

RURAL MUNICIPALITY OF MONTROSE #315

Auditor's Report

Financial Statements

December 31, 2021

MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
Rural Municipality of Montrose #315 :

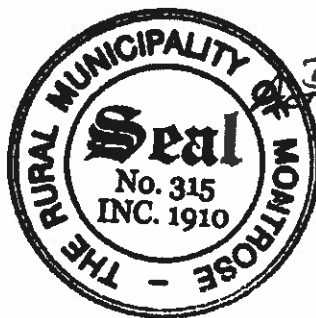
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. The preparation of the statements necessarily includes selecting 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 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 the administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Municipality'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.


Raymond Friend
Reeve




DeAnne Rabblee
Administrator

INDEPENDENT AUDITOR'S REPORT

To the **Reeve and Council of Rural Municipality of Montrose #315**

Report on the Financial Statements

Opinion

We have audited the financial statements of **Rural Municipality of Montrose #315**, 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 Rural Municipality 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 Rural 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 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 Rural Municipality'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 Rural Municipality or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Rural Municipality'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 Rural 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 Rural Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Rural 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.

Saskatoon, Saskatchewan
April 26, 2022


Chartered Professional Accountants

RURAL MUNICIPALITY OF MONTROSE #315

Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2021
with comparative figures for 2020

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 1,999,332	2,405,915
Taxes receivable - Municipal (Note 3)	102,691	98,442
Other accounts receivable (Note 4)	125,186	39,870
Land for re-sale (Note 5)	31,808	31,808
Long-term investments (Note 6)	67,449	62,482
Debt charges recoverable	-	-
Other	-	-
Total financial assets	2,326,466	2,638,517
<u>LIABILITIES</u>		
Bank indebtedness	-	-
Accounts payable	270,165	26,662
Accrued liabilities payable	-	-
Deposits	-	-
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 8)	271,016	307,976
Lease obligations (Note 9)	106,570	37,120
Total liabilities	647,751	371,758
NET FINANCIAL ASSETS (DEBT)	1,678,715	2,266,759
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	2,708,544	2,167,367
Prepaid and deferred charges	1,791	1,287
Stock and supplies	283,394	188,307
Total non-financial assets	2,993,729	2,356,961
Accumulated Surplus (Deficit) (Schedule 8)	\$ 4,672,444	4,623,720

Contractual obligations and commitments (Note 7)
Contingent liabilities (Note 10)

APPROVED ON BEHALF OF COUNCIL:

