

# **TOWN OF KERROBERT**

**Auditor's Report**

**Financial Statements**

**December 31, 2021**

## MANAGEMENT'S RESPONSIBILITY


To the Ratepayers of  
**Town of Kerrobert:**

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

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

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

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



Mayor



Administrator

## INDEPENDENT AUDITOR'S REPORT

To the **Mayor and Council of Town of Kerrobert**

### *Report on the Financial Statements*

#### *Opinion*

We have audited the financial statements of **Town of Kerrobert**, which comprise the statement of financial position as at **December 31, 2021** and the statements of financial activities, changes in net financial assets, and changes in financial position for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Town as at **December 31, 2021** and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and the use of the going concern basis of accounting unless management either intends to liquidate the Town or cease operations, or has no realistic alternative but to do so.

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

#### *Auditor's Responsibility for the Audit of the Financial Statements*


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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town'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 Town'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 Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Saskatoon, Saskatchewan  
April 13, 2022

  
Chartered Professional Accountants

# TOWN OF KERROBERT



## STATEMENT OF FINANCIAL POSITION

Statement 1

December 31, 2021  
with comparative figures for 2020

	<u>2021</u>	<u>2020</u>
<b><u>ASSETS</u></b>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 2,874,117	4,565,033
Taxes receivable - Municipal (Note 3)	261,926	321,032
Other accounts receivable (Note 4)	240,566	179,369
Land for re-sale (Note 5)	184,135	93,134
Long-term investments	-	-
Debt charges recoverable	-	-
Other	-	-
Total financial assets	3,560,744	5,158,568
<b><u>LIABILITIES</u></b>		
Bank indebtedness (Note 6)	-	-
Accounts payable	2,173,998	441,595
Accrued liabilities payable	-	-
Deposits	6,100	100
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 7)	4,003,762	4,657,458
Lease obligations	-	81,009
Total liabilities	6,183,860	5,180,162
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>(2,623,116)</b>	<b>(21,594)</b>
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	19,119,129	11,847,606
Prepaid and deferred charges	3,832	5,594
Stock and supplies	132,771	141,511
Total non-financial assets	19,255,732	11,994,711
Accumulated surplus (Schedule 8)	\$ 16,632,616	11,973,117

APPROVED ON BEHALF OF COUNCIL:

 Mayor  
 Councillor

See accompanying notes to the financial statements.

# TOWN OF KERROBERT

## Statement 2

### STATEMENT OF FINANCIAL ACTIVITIES

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

		<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>Revenues:</b>				
Taxes and other unconditional revenue	(Schedule 1)	\$ 1,911,390	1,895,119	1,870,765
Fees and charges	(Schedule 4, 5)	1,334,940	1,285,134	1,315,799
Conditional grants	(Schedule 4, 5)	158,400	213,945	199,986
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	-	(3,752)
Land sales - gain (loss)	(Schedule 4, 5)	-	-	197,004
Investment income and commissions	(Schedule 4, 5)	27,750	28,957	29,858
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	4,150	63,413	4,060
<b>Total Revenues</b>		<u>3,436,630</u>	<u>3,486,568</u>	<u>3,613,720</u>
<b>Expenditures:</b>				
General government services	(Schedule 3)	447,170	416,495	539,455
Protective services	(Schedule 3)	161,700	206,265	191,595
Transportation services	(Schedule 3)	447,020	425,241	433,618
Environmental and public health services	(Schedule 3)	345,970	370,801	335,007
Planning and development services	(Schedule 3)	104,020	57,673	64,196
Recreation and cultural services	(Schedule 3)	624,760	627,218	652,815
Utility services	(Schedule 3)	589,540	686,705	675,851
Restructurings	(Schedule 3)	-	-	-
<b>Total Expenditures</b>		<u>2,720,180</u>	<u>2,790,398</u>	<u>2,892,537</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>716,450</u>	<u>696,170</u>	<u>721,183</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>37,850</u>	<u>3,963,329</u>	<u>451,868</u>
Surplus (deficit) of revenues over expenditures		754,300	4,659,499	1,173,051
Accumulated surplus (deficit), beginning of year		<u>11,973,117</u>	<u>11,973,117</u>	<u>10,800,066</u>
Accumulated surplus (deficit), end of year		<u>\$ 12,727,417</u>	<u>16,632,616</u>	<u>11,973,117</u>

See accompanying notes to the financial statements.

