

TOWN OF KIPLING
Financial Statements
December 31, 2021

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Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting policies 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 financial statements.

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

Dudley & Company LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report is attached to the financial statements. The external auditors have full and free access to both the Council and management to communicate their audit findings.



Council



Administration

INDEPENDENT AUDITORS' REPORT

To the Mayor and Councillors
Town of Kipling

Opinion

We have audited the financial statements of the **TOWN OF KIPLING**, which comprise the statement of financial position as at December 31, 2021 and the statements of operations, changes in net financial assets 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 its financial performance 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to dissolve 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect 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.

TOWN OF KIPLING

Independent Auditors' Report (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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


Dudley & Company LLP
Chartered Professional Accountants

Regina, Saskatchewan
June 13, 2022

TOWN OF KIPLING
Statement of Financial Position
As at December 31, 2021

Statement 1

	2021	2020
ASSETS		
Financial Assets		
Cash & Temporary Investments (Note 2)	\$ 3,134,074	\$ 2,812,144
Taxes Receivable - Municipal (Note 3)	117,283	91,443
Other Accounts Receivable (Note 4)	211,387	255,353
Land for Resale (Note 5)	163,232	163,232
Rink management loan	-	-
Other	-	-
Total Financial Assets	3,625,976	3,322,172
LIABILITIES		
Bank Indebtedness	-	-
Accounts Payable (Note 6)	243,498	213,046
Accrued Liabilities Payable	-	-
Deposits	32,127	33,256
Deferred Revenue (Note 7)	90,291	177,579
Accrued Landfill Costs (Note 8)	290,000	210,000
Other Liabilities	-	-
Long-Term Debt (Note 9)	1,002,665	1,107,032
Lease Obligations	-	-
Total Liabilities	1,658,581	1,740,913
NET FINANCIAL ASSETS	1,967,395	1,581,259
Tangible Capital Assets (Schedules 6, 7)	9,399,539	9,555,775
Prepayment and Deferred Charges	-	552
Stock and Supplies	-	-
Other	-	-
Total Non-Financial Assets	9,399,539	9,556,327
Accumulated Surplus (Deficit) (Schedule 8)	\$ 11,366,934	\$ 11,137,586

The accompanying notes form an integral part of these financial statements.

TOWN OF KIPLING
Statement of Operations
For the year ended December 31, 2021

Statement 2

	2021 Budget	2021	2020
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 1,484,850	\$ 1,499,833	\$ 1,546,091
Fees and Charges (Schedule 4, 5)	749,380	727,608	701,892
Conditional Grants (Schedule 4, 5)	102,450	333,189	122,618
Tangible Capital Assets Sales - Gain(loss) (Schedule 4, 5)	-	765	12,230
Land Sales - Gain (Schedule 4, 5)	-	35,100	-
Investment Income and Commissions (Schedule 4, 5)	13,500	4,967	13,441
Other Revenues (Schedule 4, 5)	54,930	63,360	18,400
Total Revenues	2,405,110	2,664,822	2,414,672
Expenses			
General Government Services (Schedule 3)	369,660	389,671	338,985
Protective Services (Schedule 3)	149,250	188,817	195,486
Transportation Services (Schedule 3)	478,220	505,644	489,954
Environmental and Public Health Services (Schedule 3)	143,520	225,512	216,633
Planning and Development Services (Schedule 3)	47,570	39,080	29,189
Recreation and Cultural Services (Schedule 3)	553,050	502,815	430,390
Utility Services (Schedule 3)	460,440	769,543	707,368
Total Expenses	2,201,710	2,621,082	2,408,005
Surplus (Deficit) before Other Capital Contributions	203,400	43,740	6,667
Capital Grants and Contributions (Schedule 4, 5)	62,000	185,608	238,075
Surplus (Deficit) of Revenues over Expenses	265,400	229,348	244,742
Accumulated Surplus (Deficit), Beginning of Year	11,137,586	11,137,586	10,892,844
Accumulated Surplus (Deficit), End of Year	\$ 11,402,986	\$ 11,366,934	\$ 11,137,586

The accompanying notes form an integral part of these financial statements.

TOWN OF KIPLING
Statement of Changes in Net Financial Assets
For the year ended December 31, 2021

Statement 3

	2021 Budget	2021	2020
Surplus (Deficit)	\$ 265,400	\$ 229,348	\$ 244,742
(Acquisition) of tangible capital assets	(203,000)	(373,153)	(204,653)
Amortization of tangible capital assets	10,000	525,654	527,199
Proceeds on disposal of tangible capital assets	-	4,500	15,750
Loss (gain) on disposal of tangible capital assets	-	(765)	(12,230)
Surplus (Deficit) of capital expenses over expenditures	(193,000)	156,236	326,066
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expense	-	-	-
Consumption of supplies inventory	-	-	-
Use of prepaid expense	-	552	4,613
Surplus (Deficit) of expenses of other non-financial over expenditures	-	552	4,613
Increase/Decrease in Net Financial Assets	72,400	386,136	575,421
Net Financial Assets - Beginning of Year	1,581,259	1,581,259	1,005,838
Net Financial Assets - End of Year	\$ 1,653,659	\$ 1,967,395	\$ 1,581,259

The accompanying notes form an integral part of these financial statements.