Reeve

Councillor

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315

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>
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 1,333,900	1,329,523	1,423,312
Fees and charges	(Schedule 4, 5)	117,940	111,809	177,441
Conditional grants	(Schedule 4, 5)	14,000	18,443	12,319
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	-	(35,236)
Land sales - gain (loss)	(Schedule 4, 5)	-	-	(8,028)
Investment income and commissions	(Schedule 4, 5)	11,200	17,841	20,204
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	<u>10,000</u>	<u>4,500</u>	<u>14,600</u>
Total Revenues		1,487,040	1,482,116	1,604,612
Expenditures:				
General government services	(Schedule 3)	295,922	291,907	233,945
Protective services	(Schedule 3)	141,700	129,403	131,095
Transportation services	(Schedule 3)	892,600	1,010,908	714,955
Environmental and public health services	(Schedule 3)	80,000	75,228	76,570
Planning and development services	(Schedule 3)	10,700	3,845	9,945
Recreation and cultural services	(Schedule 3)	5,700	8,637	5,732
Utility services	(Schedule 3)	-	221	-
Restructurings	(Schedule 3)	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures		<u>1,426,622</u>	<u>1,520,149</u>	<u>1,172,242</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>60,418</u>	<u>(38,033)</u>	<u>432,370</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>65,000</u>	<u>86,757</u>	<u>165,347</u>
Surplus (deficit) of revenues over expenditures		125,418	48,724	597,717
Accumulated surplus (deficit), beginning of year		<u>4,623,720</u>	<u>4,623,720</u>	<u>4,026,003</u>
Accumulated surplus (deficit), end of year		<u>\$ 4,749,138</u>	<u>4,672,444</u>	<u>4,623,720</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315**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>
Surplus (deficit)	\$ <u>125,418</u>	<u>48,724</u>	<u>597,717</u>
(Acquisition) of tangible capital assets	-	(769,502)	(438,552)
Amortization of tangible capital assets	-	228,325	190,828
Proceeds on disposal of tangible capital assets	-	-	106,000
Loss (gain) on disposal of tangible capital assets	-	-	35,236
Transfer of assets/liabilities in restructuring transactions	<u>-</u>	<u>-</u>	<u>-</u>
Surplus (deficit) of capital expenses over expenditures	<u>-</u>	<u>(541,177)</u>	<u>(106,488)</u>
(Acquisition) of supplies inventories	-	(272,690)	-
(Acquisition) of prepaid expenses	-	(1,779)	(1,275)
Consumption of supplies inventories	-	177,604	57,467
Use of prepaid expenses	<u>-</u>	<u>1,274</u>	<u>1,709</u>
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>(95,591)</u>	<u>57,901</u>
Increase (decrease) in Net Financial Assets	125,418	(588,044)	549,130
Net Financial Assets (Debt) - Beginning of the year	<u>2,266,759</u>	<u>2,266,759</u>	<u>1,717,629</u>
Net Financial Assets (Debt) - End of year	\$ <u>2,392,177</u>	<u>1,678,715</u>	<u>2,266,759</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315**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)	\$ 48,724	597,717
Amortization	228,325	190,828
Loss (gain) on disposal of tangible capital assets	<u>-</u>	<u>35,236</u>
	277,049	823,781
Change in assets/liabilities		
Taxes receivable - Municipal	(4,249)	51,587
Other accounts receivable	(85,315)	10,420
Land for re-sale	-	(21,196)
Other financial assets	-	-
Accounts and accrued liabilities payable	243,500	1,326
Deposits	-	-
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	(95,087)	57,467
Prepayments and deferred charges	(504)	435
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>335,394</u>	<u>923,820</u>
Capital:		
Acquisition of capital assets	(769,502)	(438,552)
Proceeds from the disposal of capital assets	-	106,000
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(769,502)</u>	<u>(332,552)</u>
Investing:		
Long-term investments	(4,967)	(4,205)
Other investments	<u>-</u>	<u>-</u>
Net cash used for investing	<u>(4,967)</u>	<u>(4,205)</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	92,430	38,573
Long-term debt repaid	(59,938)	(37,238)
Other financing	<u>-</u>	<u>-</u>
Net cash from financing	<u>32,492</u>	<u>1,335</u>
Increase (decrease) in cash resources	(406,583)	588,398
Cash and temporary investments, beginning of year	<u>2,405,915</u>	<u>1,817,517</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 1,999,332</u>	<u>2,405,915</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315

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 the local government accounting standards established by the Public Sector Accounting Board. 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 Municipality. The entity is comprised of all organizations owned or controlled by the Municipality 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, municipal hail 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.

RURAL MUNICIPALITY OF MONTROSE #315

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

(l) Inventories

Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price of the inventory in the ordinary course of business.

RURAL MUNICIPALITY OF MONTROSE #315

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 Municipality'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	15 years
Buildings	50 years
Vehicles and equipment	
Vehicles	10 years
Machinery & Equipment	4 to 12 years
<i>Infrastructure Assets</i>	
Water and sewer	40 years
Road network assets	5 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 Municipality does not capitalize interest incurred while a tangible capital asset is under construction.

Leases: All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers 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.

RURAL MUNICIPALITY OF MONTROSE #315

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

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

(n) **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.

The Municipality does not have any contaminated sites.

(o) **Employee benefit plans**

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

(p) **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.

