

Rural Municipality of St. Louis No. 431
Non-Consolidated Financial Statements
December 31, 2021

Management's Responsibility

Independent Auditor's Report

Non-Consolidated Financial Statements

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Management's Responsibility

To the Ratepayers of the Rural Municipality of St. Louis No. 431:

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. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

Council is composed entirely of council members who are neither management nor employees of the Municipality. Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the annual financial statements. Council fulfils these responsibilities by reviewing the financial information and discussing relevant matters with management. Council is also responsible for the appointment of the Municipality's external auditors.

MNP LLP is appointed by 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 with both management and Council to discuss their audit findings.

June 1, 2022



Reeve



Administrator

To the Reeve and Councillors of the Rural Municipality of St. Louis No. 431:

Qualified Opinion

We have audited the non-consolidated financial statements of the Rural Municipality of St. Louis No. 431 (the "Municipality"), which comprise the non-consolidated statement of financial position as at December 31, 2021, and the non-consolidated statements of operations, changes in net financial assets, cash flows and the related schedules for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Municipality as at December 31, 2021, and the results of its non-consolidated operations, changes in its net financial assets and its non-consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

During our annual assessment of the consolidation of Wheatland Rail Inc., the operator of a short-line rail in north east Saskatchewan in which the Municipality owns 40.7% interest, we were unable to obtain information deemed to be essential to conclude on our assessment of the appropriate accounting treatment. Consequently, we were unable to perform the procedures we considered necessary to conclude on the appropriateness of management's preparation under the modified equity method. As outlined in Note 8, Wheatland Rail Inc. has not been consolidated within the financial statements.

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 Non-Consolidated 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 non-consolidated 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 qualified opinion.

Responsibilities of Management, Reeve and Council for the Non-Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated 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 either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

The Reeve and council are responsible for overseeing the Municipality's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements

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

Humboldt, Saskatchewan

June 1, 2022


MNP LLP

Chartered Professional Accountants

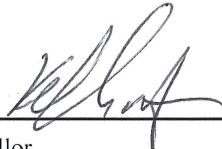
Rural Municipality of St. Louis No. 431
Non-Consolidated Statement of Financial Position
As at December 31, 2021

Statement 1

	2021	2020
ASSETS		
Financial Assets		
Cash and Temporary Investments <i>(Note 2)</i>	1,756,595	1,497,046
Taxes Receivable - Municipal <i>(Note 3)</i>	147,011	256,667
Other Accounts Receivable <i>(Note 4)</i>	250,664	344,290
Land for Resale <i>(Note 5)</i>	-	-
Investments <i>(Note 6)</i>	3,776,249	3,630,833
Total Financial Assets	5,930,519	5,728,836
LIABILITIES		
Accounts Payable	89,097	187,805
Due to St. Louis Fire Agreement	9,832	3,931
Utility Deposits	4,589	4,314
Deferred Revenue <i>(Note 7)</i>	436,011	416,164
Total Liabilities	539,529	612,214
NET FINANCIAL ASSETS	5,390,990	5,116,622
Non-Financial Assets		
Tangible Capital Assets <i>(Schedule 6, 7)</i>	3,437,743	3,292,284
Prepayments and Deferred Charges	8,454	31,860
Stock and Supplies	189,924	217,158
Total Non-Financial Assets	3,636,121	3,541,302
Accumulated Surplus <i>(Schedule 8)</i>	9,027,111	8,657,924



Reeve



Councillor

Rural Municipality of St. Louis No. 431
Non-Consolidated Statement of Operations
For the year ended December 31, 2021