TOWN OF KIPLING
Statement of Cash Flows
For the year ended December 31, 2021

Statement 4

	2021	2020
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 229,348	\$ 244,742
Amortization	525,654	527,199
Loss (gain) on disposal of tangible capital assets	(765)	(12,230)
	<u>754,237</u>	<u>759,711</u>
Changes in assets / liabilities		
Taxes Receivable - Municipal	(25,840)	49,095
Other Receivables	43,966	155,617
Land for Resale	-	(27,356)
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	30,452	(29,479)
Deposits	(1,129)	(481)
Deferred Revenues	(87,288)	157,170
Accrued Landfill Costs	80,000	80,000
Stock and Supplies for Use	-	-
Prepayments and Deferred Charges	552	4,613
Other	-	-
Net cash from (used for) operations	794,950	1,148,890
Capital:		
Acquisition of Capital Assets	(373,153)	(204,653)
Proceeds from the Disposal of Capital Assets	4,500	15,750
Other Capital	-	-
Net cash from (used for) capital	(368,653)	(188,903)
Investing:		
Long-Term Investments	-	-
Other Investments	-	-
Net cash from (used for) investing	-	-
Financing:		
Long-Term Debt Issued	-	-
Long-Term Debt Repaid	(104,367)	(102,362)
Other Financing	-	-
Net cash from (used for) financing	(104,367)	(102,362)
Increase (Decrease) in cash resources	321,930	857,625
Cash and Investments - Beginning of Year	2,812,144	1,954,519
Cash and Investments - End of Year	\$ 3,134,074	\$ 2,812,144

The accompanying notes form an integral part of these financial statements.

TOWN OF KIPLING
Notes to the Financial Statements
For the year ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Significant aspects of the accounting policies adopted by the municipality are as follows:

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.

(a) Reporting Entity:

The financial statement 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.

(b) Collection of Funds for Other Authorities:

Collection of funds by the municipality for the school board are collected and remitted in accordance with relevant legislation.

(c) Government Transfers:

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

- 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.

(d) Deferred Revenue:

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

(e) Local Improvement Charges:

Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.

TOWN OF KIPLING
Notes to the Financial Statements
For the year ended December 31, 2021

(f) Net Financial Assets:

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

(g) Non-Financial Assets:

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

(h) Appropriated Reserves:

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

(i) 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 from other taxing authorities operate as a flow through and are excluded from municipal revenue.

(j) Inventories:

Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost and 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.

TOWN OF KIPLING
Notes to the Financial Statements
For the year ended December 31, 2021

(k) Tangible Capital Assets:

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

<u>Assets</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	25 years
Buildings	40 years
Vehicles and Equipment	
Vehicles	10 years
Machinery and Equipment	10 to 20 years
Infrastructure Assets	
Infrastructure Assets	
Water and Sewer	40 years
Road Network Assets	15 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: 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 capitalizes 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 a tangible capital asset. 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 lease 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.

(l) Landfill Liability:

The municipality of **TOWN OF KIPLING** maintains a waste disposal site that is a closed landfill. The municipality has estimated closure and post closure costs, and this has been recorded as a liability.

TOWN OF KIPLING
Notes to the Financial Statements
For the year ended December 31, 2021

(m) Trust Funds:

Funds held in trust for others, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the municipality. Trust fund activities administered by the municipality are disclosed in Note 3.

(n) Employee Benefit Plans:

Contributions to the municipality's defined benefit plans are expensed when contributions are due and payable. Under the defined benefit multiemployer plans, the municipality's obligations are limited to their contributions.

(o) 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 expenses 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.

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.

(p) Basis of Segmentation / Segment Report:

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: The General Government segment provides for the administration of the municipality.

Protective Services: The Protective Services segment 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 items relating to public health services in the municipality.

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 delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

TOWN OF KIPLING
Notes to the Financial Statements
For the year ended December 31, 2021

(q) Budget Information:

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

(r) New Accounting 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 instruments 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 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 full extent of the impact on adoption of these future standards is not known at this time.