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

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

These segments (functions) are as follows:

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

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

RURAL MUNICIPALITY OF MONTROSE #315

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

2. CASH AND TEMPORARY INVESTMENTS

	<u>2021</u>	<u>2020</u>
Cash	\$ 1,999,332	2,405,915
Temporary investments	<u>-</u>	<u>-</u>
	<u>\$ 1,999,332</u>	<u>2,405,915</u>

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

RURAL MUNICIPALITY OF MONTROSE #315

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2021</u>	<u>2020</u>
Municipal: - Current	\$ 82,928	65,802
- Arrears	<u>19,763</u>	<u>32,640</u>
	102,691	98,442
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>102,691</u>	<u>98,442</u>
School: - Current	29,818	20,073
- Arrears	<u>5,565</u>	<u>6,727</u>
Total school taxes receivable	<u>35,383</u>	<u>26,800</u>
Other: - Current	424	325
- Arrears	<u>-</u>	<u>130</u>
Total other collections receivable	<u>424</u>	<u>455</u>
Total taxes and grants in lieu receivable	138,498	125,697
Deduct taxes receivable to be collected on behalf of other organizations	<u>(35,807)</u>	<u>(27,255)</u>
Total taxes receivable - Municipal	<u>\$ 102,691</u>	<u>98,442</u>

4. OTHER ACCOUNTS RECEIVABLE

	<u>2021</u>	<u>2020</u>
Federal government	\$ 37,816	11,048
Provincial government	61,412	10,200
Local government	-	-
Utility	-	-
Trade	25,958	18,622
Other	<u>-</u>	<u>-</u>
Total other accounts receivable	125,186	39,870
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 125,186</u>	<u>39,870</u>

RURAL MUNICIPALITY OF MONTROSE #315

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

5. LAND FOR RESALE

	<u>2021</u>	<u>2020</u>
Tax title property	\$ 106,754	106,754
Less: - allowance for market value adjustment	(64,240)	(64,240)
- due to other taxing authorities	<u>(10,706)</u>	<u>(10,706)</u>
Net tax title Property	<u>31,808</u>	<u>31,808</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>\$ 31,808</u>	<u>31,808</u>

6. LONG-TERM INVESTMENTS

	<u>2021</u>	<u>2020</u>
Sask. Assoc. of Rural Municipalities - Self-insurance fund	<u>\$ 67,449</u>	<u>62,482</u>

7. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The Municipality has entered into a multiple-year contract for the construction and delivery of a pumper fire truck. This obligation will become a liability in the future at various stages in the construction progress, when certain points in construction are reached.

The total contract obligation that the Municipality is subject to is \$371,767. \$260,000 was paid by December 31, 2021.

RURAL MUNICIPALITY OF MONTROSE #315

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

8. LONG-TERM DEBT

The authorized debt limit for the Municipality is \$1,244,078. The authorized 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)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

Debenture debt:

	<u>2021</u>	<u>2020</u>
Debenture, repayable in annual payments of \$24,587 including interest at 2.7%; matures in 2034.	\$ <u>266,579</u>	<u>283,512</u>
	\$ <u>266,579</u>	<u>283,512</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total
2022	\$ 17,390	7,198	\$ 24,588
2023	17,860	6,728	24,588
2024	18,342	6,246	24,588
2025	18,837	5,751	24,588
2026	19,346	5,242	24,588
Thereafter	<u>174,804</u>	<u>21,898</u>	<u>196,702</u>
Balance	\$ <u>266,579</u>	<u>53,063</u>	\$ <u>319,642</u>

Bank loans:

	<u>2021</u>	<u>2020</u>
Royal Bank loan, repayable in monthly payments of \$1,716 including interest at 3.69%, maturing March 30, 2022	\$ <u>4,437</u>	<u>24,464</u>
	\$ <u>4,437</u>	<u>24,464</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total
2022	\$ 4,437	25	4,462
2023	-	-	-
2024	-	-	-
2025	-	-	-
2026	-	-	-
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>
Balance	\$ <u>4,437</u>	<u>25</u>	<u>4,462</u>

RURAL MUNICIPALITY OF MONTROSE #315

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

9. LEASE OBLIGATIONS

Future minimum lease payments under the capital leases together with the balance of the obligation due under capital leases are as follows:

2022	\$	15,392
2023		15,675
2024		17,969
2025		11,615
2026		7,877
Thereafter		<u>34,812</u>
Total future minimum lease payments		103,340
Amounts representing interest at a weighted average rate of 3%		<u>3,230</u>
Capital lease liability	\$	<u>106,570</u>

10. CONTINGENT LIABILITIES

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

11. PENSION PLAN

The municipality is an employer member of 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. The municipality pension expense in 2021 was \$30,904 (2020 - \$25,794). 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 Rural Municipality's portion of this is not readily determinable.