# TOWN OF KERROBERT

Statement 3

## STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

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

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>Surplus (deficit)</b>	\$ 754,300	4,659,499	1,173,051
(Acquisition) of tangible capital assets	(489,000)	(7,571,680)	(1,046,111)
Amortization of tangible capital assets	-	289,622	292,617
Proceeds on disposal of tangible capital assets	-	10,535	1,927,334
Loss (gain) on disposal of tangible capital assets	-	-	3,752
Transfer of assets/liabilities in restructuring transactions	-	-	-
<b>Surplus (deficit) of capital expenses over expenditures</b>	<u>(489,000)</u>	<u>(7,271,523)</u>	<u>1,177,592</u>
(Acquisition) of supplies inventories	-	-	(387)
(Acquisition) of prepaid expenses	-	-	(5,597)
Consumption of supplies inventories	-	8,741	-
Use of prepaid expenses	-	<u>1,761</u>	<u>20,012</u>
<b>Surplus (deficit) of expenses of other non-financial over expenditures</b>	<u>(489,000)</u>	<u>10,502</u>	<u>14,028</u>
<b>Increase (decrease) in Net Financial Assets</b>	(223,700)	(2,601,522)	2,364,671
<b>Net Financial Assets (Debt) - Beginning of the year</b>	<u>(21,594)</u>	<u>(21,594)</u>	<u>(2,386,265)</u>
<b>Net Financial Assets (Debt)- End of year</b>	\$ <u>(245,294)</u>	<u>(2,623,116)</u>	<u>(21,594)</u>

See accompanying notes to the financial statements.

# TOWN OF KERROBERT

Statement 4

## STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2021  
with comparative figures for 2020

Cash provided by (used in) the following activities:	<u>2021</u>	<u>2020</u>
Operating:		
Surplus (deficit)	\$ 4,659,499	1,173,051
Amortization	289,622	292,617
Loss (gain) on disposal of tangible capital assets	<u>-</u>	<u>3,752</u>
	4,949,121	1,469,420
Change in assets/liabilities		
Taxes receivable - Municipal	59,107	137,925
Other accounts receivable	(61,198)	23,417
Land for re-sale	(91,000)	(13,006)
Other financial assets	-	-
Accounts and accrued liabilities payable	1,732,401	249,931
Deposits	6,000	(6,300)
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	(75)
Stock and supplies	8,740	(387)
Prepayments and deferred charges	1,762	14,417
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>6,604,933</u>	<u>1,875,342</u>
Capital:		
Acquisition of capital assets	(7,571,680)	(1,046,111)
Proceeds from the disposal of capital assets	10,535	1,927,334
Other capital	<u>-</u>	<u>-</u>
Net cash from (used for) capital	<u>(7,561,145)</u>	<u>881,223</u>
Investing:		
Long-term investments	-	-
Other investments	<u>-</u>	<u>-</u>
Net cash from investing	<u>-</u>	<u>-</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	(653,695)	(500,533)
Capital leases	<u>(81,009)</u>	<u>81,009</u>
Net cash used for financing	<u>(734,704)</u>	<u>(419,524)</u>
Increase (decrease) in cash resources	(1,690,916)	2,337,041
Cash and temporary investments, beginning of year	<u>4,565,033</u>	<u>2,227,992</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 2,874,117</u>	<u>4,565,033</u>

See accompanying notes to the financial statements.



**TOWN OF KERROBERT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2021**

**1. SIGNIFICANT ACCOUNTING POLICIES**

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

**(a) Basis of Accounting**

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

**(b) Reporting Entity**

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

**(c) Collection of funds for other authorities**

Collection of funds by the municipality for the school board and conservation and development authorities are collected and remitted in accordance with the relevant legislation. The amounts collected are disclosed in Note 3.

**(d) Government Transfers**

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

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

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

**TOWN OF KERROBERT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2021**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(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.

**(i) Appropriated Reserves**

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

**(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.

**(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 of the inventory in the ordinary course of business.

**TOWN OF KERROBERT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2021**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(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 inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of the contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The costs of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The Town's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land improvements	5 to 20 years
Buildings	10 to 50 years
Vehicles and equipment	
Vehicles	5 to 10 years
Machinery & Equipment	5 to 10 years
<i>Infrastructure Assets</i>	
Water and sewer	30 to 75 years
Road network assets	10 to 40 years

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

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

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

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

**(n) Landfill liability**

The Town of Kerrobert maintains a waste disposal site. The Town is unable to estimate closure and post closure costs. No amount has been recorded as an asset or liability. Included in reserves is \$99,623 (2020 - \$129,315) for landfill costs.

**TOWN OF KERROBERT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2021**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(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) Employee benefit plans**

Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to its contributions.

**(q) Measurement Uncertainty**

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

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

The 'Opening asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets.

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

**TOWN OF KERROBERT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2021**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(r) Basis of Segmentation/Segment Report**

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

These segments (functions) are as follows:

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

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

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

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

Planning and Development: The planning and development segment provides for neighbourhood development and sustainability.

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

Utility Services: The utility services segment provides for the delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

**2. CASH AND TEMPORARY INVESTMENTS**

	<u><b>2021</b></u>	<u><b>2020</b></u>
Cash	\$ 2,874,117	4,565,033
Temporary investments	<u>-</u>	<u>-</u>
	<u><b>\$ 2,874,117</b></u>	<u><b>4,565,033</b></u>