TOWN OF KIPLING
Notes to the Financial Statements
For the year ended December 31, 2021

2. Cash and Temporary Investments	2021	2020
Cash	\$ 3,134,074	\$ 2,732,981
Temporary Investments	-	79,163
Total Cash and Temporary Investments	\$ 3,134,074	\$ 2,812,144

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

3. Taxes and Grants in Lieu Receivable	2021	2020
Municipal - Current	\$ 79,645	\$ 58,275
- Arrears	47,638	39,668
	127,283	97,943
- Less Allowance for Uncollectables	(10,000)	(6,500)
Total Municipal Taxes Receivable	117,283	91,443

School - Current	14,002	8,022
- Arrears	4,138	3,616
Total School Taxes Receivable	18,140	11,638

Other	-	-
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Total Taxes and Grants in Lieu Receivable	135,423	103,081
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Deduct taxes to be collected on behalf of other organizations	(18,140)	(11,638)
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Total Taxes and Grants in Lieu Receivable	\$ 117,283	\$ 91,443
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4. Other Accounts Receivable	2021	2020
Trade receivables	\$ 20,301	\$ 8,640
Provincial government, crowns, and agencies	10,096	63,498
GST receivable	35,552	18,039
Local government	5,865	24,409
Utility accounts receivable	141,573	142,767
Total Other Accounts Receivable	213,387	257,353
Less Allowance for Uncollectables	2,000	2,000
Net Other Accounts Receivable	\$ 211,387	\$ 255,353

TOWN OF KIPLING
Notes to the Financial Statements
For the year ended December 31, 2021

5. Land for Resale	2021	2020
Tax title property	\$ 72,103	\$ 66,339
Allowance for market value adjustment	(24,103)	(18,339)
Net Tax Title Property	48,000	48,000
Other land	210,232	210,232
Allowance for market value adjustment	(95,000)	(95,000)
Net Other land	115,232	115,232
Total Land for Resale	\$ 163,232	\$ 163,232

6. Accounts Payable	2021	2020
Trade payables	\$ 70,171	\$ 35,953
School tax collections	163,084	168,447
Provincial government	2,272	-
Accrued interest	7,971	8,646
Total Accounts Payable	\$ 243,498	\$ 213,046

7. Deferred Revenue	2021	2020
Recreation non-government operating grants	\$ 7,450	\$ 3,245
Recreation capital grant	-	19,270
Local improvement levy prepaid in full	-	700
Deposit on land sale	1,000	-
Overpaid taxes	1,984	-
Prepaid rent	600	-
MEEP grant	79,257	154,364
Total Deferred Revenue	\$ 90,291	\$ 177,579

8. Accrued Landfill Costs	2021	2020
Environmental Liabilities	\$ 290,000	\$ 210,000

In current and prior years the municipality accrued a liability for landfill closure expenses for an old landfill site in the amount of \$290,000 (2020 - \$210,000) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

TOWN OF KIPLING
Notes to the Financial Statements
For the year ended December 31, 2021

9. Long-Term Debt

a) The debt limit of the municipality is \$1,811,920. 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)).

b) Plainsview Credit Union Loan: Matures December 28, 2023, semi-annual payments of \$12,760 at 5.50%

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2021	\$ -	\$ -	\$ -	\$ 25,520
2022	23,555	1,965	25,520	25,520
2023	17,976	651	18,627	17,735
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
Thereafter	-	-	-	-
Balance	\$ 41,531	\$ 2,616	\$ 44,147	\$ 68,775

c) Municipal Finance: Matures October 1, 2032, annual payments of \$95,438. Interest at 3.30%

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2021	\$ -	\$ -	\$ -	\$ 95,438
2022	66,776	28,662	95,438	95,438
2023	68,979	26,459	95,438	95,438
2024	71,255	24,183	95,438	95,438
2025	73,607	21,831	95,438	95,438
Thereafter	587,942	80,126	668,068	668,067
Balance	\$ 868,559	\$ 181,261	\$ 1,049,820	\$ 1,145,257

d) Municipal Finance: Matures October 1, 2026, annual payments of \$19,841. Interest at 2.35%

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2021	\$ -	\$ -	\$ -	\$ 19,841
2022	17,665	2,176	19,841	19,841
2023	18,080	1,761	19,841	19,841
2024	18,505	1,336	19,841	19,841
2025	18,940	901	19,841	19,841
Thereafter	19,385	456	19,841	19,839
Balance	\$ 92,575	\$ 6,630	\$ 99,205	\$ 119,044

TOWN OF KIPLING
Notes to the Financial Statements
For the year ended December 31, 2021

10. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. Employees and employers each make plan contributions of 9% of salary (subject to an annually adjusted maximum pensionable earnings amount). The municipality's pension expense in 2021 was \$37,964 (2020 - \$32,357). 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.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for the plan are not recognized in these financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

The most recent available information reports, in total, plan assets of \$3,568,400,000, plan liabilities, including pension obligations, of \$2,424,014,000, and a resulting surplus of \$1,144,386,000.

11. Related Parties

The financial statements include transactions with related parties. The municipality is related to key management personnel (council and senior management) and their close family members. Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

12. Contractual Obligations and Commitments

The municipality has entered into multiple-year funding agreement with the Rural Municipality of Kingsley #124 for an annual capital grant related to the recapped & patched pavement on Grid 605.