Statement 2

	2021 Budget	2021	2020
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	1,967,980	2,002,957	2,081,033
Fees and Charges (Schedule 4, 5)	375,850	298,714	472,971
Conditional Grants (Schedule 4, 5)	10,150	37,856	78,122
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)	-	(16,875)	(1,460)
Land Sales - Gain (Loss) (Schedule 4, 5)	-	(9,431)	-
Investment Income and Commissions (Schedule 4, 5)	27,750	36,117	54,699
Other Revenues (Schedule 4, 5)	-	197,513	207,381
Total Revenues	2,381,730	2,546,851	2,892,746
Expenses			
General Government Services (Schedule 3)	387,850	312,395	306,909
Protective Services (Schedule 3)	115,950	113,925	84,530
Transportation Services (Schedule 3)	1,444,610	1,482,790	1,407,877
Environmental and Public Health Services (Schedule 3)	63,780	68,828	81,407
Planning and Development Services (Schedule 3)	196,000	(24,913)	3,884
Recreation and Cultural Services (Schedule 3)	44,110	35,378	35,730
Utility Services (Schedule 3)	303,450	249,519	247,135
Total Expenses	2,555,750	2,237,922	2,167,472
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(174,020)	308,929	725,274
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	110,000	60,258	252,947
Surplus (Deficit) of Revenues over Expenses	(64,020)	369,187	978,221
Accumulated Surplus, Beginning of Year	8,657,924	8,657,924	7,679,703
Accumulated Surplus, End of Year	8,593,904	9,027,111	8,657,924

The accompanying notes are an integral part of these financial statements

Rural Municipality of St. Louis No. 431

Non-Consolidated Statement of Changes in Net Financial Assets

For the year ended December 31, 2021

Statement 3

	2021 Budget	2021	2020
Surplus (Deficit)	(64,020)	369,187	978,221
(Acquisition) of Tangible Capital Assets	(841,000)	(540,566)	(320,632)
Amortization of Tangible Capital Assets	263,900	324,232	255,099
Proceeds on Disposal of Tangible Capital Assets	54,000	54,000	-
Loss on the Disposal of Tangible Capital Assets	-	16,875	1,460
Deficit of capital expenses over expenditures	(523,100)	(145,459)	(64,073)
Consumption (Acquisition) of Supplies Inventory	-	27,234	140,708
Use (Acquisition) of Prepaid Expense	-	23,406	(19,483)
Surplus of expenses of other non-financial over expenditures	-	50,640	121,225
Increase (Decrease) in Net Financial Assets	(587,120)	274,368	1,035,373
Net Financial Assets - Beginning of Year	5,116,622	5,116,622	4,081,249
Net Financial Assets - End of Year	4,529,502	5,390,990	5,116,622

Rural Municipality of St. Louis No. 431
Non-Consolidated 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	369,187	978,221
Amortization	324,232	255,099
Loss on Disposal of Tangible Capital Assets	16,875	1,460
	710,294	1,234,780
Change in assets/liabilities		
Taxes Receivable - Municipal	109,656	54,204
Other Accounts Receivable	93,626	(116,460)
Accounts Payable	(98,708)	66,984
Due to School Divisions	-	(278)
Due to St. Louis Fire Agreement	5,901	3,931
Utility Deposits	275	200
Deferred Revenue	19,847	67,372
Stock and supplies for use	27,234	140,708
Land for Resale	-	-
Prepayments and Deferred Charges	23,406	(19,483)
Net cash from operations	891,531	1,431,958
Capital:		
Acquisition of capital assets	(540,566)	(320,632)
Proceeds from the disposal of tangible capital assets	54,000	-
Net cash used for capital	(486,566)	(320,632)
Investing:		
Long-term investments	(145,416)	(1,210,898)
Net cash used for investing	(145,416)	(1,210,898)
Increase (Decrease) in cash resources	259,549	(99,572)
Cash and Temporary Investments - Beginning of Year	1,497,046	1,596,618
Cash and Temporary Investments - End of Year	1,756,595	1,497,046

The accompanying notes are an integral part of these financial statements

Rural Municipality of St. Louis No. 431

Notes to the Non-Consolidated Financial Statements

For the year ended December 31, 2021

1. Significant accounting policies

The non-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:

- a) **Basis of Accounting:** The non-consolidated 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 of the organizations that are owned or controlled by the Municipality and are accountable to the Council for the administration of their financial affairs and resources. For the purpose of the financial statements of the Municipality, there are no organizations that require consolidation.
- c) **Collection of Funds for Other Authorities:** Collection of funds by the Municipality for the school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with 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 revenue 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.