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

**TOWN OF KERROBERT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2021**

**3. TAXES AND GRANTS IN LIEU RECEIVABLE**

	<u>2021</u>	<u>2020</u>
Municipal: - Current	\$ 148,804	152,773
- Arrears	<u>113,122</u>	<u>295,754</u>
	261,926	448,527
Less: allowance for uncollectibles	<u>-</u>	<u>(127,495)</u>
Total municipal taxes receivable	<u>261,926</u>	<u>321,032</u>
School: - Current	37,014	35,616
- Arrears	<u>20,095</u>	<u>40,749</u>
Total school taxes receivable	<u>57,109</u>	<u>76,365</u>
Other: - Current	-	-
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>-</u>	<u>-</u>
Total taxes and grants in lieu receivable	319,035	397,397
Deduct taxes receivable to be collected on behalf of other organizations	<u>(57,109)</u>	<u>(76,365)</u>
Total taxes receivable - Municipal	<u>\$ 261,926</u>	<u>321,032</u>

**4. OTHER ACCOUNTS RECEIVABLE**

	<u>2021</u>	<u>2020</u>
Federal government	\$ 71,391	19,535
Provincial government	-	-
Local government	-	-
Utility	111,390	102,552
Trade	22,218	31,982
Other	<u>37,698</u>	<u>27,431</u>
Total other accounts receivable	242,697	181,500
Less: allowance for uncollectibles	<u>(2,131)</u>	<u>(2,131)</u>
Net other accounts receivable	<u>\$ 240,566</u>	<u>179,369</u>

**5. LAND FOR RESALE**

	<u>2021</u>	<u>2020</u>
Tax title property	\$ 469,358	240,285
Less: - allowance for market value adjustment	(244,874)	(126,110)
- due to other taxing authorities	<u>(40,349)</u>	<u>(21,041)</u>
Net tax title Property	<u>184,135</u>	<u>93,134</u>
Other land	-	-
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net other land	<u>-</u>	<u>-</u>
Total land for resale	<u>\$ 184,135</u>	<u>93,134</u>

# TOWN OF KERROBERT

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

### 6. BANK INDEBTEDNESS

#### Credit Arrangements

At December 31, 2021, the Town had a line of credit totaling \$2,700,000, none of which was drawn. The line of credit is available to facilitate cash flow for capital projects in progress. The line of credit bears interest at prime rate (2.45% at December 31, 2021). The line of credit is secured by taxes and grants.

### 7. LONG-TERM DEBT

a) The authorized debt limit for the Town is \$3,367,544. The authorized debt limit for a Town is the total amount of the Town's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

b) Bank loans:

	<u>2021</u>	<u>2020</u>
Royal Bank of Canada loan, repayable in annual payments, interest payable quarterly at 2.57%, maturing in 2031.	\$ 1,868,000	2,029,000
Canada Mortgage and Housing Corporation loan, repayable in annual payments of \$202,263 including interest at 3.68%, maturing June 2025.	733,660	905,593
Royal Bank of Canada loan, repayable in annual payments, interest payable quarterly at 2.61%, maturing in 2031.	764,000	832,000
Kerrobert Credit Union loan, repayable in annual payments of \$38,891 including interest at 1.95% (prime less 0.5%), maturing in 2032.	364,125	395,340
Canada Mortgage and Housing Corporation loan, repayable in annual payments of \$61,732 including interest at 3.72%, maturing February 2026.	273,977	325,098
Kerrobert Credit Union loan, repayable in monthly payments of \$3,715 including interest at 4.20%, maturing in 2025.	-	170,427
	<u>\$ 4,003,762</u>	<u>4,657,458</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total
2022	\$ 492,595	108,092	600,687
2023	508,582	92,557	601,139
2024	522,890	77,066	599,956
2025	532,478	60,805	593,283
2026	349,368	44,314	393,682
Thereafter	<u>1,597,849</u>	<u>96,067</u>	<u>1,693,916</u>
Balance	<u>\$ 4,003,762</u>	<u>478,901</u>	<u>4,482,663</u>

**TOWN OF KERROBERT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2021**

**8. PENSION PLAN**

Employees of the Town participate in the Municipal Employee Pension Plan ("MEPP"), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. During the year, all members contributed at 9%. The Town matches all employees' contributions to the plan.

Pension expense for the year included the Salaries, Wages and Benefits expenses was \$52,895 (2020 - \$47,012). The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Based on the latest information available (December 31, 2020 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$838,900,000. This is based on the most recent actuarial valuation, completed December 31, 2019. The Town's portion of this is not readily determinable.



**TOWN OF KERROBERT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2021**

**9. RECENT ACCOUNTING PRONOUNCEMENTS**

A number of new and amended standards have been issued that may impact the Town:

**Standards effective on or after April 1, 2022:**

**PS 1201 Financial Statement Presentation** replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Requires a new statement of re-measurement gains and losses separate from the statement of operations arising from the re-measurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. Effective in the period PS 3450 and PS 2601 are adopted.

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

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

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

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

**Standards effective on or after April 1, 2023:**

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

The Town continues to assess the impacts of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.

**TOWN OF KERROBERT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2021**

**10. COMPARATIVE FIGURES**

The prior year's comparative figures have been reclassified to conform to the current year's method of presentation.

**11. SUBSEQUENT EVENTS**

The Town is in the process of constructing a Waste Water Treatment Plant. During the 2018 year, there was an equipment failure as the project neared completion. The Town filed a claim with their insurance provider to repair or replace the equipment. During the 2020 year, insurance proceeds in the amount of \$1,879,482 were received and shown in these statements as a disposal of asset under construction in that amount, with no gain or loss recorded.