Year	Future grant expense
2022	\$ 41,118
2023	41,117
2024	-
2025	-
2026	-
Thereafter	-
Total Contractual Obligations and Commitments	\$ 82,235

13. Fair Value

The fair value of the financial assets and liabilities approximates their carrying value due to their short term nature. The fair value of the municipality's long term debt approximates the carrying value as the terms and conditions are comparable to current market conditions, or they are due in a relatively short period of time.

14. Interest Rate Risk

The town is not exposed to significant interest rate risk of its monetary current assets and current liabilities due to their short term maturity. The municipality is exposed to interest rate price risk on its long term debt that has a fixed interest rate. The interest rate and maturity date of the debt is disclosed in Note 9.

TOWN OF KIPLING
Notes to the Financial Statements
For the year ended December 31, 2021

15. Credit Risk

The municipality is exposed to credit risk on the accounts receivable. The municipality does not have significant exposure to any individual creditor.

16. COVID-19 Pandemic

The COVID-19 pandemic is complex and continues to evolve. It has caused material disruption to businesses and has resulted in an economic slowdown. The municipality continues to assess and monitor the impact of COVID-19 on its financial condition. The magnitude and duration of COVID-19 is uncertain and, accordingly, it is difficult to reliably measure the potential future impact on the municipality's financial position and operations.

TOWN OF KIPLING
 Schedule of Taxes and Other Unconditional Revenue
 For the year ended December 31, 2021

Schedule 1

	2021 Budget	2021	2020
TAXES			
General municipal tax levy	\$ 1,131,310	\$ 1,131,154	\$ 1,107,765
Abatements and adjustments	(15,630)	(10,467)	(15,631)
Discount on current year taxes	-	-	-
Net Municipal Taxes	1,115,680	1,120,687	1,092,134
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	12,090	12,410	18,049
Hospital levy	10	-	15
Other - Overpayment of taxes	-	-	-
Total Taxes	1,127,780	1,133,097	1,110,198
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	242,980	242,977	245,173
Organized Hamlet	-	-	-
Other - Safe Restart	-	-	64,068
Total Unconditional Grants	242,980	242,977	309,241
GRANTS IN LIEU OF TAXES			
Federal	5,890	5,851	5,889
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
SaskTel	-	-	-
Other - Hospital and other	23,200	23,908	27,421
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other -	-	-	-
Other Government Transfers			
S.P.C. Surcharges	60,000	66,415	65,560
SaskEnergy Surcharge	25,000	27,585	27,782
Other -	-	-	-
Total Grants in Lieu of Taxes	114,090	123,759	126,652
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 1,484,850	\$ 1,499,833	\$ 1,546,091

TOWN OF KIPLING

Schedule of Operating and Capital Revenue by Function For the year ended December 31, 2021

Schedule 2-1

	2021 Budget	2021	2020
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Rental	\$ 7,080	\$ 8,207	\$ 3,696
- Sales of supplies	700	2,012	3,794
- Other - Licences and permits	4,890	8,346	13,500
Total Fees and Charges	12,670	18,565	20,990
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	35,100	-
- Investment income and commissions	13,500	4,967	13,441
- Other - GST rebates	-	2,448	-
Total Other Segmented Revenue	26,170	61,080	34,431
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	26,170	61,080	34,431
Capital			
Conditional Grants			
- Canada Community-Building Fund	-	-	-
- Can/Sask Municipal Rural Infrastructure	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Total General Government Services	\$ 26,170	\$ 61,080	\$ 34,431

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other - Fire fees and fines	\$ 18,500	\$ 27,933	\$ 26,644
Total Fees and Charges	18,500	27,933	26,644
- Tangible capital asset sales - gain (loss)	-	-	-
- Other - Donations	-	-	-
Total Other Segmented Revenue	18,500	27,933	26,644
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	18,500	27,933	26,644

Capital

Conditional Grants and Contributions			
- PDAP	-	-	-
- Local Government	-	-	13,491
- Donated assets	-	-	-
- Other - Local grant	-	-	10,000
Total Capital	-	-	23,491
Total Protective Services	\$ 18,500	\$ 27,933	\$ 50,135

