</b> (generated for each property class)		38,850			2,127,600		<b>2,166,450</b>
<b>Total Municipal Tax Levy</b> (include base and/or minimum tax and special levies)	\$ 712,966	\$ 106,535			\$ 4,079,985		<b>\$ 4,899,486</b>

<b>MILL RATES:</b>	<b>MILLS</b>
<b>Average Municipal*</b>	27.2169
<b>Average School*</b>	3.3765
<b>Potash Mill Rate</b>	
<b>Uniform Municipal Mill Rate</b>	5.4750

\* **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 Hillsdale No. 440**  
**Schedule of Council Remuneration**  
**As at December 31, 2021**  
*(Unaudited)*

Schedule 10

<b>Position</b>	<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed Costs</b>	<b>Total</b>
Reeve	Glenn Goodfellow	\$ 6,875	\$ 913	\$ 7,788
Councillor	Trevor McCrea	5,750	972	6,722
Councillor	Jerry Petovello	5,125	632	5,757
Councillor	Bernadette Poppleton	5,625	469	6,094
Councillor	Vincent Murphy	4,750	637	5,387
Councillor	Floyd Whitney	5,625	520	6,145
Councillor	Dale (Chip) Chibri	4,750	134	4,884
<b>Total</b>		<b>\$ 38,500</b>	<b>\$ 4,277</b>	<b>\$ 42,777</b>