This asset remains in assets under construction and nothing has been recorded in the financial statements to reflect any further possible payout from insurance or disposal of equipment.

**12. BUDGET**

The Financial Plan (Budget) was adopted by Council on May 12, 2021. The budget was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget expensed all tangible capital expenditures rather than including amortization expense, included transfers to and from reserves as expenses and revenues, as well as long-term debt repayments as expenses. As a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<b><u>2021</u></b>
Budget net surplus	\$ 63,980
Add: Investment in tangible capital assets	150,270
Long-term debt repaid	484,000
Transfer to reserves	163,430
Less: Transfer from reserves	<u>(107,380)</u>
Budget surplus per statement of operations	<u>\$ 754,300</u>

## TOWN OF KERROBERT

## SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>TAXES</b>			
General municipal tax levy	\$ 1,491,400	1,484,552	1,451,319
Abatements and adjustments	(23,530)	(22,360)	(83,305)
Discount on current year taxes	<u>(41,840)</u>	<u>(43,100)</u>	<u>(41,024)</u>
Net municipal taxes	1,426,030	1,419,092	1,326,990
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	85,820	79,641	84,138
Special tax levy (Fire)	39,050	39,050	38,250
Other (Local improvement levy)	<u>9,680</u>	<u>10,159</u>	<u>9,675</u>
<b>Total Taxes</b>	<u>1,560,580</u>	<u>1,547,942</u>	<u>1,459,053</u>
<b>UNCONDITIONAL GRANTS</b>			
Revenue sharing	232,210	232,208	234,306
Organized Hamlet	-	-	-
Other (Safe Restart)	<u>-</u>	<u>-</u>	<u>61,205</u>
<b>Total Unconditional Grants</b>	<u>232,210</u>	<u>232,208</u>	<u>295,511</u>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	6,280	5,095	5,123
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
Sasktel	7,640	7,640	9,192
Other	4,750	3,607	3,741
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	1,500	764	800
Other Government Transfers			
S.P.C. Surcharge	68,690	63,997	68,199
SaskEnergy Surcharge	29,740	33,866	29,146
Other	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Grants in Lieu of Taxes</b>	<u>118,600</u>	<u>114,969</u>	<u>116,201</u>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<u>\$ 1,911,390</u>	<u>1,895,119</u>	<u>1,870,765</u>

See accompanying notes to the financial statements.

## TOWN OF KERROBERT

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	-
Sales of supplies	-	1,572	582
Other (Rentals, permits)	37,780	37,696	38,788
Total Fees and Charges	37,780	39,268	39,370
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	-	197,004
Investment income and commissions	27,750	28,957	29,858
Other	-	-	-
Total other segmented revenue	65,530	68,225	266,232
Conditional Grants			
Student employment	4,360	-	4,279
Other (Donations)	2,240	32,782	12,613
Total Conditional Grants	6,600	32,782	16,892
<b>Total Operating</b>	<b>72,130</b>	<b>101,007</b>	<b>283,124</b>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Restructuring Revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total General Government Services</b>	<b>72,130</b>	<b>101,007</b>	<b>283,124</b>
<b>PROTECTIVE SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Other (Policing and fire fees)	48,230	69,257	47,140
Total Fees and Charges	48,230	69,257	47,140
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	48,230	69,257	47,140
Conditional Grants			
Student employment	-	-	-
Local government	29,000	20,320	20,320
Other (Donations)	2,040	16,500	2,000
Total Conditional Grants	31,040	36,820	22,320
<b>Total Operating</b>	<b>79,270</b>	<b>106,077</b>	<b>69,460</b>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other (Donations)	1,020	5,000	7,003
<b>Total Capital</b>	<b>1,020</b>	<b>5,000</b>	<b>7,003</b>
<b>Restructuring Revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Protective Services</b>	<b>80,290</b>	<b>111,077</b>	<b>76,463</b>

See accompanying notes to the financial statements.