TOWN OF KIPLING

Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2021

Schedule 2-2

	2021 Budget	2021	2020
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 13,000	\$ 3,613	\$ 13,947
- Sales of supplies	-	-	-
- Road maintenance agreements	-	-	-
- Frontage	1,620	-	1,624
- Other - Airstrip rental	5,400	4,858	5,400
Total Fees and Charges	20,020	8,471	20,971
- Tangible capital asset sales - gain (loss)	-	-	-
- Other - SGI rebates	-	1,634	-
Total Other Segmented Revenue	20,020	10,105	20,971
Conditional Grants			
- Primary Weight Corridor	-	-	-
- Provincial - CAP	10,030	10,269	-
- Other - MEEP	-	15,000	-
- Other - Airstrip local grants	1,500	5,502	1,888
Total Conditional Grants	11,530	30,771	1,888
Total Operating	31,550	40,876	22,859
Capital			
Conditional Grants			
- Canada Community-Building Fund	-	-	-
- Can/Sask Municipal Rural Infrastructure	-	-	-
- Heavy Haul	-	-	-
- Designated Municipal Roads and Bridges	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Total Transportation Services	\$ 31,550	\$ 40,876	\$ 22,859

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	\$ -	\$ -	\$ -
- Other - Transit van rent and donation	2,000	1,752	2,342
Total Fees and Charges	2,000	1,752	2,342
- Tangible capital asset sales - gain (loss)	-	765	-
- Other - Cemetery plots and donations	500	1,925	2,650
Total Other Segmented Revenue	2,500	4,442	4,992
Conditional Grants			
- Saskatchewan Housing Authority surplus	-	3,677	1,977
- Local Government - Stormway	-	-	-
- Other - Transit van	3,000	3,017	3,425
Total Conditional Grants	3,000	6,694	5,402
Total Operating	5,500	11,136	10,394
Capital			
Conditional Grants			
- Canada Community-Building Fund	-	-	-
- Can/Sask Municipal Rural Infrastructure	-	-	-
- Transit for Disabled	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other - Transit van	-	-	65,895
Total Capital	-	-	65,895
Total Environmental and Public Health Services	\$ 5,500	\$ 11,136	\$ 76,289

TOWN OF KIPLING
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2021

Schedule 2-3

	2021 Budget	2021	2020
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and development charges	\$ -	\$ -	\$ -
- Other -	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- SEDA	-	-	-
- Other - Miscellaneous grants	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Total Planning and Development Services	\$ -	\$ -	\$ -

RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other - Recreation fees and donations	\$ 139,690	\$ 101,135	\$ 71,116
Total Fees and Charges	139,690	101,135	71,116
- Tangible capital asset sales - gain (loss)	-	-	-
- Other - Rentals	54,430	57,353	15,750
Total Other Segmented Revenue	194,120	158,488	86,866
Conditional Grants and Other Transfers			
- Student Employment	21,440	19,432	19,058
- Local Government	34,000	37,254	11,871
- Donations	500	8,279	-
- Other - Miscellaneous grants and recreation board contributed net assets	31,980	206,121	84,399
Total Conditional Grants	87,920	271,086	115,328
Total Operating	282,040	429,574	202,194
Capital			
Conditional Grants			
- Canada Community-Building Fund	-	-	-
- Local Government	-	19,272	-
- Canadian Initiatives Fund	-	-	-
- Other - MEEP	-	23,107	-
Total Capital	-	42,379	-
Total Recreation and Cultural Services	\$ 282,040	\$ 471,953	\$ 202,194

TOWN OF KIPLING

Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2021

Schedule 2-4

	2021 Budget	2021	2020
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water and sewer	\$ 556,500	\$ 569,752	\$ 559,829
- Sewer	-	-	-
- Other -	-	-	-
Total Fees and Charges	556,500	569,752	559,829
- Tangible capital asset sales - gain (loss)	-	-	12,230
- Other - Insurance proceeds and contract	-	-	-
Total Other Segmented Revenue	556,500	569,752	572,059
Conditional Grants			
- Student Employment	-	-	-
- Provincial Government	-	-	-
- Other - MEEP	-	24,638	-
Total Conditional Grants	-	24,638	-
Total Operating	556,500	594,390	572,059
Capital			
Conditional Grants			
- Canada Community-Building Fund	62,000	130,867	95,049
- Building Canada	-	-	53,640
- PDAP and flood mitigation	-	-	-
- Other - MEEP	-	12,362	-
Total Capital	62,000	143,229	148,689
Total Utility Services	\$ 618,500	\$ 737,619	\$ 720,748

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 982,260	\$ 1,350,597	\$ 1,106,656
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SUMMARY

Total Other Segmented Revenue	\$ 817,810	\$ 831,800	\$ 745,963
Total Conditional Grants	102,450	333,189	122,618
Total Capital Grants and Contributions	62,000	185,608	238,075

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 982,260	\$ 1,350,597	\$ 1,106,656
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TOWN OF KIPLING
 Schedule of Total Expenses by Function
 For the year ended December 31, 2021