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) **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.
- 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 operate as a flow through and are excluded from municipal revenue.

Rural Municipality of St. Louis No. 431
Notes to the Non-Consolidated Financial Statements
For the year ended December 31, 2021

1. Significant accounting policies - continued

- j) **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.
- k) **Inventories:** Inventories of materials and supplies expected to be used by the Municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- l) **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 contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The 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	5 to 20 Yrs
Buildings	10 to 50 Yrs
Vehicles and Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	10 Yrs
<i>Infrastructure Assets</i>	
Infrastructure Assets	10 to 75 Yrs

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.

- m) **Employee Benefit Plans:** Contributions to the Municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the Municipality's obligations are limited to their contributions.
- n) **Measurement Uncertainty:** The preparation of financial statements in conformity with public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period.

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.

Rural Municipality of St. Louis No. 431
Notes to the Non-Consolidated Financial Statements
For the year ended December 31, 2021

1. Significant accounting policies - continued

- o) **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 borrowings.

The 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.

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

- p) **New Standards and Amendments to Standards:**
Effective for Fiscal Years Beginning On or After April 1, 2022:

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

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

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

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

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

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

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

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

Rural Municipality of St. Louis No. 431
Notes to the Non-Consolidated Financial Statements
For the year ended December 31, 2021

	2021	2020
2. Cash and Temporary Investments		
Cash	1,756,595	1,497,046
Total Cash and Temporary Investments	1,756,595	1,497,046
Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less.		
3. Taxes and Grants in Lieu Receivable		
Municipal - Current	74,781	128,091
- Arrears	93,622	153,722
	168,403	281,813
- Less Allowance for Uncollectibles	(21,392)	(25,146)
Total municipal taxes receivable	147,011	256,667
School - Current	19,287	31,403
- Arrears	10,313	24,820
Total school taxes receivable	29,600	56,223
Other - Current	10,862	11,881
- Arrears	11,855	1,300
Total other taxes receivable	22,717	13,181
Total taxes and grants in lieu receivable	199,328	326,071
Deduct taxes receivable to be collected on behalf of other organizations	(52,317)	(69,404)
Municipal and Grants in Lieu Taxes Receivable	147,011	256,667
4. Other Accounts Receivable		
Utility	47,471	45,773
Trade	94,212	217,398
Federal government	88,951	60,847
Provincial government	20,000	20,000
School divisions	30	272
Total Other Accounts Receivable	250,664	344,290
Less Allowance for Uncollectibles	-	-
Net Other Accounts Receivable	250,664	344,290

Rural Municipality of St. Louis No. 431
Notes to the Non-Consolidated Financial Statements
For the year ended December 31, 2021

	2021	2020
5. Land for Resale		
Tax Title Property	5,066	5,066
Allowance for market value adjustment	(2,598)	(2,598)
Deduct portion due to other tax authority (school)	(2,390)	(2,390)
Deduct portion due to other tax authority	(78)	(78)
Total Land for Resale	-	-

6. Investments

Sask. Association of Rural Municipalities - Self Insurance Fund	83,469	78,592
Wheatland Rail (Note 8)	892,780	752,241
Conexus Credit Union Term Deposits	2,800,000	2,800,000
Total Investments	3,776,249	3,630,833

Conexus Credit Union Term Deposits bear interest at 0.55% to 0.65% (2020 - 0.65% to 1.10%), with maturity dates ranging from June 2022 to December 2022.