12. BUDGET

The Financial Plan (Budget) adopted by Council on June 22, 2021, 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 included transfers from reserves into unappropriated surplus in the calculation of income. As a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<u>2021</u>
Budget net surplus	\$ 165,938
Transfer from reserves	<u>(40,520)</u>
Budget surplus per statement of operations	\$ <u>125,418</u>

RURAL MUNICIPALITY OF MONTROSE #315

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

13. RECENT ACCOUNTING PRONOUNCEMENTS

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

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 Rural Municipality 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.

RURAL MUNICIPALITY OF MONTROSE #315

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>
TAXES			
General municipal tax levy	\$ 901,000	900,998	941,999
Abatements and adjustments	-	(2,673)	(1,717)
Discount on current year taxes	<u>(34,000)</u>	<u>(32,020)</u>	<u>(34,131)</u>
Net municipal taxes	867,000	866,305	906,151
Potash tax share	212,600	212,646	221,267
Trailer license fees	-	-	-
Penalties on tax arrears	12,000	7,746	14,620
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	<u>1,091,600</u>	<u>1,086,697</u>	<u>1,142,038</u>
UNCONDITIONAL GRANTS			
Revenue sharing	233,900	233,913	234,754
Organized Hamlet	-	-	-
Other (Safe Restart)	-	-	<u>42,474</u>
Total Unconditional Grants	<u>233,900</u>	<u>233,913</u>	<u>277,228</u>
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Provincial - Central Services	-	-	-
Sasktel	8,400	8,431	4,046
Other (WCB)	-	482	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	<u>8,400</u>	<u>8,913</u>	<u>4,046</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 1,333,900</u>	<u>1,329,523</u>	<u>1,423,312</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315

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>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 720	40	153
Sales of supplies	2,200	2,452	3,128
Other (rentals, appeal fees)	200	5,469	1,000
Total Fees and Charges	3,120	7,961	4,281
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	-	(8,028)
Investment income and commissions	11,200	17,841	20,204
Other	-	-	-
Total other segmented revenue	14,320	25,802	16,457
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>14,320</u>	<u>25,802</u>	<u>16,457</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>14,320</u>	<u>25,802</u>	<u>16,457</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other Fees and Charges (Fire Fees)	40,000	38,591	67,595
Total Fees and Charges	40,000	38,591	67,595
Tangible capital asset sales - gain (loss)	-	-	-
Other (Donations)	10,000	4,500	14,600
Total other segmented revenue	50,000	43,091	82,195
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>50,000</u>	<u>43,091</u>	<u>82,195</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>50,000</u>	<u>43,091</u>	<u>82,195</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315

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>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 10,000	4,564	27,779
Sales of supplies	7,000	4,850	14,175
Road Maintenance and Restoration Agreements	8,000	8,413	9,929
Other (Road Allowance Rental)	300	-	300
Total Fees and Charges	25,300	17,827	52,183
Tangible capital asset sales - gain (loss)	-	-	(35,236)
Other	-	-	-
Total other segmented revenue	25,300	17,827	16,947
Conditional Grants			
Federal - Primary Weight Corridor	10,200	10,200	10,200
Student employment	-	-	-
Other (photo speed enforcement)	-	4,104	-
Total Conditional Grants	10,200	14,304	10,200
Total Operating	35,500	32,131	27,147
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	65,000	86,757	63,012
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial Disaster Assistance	-	-	-
Other (Municipal Economic Enhancement program)	-	-	102,335
Total Capital	65,000	86,757	165,347
Restructuring Revenue	-	-	-
Total Transportation Services	100,500	118,888	192,494
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	49,000	47,052	51,735
Other (Cemetery Fees)	20	48	108
Total Fees and Charges	49,020	47,100	51,843
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	49,020	47,100	51,843
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other (Pest Control)	3,800	4,139	2,119
Total Conditional Grants	3,800	4,139	2,119
Total Operating	52,820	51,239	53,962
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Environmental and Public Health Services Services	52,820	51,239	53,962