## TOWN OF KERROBERT

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 7,280	4,900	7,136
Sales of supplies	-	-	-
Road Maintenance and Restoration Agreements	-	-	-
Other	-	-	-
Total Fees and Charges	7,280	4,900	7,136
Tangible capital asset sales - gain (loss)	-	-	12,153
Other	-	-	-
Total other segmented revenue	7,280	4,900	19,289
Conditional Grants			
Primary Weight Corridor	-	-	-
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>7,280</b>	<b>4,900</b>	<b>19,289</b>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Investing in Canada Infrastructure Program	-	3,663,893	43,353
New Building Canada Fund	-	100,876	139,474
Provincial Disaster Assistance	-	-	-
Other (Town Urban Highway Program)	6,560	-	6,557
<b>Total Capital</b>	<b>6,560</b>	<b>3,764,769</b>	<b>189,384</b>
<b>Restructuring Revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Transportation Services</b>	<b>13,840</b>	<b>3,769,669</b>	<b>208,673</b>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	323,070	303,395	320,322
Other	4,670	3,649	4,611
Total Fees and Charges	327,740	307,044	324,933
Tangible capital asset sales - gain (loss)	-	-	-
Other (WRLI contingency, donations)	4,150	63,413	4,060
Total other segmented revenue	331,890	370,457	328,993
Conditional Grants			
New Horizons for Seniors Program	-	25,000	-
Transit Assistance for People with Disabilities (TAPD)	3,660	2,489	3,660
Local government	7,490	6,864	7,200
Other (MMSW, transit)	13,410	14,778	13,411
Total Conditional Grants	24,560	49,131	24,271
<b>Total Operating</b>	<b>356,450</b>	<b>419,588</b>	<b>353,264</b>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Transit Assistance for People with Disabilities (TAPD)	-	-	-
Provincial Disaster Assistance	-	-	-
Other (Donations)	-	500	3,120
<b>Total Capital</b>	<b>-</b>	<b>500</b>	<b>3,120</b>
<b>Restructuring Revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Environmental and Public Health Services Services</b>	<b>356,450</b>	<b>420,088</b>	<b>356,384</b>

See accompanying notes to the financial statements.

## TOWN OF KERROBERT

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ -	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Planning and Development Services</b>	-	-	-
<b>RECREATION AND CULTURAL SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Rentals	86,500	55,859	71,429
Recreation fees	76,610	53,642	74,399
Other	-	-	-
Total Fees and Charges	163,110	109,501	145,828
Tangible capital asset sales - gain (loss)	-	-	(15,905)
Other	-	-	-
Total other segmented revenue	163,110	109,501	129,923
Conditional Grants			
Student employment	-	3,007	6,534
Local government	49,000	49,000	49,000
Donations	17,470	1,269	17,127
Other (Sask Lotteries and other grants)	29,730	41,936	63,842
Total Conditional Grants	96,200	95,212	136,503
<b>Total Operating</b>	259,310	204,713	266,426
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Municipal Economic Enhancement Program	-	-	147,465
Other (Donations)	-	68,042	14,095
<b>Total Capital</b>	-	68,042	161,560
<b>Restructuring Revenue</b>	-	-	-
<b>Total Recreation and Cultural Services</b>	259,310	272,755	427,986

See accompanying notes to the financial statements.

## TOWN OF KERROBERT

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 559,480	563,356	559,470
Sewer	184,900	183,383	184,896
Other (Penalty, re-connection, admin)	6,420	8,425	7,026
Total Fees and Charges	750,800	755,164	751,392
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	750,800	755,164	751,392
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<u>750,800</u>	<u>755,164</u>	<u>751,392</u>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	30,270	125,018	90,801
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund (CWWF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	<u>30,270</u>	<u>125,018</u>	<u>90,801</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Utility Services</b>	<u>781,070</u>	<u>880,182</u>	<u>842,193</u>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<u>\$ 1,563,090</u>	<u>5,554,778</u>	<u>2,194,823</u>
 <b>SUMMARY</b>			
Total Other Segmented Revenue	\$ 1,366,840	1,377,504	1,542,969
Total Conditional Grants	158,400	213,945	199,986
Total Capital Grants and Contributions	37,850	3,963,329	451,868
Restructuring Revenue	-	-	-
<b>TOTAL REVENUE BY FUNCTION</b>	<u>\$ 1,563,090</u>	<u>5,554,778</u>	<u>2,194,823</u>

See accompanying notes to the financial statements.

## TOWN OF KERROBERT

## TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 30,340	25,417	29,622
Wages and benefits	164,000	167,897	162,437
Professional/Contractual services	194,320	159,803	120,260
Utilities	19,180	18,829	18,372
Maintenance, materials, and supplies	22,590	29,112	25,512
Grants and contributions	16,740	17,513	16,506
-operating	-	-	-
-capital	-	-	-
Amortization	-	4,767	4,765
Interest	-	1,887	-
Allowance for uncollectibles and tax title property	-	(8,730)	161,981
<b>General Government Services</b>	<u>447,170</u>	<u>416,495</u>	<u>539,455</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total General Government Services</b>	<u>447,170</u>	<u>416,495</u>	<u>539,455</u>
<b>PROTECTIVE SERVICES</b>			
<b>Police protection</b>			
Wages and benefits	-	-	-
Professional/Contractual services	97,480	99,033	97,634
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other (Bylaw expenses)	-	33	-
<b>Fire protection</b>			
Wages and benefits	20,060	15,890	16,834
Professional/Contractual services	13,970	15,290	12,709
Utilities	16,340	15,722	15,871
Maintenance, materials, and supplies	13,590	26,619	13,718
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	260	33,678	34,829
Interest	-	-	-
Other	-	-	-
<b>Protective Services</b>	<u>161,700</u>	<u>206,265</u>	<u>191,595</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Protective Services</b>	<u>161,700</u>	<u>206,265</u>	<u>191,595</u>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	210,280	205,087	202,816
Professional/Contractual services	50,340	18,436	42,725
Utilities	43,480	38,711	41,475
Maintenance, materials, and supplies	142,920	124,144	112,868
Gravel	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	38,863	33,734
Interest	-	-	-
Other	-	-	-
<b>Transportation Services</b>	<u>447,020</u>	<u>425,241</u>	<u>433,618</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Transportation Services</b>	<u>447,020</u>	<u>425,241</u>	<u>433,618</u>

See accompanying notes to the financial statements.