7. Deferred Revenue

Highway Maintenance and Operation	291,815	348,792
Prepaid Taxes	4,752	-
Canada Community-Building Fund	131,236	-
Municipal Economic Enhancement Program	8,208	67,372
Total Deferred Revenue	436,011	416,164

In 2015, the Municipality took responsibility for all costs relating to the maintenance and operation of a portion of Highway 225 in exchange for \$30,040. In 2016, the Municipality took responsibility for all costs relating to the maintenance and operation of a portion of Highway 2 in exchange for \$320,000. The funds they received from the Ministry of Highways have been recorded as deferred revenue until expenses relating to the operation and maintenance of Highway 225 and Highway 2 have been incurred.

During the current year, the Municipality incurred maintenance costs relating to Highway 2 in the amount of \$56,975.

Rural Municipality of St. Louis No. 431
Notes to the Non-Consolidated Financial Statements
For the year ended December 31, 2021

8. Government Business Partnership

The Municipality has a 40.7% ownership interest in Wheatland Rail Incorporated (WRI). Previously, the Municipality had consolidated its proportion of WRI in accordance with PS 2500. Due to a change in circumstances effective January 1, 2019, Wheatland Rail Inc. was deemed to be a Government Business Partnership for the year ended December 31, 2019 with the investment being subsequently reported under the modified equity method.

As a result of the above assessment, the Municipality's investment in WRI of \$892,780 (2020 - \$752,241) has been recorded as a non-financial asset. The investment represents the Municipality's 40.7% interest in WRI's accumulated surplus.

During 2020, the Municipality entered into an agreement with WRI to sell approximately 5,600 yards of gravel over a three-year term for \$168,883 plus applicable taxes. Collection is to be received via thirty-five monthly payments of \$4,762 plus applicable taxes. Of the total sales recorded, \$82,276 remains as a receivable at December 31, 2021 (Note 4).

9. Long-term Debt

The debt limit of the Municipality is \$2,304,491. The debt limit of a municipality is the total amount of the municipality's own source revenues for the preceding year (the Municipalities Act section 161).

10. Commitments and Contingent Liabilities

During the year, the Municipality has committed to providing an annual contribution of \$5,500 annually to the St. Louis Fire Department for the replacement of fire fighter personal protective clothing.

The Municipality has committed to complete the Chicot Lake Flood Control Project. The estimated total cost of the project is \$1,294,800; of which, \$1,238,131 has been incurred up to the reporting date. The Municipality has entered into an agreement whereas funding will be received for 66 2/3 percent of the total eligible expenditures up to a maximum grant of \$800,000. At the reporting date, \$760,000 of the respective funding has been received by the Municipality.

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. Budget figures

On July 7, 2021, the Council approved its operating budget on planned expenses relating to the current year funding and other current year sources of revenue.

12. Liability for Contaminated Site

The Municipality has closed the waste transfer station and is currently engaged in a multi-stage post-closure liability assessment to determine whether contamination exists at the site and a post-closure obligation to remediate is required. As the assessment requires two further tests to be completed in 2022 in order to determine the extent of the potential contamination, no potential post-closure estimate has been made nor has a resulting accrual been recognized.

Rural Municipality of St. Louis No. 431
Notes to the Non-Consolidated Financial Statements
For the year ended December 31, 2021

13. Pension Plan

The Municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality's pension expense in 2021 was \$44,312 (2020 - \$42,339). 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.

14. Comparative Figures

Certain comparative figures have been reclassified to conform with current year presentation.