Schedule 3-1

	2021 Budget	2021	2020
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 37,700	\$ 26,285	\$ 32,677
Wages and benefits	215,760	217,344	174,437
Professional/Contractual services	85,790	93,797	75,966
Utilities	7,950	4,541	7,606
Maintenance, materials, and supplies	14,750	12,205	11,722
Grants and contributions - operating	5,000	1,018	4,016
- capital	-	-	-
Amortization	-	21,767	23,179
Interest	-	-	-
Allowance for uncollectable	2,710	12,714	9,382
Other -	-	-	-
Total General Government Services	\$ 369,660	\$ 389,671	\$ 338,985

PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	83,620	85,864	83,620
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other -	-	-	-
Fire Protection			
Wages and benefits	250	250	250
Professional/Contractual services	31,400	6,427	18,603
Utilities	4,500	3,848	3,637
Maintenance, materials, and supplies	-	-	488
Grants and contributions - operating	27,500	27,500	27,500
- capital	-	-	-
Amortization	-	62,483	58,543
Interest	1,980	2,445	2,845
Other -	-	-	-
Total Protective Services	\$ 149,250	\$ 188,817	\$ 195,486

TRANSPORTATION SERVICES			
Wages and benefits	\$ 136,000	\$ 135,891	\$ 122,787
Council remuneration and travel	-	-	-
Professional/Contractual services	209,630	173,246	185,358
Utilities	49,590	45,320	46,929
Maintenance, materials, and supplies	30,780	34,406	27,426
Gravel	9,970	5,063	8,925
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	10,000	91,210	90,852
Interest	-	-	-
Other - Airstrip	32,250	20,508	7,677
Total Transportation Services	\$ 478,220	\$ 505,644	\$ 489,954

TOWN OF KIPLING
 Schedule of Total Expenses by Function
 For the year ended December 31, 2021

Schedule 3-2

	2021 Budget	2021	2020
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	16,840	13,785	10,050
Utilities	-	-	-
Maintenance, materials, and supplies	2,300	1,203	418
Grants and contributions - operating	-	-	-
- Waste disposal	120,130	120,127	120,127
- Public health	-	-	-
- capital	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
Amortization	-	5,261	715
Interest	-	-	-
Other - Transit van	4,250	5,136	5,323
Other - Landfill liability accrual	-	80,000	80,000
Total Environmental and Public Health Services	\$ 143,520	\$ 225,512	\$ 216,633

PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	\$ -	\$ -	\$ 421
Professional/Contractual services	45,000	34,386	21,736
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	-	-	2,800
- capital	-	-	-
Amortization	-	1,641	1,641
Interest	2,570	3,053	2,591
Other - RDC levy	-	-	-
Total Planning and Development Services	\$ 47,570	\$ 39,080	\$ 29,189

RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ 229,260	\$ 216,132	\$ 159,102
Professional/Contractual services	121,910	87,522	85,602
Utilities	83,230	51,869	50,145
Maintenance, materials, and supplies	72,610	69,348	50,299
Grants and contributions - operating	17,980	22,017	26,280
- capital	-	-	-
Amortization	-	27,872	31,462
Interest	-	-	-
Allowance for uncollectables	-	-	-
Other - Library	28,060	28,055	27,500
Total Recreation and Cultural Services	\$ 553,050	\$ 502,815	\$ 430,390

TOWN OF KIPLING
 Schedule of Total Expenses by Function
 For the year ended December 31, 2021

Schedule 3-3

	2021 Budget	2021	2020
UTILITY SERVICES			
Wages and benefits	\$ 111,300	\$ 136,058	\$ 130,269
Professional/Contractual services	71,550	59,293	58,253
Utilities	62,220	50,489	58,152
Maintenance, materials, and supplies	138,460	126,073	95,772
Grants and contributions - operating	49,550	49,750	9,000
- capital	-	-	-
Amortization	-	315,420	320,807
Interest	24,580	30,259	32,340
Allowance for uncollectables	-	-	-
Other - Property taxes	2,780	2,201	2,775
Total Utility Services	\$ 460,440	\$ 769,543	\$ 707,368
TOTAL EXPENSES BY FUNCTION	\$ 2,201,710	\$ 2,621,082	\$ 2,408,005

TOWN OF KIPLING
 Schedule of Segment Disclosure by Function
 For the year ended December 31, 2021