## TOWN OF KERROBERT

## TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	\$ 31,600	32,611	23,711
Professional/Contractual services	261,370	273,125	258,428
Utilities	-	-	-
Maintenance, materials, and supplies	24,550	11,901	11,559
Grants and contributions	-	-	-
-operating	-	-	-
Waste disposal	2,450	-	2,400
Public health	-	-	-
-capital	-	-	-
Waste disposal	-	-	-
Public health	18,000	18,000	18,000
Amortization	-	9,814	12,911
Interest	8,000	6,624	7,998
Other (New Horizons for Seniors Program - gazebo)	-	18,726	-
<b>Environmental and Public Health Services</b>	<u>345,970</u>	<u>370,801</u>	<u>335,007</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Environmental and Public Health Services</b>	<u>345,970</u>	<u>370,801</u>	<u>335,007</u>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	102,730	55,049	59,483
Utilities	820	846	870
Maintenance, materials, and supplies	-	388	2,453
Grants and contributions	470	462	462
-operating	-	-	-
-capital	-	-	-
Amortization	-	928	928
Interest	-	-	-
Other	-	-	-
<b>Planning and Development Services</b>	<u>104,020</u>	<u>57,673</u>	<u>64,196</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Planning and Development Services</b>	<u>104,020</u>	<u>57,673</u>	<u>64,196</u>
<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	326,170	315,118	211,749
Professional/Contractual services	111,200	126,821	237,893
Utilities	126,410	88,394	102,432
Maintenance, materials, and supplies	60,670	55,817	59,933
Grants and contributions	-	-	-
-operating	310	1,084	822
-capital	-	-	-
Amortization	-	39,984	39,986
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
<b>Recreation and Cultural Services</b>	<u>624,760</u>	<u>627,218</u>	<u>652,815</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Recreation and Cultural Services</b>	<u>624,760</u>	<u>627,218</u>	<u>652,815</u>

See accompanying notes to the financial statements.

# TOWN OF KERROBERT

## TOTAL EXPENSES BY FUNCTION

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

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>UTILITY SERVICES</b>			
Wages and benefits	\$ 151,530	126,671	139,578
Professional/Contractual services	120,200	127,657	116,938
Utilities	77,930	70,727	74,291
Maintenance, materials, and supplies	71,320	82,727	54,693
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	15,000	161,588	165,464
Interest	127,220	117,335	124,887
Allowance for uncollectibles	-	-	-
Other	26,340	-	-
<b>Utility Services</b>	<u>589,540</u>	<u>686,705</u>	<u>675,851</u>
<b>Restructuring</b>	-	-	-
<b>Total Utility Services</b>	<u>589,540</u>	<u>686,705</u>	<u>675,851</u>
 <b>TOTAL EXPENDITURES BY FUNCTION</b>	 \$ <u>2,720,180</u>	 <u>2,790,398</u>	 <u>2,892,537</u>

See accompanying notes to the financial statements.

**TOWN OF KERROBERT**  
**SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**  
**Year ended December 31, 2021**

**Schedule 4**

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and charges	\$ 39,268	69,257	4,900	307,044	-	109,501	755,164	1,285,134
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	28,957	-	-	-	-	-	-	28,957
Other revenues	-	-	-	63,413	-	-	-	63,413
Grants - Conditional	32,782	36,820	-	49,131	-	95,212	-	213,945
Grants - Capital	-	5,000	3,764,769	500	-	68,042	125,018	3,963,329
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>101,007</u>	<u>111,077</u>	<u>3,769,669</u>	<u>420,088</u>	<u>-</u>	<u>272,755</u>	<u>880,182</u>	<u>5,554,778</u>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	193,314	15,890	205,087	32,611	-	315,118	126,671	888,691
Professional/Contractual Services	159,803	114,323	18,436	273,125	55,049	126,821	127,657	875,214
Utilities	18,829	15,722	38,711	-	846	88,394	70,727	233,229
Maintenance, materials and supplies	29,112	26,619	124,144	11,901	388	55,817	82,727	330,708
Grants and contributions	17,513	-	-	18,000	462	1,084	-	37,059
Amortization	4,767	33,678	38,863	9,814	928	39,984	161,588	289,622
Interest	1,887	-	-	6,624	-	-	117,335	125,846
Allowance for uncollectibles	(8,730)	-	-	-	-	-	-	(8,730)
Other	-	33	-	18,726	-	-	-	18,759
Restructurings	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<u>416,495</u>	<u>206,265</u>	<u>425,241</u>	<u>370,801</u>	<u>57,673</u>	<u>627,218</u>	<u>686,705</u>	<u>2,790,398</u>
<b>Surplus (deficit) by function</b>	(315,488)	(95,188)	3,344,428	49,287	(57,673)	(354,463)	193,477	2,764,380
Taxation and other unconditional revenue (Schedule 1)								<u>1,895,119</u>
<b>Net Surplus (Deficit)</b>								<u>\$ 4,659,499</u>

See accompanying notes to the financial statements.