15. Significant Event

Since March of 2020, the global outbreak of COVID-19 (coronavirus) has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Municipality as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

Rural Municipality of St. Louis No. 431

Non-Consolidated 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	1,592,020	1,621,697	1,608,350
	Abatements and adjustments	-	(1,351)	(6,057)
	Discount on current year taxes	(74,620)	(76,748)	(72,444)
	Net Municipal Taxes	1,517,400	1,543,598	1,529,849
	Penalties on tax arrears	10,500	10,113	13,927
	Special tax levy	24,690	24,673	23,886
Total Taxes		1,552,590	1,578,384	1,567,662
UNCONDITIONAL GRANTS				
	Equalization (Revenue Sharing)	354,480	354,482	357,489
	Safe Restart	-	-	64,784
	Organized Hamlet	28,950	28,948	29,190
Total Unconditional Grants		383,430	383,430	451,463
GRANTS IN LIEU OF TAXES				
	Federal	31,960	41,143	61,882
	Local/Other			
	Treaty Land Entitlement	-	-	26
Total Grants in Lieu of Taxes		31,960	41,143	61,908
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE		1,967,980	2,002,957	2,081,033

Rural Municipality of St. Louis No. 431
Non-Consolidated 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			
- Sales of supplies	4,060	2,326	4,116
- Rentals	16,000	16,300	17,800
Total Fees and Charges	20,060	18,626	21,916
- Land sales - gain (loss)	-	(9,431)	-
- Investment income and commissions	27,750	36,117	54,699
Total Other Segmented Revenue	47,810	45,312	76,615
Total Operating	47,810	45,312	76,615
Total General Government Services	47,810	45,312	76,615

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other	35,590	30,538	19,007
Total Fees and Charges	35,590	30,538	19,007
Total Other Segmented Revenue	35,590	30,538	19,007
Total Operating	35,590	30,538	19,007
Total Protective Services	35,590	30,538	19,007

TRANSPORTATION SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	6,400	4,366	6,209
- Sales of supplies	57,140	-	169,614
- Road maintenance fees	10,000	3,768	8,326
Total Fees and Charges	73,540	8,134	184,149
- Highway contract maintenance	-	56,975	-
- Tangible capital asset sales - gain (loss)	-	(16,875)	(1,460)
Total Other Segmented Revenue	73,540	48,234	182,689
Conditional Grants			
- Clearing the Path	-	24,440	24,440
- Provincial Traffic Safety Fund	-	-	7,516
- Student Employment Grant	5,000	2,406	2,831
- Trans Gas - Mitigation	-	1,088	1,088
Total Conditional Grants	5,000	27,934	35,875
Total Operating	78,540	76,168	218,564

Rural Municipality of St. Louis No. 431

Non-Consolidated Schedule of Operating and Capital Revenue by Function

For the year ended December 31, 2021

Schedule 2 - 2

	2021 Budget	2021	2020
TRANSPORTATION SERVICES (CONTINUED)			
Capital			
Conditional Grants			
- Canada Community-Building Fund	60,000	1,093	96,111
- Department of Highways	-	-	82,636
- Municipal Economic Enhancement Program	-	59,165	74,200
Total Capital	60,000	60,258	252,947
Total Transportation Services	138,540	136,426	471,511

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other (<i>Beaver Bounties</i>)	-	1,365	1,275
Total Fees and Charges	-	1,365	1,275
Total Other Segmented Revenue	-	1,365	1,275
Conditional Grants			
- Landfill Environmental Site Assessment Program	-	-	22,500
- Local Government	3,450	3,201	3,454
Total Conditional Grants	3,450	3,201	25,954
Total Operating	3,450	4,566	27,229
Total Environmental and Public Health Services	3,450	4,566	27,229

PLANNING AND DEVELOPMENT SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Share of Wheatland Rail Inc. Income	-	140,538	207,381
Total Fees and Charges	-	140,538	207,381
Total Other Segmented Revenue	-	140,538	207,381
Total Operating	-	140,538	207,381
Capital			
Conditional Grants			
- FCM's Municipal Asset Management Program	50,000	-	-
Total Capital	50,000	-	-
Total Planning and Development Services	50,000	140,538	207,381