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315

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>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ 500	400	1,000
Other	-	-	-
Total Fees and Charges	500	400	1,000
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	500	400	1,000
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>500</u>	<u>400</u>	<u>1,000</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>500</u>	<u>400</u>	<u>1,000</u>
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Sales of supplies	-	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Donations	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>-</u>	<u>-</u>	<u>-</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315

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>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ -	(70)	539
Sewer	-	-	-
Other	-	-	-
Total Fees and Charges	-	(70)	539
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	(70)	539
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	(70)	539
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Utility Services	-	(70)	539
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 218,140</u>	<u>239,350</u>	<u>346,647</u>
 SUMMARY			
Total Other Segmented Revenue	\$ 139,140	134,150	168,981
Total Conditional Grants	14,000	18,443	12,319
Total Capital Grants and Contributions	65,000	86,757	165,347
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	<u>\$ 218,140</u>	<u>239,350</u>	<u>346,647</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315

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>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 24,530	24,352	28,812
Wages and benefits	121,892	105,631	103,287
Professional/Contractual services	76,400	89,057	72,158
Utilities	5,500	5,984	2,788
Maintenance, materials, and supplies	60,000	52,793	22,466
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	12,318	446
Interest	7,600	72	-
Allowance for uncollectibles	-	1,700	-
Other (elections)	-	-	3,988
General Government Services	<u>295,922</u>	<u>291,907</u>	<u>233,945</u>
Restructuring	-	-	-
Total General Government Services	<u>295,922</u>	<u>291,907</u>	<u>233,945</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	41,000	39,308	34,897
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Fire protection			
Wages and benefits	-	-	-
Professional/Contractual services	41,200	20,924	50,297
Utilities	-	313	-
Maintenance, materials, and supplies	59,500	40,119	35,555
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	24,978	10,346
Interest	-	3,761	-
Other	-	-	-
Protective Services	<u>141,700</u>	<u>129,403</u>	<u>131,095</u>
Restructuring	-	-	-
Total Protective Services	<u>141,700</u>	<u>129,403</u>	<u>131,095</u>
TRANSPORTATION SERVICES			
Wages and benefits	323,500	310,157	254,641
Professional/Contractual services	238,000	152,503	81,090
Utilities	24,500	13,636	16,368
Maintenance, materials, and supplies	201,600	195,669	124,753
Gravel	105,000	147,865	58,067
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	191,029	180,036
Interest	-	49	-
Other	-	-	-
Transportation Services	<u>892,600</u>	<u>1,010,908</u>	<u>714,955</u>
Restructuring	-	-	-
Total Transportation Services	<u>892,600</u>	<u>1,010,908</u>	<u>714,955</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315

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>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	28,800	27,626	25,623
Professional/Contractual services	47,500	43,731	47,495
Utilities	-	-	-
Maintenance, materials, and supplies	1,200	1,213	1,316
Grants and contributions			
-operating			
Waste disposal	-	-	-
Public health	2,500	2,658	2,136
-capital			
Waste disposal	-	-	-
Public health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	<u>80,000</u>	<u>75,228</u>	<u>76,570</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services	<u>80,000</u>	<u>75,228</u>	<u>76,570</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	10,700	3,845	9,945
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Planning and Development Services	<u>10,700</u>	<u>3,845</u>	<u>9,945</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>10,700</u>	<u>3,845</u>	<u>9,945</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions			
-operating	5,700	8,637	5,732
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	<u>5,700</u>	<u>8,637</u>	<u>5,732</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>5,700</u>	<u>8,637</u>	<u>5,732</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315

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>
UTILITY SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	-	221	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Utility Services	-	221	-
Restructuring	-	-	-
Total Utility Services	-	221	-
 TOTAL EXPENDITURES BY FUNCTION	 \$ 1,426,622	 1,520,149	 1,172,242