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 18,565	\$ 27,933	\$ 8,471	\$ 1,752	\$ -	\$ 101,135	\$ 569,752	\$ 727,608
Tangible Capital Asset Sales - Gain	-	-	-	765	-	-	-	765
Land Sales - Gain	35,100	-	-	-	-	-	-	35,100
Investment Income and Commissions	4,967	-	-	-	-	-	-	4,967
Other Revenues	2,448	-	1,634	1,925	-	57,353	-	63,360
Grants - Conditional	-	-	30,771	6,694	-	271,086	24,638	333,189
- Capital	-	-	-	-	-	42,379	143,229	185,608
Total Revenues	61,080	27,933	40,876	11,136	-	471,953	737,619	1,350,597
Expenses (Schedule 3)								
Wages and Benefits	243,629	250	135,891	-	-	216,132	136,058	731,960
Professional/Contractual Services	93,797	92,291	173,246	13,785	34,386	87,522	59,293	554,320
Utilities	4,541	3,848	45,320	-	-	51,869	50,489	156,067
Maintenance, Materials, and Supplies	12,205	-	39,469	1,203	-	69,348	126,073	248,298
Grants and Contributions	1,018	27,500	-	120,127	-	22,017	49,750	220,412
Amortization	21,767	62,483	91,210	5,261	1,641	27,872	315,420	525,654
Interest	-	2,445	-	-	3,053	-	30,259	35,757
Allowance for Uncollectables	12,714	-	-	-	-	-	-	12,714
Other	-	-	20,508	85,136	-	28,055	2,201	135,900
Total Expenses	389,671	188,817	505,644	225,512	39,080	502,815	769,543	2,621,082
Surplus (Deficit) by Function	\$ (328,591)	\$ (160,884)	\$ (464,768)	\$ (214,376)	\$ (39,080)	\$ (30,862)	\$ (31,924)	\$ (1,270,485)
Taxation and Other Unconditional Revenue (Schedule 1)								\$ 1,499,833
Net Surplus (Deficit)								\$ 229,348

DUDLEY & COMPANY LLP

TOWN OF KIPLING
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 & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 20,990	\$ 26,644	\$ 20,971	\$ 2,342	\$ -	\$ 71,116	\$ 559,829	\$ 701,892
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	12,230	12,230
Investment Income and Commissions	13,441	-	-	-	-	-	-	13,441
Other Revenues	-	-	-	2,650	-	15,750	-	18,400
Grants - Conditional	-	-	1,888	5,402	-	115,328	-	122,618
- Capital	-	23,491	-	65,895	-	-	148,689	238,075
Total Revenues	34,431	50,135	22,859	76,289	-	202,194	720,748	1,106,656
Expenses (Schedule 3)								
Wages and Benefits	207,114	250	122,787	-	421	159,102	130,269	619,943
Professional/Contractual Services	75,966	102,223	185,358	10,050	21,736	85,602	58,253	539,188
Utilities	7,606	3,637	46,929	-	-	50,145	58,152	166,469
Maintenance, Materials, and Supplies	11,722	488	36,351	418	-	50,299	95,772	195,050
Grants and Contributions	4,016	27,500	-	120,127	2,800	26,280	9,000	189,723
Amortization	23,179	58,543	90,852	715	1,641	31,462	320,807	527,199
Interest	-	2,845	-	-	2,591	-	32,340	37,776
Allowance for Uncollectables	9,382	-	-	-	-	-	-	9,382
Other	-	-	7,677	85,323	-	27,500	2,775	123,275
Total Expenses	338,985	195,486	489,954	216,633	29,189	430,390	707,368	2,408,005
Surplus (Deficit) by Function	\$ (304,554)	\$ (145,351)	\$ (467,095)	\$ (140,344)	\$ (29,189)	\$ (228,196)	\$ 13,380	\$ (1,301,349)

Taxation and Other Unconditional Revenue (Schedule 1) \$ 1,546,091

Net Surplus (Deficit) \$ 244,742

DUDLEY & COMPANY LLP

TOWN OF KIPLING
 Schedule of Tangible Capital Assets by Object
 For the year ended December 31, 2021

Schedule 6

	2021						2020			
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	Total	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets				
Asset Cost										
Opening Asset Costs	\$ 532,230	\$ 549,606	\$ 4,398,517	\$ 828,937	\$ 646,984	\$ 11,236,355	\$ -	\$ 18,192,629	\$ 17,991,496	
Additions during the year	-	25,000	23,464	43,837	23,101	234,644	23,107	373,153	204,653	
Disposals and write downs during the year	-	-	-	(4,150)	-	-	-	(4,150)	(3,520)	
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-	
Closing Asset Costs	\$ 532,230	\$ 574,606	\$ 4,421,981	\$ 868,624	\$ 670,085	\$ 11,470,999	\$ 23,107	\$ 18,561,632	\$ 18,192,629	
Accumulated Amortization										
Opening Accum. Amort. Cost	\$ -	\$ 493,311	\$ 1,204,070	\$ 316,403	\$ 423,899	\$ 6,199,171	\$ -	\$ 8,636,854	\$ 8,109,655	
Add: Amortization taken	-	4,991	105,774	43,844	47,375	323,670	-	525,654	527,199	
Less: Accum. Amort. on Disposals	-	-	-	(415)	-	-	-	(415)	-	
Closing Accumulated Amort.	\$ -	\$ 498,302	\$ 1,309,844	\$ 359,832	\$ 471,274	\$ 6,522,841	\$ -	\$ 9,162,093	\$ 8,636,854	
Net Book Value	\$ 532,230	\$ 76,304	\$ 3,112,137	\$ 508,792	\$ 198,811	\$ 4,948,158	\$ 23,107	\$ 9,399,539	\$ 9,555,775	