Rural Municipality of St. Louis No. 431

Non-Consolidated Schedule of Operating and Capital Revenue by Function

For the year ended December 31, 2021

Schedule 2 - 3

	2021 Budget	2021	2020
RECREATION AND CULTURAL SERVICES			
Operating			
Conditional Grants			
- Community Rink Affordability Grant	-	5,000	-
- Sask Lotteries Trust Fund	1,700	1,721	1,777
Total Operating	1,700	6,721	1,777
Total Recreation and Cultural Services	1,700	6,721	1,777

UTILITY SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	221,230	214,256	221,192
- Waste	25,430	25,795	25,432
Total Fees and Charges	246,660	240,051	246,624
Total Other Segmented Revenue	246,660	240,051	246,624
Conditional Grants			
- Municipal Economic Enhancement Program	-	-	14,516
Total Conditional Grants	-	-	14,516
Total Operating	246,660	240,051	261,140
Total Utility Services	246,660	240,051	261,140

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	523,750	604,152	1,064,660
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SUMMARY

Total Other Segmented Revenue	403,600	506,038	733,591
Total Conditional Grants	10,150	37,856	78,122
Total Capital Grants and Contributions	110,000	60,258	252,947
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	523,750	604,152	1,064,660

Rural Municipality of St. Louis No. 431
Non-Consolidated Schedule of Expenses by Function
For the year ended December 31, 2021

Schedule 3 - 1

	2021 Budget	2021	2020
GENERAL GOVERNMENT SERVICES			
Council Remuneration and Travel	43,990	41,477	42,433
Wages and Benefits	152,430	143,593	138,340
Professional/Contractual Services	116,670	56,375	52,177
Utilities	10,340	10,155	10,030
Maintenance, Materials and Supplies	53,220	50,679	50,770
Grants and Contributions - Operating	200	2,700	2,200
Allowance for uncollectible (recoveries)	-	(3,754)	-
Amortization	11,000	11,170	10,959
Total Government Services	387,850	312,395	306,909

PROTECTIVE SERVICES

Police protection

Professional/Contractual Services	58,590	58,641	56,882
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Fire protections

Wages and Benefits	12,690	20,653	10,799
Maintenance, Materials and Supplies	15,850	17,898	1,783
Utilities	5,020	3,431	4,872
Grants and Contributions - Operating	17,000	1,189	3,469
Professional/Contractual Services	4,400	9,745	4,357
Amortization	2,400	2,368	2,368

Total Protective Services	115,950	113,925	84,530
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TRANSPORTATION SERVICES

Council Remuneration and Travel	41,280	40,264	40,078
Wages and Benefits	396,000	453,357	381,718
Professional/Contractual Services	96,500	99,155	35,721
Utilities	27,290	25,135	30,790
Maintenance, Materials, and Supplies	449,910	413,185	323,722
Gravel	201,530	167,060	294,532
Amortization	230,000	284,634	221,666
Highway Construction	-	-	77,550
Provincial Disaster Assistance (Special Project)	2,100	-	2,100

Total Transportation Services	1,444,610	1,482,790	1,407,877
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Schedule 3 - 2