# TOWN OF KERROBERT

## SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2020

### Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and charges	\$ 39,370	47,140	7,136	324,933	-	145,828	751,392	1,315,799
Tangible capital asset sales - Gain (loss)	-	-	12,153	-	-	(15,905)	-	(3,752)
Land sales - Gain (loss)	197,004	-	-	-	-	-	-	197,004
Investment income and commissions	29,858	-	-	-	-	-	-	29,858
Other revenues	-	-	-	4,060	-	-	-	4,060
Grants - Conditional	16,892	22,320	-	24,271	-	136,503	-	199,986
Grants - Capital	-	7,003	189,384	3,120	-	161,560	90,801	451,868
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>283,124</u>	<u>76,463</u>	<u>208,673</u>	<u>356,384</u>	<u>-</u>	<u>427,986</u>	<u>842,193</u>	<u>2,194,823</u>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	192,059	16,834	202,816	23,711	-	211,749	139,578	786,747
Professional/Contractual Services	120,260	110,343	42,725	258,428	59,483	237,893	116,938	946,070
Utilities	18,372	15,871	41,475	-	870	102,432	74,291	253,311
Maintenance, materials and supplies	25,512	13,718	112,868	11,559	2,453	59,933	54,693	280,736
Grants and contributions	16,506	-	-	20,400	462	822	-	38,190
Amortization	4,765	34,829	33,734	12,911	928	39,986	165,464	292,617
Interest	-	-	-	7,998	-	-	124,887	132,885
Allowance for uncollectibles	161,981	-	-	-	-	-	-	161,981
Other	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<u>539,455</u>	<u>191,595</u>	<u>433,618</u>	<u>335,007</u>	<u>64,196</u>	<u>652,815</u>	<u>675,851</u>	<u>2,892,537</u>
<b>Surplus (deficit) by function</b>	(256,331)	(115,132)	(224,945)	21,377	(64,196)	(224,829)	166,342	(697,714)
Taxation and other unconditional revenue (Schedule 1)								<u>1,870,765</u>
<b>Net Surplus (Deficit)</b>								<u>\$ 1,173,051</u>

See accompanying notes to the financial statements.

**TOWN OF KERROBERT**  
**SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT**

Year ended December 31, 2021  
with comparative figures for 2020

	2021							2020	
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
<b>Asset cost</b>									
Opening asset costs	\$ 9,862	266,201	5,023,302	930,006	870,326	10,521,952	3,626,266	21,247,915	22,207,904
Additions during the year	-	20,366	9,752	-	114,862	624,505	6,802,195	7,571,680	1,046,112
Disposals and write-downs during the year	-	-	-	-	-	-	(10,535)	(10,535)	(2,006,101)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing asset costs</b>	<u>9,862</u>	<u>286,567</u>	<u>5,033,054</u>	<u>930,006</u>	<u>985,188</u>	<u>11,146,457</u>	<u>10,417,926</u>	<u>28,809,060</u>	<u>21,247,915</u>
<b>Accumulated amortization cost</b>									
Opening accumulated amortization costs	-	151,486	2,573,661	548,615	483,492	5,643,055	-	9,400,309	9,182,708
Add: Amortization taken	-	10,674	95,289	39,945	27,579	116,135	-	289,622	292,617
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(75,016)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing accumulated amortization costs</b>	<u>-</u>	<u>162,160</u>	<u>2,668,950</u>	<u>588,560</u>	<u>511,071</u>	<u>5,759,190</u>	<u>-</u>	<u>9,689,931</u>	<u>9,400,309</u>
<b>Net book value</b>	<u>\$ 9,862</u>	<u>124,407</u>	<u>2,364,104</u>	<u>341,446</u>	<u>474,117</u>	<u>5,387,267</u>	<u>10,417,926</u>	<u>19,119,129</u>	<u>11,847,606</u>

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

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

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

3. Amount of interest capitalized in 2021: \$ -

See accompanying notes to the financial statements.

## TOWN OF KERROBERT

## SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2021  
with comparative figures for 2020

	2021							2020
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
								Total
<b>Asset cost</b>								
Opening asset costs	\$ 172,022	972,892	4,339,854	210,643	4,640	1,443,139	14,104,725	21,247,915
Additions during the year	-	13,050	3,319,686	-	-	20,366	4,218,578	7,571,680
Disposals and write-downs during the year	-	-	-	-	-	-	(10,535)	(10,535)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
<b>Closing asset costs</b>	<u>172,022</u>	<u>985,942</u>	<u>7,659,540</u>	<u>210,643</u>	<u>4,640</u>	<u>1,463,505</u>	<u>18,312,768</u>	<u>28,809,060</u>
<b>Accumulated amortization cost</b>								
Opening accumulated amortization costs	52,938	633,576	3,138,674	130,908	2,784	1,043,732	4,397,697	9,400,309
Add: Amortization taken	4,767	33,678	38,863	9,814	928	39,984	161,588	289,622
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
<b>Closing accumulated amortization costs</b>	<u>57,705</u>	<u>667,254</u>	<u>3,177,537</u>	<u>140,722</u>	<u>3,712</u>	<u>1,083,716</u>	<u>4,559,285</u>	<u>9,689,931</u>
<b>Net book value</b>	<u>\$ 114,317</u>	<u>318,688</u>	<u>4,482,003</u>	<u>69,921</u>	<u>928</u>	<u>379,789</u>	<u>13,753,483</u>	<u>19,119,129</u>

See accompanying notes to the financial statements.