- | | | | |
|---|----|---|---|
| 1. Total contributed/donated assets received in 2021: | \$ | | 2 |
| 2. List of assets recognized at nominal value are: | \$ | - | |
| - Infrastructure assets | \$ | - | |
| - Vehicles | \$ | - | |
| - Machinery and Equipment | \$ | - | |
| 3. Amount of interest capitalized in 2021: | \$ | - | |

TOWN OF KIPLING
 Schedule of Tangible Capital Assets by Function
 For the year ended December 31, 2021

Schedule 7

	2021							Total	Total
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer		
Asset Cost									
Opening Asset Costs	\$ 832,704	\$ 1,581,292	\$ 4,530,878	\$ 115,362	\$ 144,616	\$ 1,395,391	\$ 9,592,386	\$ 18,192,629	\$ 17,991,496
Additions during the year	-	-	256,593	-	-	71,571	44,989	373,153	204,653
Disposals and write-downs during the year	-	-	-	(4,150)	-	-	-	(4,150)	(3,520)
Closing Asset Costs	\$ 832,704	\$ 1,581,292	\$ 4,787,471	\$ 111,212	\$ 144,616	\$ 1,466,962	\$ 9,637,375	\$ 18,561,632	\$ 18,192,629
Accumulated Amortization									
Opening Accum. Amort. Costs	\$ 450,384	\$ 572,951	\$ 3,229,042	\$ 9,115	\$ 18,871	\$ 860,130	\$ 3,496,361	\$ 8,636,854	\$ 8,109,655
Add: Amortization taken	21,767	62,483	91,210	5,261	1,641	27,872	315,420	525,654	527,199
Less: Accum. Amort. on Disposals	-	-	-	(415)	-	-	-	(415)	-
Closing Accumulated Amortization	\$ 472,151	\$ 635,434	\$ 3,320,252	\$ 13,961	\$ 20,512	\$ 888,002	\$ 3,811,781	\$ 9,162,093	\$ 8,636,854
Net Book Value	\$ 360,553	\$ 945,858	\$ 1,467,219	\$ 97,251	\$ 124,104	\$ 578,960	\$ 5,825,594	\$ 9,399,539	\$ 9,555,775

TOWN OF KIPLING
 Schedule of Accumulated Surplus
 For the year ended December 31, 2021

Schedule 8

	2020	Changes	2021
UNAPPROPRIATED SURPLUS	\$ 2,049,964	\$ (88,249)	\$ 1,961,715
APPROPRIATED RESERVES			
Infrastructure Reserve	288,738	50,888	339,626
Capital Trust Reserve	-	10,000	10,000
Fire Department Reserve	40,000	5,021	45,021
Recreation Reserve	-	110,265	110,265
Arena Reserve	-	152,395	152,395
Handi-van	5,234	580	5,814
Airport	70,269	10,058	80,327
Utilities	203,963	30,229	234,192
Swimming Pool Reserve	30,675	30	30,705
Total Appropriated	638,879	369,466	1,008,345
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible Capital Assets (Schedule 6)	9,555,775	(156,236)	9,399,539
Less: Related debt	(1,107,032)	104,367	(1,002,665)
Net Investment in Tangible Capital Assets	8,448,743	(51,869)	8,396,874
OTHER	-	-	-
Total Accumulated Surplus	\$ 11,137,586	\$ 229,348	\$ 11,366,934

TOWN OF KIPLING
 Schedule of Mill Rates and Assessments
 For the year ended December 31, 2021

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 36,575	\$ 48,934,480	\$ 3,906,720	\$ -	\$ 10,527,845	\$ -	\$ 63,405,620
Hospital Assessment							-
Total Assessment							63,405,620
Mill Rate Factor(s)	1.000	1.000	1.000	-	1.300		
Total Minimum Tax	4,680	729,700	-	-	163,800		898,180
Total Municipal Tax Levy	\$ 4,808	\$ 900,971	\$ 13,673	\$ -	\$ 211,702		\$ 1,131,154

MILL RATES:	MILLS
Average Municipal*	17.840
Average School*	4.953
Potash Mill Rate	-
Uniform Municipal Mill Rate	3.500

* 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).

TOWN OF KIPLING
Schedule of Council Remuneration
For the year ended December 31, 2021

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Patricia Jackson	\$ 5,100	\$ -	\$ 5,100
Devin Draper	3,150	-	3,150
James Gallagher	2,400	-	2,400
Don Johnson	3,650	-	3,650
Colby Sproat	3,975	-	3,975
Makyla Stender	4,225	-	4,225
Tyler Vargo	3,475	-	3,475
Total	\$ 25,975	\$ -	\$ 25,975