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315

Schedule 4

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2021

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 7,961	38,591	17,827	47,100	400	-	(70)	111,809
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	17,841	-	-	-	-	-	-	17,841
Other revenues	-	4,500	-	-	-	-	-	4,500
Grants - Conditional	-	-	14,304	4,139	-	-	-	18,443
Grants - Capital	-	-	86,757	-	-	-	-	86,757
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>25,802</u>	<u>43,091</u>	<u>118,888</u>	<u>51,239</u>	<u>400</u>	<u>-</u>	<u>(70)</u>	<u>239,350</u>
Expenses (Schedule 3)								
Wages & Benefits	129,983	-	310,157	27,626	-	-	-	467,766
Professional/Contractual Services	89,057	60,232	152,503	43,731	3,845	-	-	349,368
Utilities	5,984	313	13,636	-	-	-	221	20,154
Maintenance, materials and supplies	52,793	40,119	343,534	1,213	-	-	-	437,659
Grants and contributions	-	-	-	2,658	-	8,637	-	11,295
Amortization	12,318	24,978	191,029	-	-	-	-	228,325
Interest	72	3,761	49	-	-	-	-	3,882
Allowance for uncollectibles	1,700	-	-	-	-	-	-	1,700
Other	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>291,907</u>	<u>129,403</u>	<u>1,010,908</u>	<u>75,228</u>	<u>3,845</u>	<u>8,637</u>	<u>221</u>	<u>1,520,149</u>
Surplus (deficit) by function	(266,105)	(86,312)	(892,020)	(23,989)	(3,445)	(8,637)	(291)	(1,280,799)
Taxation and other unconditional revenue (Schedule 1)								<u>1,329,523</u>
Net Surplus (Deficit)								<u>\$ 48,724</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315

Schedule 5

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2020

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 4,281	67,595	52,183	51,843	1,000	-	539	177,441
Tangible capital asset sales - Gain (loss)	-	-	(35,236)	-	-	-	-	(35,236)
Land sales - Gain (loss)	(8,028)	-	-	-	-	-	-	(8,028)
Investment income and commissions	20,204	-	-	-	-	-	-	20,204
Other revenues	-	14,600	-	-	-	-	-	14,600
Grants - Conditional	-	-	10,200	2,119	-	-	-	12,319
Grants - Capital	-	-	165,347	-	-	-	-	165,347
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>16,457</u>	<u>82,195</u>	<u>192,494</u>	<u>53,962</u>	<u>1,000</u>	<u>-</u>	<u>539</u>	<u>346,647</u>
Expenses (Schedule 3)								
Wages & Benefits	132,099	-	254,641	25,623	-	-	-	412,363
Professional/Contractual Services	72,158	85,194	81,090	47,495	9,945	-	-	295,882
Utilities	2,788	-	16,368	-	-	-	-	19,156
Maintenance, materials and supplies	22,466	35,555	182,820	1,316	-	-	-	242,157
Grants and contributions	-	-	-	2,136	-	5,732	-	7,868
Amortization	446	10,346	180,036	-	-	-	-	190,828
Interest	-	-	-	-	-	-	-	-
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	3,988	-	-	-	-	-	-	3,988
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>233,945</u>	<u>131,095</u>	<u>714,955</u>	<u>76,570</u>	<u>9,945</u>	<u>5,732</u>	<u>-</u>	<u>1,172,242</u>
Surplus (deficit) by function	(217,488)	(48,900)	(522,461)	(22,608)	(8,945)	(5,732)	539	(825,595)
Taxation and other unconditional revenue (Schedule 1)								<u>1,423,312</u>
Net Surplus (Deficit)								<u>\$ 597,717</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315
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			
Asset cost									
Opening asset costs	\$ -	37,722	663,548	220,568	1,239,036	3,402,931	-	5,563,805	5,407,724
Additions during the year	-	-	14,248	-	267,566	227,688	260,000	769,502	438,552
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	(282,471)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing asset costs	<u>-</u>	<u>37,722</u>	<u>677,796</u>	<u>220,568</u>	<u>1,506,602</u>	<u>3,630,619</u>	<u>260,000</u>	<u>6,333,307</u>	<u>5,563,805</u>
Accumulated amortization cost									
Opening accumulated amortization costs	-	-	65,572	86,680	322,578	2,921,608	-	3,396,438	3,346,845
Add: Amortization taken	-	-	13,894	16,593	121,366	76,472	-	228,325	190,828
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(141,235)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>-</u>	<u>-</u>	<u>79,466</u>	<u>103,273</u>	<u>443,944</u>	<u>2,998,080</u>	<u>-</u>	<u>3,624,763</u>	<u>3,396,438</u>
Net book value	<u>\$ -</u>	<u>37,722</u>	<u>598,330</u>	<u>117,295</u>	<u>1,062,658</u>	<u>632,539</u>	<u>260,000</u>	<u>2,708,544</u>	<u>2,167,367</u>