**TOWN OF KERROBERT**  
**SCHEDULE OF ACCUMULATED SURPLUS**  
Year ended December 31, 2021

	<u>2020</u>	<u>Changes</u>	<u>2021</u>
<b>UNAPPROPRIATED SURPLUS</b>	\$ <u>3,521,754</u>	<u>(3,442,168)</u>	<u>79,586</u>
<b>APPROPRIATED RESERVES</b>			
Machinery and equipment	29,305	6,000	35,305
Public reserve	-	-	-
Capital trust	200,000	(30,893)	169,107
Utility	-	15,000	15,000
Other	<u>1,112,919</u>	<u>105,333</u>	<u>1,218,252</u>
<b>Total Appropriated</b>	<u>1,342,224</u>	<u>95,440</u>	<u>1,437,664</u>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	11,847,606	7,271,523	19,119,129
Less: Related debt	<u>(4,738,467)</u>	<u>734,704</u>	<u>(4,003,763)</u>
<b>Net Investment in Tangible Capital Assets</b>	<u>7,109,139</u>	<u>8,006,227</u>	<u>15,115,366</u>
<b>Total Accumulated Surplus</b>	\$ <u>11,973,117</u>	<u>4,659,499</u>	<u>16,632,616</u>

See accompanying notes to the financial statements.

**TOWN OF KERROBERT**  
**SCHEDULE OF MILL RATES AND ASSESSMENTS**

Year ended December 31, 2021  
with comparative figures for 2020

	<b>PROPERTY CLASS</b>						<b>Total</b>
	<b><u>Agriculture</u></b>	<b><u>Residential</u></b>	<b><u>Residential Condominium</u></b>	<b><u>Seasonal Residential</u></b>	<b><u>Commercial &amp; Industrial</u></b>	<b><u>Potash Mine(s)</u></b>	
<b>Taxable Assessment</b>	\$ 538,345	54,598,720	1,300,560	-	18,083,495	-	\$ 74,521,120
<b>Regional Park Assessment</b>							-
<b>Total Assessment</b>							\$ 74,521,120
<b>Mill Rate Factor(s)</b>	0.5349	0.5660	0.5660	-	1.2604		
<b>Total Base/Minimum Tax (generated for each property class)</b>	-	560,975	-	-	121,320		682,295
<b>Total Municipal Tax Levy (include base and/or minimum tax and special levies)</b>	\$ 4,399	1,012,811	10,615	-	456,727		1,484,552

**MILL RATES:**

<b>Average Municipal*</b>	<b><u>MILLS</u></b> 19.921
<b>Average School*</b>	5.172
<b>Potash Mill Rate</b>	-
<b>Uniform Municipal Mill Rate</b>	14.420

\* Average Mill Rates (multiply the total tax levy for each taxing authority by 1000 and divide by the total assessment for the taxing authority)

See accompanying notes to the financial statements.



**TOWN OF KERROBERT**  
**SCHEDULE OF COUNCIL REMUNERATION**

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

<b>Position</b>	<b>Name</b>	<b><u>Remuneration</u></b>	<b><u>Reimbursed Costs</u></b>	<b><u>Total</u></b>
Mayor	Wayne Mock	\$ 7,205	-	7,205
Councillor	Terry Dunn	2,365	-	2,365
Councillor	Del-Marie Kissick	2,570	-	2,570
Councillor	Brad Murphy	2,605	47	2,652
Councillor	Chad Tetzloff	2,620	-	2,620
Councillor	Heather Wack	2,895	-	2,895
Councillor	Michael Mitchell	3,150	-	3,150
Total		<u>\$ 23,410</u>	<u>47</u>	<u>23,457</u>

See accompanying notes to the financial statements.

**TOWN OF KERROBERT**  
**SCHEDULE OF RESTRUCTURING**  
**Year ended December 31, 2021**

**Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date**

Cash and temporary investments	\$ -
Taxes Receivable - Municipal	-
Other accounts receivable	-
Land for resale	-
Long-term investments	-
Debt charges recoverable	-
Bank indebtedness	-
Accounts payable	-
Accrued liabilities payable	-
Deposits	-
Deferred revenue	-
Accrued landfill costs	-
Liability for contaminated sites	-
Other liabilities	-
Long-term debt	-
Lease obligations	-
Tangible capital assets	-
Prepayments and deferred charges	-
Stock and supplies	-
Other	-
<b>Total Net Carrying Amount Received (Transferred)</b>	<b>\$ -</b>

See accompanying notes to the financial statements.