TOTAL EXPENSES BY FUNCTION	2,555,750	2,237,922	2,167,472
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Rural Municipality of St. Louis No. 431
Non-Consolidated 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 and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	18,626	30,538	8,134	1,365	-	-	240,051	298,714
Tangible Capital Asset Sales - Gain (Loss)	-	-	(16,875)	-	-	-	-	(16,875)
Land Sales - Gain (Loss)	(9,431)	-	-	-	-	-	-	(9,431)
Investment Income and Commissions	36,117	-	-	-	-	-	-	36,117
Other Revenues	-	-	56,975	-	140,538	-	-	197,513
Grants - Conditional	-	-	27,934	3,201	-	6,721	-	37,856
- Capital	-	-	60,258	-	-	-	-	60,258
Total Revenues	45,312	30,538	136,426	4,566	140,538	6,721	240,051	604,152
Expenses (Schedule 3)								
Wages and Benefits	185,070	20,653	493,621	-	-	-	38,909	738,253
Professional/Contractual Services (recoveries)	56,375	68,386	99,155	62,578	(24,913)	-	783	262,364
Utilities	10,155	3,431	25,135	-	-	-	142,955	181,676
Maintenance, Materials and Supplies	50,679	17,898	580,245	-	-	5,971	41,695	696,488
Grants and Contributions	2,700	1,189	-	6,250	-	28,524	-	38,663
Amortization	11,170	2,368	284,634	-	-	883	25,177	324,232
Allowance for uncollectible (recoveries)	(3,754)	-	-	-	-	-	-	(3,754)
Other	-	-	-	-	-	-	-	-
Total Expenses	312,395	113,925	1,482,790	68,828	(24,913)	35,378	249,519	2,237,922
Surplus (Deficit) by Function	(267,083)	(83,387)	(1,346,364)	(64,262)	165,451	(28,657)	(9,468)	(1,633,770)
Taxation and Other Unconditional Revenue (Schedule 1)								2,002,957
Net Surplus								369,187

Rural Municipality of St. Louis No. 431
Non-Consolidated Schedule of Segment Disclosure by Function
For the year ended December 31, 2020

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	21,916	19,007	184,149	1,275	-	-	246,624	472,971
Tangible Capital Asset Sales - Gain (Loss)	-	-	(1,460)	-	-	-	-	(1,460)
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	54,699	-	-	-	-	-	-	54,699
Other Revenues	-	-	-	-	207,381	-	-	207,381
Grants - Conditional	-	-	35,875	25,954	-	1,777	14,516	78,122
- Capital	-	-	252,947	-	-	-	-	252,947
Total Revenues	76,615	19,007	471,511	27,229	207,381	1,777	261,140	1,064,660
Expenses (Schedule 3)								
Wages and Benefits	180,773	10,799	421,796	-	-	-	38,055	651,423
Professional/Contractual Services	52,177	61,239	35,721	76,507	3,884	-	676	230,204
Utilities	10,030	4,872	30,790	-	-	-	118,826	164,518
Maintenance, Materials and Supplies	50,770	1,783	618,254	-	-	7,077	70,755	748,639
Grants and Contributions	2,200	3,469	-	4,500	-	27,770	-	37,939
Amortization	10,959	2,368	221,666	400	-	883	18,823	255,099
Allowance for uncollectible (recoveries)	-	-	-	-	-	-	-	-
Other	-	-	79,650	-	-	-	-	79,650
Total Expenses	306,909	84,530	1,407,877	81,407	3,884	35,730	247,135	2,167,472
Surplus (Deficit) by Function	(230,294)	(65,523)	(936,366)	(54,178)	203,497	(33,953)	14,005	(1,102,812)

Taxation and Other Unconditional Revenue (Schedule 1)

2,081,033

Net Surplus

978,221

Rural Municipality of St. Louis No. 431
Non-Consolidated Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2021

Schedule 6

		2021					2020
		General Assets				Infrastructure Assets	
		Land	Land Improvements	Buildings	Machinery and Equipment	Linear Assets	
Assets	Asset cost						
	Opening Asset Costs	318,400	12,300	654,728	2,480,559	7,405,334	10,871,321
	Additions During the Year	-	-	-	406,335	134,231	540,566
	Disposals and Write-downs During the Year	-	-	-	(141,750)	-	(141,750)
Closing Asset Costs		318,400	12,300	654,728	2,745,144	7,539,565	11,270,137
Amortization	Accumulated Amortization Cost						
	Opening Accumulated Amortization Costs	-	12,295	336,612	1,088,586	6,141,542	7,579,037
	Add: Amortization Taken	-	-	14,512	211,199	98,521	324,232
	Less: Accumulated Amortization on Disposals	-	-	-	(70,875)	-	(70,875)
Closing Accumulated Amortization Costs		-	12,295	351,124	1,228,910	6,240,063	7,832,394
Net Book Value		318,400	5	303,604	1,516,234	1,299,502	3,437,743