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

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315
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
Asset cost								Total
Opening asset costs	\$ 42,615	235,241	5,250,588	12,728	-	-	22,633	5,563,805
Additions during the year	59,360	366,445	343,697	-	-	-	-	769,502
Disposals and write-downs during the year	-	-	-	-	-	-	-	(282,471)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing asset costs	<u>101,975</u>	<u>601,686</u>	<u>5,594,285</u>	<u>12,728</u>	<u>-</u>	<u>-</u>	<u>22,633</u>	<u>6,333,307</u>
Accumulated amortization cost								
Opening accumulated amortization costs	25,891	53,522	3,317,025	-	-	-	-	3,396,438
Add: Amortization taken	12,318	24,978	191,029	-	-	-	-	228,325
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	(141,235)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>38,209</u>	<u>78,500</u>	<u>3,508,054</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,624,763</u>
Net book value	<u>\$ 63,766</u>	<u>523,186</u>	<u>2,086,231</u>	<u>12,728</u>	<u>-</u>	<u>-</u>	<u>22,633</u>	<u>2,708,544</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315

SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2021

	<u>2020</u>	<u>Changes</u>	<u>2021</u>
UNAPPROPRIATED SURPLUS	\$ <u>1,716,047</u>	<u>(459,961)</u>	<u>1,256,086</u>
APPROPRIATED RESERVES			
Machinery and equipment	468,359	100,000	568,359
Public reserve	17,042	-	17,042
Capital trust	-	-	-
Utility	-	-	-
Other	<u>600,000</u>	<u>(100,000)</u>	<u>500,000</u>
Total Appropriated	<u>1,085,401</u>	<u>-</u>	<u>1,085,401</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	2,167,367	541,177	2,708,544
Less: Related debt	<u>(345,095)</u>	<u>(32,492)</u>	<u>(377,587)</u>
Net Investment in Tangible Capital Assets	<u>1,822,272</u>	<u>508,685</u>	<u>2,330,957</u>
Total Accumulated Surplus	\$ <u>4,623,720</u>	<u>48,724</u>	<u>4,672,444</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF MONTROSE #315

SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2021

	PROPERTY CLASS						Total
	<u>Agriculture</u>	<u>Residential</u>	<u>Residential Condominium</u>	<u>Seasonal Residential</u>	<u>Commercial & Industrial</u>	<u>Potash Mine(s)</u>	
Taxable Assessment	\$ 93,990,685	31,484,353	-	100,320	6,523,325	-	\$ 132,098,683
Regional Park Assessment							-
Total Assessment							\$ 132,098,683
Mill Rate Factor(s)	0.8000	0.8000	-	0.8000	1.5000		
Total Base/Minimum Tax (generated for each property class)	<u>15,456</u>	<u>117,000</u>	<u>-</u>	<u>-</u>	<u>7,790</u>		<u>140,246</u>
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ <u>535,096</u>	<u>293,312</u>	<u>-</u>	<u>562</u>	<u>72,028</u>		<u>900,998</u>

MILL RATES:

	<u>MILLS</u>
Average Municipal*	6.821
Average School*	2.416
Potash Mill Rate	-
Uniform Municipal Mill Rate	7.000

* 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.

RURAL MUNICIPALITY OF MONTROSE #315**SCHEDULE OF COUNCIL REMUNERATION****Year ended December 31, 2021**

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Reeve	Ray French	\$ 5,604	-	5,604
Councillor	Greg Anderson	4,100	342	4,442
Councillor	Judy Curren	4,435	118	4,553
Councillor	Robert Haugen	2,681	-	2,681
Councillor	Glen Kearnan	1,925	188	2,113
Councillor	Tim Kuiack	2,000	180	2,180
Councillor	Casey Schumacher	<u>2,018</u>	<u>12</u>	<u>2,030</u>
Total		<u>\$ 22,763</u>	<u>840</u>	<u>23,603</u>

See accompanying notes to the financial statements.