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

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

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

3. Amount of interest capitalized in 2021 \$ -

Rural Municipality of St. Louis No. 431
Non-Consolidated Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2021

Schedule 7

		2021							2020	
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total	Total
Assets	Asset cost									
	Opening Asset Costs	322,884	33,226	8,712,412	6,000	14,190	195,154	1,587,455	10,871,321	10,557,989
	Additions during the year	2,109	-	443,142	-	-	-	95,315	540,566	320,632
	Disposals and write-downs during the Year	-	-	(141,750)	-	-	-	-	(141,750)	(7,300)
	Closing Asset Costs	324,993	33,226	9,013,804	6,000	14,190	195,154	1,682,770	11,270,137	10,871,321
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	156,508	14,917	6,220,550	6,000	5,917	179,859	995,284	7,579,037	7,329,778
	Add: Amortization taken	11,170	2,368	284,634	-	-	883	25,177	324,232	255,099
	Less: Accumulated amortization on disposals	-	-	(70,875)	-	-	-	-	(70,875)	(5,840)
	Closing Accumulated Amortization Costs	167,678	17,285	6,434,309	6,000	5,917	180,742	1,020,461	7,832,394	7,579,037
Net Book Value		157,315	15,941	2,579,495	-	8,273	14,412	662,309	3,437,743	3,292,284

Rural Municipality of St. Louis No. 431
Non-Consolidated Schedule of Accumulated Surplus
For the year ended December 31, 2021

Schedule 8

	2020	Changes	2021
UNAPPROPRIATED SURPLUS	4,084,559	153,755	4,238,314
APPROPRIATED RESERVES			
Capital Trust	71,500	-	71,500
Utility	350,500	-	350,500
Dedicated Lands	600	-	600
Total Appropriated	422,600	-	422,600
ORGANIZED HAMLETS			
Hamlet of Hoey	201,012	25,343	226,355
Hamlet of Hoey Water Reserve	78,846	-	78,846
Hamlet of Bellevue	311,382	44,056	355,438
Hamlet of Domremy	267,241	574	267,815
Total Hamlets	858,481	69,973	928,454
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible Capital Assets <i>(Schedule 6)</i>	3,292,284	145,459	3,437,743
Less: Related Debt	-	-	-
Net Investment in Tangible Capital Assets	3,292,284	145,459	3,437,743
Total Accumulated Surplus	8,657,924	369,187	9,027,111

Rural Municipality of St. Louis No. 431
Non-Consolidated 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 and Industrial	Potash Mine(s)	
Taxable Assessment	168,686,820	25,786,487	-	-	7,414,210	-	201,887,517
Regional Park Assessment							-
Total Assessment							201,887,517
Mill Rate Factor(s)	0.97	1.53 & 1.40	-	-	2.90 & 2.50		
Total Base/Minimum Tax (generated for each property class)	7,050	67,500	-	-	4,000		78,550
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,149,510	319,031	-	-	153,156		1,621,697

MILL RATES:	MILLS
Average Municipal*	8.0327
Average School*	1.9539
Potash Mill Rate	-
Uniform Municipal Mill Rate	7.0000

* Average Mill Rates (multiply the total tax levy for each taxing authority by 1,000 and divide by the total assessment for the taxing authority).

Rural Municipality of St. Louis No. 431
Non-Consolidated Schedule of Council Remuneration
For the year ended December 31, 2021

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Emile Boutin	16,288	3,677	19,965
Gilles LeBlanc	10,213	762	10,975
Raymond Parent	9,625	840	10,465
Rene LeBlanc	8,725	799	9,524
Ryan Topping	8,575	587	9,162
Vincent Denis	8,569	1,282	9,851
Kelly Njaa	7,875	905	8,780
Total	69,870	8,852	78,722